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The GSMA launches the European edition of the Mobile Observatory report outlining the state of the industry, including the development of competition, innovation, services and technologies in the continent.



“The Observatory’s findings show that the mobile industry is a critical business sector in Europe," the GSMA says. The European mobile industry is currently larger than pharma and nearly the size of aerospace, with total 2010 revenues reaching €174 billion (1% of total European Economic Area GDP).

The industry directly employs 370000 Europeans and induces the employment of a further 1.3M, and contributes €83BN in taxes (€65BN of which from mobile operators).

The mobile population coverage rate currently stands at nearly 100%, with a penetration rate of 128% (vs 100% in Japan and 104% in the US), with 656M subscriptions (measured in active SIM cards) held by 89% of Europeans, or an estimate of 456M individuals.

The GSMA says the current youth market will probably never even own a fixed line service, while mobile prices fell at an average of 11-13% yearly for the 2006 - 2010 period.

Mobile data is also growing--- the report says mobile broadband will grow at a CAGR of over 90% for the next 5 years. Factors driving mobile data growth include communications (voice services, mobile VoIP and email), entertainment, payments and services (such as NFC), retail, monitoring and cloud computing.

As for the future, new technologies will continue advancing innovation. The GSMA predicts widespread LTE deployment by 2014-- 20 European operators already have commercial LTE networks, and more will be required to satisfy "bandwidth hungry" mobile services.

Go GSMA Releases European Mobile Observatory Report