The State of Mobile Internet Connectivity 2020

ITU -ADB Joint webinar on advances in closing the ICT connectivity gap

September 23, 2020

THE GSMA

Has represented the interests of mobile operators worldwide for more than

30 YEARS

Unites more than **750** mobile operators with almost **400** companies in the broader mobile ecosystem

Convenes more than **200,000** people annually from across the globe to **industry-leading** events

Focuses on activities where collective action can deliver significant benefits

Led the mobile industry to formally commit to the Sustainable Development Goals

Reducing inequalities in our world

GSMA

CLEAN TECH
Identifying innovation, facilitating scale and reducing the fragmentation of the clean tech space

ASSISTIVE TECH
Improving the accessibility and affordability of mobile services for persons with disabilities

M4D UTILITIES
Unlocking access to affordable and improved energy, water and sanitation services

MOBILE FOR HUMANITARIAN INNOVATION
Accelerating the delivery and impact of digital humanitarian assistance

MOBILE MONEY
Accelerating the digital financial ecosystem for the underserved

CONNECTED SOCIETY
Addressing access and usage barriers to increase mobile internet adoption

CONNECTED WOMEN
Reducing the gender gap to increase digital and financial inclusion for women

DIGITAL IDENTITY
Enabling robust and unique digital identity for greater inclusion

ECOSYSTEM ACCELERATOR
Delivering social impact and scale through mobile innovation

AGRITECH
Digitising the agri value chain to drive mobile financial inclusion for small holder farmers

**Changes in usage and coverage over the past 5 years**

Findings based primarily on two bespoke analytical tools

Mobile Connectivity Index

Barriers to mobile internet use measured across four enablers in 170 countries over six years, covering 99% of global population
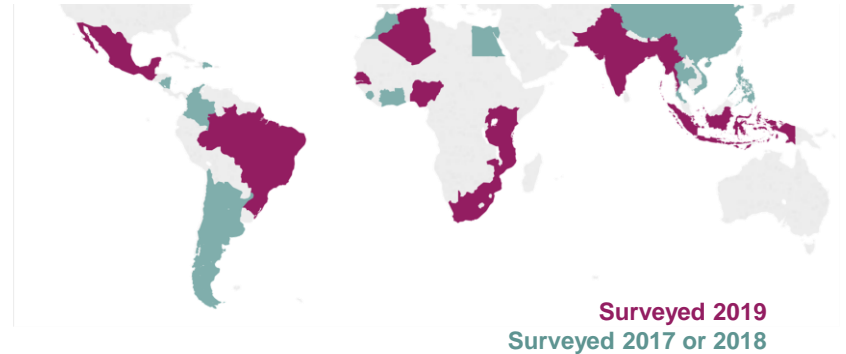
Sources data from GSMA Intelligence, Ookla, the ITU and UN, World Bank, Tarifica and Gallup, among others
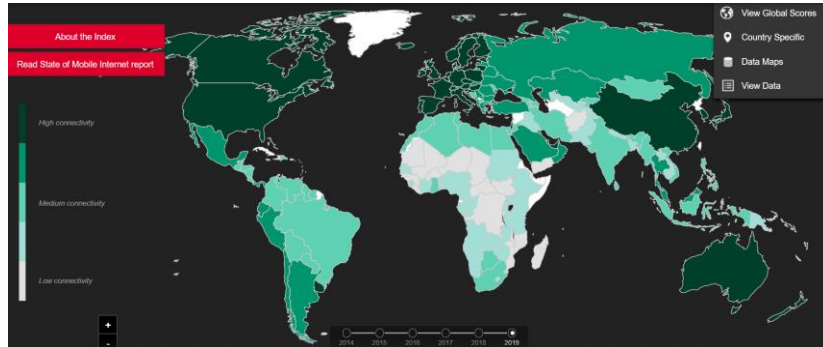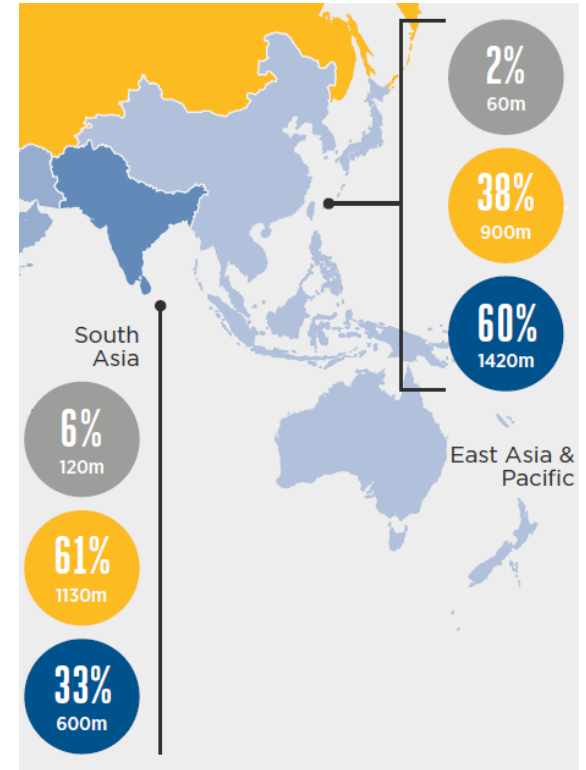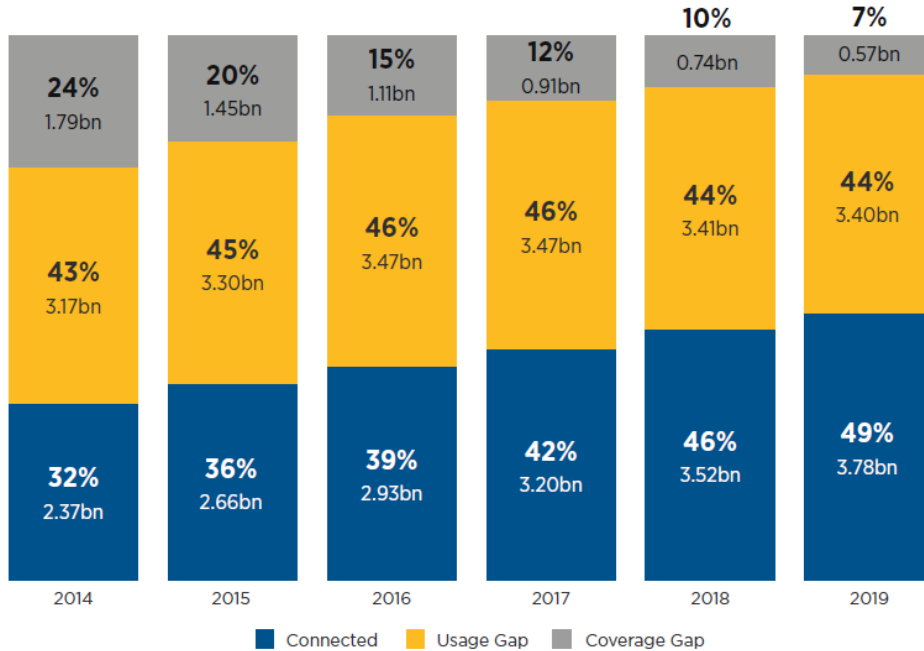

Consumers in Focus Survey

15 countries surveyed in 2019 (incl. 6 countries across Sub-Saharan Africa)

Covering 75% of adult population in low- and middle-income countries, across three survey year.

Surveyed 2019
Surveyed 2017 or 2018

The coverage gap narrows but the usage gap is still significant

2014
- 24% 1.79bn — Coverage Gap
- 43% 3.17bn — Usage Gap
- 32% 2.37bn — Connected

2015
- 20% 1.45bn
- 45% 3.30bn
- 36% 2.66bn

2016
- 15% 1.11bn
- 46% 3.47bn
- 39% 2.93bn

2017
- 12% 0.91bn
- 46% 3.47bn
- 42% 3.20bn

2018
- 10% 0.74bn
- 44% 3.41bn
- 46% 3.52bn

2019
- 7% 0.57bn
- 44% 3.40bn
- 49% 3.78bn

Legend: ■ Connected ■ Usage Gap ■ Coverage Gap

East Asia & Pacific
- 2% 60m
- 38% 900m
- 60% 1420m

South Asia
- 6% 120m
- 61% 1130m
- 33% 600m

Rural-urban and gender gaps in mobile internet use
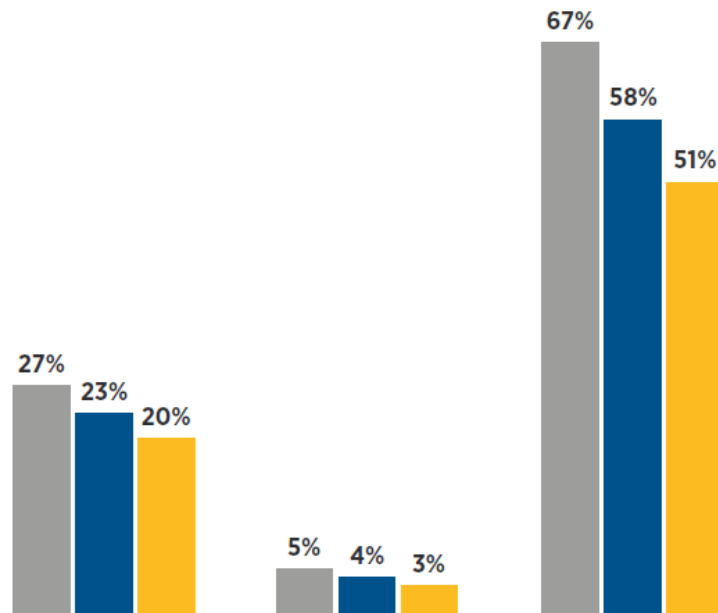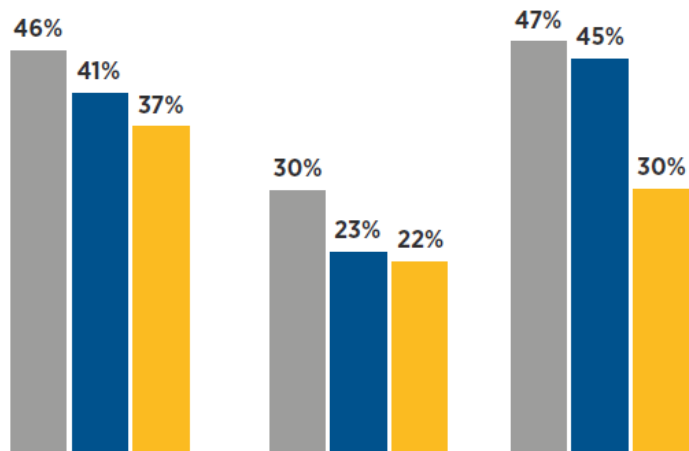
2017   2018   2019

Adoption and use: barriers and drivers

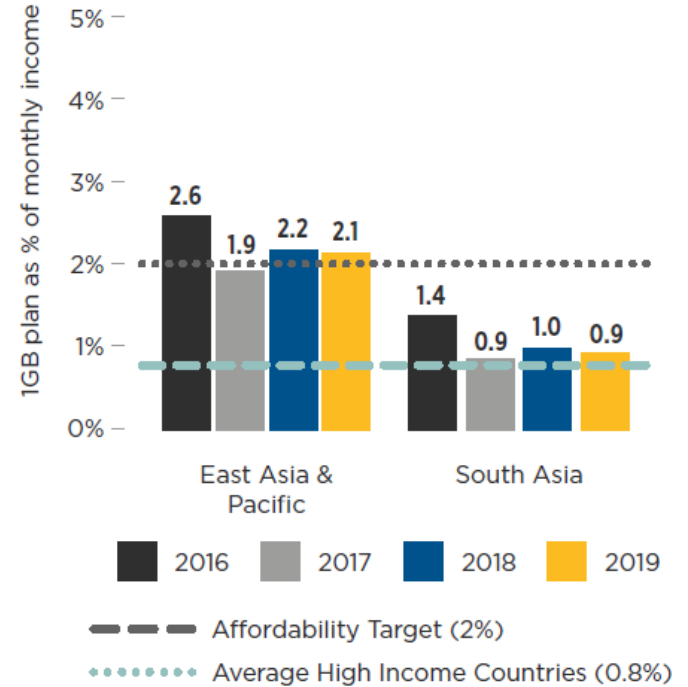# Barriers: Affordability of internet enabled devices and data

Cost of device as a % of monthly GDP

	East Asia & Pacific	South Asia
2016	17.6	34.9
2017	25.4	24.0
2018	18.9	22.2
2019	18.5	20.9

Average High Income Countries (4%)

1GB plan as % of monthly income

	East Asia & Pacific	South Asia
2016	2.6	1.4
2017	1.9	0.9
2018	2.2	1.0
2019	2.1	0.9

Affordability Target (2%)

Average High Income Countries (0.8%)
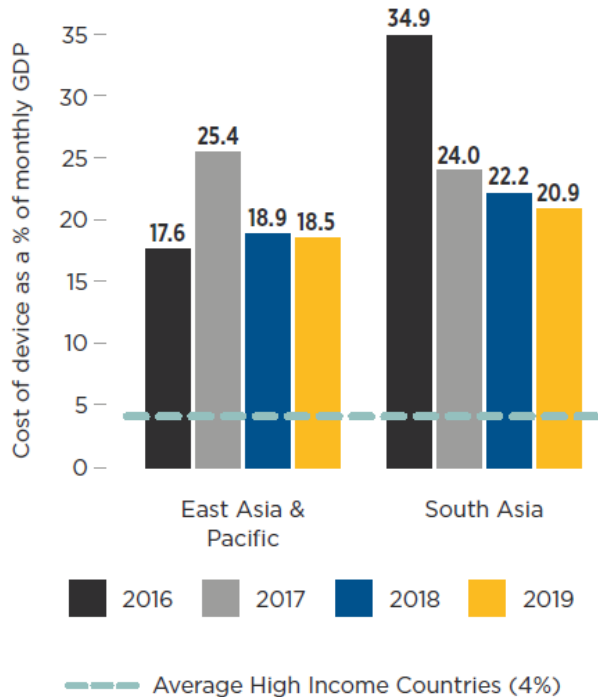
Barriers: Lack of awareness
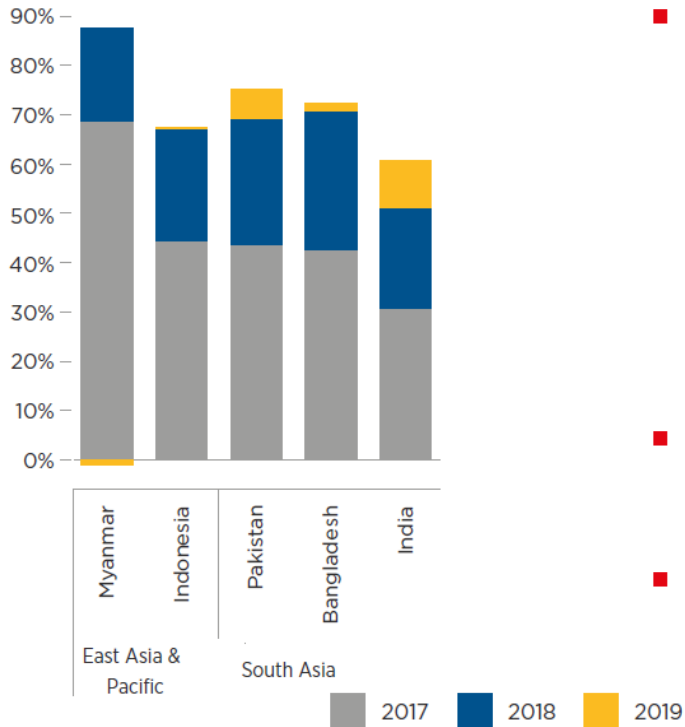
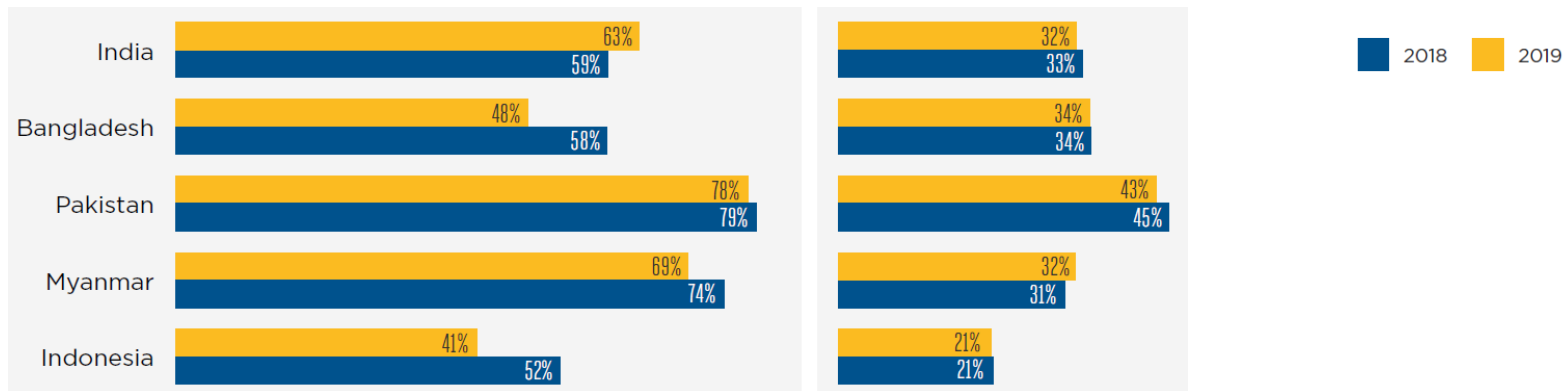- A person is considered aware of mobile internet if they have either
    - Used mobile internet before, or
    - Have not used mobile internet but are aware they can access the internet on a mobile phone
- Awareness of mobile internet is increasing but is far from universal
- Encouragingly, awareness is growing disproportionately for rural populations and for women

Barriers: Literacy and digital skills

India — 2019: 63%, 2018: 59% | 2019: 32%, 2018: 33%
Bangladesh — 2019: 48%, 2018: 58% | 2019: 34%, 2018: 34%
Pakistan — 2019: 78%, 2018: 79% | 2019: 43%, 2018: 45%
Myanmar — 2019: 69%, 2018: 74% | 2019: 32%, 2018: 31%
Indonesia — 2019: 41%, 2018: 52% | 2019: 21%, 2018: 21%

Legend: 2018, 2019

- A lack of literacy and digital skills is the biggest perceived barrier to mobile internet adoption. In 2019, it was reported as the top barrier by a third of respondents.

- Literacy and digital skills are becoming less of a barrier in Bangladesh and Indonesia

Barriers: Lack of relevance
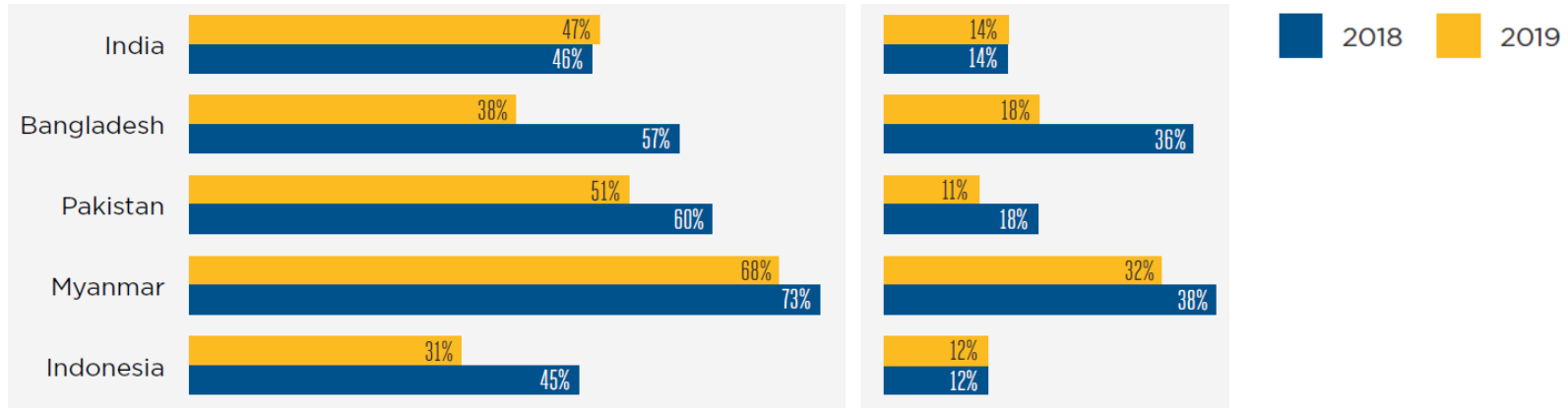
- In LMICs, mobile users increasingly see mobile internet as relevant to their lives and are using a wider range of services
- One reason for why perceived relevance is increasing is the availability of locally developed mobile apps, especially in Asia

Barriers summary

| 1 Mobile ownership | 2 Awareness of mobile internet | 3 Mobile internet adoption | 4 Regular mobile internet use |
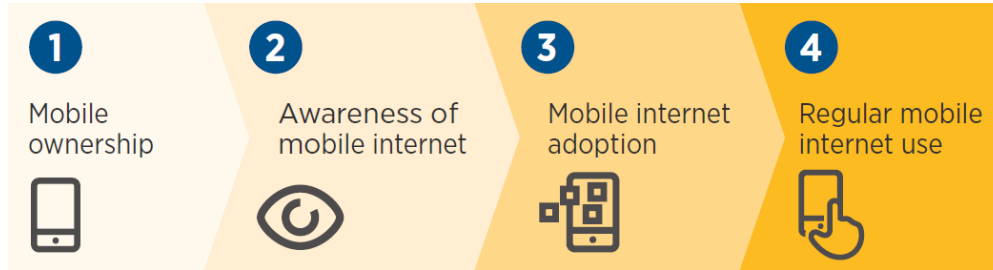
- Affordability of mobile-internet enabled devices is largest barrier to ownership

- Awareness of mobile internet is improving but is far from universal

- Lack of digital skills and literacy is largest barrier to usage

- Affordability of smartphones and data bundles is second largest barrier to usage

- Lack of relevance is still an important barrier but is receding

Drivers: usual suspects dominate but…
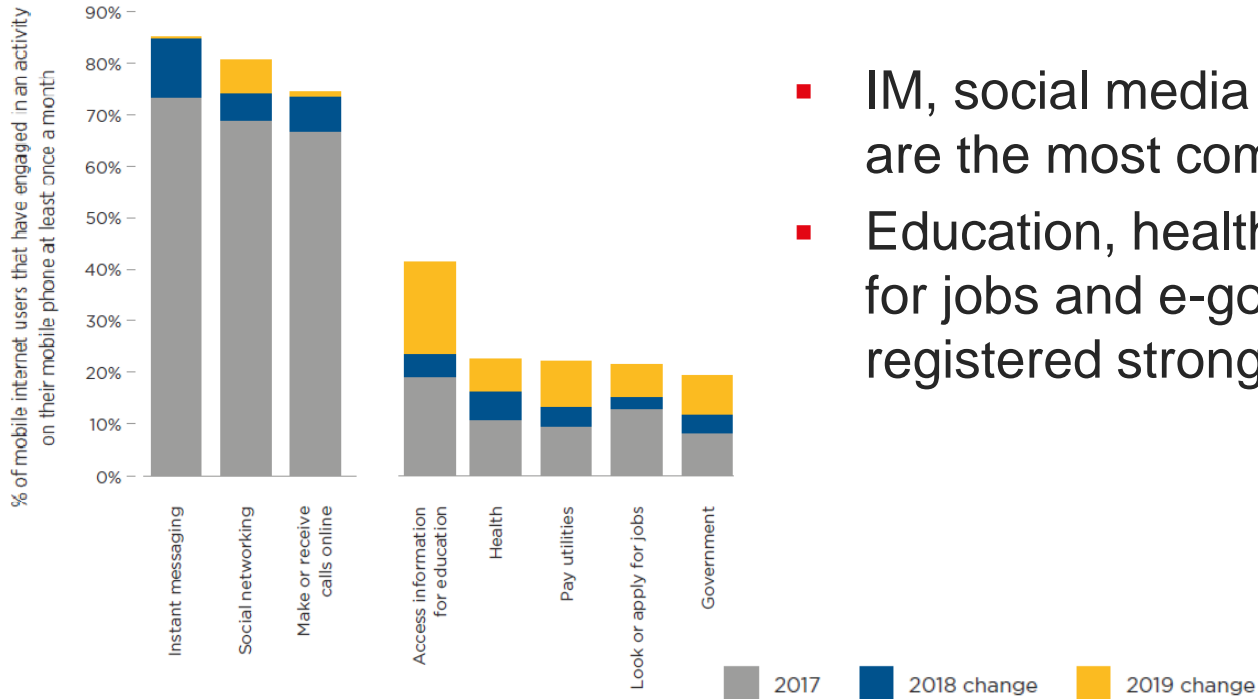
- IM, social media and making calls are the most common uses
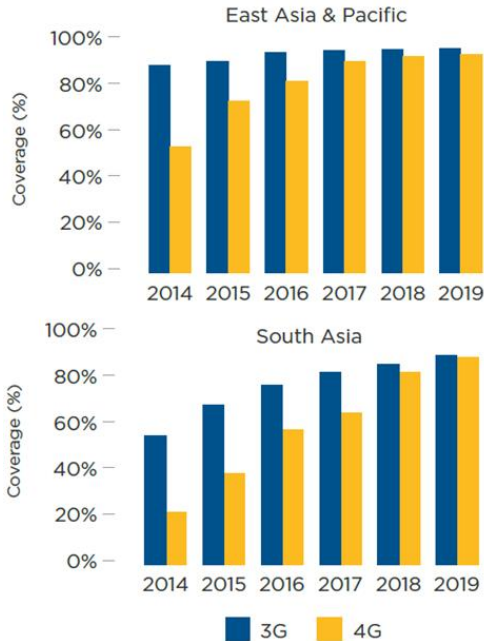- Education, health, bill pay, looking for jobs and e-gov services registered strong growth last year

Expanding mobile broadband coverage

3G and 4G coverage

East Asia & Pacific

South Asia

- 3G - 4G

- 4G coverage is catching up with 3G coverage but challenges remain to reach rural and remote areas

- Since 2014, operators in LMICs have invested around $320 billion in expanding and upgrading networks

- In rural and remote areas, it can cost up to twice as much to deploy base stations compared to urban areas. Rural sites can also be more than three times as expensive to run

The digital dividend

- Reducing the coverage gap will require affordable and sufficient amounts of technology-neutral spectrum for operators, particularly frequencies in the digital dividend bands as these allow wider area coverage with fewer cells deployed

- Average 4G coverage for LMICs that have assigned digital dividend spectrum for mobile use since 2014 is higher than that for countries yet to assign them (73% versus 56% respectively)

- The Mobile Connectivity Index shows that countries that have allocated more spectrum for mobile are more likely to have higher levels of mobile broadband coverage

Further action is needed to close the coverage and usage gaps

Closing the coverage gap

- Use innovative technologies that reduce the cost of deploying and operating networks in remote areas

- Increase industry collaboration (e.g. infrastructure sharing) to extend the reach and capacity of mobile broadband networks

- Develop proactive policies that target rural areas

Closing the usage gap

- Develop innovative pricing models to improve affordability of devices and data

- Build literacy and digital skills training that can be implemented in schools and other learning programmes

- Invest and facilitate the creation of local digital ecosystems to increase availability of relevant content

Useful links:

- **State of Mobile Internet Connectivity 2020 Report**

- **GSMA Mobile Connectivity Index**

- **Innovation Fund for Assistive Tech** (deadline Oct 16)

To continue the conversation:
- **GSMA Thrive APAC**

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The GSMA represents the interests of mobile operators worldwide, uniting more than 750 operators with almost 400 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces the industry-leading MWC events held annually in Barcelona, Los Angeles and Shanghai, as well as the Mobile 360 Series of regional conferences.

For more information, please visit the GSMA corporate website at www.gsma.com

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