Global LTE Network Infrastructure CapEx and OpEx Forecast, 2012-2017

Market Study
Third Quarter, 2013

Global LTE Network Infrastructure CapEx and OpEx Forecast, 2012-2017

Market Study

Published Third Quarter, 2013
Version 1.0
Report Number: 3Q2013-04

*iG*R Inc.
12400 W. Hwy 71
Suite 350 PMB 341
Austin TX 78738

Table of Contents

Abstract

Global LTE deployments are steadily progressing. The North American market currently leads other markets in regard to number of LTE subscribers, but this will change over the next five years, as other regions continue to deploy LTE. LTE is now available in all regions of the world, with established networks in Japan and Europe.

Once the LTE networks are deployed and the subscriber base starts to grow in each country, more devices will become available and usage of the network will increase. When this happens, operators will have to start increasing their networks' capacity. Operators around the world are continually balancing their network CapEx between coverage and capacity. The engineers strive to provide sufficient coverage to be competitive and sufficient capacity to meet the needs of the growing subscriber base, while minimizing unnecessary CapEx.

Over the next few years, as the number of subscribers using LTE increases, so the corresponding network operating costs increase. While *iG*R expects the overall LTE network operating cost per subscriber to increase, the operating expense per cell site will decline due to increased efficiencies in the network.

This report forecasts the total global LTE infrastructure CapEx investment and the total global LTE OpEx for the years 2012 through 2017. The CapEx spending is also forecasted by network component. In addition to the global level, the report also forecasts the spending for each of the following six regions: North America, Latin America, Europe, Middle East and Africa, Asia-Pacific, and Japan.

Key questions addressed:

- What is the status of LTE deployments in each global region?
- How much mobile data will the LTE networks carry both globally and for each region of the world?
- What is the forecast for the number of LTE subscribers both globally and for each region of the world?
- How much mobile data is each LTE subscriber expected to consume and how does this change?
- Which global regions are investing the most CapEx in LTE networks?
- When do the CapEx cost curves begin to trend downward in each global region?
- How big is the LTE infrastructure opportunity in the next five years?
- What share of LTE infrastructure CapEx will be spent on each type of network component, including Radio, Fronthaul/Backhaul, MME/S-GW, and Packet Core, in the next five years?

- How large will LTE OpEx be in the next five years?

Who should read this report?

- Mobile network operators
- LTE network infrastructure vendors
- Financial and investment analysts.