



# The Next Billion:

Strategies for driving growth and making profits in low-ARPU mobile markets



## KEY FEATURES OF THIS DETAILED NEW MARKET STUDY:

Understand where "the next billion" mobile subscribers are coming from:

- Who are they?
- Where do they live?
- How much money are they likely to spend over the next 5 years?
- Detailed regional growth forecasts highlight key growth markets
- Identify the top 10 growth markets, home to 1.5 billion future mobile subscribers
- Detailed demographic analysis
- Analyze ARPU and revenue forecasts to 2011
- Understand rural network deployment business models and new initiatives
- Low-cost handset market developments

ESSENTIAL  
GROWTH  
AND  
ARPU FORECASTS

# The Next Billion: Strategies for driving growth and making profits in low-ARPU mobile markets

Since the first mobile phones reached the hands of consumers at the end of the 1980s, it took approximately 15 years for the first 25 percent of the human race to subscribe to mobile services, then the next 25 percent look set to sign up in just 4 short years. By mid 2008 the world is forecast to cross the highly significant 50 percent penetration mark. This detailed market study looks at where the growth is set to come from after that. Who will be "the next billion"? Who are they, where do they live and how much money will they have to spend on mobile services? This in-depth market study will answer these questions complete with detailed demographic analysis of the top growth markets and the strategies network operators are using to penetrate those populations.

This report has studied the so-called 'next billion' in detail and we have identified the following:

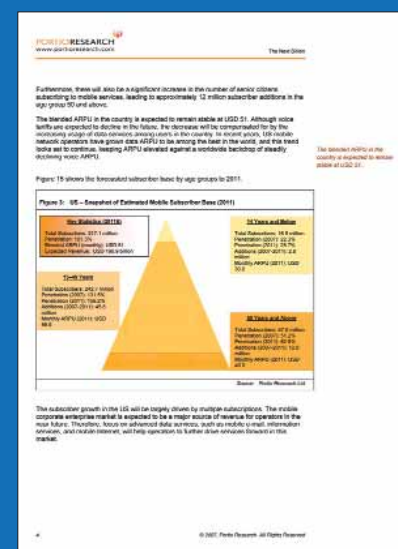
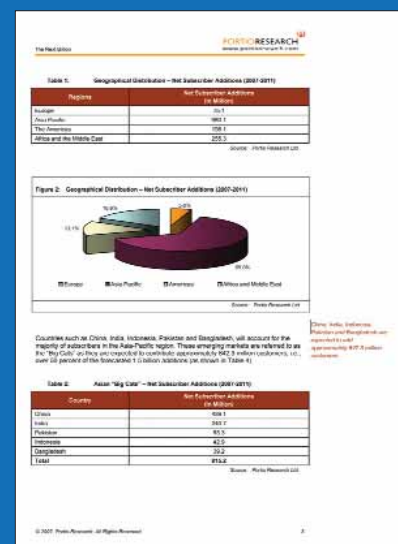
- They are actually 1.5 billion in number
- They will take the world from 50 percent penetration to 75 percent penetration in just 4 years
- 65 percent of them live in Asia, but the 6 percent in North America are a potential goldmine
- Almost 70 percent of them live in rural communities

We have studied the top 10 growth markets of the next 4 years and we have identified that 9 out of 10 of those markets have one key defining factor in common - they are all low income per-capita markets compared to the wealthy nations that have made up the bulk of the first 3 billion mobile subscribers.

We look at these country markets in detail and identify the extent of the urban and rural communities in these countries. We look in detail at the one wealthy nation among the top 10 - the United States. This report explains how the wealthiest nation in the world is forecast to be the third biggest growth market of the next 4 years, and what that is worth in financial terms. The report forecasts subscriber growth, ARPU to 2011 and service revenues from 2006 to 2011, as the US marches towards a USD 200 billion Dollar market.

The report analyzes what strategies are being used to penetrate low-ARPU rural markets. As rural subscribers in India and Bangladesh head towards monthly ARPU of USD 4 or USD 3 Dollars, can MNOs maintain margins? Are there cost effective strategies for deploying mobile networks into sparsely populated rural communities with such low returns forecast? Will the sheer size of the market drive the economics forwards? We forecast that 5 of our top 10 growth markets are in South Asia. We further forecast that these 5 big Asian growth markets will add over 815 million new mobile subscribers over the next 4 years, equivalent to the entire population of the European Union, the United States, Australia and New Zealand all added together! That's 386 new mobile subscribers every minute from now until the end of 2011, 24 hours per day, 365 days per year.

Understand these exciting growth opportunities and the billions of Dollars in service revenues that will be generated. Analyze low-cost handset strategies, network sharing business models, tariff structures and services tailored to rural consumers, the opportunities for non-voice services, SMS, Internet access and other VAS. All this and more is covered in detail in this essential new market report.



Read all about these exciting market opportunities in this detailed 107 page new report.



# The Next Billion:

## Strategies for driving growth and making profits in low-ARPU mobile markets

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