



**World Broadband Statistics:**  
A Short Report from Global Broadband Statistics

**Q1 2012**

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This analysis is taken from Point Topic's [Global Broadband Statistics](#) service. You can get more details on the website or contact us at [info@point-topic.com](mailto:info@point-topic.com).

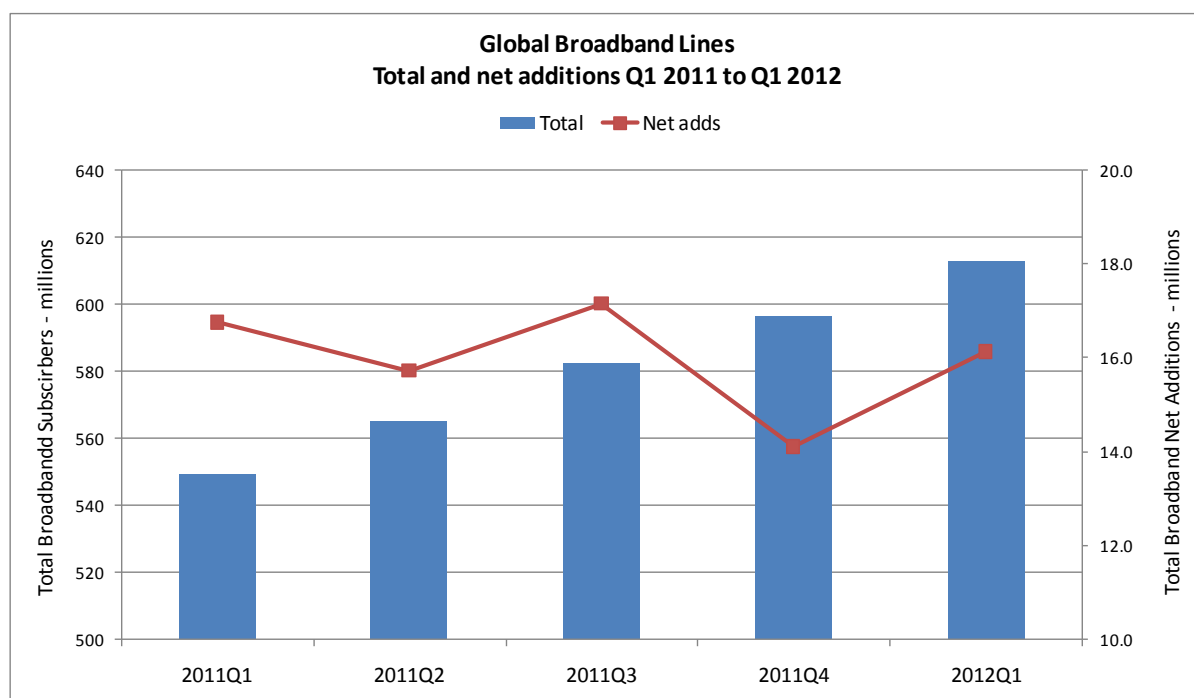
## Global Fixed Broadband Breaks Through 600 Million Lines

Q1 2012 witnessed a strong rebound for broadband growth, with net additions for the quarter approaching levels recorded for the same period in the previous year. Q4 2011 had been slower than preceding quarters of 2011; net additions were down 18% on Q3 2011 figures. However, broadband growth got off to a good start in early 2012 and another major broadband milestone has now been surpassed, with the worldwide total for fixed broadband breaking through 600 million lines. As of end-March 2012, there were 612.6 million fixed lines across the globe, representing 2.7% growth in the first quarter of 2012 and 11.5% in the 12 months since Q1 2011.

Fixed line broadband has continued to reach new heights in recent years, with growth trends proving resilient against challenging times across the globe. In fact, more than 63 million lines have been added to the international total since Q1 2011. This sustained expansion in fixed broadband lines has been aided by rapid initial growth in countries where penetration rates are lower than in 'mature' broadband countries with established networks and infrastructure.

However, as growth continues across the board, even in those countries with the highest of penetration rates, there are signs that countries worldwide are entering a new phase where customer acquisition will be driven primarily by churning current subscribers from their existing supplier.

**Figure 1: World Broadband Subscriber Net Additions and Totals (Q111 – Q112)**

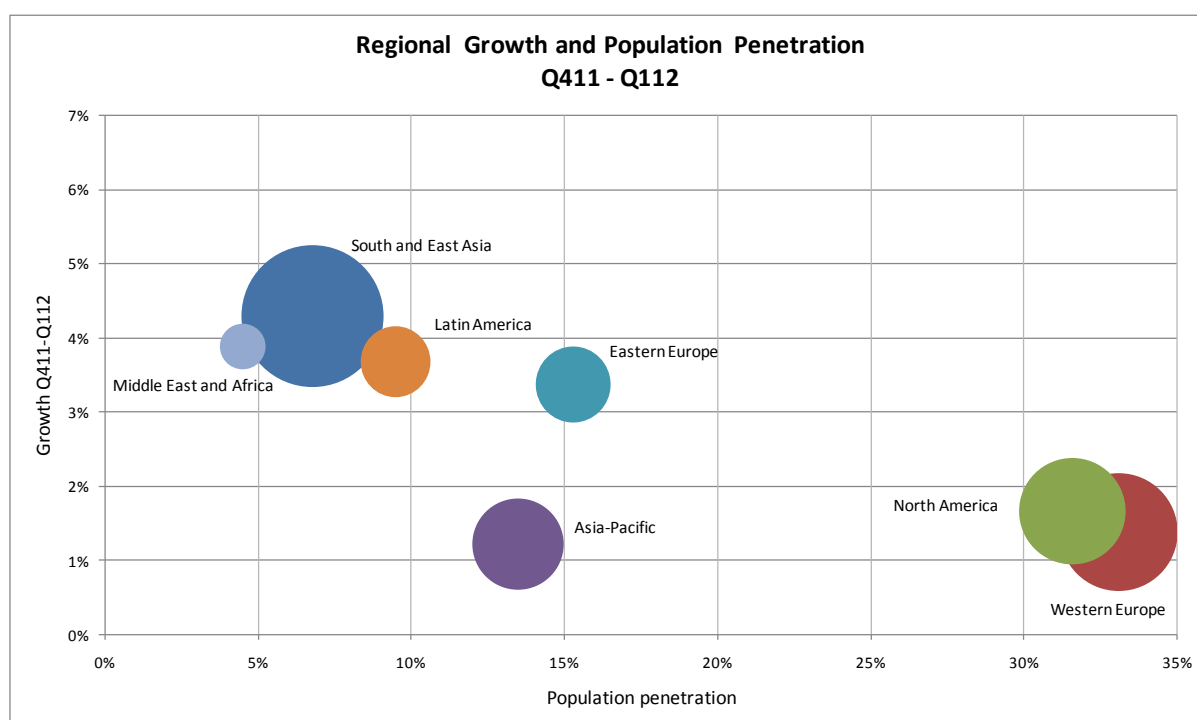


## Regionally

The South and East Asia region posted the greatest growth in broadband subscribers for the quarter at 4.29%. This follows a marked decrease in growth for Q4 2011 and puts the region back on course for achieving rates comparable to those posted for the first three quarters of 2011. The region had been surpassed by Eastern Europe as growth leader in Q4 2011, but has now returned to the forefront for 2012. South and East Asia's Q4 2011 reduction came as no surprise following such a strong quarter in Q3 2011. That decelerated growth was, at the time, a major contributing factor in the markedly reduced net additions recorded for Q4 2011.

Eastern Europe could not sustain the 5.24% growth it experienced in Q4 2011, dropping back to 3.37% in Q1 2012. The Middle East and Africa region boosted its growth by approximately 1% during the quarter, jumping to 3.88%. Results from other regions were more muted with growth rates largely similar to those recorded for Q4 2011.

**Figure 2: Penetration & Quarterly Growth by Region in Q1 2012**

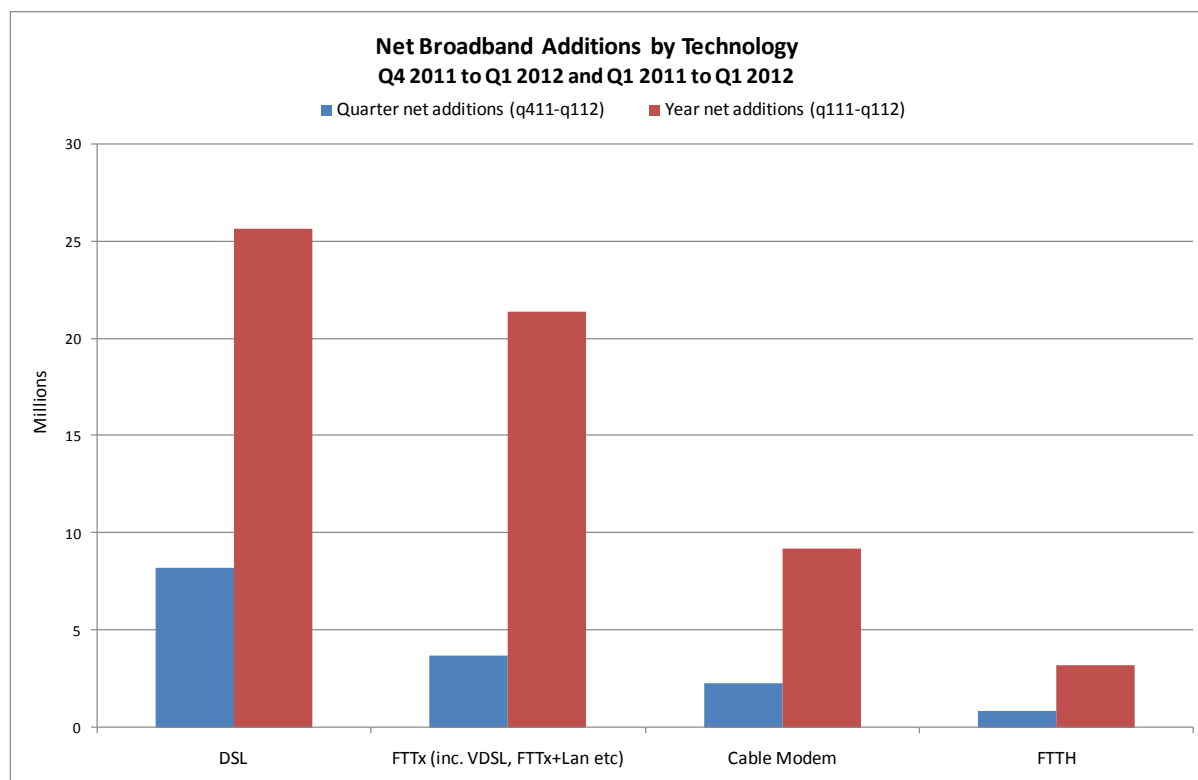


In figure 2, the vertical axis represents quarterly growth and the horizontal axis represents population penetration. The size of each bubble is representative of the number of broadband lines in each region. Therefore, South and East Asia, which includes top broadband line countries - China and India, is represented by the largest bubble on the graph.

North America and Western Europe appear to the far right of the graph. This is because they have some of the most developed and mature broadband markets in the world. This is illustrated by their high penetrations, over 30%. There is less room for growth in these regions.

## Technology Trends and Choices

**Figure 3: Net adds by Technology – by Quarter and Year**



The dominant story in access technologies continues to be FTTx, representing the various hybrid combinations of fibre and local loop solutions. The cost effectiveness, from the operators point of view, and the significant increase in bandwidth over DSL in particular is hitting the sweet spot at the moment. FTTH is growing well from a small base but deployments are limited in most markets. DSL continues to be the dominant technology for broadband access, but it has lost 2.27% global market share over the past year. Fibre based products have been soaking up the lion's share of this loss, with FTTH gaining .27% in the same period and FTTx (inc. VDSL, FTTx+Lan, etc.) gaining a considerable 2.25%. Consumers are churning away from DSL to the higher bandwidth products where available, and this trend is likely to accelerate in the coming quarters.

There are interesting regional variations with cable doing better than expected in most markets, in particular in Europe and the Americas where they are confounding the limited market reach that their networks impose. Cable lost just .53% global market share over the past year, less than might have been expected.

Satellite and mobile, as the primary home broadband connection, are putting on subscribers at an increasing rate. They are making inroads into the unserved market and as such theoretically have a better theatre to operate in with plenty of headroom and less competition than the fixed line areas. This growth reflects consumers' desire for a broadband connection, even when the most cost effective fixed technologies aren't available. The launch of the Ka band satellites in America and

Europe are also making an impact. The step change in bandwidths and costs have moved the space-based technology closer to the market average for consumers and they are voting with their feet.

## 4 “Top Ten” Broadband Countries

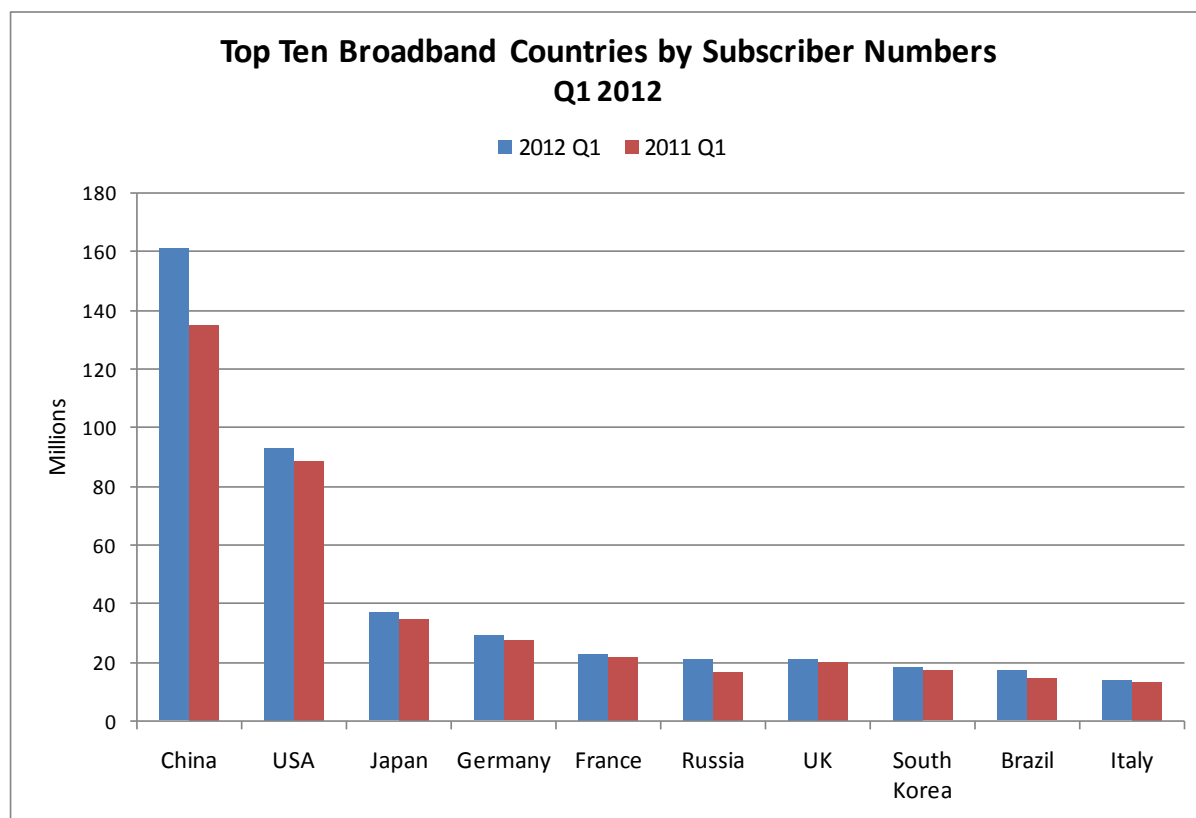
China continues to pull away from all other markets worldwide. During the first quarter of the year it was responsible for 42.1% of global net additions.

The USA increased its growth rate in Q1 2012, putting on more than half a million additional new subscribers than the previous quarter. The health of the cable market there is a major contributor to this success.

For the rest of the current Top 10 the picture is mixed. Germany, the UK, Brazil and South Korea are the other markets doing better in Q1 2012 than in Q4 2011. Growth has slowed in the other markets.

One surprise is to see Italy still in the Top 10. This is due less to the health of the broadband market here than the stuttering growth in India, poised to take their place in the top ranks in 2012. The difficulties there include the relatively small deployment of fixed broadband, the cost relative to the average income and significant regulatory difficulties.

**Figure 4: Total Number of Subscribers in Q1 2012 and Q1 2011**



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