



Office of the Director of  
**Telecommunications  
Regulation**

**MEDIA RELEASE**

**Wednesday 13<sup>th</sup> March 2002**

## **Mobile Penetration rate at 79% 1.5 billion SMS sent in 2001**

The ODTR today Wednesday 13<sup>th</sup> March 2002 issued a quarterly review for the period 1<sup>st</sup> October 2001 to 31<sup>st</sup> December 2001. Included in the review are the results of a consumer survey conducted by Irish Marketing Surveys in February 2002 on behalf on the ODTR.

### **Key results show**

- Total revenue for Fixed, mobile and broadcasting markets are approximately €3.26 billion, an increase of approximately 3% since the last quarter.
- New entrants share of the fixed line market is now at 21% and has remained fairly static over the last few quarters.
- There are 2.9 million mobile subscribers; the penetration rate is 79% up 4% since the last quarter. Market share figures for the three mobile operators are 58% Vodafone, 39% Digifone and 3% Meteor. Mobile lines account for nearly 60% of access paths.
- Total number of employees in the telecoms sector is 16,700. The fixed, mobile and cable markets account for approximately 78%, 16% and 6% of the total figure. There has been a decline of approximately 2% since the last quarter.
- In terms of comparative pricing with other European Countries, Ireland now has the cheapest basket of prices in terms of international leased

lines. For international leased lines Ireland now lies in first place and for national leased lines Ireland remains in 7<sup>th</sup> position i.e. 8 positions ahead of the OECD average.

According to the Telecoms Regulator Eoin Doyle “ Despite difficulties in the sector an overall growth rate of 3% was recorded in the quarter , mobile penetration rate grew by 4% and during the quarter Ireland’s position in the international leased line basket improved by one place to 1<sup>st</sup> position . ”

### **Mobile**

The Irish mobile penetration rate has increased to 79% reflecting the growth in mobile phone sales over the Christmas period. This figure is up 4% since the last review and up 12% in twelve months. Ireland now has the 8<sup>th</sup> highest penetration rate in Europe lying 2 places ahead of the European Average and one place ahead of the UK.

The ODTR consumer survey shows that over 90% of 15-24 year olds have mobile phones. According to the survey mobile penetration rate is highest amongst students.

The number of SMS messages sent continues to grow strongly. On average mobile users send 52 SMS per month i.e. 150 million messages a month. The total number of SMS messages sent last year was 1.5 billion approximately. Over the last year there has been nearly a 100% increase in the number of messages sent.

According to the Regulator “The current levels of familiarity and usage of mobile phones and the Internet are key factors in determining the market potential of 3G. The continued growth of the mobile market together with the huge upsurge in text messaging makes Ireland particularly attractive for operators interested in providing 3G services which essentially provide for the fast transfer of data to people on the move.”

### **Fixed Line**

Total fixed line revenue for the quarter is approximately €519 million which accounts for 64% of total telecommunications revenue. Market share for new entrants now stands at approximately 21%.

However the number of Carrier Pre selection (CPS) subscribers has decreased from 160,000 to 145,000 a 9% fall since the last report.

According to the Regulator “We are concerned about the fall in the number of subscribers to CPS as we consider it a key competitive indicator. The ODTR continues to monitor CPS and will continue to do this going forward in order to ensure that fair competitive processes operate in this market. The ODTR consumer survey shows that only 32% of residential consumers are aware of Carrier Pre Selection compared to 78% of business customers according to an ODTR survey in the last quarter. This may be attributable to a lower level of marketing activity in the current year and highlights the importance of actively marketing such products to the consumer in order to boost awareness.”

The consumer survey indicates that 13% of those currently using *eircom* had switched from another supplier. The survey also shows that 8% of adults use a supplier other than *eircom* for their home phone service, a drop of 6 percentage points since the last survey.

Given the overall stability in market share for new entrants i.e. (21%), this would suggest that OLO activity in the commercial sector intensified in the quarter.

### **Internet**

At the end of January 2002 Internet penetration in Ireland was estimated at 34%(Nielsen) compared to 33% in October 2001. Internet penetration continues to increase slowly but those who have internet access at home are making substantially more use of it than previously The ODTR consumer survey shows that internet access at home is higher than average amongst Irish males (50%) and 15 to 24 year olds (59%). Those living in Dublin and in urban areas are most likely to have access at home (56% and 53% respectively).

A copy of the quarterly report is available on the ODTR website [www.odtr.ie](http://www.odtr.ie) ODTR 02/26 “The Irish Communications Market Quarterly Review 1<sup>st</sup> October 2001 to 31<sup>st</sup> December 2001.”

**ENDS**

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