



IPTV Statistics – market analysis

Q1 2013

June 2013

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1 Introduction

The growth rate for IPTV subscription numbers declined in each quarter of 2012 and continued to decline in the first quarter of 2013.

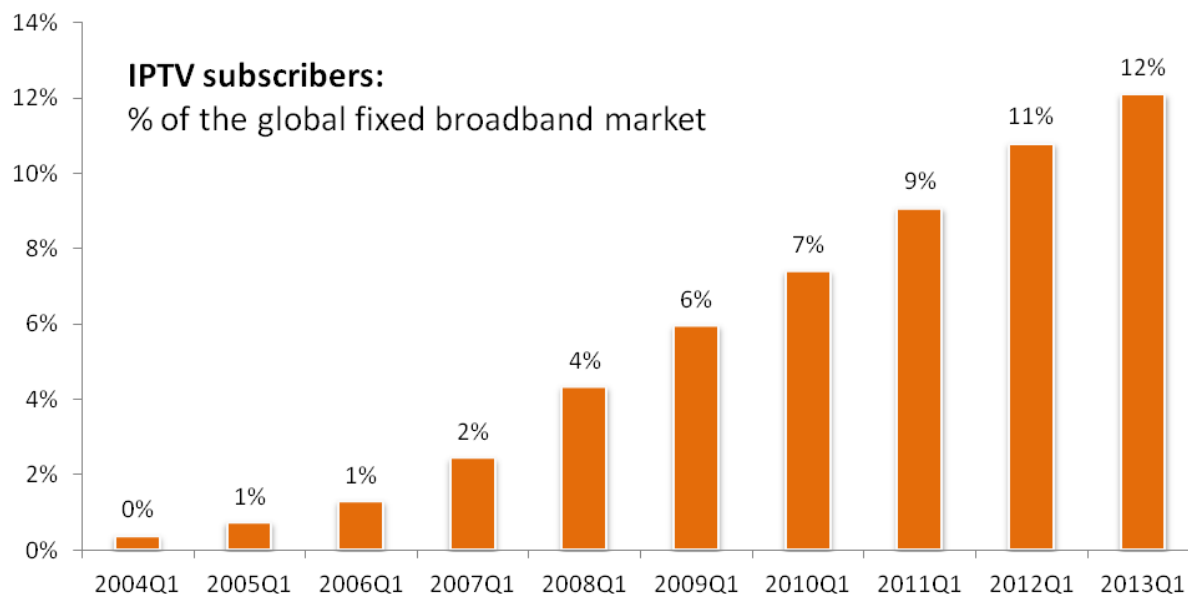
At the end of March 2013, there were 79.3m IPTV subscriptions across the globe. In the 12 months since Q1 2012, the IPTV subscriber market grew by 21%, with 13.7m net additions.

Only North America posted stronger growth in Q1 2013 compared to Q4 2012. Growth in all other regions slowed down. However East Asia continued to post relatively high growth and it dominates the net additions chart. In the first quarter of 2013, more than half the world's net additions came from East Asia.

The importance of IPTV subscriptions to broadband operators must not be understated. Operators know that growth in revenues for the next few years will increasingly come from the provision of additional services over broadband connections with IPTV likely to remain the most popular additional service for the foreseeable future.

IPTV is still growing more rapidly than fixed broadband services and IPTV penetration is still relatively low in many markets, accounting for under a third of broadband lines for most countries.

In Q1 2013, 12% of fixed broadband subscribers also subscribed to an IPTV service. This is a significant increase on previous years:



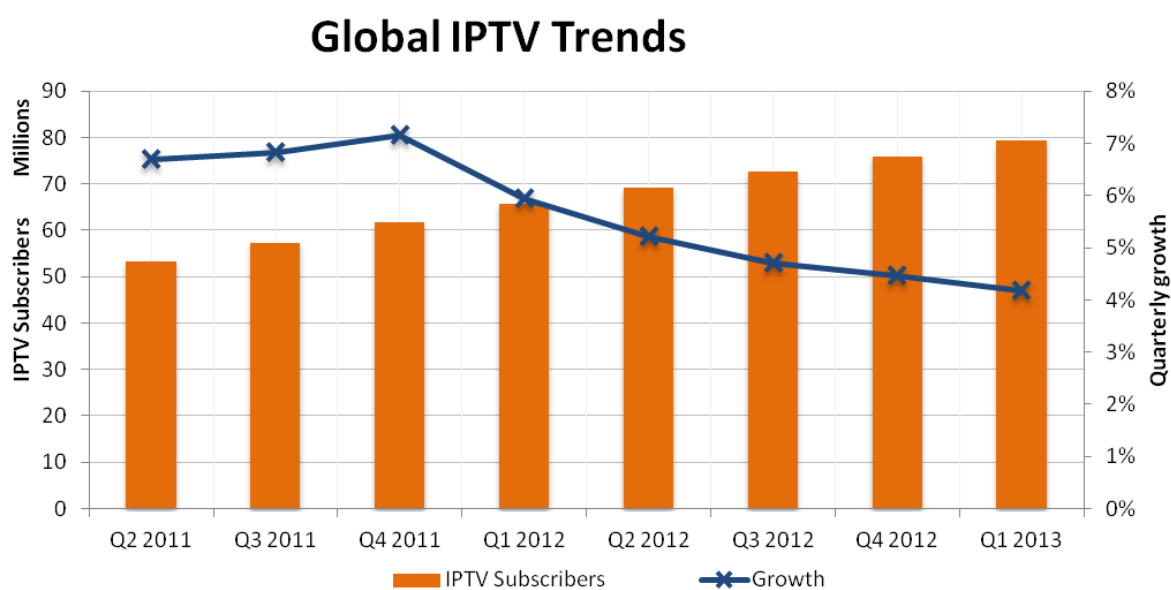
It must be remembered that this report only covers video services purchased from an operator, usually as part of a bundle of services. IPTV faces stiff competition from OTT providers as well as terrestrial and cable-TV networks.

2 Global and regional perspective

2.1 Overall growth

Whilst IPTV subscriber growth remained stable throughout 2011 at about 7% per quarter, growth has slowed down in 2012 and again in 2013.

At the end of March 2013, there were 79.3m IPTV subscriptions across the globe. 3.3 million new subscriptions have been added since the start of 2013. In the 12 months since Q1 2012, the IPTV subscriber market has grown by 21%, with 13.7m net additions.



Quarter	Subscribers	Net adds (qtr)	Growth
Q1 2012	65,553,148	3,901,002	6.3%
Q2 2012	69,153,100	3,599,952	5.5%
Q3 2012	72,559,541	3,406,441	4.9%
Q4 2012	75,949,073	3,389,532	4.7%
Q1 2013	79,253,650	3,304,577	4.4%

Figure 1: World IPTV subscriber numbers with growth. Source – Point Topic

2.2 Regional trends

We have explored the regional market shares of the global IPTV subscriber market:

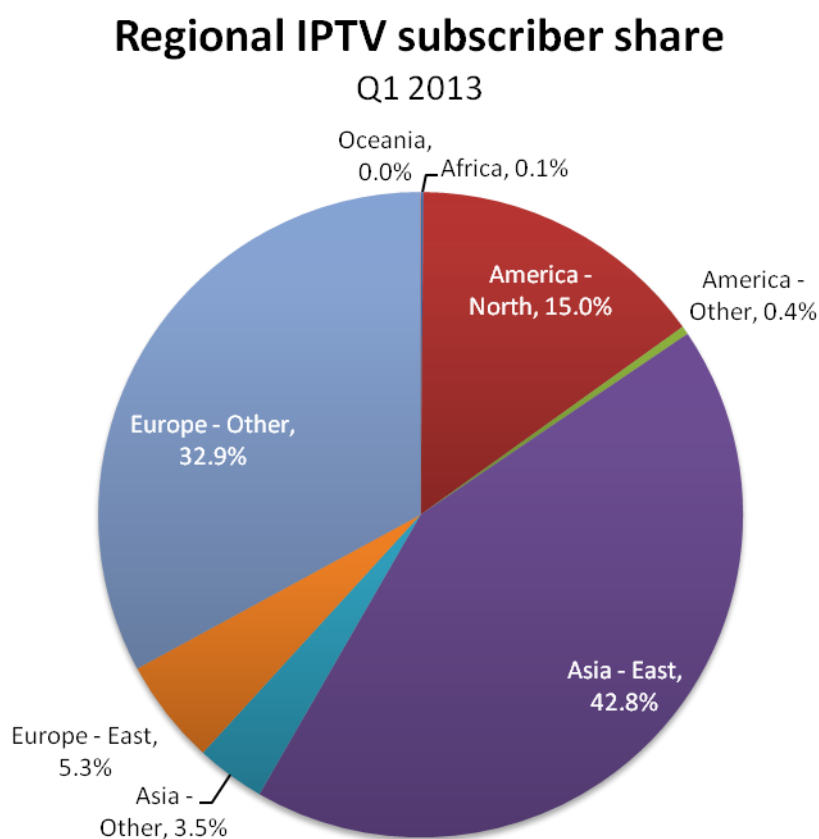


Figure 2: share of world IPTV subscribers by region – Q1 2013. Source – Point Topic

Region	Q12012	Q4 2012	Q1 2013	Quarterly % Increase	Annual % Increase
Africa	100,000	105,000	110,000	5%	10%
America - North	10,180,366	11,370,389	11,849,634	4%	16%
America - Other	292,623	332,343	338,457	2%	16%
Asia - East	26,960,089	32,167,440	33,928,668	5%	26%
Asia - Other	1,904,210	2,548,387	2,739,452	7%	44%
Europe - East	2,885,299	3,936,151	4,197,659	7%	45%
Europe - Other	23,210,561	25,465,363	26,060,780	2%	12%
Oceania	20,000	24,000	29,000	21%	45%
IPTV Subscribers	65,553,148	75,949,073	79,253,650	4%	21%

Figure 3: penetration and quarterly growth by region. Source – Point Topic.

Statistics for each regional market tend to be dominated by the performance of one or two large IPTV countries – as indeed are the overall global trends.

Europe (excluding Eastern Europe) and East Asia account for more than 75% of the global IPTV subscriber base, with 32.9% and 42.8% of the global market share respectively.

Only North America is posting stronger growth than last quarter. Growth in all other regions has slowed down. However East Asia continues to post relatively high growth and it dominates the net additions chart for the quarter. In the first quarter of 2013, more than half the world's net additions came from East Asia.

Regional growth and net additions

Bubble size represents subscriber volumes

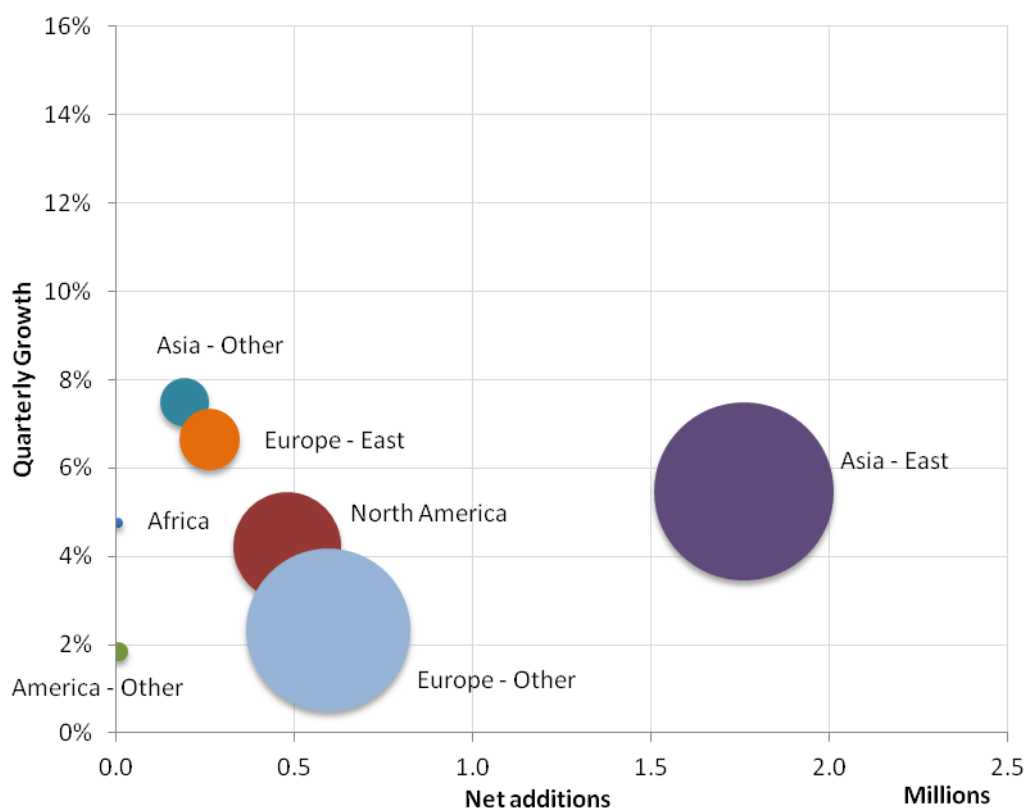


Figure 4: Net additions and quarterly growth by region – area represents subscriber volume in Q1 2013. Source – Point Topic

The share of net additions in Europe is smaller than it was at the end of 2012. In Q4 2012 25% of net additions came from Europe (excluding Eastern Europe) – in Q1 2013 this had dropped to 18%. All other regions have seen an increase in their share of net additions since the end of 2012.

Regional IPTV net additions share

Q1 2013

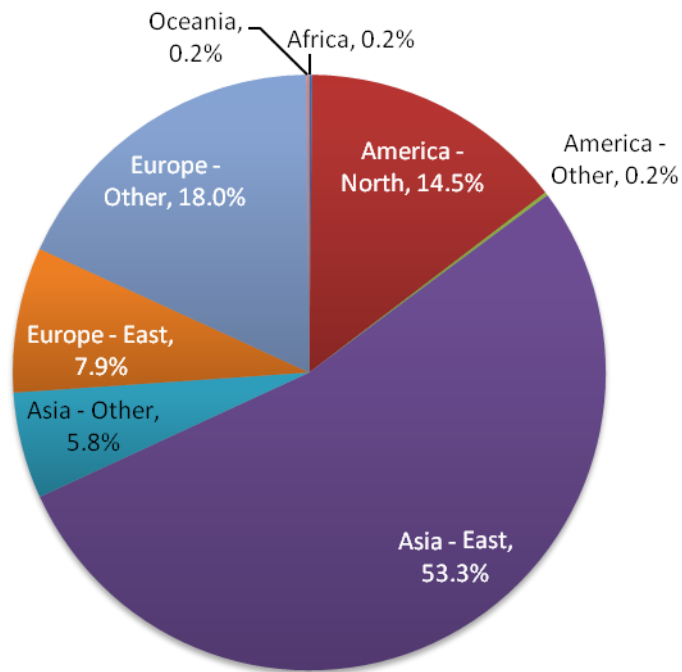


Figure 5: % of net additions delivered by each region. Source – Point Topic

3 Top IPTV countries

3.1 Number of subscribers

There has been no change to the top ten ranking of countries by number of IPTV subscriber since we reported at the end of 2012.

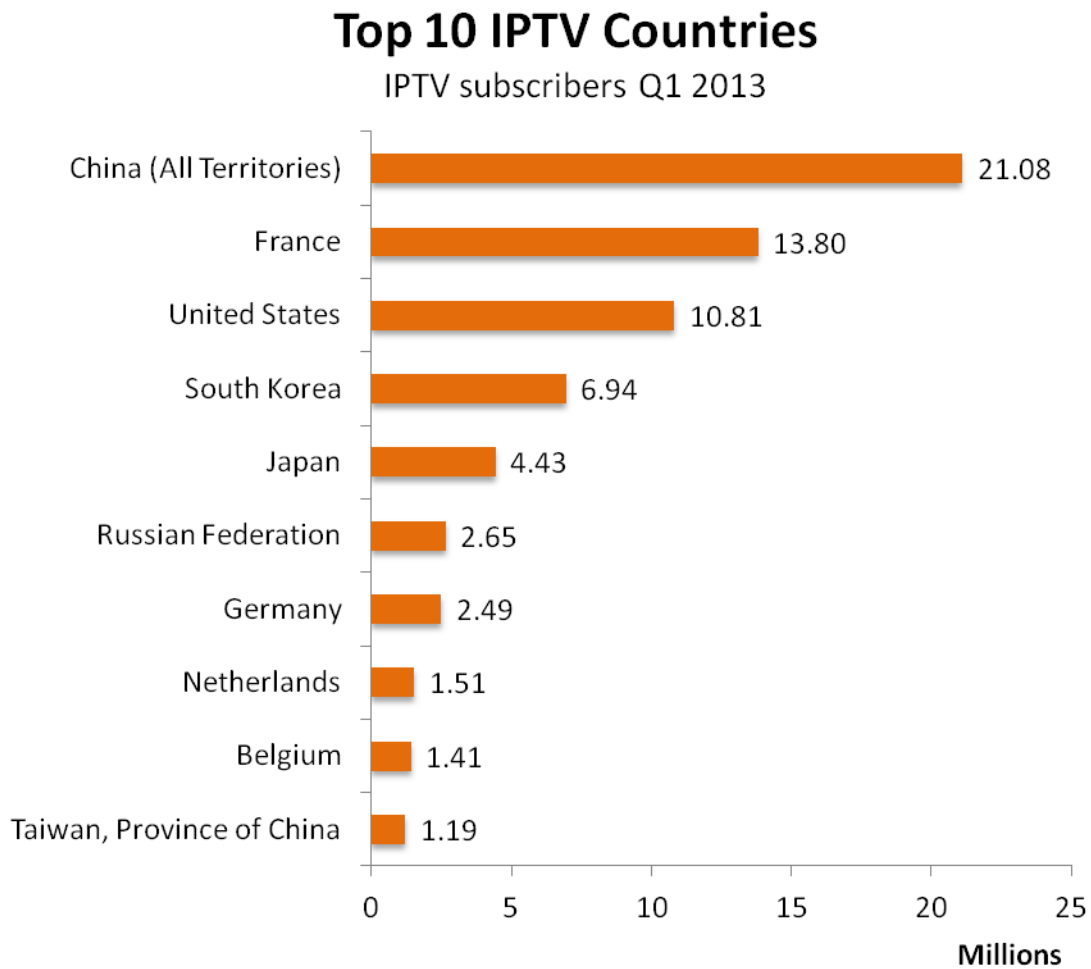


Figure 6: IPTV subscribers in Q1 2013. Source – Point Topic

3.2 IPTV subscribers added

China dominates overall net additions. Nearly 35% of all net additions reported across the globe were recorded in China.

Viet Nam and Switzerland are not in the top 10 table for IPTV subscriptions but are posting very high net additions.

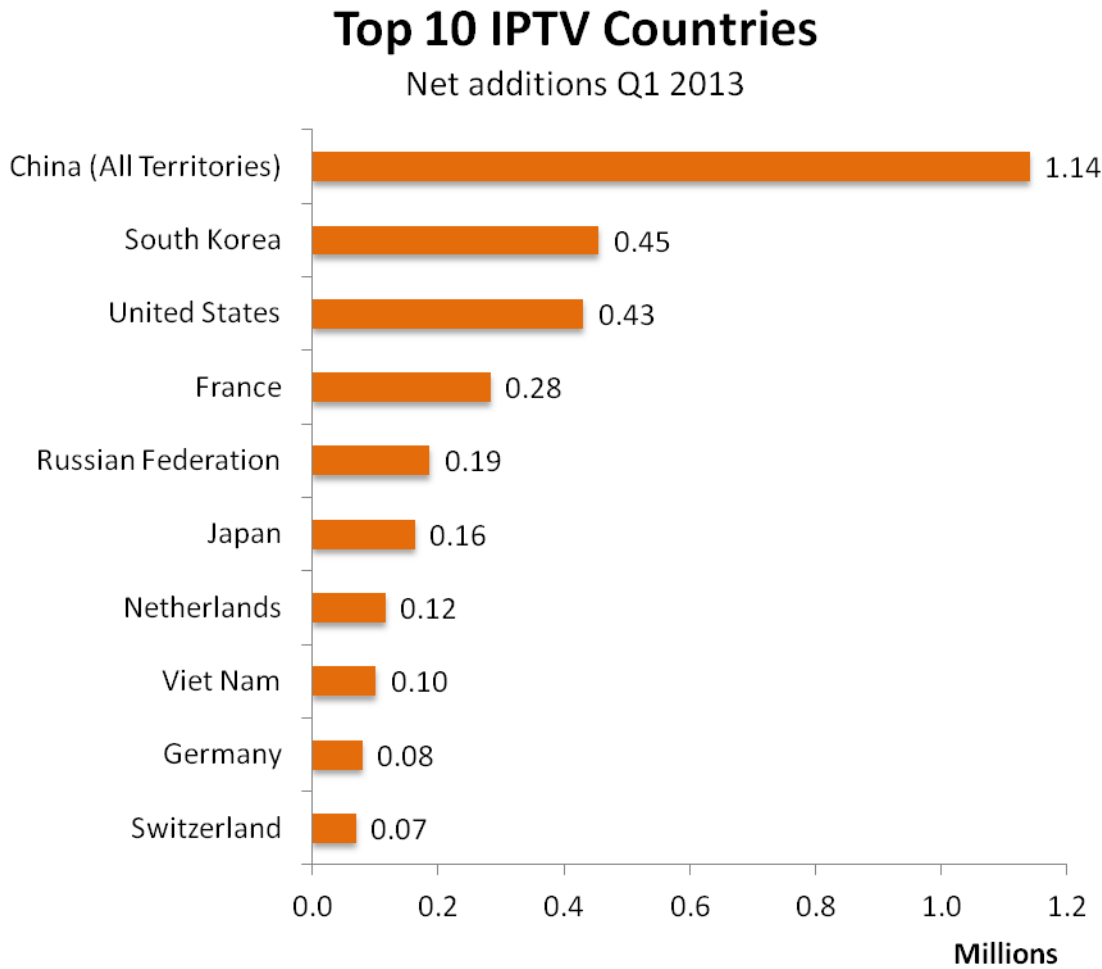


Figure 7: IPTV subscribers added in Q1 2013. Source – Point Topic

3.3 Percentage growth

IPTV is still relatively new in a number of markets but although Bahrain as had a service for some time it has topped the percentage growth charts for the last two quarters. The spread of higher bandwidths, more undersea and external connections and pricing have all made a contribution to the growth.

Australia too, where the NBN is now delivering connections, continues to grow strongly in 2013.

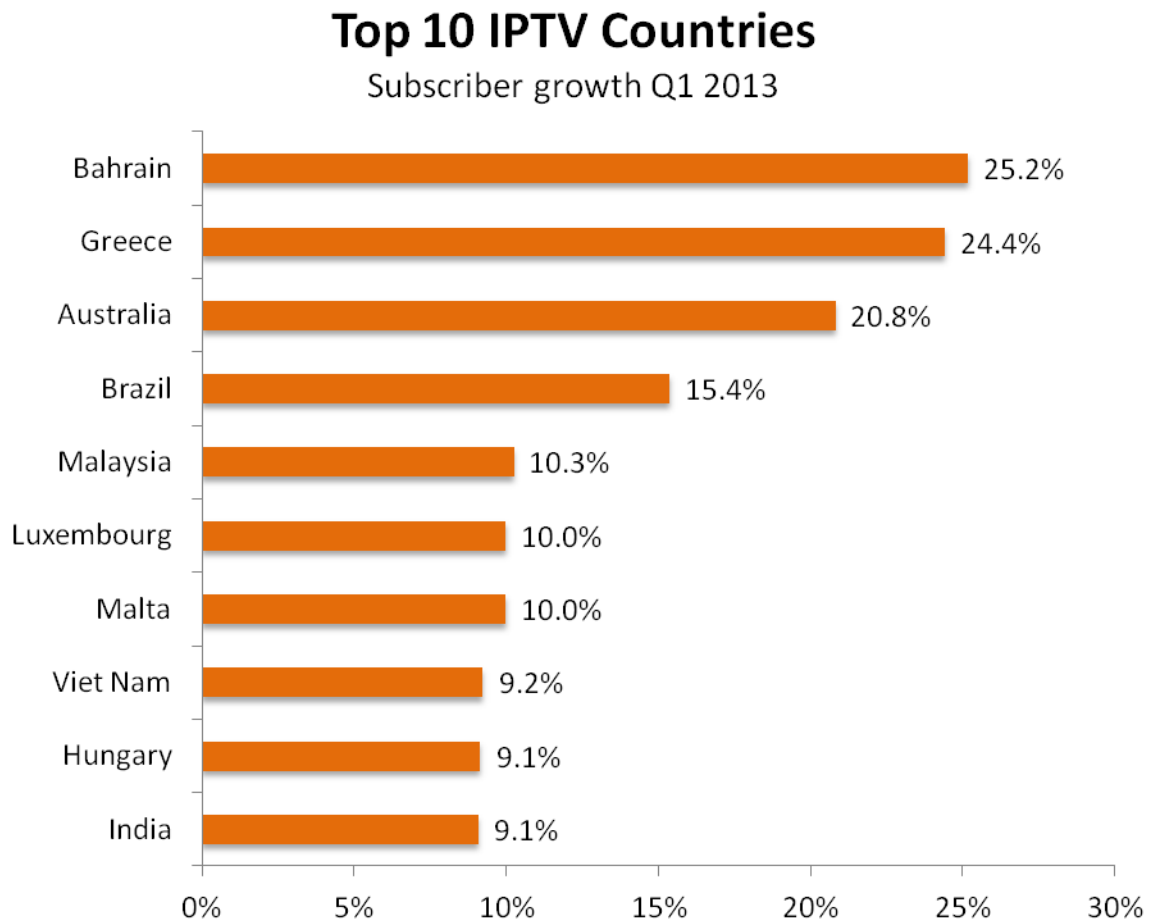


Figure 8: IPTV growth between Q4 2012 and Q1 2013. Source – Point Topic

3.4 Share of fixed broadband market

Here we look at the number of IPTV subscribers as a percentage of the overall number of fixed broadband lines. This gives an indication of which countries are showing a high propensity to take up IPTV services. Countries with a population under 1m have been excluded.

High adoption is driven by availability and price. In these markets there are few regulatory barriers and the markets are extremely competitive – advantageously priced packages are offered to attract new customers.

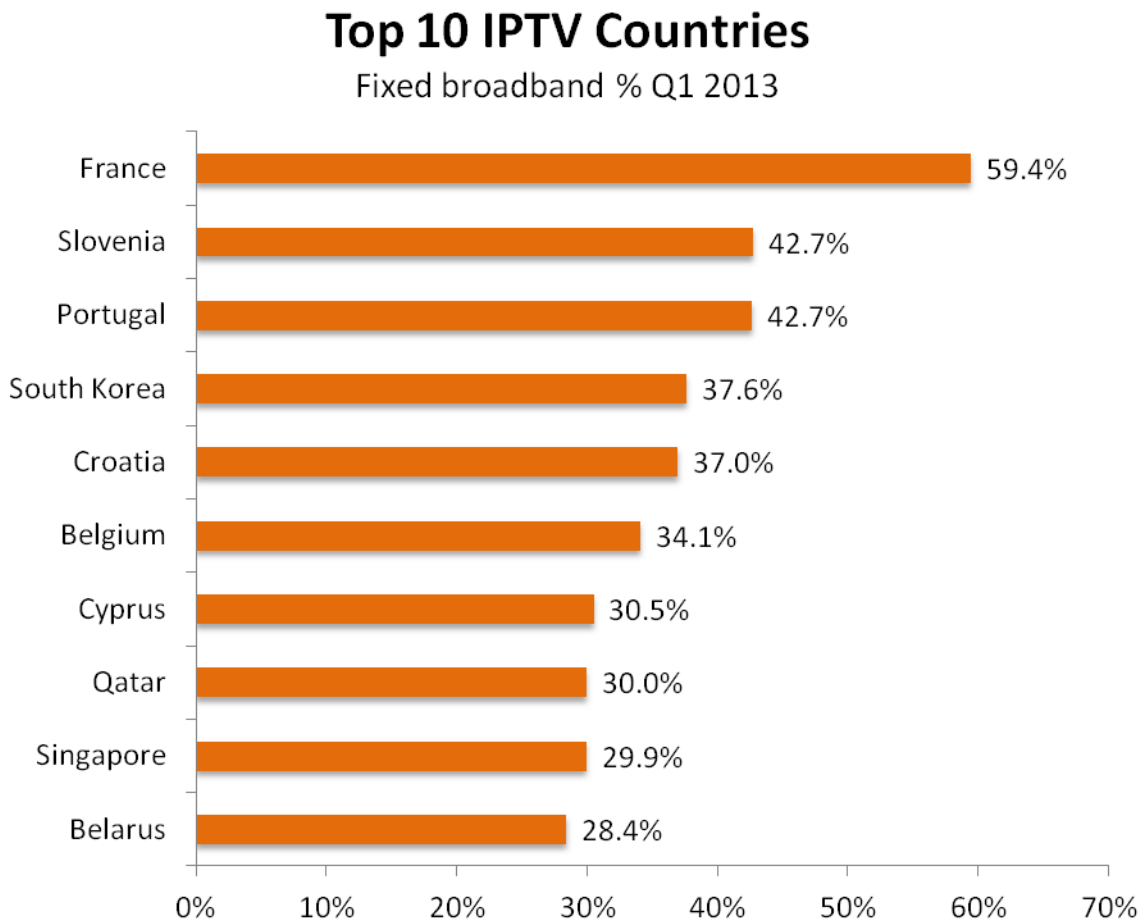


Figure 9: IPTV subscribers as a percentage of all fixed broadband lines in Q1 2013. Source – Point Topic