

2009 – A bright year for the MVNO market by Milind Kangle, Chief Executive, Lycamobile

The International MVNO market is set for substantial growth globally, as consumers demand for best value, convenience and high quality will be driven by economic market conditions.

2009 will see continued growth in International long distance minute volumes with major increase coming from mobile termination. Mobile will be the key driver for this growth, in 2007 one third of international call origination came from mobiles and 45% of all international calls were terminated on mobiles. The forecast on current trends is that in 2009 more calls will be terminated to mobiles than fixed lines for the first time. This growth is in part attributable to continued subscriber growth in the emerging markets and the emergence of low-cost international mobile providers.

SIM only sales and refurbished handset sales will see growth in tougher economic times as consumers tighten up their budgets and MNO's rein in handset subsidies.

In mature markets mobile Internet data usage will continue to grow, the winners will be those that can provide the content to monetise this usage. This will include MVNO's who are not only access providers but also able to target specific communities with unique tailored content that suits their customer's needs.

Consumers will scrutinise their tariffs and make more conscious buying decisions based on better value. This will bode well for Lycamobile and other discount operators that can provide both value and best quality.