



Commission for
Communications Regulation

Irish Communications Market

Quarterly Key Data Report

Data as of Q4 2013

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Corrigendum to Q3 2013 Report

- WiFi Minutes of Use in Q3 2013 have been revised downwards from 321,365,525 to 312,256,874.
- Total Mobile Subscriptions in Q1 and Q2 2013 have been revised upwards to 5,554,198 and 5,547,973 respectively. Mobile Subscriptions excluding HSDPA and M2M have been revised to 5,011,374 and 4,683,686 respectively.
- The number of smartphone users in Q3 2013 has been revised downwards from 2,684,970 to 2,559,922.
- ComReg has made a revision to fixed line revenues. All revenues were divided between retail and wholesale revenues. Revenue reallocation between revenue segments was also made. Hence, the strict comparisons with fixed line revenue information published in the previous reports cannot be made.

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Summary

During the period Q3 2013 to Q4 2013 overall industry retail revenues decreased by 0.1%. This was at a time when fixed industry retail revenues increased and broadband subscriptions also increased, compared to Q3 2013. Total retail revenues in the twelve months to December 2013 **at €3.15 billion were down from over €3.24 billion** over the 12 months previous. Total broadband subscriptions were 1,689,052 this quarter which was an increase of 0.8% from Q3 2013 and an increase of 1.3% compared to Q4 2012. Overall voice traffic volumes were on the rise this quarter, up by 0.2% this quarter. Presented below is a tabular summary of this quarterly report.

Irish Quarterly Communications Market Data Q4 2013				
	Q4'13	Q3'13	Quarterly Change	Annual change
Total Market Revenues ¹	€788,403,356	€788,989,005	-0.1%	-2.9%
Fixed Line Retail Revenues	€345,598,013	€345,219,344	+0.1%	-5.4%
Mobile Retail Revenues	€399,933,642	€400,690,763	-0.2%	-0.5%
Broadcasting Retail Revenues ²	€42,871,700	€43,078,898	-0.5%	-4.5%
Fixed Line Wholesale Revenues	€120,802,718	€113,821,491	+6.1%	-15.3%
Mobile Wholesale Revenues ³	€83,940,648	-	-	-
Total Voice Traffic (Minutes)	4,150,266,526	4,143,868,983	+0.2%	+0.4%
Fixed Voice Traffic (Minutes)	1,287,011,062	1,289,474,888	-0.2%	-10.6%
Mobile Voice Traffic (Minutes)	2,863,255,464	2,854,394,095	+0.3%	+6.3%
Total Internet Subscriptions ⁴	1,697,619	1,684,294	+0.8%	+1.2%
Total Broadband Subscriptions	1,689,052	1,674,990	+0.8%	+1.3%
Fixed Broadband Subscriptions	1,189,212	1,160,626	+2.5%	+6.9%
Mobile Broadband Subscriptions (HSDPA)	499,840	514,364	-2.8%	-9.9%
Fixed Subscriptions ⁵	1,969,200	1,958,956	+0.5%	+1.5%

¹ Mobile and Fixed line wholesale revenues are excluded from this figure.

² ComReg only captures Cable/MMDS/IPTV revenues from a number of TV providers for Quarterly publication in the Report under broadcasting revenues. The collection and publication of licence fee and/or television (advertising, satellite TV) revenues) does not fall within ComReg's remit and therefore is not included in the broadcasting revenue figure.

³ ComReg has started to gather additional wholesale revenues (such as wholesale access and wholesale roaming revenues) since Q4 2013. Thus, the comparisons with the previous quarters cannot be made.

⁴ The difference between Internet and broadband subscriptions is accounted by narrowband subscriptions.

⁵ Fixed subscriptions to voice, fixed internet and TV services (both single play and bundled subscriptions).

Fixed Voice Subscriptions	1,529,070	1,507,684	+1.4%	+4.4%
Total Mobile Subscriptions (inc. HSDPA and M2M)	5,626,398	5,614,744	+0.2%	+3.0%
Machine to Machine Subscriptions	371,877	342,615	+8.5%	-
Mobile Subscriptions ⁶ (exc. HSDPA and M2M)	4,754,681	4,757,765	-0.1%	-

- Overall electronic communications network and service retail revenues at the end of December 2013 were **€788.4** million for the quarter. Industry revenues decreased by 0.1% this quarter, and declined by 2.9% compared to Q4 2012. The quarterly decrease in revenues was driven by decreases in broadcasting, and mobile revenues.
- The mobile market represents approximately 74.1% of all voice and internet subscriptions (fixed and mobile), with fixed market subscriptions (voice and internet) representing the remaining 25.9%.
- At the end of December 2013 there were 1,529,070 fixed voice subscriptions in Ireland, an increase of 1.4% since last quarter and an increase of 4.4% since Q4 2012.
- Total voice traffic minutes increased by 0.2% this quarter. Mobile minutes form the majority of voice minutes at 69.0%, with fixed minutes representing the remaining 31.0%. Mobile voice minutes increased by 0.3% this quarter while fixed voice minutes fell by 0.2% this quarter.
- In Q4 2013, total internet subscriptions increased by 0.8% to 1,697,619.
- Broadband subscriptions (fixed and mobile) increased by 0.8% this quarter, and were up by 1.3% compared to Q4 2012. Cable (+8,440) and VDSL (+32,954) subscriptions increased this quarter while DSL (-10,906), FWA (-1,528), dedicated mobile broadband (-14,524) and satellite/fibre (-374) fell this quarter.
- The estimated fixed broadband household penetration rate⁷ rate was 60.6% in Q4 2013. The fixed broadband per capita penetration rate was 25.8%. The

⁶ As of Q2 2013 Machine to Machine (M2M) subscriptions are excluded from mobile voice subscriptions. Therefore, changes in subscriptions are not directly comparable to previous periods. See section 4.6 for a more detailed description of M2M.

⁷ This estimate excludes business subscriptions and mobile broadband subscriptions.

broadband per capita penetration rate (including mobile broadband) was 36.7%.

- Average fixed broadband speeds continue to increase. In Q4 2013 approximately 53.4% of all fixed broadband subscriptions were equal to or greater than 10Mbps up from 31.5% in Q4 2012. 35.2% of all fixed broadband subscriptions were equal or greater than 30Mbps up from 20.4% in Q4 2012.
- At the end of December 2013 there were 5,626,398 mobile subscriptions (including HSDPA and M2M) in Ireland, an increase of 0.2% since last quarter. The mobile penetration rate was 122.2% including mobile broadband and Machine to Machine subscriptions and 103.3% excluding mobile broadband and Machine to Machine subscriptions.
- The number of smartphone/tablet users⁸ increased to 2,607,507 this quarter, up by 1.9% from Q3 2013 and up by 9.2% compared to Q4 2012.
- There were 567,044 gross additions in the number of mobile subscriptions. Of these, 117,307 were subscriptions with ported numbers. On average, there were 108,559 numbers ported and 524,115 total gross additions per quarter over the last 12 months.
- In Q4 2013 mobile ARPU **was €27** per month, down **from €29** per month in Q4 2012. Declining ARPU is likely to be a reflection of a number of factors such as those attributable to weak economic conditions in Ireland (e.g. reduced consumer spending), lower priced mobile plans, increased sales of bundled products (combining mobile with fixed calls and sometimes broadband) and reductions in mobile roaming and termination rates, among others.

Notes to data:

- Both Meteor and emobile brands are reported under the umbrella of eircom Group Mobile.
- 48, which is a brand of Telefónica, is included under O2.
- As of Q3 2013 ComReg gathers information from additional mobile operators⁹ (including Lycamobile). Hence, information since that quarter is not strictly comparable with data published in previous periods.

⁸ Based on active 3G SIMS excluding dedicated mobile broadband SIMS.

⁹ Historical data on mobile subscriptions in Q1 and Q2 2013 was also updated.

- Sky Ireland has declined to provide information on subscriptions to TV services and TV revenues. Thus, this information is not included in the report. **Sky Ireland’s distribution of subscriptions by type (single play, double play or triple play) is estimated using percentage distribution of Sky Ireland’s** subscriptions obtained from the market survey data conducted by RED C Research & Marketing Ltd. For more details on survey method, see the Appendix on page 71.
- Aggregated SB-WLR Performance Statistics, as supplied by Eircom, are published in accordance with ComReg Decision Notice (07/61) Section 6.6 (vii) in the appendix.
- As since Q4 2013, an Irish population estimate¹⁰ from the Central Statistics Office (CSO) of 4,603,900 from the CSO (QNHS survey) is used for Q4 2013. This compares to 4,593,800 which was used in Q3 2013. As since Q4 2013, an estimated household number of 1,699,100 from the CSO (QNHS survey) is used for Q4 2013. A household number of 1,690,100 was used in Q3 2013.
- A number of external sources are used for international comparisons. These include the Central Statistics Office, Analysys Mason, and Teligen.
- In most cases data has been rounded to one decimal place in this report.
- Not all charts in this report may sum exactly to 100% due to rounding.
- While quarter on quarter comparisons are made in the report, definitive conclusions with regard to trends cannot be drawn and year on year comparisons are used to improve the reliability of the analysis.
- Further explanations and descriptions of data supplied in this report can be found in the accompanying explanatory memorandum 14/19a.
- Extracts of data used in this report can be downloaded at www.comstat.ie
- Data previously published may have been amended since publication. Any such amendments are noted in the corrigendum on page 5.

¹⁰ Estimates based on Quarterly National Household Survey (QNHS).

1. Overall Market Data

Data presented in this report is based on questionnaires completed by authorised operators for the period from 1 October to 31 December 2013. The report is based on submissions from 52 active operators¹¹.

1.1 Number of Authorisations

Figure 1.1.1 - Total Number of Authorisations

Total Authorisations	December 2013
No. of fixed and wireless authorisations	390
No. of mobile telephony authorisations	10
No. of broadcasting authorisations (incl. Cable TV, MMDS)	63
Total Number	463

Before providing networks or services to third parties, operators are required to submit a notification to ComReg which is added to a central register of authorised operators. At the date of publication there were 463 authorised undertakings in Ireland.

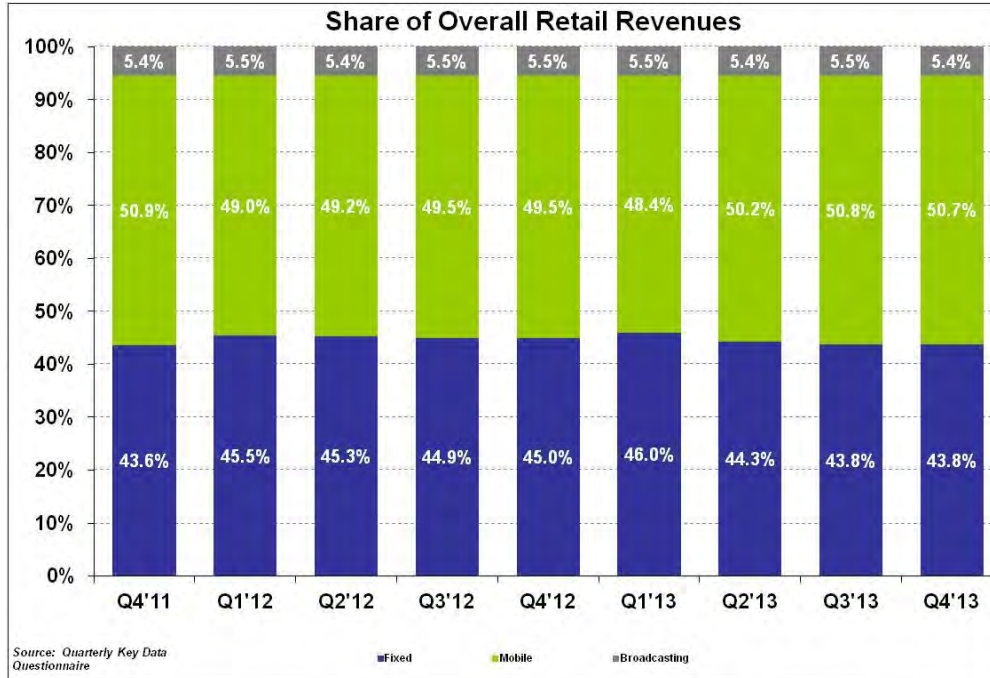
It should be noted that the list above refers to the number of general authorisations granted by ComReg under the European Framework for Authorisations, and does not necessarily reflect the total number of commercially active organisations or entities currently operating in the market. The total includes a number of undertakings who are authorised to use licence-exempt spectrum for the provision of services.

¹¹ See appendix for the list of respondents submitting information to ComReg.

1.2 Overall Electronic Communications Revenues¹²

Figure 1.2.1 shows the proportion of industry retail revenue attributable to the provision of fixed line, mobile and cable broadcasting services.

Figure 1.2.1 – Fixed, Mobile & Broadcasting as a % of Total Retail Revenues



According to Central Statistics Office data, Ireland’s Gross National Product for Q3 2013 was approximately €34 billion. Based on the Q3 2013 retail revenue data reported to ComReg by operators in the Irish communications sector, these revenues were approximately 2.3% of GNP in that quarter.

Overall electronic communications network and service retail revenues for Q4 2013 were €788.4 million. This was a 0.1% decrease on the previous quarter. Comparing Q4 2012 to Q4 2013, industry retail revenues have decreased by 2.9%. Over the twelve months to December 2013, total retail revenues were above €3.1 billion.

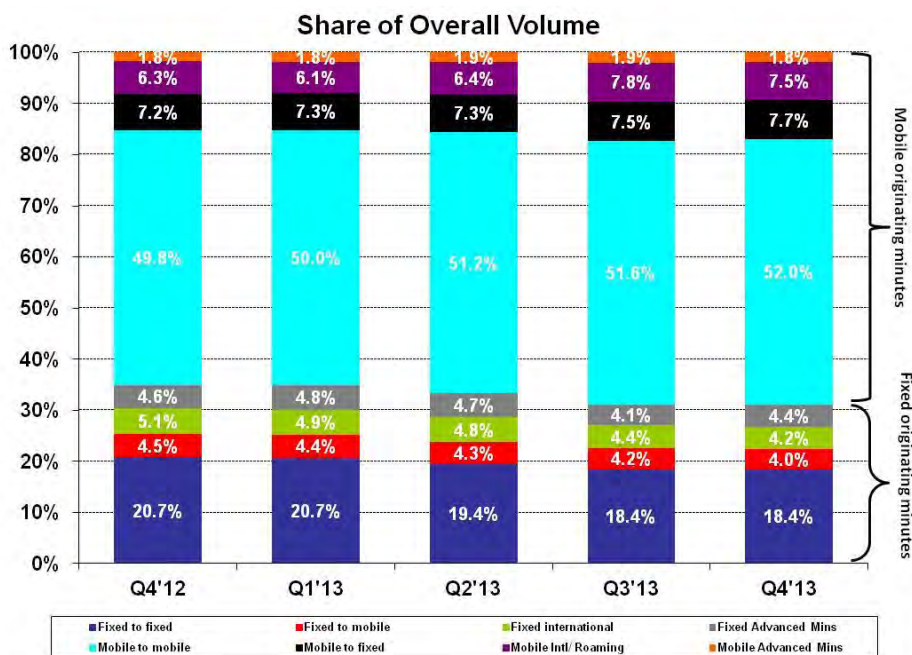
This quarter, mobile retail revenues decreased by 0.2% and decreased by 0.5% when compared to Q4 2012. Fixed line retail revenues increased by 0.1% this quarter but decreased by 5.4% when compared to Q4 2012. Broadcasting (Cable/MMDS/IPTV) retail revenues decreased by 0.5% and declined by 4.5% compared to Q4 2012. The broadcasting network retail revenues in this report only captures Cable/MMDS/IPTV revenues and thus, exclude Sky Ireland’s satellite revenues and all content related revenues.¹³

¹² Further detail on terms and definitions - ComReg Doc. 14/19a Explanatory Memorandum.

¹³ ComReg captures Cable/MMDS/IPTV revenues from a number of TV providers for publication in the Quarterly Report under broadcasting revenues. The collection and publication of licence fee and/or television advertising revenues does not fall within ComReg’s remit and therefore is not included in the broadcasting revenue figure.

1.3 Overall Call Volumes

Figure 1.3.1 - Share of Total Voice Call Volumes (Minutes)¹⁴



Source: Quarterly Key Data Questionnaire

Figure 1.3.1 profiles volumes of originating voice calls by call type on both fixed and mobile networks on a quarterly basis. There was a marginal increase in total voice minutes this quarter. Voice minutes for Q4 2013 totalled 4.15 billion minutes and there were 16.4 billion minutes in the twelve months to the end of December 2013. Total voice minutes increased by 0.2% from the previous quarter and by 0.4% since Q4 2012.

It should be noted that the split of managed VoB minutes by category (i.e. domestic, international, mobile, other) is placed into those respective categories of calls originating from fixed networks in figure 1.3.1.

Mobile originating voice minutes (up 6.3% on Q4 2012) accounted for 69.0% of all voice minutes in Q4 2013 (compared to 65.1% in Q4 2012) while traffic originating on a fixed line network (down 10.6% on Q4 2012) accounted for the remaining 31.0% of all voice minutes (compared to 34.9% in Q4 2012). Figure 1.3.2 shows total voice traffic in Ireland at the end of Q4 2013.

¹⁴ Fixed advanced minutes include premium rate services minutes, freephone minutes, payphone minutes, operator services minutes, national and international virtual private network minutes. Mobile advanced minutes include premium rate services minutes and other mobile minutes such as voicemail, DQ, call completion minutes etc.

Figure 1.3.2 – Total Voice Traffic

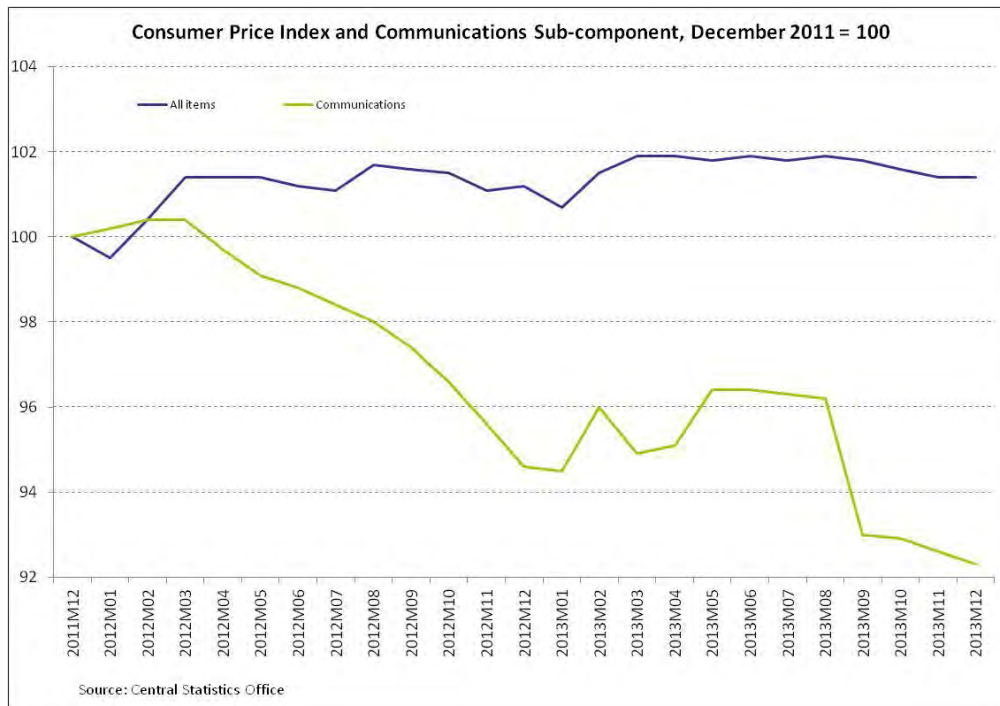
	Q4'13 Mins	Q3'13 – Q4'13 Growth	Q4'12 – Q4'13 Growth
Fixed voice minutes	1,287,011,062	-0.2%	-10.6%
Mobile voice minutes	2,863,255,464	+0.3%	+6.3%
Total voice minutes	4,150,266,526	+0.2%	+0.4%

1.4 Communications and the Consumer Price Index

Figure 1.4.1 shows the monthly change in the Consumer Price Index (CPI) and the communications sub-component from December 2011 to December 2013. The CSO has now revised its weighting for the communications basket to 3.133% of the total CPI down from 3.487% previously.¹⁵

Using December 2011 as the base period, communications prices have been fluctuating over the last 9 months with both increases and decreases observed during this period. Communication prices have declined by 7.7 base points since December 2011, compared to an increase in the overall CPI by 1.4 base points in the same period.

Figure 1.4.1 – Consumer Price Index and Communications Sub-Component



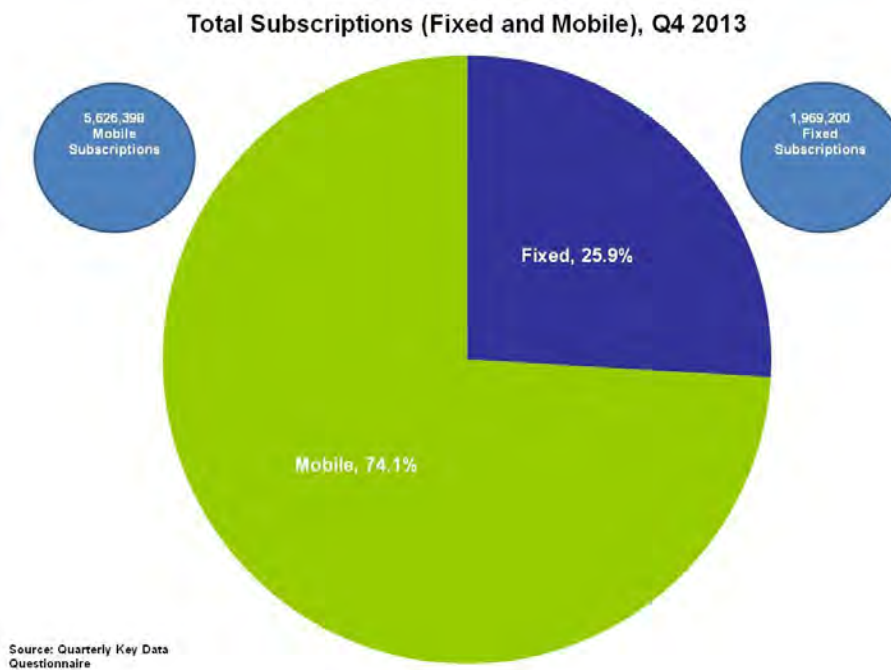
¹⁵ http://www.cso.ie/en/media/csoie/releasespublications/documents/prices/2013/prices/consumerpriceindex/cpi_jan_2013.pdf

1.5 Fixed and Mobile Market Retail Voice, Internet and TV Subscriptions

Figure 1.5.1 shows the total number of mobile voice and data subscriptions (also reported in section 4.1) and the estimated number of fixed subscriptions to voice, internet and TV services (both single play and bundled subscriptions) in Ireland as of Q4 2013.

Customers purchasing either a single fixed service or more than one service (as part of a bundle) are included in the fixed subscriptions category. The mobile market represents approximately 74.1% of all subscriptions with fixed line subscriptions representing the remaining 25.9%. It should be noted that it is possible that a customer may have more than one subscription, particularly where a mobile customer has more than one SIM card or in the case of a business customer with multiple subscriptions across several offices.

Figure 1.5.1 – Total Subscriptions (Fixed and Mobile), Q4 2013



2. Fixed Market Data

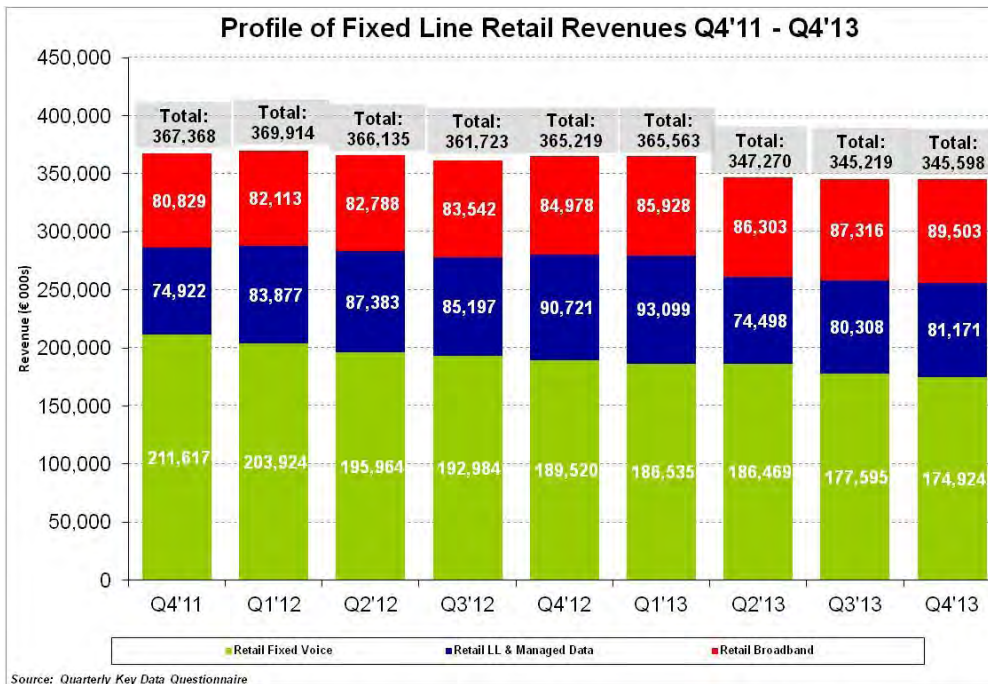
2.1 Fixed Line Retail Revenues

Figure 2.1.1 shows the profile of fixed line retail revenues in Ireland over the last two years. Total fixed line revenues for Q4 2013 were over €345 million. This was an increase (0.1%) on Q3 2013 revenues but a 5.4% decrease on Q4 2012 revenues.

Retail fixed voice revenues (-7.7%) as well as retail leased lines, managed and other data services revenues (-10.5%) have fallen since Q4 2012, but retail broadband revenues have increased by 5.3%.

Comparing Q4 2012 to Q4 2013, the proportion of retail fixed line revenues attributable to retail leased lines, managed data and other advanced data services decreased by 1.3 percentage points and retail broadband revenues’ market share increased by 2.6 percentage points. The proportion of retail fixed voice revenues has fallen by 1.3 percentage points, to 50.6% of overall fixed line retail revenues.

Figure 2.1.1 – Profile of Fixed Line Retail Revenues



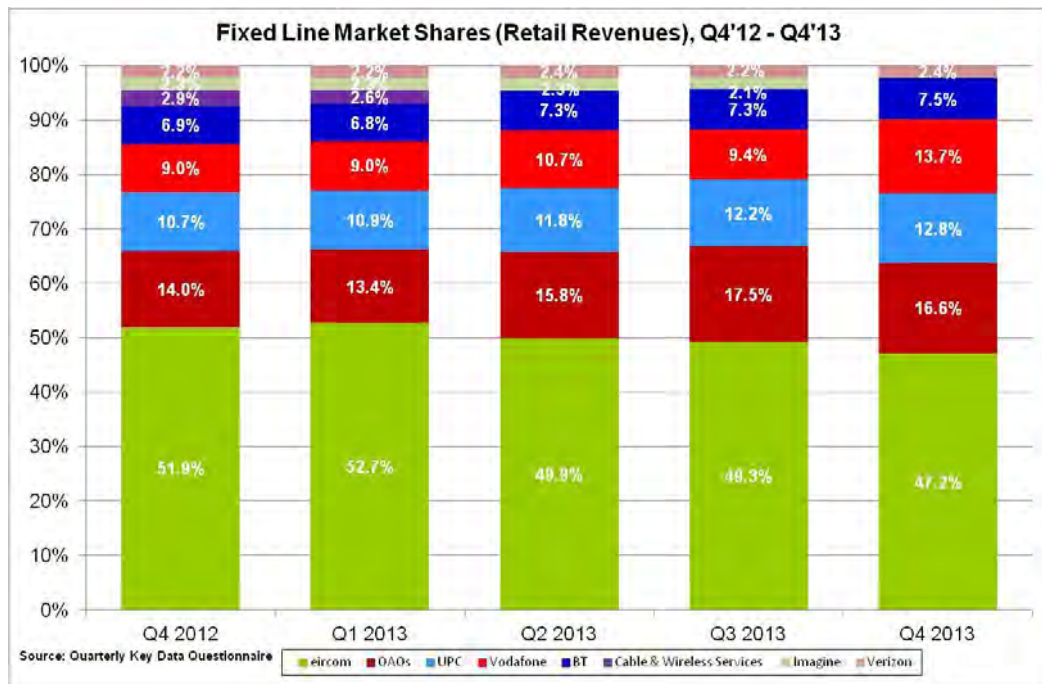
Fixed line wholesale revenues were almost €121 million in Q4 2013, the majority of which were related to interconnect and wholesale fixed narrowband access revenues, followed by wholesale leased lines, managed and other data services revenues and wholesale broadband access revenues. Wholesale revenues increased by 6.1% compared to Q3 2013 but were down by 15.3% since Q4 2012.

2.1.1 Authorised Operators’ Share of Fixed Line Revenues

Figure 2.1.2.1 below outlines the revenue shares of the fixed market (comprising retail narrowband, retail broadband and retail leased line, managed and other data revenues) held by the incumbent fixed line operator (eircom), other authorised operators (OAOs) with a minimum 2% market share, and all other OAOs.

In Q4 2013, Eircom had the highest retail revenue share in the market with 47.2% market share. Vodafone¹⁶ (fixed only) had 13.7%, followed by UPC (12.8%), BT (7.5%) and Imagine (2.4%). OAOs accounted for the remaining 16.6%.

Figure 2.1.1.1 – Fixed Retail Revenue Market Shares

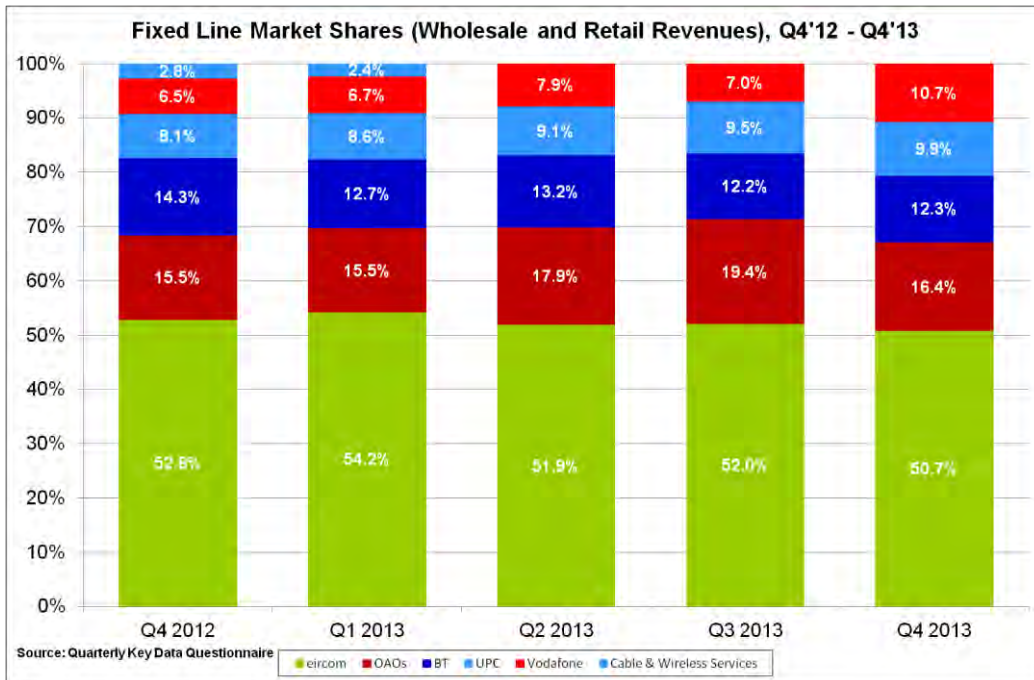


¹⁶ As of Q4 2013 Vodafone’s revenues include revenues of the acquired companies (Cable & Wireless, Complete Telecom and Interfusion).

Figure 2.1.1.2 below outlines the revenue shares of the fixed market (comprising fixed line retail and wholesale revenues). When making comparisons, it is important to note that the market shares presented below are based on shares across all fixed wholesale and retail revenue streams and some operators may not offer products and services across all segments of the market.

In Q4 2013, Eircom had the highest revenue share in the market with 50.7% market share. ComReg estimates that the next three largest operators (BT, Vodafone (fixed only) and UPC) contribute a further 32.9% of total (retail and wholesale) industry revenue.

Figure 2.1.1.2 – Fixed Revenue Market Shares



2.2 Fixed Line Access Paths¹⁷

2.2.1 Access Paths

Figure 2.2.1.1 presents the total number of narrowband copper fixed access paths (PSTN and ISDN). These paths are usually used for voice services and internet access. There were over 1.64 million direct and indirect PSTN and ISDN access¹⁸ paths in the Irish market in Q4 2013. This represents an increase of 0.04% on last quarter but a decline of 0.9 % since Q4 2012. The number of PSTN paths increased by 0.2% from last quarter but declined by 1.0% since Q4 2012. The number of ISDN paths has decreased by 0.7% since Q3 2013 and by 0.4% since Q4 2012.

Figure 2.2.1.1 – Narrowband Fixed Access Paths

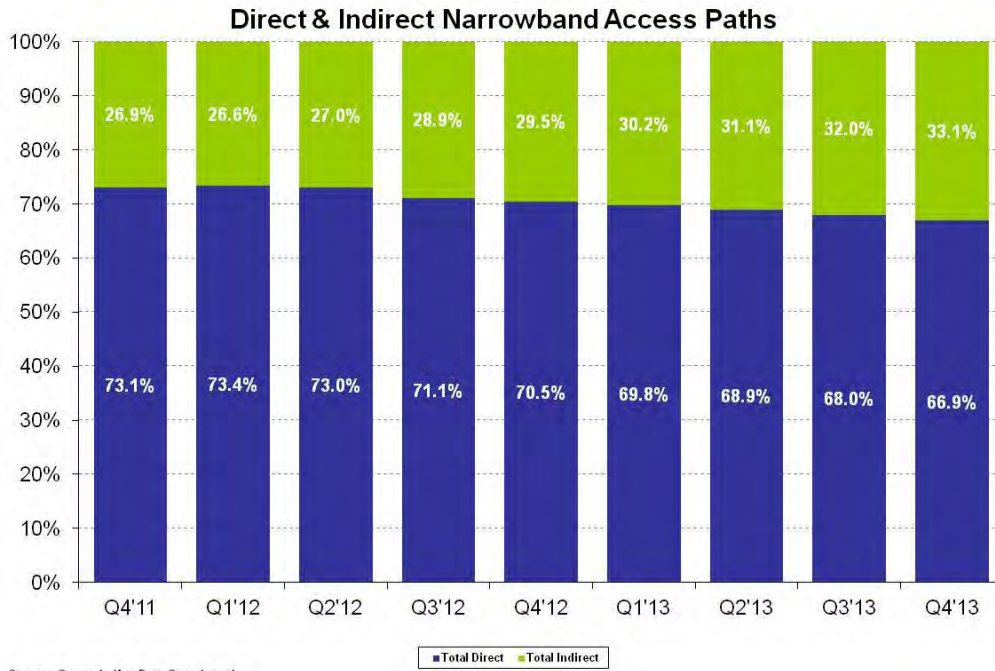
	Q4'13	Q3'13 – Q4'13 Growth	Q4'12 – Q4'13 Growth
PSTN	1,261,176	+0.2%	-1.0%
ISDN Basic	139,512	-1.2%	-2.3%
ISDN Fractional	59,344	-1.9%	-0.2%
ISDN Primary	183,030	+0.2%	+1.0%
Total ISDN	381,886	-0.7%	-0.4%
Total PSTN and ISDN	1,643,062	+0.04%	-0.9%

Figure 2.2.1.2 presents the total number of narrowband fixed access paths broken out by direct and indirect access. In Q4 2013, indirect access accounted for 33.1% of all access paths in the fixed line market. While this chart shows the number of narrowband only access paths in Ireland, voice and data can also be supplied by other means such as broadband. Details on the broadband market in Ireland can be found in chapter 3 of this report.

¹⁷ Access paths are not synonymous with access lines as for example in the case of ISDN paths, there may be more than one path provided via a single ISDN line.

¹⁸ Indirect access paths relate to telephone lines provided to customers by means of Carrier Pre-select (CPS), Wholesale Line Rental (WLR) or Switchless Voice (SV). CPS allows the user to receive all or a portion of calls from one provider and line rental from another provider (usually Eircom). SB-WLR (also known as Single Billing-WLR) allows the user to receive every aspect of telephone service, including all calls and line rental from one single supplier. SV also known as White Label Access-Voice Access (WLA-(Voice)) is a switchless voice service which allows an operator to purchase end-to-end call services without the need to have its own interconnection infrastructure.

Figure 2.2.1.2 – Direct & Indirect Narrowband Fixed Access Paths



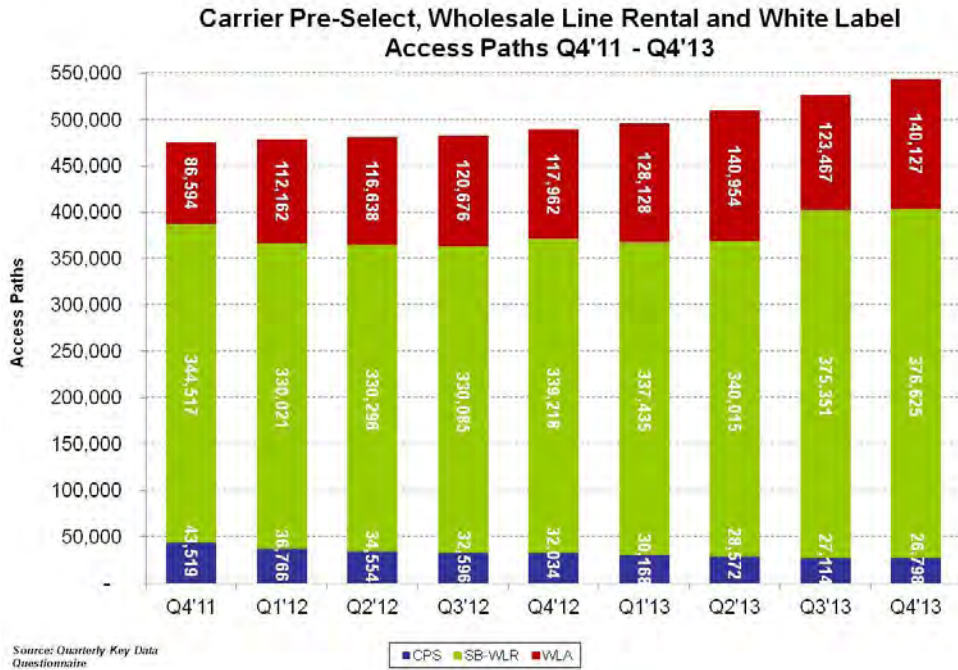
Source: Quarterly Key Data Questionnaire

2.2.2 Indirect Access Paths

Figure 2.2.2 illustrates the overall number of indirect PSTN and ISDN paths provided by means of either Carrier Pre-Selection (CPS) only, Single Billing Wholesale Line Rental (SB-WLR) and White Label Voice Access (WLA). In Q4 2013, there were 543,550 indirect access paths in Ireland. The number of indirect access paths increased by 3.3% this quarter and rose by 11.1% in the year to Q4 2013 due to an increase in SB-WLR and WLA, as CPS access paths continue to decline.

The data indicates that OAOs continue to migrate their customer base to single-bill services, i.e. SB-WLR or WLA rather than CPS (i.e. calls only). SB-WLR managed by OAOs now accounts for 69.3% of indirect access paths compared to 72.6% in Q4 2011. WLA paths account for 25.8% of total indirect access paths compared to 18.2% in Q4 2011. The share of CPS only indirect access paths has declined by 4.3 percentage points in the last two years and now accounts for 4.9% of overall indirect access paths.

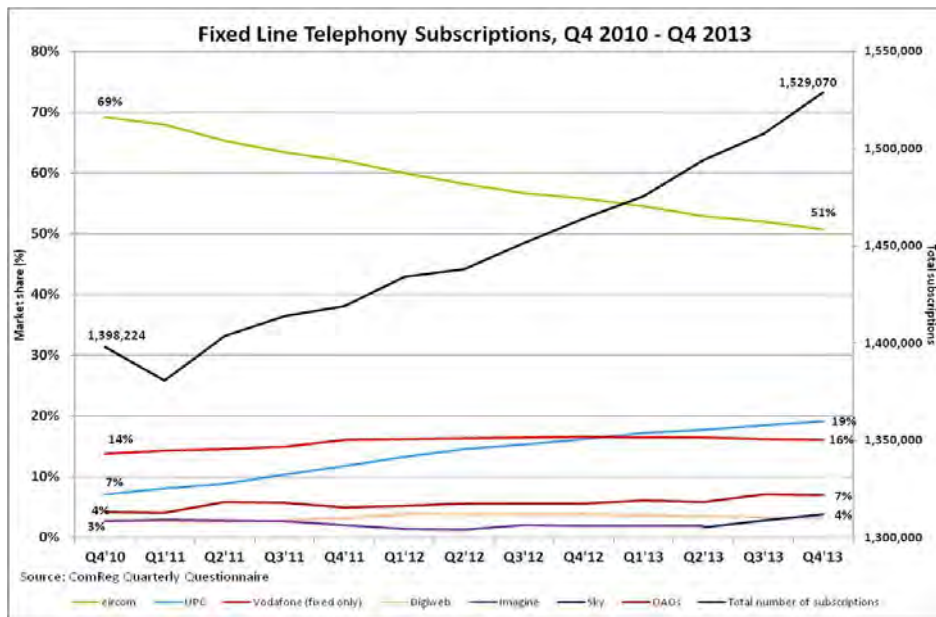
Figure 2.2.2 – Narrowband Indirect Access Paths



2.2.3 Fixed Voice Subscriptions

Figure 2.2.3 shows the estimated number of retail customers/subscriptions to fixed voice services (either standalone or as part of a bundle) and operators’ market shares based on these subscriptions. At the end of Q4 2013 there was 1,529,070 fixed voice subscriptions (an increase of 1.4% on Q3 2013 and an increase of 4.4% on Q4 2012). Fixed voice subscriptions have been increasing quarter on quarter since Q1 2011. As of Q4 2013 Eircom had 51% of all fixed voice subscriptions followed by UPC (19%) and Vodafone (16%).

Figure 2.2.3 – Fixed Voice subscriptions, Q4 2010 – Q4 2013

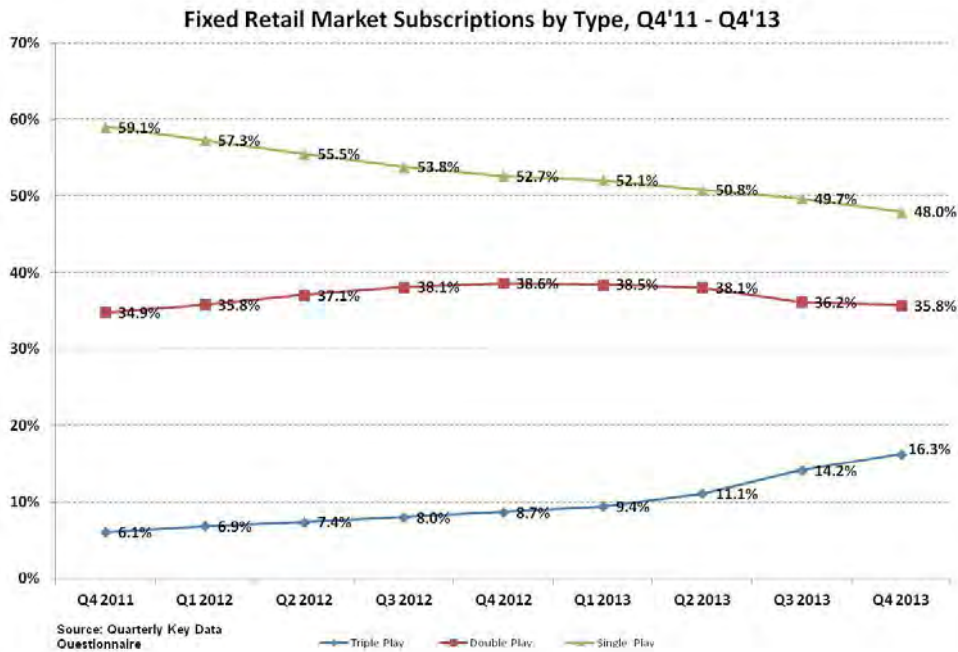


2.2.4 Fixed Market Retail Subscriptions by Type

Figures 2.2.4 shows the estimated proportion of retail customers/subscriptions to fixed line services (mobile is excluded from single play subscriptions but included when part of a bundle e.g. double/triple/quad play) broken out by those with a single service and those taking a bundle of two or more services as of Q4 2013 (subscriptions mean a customer with at least one contract with an electronic communications service provider).¹⁹ Single play subscriptions include fixed line services only which means that standalone mobile voice, standalone mobile broadband and standalone satellite TV subscriptions are excluded from this figure.

It is estimated that there were 1,969,200 fixed market retail subscriptions in Q4 2013 across both business and residential customers (a business customer may have multiple subscriptions). There was a continued decline in the share of single play subscriptions and a decline in double play subscriptions as triple play's share of subscriptions continued to increase. 48.0% of fixed market retail subscriptions were single play compared to 52.7% in Q4 2012. 35.8% of subscriptions were double play (a bundle of two services) compared to 38.6% in Q4 2012 and 16.3% were triple play (a bundle of 3 services) compared to 8.7% in Q4 2012.

Figure 2.2.4 – Fixed Market Retail Subscriptions by Type, Q4 2011 – Q4 2013²⁰



¹⁹ Double play subscriptions can refer to either fixed telephony and internet or television or mobile telephony; television and the internet; mobile telephony and internet or television subscriptions. Triple play subscriptions can refer to fixed telephony and internet and television; fixed telephony and mobile telephony and internet; fixed telephony and mobile telephony and television; or, mobile telephony and internet and television subscriptions.

²⁰ Sky Ireland have declined to provide information on TV subscriptions. Sky Ireland's distribution of subscriptions by type (single play, double play or triple play) is estimated using percentage distribution of Sky Ireland's subscriptions obtained from the market survey data conducted by RED C Research & Marketing Ltd. For more details on survey method, see the Appendix on page 74.

2.3 Fixed Voice Call Volumes

Fixed voice traffic in Q4 2013 was over 1.28 billion minutes, which was a 0.2% decrease on Q3 2013 and a fall of 10.6% since Q4 2012. Fixed voice traffic has fallen consecutively quarter on quarter since Q1 2011.

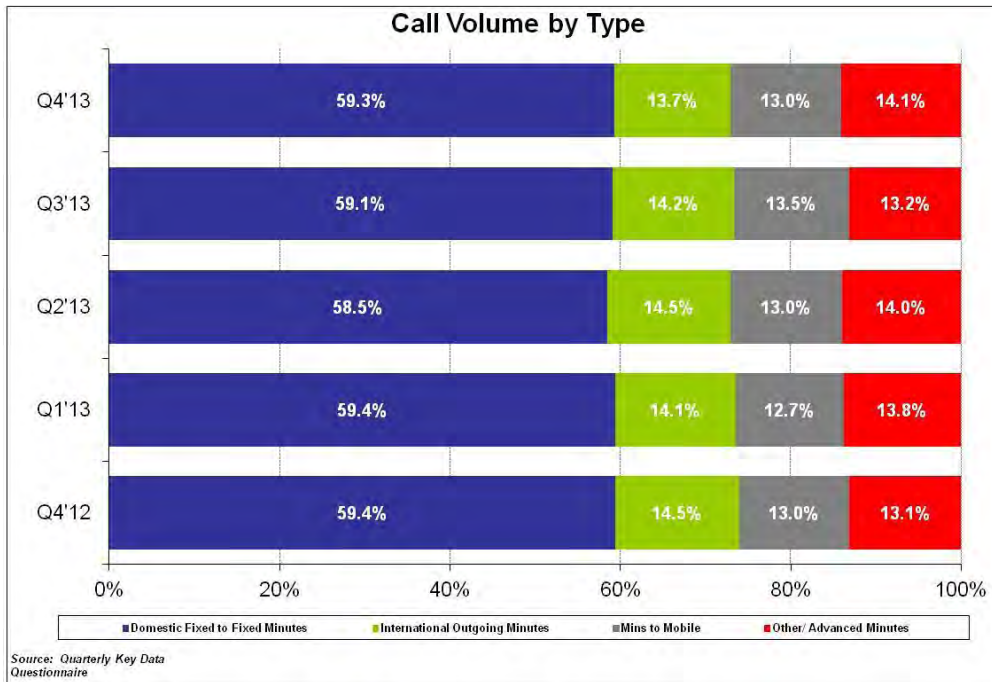
Managed voice over broadband (VoB) minutes account for approximately 11.6% of total fixed voice minutes up from 11.1% in Q4 2012. This reflects a continued increase in managed VoB subscriptions. There were just over 329,000 managed VoB subscriptions in Ireland in Q4 2013 (up from just over 277,000 managed VoB subscriptions in Q4 2012) and over 149 million managed VoB minutes (down from over 159 million managed VoB minutes in Q4 2012).

The numbers quoted in this report represent managed VoB data only (for example by Eircom, UPC and other providers such as Blueface) and do not include unmanaged or over the top VoB services by providers such as Skype.

It should be noted that the split of managed VoB minutes by category (i.e. domestic, international, mobile, other) is placed into those respective fixed minutes categories in figures 2.3.1, 2.3.2 and 2.3.3.

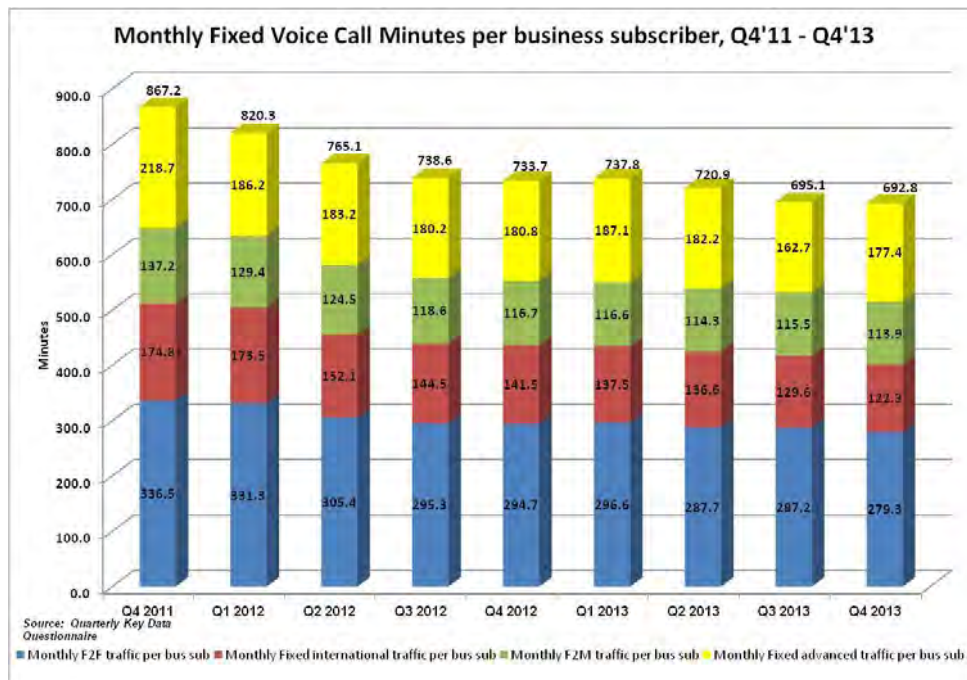
Figure 2.3.1 shows that domestic fixed to fixed minutes accounted for 59.3% of all fixed voice traffic in Q4 2013. International outgoing minutes had a 13.7% market share of all fixed voice traffic. The market share of fixed to mobile minutes was 13.0% while other/advanced minutes (which include premium rate minutes) represented 14.1% of all fixed voice traffic.

Figure 2.3.1 – Fixed Voice Call Volume (Minutes)²¹



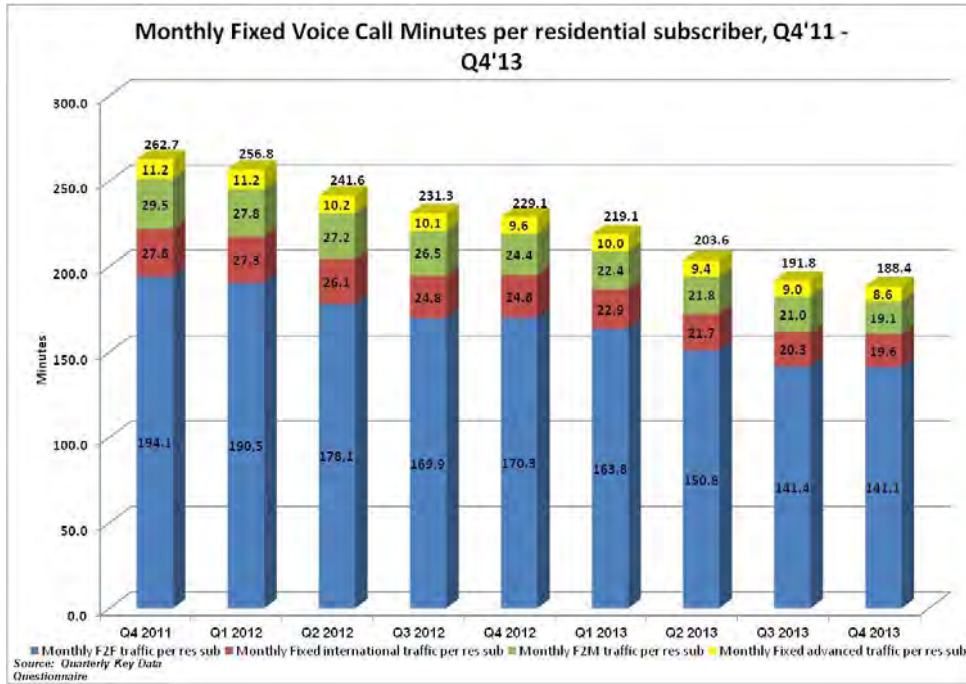
Figures 2.3.2 and 2.3.3 show the change in the average monthly fixed voice call minutes per business and residential subscribers respectively. In Q4 2013 the average business subscriber originated 693 minutes of voice calls, down 0.2% on Q3 2013 and down 5.6% on Q4 2012. The average residential subscriber usage was just under 190 minutes per month, down 1.8% on Q3 2013 and down 17.8% on Q4 2012.

Figure 2.3.2 – Fixed Voice Call Volume per business subscriber (Minutes)



²¹ Domestic Calls include local & national calls. Advanced service and other minutes include minutes to premium rate numbers, freephone numbers, callsave, operator services, VPN minutes, payphones and other services.

Figure 2.3.3 – Fixed Voice Call Volume per residential subscriber (Minutes)



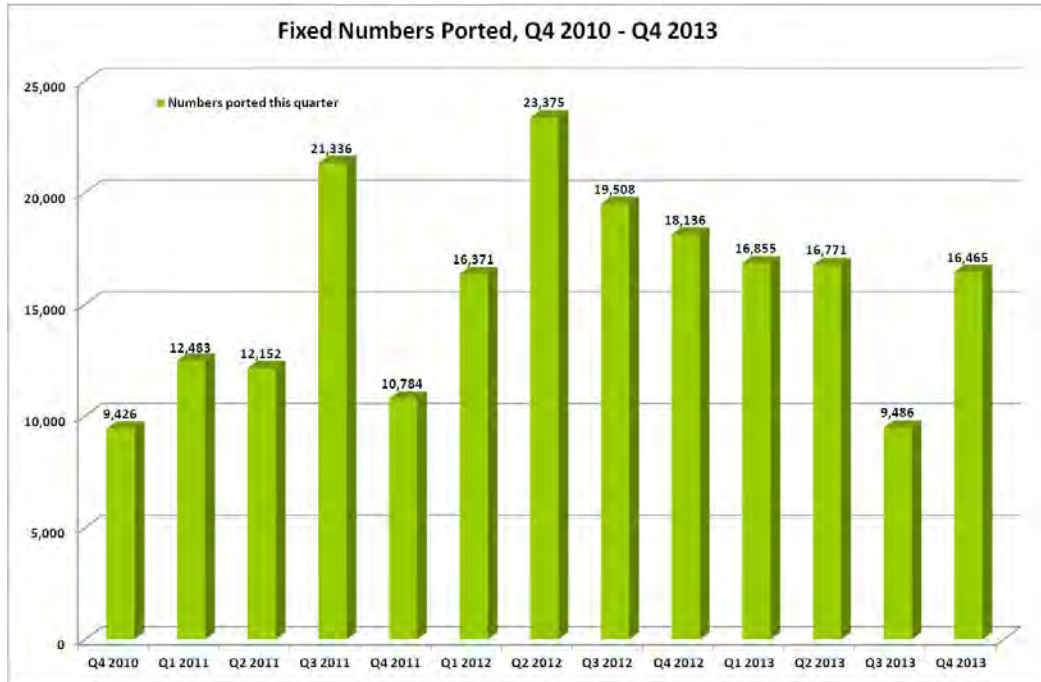
2.4 Switching in the Fixed Voice Market

Figure 2.4.1 illustrates the number of fixed numbers (geographic and non geographic) ported between Irish fixed voice service providers since Q4 2010. Fixed Number Portability (FNP) allows consumers to switch fixed voice provider while retaining their fixed number.

In the quarter to December 2013, 16,465 numbers²² were ported between operators (59,577 numbers in the twelve months to December 2013). Over the last 12 months, an average of 14,894 numbers has been ported each quarter.

²² Non geographic ports constitutes approximately 1% of total ports in a quarter.

Figure 2.4.1 – Fixed Numbers Ported



2.5 PSTN Pricing Data

ComReg uses independently-collated Teligen data based on an OECD-approved methodology to examine the relative costs of a number of specific baskets of national and international telecoms services for both residential and business users. The data presented includes EU countries for which data is available²³.

Using this methodology, data is presented in Euro Purchasing Power Parities (PPPs). The latter provides an indication of the cost of telecoms services in countries analysed in relation to the cost of all other products and services. The basket methodologies are reviewed and revised periodically, the latest of which was in early 2010.

The methodology used by the OECD/Teligen is based on the following baskets of calls:

Residential and business PSTN baskets

Type of basket	Basket
Residential	20 calls basket
Residential	60 calls basket
Residential	140 calls basket
Residential	420 calls basket
Business	100 calls business basket, single user
Business	260 calls business basket, single user

²³ This will be determined by whether the EU country is also an OECD member.

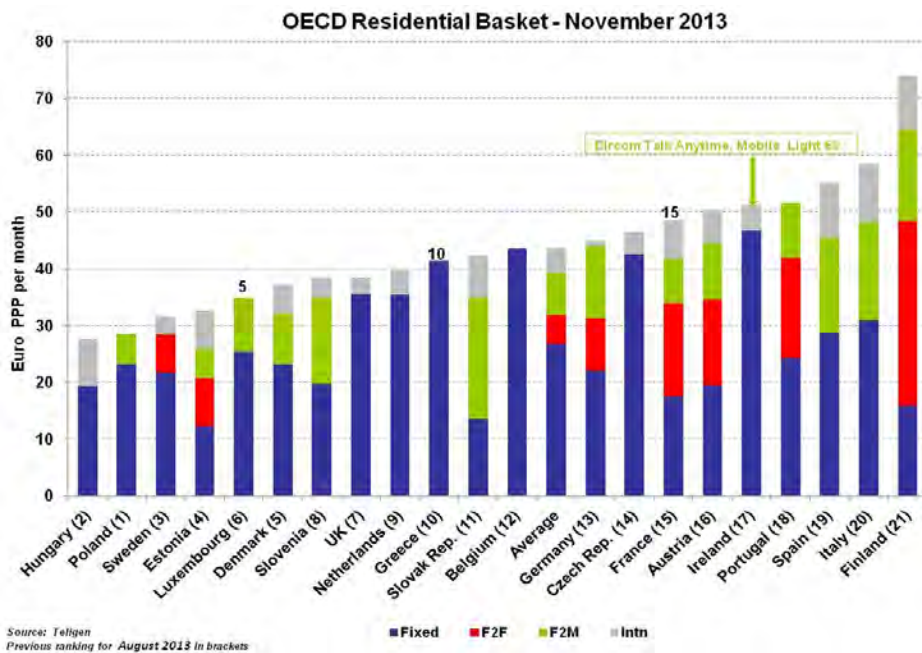
For the PSTN baskets, only the incumbent operator is covered. Discounts are incorporated and only tariffs presented as current tariffs on the operator web pages are considered. Nonrecurring charges (installation of a service) are discounted over five years and other fixed costs are included such as line rental and any other additional charges. Fixed, mobile and international calls are included in the baskets. For more detailed information please see ComReg’s accompanying Memorandum, document 14/19a.

2.5.1 OECD Residential PSTN Basket

Figure 2.5.1.1 illustrates Ireland’s ranking, alongside another 20 EU countries, for residential calls, based on a basket of 140 calls per month. This chart is based on a comparison of the cheapest incumbent package available for a specific customer usage profile. In many cases this will include both line rental and call minutes for a fixed monthly charge.

It should therefore be noted that the “fixed” element in this basket is not an indication of the cost of basic line rental. In November 2013 Ireland ranked in 17th position, five places higher than the average of the benchmarked countries in terms of the most competitive pricing for this basket. The Irish package used for this comparison was Eircom’s Talk Anytime Mobile Light 60, which was 17.5% more expensive than the average of the European countries charted.

Figure 2.5.1 - OECD Residential PSTN Basket – November 2013²⁴



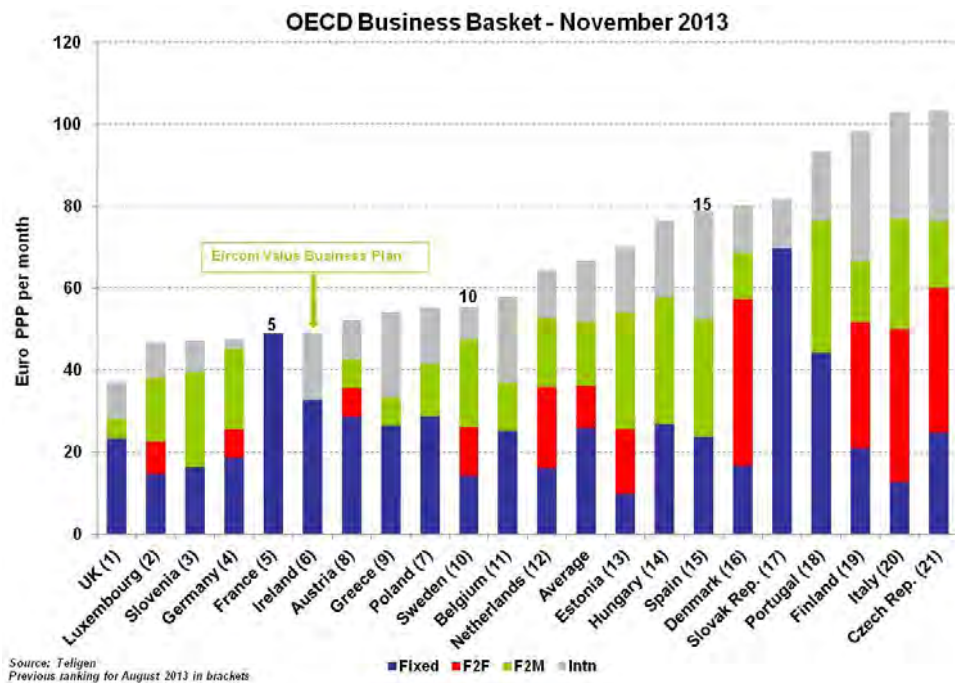
²⁴ Residential tariffs include VAT. VAT rates vary between member states.

2.5.2 OECD Business PSTN Basket

Figure 2.5.2 illustrates Ireland’s ranking, alongside another 20 EU countries, for business calls, based on a basket of 260 calls per month, which also includes a fixed charge for access as part of a bundled service.

It should be noted that the “fixed” element in this basket is not an indication of the cost of basic line rental. In November 2013 Ireland ranked in 6th position, seven places lower than the average of the benchmarked countries in terms of the most competitive pricing for this basket. The Irish package used for this comparison was Eircom’s Value Business Plan, which was 26.6% cheaper than the average of the European countries charted.

Figure 2.5.2 - OECD Business PSTN Basket – November 2013



3. Internet and Broadband

3.1 Total Internet Subscriptions and provision of broadband²⁵ services

Figure 3.1.1 shows the total number of narrowband and broadband internet subscriptions in Ireland as of Q4 2013. At the end of December 2013, there were over 1.69 million active internet subscriptions in Ireland. This was an increase of 0.8% on the previous quarter and a 1.2% increase on December 2012.

In Q4 2013, there were 1,689,052 broadband subscriptions in Ireland²⁶. This is an increase of 0.8% since Q3 2013, and an increase of 1.3% since Q4 2012. There was an increase in total fixed line subscriptions this quarter (up by 28,586), but mobile broadband subscriptions fell again this quarter (down by 14,524 subscriptions). ComReg reports active mobile broadband subscriptions and does not include internet access over mobile handsets such as smartphones in these numbers.

Cable (up by 2.5%) and VDSL (up by 79.2%) subscriptions showed positive growth this quarter. FWA²⁷ (down by 2.5%), mobile broadband (down by 2.8%), DSL (down by 1.5%) and 'other' subscriptions (down by 3.0%) fell this quarter. It is likely that some or all of the DSL reductions are accounted for by a switch to VDSL service.

Figure 3.1.1 – Total Number of Active Internet Subscriptions

Subscription Type	Q4'13 Subs	Quarterly Growth Q3'13 – Q4'13	Year-on-Year Growth Q4'12 – Q4'13
Narrowband	8,567	-7.9%	-25.1%
DSL Broadband²⁸	701,005	-1.5%	-3.6%
VDSL Broadband²⁹	74,540	+79.2%	-
Cable Broadband	341,219	+2.5%	+11.2%
FWA Broadband	60,447	-2.5%	-8.0%
Other Broadband³⁰	12,001	-3.0%	-0.6%

²⁵ ComReg notes that the data provided in this section relates to active subscriptions reported by operators. It takes into account multiple active subscriptions to broadband offerings by individual subscribers.

²⁶ The difference between this and the total internet subscriptions is accounted for by narrowband internet subscriptions.

²⁷ It should be noted that FWA subscriptions include an estimate of 2,000 since Q1 2011. This is based on subscriptions to smaller FWA firms who may not be required to submit a questionnaire response to ComReg as they **do not meet ComReg's minimum turnover threshold**. ComReg will update this additional estimate on an annual basis.

²⁸ DSL refers to a digital subscriber line, the means by which broadband speeds (i.e. in excess of 144k downstream) are delivered over the copper telecoms network.

²⁹ VDSL refers to very-high-bit-rate digital subscriber line. Since Q3 2013 these lines are reported in the separate category. In Q2 2013 report VDSL lines were included in DSL category.

³⁰ Other Broadband includes fibre, and satellite broadband connections.

Total Fixed broadband	1,189,212	+2.5%	+6.9%
Mobile Broadband	499,840	-2.8%	-9.9%
Total Broadband	1,689,052	+0.8%	+1.3%
Total Internet Subscriptions	1,697,619	+0.8%	+1.2%

Figure 3.1.2 profiles internet subscriptions in Ireland using the classifications of subscription type outlined in Figure 3.1.1. Broadband subscriptions accounted for 99.5% of all internet subscriptions in Q4 2013.

Figure 3.1.2 – Total Internet Subscriptions

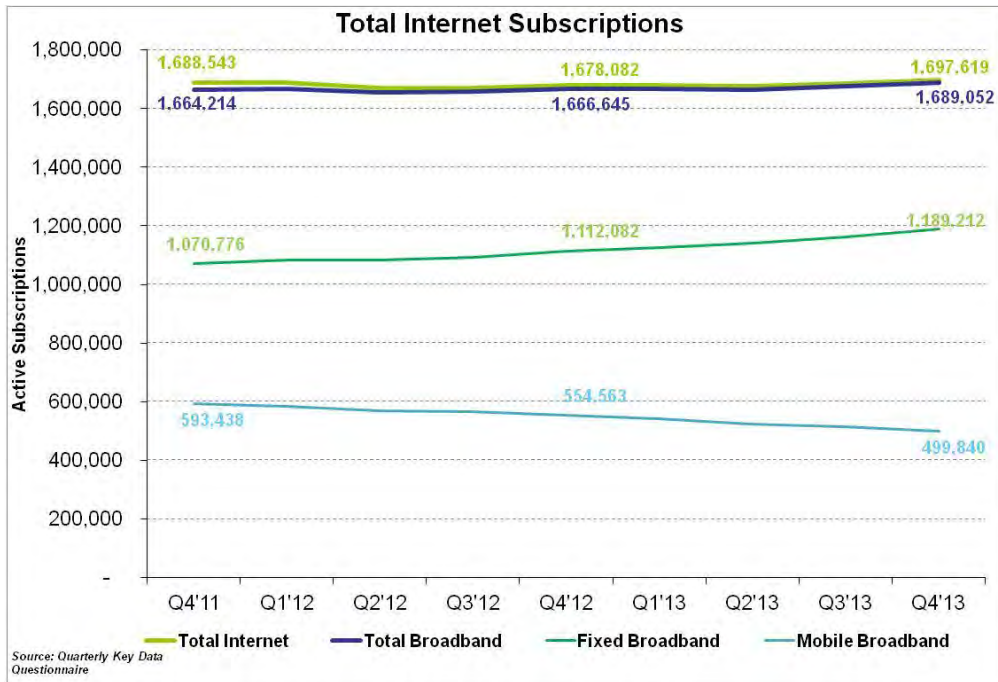
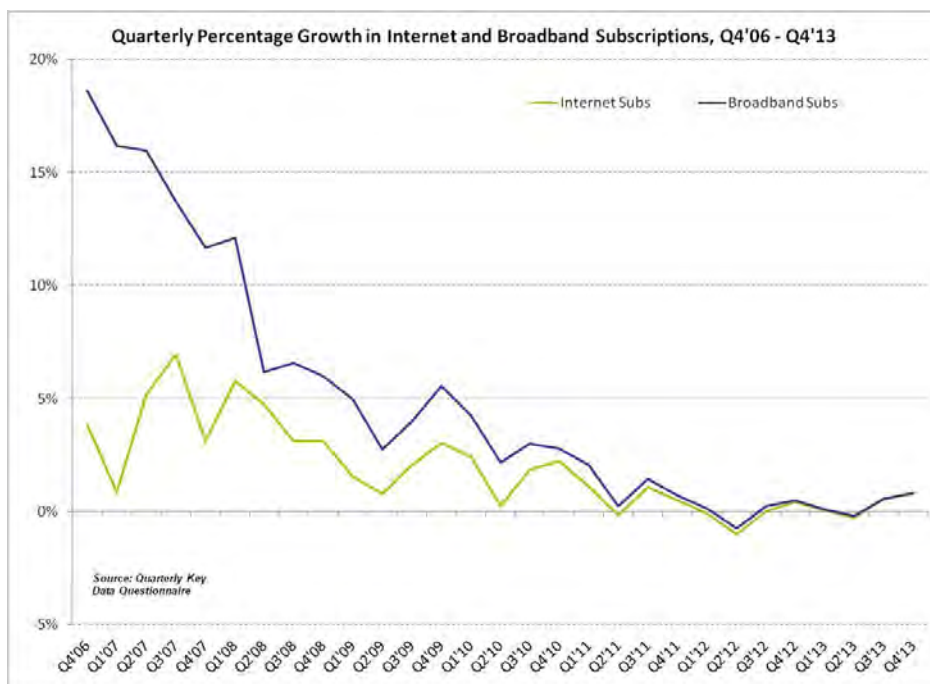


Figure 3.1.3 shows the quarterly percentage change in broadband and internet subscriptions since Q4 2006. In general, there has been a continual slowdown in the rate of growth of broadband subscriptions over the period, however there was a pick-up in growth in the latest quarterly period. It should be noted that ComReg reports active broadband subscriptions and the mobile broadband numbers reported by ComReg do not include internet access over mobile handsets such as smartphones.

Figure 3.1.3 – Quarterly Growth in Total Internet and Broadband subscriptions



DSL subscriptions account for the single largest majority of broadband subscriptions (41.5%) but its share has decreased by 2.1 percentage points over the last year. VDSL accounted for 4.4% of all broadband subscriptions. Mobile broadband subscriptions share has declined again this quarter, now accounting for 29.6% of all broadband subscriptions down from 33.3% in Q4 2012. Cable has a 20.2% share of all broadband subscriptions up from 18.4% in Q4 2012. FWA has a 3.6% share of broadband subscriptions down from 3.9% in Q4 2012. 'Other' (satellite/fibre) broadband subscriptions represent 0.7% of broadband subscriptions in Q4 2013 (the same as in Q4 2012).

Figure 3.1.4 illustrates the split by type of broadband subscriptions in the Irish market since Q4 2012, while Figure 3.1.5 shows the net additions of broadband subscriptions by each platform. In Q4 2013, the net total broadband increase was driven mainly by VDSL broadband subscriptions followed by cable subscriptions.

Figure 3.1.4 – Broadband Subscriptions by Platform

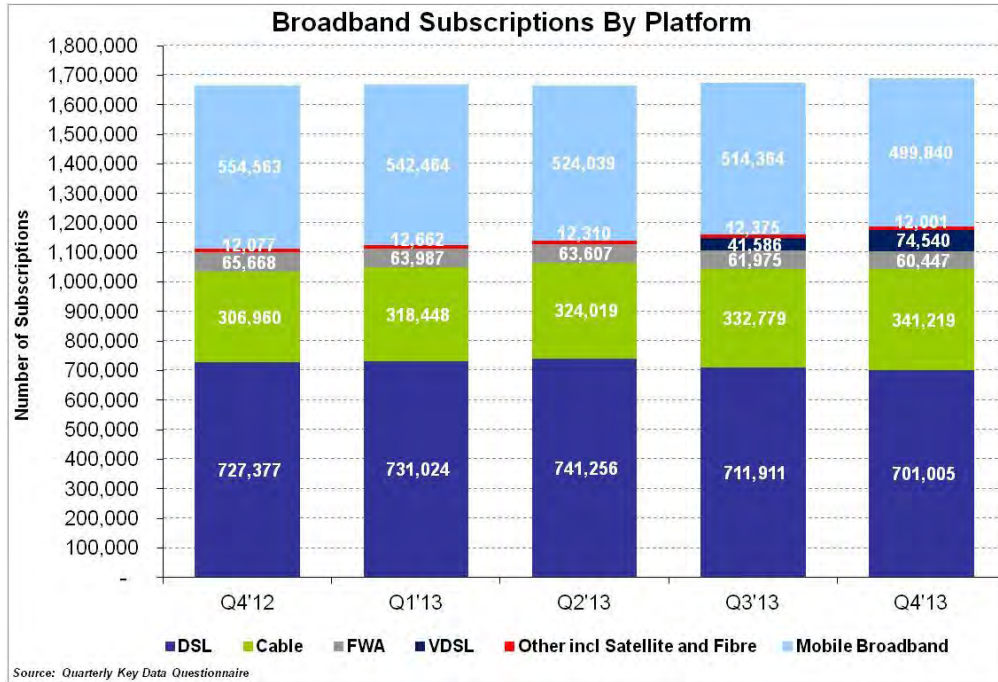


Figure 3.1.5 – Broadband Subscriptions - Net additions, Q4 2011 – Q4 2013

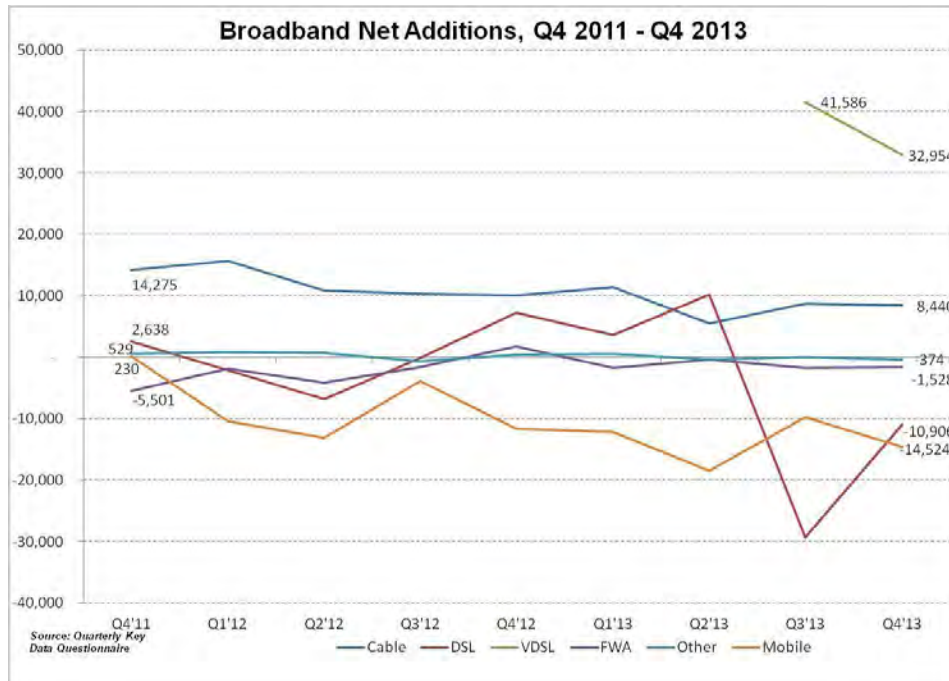


Figure 3.1.6 provides an estimate of the proportion of business and residential subscriptions to DSL, VDSL, cable, fixed wireless, mobile broadband, fibre and satellite broadband services. In Q4 2013, 83.7% of broadband subscriptions on all platforms were classed as residential broadband subscriptions. The platform with the highest percentage of residential vis a vis business subscriptions is cable broadband, while the 'other' category (satellite/fibre) has the highest percentage of business customers.

Figure 3.1.6 – Broadband Subscriptions by Subscription Type

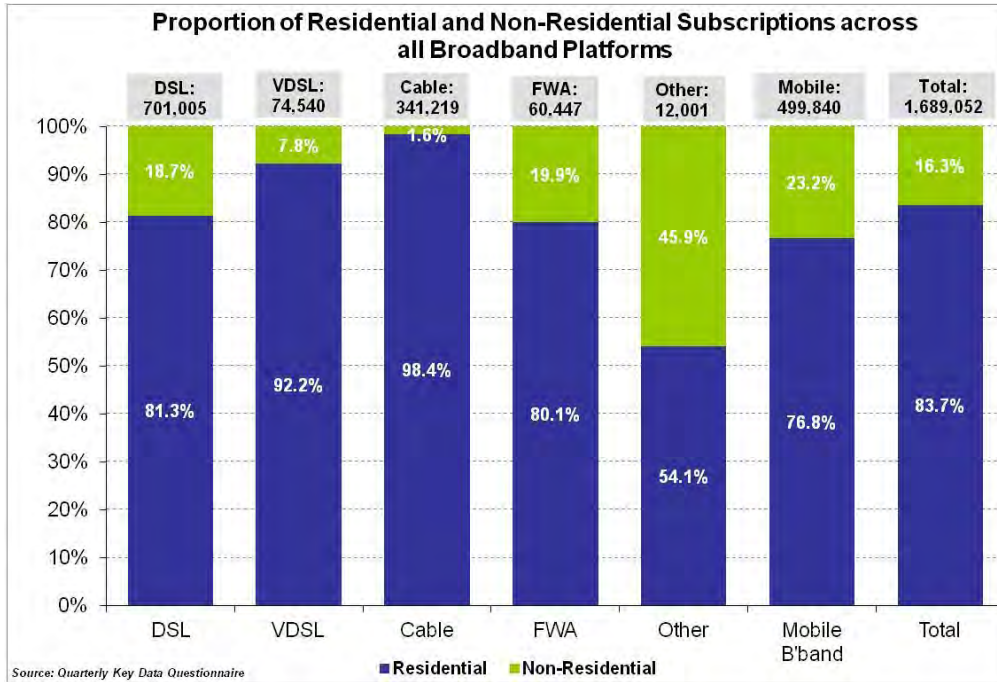


Figure 3.1.7 illustrates the breakdown of broadband subscriptions by contracted speed across all fixed broadband platforms (mobile broadband is excluded). In total, approximately 53.4% of broadband subscriptions were ≥ 10 Mbps (with 35.2% ≥ 30 Mbps). This equates to approximately 58.7% (39.6% ≥ 30 Mbps) of residential subscriptions and 19.5% (6.8% ≥ 30 Mbps) of business subscriptions.

The data suggest that most business users subscribe to broadband services with download speeds of between 2Mbps - 10Mbps while most residential users subscribe to broadband services with speeds ≥ 30 Mbps. Many larger firms access their broadband services over dedicated leased lines. Leased lines are not included in these charts. Leased line speeds can range up to speeds in excess of 1 gigabyte per second.

Figure 3.1.7 – Fixed Broadband Subscriptions³¹ by Contracted Download Speeds and Subscription Type

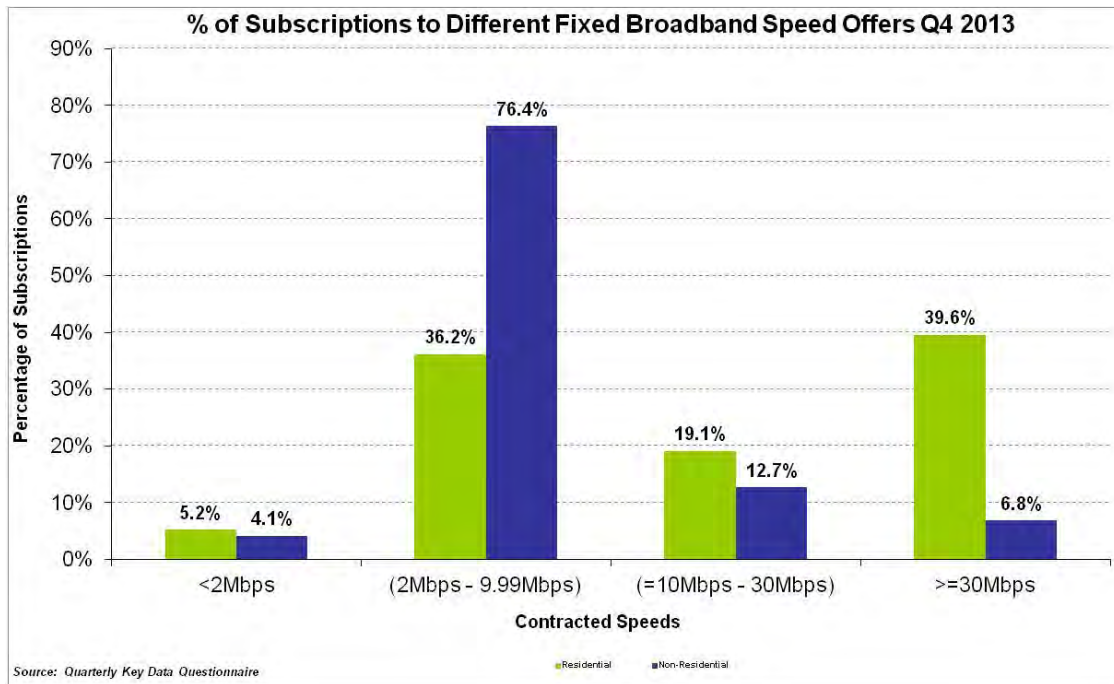
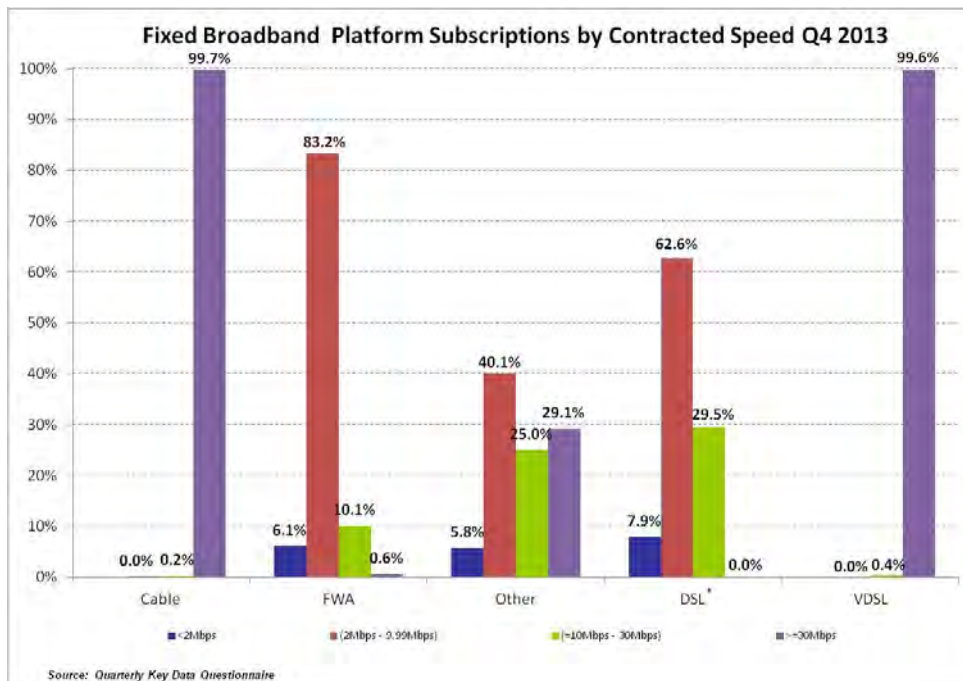


Figure 3.1.8 shows broadband subscriptions by contracted speed and the type of broadband platform subscribed to.

Figure 3.1.8 – Fixed Broadband Subscriptions by Contracted Download Speeds and Broadband Platform³²



³¹ As of Q2 2013 mobile broadband subscriptions are excluded from the overall broadband subscriptions in broadband speeds analysis.

³² *Estimate percentage split.

Figure 3.1.9 shows the change in fixed broadband subscriptions by contracted downloaded speeds between Q4'11 and Q4'13. Over the entire period, growth in broadband speeds has been mainly in the $\geq 30\text{Mbps}$ category, which has increased from 3.4% to 35.2% over this period. Cable subscriptions represented approximately 81% of total subscriptions $\geq 30\text{Mbps}$ down from 88% last quarter.

Figure 3.1.9 – Fixed Broadband Subscriptions by Contracted Download Speeds

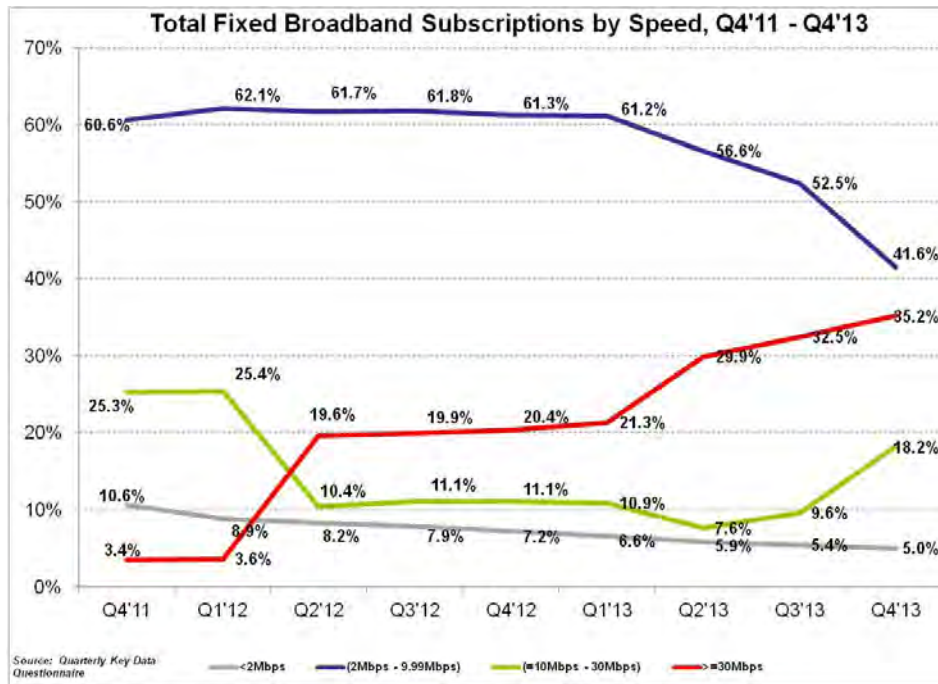


Figure 3.1.10 provides the market share of fixed broadband operators by number of subscriptions. DSL, VDSL cable modem, FWA, satellite and fibre subscriptions are used to calculate fixed broadband market shares.

Operators with a market share of 2% or more are shown in the chart below. All those operators with less than 2% of total fixed broadband subscriptions are grouped together under OAOs.

According to the data received from operators for Q4 2013, Eircom had 37.9% of total fixed broadband subscriptions, followed by UPC who had 28.5% of subscriptions. Vodafone had 16.6% (excluding mobile broadband subscriptions), Sky Ireland had 4.8%, Imagine 3.1%, and Digiweb had 2.1% market share. All other operators combined accounted for the remaining 6.9% share of fixed broadband subscriptions.

Figure 3.1.10 – Subscription Market Share of Fixed Broadband Market

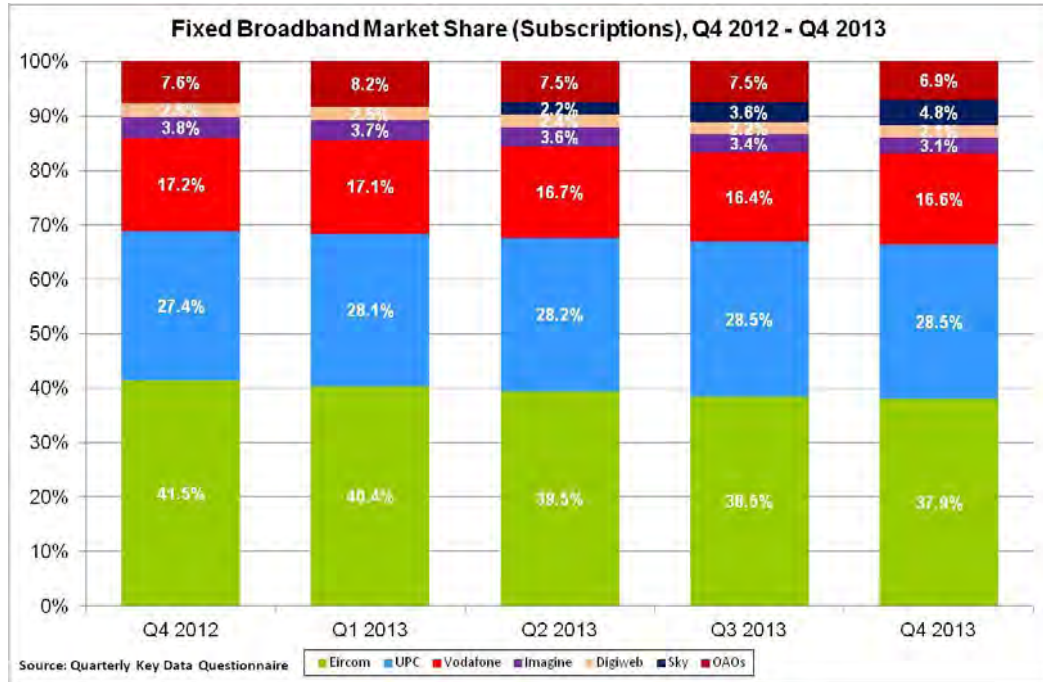
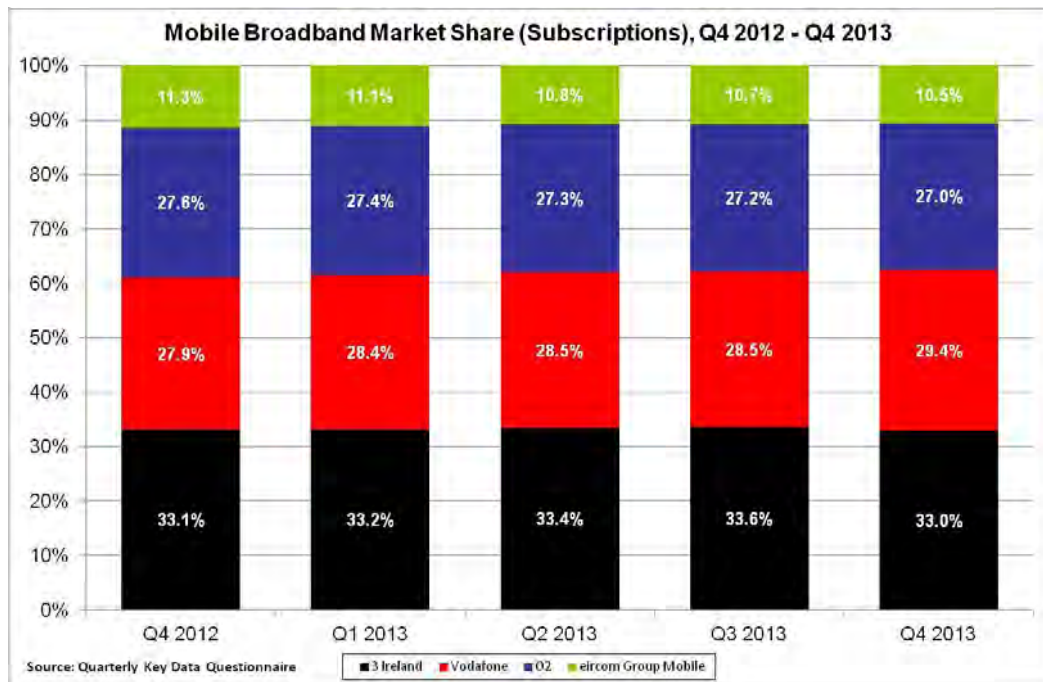


Figure 3.1.11 shows the market share of mobile broadband operators by subscriptions. As of Q4 2013, 3 had the largest share with 33.0%,³³ down from 33.1% in Q4 2012. Vodafone’s market share was 29.4%, up from 27.9% in Q4 2012. O2 had a market share of 27.0% down from 27.6% in Q4 2012, while eircom group mobile had a market share of 10.5% down from 11.3% in Q4 2012.

Figure 3.1.11 – Subscription Market Share of Mobile Broadband Market



³³ 3’s National Broadband Scheme subscriptions are included in this data.

3.2 Provision of DSL Access

Figure 3.2.1 examines the provision of DSL access. DSL broadband services are provided to consumers by operators using three alternative methods of access. DSL may be provided directly to the consumer by Eircom using direct access to its network; this accounted for 56.3% of all DSL subscriptions in Q4 2013. **Eircom’s market share of retail DSL lines** has declined by 7.1 percentage points over the last year. Retail DSL may also be provided by alternative operators (OAOs) who use either wholesale bitstream, which enables OAOs to resell **another operator’s** DSL service, or by offering DSL-based broadband using local-loop unbundling (LLU).

In Q4 2013, 32.3% of all DSL lines were provided by OAOs using wholesale bitstream. In absolute terms there were 226,538 wholesale bitstream lines in Q4 2013, an increase of 10.9% since Q4 2012. The remaining 11.4% of DSL lines were provided to subscribers by OAOs using local-loop unbundling. In Q4 2013 there were 80,037 unbundled local loops, up from 62,344 in Q4 2012 and 77,356 in Q3 2013.

Figure 3.2.1 - Provision of DSL Access

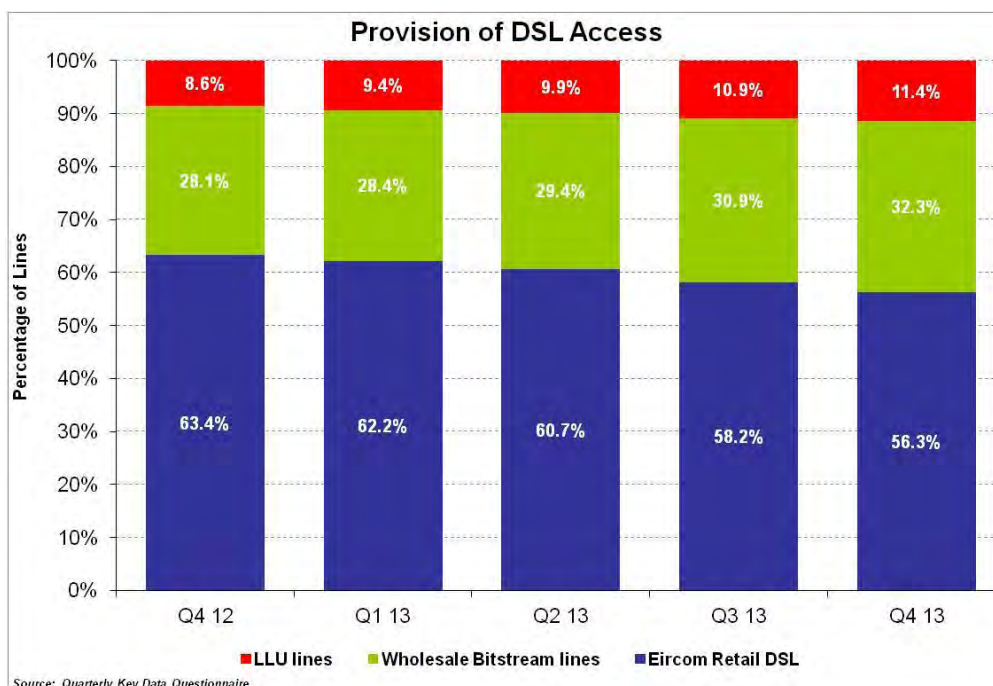
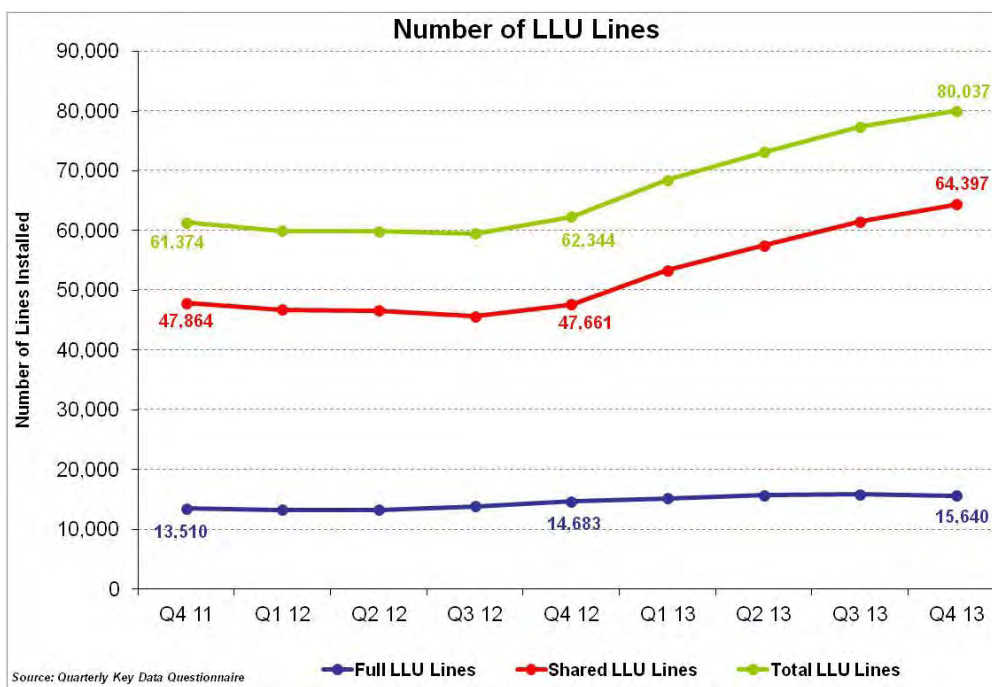


Figure 3.2.2 shows the number of unbundled lines classified by shared and full³⁴ status. Between Q4 2012 and Q4 2013 the total number of LLU lines increased by 28.4% and by 3.5% this quarter. Full LLU lines increased by 6.5% since Q4 2012 but declined by

³⁴ Full LLU and shared LLU are two ways a copper loop may be unbundled. While full LLU assigns the entire copper loop to the leasing operator, shared LLU enables other operators and the incumbent to share the same line. With shared access consumers can acquire voice and data services from an operator or alternatively data services alone while retaining the voice services of the incumbent.

1.5% since last quarter. Shared LLU lines rose by 35.1% since Q4 2012 and by 4.7% since last quarter.

Figure 3.2.2 – Number of Local Loops Unbundled



3.3 Provision of VDSL Access

VDSL broadband services are provided to consumers by operators using three alternative methods of access. VDSL may be provided directly to the consumer by Eircom using direct access to its network; this accounted for 75.7% of all VDSL subscriptions in Q4 2013. Retail VDSL may also be provided by alternative operators (OAOs) who use either wholesale bitstream, which enables OAOs to resell another operator’s VDSL service, or by offering VDSL-based broadband using virtual unbundled access (VUA).

3.4 Broadband Penetration

The total number of broadband subscriptions in Ireland for Q4 2013 was 1,689,052. Using fixed residential broadband subscriptions only, 1,029,491 (i.e. excluding business subscriptions and mobile broadband subscriptions), the estimated fixed broadband household penetration rate (there were 1,699,100 households in Ireland using CSO Q3 2013 estimate) as of Q4 2013 was 60.6%.

Based on the total number of broadband subscriptions in Ireland for Q4 2013, the broadband per capita penetration rate (including mobile broadband) was 36.7%. When mobile broadband is excluded, the penetration rate was 25.8%.³⁵ These figures are

³⁵ It should be noted that ComReg reports dedicated mobile broadband subscriptions (i.e. on the basis of mobile dongles/datacards) only. Subscriptions with Internet access over a handset are not included. Therefore, the total

based on a population of 4,603,900 from Central Statistics Office (CSO) Q3 2013 estimate.³⁶

Figure 3.4.1 shows fixed broadband subscriptions per capita among 28 EU countries in Q3 2011 and Q3 2013. Based on this data, **Ireland’s** fixed broadband per capita penetration rate (25.0%) remains behind the benchmarked EU28 average of 28.1%.

Figure 3.4.1 – Fixed Broadband Subscriptions per Capita, Q3 2011 – Q3 2013

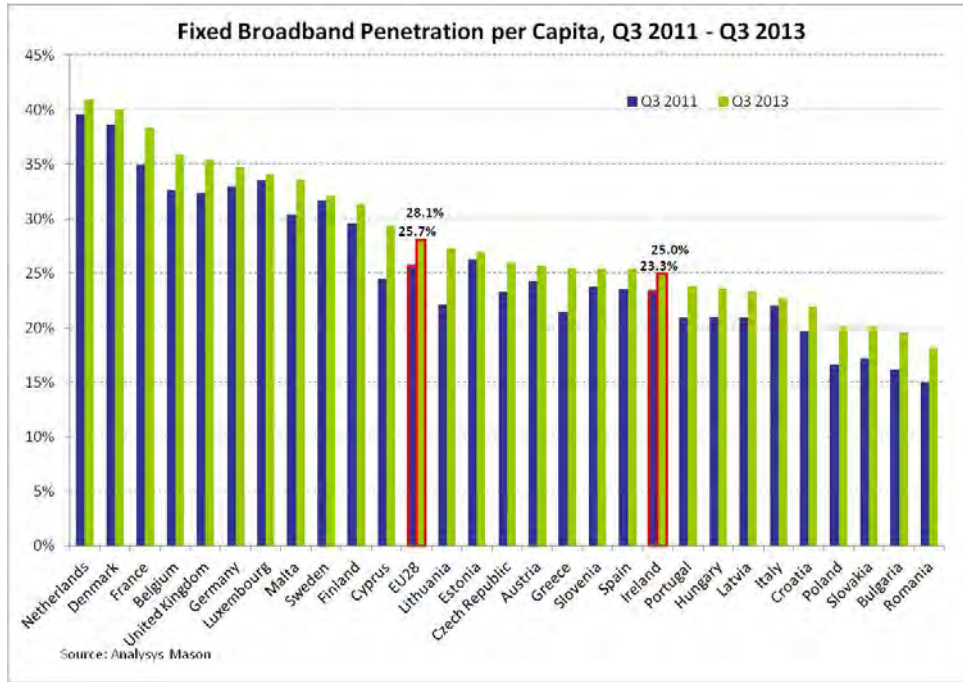


Figure 3.4.2 shows the proportion of households with broadband connections from 2009 to 2013. Both fixed and mobile broadband³⁷ are included. **Ireland’s** household broadband penetration rate at 67% is lower than the EU28 average of 76%. Penetration has increased by 13 percentage points since 2009 while the EU28 penetration has increased by 19 percentage points. Figure 3.4.3 presents broadband penetration rates in Ireland and EU since 2004.

number of mobile broadband users (i.e. dedicated mobile broadband and handset subscriptions with internet access) will be higher than stated in this report. On the other hand, a broadband subscriber may have both a fixed and mobile broadband subscription and therefore, a broadband penetration rate based on both mobile and fixed subscriptions may overestimate the penetration rate.

³⁶ Estimates based on Quarterly National Household Survey (QNHS).

³⁷ Households with at least one member aged 16–74. Broadband connection includes: DSL, wired fixed (cable, fibre, Ethernet, PLC), fixed wireless (satellite, WiFi, WiMax) and mobile wireless (3G/UMTS).

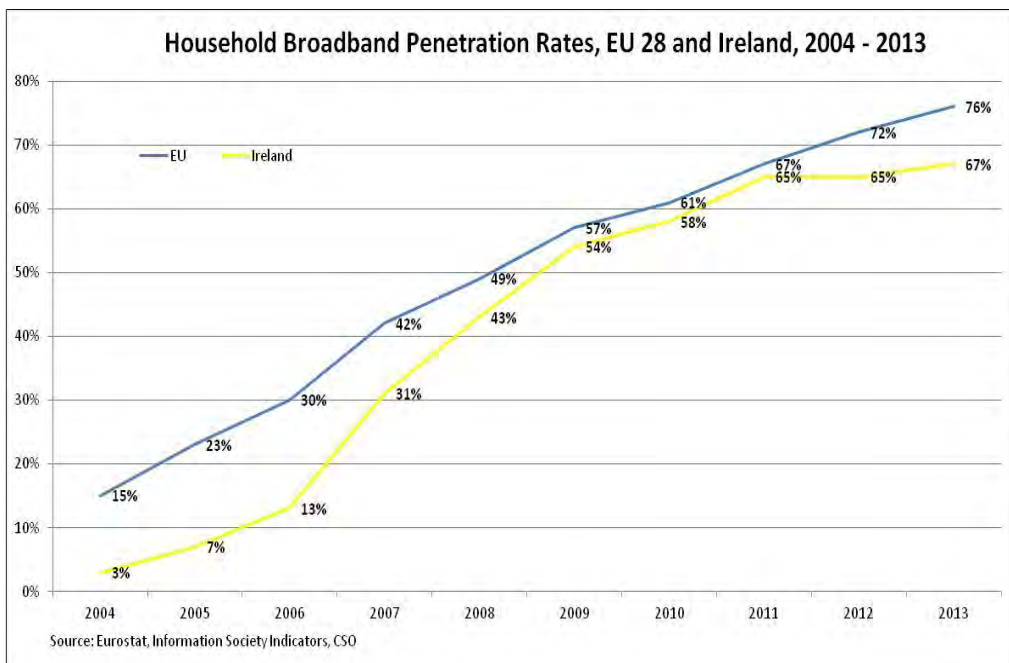
Figure 3.4.2 – Household Broadband Subscriptions, 2013

	Broadband internet connections		
	2009	2011	2013
AT	58	72	79
BE	63	74	79
BG	26	40	54
CY	33	51	62
CZ	49	63	69
DE	65	78	85
DK	76	84	87
EE	62	66	79
EL	33	45	55
ES	51	62	69
EU-28	57	67	76
FI	74	81	88
FR	63	70	78
HU	51	61	71
HR	39	56	64
IE	54	65	67
IT	39	52	68
LT	50	56	64
LU	71	68	70
LV	50	59	70
MT	63	75	79
NL	77	83	87
PL	51	61	69
PT	46	57	62
RO	24	31	56
SE	79	86	:(u)
SI	56	67	74
SK	42	55	70
UK	69	80	87

:(u) data is not reliable

Source: Eurostat (online data code [isoc_bde15b_h](#))

Figure 3.4.3 – Household Broadband Penetration, 2004 - 2013



3.5 WiFi Broadband Access

While WiFi originally emerged as an alternative to share broadband connectivity in the home and to provide access to nomadic laptop users in airports and other public places, it is now being used by a broader range of players with different business models and services which include in home connectivity, outdoor access for nomadic users, and off-loading and coverage alternative for mobile operators.

ComReg presents data on the WiFi market based on the number of public WiFi hotspots and access points located nationally. Internet hotspots are typically public wireless access points where a computer, usually a laptop, or other portable device such as an iPhone or tablet can connect to the internet. A WiFi hotspot can be made up of one or more WiFi access points³⁸. WiFi hotspots tend to be found in airports, hotel lobbies and cafés and restaurants. In most cases, the user pays for high-speed internet access at an access point, based either on a vouchered payment for a specific amount of time online or a recurring monthly subscription. There are a number of providers of these services in Ireland including Bitbuzz, Eircom, Sky Ireland and BT Ireland.

The number of WiFi hotspots and access points have increased by approximately 29.8% and 21.6% respectively, comparing Q4 2012 to Q4 2013. WiFi minutes increased by 72.9% over this period. This may be a reflection of the increasing take up of smartphones and tablet devices among Irish consumers, as well as changes in WiFi operators' conditions of access. It should be noted that due to changes in policy by some WiFi operators towards termination of a session (i.e. in the past a users session was terminated if they dropped of the network for a short period of time. However, a user can now be off the network for longer periods before the session is terminated) the number of WiFi minutes has increased as a result.

A breakout of the data by operators' percentage shares in Q4 2013 is also provided below.

³⁸ Hotspots are typically public locations at which broadband internet access can be obtained. At these hotspots, users with a computer (usually a laptop) can wirelessly connect to the internet either for free or on payment of a fee. Typical locations for such hotspots include cafes and restaurants, hotels and airports. In general terms, more than one access point can be found at a hotspot.

Figure 3.5.1 – WiFi Hotspots, Access Points and Minutes of Use

	Q4 2013	Q4'12-Q4'13 Growth	Q3'13-Q4'13 Growth
WiFi Hotspots	2,749	29.8%	0.9%
WiFi Access Points	4,769	21.6%	5.0%
WiFi Minutes of Use	290,811,987	72.9%	-6.9%

% Share - Q4 2013	Bitbuzz	Eircom	OAOs
WiFi Hotspots	13.5%	83.8%	2.7%
WiFi Access Points	40.7%	58.0%	1.3%
WiFi Minutes of Use	49.4%	47.9%	2.7%

3.6 Broadband Pricing Data³⁹

In this report broadband tariff baskets have been supplied by Teligen using their T-Connect product for fixed broadband comparisons and their T-Wireless product for mobile broadband comparisons.

The speed categories were chosen for these operators across all benchmarked countries to ensure that a meaningful comparison can be made between packages in terms of **contracted speeds offered. Operators' broadband packages are compared on the** assumption that their products should be available nationally. The prices represented in each basket are based on the lowest priced tariffs available for those baskets. Packages which limit usage with speed restrictions when usage exceeds allowance are included.

It should also be noted that the recurring and non-recurring costs of the broadband packages which are part of the broader bundle (broadband with voice and/or TV services) are the costs of the whole bundle. On the other hand, the usage costs are always broadband specific. Bundled packages are included when there are few or no other options from broadband services provider.

Further information on the composition of the broadband basket can be found in the Explanatory Memorandum which accompanies this report.⁴⁰

T-Connect (Fixed Broadband Baskets)

In order to ensure that services can be adequately compared, the benchmarking model prices a range of DSL and cable services based on defined usage of 30 hours per month, with each session assumed to last for 30 minutes for residential consumers while a usage of 100 hours per month with a 60 minute average session for business consumers is assumed.

³⁹ This section does not include broadband tariff packages that are offered as special promotions. All residential tariffs are inclusive of VAT but all business tariffs are exclusive of VAT. VAT rates vary between Member States.

⁴⁰ ComReg Document 14/19a.

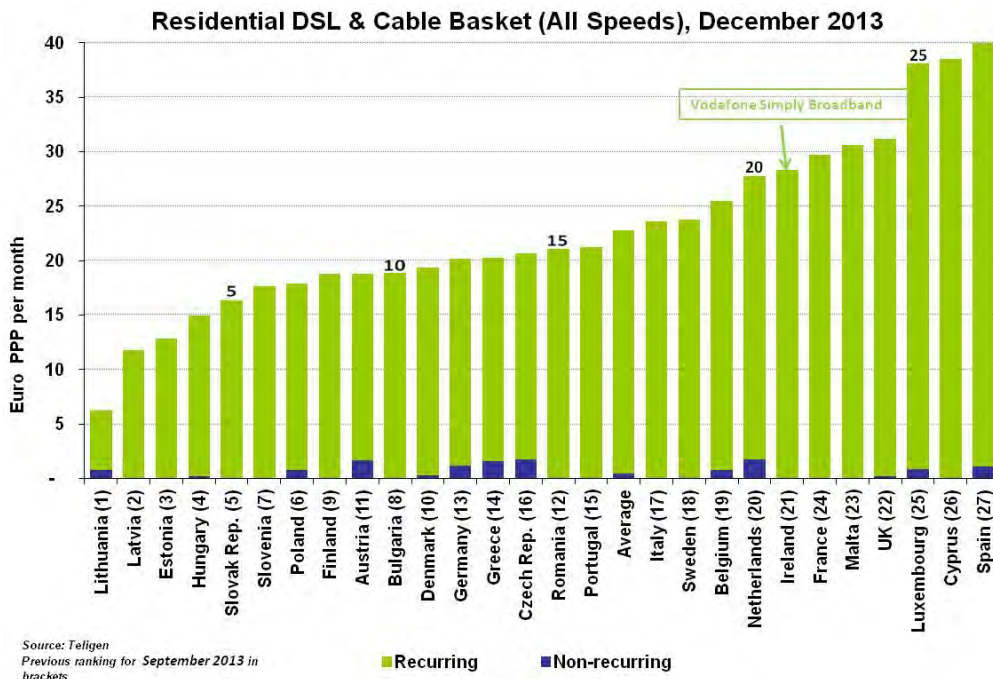
While broadband is an always-on product, the assumption of an average user profile ensures that packages are comparable across countries. It further assumes a download usage of 5 Gigabytes every month for each service for residential consumers and 20 Gigabytes every month for business consumers. Upload and download speeds (based on contracted speeds) are also analysed.

The data presented in the following charts illustrates the cheapest product available in each country from the largest fixed line market player (Eircom for Ireland), the next largest DSL operator (Vodafone for Ireland) and the largest cable operator (i.e. UPC for Ireland) under these usage assumptions.

These packages are based on advertised download speeds. The charts below represent speed categories⁴¹ of all residential speeds and speeds >10 Mbps in the business market.

The lowest monthly residential DSL & cable pricing for all speeds is charted in figure 3.6.1. Ireland ranks in 21st place in the group of 27 European countries. Ireland is 5 places behind the benchmarked country average. The pricing for Ireland is based on Vodafone’s Simply Broadband package.

Figure 3.6.1 - Residential DSL & Cable Basket (All Speeds)

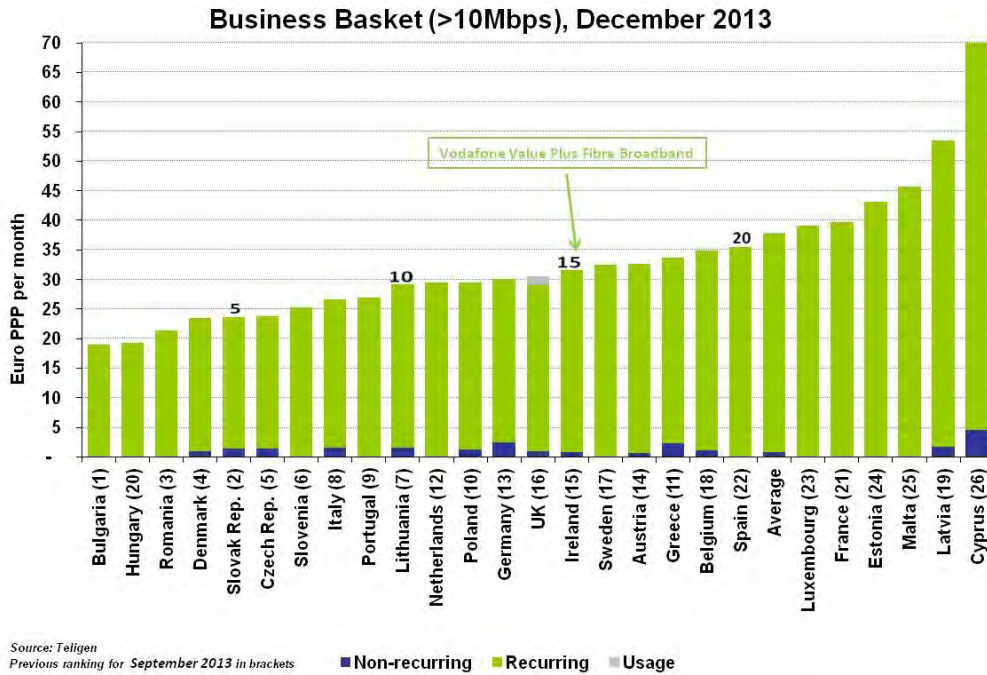


Source: Teligen
Previous ranking for September 2013 in brackets

⁴¹ Due to limited availability of standalone broadband offers in the Irish market at the time that Teligen conducted their research, comparable data cannot be reported for the 1-4 Mbps and 4-10 Mbps baskets this quarter.

The lowest monthly business pricing for DSL and cable in the >10 Mbps speed category is charted in figure 3.6.2. Ireland is in 15th place among the group of 26 European countries. Ireland’s package is 6 places above and 16.5% cheaper than the benchmarked country average. The pricing for Ireland is based on Vodafone’s Value Plus Fibre package.

Figure 3.6.2 – Business DSL and Cable Basket (>10Mbps)



T-Connect (Mobile Broadband Baskets)

This benchmarking model prices a range of mobile broadband services for PC, tablet and standalone tariffs. All Irish mobile network operators are included in the model. These packages are based on advertised download speeds.

The pre-pay residential basket is based on a usage profile of 8 hours and 1.5GB downloaded per month and the post-pay residential basket is based on a usage profile of 15 hours and 3GB download per month. For business customers the basket chosen is based on a usage profile of 5 hours and 1.5GB downloaded per month.

Figure 3.6.3 shows that out of the 20 benchmarked European countries, Ireland (13th) ranks one place above the benchmarked country average. The pricing for Ireland is based on Meteor’s Broadband To Go 30 days pass plan. Ireland’s pricing is approximately 3.4% more expensive than the benchmarked country average.

Figure 3.6.3 – Pre-Pay Residential Mobile Broadband Basket (All Speeds)

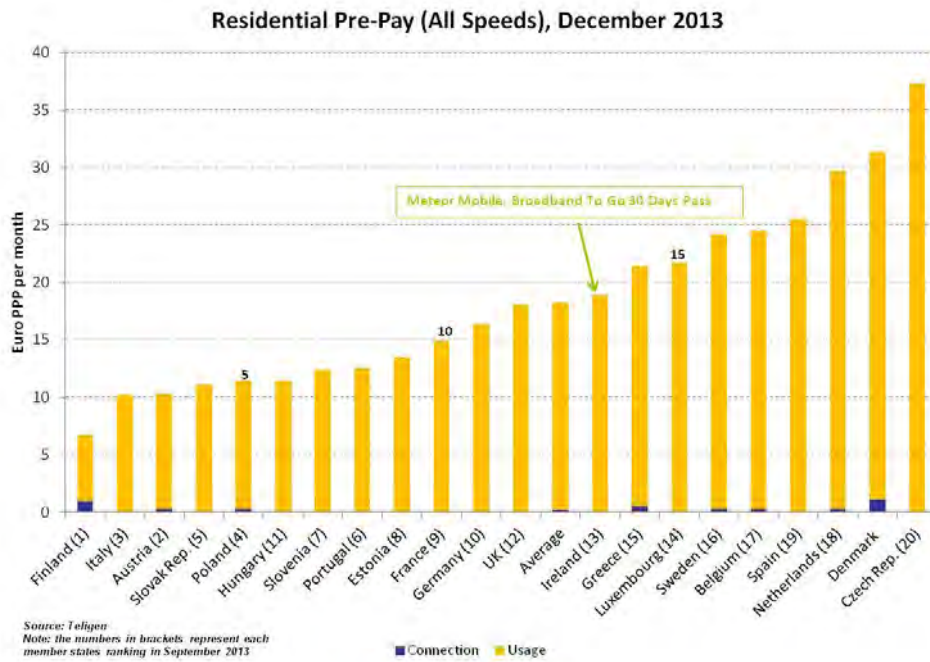


Figure 3.6.4 compares post-pay residential mobile broadband tariffs. Ireland ranks in 15th place among the 21 benchmarked European countries, two places above the benchmarked country average. Ireland’s pricing is based on Meteor’s Broadband to Go 5GB package and is approximately 3.2% more expensive than the benchmarked country average.

Figure 3.6.4 – Post-Pay Residential Mobile Broadband Basket (All Speeds)

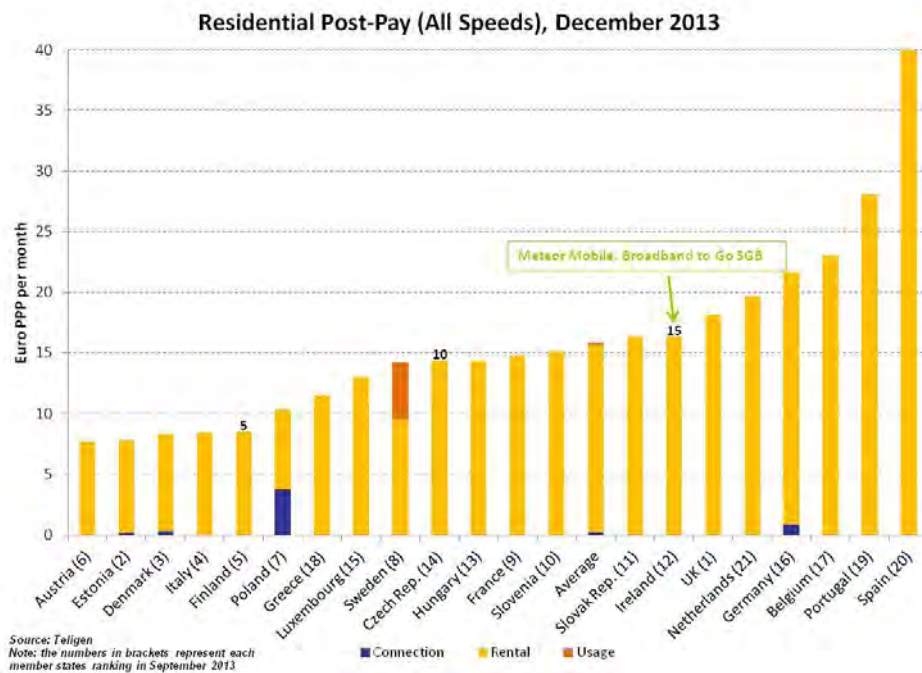
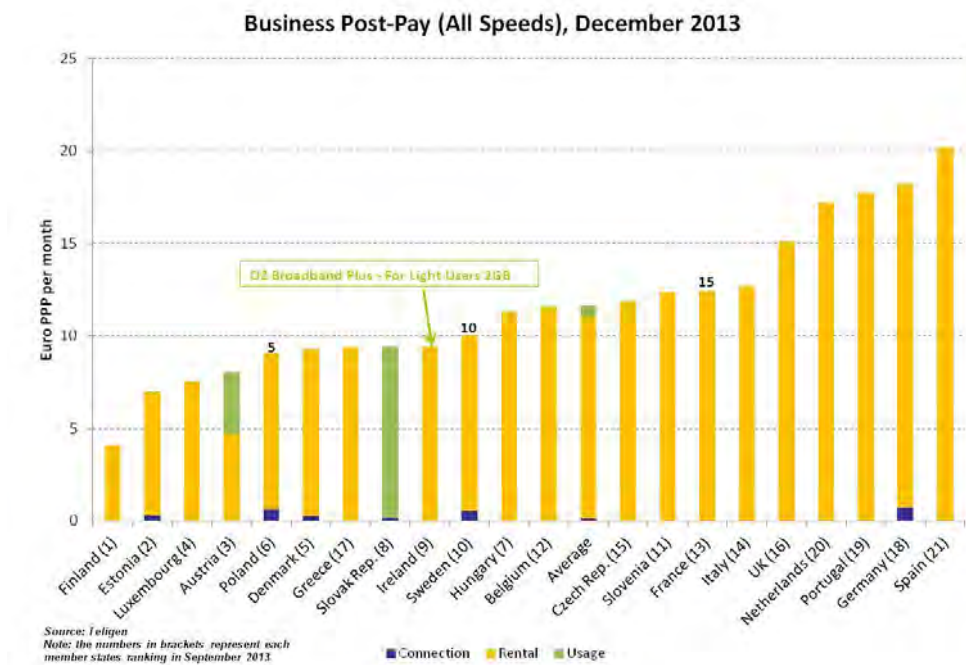


Figure 3.6.5 compares the pricing for a post-pay business mobile broadband basket among 21 European countries. Ireland ranks in 9th place among these countries, 4 places ahead of and 18.7% cheaper than the benchmarked country average. Ireland’s pricing is based on O2’s Broadband Plus for Light Users 2GB package.

Figure 3.6.5 – Post-Pay Business Mobile Broadband Basket (All Speeds)



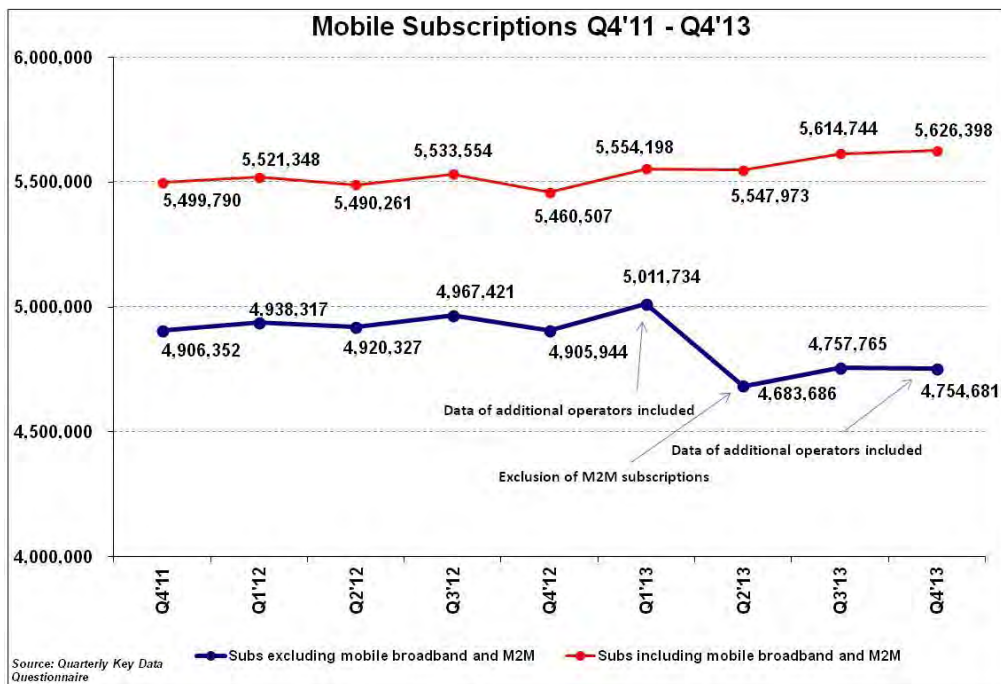
4. Mobile Market Data

4.1 Number of Subscriptions and Penetration Rate

ComReg notes that as of Q1 2013 mobile subscriptions from additional mobile operators (including Lycamobile) has been incorporated into the mobile industry data and therefore Q1 2013 information on mobile industry is not strictly comparable with previous periods. Furthermore, in Q4 2013 data from one additional mobile operator was collected.

At the end of December 2013 there were 5,626,398 mobile subscriptions in Ireland, including mobile broadband and Machine to Machine⁴² subscriptions. If mobile broadband subscriptions (499,840) and Machine to Machine subscriptions (371,877) are excluded, the total number of mobile subscriptions in Ireland was 4,754,681.

Figure 4.1.1 – Mobile Subscriptions



In Q4 2013 there were 4,449,580 3G SIMs in Ireland. These 3G SIMs are based on 3G equivalent standards, protocols or technologies, enabling access to advanced data services such as web/internet content, online multiplayer gaming content, Video on Demand (VoD) or other equivalent advanced data services (excluding SMS and MMS).

SIMs used in mobile handsets as well as other mobile devices such as USB modems and tablet computing devices are included in this metric.

⁴² As of Q2 2013 M2M subscriptions are excluded from mobile voice subscriptions. Therefore, changes in subscriptions are not directly comparable to previous periods.

As a subset of total 3G SIMs in Ireland, there were (including dedicated mobile broadband) 3,107,147 active 3G users in Ireland in Q4 2013. Total active 3G users as a proportion of total 3G SIMs was 69.8%. Active 3G users are users who have accessed advanced data services such as web/internet content, online multiplayer gaming content, video on demand or other equivalent advanced data services (excluding SMS and MMS) by making a transaction in the last 90 days via a handset, dongle/USB modem or other mobile internet device. SIMs used in mobile handsets as well as other mobile devices such as tablets and USB modems are included.

Total active 3G users (3,107,147) minus dedicated mobile broadband subscriptions (499,840) can be taken as a general indication of the number of active smartphones in Ireland. This represents approximately 54.8% of all mobile subscriptions (excluding dedicated mobile broadband and M2M) in Q4 2013.

Figure 4.1.2 below shows the breakdown of total active SIMs, total 3G SIMs and active 3G users in Ireland from Q4 2012 to Q4 2013.

Figure 4.1.2 – Mobile Subscriptions including Smartphones (SIMs)

	Q4'13	Q4'12	Quarterly Change (Q3'13 – Q4'13)	Annual Change (Q4'12 – Q4'13)
Total active SIMs	5,626,398	5,460,507	+0.2%	+3.0%
Total 3G SIMs	4,449,580	4,344,765	-0.5%	+2.4%
Dedicated mobile broadband and Smartphone (SIMs)⁴³	3,107,347	2,941,688	+1.1%	+5.6%
Smartphone (SIMs)⁴⁴	2,607,507	2,387,125	+1.9%	+9.2%

Figure 4.1.3 charts mobile penetration since Q4 2012 and shows that at the end of December 2013, mobile penetration, based on a population of 4,603,900 (using CSO Q3 2013 estimate), was 122.2% including mobile broadband and M2M and 103.3% excluding mobile broadband and M2M. Mobile penetration is recognised as the standard metric internationally to measure the adoption of mobile services, and is calculated based on the number of active SIM cards per 100 of the population.

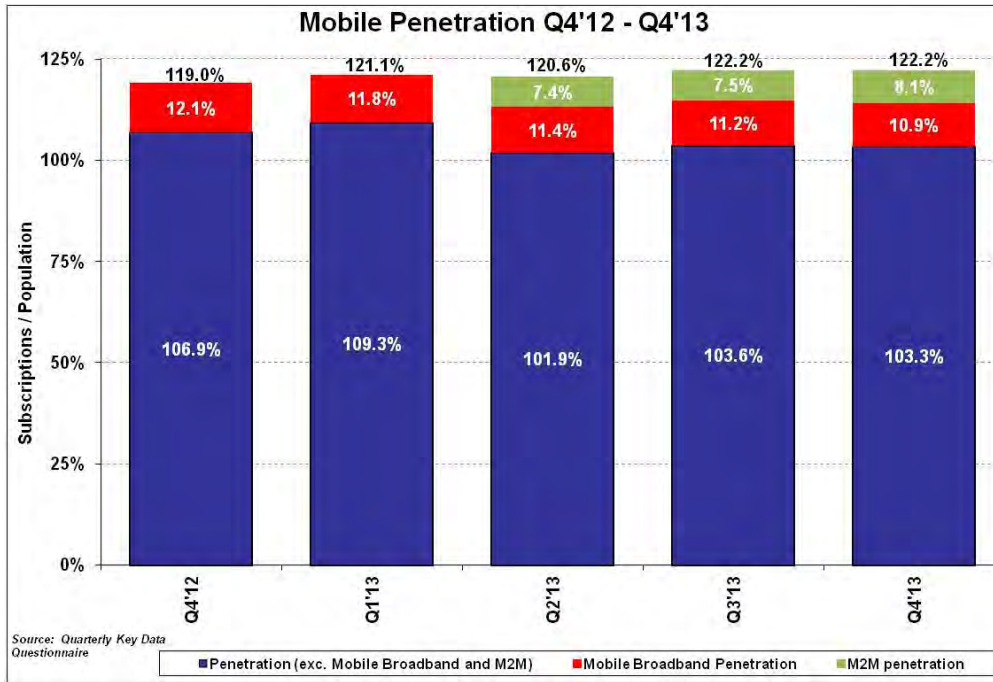
Given that some mobile users may have used more than one active SIM card during the period, there is likely to be some over-estimation of actual individual mobile penetration **using this metric. ComReg's calculation of mobile subscriptions includes active SIMs** bundled with mobile broadband datacards and USB modems for internet access via

⁴³ Active 3G SIMs.

⁴⁴ Active 3G SIMs excluding dedicated mobile broadband SIMs. It should be noted that the proportion of 3G smartphone users has grown marginally this quarter as users have moved to 4G SIMs. ComReg will endeavour to include 4G SIMs in the table above in future reports.

laptops/PCs, SIMs that enable the flow of data between Machines as well as SIM cards used in mobile phones for voice and data services.

Figure 4.1.3 – Irish Mobile Penetration Rate



4.2 The Profile of Mobile Subscriptions in Ireland

Mobile users pay for their mobile service by either purchasing pre-paid credit, or by receiving a monthly bill from their mobile operator, described in this report as a post-paid payment option.

Figure 4.2.1 and 4.2.2 illustrate the mobile subscription base (including mobile broadband and M2M) in Ireland classified by the proportion of pre-paid and post-paid subscriptions on 2G, 3G and 4G networks at the end of December 2013. Post-paid subscriptions are increasing, accounting for 43.1% of subscriptions in Q3 2013, up from 40.4% one year previously at the expense of a decline in pre-paid subscriptions. The majority of both pre-paid and post-paid subscriptions include broadband/data packages while all M2M subscriptions are post-paid.

Figure 4.2.1 – Profile of Pre-Paid and Post-Paid Subscriptions

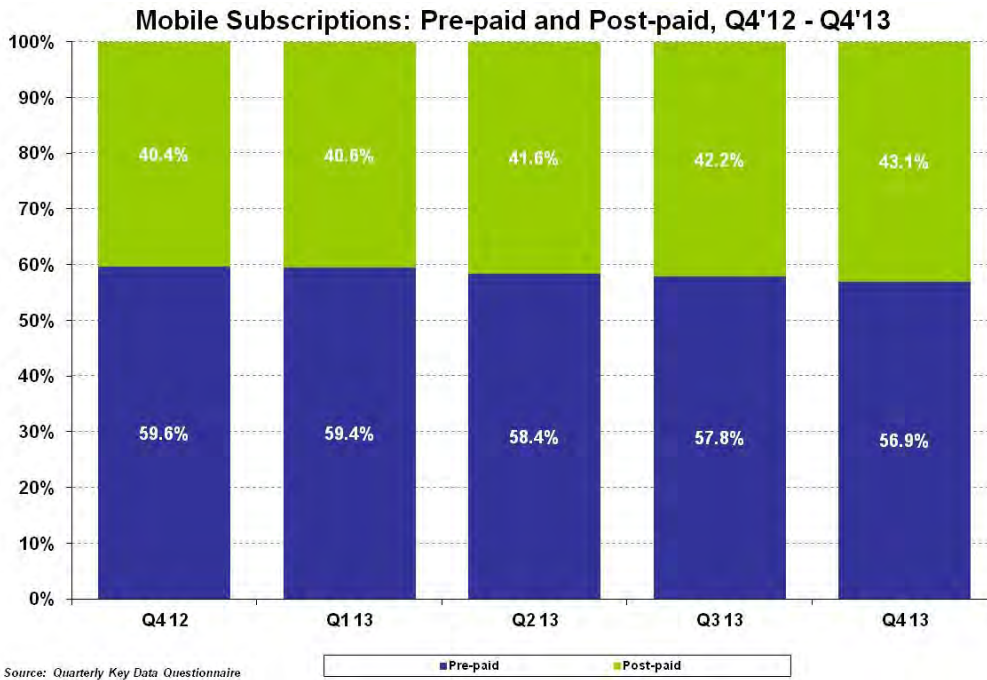


Figure 4.2.2 – Mobile Subscriptions by Pre-pay/Post-pay Split, Q4'12 – Q4'13

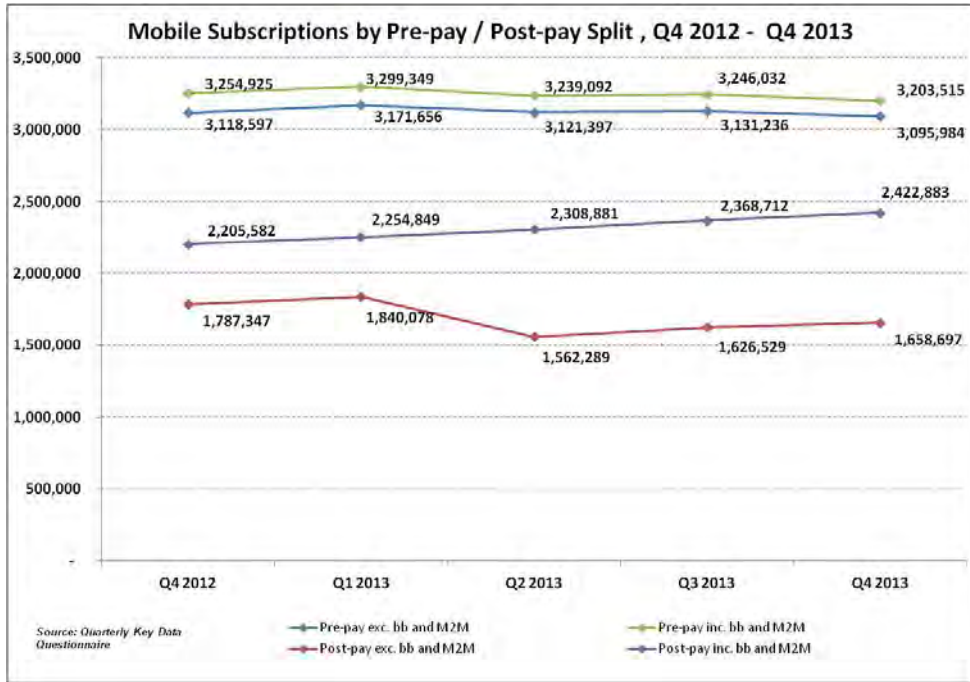


Figure 4.2.3 shows the pre-paid and post-paid subscription profile for each of the mobile operators in the Irish market. Mobile broadband and M2M subscriptions are included in this data. As of Q4 2013, the mobile operator with the highest proportion of post-pay subscriptions was 3 (60.0%) followed by O2 (53.5%), while all of Lycamobile’s subscriptions are pre-pay.

Figure 4.2.3 – Profile of Pre-Paid and Post-Paid Subscriptions by Operator

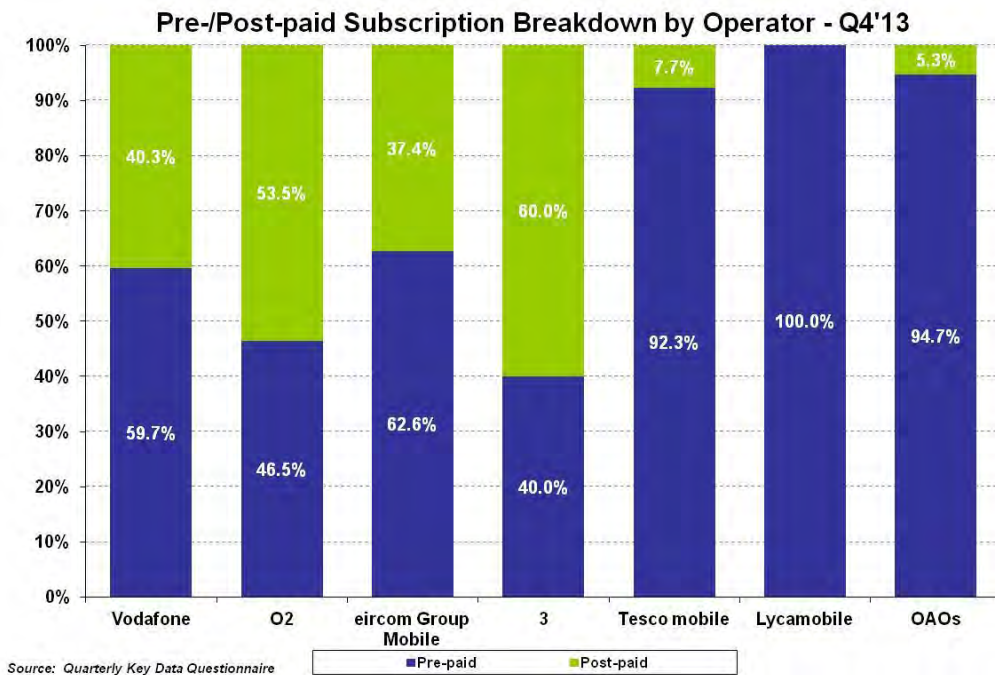


Figure 4.2.4 shows the split between pre-paid and post-paid mobile broadband subscriptions between Q4 2012 and Q4 2013. 78.5% of all mobile broadband subscriptions were post-paid at the end of December 2013, up from 75.4% one year previously.

Figure 4.2.4 – Profile of Pre-Paid and Post-Paid Mobile Broadband Subscriptions

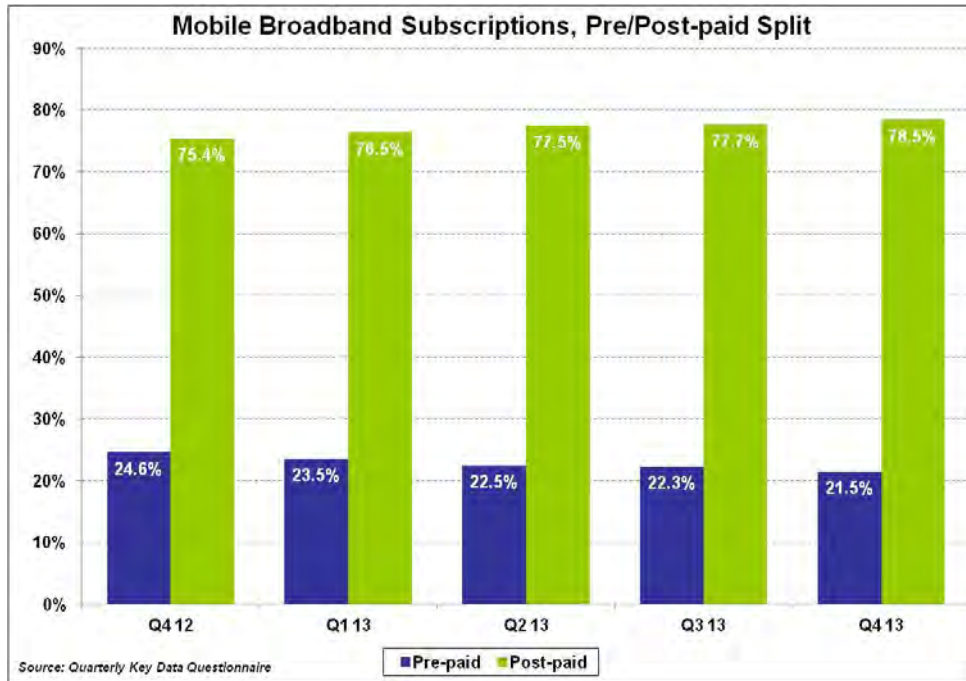


Figure 4.2.5 shows the split of post-paid business and non business mobile subscriptions including and excluding mobile broadband and M2M between Q4 2012 to Q4 2013. Approximately 40.2% of post-paid mobile subscriptions (including mobile broadband and M2M) and 29.3% of post-paid mobile subscriptions (excluding mobile broadband and M2M) were classed as business subscriptions in Q4 2013.

Figure 4.2.5 – Post-Paid Business and Residential Mobile Subscriptions

	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012
Residential subs inc. mobile broadband⁴⁵	1,448,329	1,427,097	1,392,468	1,341,780	1,336,669
Residential subs exc. mobile broadband & M2M	1,172,147	1,143,083	1,101,469	1,041,383	1,028,298
Business subs inc. mobile broadband & M2M	974,550	941,615	916,413	890,452	868,913
Business subs exc. mobile broadband & M2M⁴⁶	486,546	483,446	460,820	776,078	759,049

⁴⁵ All M2M subscriptions are assumed to be business subscriptions.

⁴⁶ M2M subscriptions excluded since Q2 2013.

4.3 Mobile Volumes

Figure 4.3.1 illustrates the change in voice minutes, SMS, and MMS (Multimedia Messaging Service) messages and 'other data'⁴⁷ volumes (internet uploads and downloads) sent between Q4 2009 and Q4 2013. Total retail mobile voice traffic totalled 2.86 billion minutes in Q4 2013, an increase of 6.3% on Q4 2012.

The total number of SMS messages sent by mobile users in Ireland was over 2.15 billion in Q4 2013, down 27.6% on Q4 2012. The number of multimedia messages (MMS) sent was down 9.9% compared to Q4 2012.

Other data volumes continue to rise, increasing by 43.7% in the year to Q4 2013 to reach 12,273 terabytes.

Figure 4.3.1 – SMS, MMS, Other Data and Call Minute Volumes

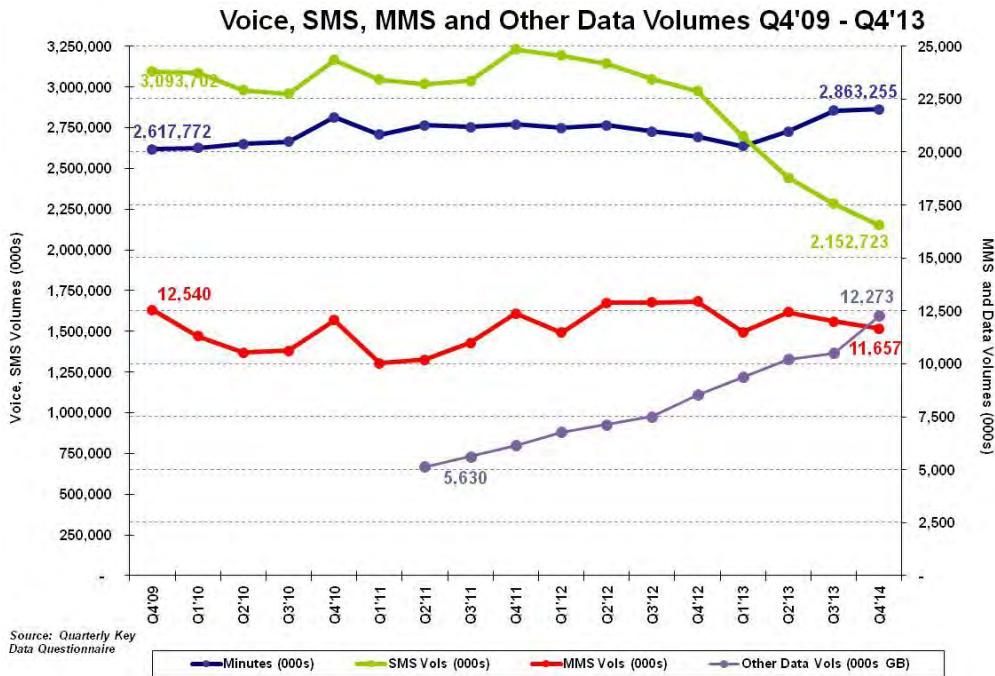


Figure 4.3.2 illustrates the share of types of mobile voice call minutes. As of Q4 2013, 75.3% of all mobile voice minutes were classified as mobile-to-mobile (on-net and off-net); 11.2% of mobile voice minutes were to fixed line phones, 10.8% were classified as international and roaming and the remaining 2.7% were advanced voice minutes which include calls to premium rate services.

⁴⁷ Other data volumes means mobile traffic for which customers do and do not have to pay per MB of charges and refers to both uploads and downloads. Retail international roaming data downloaded from network subscribers roaming on foreign networks (including EU-27) is also included.

Figure 4.3.2 – Voice Call Minute Volumes by Type

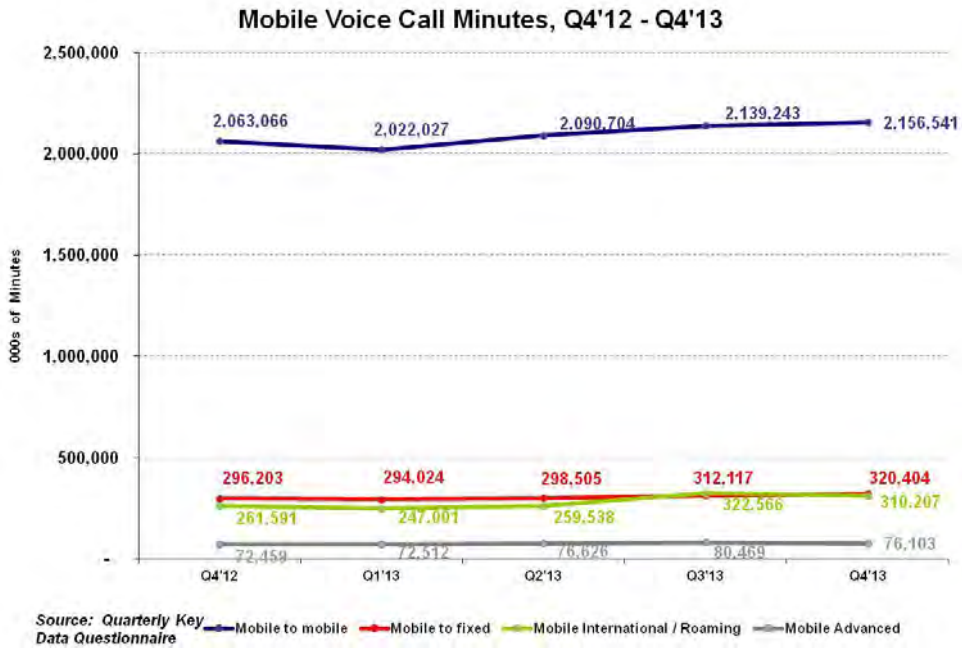


Figure 4.3.3 shows the change in the on net and off net mobile to mobile voice call minutes since Q4 2012. As of Q4 2013, 63.5% of all mobile to mobile voice minutes were classified as on-net down from 67.9% in Q4 2012.

Figure 4.3.3 – Mobile to Mobile Voice Call Minute Volumes by Type

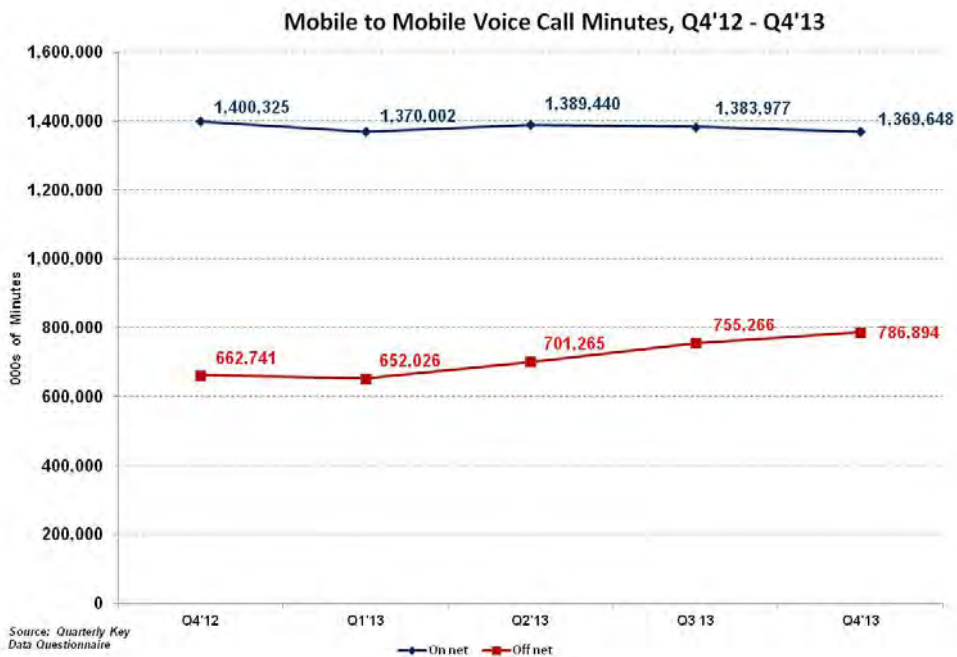


Figure 4.3.4 shows the change in the monthly mobile voice call minutes per subscription. In Q4 2013 the average usage was 200.7 minutes. From Q2 2013, the mobile voice subscription base is affected by the subtraction of M2M subscriptions and

thus, average minutes per subscriber reported from Q2 2013 are not directly comparable with the corresponding values in the previous quarters.

Figure 4.3.4 – Monthly Mobile Voice Call Minutes per Subscription by Type

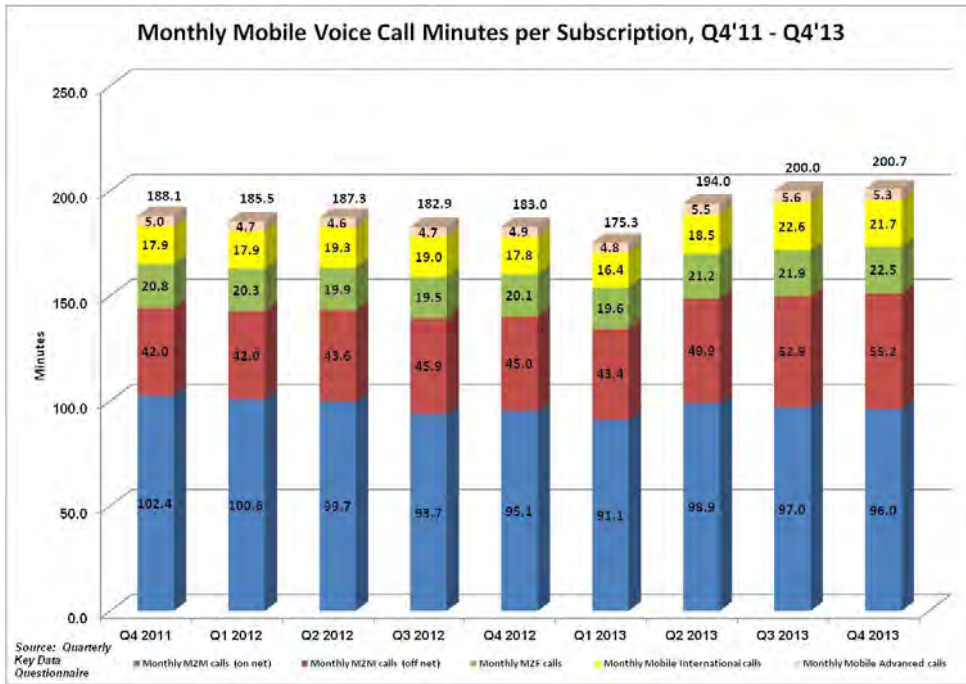
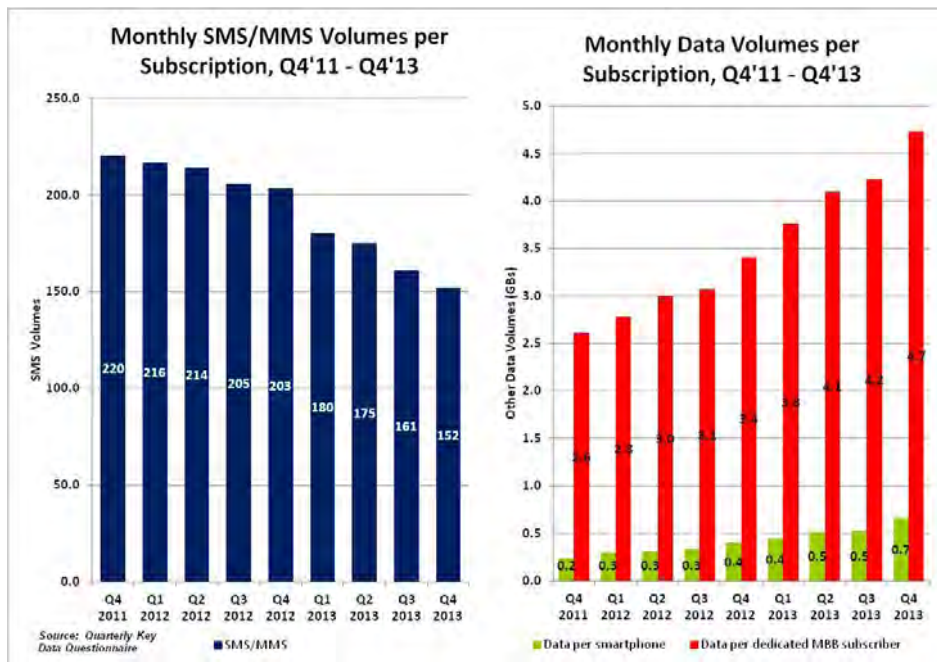


Figure 4.3.5 shows the change in the monthly mobile data volumes per subscription. In Q4 2013 the average monthly number of SMS/MMS sent was 152 and, the average traffic per smartphone reached 0.7 GB of data, while the average traffic per dedicated mobile broadband subscriber was 4.7 GB of data⁴⁸.

Figure 4.3.5 – Monthly Mobile Messaging and Data Volumes per Subscription

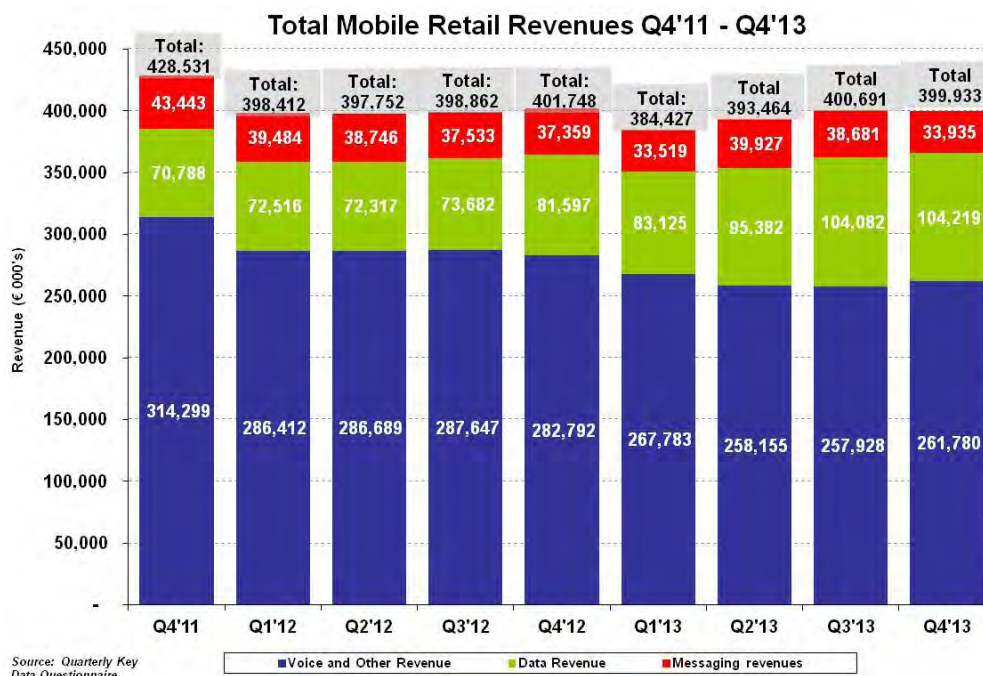


⁴⁸ Data traffic refers to both uploads and downloads.

4.4 Mobile Revenues

Figure 4.4.1 shows that mobile retail revenues for Q4 2013 were almost €400 million. While messaging revenues fell by 12.3% this quarter, voice and other revenues increased by 1.5%. Data revenues also marginally increased, by 0.1%.

Figure 4.4.1 – Total Mobile Retail Revenues



Wholesale mobile revenues were almost €84 million in Q4 2013, the vast majority accounted for by terminating traffic, followed by access⁴⁹ and roaming⁵⁰ revenues.

4.5 Average Monthly Revenue per User

Mobile ARPU is a function of both the price of mobile services and the level of usage of mobile services. In Q4 2013 mobile APRU was €26.5 per month, up from €26.2 last quarter but down from €30.4 in Q4 2011. This overall decline is in line with a general downward trend in ARPU across Western European countries. Based on data from **Analysys Mason's Telecom Matrix** monthly mobile ARPU across the average of 14 Western European countries fell by 9.0% in Q3 2013 compared to Q3 2012.

Figure 4.5.1 illustrates the change in ARPU for prepaid and contract subscribers. In Q4 2013 mobile ARPU for prepaid subscriber was €16.50 per month (down 14.1% since Q4

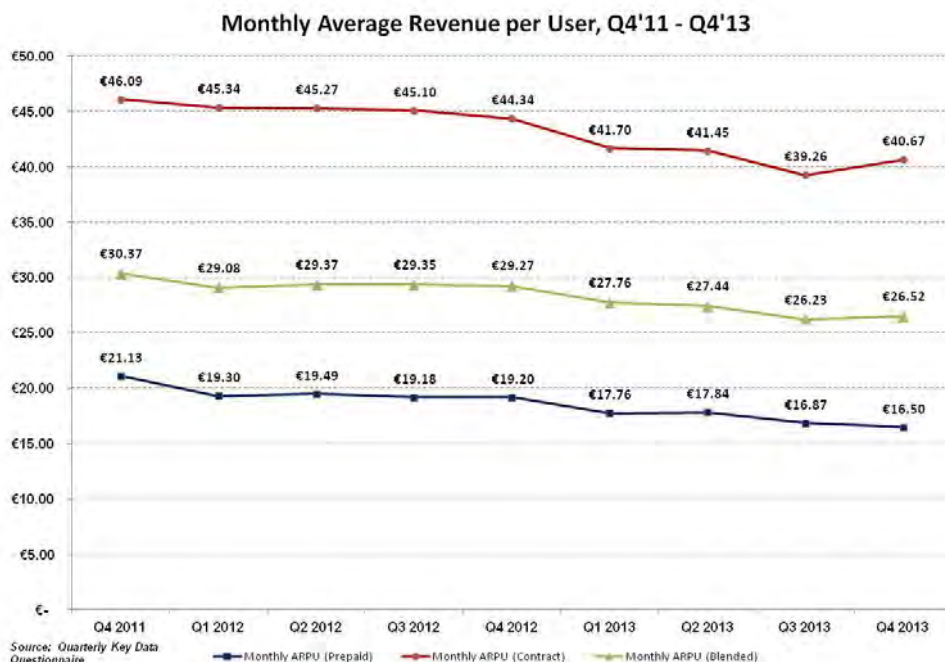
⁴⁹ Includes revenues from the wholesale provision of voice, messaging and data services to MVNOs and access revenues not related to traffic. Includes revenues from the provision of wholesale roaming (outbound) services (voice/text/data services) to hosted MVNOs. Includes revenues from wholesale provision of voice, messaging and data services based on national roaming agreements.

⁵⁰ Revenues from the provision of wholesale roaming (inbound) services (voice/text/data services). Excludes revenues from the provision of wholesale roaming (outbound) services to hosted MVNOs.

2012) while mobile ARPU for contract subscribers was €40.67 per month (down 8.3% since Q4 2012 but up by 3.6% on Q3 2013).

ComReg notes that the increase in ARPU in Q4 2013 was driven by increased wholesale mobile termination revenues and not by increases in retail prices.⁵¹ Meanwhile, the general decline in ARPU is likely to be a reflection of a number of factors such as those attributable to weak economic conditions in Ireland (e.g. reduced consumer spending), lower priced mobile plans, increased sales of bundled products (combining mobile with fixed calls and sometimes broadband) and reductions in roaming and mobile termination rates, among others.

Figure 4.5.1 – Monthly Average Revenue per User by Type



4.6 Machine to Machine subscriptions

Machine to Machine (M2M) refers to technologies that involve data communication between devices or systems in which, at least in principle, human intervention is not a part. These technologies may encompass either wireless or wired communications, or both. M2M communication is already widely deployed in Ireland and its usage is set to grow rapidly, driven in no small part by the expansion of next generation telecommunications technology and a decline in the cost of the embedded wireless

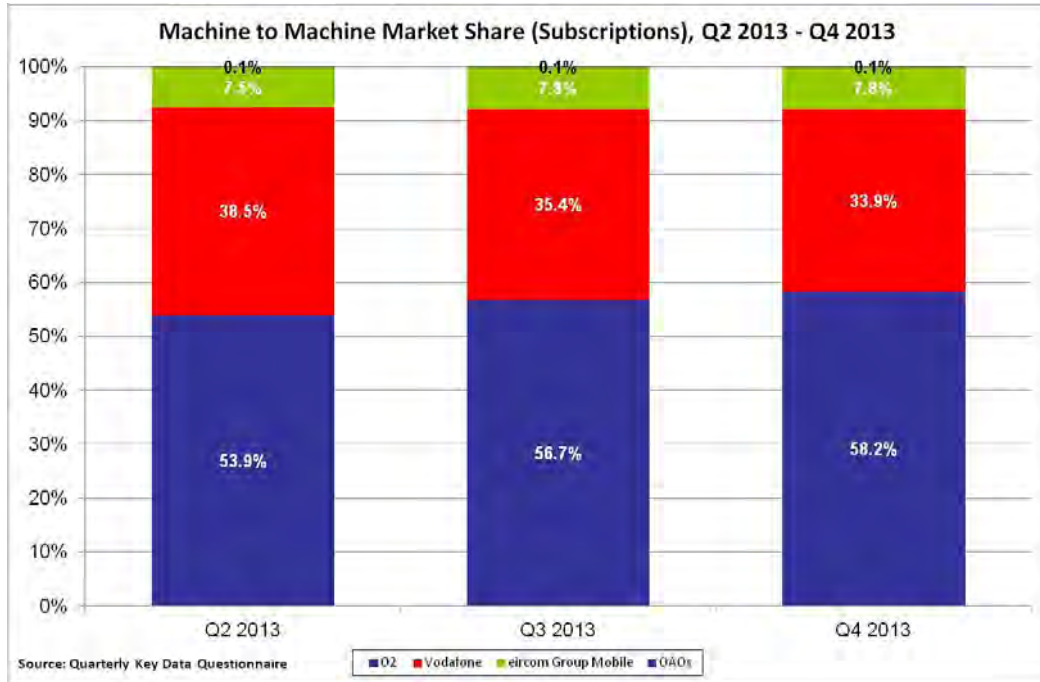
⁵¹ It is likely that this increase in wholesale mobile termination revenues resulted directly from the judgment delivered by the Irish High Court in *Vodafone v Commission for Communications Regulation* (Record No. 2012/465 MCA, 14 August 2013). That case concerned an appeal brought by Vodafone against ComReg Decision D12/12 which had imposed a pure LRIC-based mobile termination rate (MTR) of 1.04 cent per minute on mobile operators with effect from 1 July 2013. In its judgment, the High Court quashed the MTR of 1.04 cent per minute and replaced it with an interim MTR of 2.6 cent per minute. For further detail, see the [judgment](#) of the High Court dated 14 August 2013, [ComReg Information Notice 13/80](#), [ComReg Information Notice 13/97](#) and [ComReg Information Notice 13/97a](#).

modules and sensors that enable M2M services. This continued improvement in the infrastructural environment around M2M has led to a rapid growth of applications and **services that meet users' business and lifestyle needs**. M2M technologies transfer data on the condition of physical assets and devices to a central location (which is at a distance from the devices) for effective monitoring and control. M2M has many a multitude of uses, with current deployments in the healthcare, energy, home automation and transportation sectors. Specific examples of applications include smart metering, vehicle and consignment tracking and alarm monitoring systems of various kinds, ATM machines signalling the need for cash replacement, smart grid monitoring of real time electricity demand, smart home applications such as switching on and off lights, heating, appliances.

Different networking technologies can be used to connect M2M devices, depending on the amount of mobility needed, quality required, data rate, the degree of dispersion of devices over an area, and so on. Gathering data on dedicated M2M mobile connections assists ComReg in assessing future regulatory needs for M2M, e.g. for numbering resources. The additional data also allows for more accurate assessment of mobile telephony and broadband connections.

There were 371,877 M2M subscriptions at the end of December 2013. This is an increase of 9.3% since Q2 2013. Figure 4.6.1 outline market shares based on active M2M subscriptions. O2 maintains the largest market share of M2M subscriptions at 58.2% in Q4 2013 followed by Vodafone with 33.9% market share. Eircom Group Mobile retains a 7.8% market share while the remaining OAOs have a 0.1% share.

Figure 4.6.1 – Market Share – Number of M2M Subscriptions



4.7 Competition in the Mobile Market

Figures 4.7.1 and 4.7.2 outline mobile market shares based on the number of active subscriptions reported by each operator. It should be noted that due to the subtraction of M2M subscriptions, in Figure 4.7.2 market shares in Q2 2013 are not directly comparable to market shares in the previous periods. In addition, market shares in Q1 and Q4 2013 are not directly comparable with previous periods as data from additional MVNOs have been included in each of those periods.

Figure 4.7.1 includes mobile broadband and M2M while figure 4.7.2 excludes mobile broadband and M2M. Vodafone has the highest market share including and excluding mobile broadband and M2M (37.9% and 39.1%), followed by O2 (26.9% and 24.4%), eircom Group Mobile (19.2% and 21.0%), 3 (9.9% and 8.3%) and Tesco Mobile (3.8% and 4.5%). Lycamobile has a market share of 2.1% and 2.5% while the remaining OAOs have market shares of 0.3%.

Figure 4.7.1 – Market Share – Number of Subscriptions (inc. mobile broadband and M2M)

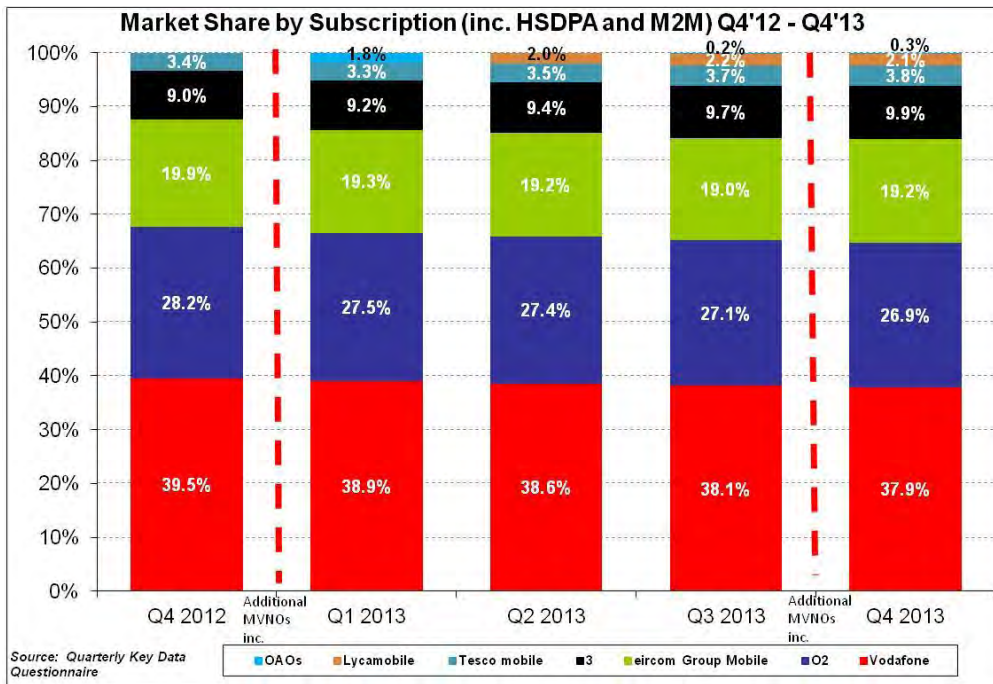


Figure 4.7.2 – Market Share – Number of Subscriptions (ex. mobile broadband and M2M)

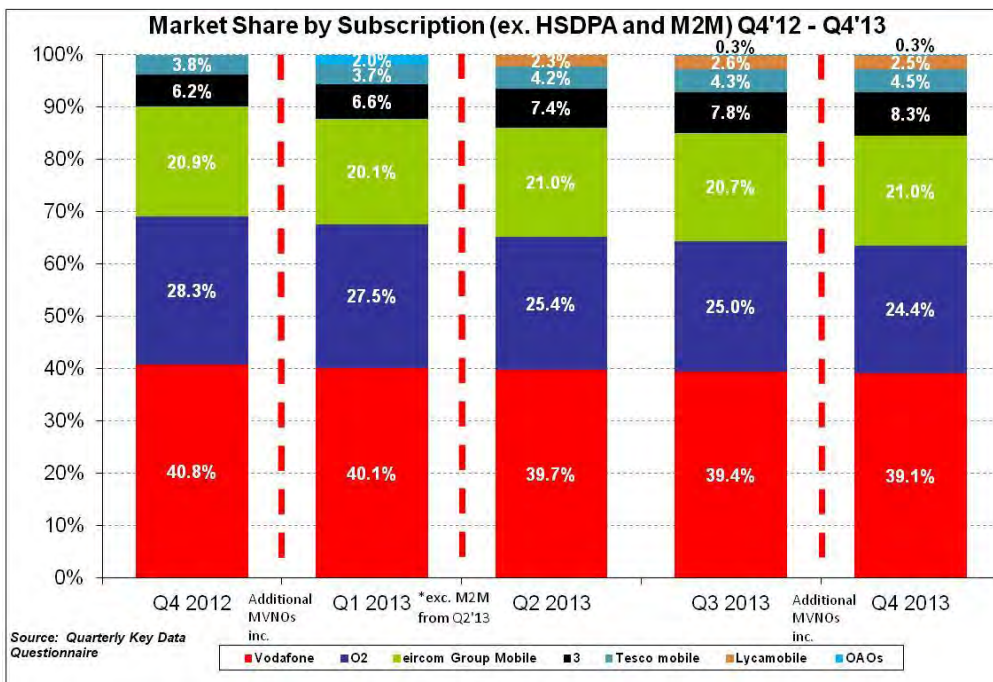
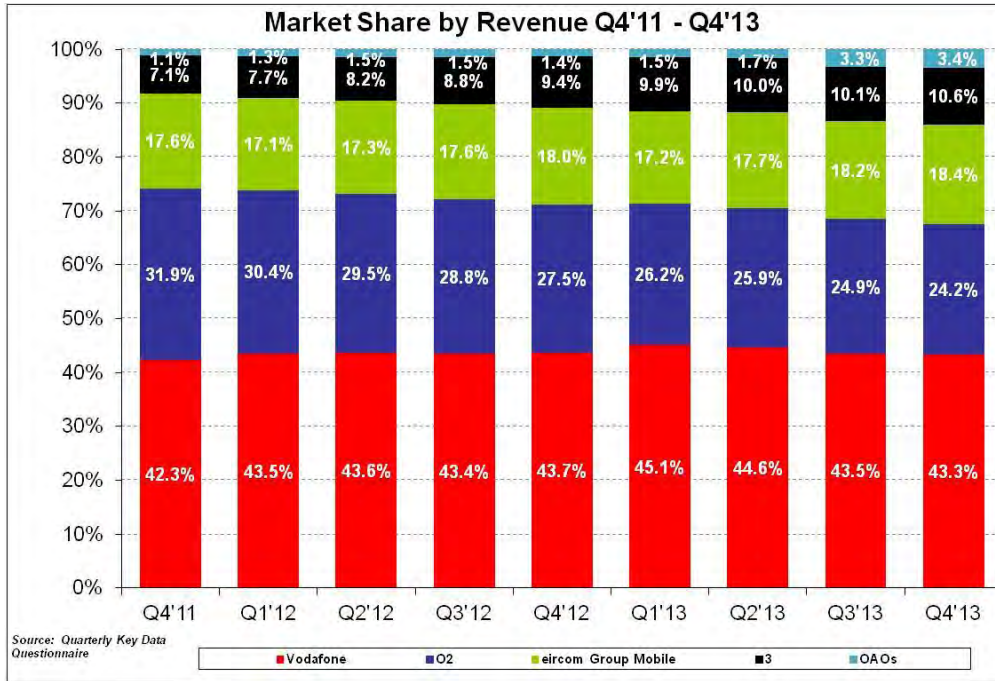


Figure 4.7.3 shows market shares by total retail revenues for mobile operators. As of Q3 2013, data from additional mobile operators is included in this chart. Therefore, market shares previous to Q3 2013 are not directly comparable. Vodafone’s market share remains highest at 43.3% followed by O2 at 24.2%. Eircom Group Mobile’s market share is the next largest at 18.4% followed by 3 and OAOs at 10.6% and 3.4%.

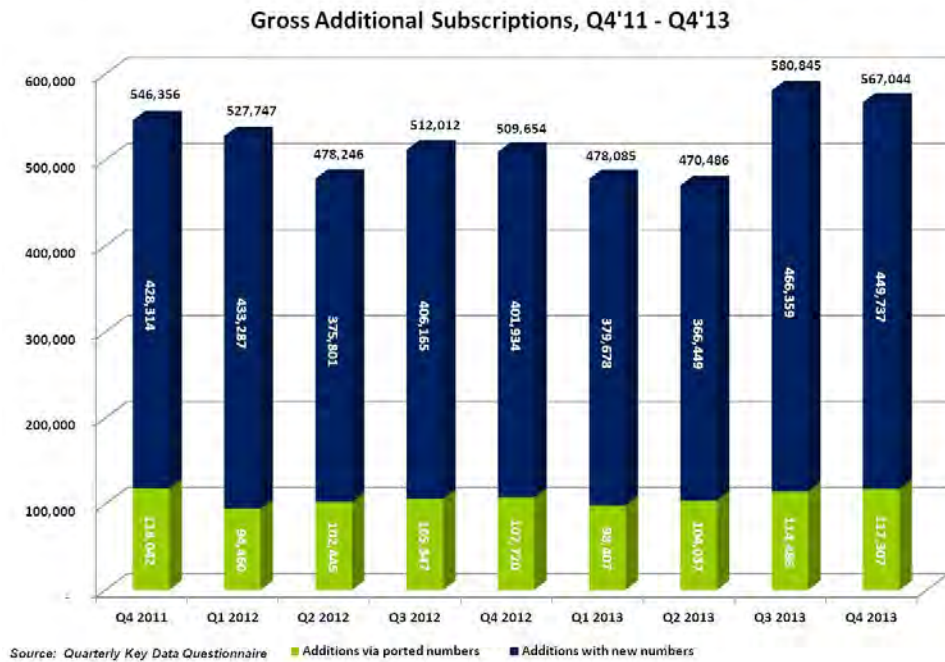
Figure 4.7.3 – Revenue Market Share



4.8 Switching in the Mobile Market

Figure 4.8.1 illustrates the number of subscribers who port their numbers as a proportion of total gross additions⁵². There were 567,044 gross additional subscriptions in Q4 2013. In the quarter to December 2013, 117,307 numbers were ported between operators and a total of 434,237 numbers over a twelve month period. Gross additions via ported numbers account 20.7% of total gross additions in Q4 2013.

Figure 4.8.1 – Gross Subscription Additions and Numbers Ported



⁵² Gross additions include consumers who decide to avail of multiple SIMs and thus, slightly overstate the switching intensity in Ireland.

4.9 Mobile Pricing Data⁵³

The OECD mobile pricing basket definitions have been updated by Teligen and were adopted by the OECD in March 2010. These definitions have been derived from data provided by operators and regulators in OECD countries, and have been reviewed by the OECD country authorities.

The OECD mobile baskets include at least two operators for each country. If these cover less than 50% of subscriptions in any country, additional operators may be included as well. Therefore, the reported figures reflect the cheapest prices offered by these operators, which may not necessarily be the cheapest offers in the entire market. All of the most common packages are included for each operator. This means that the current update covers over 3,730 packages across the 34 OECD countries. Both pre-paid and post-paid packages are included.

Mobile offers used are typically 2G and 3G services with the main focus on voice. The basket methodologies can be used to compare different types of offers such as pre-paid, post-paid or SIM-only plans. The new methodology used by the OECD/Teligen is based on the following baskets of calls:

Baskets
30 calls per month
100 calls per month
300 calls per month
900 calls per month
40 calls per month pre-paid basket
400 messages per month basket

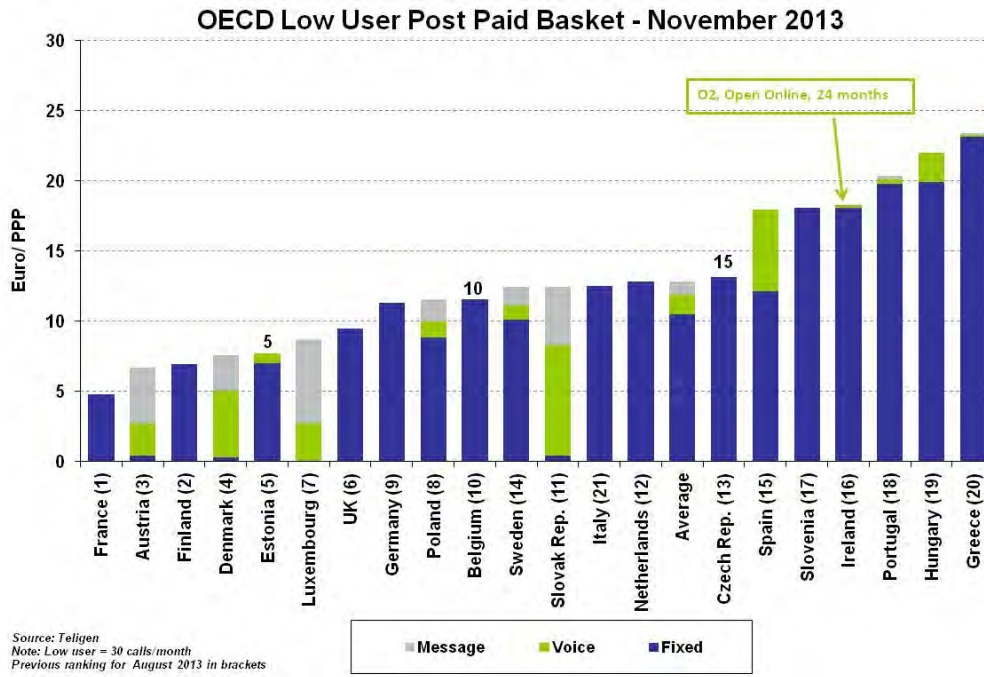
The Teligen mobile baskets presented in this Quarterly Report, termed as “low user”, “medium user” and “high user” are, based on the 30 calls, 100 calls and 300 calls per month baskets respectively described above. They are calculated and analysed independently by Teligen, using an OECD methodology which includes PPPs (Purchasing Power Parities) to reflect the real cost of mobile services compared to all other costs within a country.

⁵³ The ‘Fixed’ component of price refers to the standard charges imposed by operators, regardless of the amount of calls made (i.e. connection and rental). Teligen’s calculation of this Figure is made up of: Installation Charge/5 + Rental charge for 1 year. The ‘Voice’ component of price refers to the charges imposed by operators, arising from the number of voice calls made by the user, while “Message” refers to the charges imposed by operators, arising from the number of SMS and MMS messages sent by the user.

4.9.1 Low User Post Paid Mobile Basket

For the “low user” post paid mobile basket, Ireland ranks in 18th position among the European countries benchmarked. Ireland is 4 places behind and 42% more expensive than the benchmarked country average. The Irish package represented here is O2’s Open Online, 24 month package.

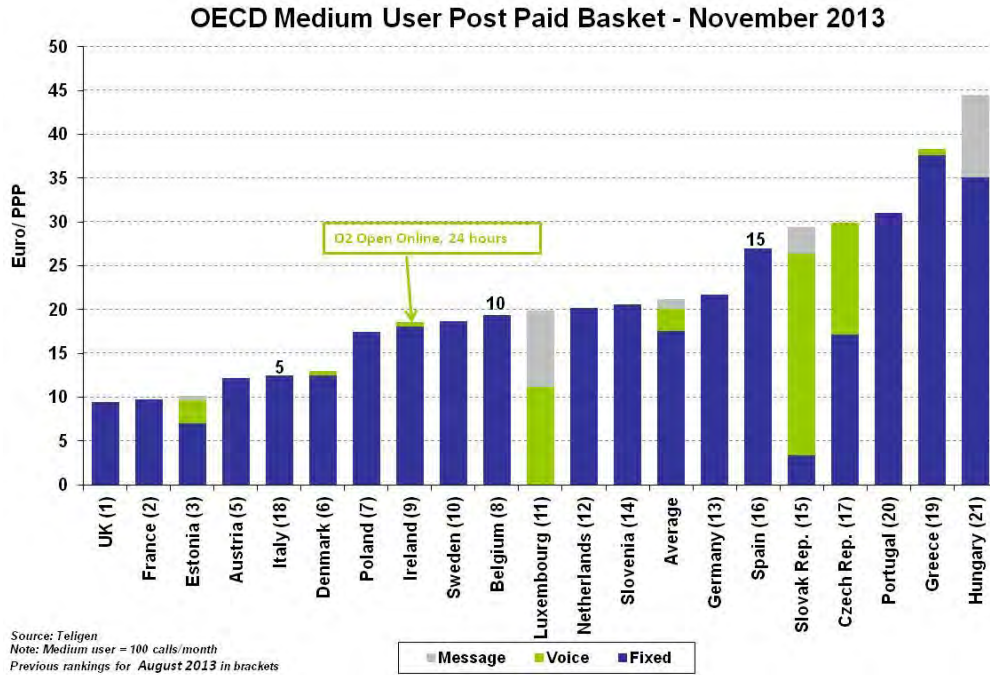
Figure 4.9.1.1 - OECD Low User Post Paid Mobile Basket (30 calls)



4.9.2 Medium User Post Paid Mobile Basket

For the medium user post paid mobile basket, Ireland ranks in 8th position out of the 21 benchmarked countries. Ireland is 6 places ahead of and 12.4% cheaper than the benchmarked average. The Irish package represented here is O2’s Open Online, 24 month package.

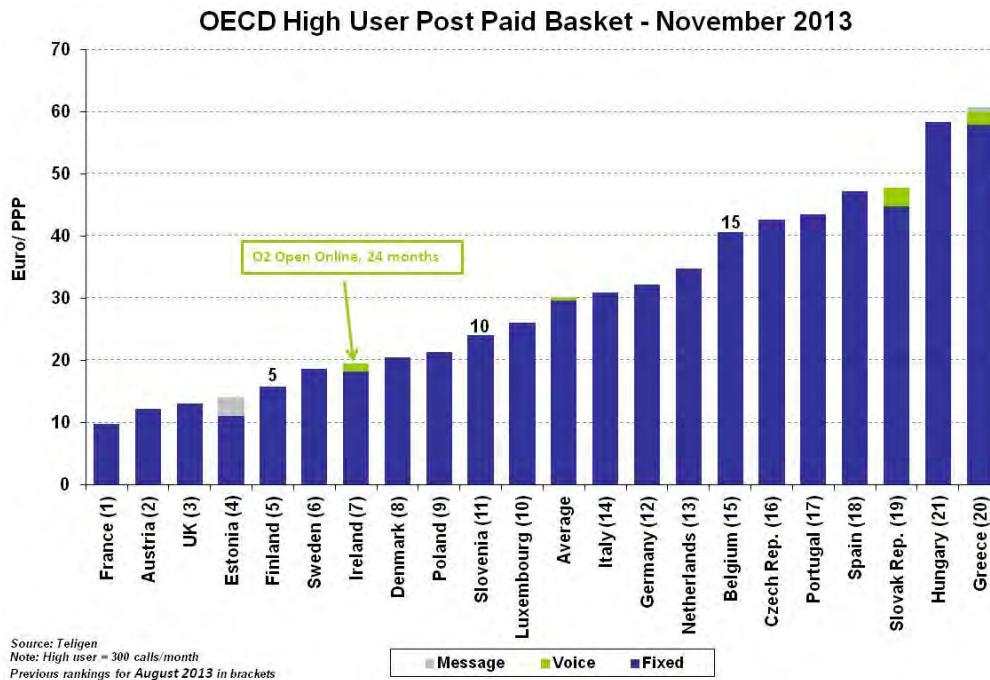
Figure 4.9.2.1 - OECD Medium User Post Paid Mobile Basket (100 calls)



4.9.3 High User Post Paid Mobile Basket

Ireland ranks in 7th place among the countries benchmarked in the high user post paid mobile basket. The Irish package represented here is O2’s Open Online, 24 month package. Ireland is 5 places ahead of and 55% less expensive than the average of the 21 benchmarked countries.

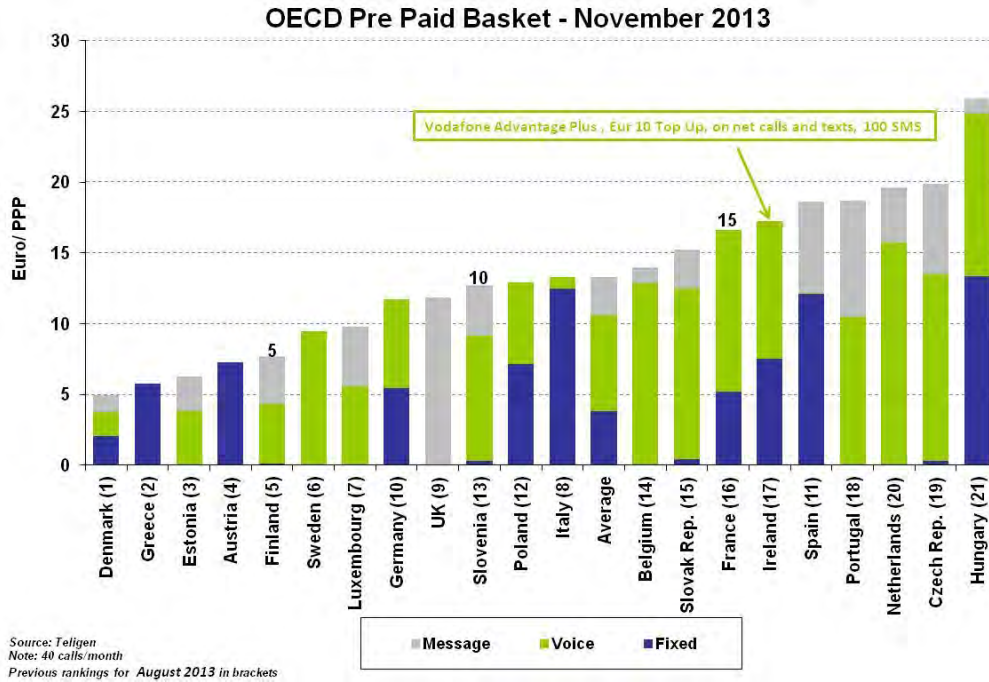
Figure 4.9.3.1 - OECD High User Post Paid Mobile Basket (300 calls)



4.9.4 Pre-Paid Mobile Basket

In the pre-paid mobile basket, Ireland is in 16th position among the benchmarked countries. The package used for Ireland in this basket is Vodafone’s Advantage Plus (EUR Top-up, on net calls and texts, and 100 SMS). Ireland is 4 places behind the average of the 21 benchmarked countries and the cost of this basket in Ireland is approximately 30% more expensive than the benchmarked country average.

Figure 4.9.4.1 - OECD Pre-Paid Mobile Basket (40 calls)



5. Broadcasting

5.1 Overall Broadcasting Market

This broadcasting data is from the Nielsen TV Audience Measurement (TAM) Establishment Survey.⁵⁴ The survey indicated that there were 1,590,000 TV homes in Ireland in January 2014. Figure 5.1.1 shows the estimated number of TV homes by reception type in January 2013 and January 2014 on the basis of the reception method through which the highest number of TV channels is received. Irish terrestrial DTT only homes represented 10.1% of all TV homes (although 39% of TV homes receive Irish DTT) as of January 2014. Cable/satellite platforms represented the remaining 89.9% of all TV homes in Ireland.⁵⁵

Figure 5.1.1 – TV Homes by Reception Type⁵⁶

	January 2014	January 2013	January 2014 as % of Total TV Homes	% Change January '13 – January '14
Reception	(000s)	(000s)	%	% change
Irish Terrestrial	161	198	10.1	-18.7
Multi Total	1,429	1,354	89.9	+5.5
Analogue Cable/Sat	28	40	1.8	-30.0
Digital Cable/Sat	1,401	1,315	88.1	+6.5
Total Cable/Sat	1,429	1,355	89.9	+5.5
Total TV Homes	1,590	1,552	N/A	+2.4
RECEPTION: Reception type categories are hierarchically defined and mutually exclusive. A home is classified once within reception type and this is based upon the highest form of reception available within the home.				
Multi Total: Made up of UK DTT / FTA Satellite, Cable, and SKY homes.				
Irish Terrestrial In September 2013 homes which only receive any or all of the following: RTÉ One, RTÉ Two, TV3, TG4, RTÉ One+1, RTÉ News Now, RTÉ jr via an aerial and a set-top box or an aerial and an integrated digital TV or via Saorsat.				
Cable/Satellite: Includes UK DTT / FTA Satellite, Cable, IPTV and SKY homes. Sky homes based on the possession of SKY boxes, not on being SKY subscribers.				

Figure 5.1.2 charts TV homes by reception method⁵⁷ from January 2012 to January 2014. The percentage of cable/satellite TV homes (this does not include other satellite i.e. respondents who said 'don't know' and satellites that receive foreign language

⁵⁴ The Establishment Survey is a survey produced by Nielsen TV Audience Measurement (fieldwork is carried out by Behaviours and Attitudes) on behalf of Television Audience Measurement Ireland Ltd (a TV ratings body). The Establishment Survey covers areas such as ownership of TV related equipment, method of TV reception and demographics of TV household individuals such as age etc.

⁵⁵ MMDS (Multichannel Multipoint Distribution Service) is included under cable/satellite. MMDS is a wireless telecommunications technology, used usually in sparsely populated rural areas, where laying cables is not economically viable. Approximately 291,000 of those reported above as digital cable/sat and total cable/sat are UK DTT/FTA satellite.

⁵⁶ Source: Nielsen TV Audience Measurement Establishment Survey on behalf of TAM Ireland.

⁵⁷ This is determined by the method by which homes with a TV receive their channels. Each home can have more than one method of reception e.g. aerial and cable or digital satellite, digital satellite and cable, etc. The question is asked for their main and up to 9 TV sets. For this reason, the total for the reception methods adds up to more than 100%.

stations including freesat) has averaged 70% over the last two years.⁵⁸ Television homes that subscribe to other satellite services besides Sky represented 13% of TV homes in January 2014. Reception by other/local supplier (deflector/relay services), and IPTV methods is relatively low. Approximately 39% of TV homes have Irish DTT.

Figure 5.1.2 – TV Homes by Reception Method⁵⁹

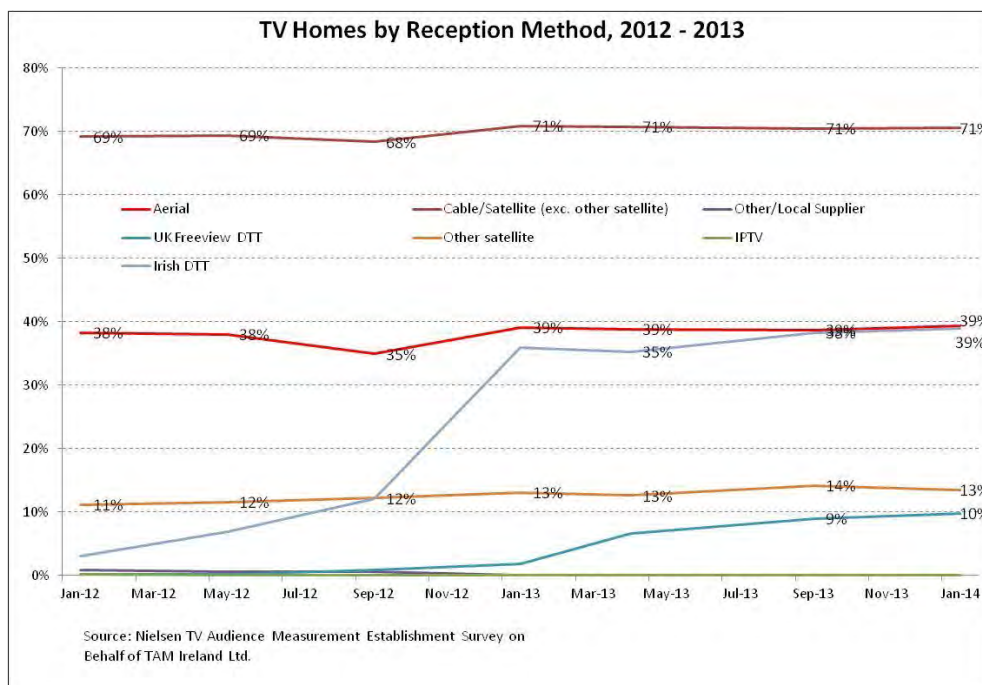


Figure 5.1.3 shows that, the total number of TV homes increased in January 2014. Digital TV homes represent 98.2% of all TV homes compared to 58.8% in January 2009.

⁵⁸ It should be noted that from September 2011 the reporting of the cable/satellite figure has changed. This is because up to September 2011 cable/satellite reception method included homes that had both cable and satellite twice (i.e. (1) cable, (1) satellite). Nielsen now publish homes with cable and satellite as one reception method - as cable or satellite (i.e. cable or satellite (1)).

⁵⁹ As of November 2012 'Aerial' includes MMDS and Saorsat homes. Irish DTT includes Saorsat. Cable/satellite includes MMDS and IPTV, excludes UK DTT, Irish DTT and Saorsat.

Figure 5.1.3 – TV Homes 2009 –2013

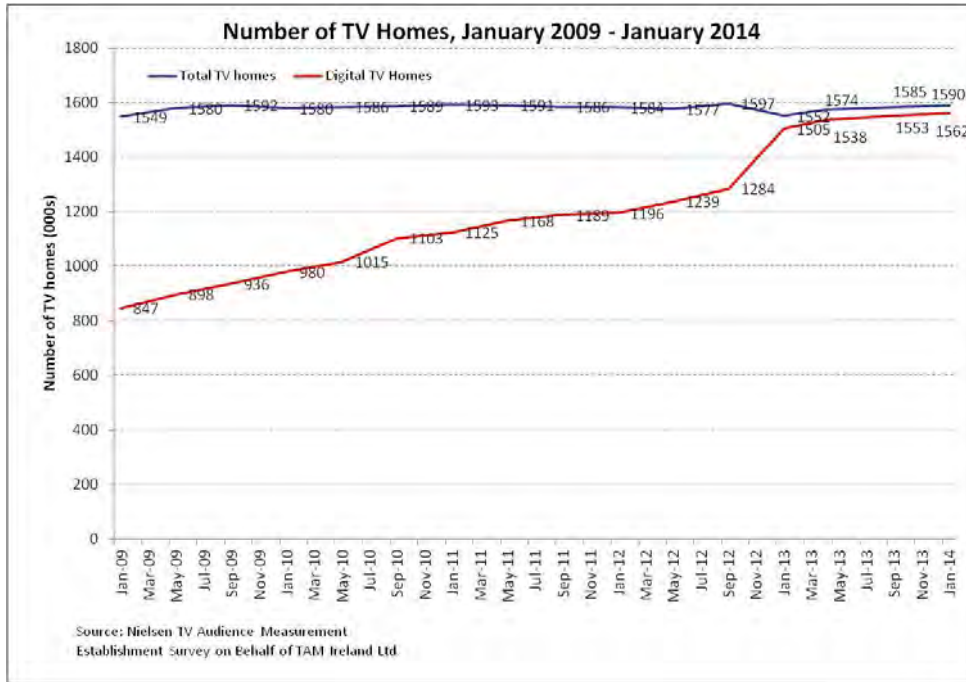


Figure 5.1.4 shows TV homes by DVD⁶⁰, broadband⁶¹ access, game console and PVR⁶² ownership between January 2011 and January 2014. Just under three quarters of television homes have a DVD player but this figure has declined slightly over the last three years; down by 4 percentage points over the period. Broadband access was present in circa 71% of homes with a television in January 2014. The number of homes with games consoles has decreased over the last three years from 36% to 31%. PVR ownership was 54% in January 2014; up from 31% in January 2011.

⁶⁰ It should be noted that as of Sep 13 universes VCR and DVD numbers are combined.

⁶¹ Both fixed and mobile broadband.

⁶² A PVR is an electronic device used to record media digitally. The PVR is also known as a digital video recorder or DVR. A PVR records and plays back television programmes, but, unlike the VCR, it stores the programs in digital rather than analogue format, for example, SKY+Box, or UPC Digital Video Recorder.

Figure 5.1.4 – DVD, Broadband, Games Console and PVR Trends

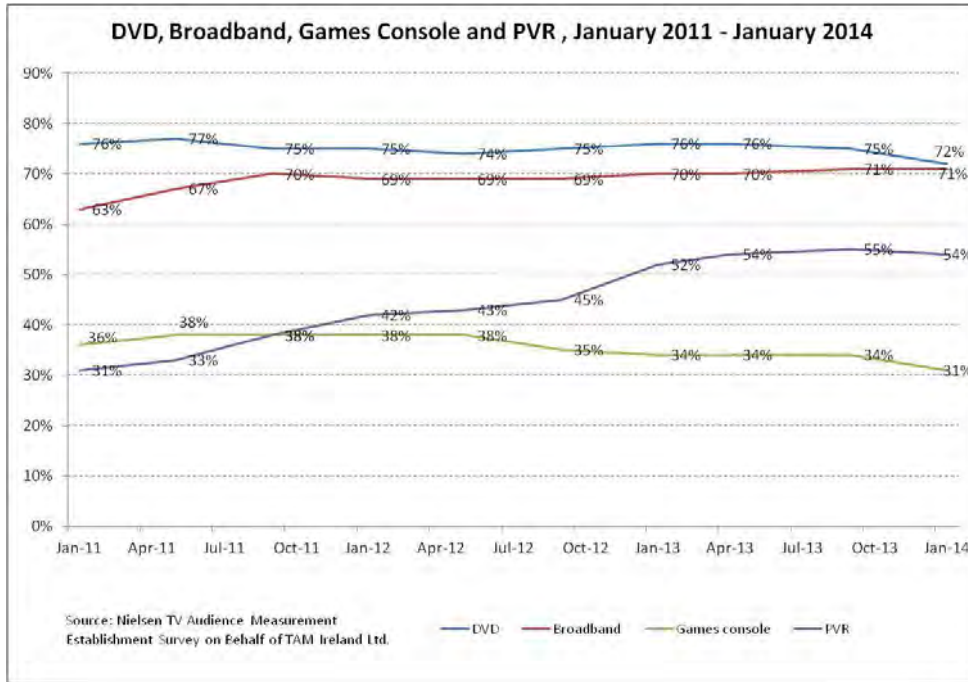
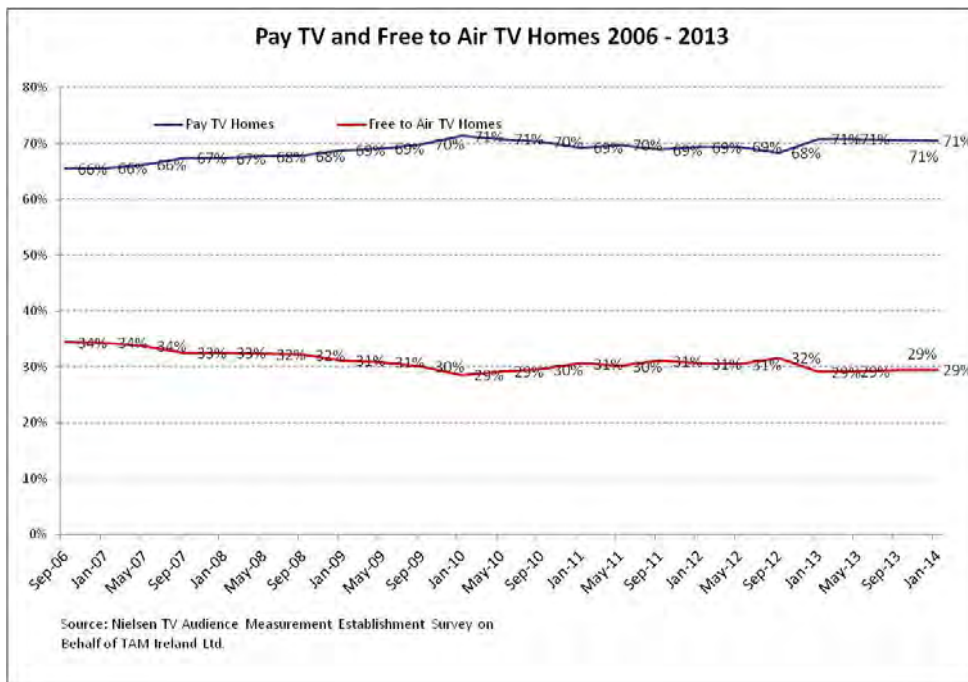


Figure 5.1.5 shows the level of household penetration of pay TV services and free to air TV services in Ireland based on reception method. This chart has been derived by ComReg using Nielsen data and is not a classification used by Nielsen or a classification used as part of the survey itself. Homes with a pay TV (cable, satellite and IPTV homes)⁶³ service have generally been stable since 2009 at 70% average of all TV homes.

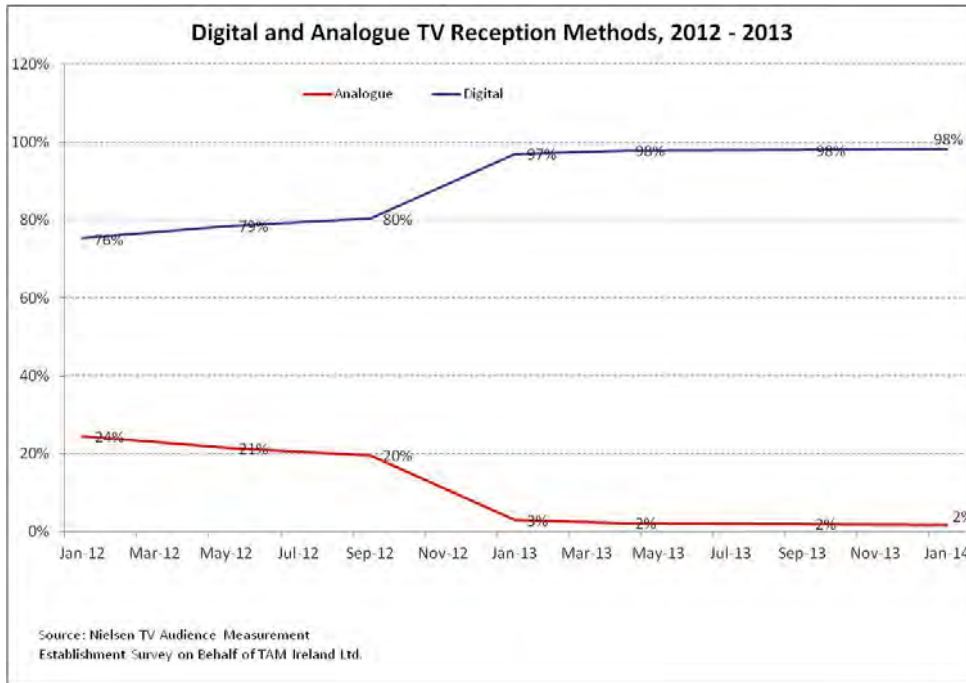
Figure 5.1.5 – Pay TV vs Free to Air TV Homes, 2006 - 2013



⁶³ IPTV is included from September 2011.

Figure 5.1.6 shows the proportion of digital to analogue TV reception methods in Ireland across all platforms. Digital TV reception (98%) has remained relatively stable over the last year, following ASO in late 2012.

Figure 5.1.6 – Digital and Analogue TV Reception, 2012 - 2013



6. Appendix

Sky Ireland's distribution of subscriptions by type (single play, double play or triple play) is estimated using percentage distribution of Sky Ireland's subscriptions obtained from the market survey data conducted by RED C Research & Marketing Ltd. The filedwork on ComReg's behalf was carried out on February 17th-19th, 2014.

1007 respondents⁶⁴ were asked the following question:

- Does the telecommunications service provider, Sky, provide any of the following telecommunications services in your home?

TV

Internet/Broadband

Home Landline Telephone Service

The respondents who stated that Sky provides more than one service were then asked the following question:

- You mentioned that Sky provides your (x,y and/or z service). Do you receive one bill for these services (if 2 services mentioned) or Do you receive one bill for at least two of this services (if 3 services mentioned)?

The respondents who gave the positive answer to the second question are categorized as bundle subscribers.

Survey results showed that 82.4% of Sky Ireland's subscribers were subscribing to one service, 6.8% to two services and 10.8% to three services.

Table A1: Sky Ireland's distribution of subscriptions by type.

Fixed subscription type (n=499)	Number of Sky's subscriptions	% share of total Sky's subscriptions
TV	376	75.4%
Broadband	16	3.2%
Fixed Voice	19	3.8%
TV and Fixed Voice	7	1.4%
TV and Broadband	19	3.8%
Fixed Voice and Broadband	8	1.6%
TV, Fixed Voice and Broadband	54	10.8%

⁶⁴ The sample is nationally representative.

Aggregated SB-WLR Performance Statistics, as supplied by Eircom, are published in accordance with ComReg Decision Notice (07/61) Section 6.6 (vii).

Performance metrics: Q4 2013

Oct-13

Order Type	% Orders Validated within Performance Target	% Orders Delivered within Performance Target
DR	-	99.18%
LE	-	99.99%
PW	-	99.44%
LNVLT/MI	-	98.75%
LNVLT/MI	-	100.00%
CL	-	99.95%
LNN/LTN/MN	96.98%	92.23%
CH	-	99.93%
CN	-	99.53%
CM	-	100.00%
FA	-	1.28%

Nov-13

Order Type	% Orders Validated within Performance Target	% Orders Delivered within Performance Target
DR	-	99.65%
LE	-	100.00%
PW	-	99.40%
LNVLT/MI	-	97.03%
LNVLT/MI	-	98.64%
CL	-	99.86%
LNN/LTN/MN	97.74%	93.92%
CH	-	99.63%
CN	-	98.17%
CM	-	100.00%
FA	-	8.76%

Dec-13

Order Type	% Orders Validated within Performance Target	% Orders Delivered within Performance Target
DR	-	99.65%
LE	-	99.96%
PW	-	99.10%
LNVLT/MI	-	97.36%
LNVLT/MI	-	99.28%
CL	-	99.73%
LNN/LTN/MN	88.95%	93.14%
CH	-	99.83%
CN	-	98.22%
CM	-	100.00%
FA	-	15.20%

Count of Time Interval	SB-WLR Repair performance metric Qrt 4 Oct - Dec 2013		
	Percentage of faults		
QRT 4 2013	<=2	<=5	<=10
Grand Total	68.64%	92.27%	98.45%

Glossary

DR	Data request: supply of list of numbers, DDIs/MSNs and Ancillary Service for a customer account
PW	Provide Wholesale Line Rental (WLR) and Carrier Selection (CS)
CH	Modify or provide Ancillary Services
CL	Cease Line
LTN	Provide WLR and Carrier Pre-Selection (CPS) and additional line to a specified Customer Account (Non-In-situ)
LNI	Provide WLR and Carrier Pre-Selection (CPS) and new line to a new Customer Account (In-Situ)
LTI	Provide WLR and Carrier Pre-Selection (CPS) and additional line to a specified Customer Account (In-Situ)
LNN	Provide WLR and CPS and new line to a new Customer Account (Not In-Situ)

The following table lists Respondents who submit data which is used to produce this quarterly report.

Table A2: List of Respondents.

Respondent Name (N=53)
AirSpeed Telecom
AT&T Global Network Services Ireland Ltd.
Ats Voice Ltd
Bitbuzz Ltd
Broighter Networks Ltd
Blue Face Ltd
BT Communications Ireland Ltd
Cablewatch Ltd
Casey Cablevision Ltd
Centrecom Systems
Colt Telecoms
Crossan CableComm
Digitalforge
Digiweb group
Dome Mobile Services
Edge Telecommunications Ltd
eircom Ltd
E-Net
Equant operations in Ireland (EGN BV and ENS Ltd)
ESB Telecoms
EuNetworks Ireland Private Fiber Ltd
Fast Wireless Internet t/a Arra Communications
Fastcom Broadband Ltd
Fulnett Limited t/a Strencom
Greencom Telecommunications Ltd
Hutchison 3G Ireland Limited
IFA Telecom
Imagine Group
Ker Broadband Comms Ltd
Level 3 Communications (Ireland) Limited
Lycamobile Ireland Ltd
Magnet Networks

Meteor Mobile Communications
Modeva Networks
Nova Networks Ltd
Onwave Limited
PermaNet
Postfone
Pure Telecom
Rainbow Telecom LTD T/A Rainbow Communications
Rapid Broadband Ltd
Ripplecom
SAVVIS EUROPE BV
Sky Ireland
SprintLink Ireland Limited
Telefonica Ireland Ltd (O2)
Tesco Mobile Ireland Ltd
Transaction Network Services
UPC Communications Ireland Limited
UTV Connect
Verizon Ireland Limited
Vodafone Ireland
Vu2Vu Ireland Ltd