



RIPE NCC

RIPE NETWORK COORDINATION CENTRE

It Runs in the Family

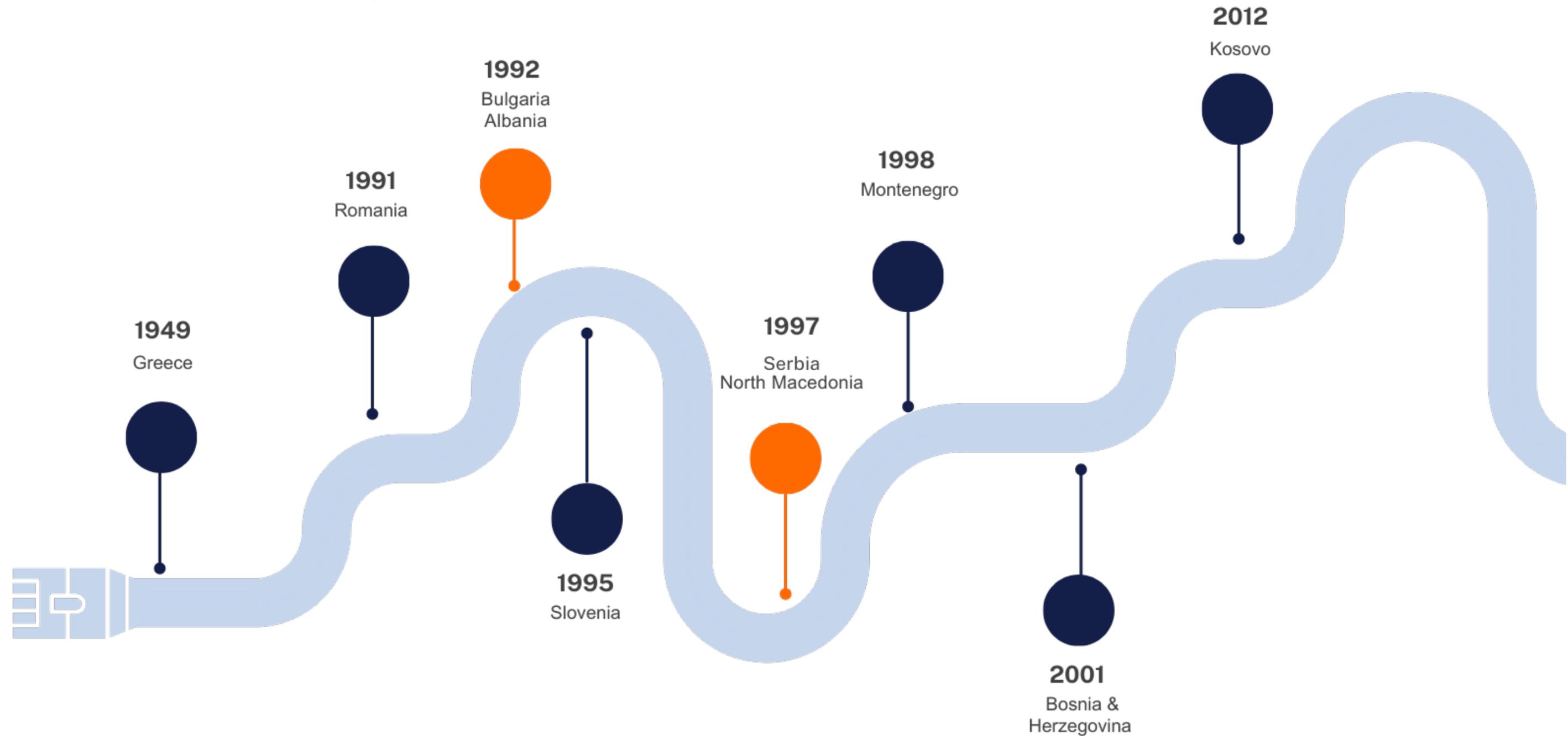
SEE Telco Market Evolution and Trends

Jelena Ćosić | RIPE NCC Days Sofia | 27 June 2023



A Regional View

Founding of National Telecoms



2000s: Liberalisation and Privatisation



- EU accession process played a key role
- New players entering the market
- Increased foreign investment
- Strengthening of independent regulatory authorities

2010s: Market Characteristics and Trends



- Increased competition (MVNOs and OTTs)
- Change in consumer behaviours and preferences (mobile data as a key driver of growth)
- Growing demand for high-speed Internet
- Changes in regulatory environment (customer focused)

Market Response



- Restructuring of telecom companies (divestitures like spin-offs and carved-outs, outsourcing, mergers and acquisitions)
- Convergence and vertical integration
- Expansion of 5G and fibre optic network
- Market consolidation



Telecom Serbia

HQ:

Belgrade, Serbia

Size:

12,000+ employees

Market share across SEE region:

- Bosnia and Herzegovina - 26.5%
- North Macedonia - 0.05%
- Montenegro - 44%
- Serbia - 48%



A1

HQ:

Vienna, Austria

Size:

17,000+ employees

Market share across SEE region:

- Bulgaria - 22.5%
- Croatia - 32.5%
- North Macedonia - 36%
- Serbia - 9%
- Slovenia - 20%



United Group

HQ:

Amsterdam, The Netherlands

Size:

14,000+ employees

Market share across SEE region:

- Bosnia and Herzegovina - 20%
- Bulgaria - 33.5%
- Croatia - 16%
- Greece - 32%
- Montenegro - 10.5%
- Serbia - 21.5%
- Slovenia - 30.5%



Deutsche Telekom

HQ:

Bonn, Germany

Size:

207,000+ employees

Market share across SEE region:

- Bosnia and Herzegovina - 11%
- Croatia - 47%
- Greece - 51.5%
- Montenegro - 36%
- North Macedonia - 43%
- Romania - 4%



From WiFi to 5G

Examining Telecom Market Dynamics in
Bulgaria

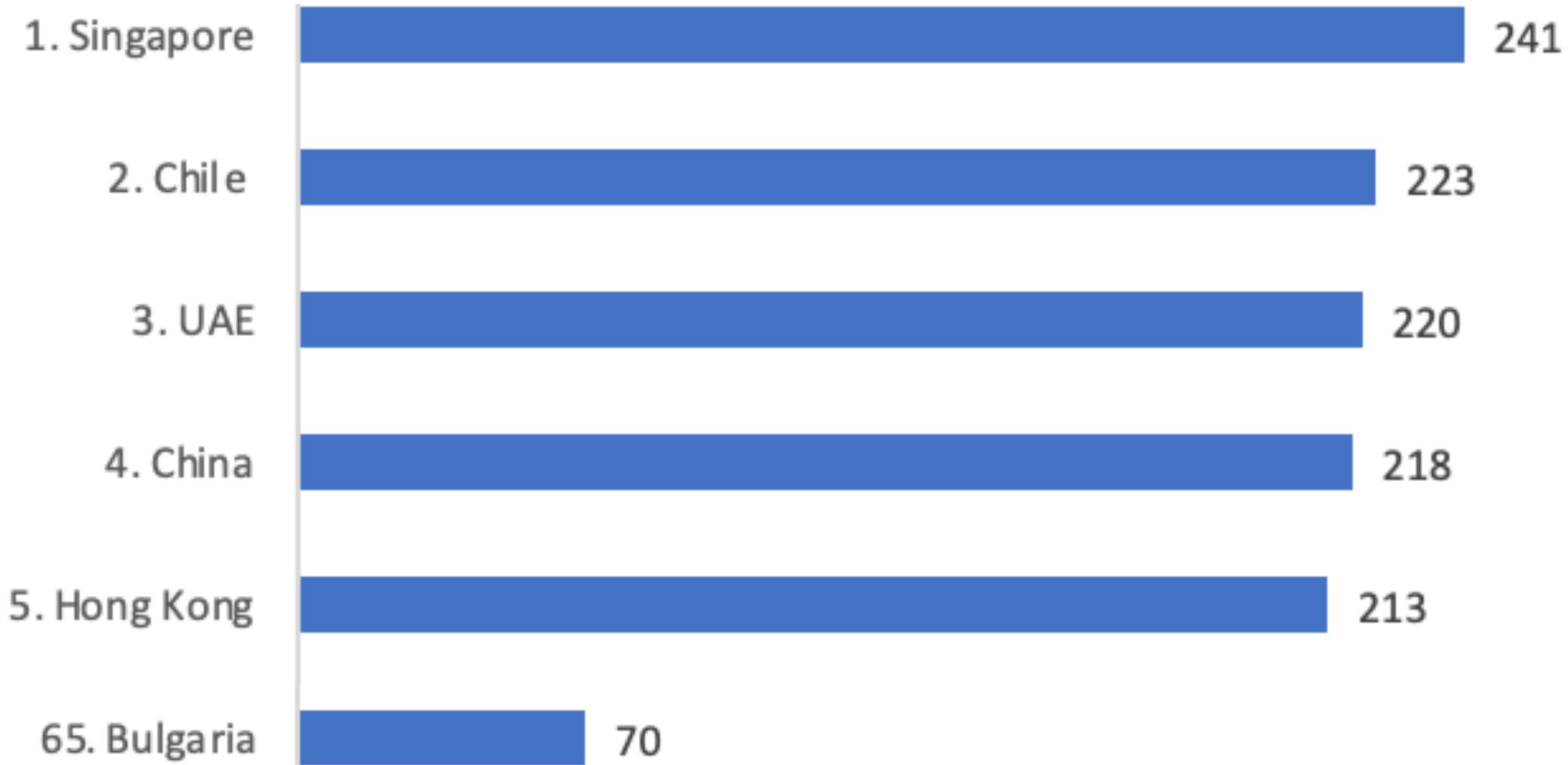


Fixed Broadband 2009





Fixed Broadband 2009



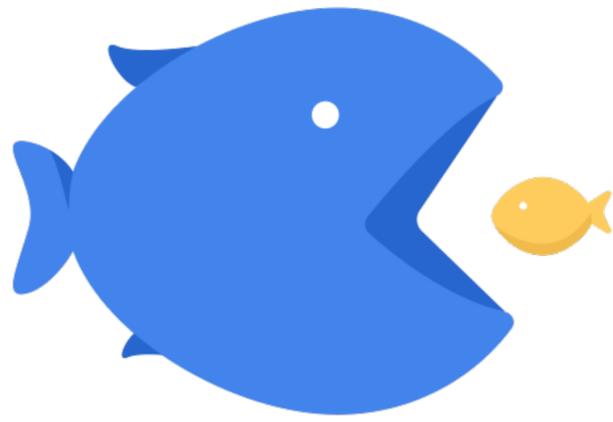
Customers

- Shift towards mobile devices
- Changes in Internet usage
- Low demand for ultra high speeds

Operators



- Diverting to mobile investment:
 - Adapting to customers preferences
 - Revenue opportunities
 - High costs of investment outside of urban areas
- Bundled services
- Market consolidation



Acquisitions boost United Group figures

APRIL 25, 2022 13.02 EUROPE/LONDON BY CHRIS DZIADUL



Bulgarian telco Vivacom acquires local Telnnet

SHAILAJA PAI 09 DECEMBER 2021 3156 views

Bulgarian telco Vivacom acquires local Telnnet

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Bulgarian Telecommunications Company completes acquisition of Net1, ComNet Sofia, N3

United Group snaps up two local operators in Bulgaria

JAMES BARTON 16 FEBRUARY 2021 6183 views

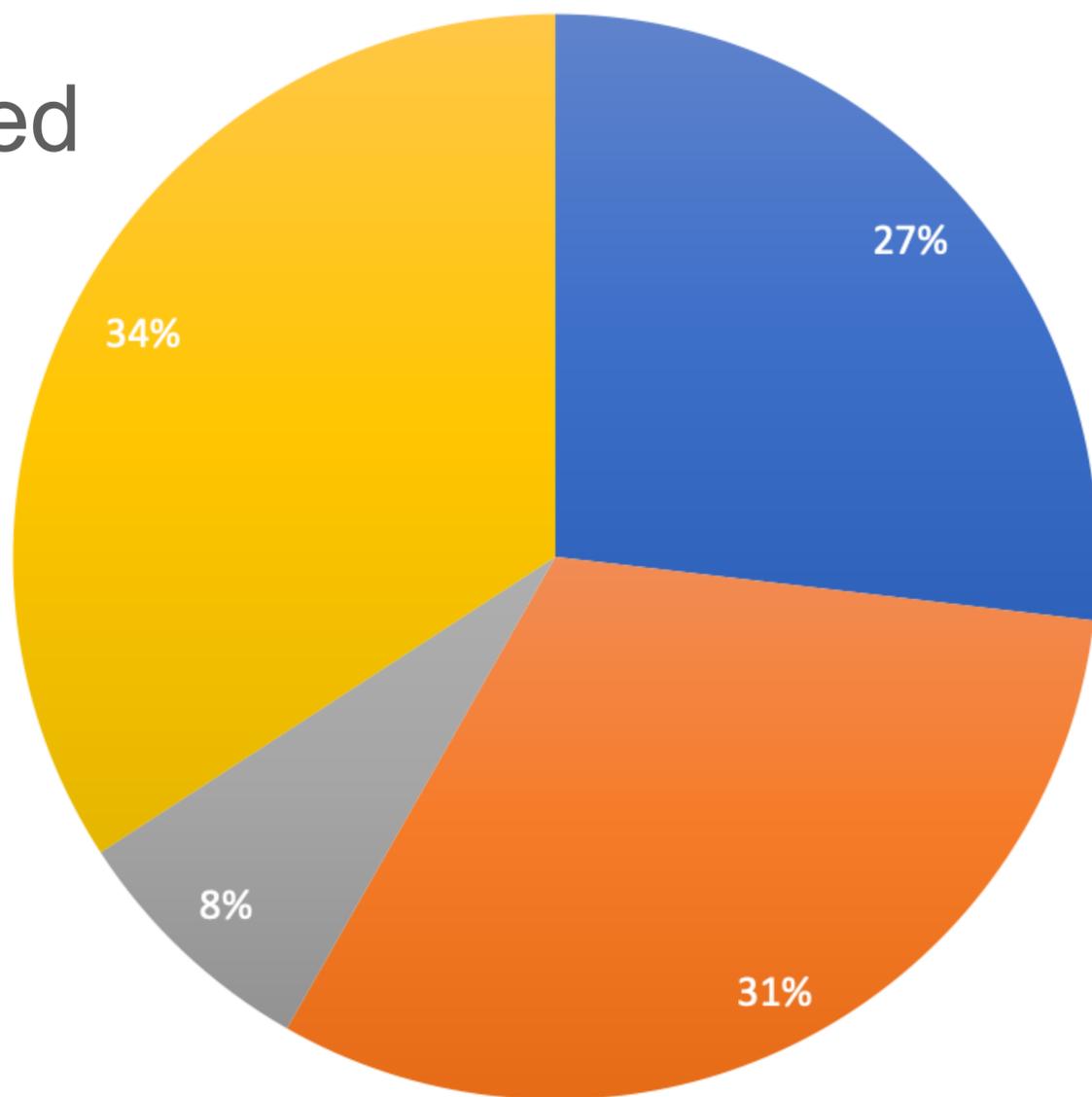
Bulgarian Watchdog Probes Vivacom's Plan To Buy Multiple Rivals

By CPI - February 2, 2023

Market Share by Number of Subscribers

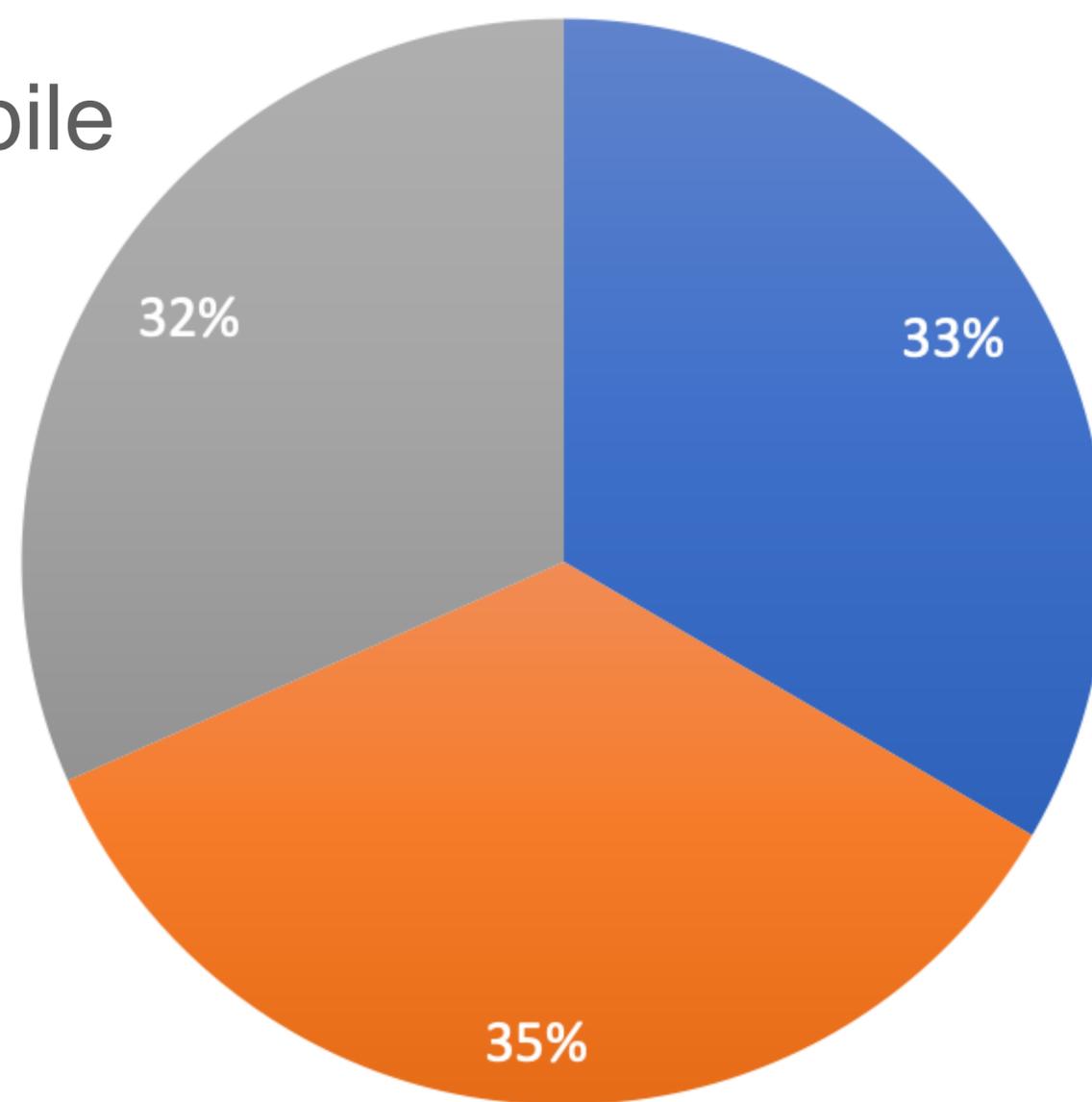


Fixed



■ A1 Bulgaria EAD ■ Vivacom
■ Bulsatcom EAD ■ All other

Mobile



■ A1 Bulgaria EAD ■ Vivacom ■ Yettel

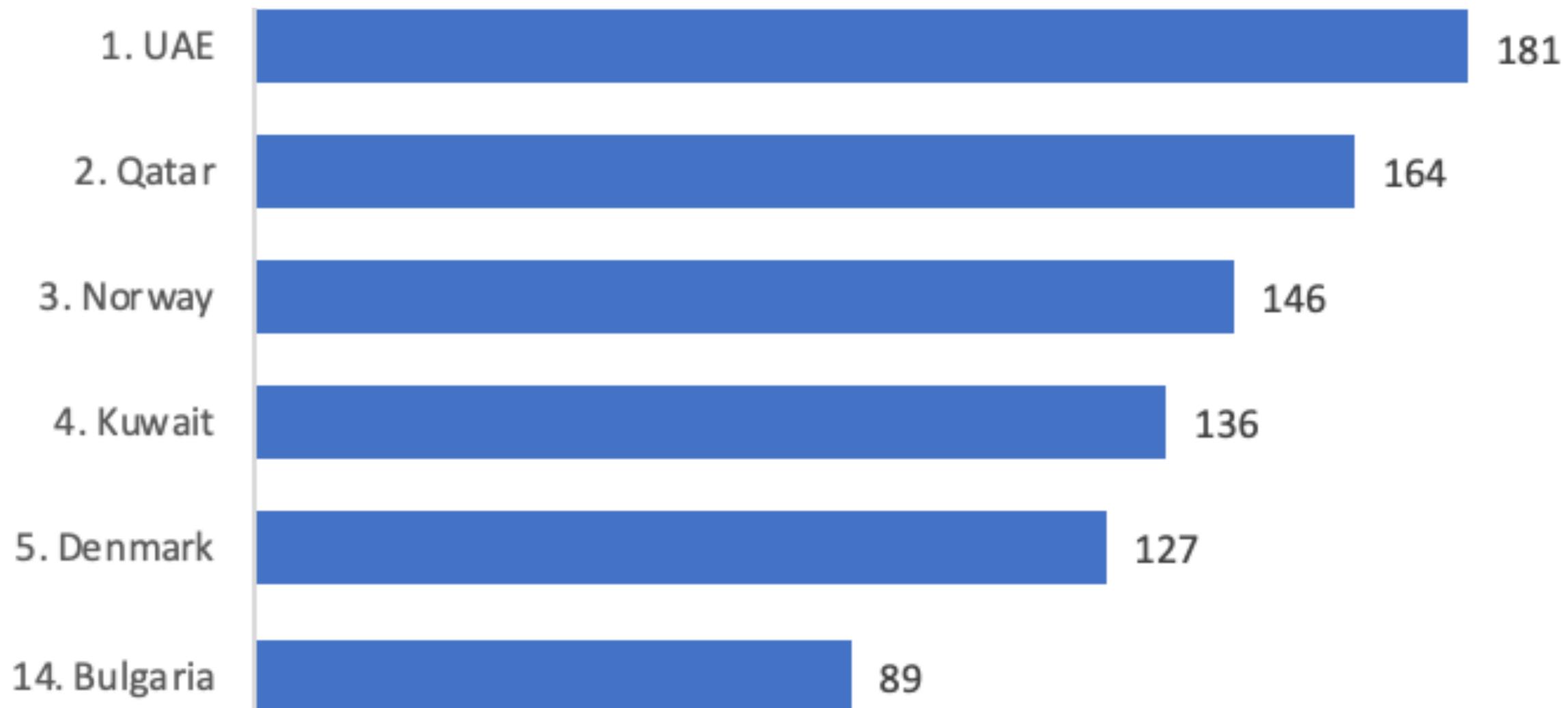
5G Frequency Allocation



- Auction held in 2021: Vivacom, Telenor Bulgaria, and A1 Bulgaria secure licences
- Complaint stating unlawfully terminated auction to Bulgarian Supreme Administrative Court (SAC) filed by Mobile Alternative Communications (MAC) in 2023
- MAC seeks to create an alternative mobile operator, proposing opening of current operators networks
- Court rules in MAC's favour, public consultations must be resumed



Mobile Access 2023



Telecom Sector - A Natural Monopoly?



- Infrastructure Costs
- Economies of Scale
- Network Effect
- EU “single telecoms market”





Questions



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Sources



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- Telekom Srbija (via wikipedia): https://en.wikipedia.org/wiki/Telekom_Srbija
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- A1: <https://www.a1.group/en/home>