INDIA INTERNET STATISTICS COMPENDIUM 2010

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About this report

This compendium is a collection of the most recent statistics and market data publicly available on the Internet, online ads marketing, e-commerce and related digital media. The report is a one-stop shop for Internet stats to help you quickly track down the latest data.

The report draws inputs from our own internal database along with the other third party sources, credited throughout the document in the acknowledgements at the back of this guide. For the ease of use all numbers in this compendium are given in INR as well as in equivalent US$.

If there is data that you feel is inaccurate or incorrectly presented then please get in touch with Vikram Bhardwaj, eStatsIndia: vikram@estatsindia.com or Phone mobile: +91 9810474007. Likewise, if you would like to contribute data or any research then please feel free to contact us.

About eStatsIndia.com

EStatsIndia.com is India's leading online publisher of Internet industry reports, provides search based services and also consults clients on various aspects of Internet. We are based out of New Delhi, India.

We are a competent research team of research professionals who comes from varied industries like IT research and consulting, media, IT, Internet Infrastructure consulting.

With an average industry experience base of more than 5 years our aim is to provide the best Internet research, consulting solutions and SADS (Search, Aggregate and Distribution Servcies) services to our clients.

To know more about us, please visit us at: http://www.estatsindia.com/about.asp

1. Internet Penetration:

1.1 Total PC Installed Base at the End of July 2010:
Figure includes home PC Installed base, small/medium and large business PC Installed base, Cyber Café PC Installed base, Gov PC Installed base, and Education PC Installed base; 45 million (Notebooks and Desktops combined)
The PC Installed base will increase at a CAGR of 27.29%

eStatsindia.com, defines an **Internet subscriber/user** as a person accessing the Internet at least once per month through a PC or through an Internet Access device. There is no age limitation for users. We count, each user only once, regardless of the number of devices used by the user.

eStatsindia.com, defines **an Internet device as:**
The device must access or connect to the Internet at least once per month to be considered an Internet device. Such an Internet device is counted as one Internet connection. This is a percent of the devices captured in the Installed Base.

1.2. INTERNET PENETRATION:
The total Internet subscribers, as per our own analysis was around 80m as on July 2010.
Out of total 80m odd subscribers the number of broadband subscribers will be around 20 million by the end of the year 2010.

Total Internet Subscribers:
Total Internet subscriber's base/connections as on July end 2010 was around 80 million

Of 132 ISP's operating in India, the top corners more than 90% of the total subscriber base. Four operators Bharti Airtel, Reliance, BSNL and Tata have significant presence in all 3 segments namely, Fixed line segment, Long distance services segment and Internet and Broadband segment.

High-speed broadband deployments will primarily be pushed by new technologies like the widespread deployment of 3G and WiMAX that is expected to provide more affordable access and make broadband a mass market consumer proposition in India. The roll out of 3G spectrum starting off by Sept. 2010 will also affect the growth trajectory of the broadband adoption in a positive way.

1.3. Market Share of leading ISPs

Table1: Market Share of leading ISPs in term of Subscribers as on 31 March 2010

ISP	Market Share %	Growth Rate
BSNL	56%	47.1%
MTNL	14.9%	32.7%
Reliance	7.7%	55.8%
Airtel	8.1%	42%
Hathway	2.1%	12.5%
Tata	1.9%	NIL
Sify	1.5%	-27.8%
You Telecom	1.7%	66.7%
Data Infosys	1.6%	27.3%
Asianet Satellite	0.6%	-
Others	4%	29.6%

Source: Voice & Data Analysis 2010

Number of Hosts in India

In India currently there are around 89,170 IPv4 addresses as APNIC. Majority of the Internet traffic on India runs through IPv4 system as of now.

Security Threats

For the Q3 2009, around 3.3% of the total security attack's traffic originated out of India.

Table 2.Key Internet Stats for India Q3 2009

% of Attack Traffic	Unique IP Address	Unique IPs Per Capita	Average Speed (KBPS)	% Above 5 MBPS	% Below 256 KBPS
3.3%	3,553,710	<0.01	849	0.6%	26%

Source: Akamai.com State of the Internet Report Q3 2009

2. Mobile Subscribers:

For the month ending June 2010, data as on July 2010
India's total mobile/wireless subscriber base was around 635.5 million reflecting a growth of around 3%. Wireless Tele density stood at around 53.77%
The total mobile subscriber's base stood at 601.22 million

2.1. All-India Wire line market share of major operators (As on 31 March 2010)

Table 3.Wireline market share and subscriber of major operators

Operators	Market share	Subscribers
BSNL	75.16	3,006,859
MTNL	9.47	27,830,560
Airtel Bharti	8.40	3,496,745
Reliance	3.21	1,177,412
TATA	3.18	1,162,276
Others		

Source: TRAI

2.2. All-India Wireless market share of major operators (As on 31 March 2010)

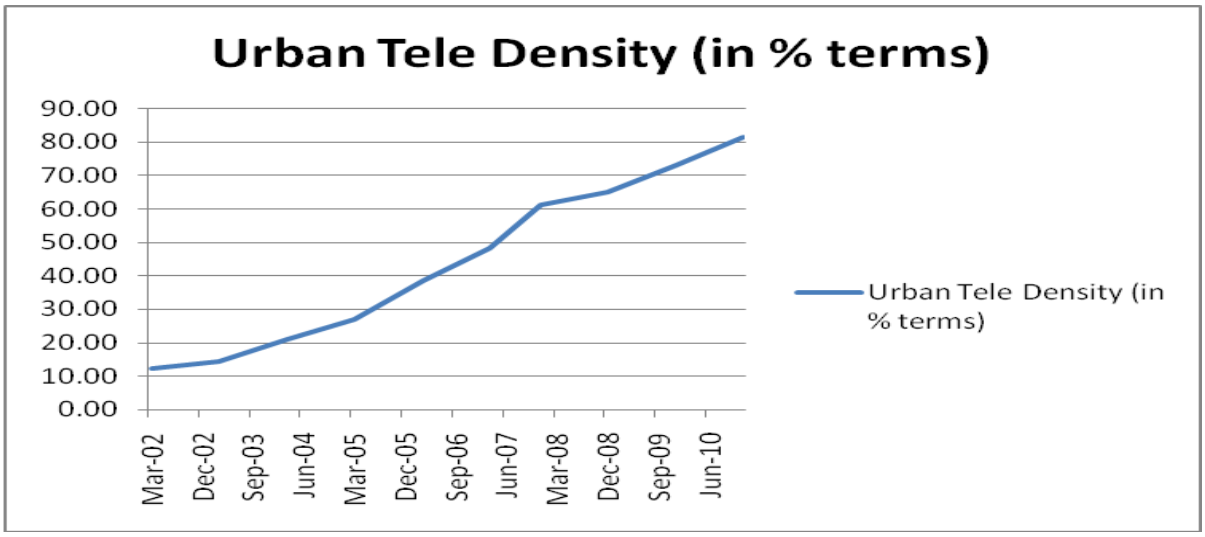
Table 4.Wireless market share and subscriber of major operators

Operators	Market share	Subscribers
Airtel bharti	21.73	127,619,314
Vodafone	17.26	100,858,383
BSNL	11.75	69,450,012
MTNL	0.85	5,094,016
Reliance	17.49	102,422,145
TATA	11.29	65942,255
Idea Cellular	10.86	63,824,688
Aircel	6.40	36,861,174
Others		

Source: TRAI

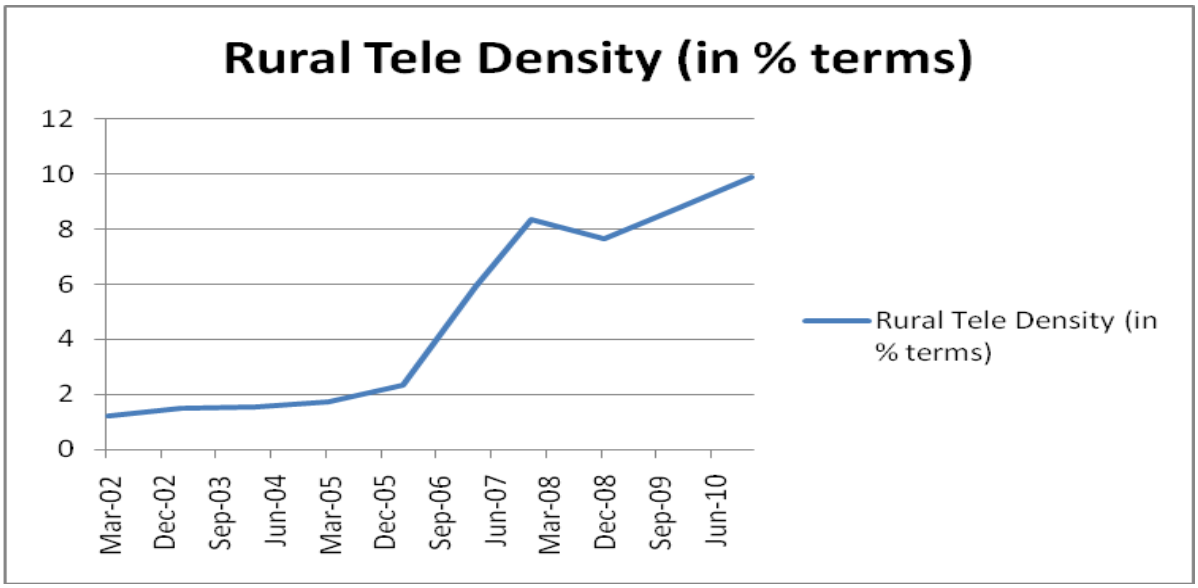
3. Trends in Teledensity 2008-10

3.1. Urban Tele density



Source: eStatsIndia.com Telecom Tracker 2010

3.2. Rural Tele density



Source: eStatsIndia.com Telecom Tracker 2010

4. ARPU:

According to TRAI, the All-India blended average revenue per user for operators providing CDMA services (per month) declined by 7.4% from Rs 82 for quarter ended December 2009 to Rs 76 in quarter ended March 2010, reflecting an Y-O-Y decrease of about 22.9%.

For GSM operators the all-India blended ARPU per user for operators providing GSM, services (per month) declined by 8.6% from Rs 144 in quarter ended December'09 to Rs 131 in quarter ended March'10, reflecting an Y-O-Y decrease of around 36.1%.

5. Mobile VAS:

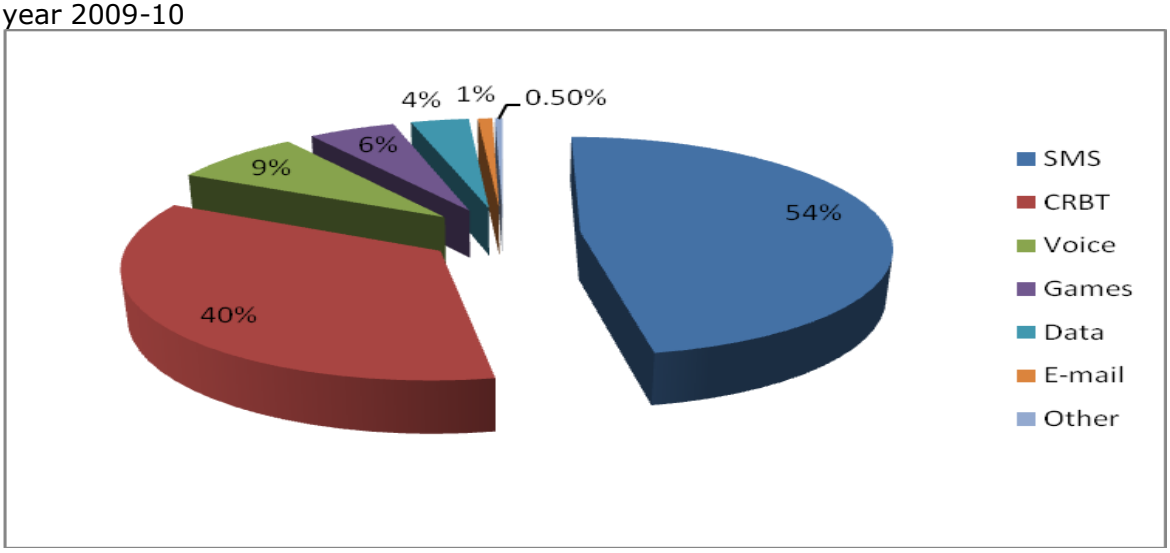
5.1. Network Operators dominate the revenue sharing among VAS operators break-ups are as follows;
End User: End user pays for the content
Telecom Network Operator: Operator keeps 60-80% of revenue
Technology Enablers: 10-20% of revenue
Content Aggregators get approximately 10-15% of revenue
Content/Application owner: Content/Application owners get 5-10% of total revenue

5.2. Market Revenue:
The total market revenue of mobile VAS as on March 2010 was around: $3 Billion, growing at an average rate of around 68% Y-o-Y basis.

5.3. Rate of Growth:
Revenue from the VAS segment is growing at the rate of 40 to 50 percent annually. Currently, about 9-12% of a telecom operator's revenues come from VAS. As per our analysis this will go up to 20-25% by next three years.
Total Market size for VAS services by the end of March 2010 was around $3 billion.

5.4. Break-ups of Mobile Value Added Services

The following table shows the break-ups of Value added services in % terms for the year 2009-10



Source: MVAS Insights Report 2010

5.5. Mobile Services Revenue Market Growth Rates

Table5. Mobile Services Revenue Market Growth Rates, CAGR is 12.5%

Year	Mobile Services Revenue (in USD)
2009	$19.12
2010	$21.51
2011	$24.19
2012	$27.21
2013	$30.61
	CAGR for (2009-2013) is 12.5%

Source: MVAS Insights Report 2010

6. India's Top 10 Telecom Operators

Table7: India's Telecom Operators ranked by Indian telecom services revenue for FY 2009-10

Rank	Company	Revenue in Rs crore	
		FY '08-09	FY '09-10
1	Bharti Airtel	36,962	38,800
2	BSNL	35,167	30,240
3	Vodafone	20,400	23,200
4	Reliance Communications	22,941	22,130
5	Idea Cellular	10,125	11,390
6	Tata Communications	9,963	11,000
7	Tata Teleservices	6,739	6,900
8	Aircel	3,425	4,700
9	MTNL	4,487	3,650
10	TTML	1,929	2,300

Source: Voice & Data Analysis 2010

The overall telecomm revenues market has grown just marginally by around only 3% this year as compared to last year.

7. Online Gaming Market

7.1. Subscription Revenue:
The revenue estimations are based on the total number of downloads of games during the period, as downloads currently account for 88% of the means through which games are accessed on mobiles.

7.2. Market Size Gaming Market:
Total market size of the gaming market in India as on June 2010, was around $100 Million. This market size is based on revenues from the Online, Mobile, Consoles gaming community and PC's based game players in India.

7.3. Number of Gamers in India:
As of now, online gaming accounts for almost 45% of the total gaming industry in India. Currently, there are around 8 Million gamers in India who spend on an average more than three hours every day on games.

8. Online Ads Market for the fiscal 2009-10

The total online ads market including classifieds stood at $96.7 million.

8.1. Online Ads Market Spend Patterns:
Interactive advertising has clearly come of its nascent stage and is fast becoming a mainstream medium and one that can no longer be ignored as a critical piece of any marketing mix.

The overall online ads spends market in India has been showing positive growth rates since last few years. The online ads market has been growing at a CAGR of around 43.65% for the period 2007 to 2011.

Table8: Online Media Spends Market Size, India 2007-2011

Year	Online Media (Market Size in $ Million)	Online as % of Total Media
2007	$60 million	1.4%
2008	$115 million	2.3%
2009	$168 million	3.2%
2010	$200 million	3.4%
2011	$255 million	3.6%
	CAGR (2007-11) is 43.65%	

Source: Online Ads Spends Pattern Report by eStatsIndia.com, June 2010

As % spends of the total media the digital media ad spends have been showing a steady spike since last many years. By the end of the year 2009 the digital media ad spends were around 3.2% of the total media spends and this is expected to rise further to around 3.4% of the total media spends of the advertisers.

9. E-Commerce Market:

9.1. Total B2C Retail E-commerce Market Size in Revenue Terms

Total B2C Retail E-commerce Market Size in Revenue Terms for the fiscal 2009-10 was $3.8 Billion inclusive of all B2C categories namely;

Retail
Jobs Portal
E-greetings
ISP's
Matrimonial/Dating
E-Broking
Travel (E-Ticketing)
Hotel, Cars, E-tours
Classifieds
Online Ads Market

The overall B2C E-commerce market in India grew at a CAGR of 51.27% for the period 2004-2009.

9.2. Total B2B E-commerce Market Size in Revenue Terms

a. Growth of the B2B E-commerce market is driving its upward trajectory on the back of the Sell-side B2B MSME's supplier's to E-marketplaces.

b. With already around 40% penetration rates among MSME's subscribing to B2B E-marketplaces, there is still a huge mass of MSME's out there who are yet to subscribe to an E-marketplace to sell their wares. So the market is poised for a spike and the MSME's will drive this spike in full pace in the near future.

c. The latest trends and evaluation of lead B2B portals reflects a slowing down of pace and slackening of growth. The online adoption of small business to conduct their business online is moving at a slow pace.

B2B E-commerce and B2B E-marketplace Market Size by Dec. 2010

At the current CAGR growth rate of around 34.07% since 2007 onwards, the B2B E-commerce market by the end of Dec 2010 would reach around $2,555 billion or $2.5 Trillion approximately in terms of transaction volumes.

B2B E-Marketplaces (horizontal and verticals) constitutes around 40% share of the entire B2B E-commerce market. This translated to around $38,722,120,000, in terms of transaction volumes by the end of December 2009.

10. VoIP in India

VoIP services had limited availability in the country in yesteryears, as a result of which the overall progress of the VoIP market in India was quite slow. Although the market as a whole has moved a long way forward since.

10.1. VoIP Market Segments

Smaller businesses are already leveraging the benefits of voice traffic over managed IP networks, followed closely by consumers making voice calls over the public Internet. In India the VoIP market can be divided into the following three categories:

a. Wholesale:

This comprises of the ILD operators using the VoIP technology for global traffic exchange. An ILD operator can use a VoIP network for carrying both origination and termination traffic. Origination traffic comprises traffic from traditional PSTN networks (fixed/land lines), mobile networks, etc. VoIP offers flexibility of interconnection, lower capex and opex, and efficient network management capabilities. The VoIP network could be based on either private or public Internet.

b. Enterprise:

This comprises of corporations who use VoIP to communicate efficiently, to achieve cost advantages and to increase their application usage, which they would probably not get if they use traditional service provider networks.
Newer applications like IP VPN, follow me directs, voicemail, chats, unified messaging, etc., are possible with IP networks. These networks can be efficiently scaled up without much investment and offer superior network management capabilities.

c. Consumers:

This comprises of home and individual users. The usage of this segment of VoIP services is also picking up owing to the higher Internet and PC penetration rates. VoIP applications in this segment include PC to phone, PC to PC, and IP phones. Due to the availability of calling cards, and utilities like free VoIP chat services on the web, VoIP usage of this segment is also witnessing a steady growth pattern.

VoIP Market Size 2009

The IP telephony market in India is likely to grow to Rs. 13,000 crore or US $3.25 billion by 2009 the market is growing at a CAGR of 119 percent. The VoIP market will be around US $6 billion by the end of the year 2010.

11. Acknowledgements

eStatsIndia.com, would like to sincerely thank the following organizations for accessing their information, all the inputs were accessed from the public Internet only. Other information sources have also been used while compiling the Internet compendium. We acknowledge and at the same time thank all such private as well as government organizations for allowing us to aggregate data using their outputs. For all the calculations regarding numbers in the compendium we have used our proprietary Internet & E-commerce Market Model Version 1.0 along with other models.

Few of the Information Sources Used:

Financial Express Newspaper
TRAI
COAI
AUSPI
The Hindu: National Readership Study
IDC India IT Research Report/News Briefings
Ebusinessforum.com
MAIT IT Industry Performance Annual Review
Tele.net; May 2009
Voicendata.ciol.com; July 2010
India Infrastructure.com :(Key Statistics Sector Focus: Telecom)

Few of the Links Used:

http://www.coai.in, Monthly Bulletins
http://www.cellular-news.com/story/19988.php
http://www.ciol.com
http://www.itnewsonline.com
http://games.indiatimes.com/articleshow/1497818.cms
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