

THE DIGITAL REVOLUTION

# The opportunities of a sector in permanent innovation

Telecoms are at the centre of the Digital Revolution. They let everyone and everything be connected, generating immense opportunities for the sector.

In 2013 the figure of 7,000 million mobiles was reached. Already there are more devices than people

The Digital Revolution is coming rapidly and in large numbers. And connectivity, which is at the core of this Revolution and makes it possible, is also advancing. In 2013, the figure of 2,800 million Internet users, 40% of the world's population, was reached. All of them access the Internet via telecoms networks. With 760 million homes connected and 2,200 million mobile broadband connections, we live in a completely connected world.

Social networks reach almost the equivalent of the population of Brazil instantly, and have been decisive in certain recent and deep social and political movements.

Innovation cycles are shorter and consumers want the latest thing. New connected personal devices that are *wearable* (watches, glasses, bracelets, heart rate monitors...), a connected car, meters or smart houses, control *drones* and the new services that make a city smart... *the Internet of things* is taking off.

We are also on the threshold of disruptive change in the model of production, with *big data* and *cloud computing*, and even 3D printers that delocalise production like never before. All this is possible thanks to broadband connectivity and it creates opportunities for reinvention and transformation in multiple sectors and industries. Financial services, security, healthcare, education, advertising, public administrations and content provision are among the sectors that are increasing their efficiency and opening up new markets in this new digital world.

Internet traffic has shot up in the era of smartphones, with video being the service that has most influenced its growth. One fifth of all Internet traffic is now generated from mobile devices. And users and companies demand ever more.

To make this Revolution and the opportunity it represents real, networks need to be renewed and transformed. More than 50% of the people in the



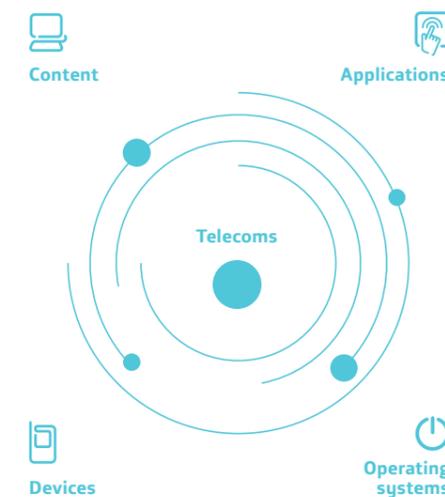
world already enjoy 3G coverage. And users await the speeds offered by LTE. Asia is already thinking of the fifth generation. The technology is available and network renovation is vital to keep up with demand and realise the opportunities in the sector.

And all this is only the beginning. In 2013 we reached 7,000 million mobiles worldwide, but in 2014 there are already more mobiles than people. If only 30% of these devices have broadband connectivity, the potential for growth is enormous. Traffic per user will pass from 440 MB in 2013 to 3.8 GB in 2018, and total traffic is expected to multiply by 11.

The *Internet of things* will be superseded by the *Internet of everything* and according to forecasts, there will be 50,000 million connections by 2020. 99% of these connections are still pending.

There is no doubt: the opportunities generated by the Digital Revolution are real and awaiting the telecoms sector that makes them possible,

## Telcos make the Internet and new digital services possible



### The digital revolution in figures

