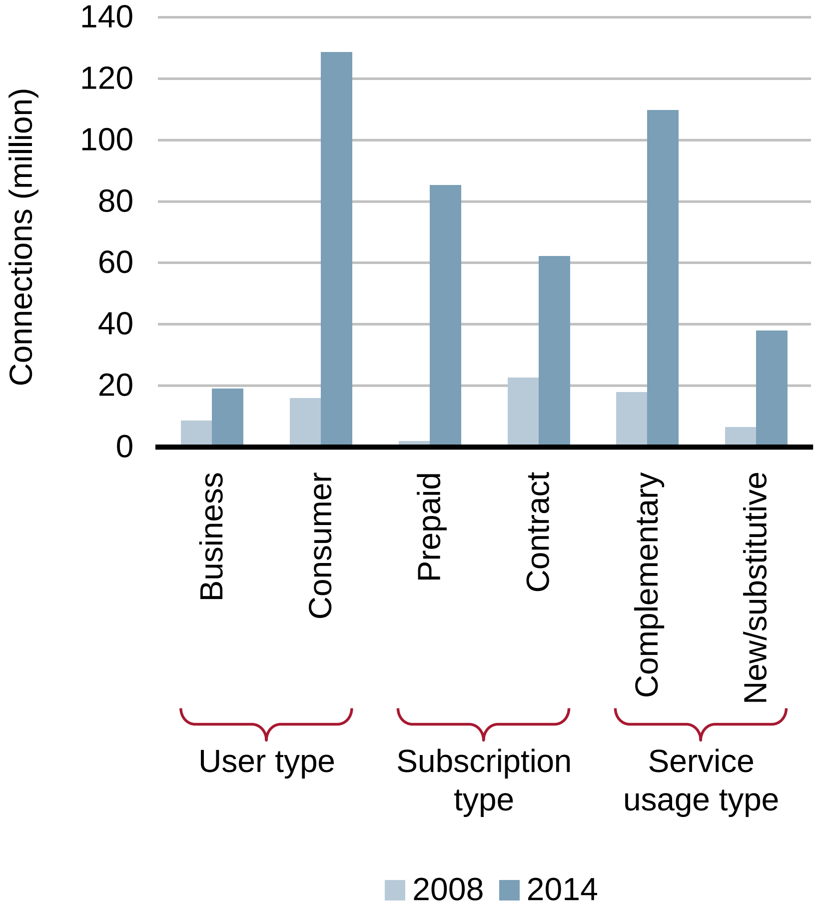
Casual users will dominate the installed base during the forecast period

- The most prominent market development during the next five years will be the increasing dominance of casual users of mobile broadband:[1]
  - consumers, rather than business users, will account for most of the growth in connections – business users' share of broadband connections will decline from 35% in 2008 to 13% by 2014
  - prepaid subscriptions accounted for only 2 million connections in 2008, but will increase to 85 million in 2014, when they will overtake the number of connections accounted for by contract customers
  - most connections will be used as a complementary, rather than new or substitutive, broadband service during the forecast period.

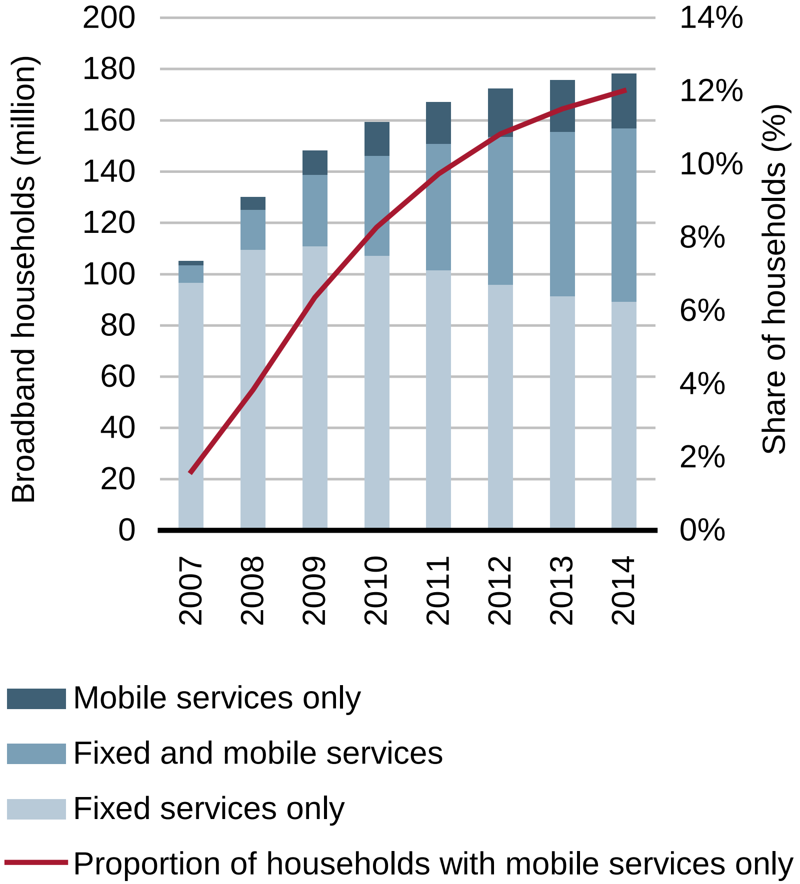
[1] For further details of this trend, see Hatton, M., *Casual subscribers will drive the next wave of mobile broadband growth – MNOs must be ready*, Analysys Mason (Cambridge, 2009).

Figure 8: *Mobile broadband connections in Europe by user, subscription and service usage type, 2008 and 2014 [Source: Analysys Mason, 2009]*



Many broadband households will have added mobile broadband as a complementary service by 2014

Figure 16: *Broadband households in Europe by service type, 2007–2014 [Source: Analysys Mason, 2009]*



- As mobile broadband adoption grows, the proportion of households in Europe that rely solely on DSL or cable for their broadband connections will decline substantially, from 84% in 2008 to 50% in 2014.
- Most households will use mobile broadband services as a complement to their fixed services. The proportion of households that use both types of service will increase to 43% in 2014.
- The proportion of households that adopt mobile services as a substitution for fixed services will continue to grow, reaching 12% by 2014. At first, this will be partly driven by households that previously had no access to a broadband service.
- Mobile services' limited ability to provide high-bandwidth services (such as 'over-the-top' video), as well as market inertia and fixed operators' increasingly aggressive NGA strategies, will ensure that fixed-line services continue to have a significant market share.