

Telecommunication Industry Landscape in 2014 and Competition Trends in 2015

Telecommunication Industry in 2014

There were 5.9 million fixed-line subscribers at end of 2014, a decrease of 0.16 million subscribers from previous year with THB 18 billion market value, an 8.9% decrease from previous year. Such ongoing decline of fixed-line subscribers was due to changes in consumer behavior by switching to mobile phone. Three major fixed-line operators in the market are TOT Public Company Limited, True Corporation (Public) Co., Ltd. (True) and TT&T (Public) Co., Ltd. (TT&T).

In mobile market, there were 97.7 million subscribers at end of 2014, an increase of 5 million subscribers from previous year with THB 200 billion market value or 7.3% annual growth. The mobile services market consists of THB 96 billion voice service or 48% of market value and THB 104 billion data service or 52% of market value. However, there was 6% decrease in voice revenue while there was 6% growth in data revenue due to several factors causing continuous growth in mobile Internet consumption, e.g., smart phone market growth, 3G network expansion, reduced data service fee, and social media usage popularity. The Mobile services are provided by 3 major mobile operators, Advance Info Service (Public) Co., Ltd. (AIS), Total Access Communication (Public) Co., Ltd. (DTAC) and True Move Co., Ltd. (True Move).

In 2014, the international telephone service market value was approximately THB 13 billion provided by 6 major operators, CAT, AIN Globalcom Co., Ltd. (AIN), DTAC Network Co., Ltd. (DTN), TOT Public Company Limited (TOT), True International Communication Co., Ltd. (TIC), and Triple T Global Net Co., Ltd. (Triple T).

The data communication service market in 2014 grew 3.5% to THB 30 billion. The services are provided by several operators, e.g., CAT, TOT Public Co., Ltd. (TOT), United Information Highway Co., Ltd. (UIH), and True Corporation (Public) Co., Ltd. (True).

The fixed-line high-speed Internet subscribers at end of 2014 were approximately 5.5 million, an increase of 0.56 million subscribers or 11.4% growth from previous year with THB 33 billion market value, 8% growth from the previous year. New services especially via FTTx technology utilizing fiber optic network were provided by 3 major operators, True Internet Co., Ltd. (True Internet), Triple T Broadband Co., Ltd. (3BB), and TOT Public Company Limited (TOT).

Cloud service market value in 2014 was approximately THB 2.9 billion, a 25% growth from the previous year through 3 cloud services, e.g., Infrastructure as a Service (IaaS), Software as a Service (SaaS), Platform as a Service (PaaS), where IaaS is provided by Microsoft Azure, True IDC, and Amazon web service; SaaS is provided by Office365, Google App, and Dropbox Enterprise; and PaaS is provided by Microsoft Azure, Google App Engine, and Amazon Web Service.

Telecommunication Industry Trend in 2015

The fixed-line and wireless high-speed Internet tends to grow continuously due to consumer demand and Digital Economy policy. The broadband Internet subscribers are expected to reach 34.6 - 36 million, a 19.3 - 24.1% growth from 2014, a penetration rate of 53.6 – 55.8% population-wise. Retail high-speed Internet is expected to reach 6.6 – 7.1 million households, a 29.9 – 32.1% household penetration, while mobile broadband will grow to 33 – 34.6 million subscribers or 17.4 – 23.1% growth due to price reduction in smart phone devices and recent 4G service launch in the market.

Multimedia, content, and new Cloud Computing services are expected to grow continuously because of expansion of high-speed Internet users, smart phone market development, and Internet of Things (IoT) devices. There is an anticipation that ubiquitous services on any device resulting in personal cloud and cloud applications usage to grow further.