

Turkey Telecom - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029)

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Abstracts

The Turkey Telecom Market size is estimated at USD 8.14 billion in 2024, and is expected to reach USD 9.68 billion by 2029, growing at a CAGR of 3.52% during the forecast period (2024-2029).

The telecom market in the country has undergone significant transformation over the past few years due to various initiatives taken by the government to boost the country's internet infrastructure and broadband connection, growth in 5G deployments across the country, growth in data consumption from businesses and individuals, and various innovations by the major telecom market vendors operating in Turkey.

Turkey has a growing mobile phone penetration rate, with many people now owning smartphones. Smartphone affordability, coupled with competitive mobile plans offered by telecom operators, has contributed to this surge in mobile adoption.

For instance, as per the report by GSMA in January 2024, the number of mobile connections in Turkey accounted for 93.8% of the total population. With a growing percentage of the population using smartphones, the enhanced service quality offered by operators, and technology and infrastructure upgrades, the number of internet users is expected to increase further.

As broadband access expands throughout Turkey, the population gains access to high-speed internet services. Consequently, there is a surge in demand for internet-based offerings like streaming, online gaming, and video conferencing, which fuels revenue growth for telecom firms providing these services. According to the ITU's report on the Digital Economy, Turkey's internet

penetration is projected to increase during the forecast period. The penetration rate is expected to reach 82.3% this year and rise to 84.6% in the next two years.

Satellites can provide broadband internet access to remote and underserved areas where terrestrial infrastructure is limited or unavailable. This extends the reach of telecom services, enabling more people to participate in the digital economy, access online education, and benefit from services like telemedicine.

In recent years, Turkey has made significant investments in developing and implementing satellite-based internet technology. This innovative approach promises to deliver internet coverage to even the most remote areas, opening up new avenues for communication and connectivity. Scheduled for launch in 2024, T?rksat 6A represents Turkey's first domestically developed communication satellite. The T?rksat 6A project is a collaborative effort involving TAI, ASELSAN, T?B?TAK UZAY, and CTech. Within this project, CTech Information Technologies, specializing in defense, security, aviation, space, telecom, and broadcasting, is responsible for producing telemetry and telecommunication subsystems for T?rksat 6A.

Restrictive internet policies can have detrimental effects on the telecom industry. They may deter companies from investing in network expansion or new services due to uncertainties surrounding future regulations or censorship measures. This reluctance to invest can impede technological advancement and innovation, ultimately stifling market growth and competitiveness.

The Information and Communications Technologies Authority (ICTA) enacts license agreements, monitors the telecommunications sector, regulates personal telecommunications facilities, and develops standards for telecommunications equipment. The primary role of the authority is to protect consumer rights, promote fair competition, and foster innovation and investment in the telecommunications industry. To ensure the smooth functioning of the telecommunication industry, the country has enacted comprehensive laws and regulations that govern telecommunication activities.

Turkey Telecom Market Trends

Growing Broadband Penetration to Drive the Market

The data and internet services sector in Turkey is experiencing growth. For instance, at the beginning of 2024, Turkey recorded 80.69 million cellular mobile connections, as reported by GSMA Intelligence. However, this was also because many individuals may have utilized multiple mobile connections for personal and professional purposes, resulting in a significant surplus of connections compared to the population.

According to GSMA Intelligence, as of January 2024, mobile connections in Turkey represented 93.8% of the total population. Moreover, from early 2023 to early 2024, the number of mobile connections in Turkey increased by 37,000, marking a growth rate of 0.05%.

Turkcell Bizce, a women's platform focused on promoting equal opportunities and personal development, pledged to boost the representation of women in their mobile internet customer base and the Turkcell Women platform in 2023. This initiative addressed the significant gender gap in mobile internet usage within the country. Research conducted by Connected Women found that a higher percentage of female mobile phone owners in Turkey reported never using mobile internet—37% compared to 28% of male phone owners.

Data published by Ookla indicates that in Turkey, the median mobile internet connection speed via cellular networks in 2024 is 33.96 Mbps, while the median fixed internet connection speed is 41.49 Mbps. Ookla's data also reveals that the median mobile internet connection speed in Turkey increased by 2.03 Mbps (6.4%) leading up to the beginning of 2024. Meanwhile, fixed internet connection speeds in Turkey witnessed a more substantial increase, rising by 9.61 Mbps (30.1%) during the same period, according to Ookla's data.

In February 2024, Swedish vendor Ericsson announced two separate developments with Turkish operators to advance telecommunications infrastructure in Turkey. These collaborations involve initiatives in 5G-Advanced (5G-A) and 6G technologies, signaling a commitment to expanding and enhancing the country's capabilities in these areas. These efforts reflect a broader trend of increasing investment and development of 5G and future-generation technologies within Turkey's telecommunications sector.

Overall, growing broadband penetration acts as a catalyst for the expansion and evolution of the telecom market in Turkey, leading to increased connectivity, economic development, and innovation.

Data and Messaging Services Segment Holds Significant Market Share

The adoption of data and messaging services in Turkey has grown, driven by various factors that reflect the country's changing communication habits, technological advancements, and evolving consumer preferences. Several key drivers contribute to the rising popularity of data and messaging services across Turkey, from the widespread use of smartphones to the increasing demand for digital connectivity.

Moreover, the growing mobile penetration in the country further creates scope for the growth of telecom services in Turkey. For instance, according to the data from the Information and Communications Technologies Authority (ICTA), mobile population penetration in the country reached 108% by the fourth quarter of 2023.

Mobile population penetration rose from 103.2% in the first quarter of 2022 to 108% in the fourth quarter of 2023. In addition, according to the Information and Communications Technologies Authority (ICTA), the total number of mobile phone subscribers in Turkey was 92.2 million at the end of Q4 2023.

In addition, growing 5G deployment, cost-effective bundled messaging and data packages from market vendors, a robust network infrastructure coupled with rising use cases of artificial intelligence, IoT, smart home, metaverse, and UHD cloud gaming are driving the demand for data and messaging services growth of the segment.

Telecommunications providers have been investing heavily in upgrading their networks to support faster speeds and greater capacity, enabling people to access the internet and use messaging apps easily. From 4G to the rollout of 5G technology, these advancements in mobile connectivity have fueled the growth of data usage and messaging services across the country.

For instance, in December 2023, Turkish telecommunications company Turk Telekom announced that it is planning to connect all districts and villages in the 81 provinces with end-to-end fiber networks by advancing its infrastructure. The company reports a total fiber network stretch of 437,000 km, reaching 32.2 million households in Turkey.

Furthermore, the popularity of social media platforms and messaging apps has contributed to Turkey's increasing adoption of data and messaging services. Platforms such as Facebook, Instagram, Twitter, and WhatsApp have become integral parts of

everyday life for many people, serving as primary channels for communication, social interaction, and content sharing.

Overall, the demand for data and messaging services tends to grow at a significant rate in coming years, largely supported by growing internet and social media penetration, adoption of advanced technologies among businesses, growing need for reliable and high-speed connectivity, innovative services launches by market vendors coupled with cost-effective data and messaging package offered by the telecom vendors. As digital connectivity becomes increasingly pervasive and essential to everyday life, data and messaging services are expected to continue playing a central role in facilitating communication, collaboration, and engagement across Turkey.

Turkey Telecom Industry Overview

The Turkish telecom market is semi-consolidated, with major players like Turk Telekom, Turkcell, Vodafone Turkey, TurkNet, and Millenicom. Players are adopting strategies such as partnerships and acquisitions to enhance their product offerings and gain sustainable competitive advantages.

In February 2024, Ericsson and Turkcell signed a memorandum of understanding to collaborate on 6G research and development in Turkey. As the sole Turkish operator with a dedicated 6G research laboratory, Turkcell and Ericsson's research site in Istanbul will drive bilateral research efforts. Their collaboration aims to strengthen cooperation in national and international R&D projects and facilitate the exchange of valuable insights into emerging technologies.

In November 2023, Turk Telekom partnered with Hitachi Vantara to advance the transformation of its data infrastructure toward sustainability. This collaborative effort resulted in a new architecture that prioritizes environmental sustainability, reducing Turk Telekom's total footprint from 23 cabinets to nine. Moreover, power and cooling requirements for the replaced cabinets have been cut by approximately 60%. Alongside these benefits, the upgrade has also led to a significant 30% reduction in the total cost of ownership.

Additional Benefits:

The market estimate (ME) sheet in Excel format

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