



Telsyte

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Australian Mobile Carriers Greatly Benefit From Recession With Mobile Broadband Biggest Winner, Finds Telsyte

Sydney, 6th April 2009 - Latest research by Australia's leading telecom market research consultancy, Telsyte, reveals that Australian mobile carriers have not been adversely affected by the local and global economic downturn. In fact, they have greatly benefited from it as consumers and businesses are relying more on technologies to stay in touch while cutting down on discretionary spending such as travel. Mobile broadband, whose average pricing has dropped by half in the past 12 months, was the biggest winner, having more than doubled to become a \$1 billion market.

Despite rapidly deteriorating consumer and business confidence in the past year, Australian mobile service revenue grew by a staggering 12% and average monthly spend per user by almost 5% with penetration now reaching 110% of the population. "Continued HSPA+ network upgrades, the explosive growth of mobile broadband and the consumerisation of smartphones were the main drivers behind the nation's mobile market's impressive performance," said Warren Chaisatien, Telsyte Research Director. "With greater network speeds and a myriad of modern smartphones already in place, 2009 will be about content and applications as we see a proliferation of app stores, resurrection of mobile TV and continued push in the still-nascent mobile advertising space. Consumer protection will take centre stage this year. "

The highest-profile event to watch this year will undoubtedly be the proposed joint venture of Vodafone and Hutchison's local operations. Telsyte analysis shows that while the merger will create a strong and credible number 3 player, the combined entity will have leapfrogged Optus in the all-important 3G and mobile broadband segments by a wide margin. "This transformed landscape will lead to greater coverage networks and better offerings, but it is hard to see how this will translate into more competitive prices for Australian mobile users," concluded Mr Chaisatien.

While mobile carriers will continue to thrive, handset vendors will be feeling the pinch this year as users prolong their handset replacement cycles, with handset shipments forecast to decline by 10% this year. Mobile usage growth is projected to remain strong in the next five years, with 125% penetration level mainly driven by machine-to-machine use and over 5 million mobile broadband users expected by 2013. Prepaid will make a comeback as wholesale ISPs and MVNOs progressively commoditise 3G offerings.

These findings are from Telsyte's latest study, titled "Australian Mobile Services Market, 2008 Year In Review & 2009-2013 Forecast" released today as part of its ongoing research into the Australian telecom industry. The report provides a detailed investigation and comprehensive analysis of the mobile industry players, trends and dynamics driving Australia's mobile market. It also offers an insightful analysis of the proposed joint venture of Vodafone and Hutchison's local operations.

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About Telsyte

[Telsyte](#) is an Australian-based market research consultancy specialised in the competitive intelligence of the converged communications market. Telsyte's expertise is centered on the three core competency areas of Carrier & Broadband, Mobile & Wireless and Enterprise Communications. Telsyte provides industry insights through custom research and consulting as well as ongoing research, which includes market reports and online databases. Telsyte is a business unit of Australia's largest independent telecom consulting company, [Gibson Quai-AAS Pty Ltd.](#)

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