Wholesale Market to Top $142 Billion by 2019

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The global wholesale telecoms market will be worth $142 billion in 2019 and will account for 6.6 percent of total telecoms service provider revenues, up from 5.5 percent in 2012.

According to research firm Ovum, which analyzed the financials of 200 telecom providers, strong demand in the Asia-Pacific region will push its share of global total wholesale revenues to 26 percen in 2019, up from 17.0 percent in 2012.

New MVNOs in China will also have an effect on revenue generated from wholesale. Ovum notes that therange of wholesale offers is growing rapidly in Malaysia and South Korea, and wholesale revenues will increase in China due to the recent licensing of 19 new mobile MVNOs.

David James, practice leader for Ovum’s wholesale research channel said in a statement that everything from innovation in retail to growth of data consumption depends on an effective wholesale market.

“New types of service providers are emerging, but their need for connectivity will stimulate greater demand for traditional wholesale services, while those telcos that do innovate at a retail service level will create demand from those that don't,” James said.

In 2012, telecoms service providers headquartered in North America and Europe dominated the list of the top 20 wholesalers in 2012, with only three based in Asia-Pacific, one in the Middle East and Africa region, and none from South and Central America.

James expects this picture to change with the rise of domestic and international wholesale in Asia-Pacific. “We expect at least one Chinese carrier to be among the top 20 wholesalers by revenues in 2019, although North America and Europe will continue to dominate the list.”

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