



eSIM Summit at MWC22

eSIM in 2022 and beyond: assessing new developments, market trends and consumer behaviour

Theatre 3 - Hall 7
Wednesday 2 March 2022
10.30-12:30 (GMT+1)



KEYNOTE SPEAKER

Pablo Iacopino,

Director of Ecosystem Research,
GSMA



eSIM Summit: eSIM Adoption and Global Market Trends

eSIM in 2022 and beyond

Assessing new developments, market trends and consumer behaviour

DATE
2 March 2022

Pablo Iacopino
Head of Research and Commercial Content

Good progress

- Proliferation of eSIM devices
- Launch of 5G devices with eSIM technology
- Commercialisation of eSIM service for smartphones and smartwatches
- eSIM for connected vehicles
- Work and alignment on global specifications (including ieUICC)
- eSIM for international roaming

Slow progress

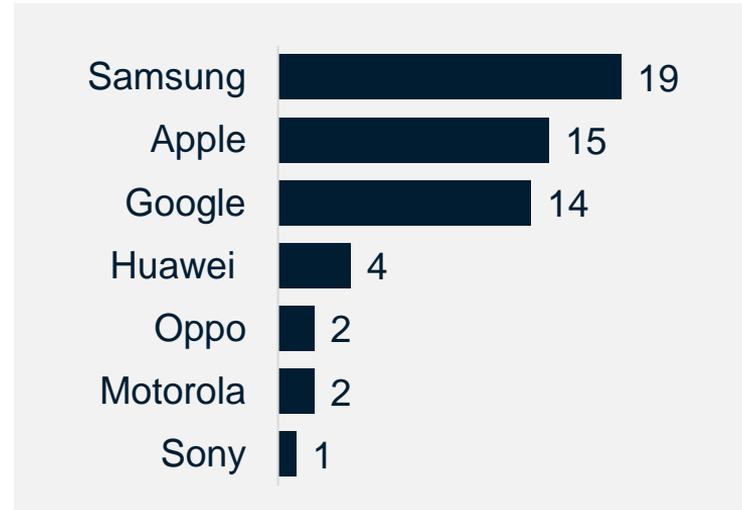
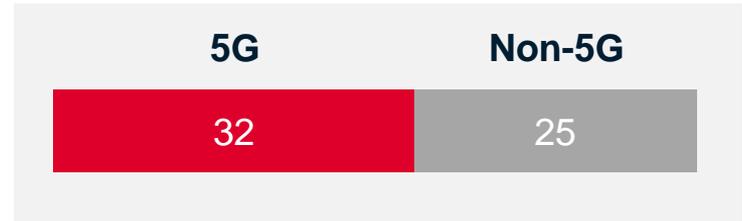
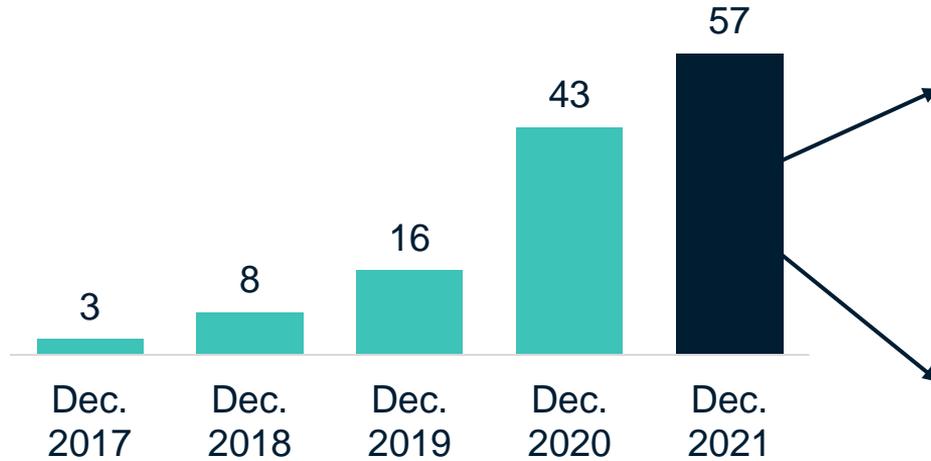
- Consumer awareness and adoption of eSIM
- eSIM 'democratisation' (for consumers) through cheaper devices
- eSIM promotion by OEMs and operators
- eSIM for IoT vertical sectors (beyond Automotive)
- eSIM for laptops

eSIM in the smartphone market

Nearly 60 eSIM smartphone models – more than half have 5G technology

How many eSIM smartphones have been launched?

Cumulative figures



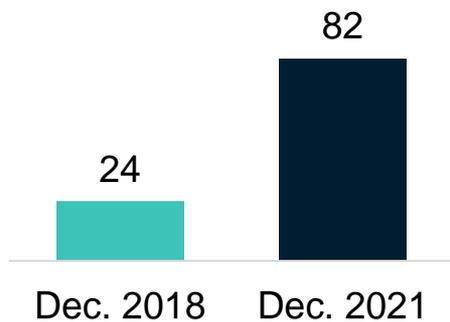
- Most flagship smartphones are now eSIM-enabled
- 5G and eSIM get together
- Various models have a retail price < USD500

eSIM service is now global

eSIM reaches more than 3 billion mobile subscribers

Commercial availability of eSIM service for smartphones

Number of countries



Geographical reach

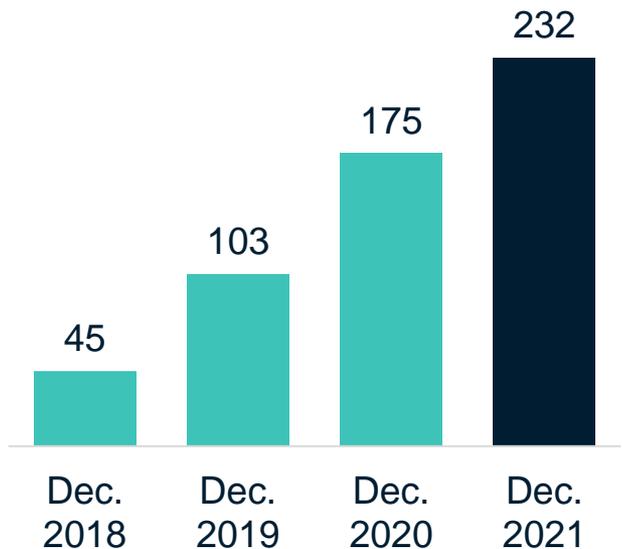


- Most major markets are on board. eSIM is nearly ubiquitous in major markets
- Africa is catching-up
- China still missing...but for how long?

More than 230 operators offer commercial eSIM service

Fivefold increase over the last 3 years

Number of mobile service providers offering commercial eSIM service for smartphones



- Discussions with eSIM vendors indicate that this figure is even higher
- eSIM is a group strategy
- MVNOs are driving eSIM for international roaming

What lies ahead?

88%

of surveyed operators plan to offer eSIM service by 2023

98%

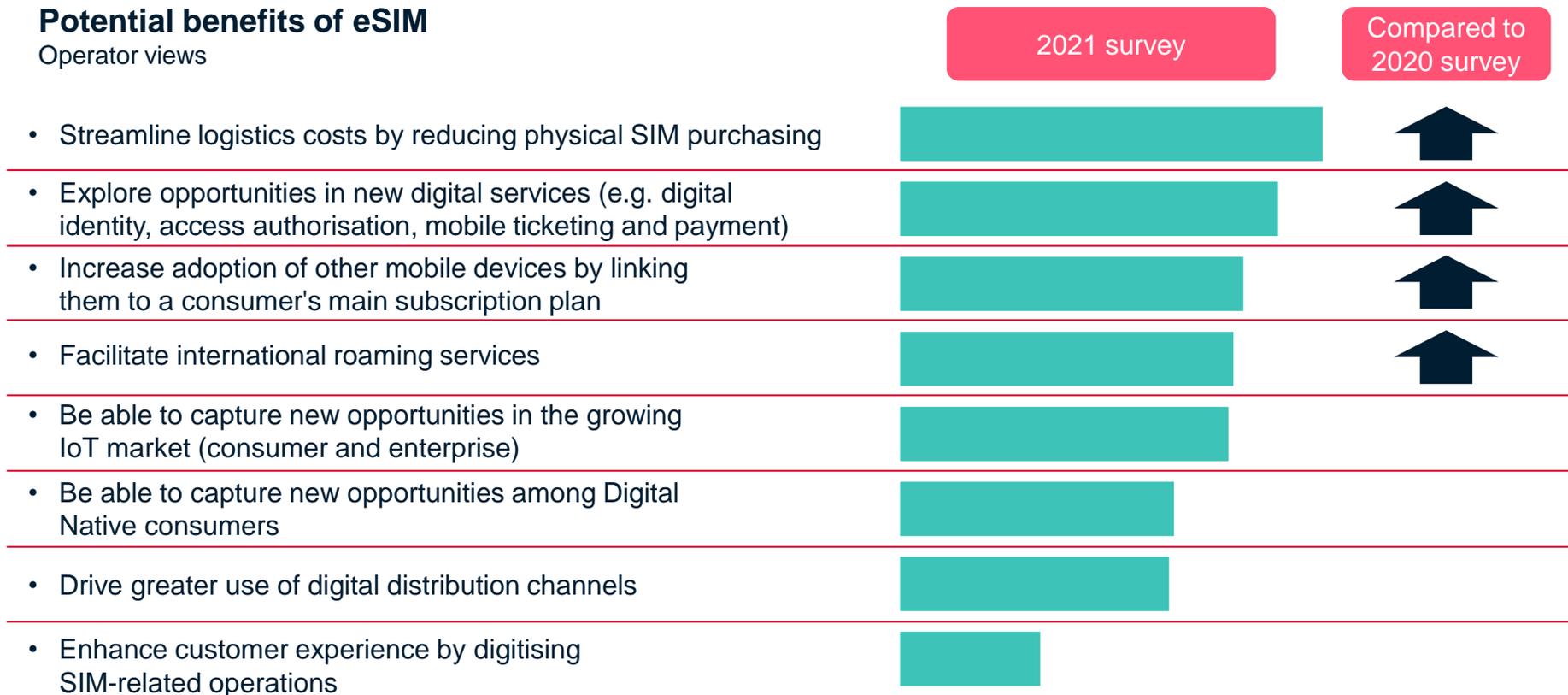
by 2025

Potential benefits of eSIM: what do operators think?

Incremental revenues and opex savings – it's all about further digitisation

Potential benefits of eSIM

Operator views



IoT is a promising market for eSIM

However, eSIM adoption is still low relative to its long-term potential

TODAY

Automotive

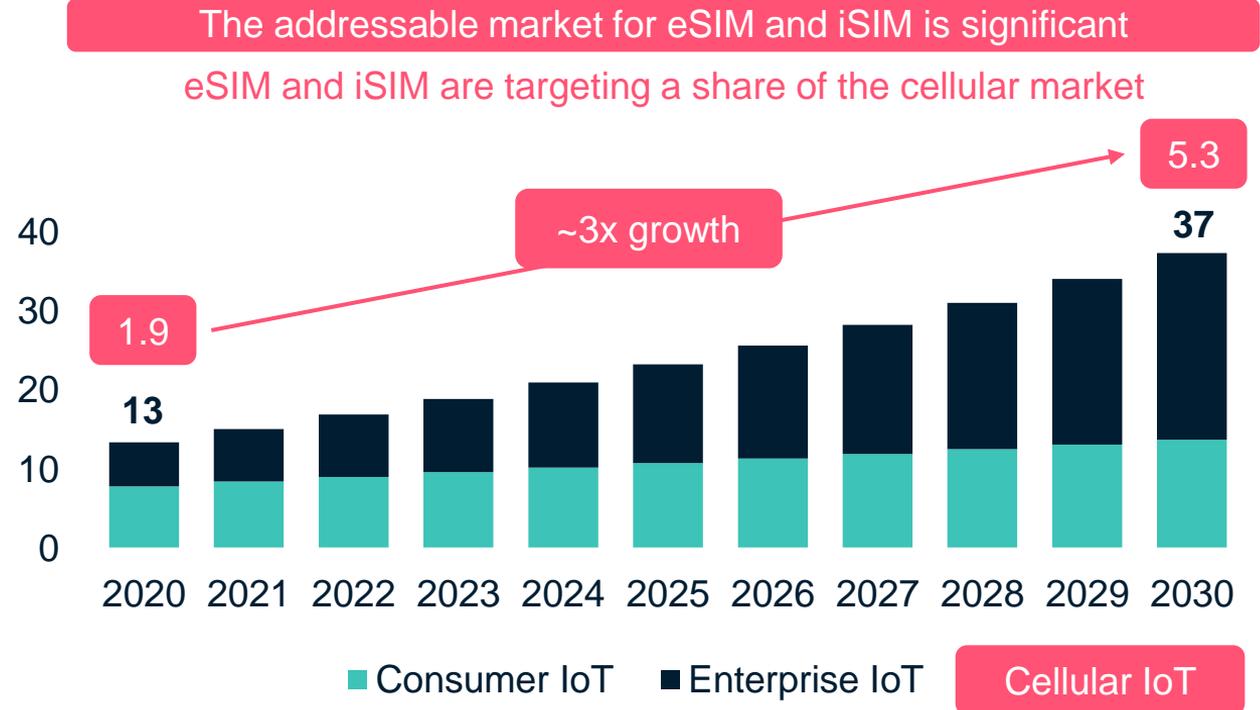
eSIM is already mainstream in connected vehicles

Beyond Automotive

Single initiatives rather than sector-wide deployments

FUTURE

Global IoT connections – billion



eSIM for IoT: there is untapped demand

Enterprises are accelerating their digital transformation

IoT deployments drive digitisation

Enterprises speak; % of respondents
IoT deployments are:

IoT deployments are largely part of a wider digital transformation agenda

63%



Part of a wider digital transformation agenda

37%



Standalone initiative

Importance of eSIM in future IoT deployments

Enterprises speak; % of respondents

eSIM for IoT is
eSIM for digitisation

40%



Very important

44%



Somewhat important

10%



Not at all important

4%



I don't know

2%



I am not familiar with eSIM

- Awareness of eSIM is high
- 40% of enterprises see eSIM as very important to a successful IoT deployment
- Security and remote update of large volumes of devices are seen as the top eSIM benefits

eSIM

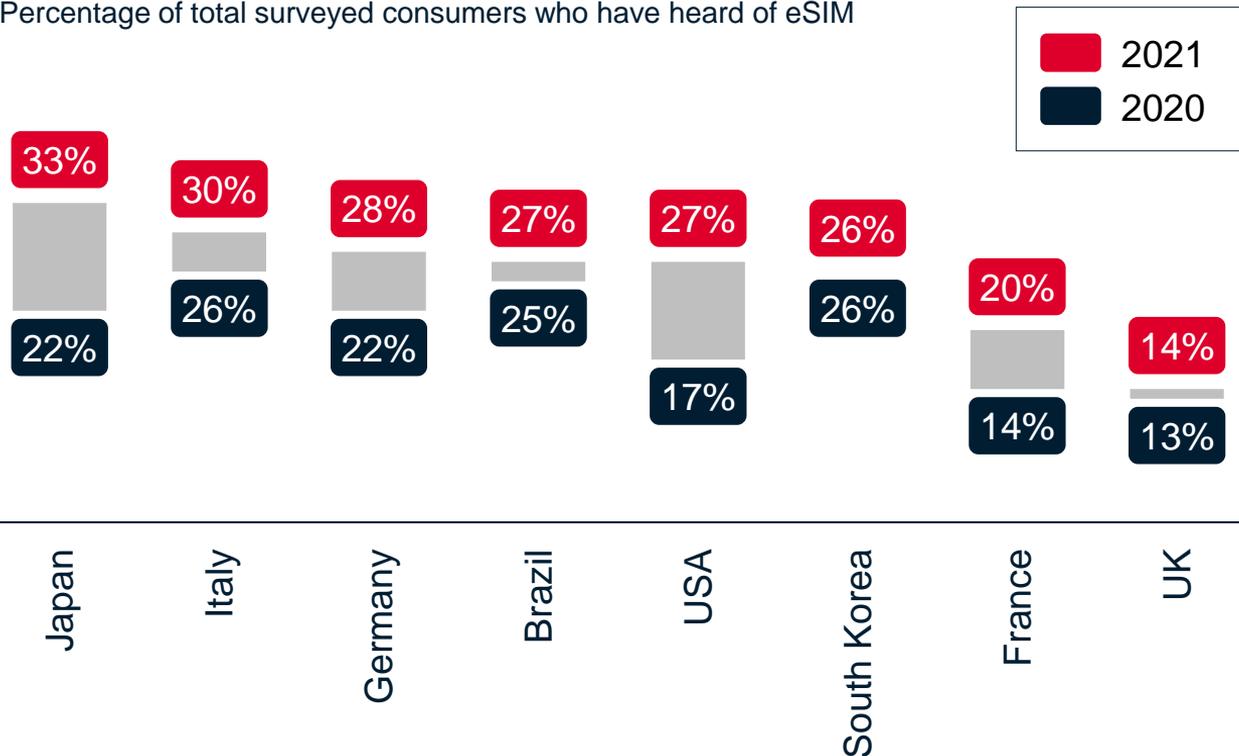
Assessing consumer
behaviour

Consumers: do they know what eSIM is?

Consumer awareness of eSIM is still low

Consumer awareness of eSIM

Percentage of total surveyed consumers who have heard of eSIM



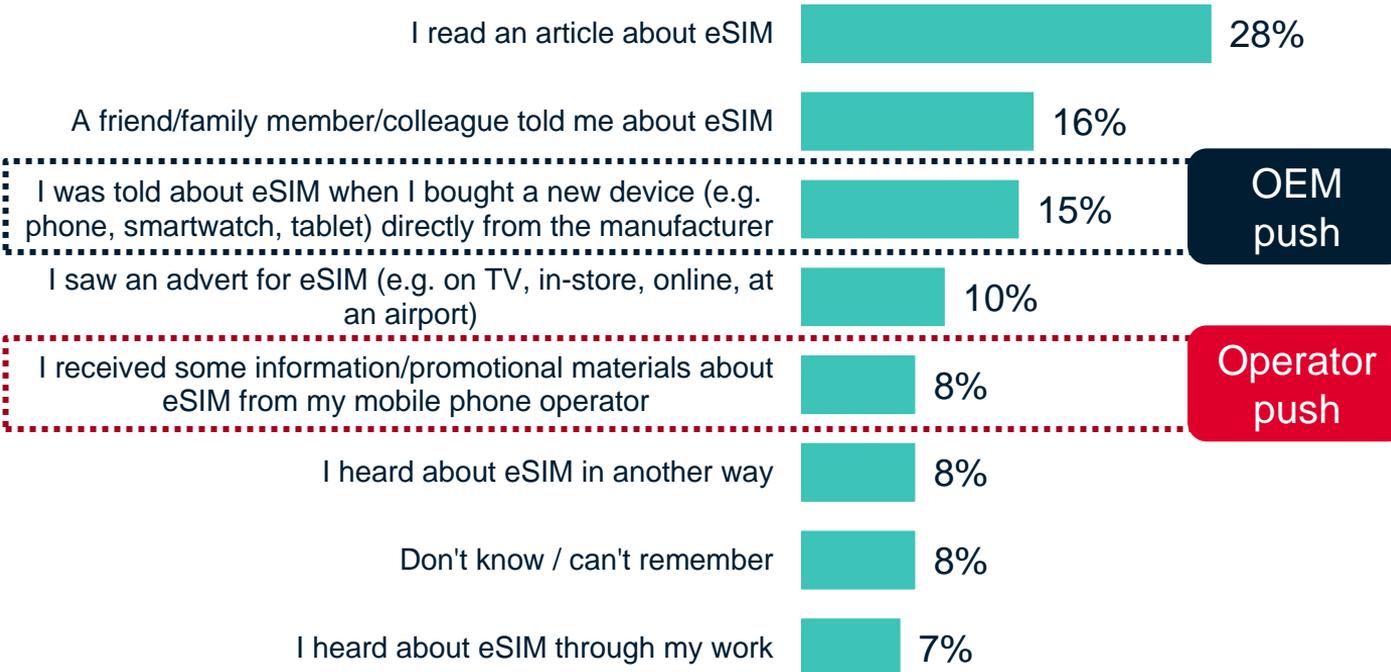
- Less than 30% of consumers are aware of eSIM (average)
- 5pp increase compared to 2020 (average)
- Significant variations by country...but no correlation with eSIM service availability
- More work is needed by operators and OEMs

How do consumers first find out about eSIM?

Slow push by OEMs and operators

Finding out about eSIM

Among surveyed consumers who have heard of eSIM (aggregate, 8 countries)



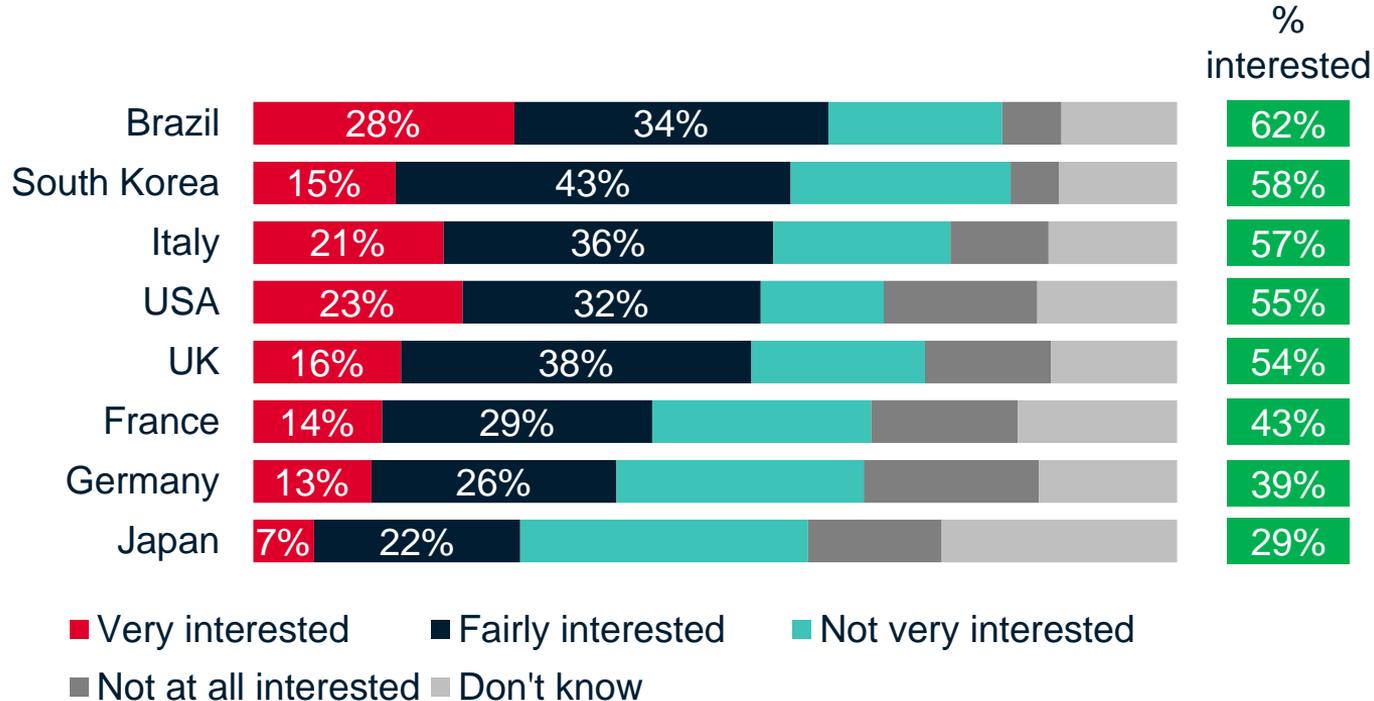
- Operators and OEMs don't talk much about eSIM to their customers
- OEMs talk more than operators, especially in the USA, Japan and South Korea

Are consumers interested in using eSIM?

50-50: half of consumers are interested (average)

Consumer interest in using eSIM on a mobile phone at some point in the future

Percentage of total surveyed consumers who own/use a mobile phone



- Significant variations by country...
- ...but (again) no correlation with eSIM service availability
- 16% don't know (average)...fairly high share
- No major differences by smartphone brand

Why are some consumers not using/interested in eSIM?

Various reasons – it means multiple challenges

Reasons for not using eSIM or not being interested in eSIM

Percentage of surveyed consumers who are not using eSIM or are not interested in using eSIM (aggregate, 8 countries)



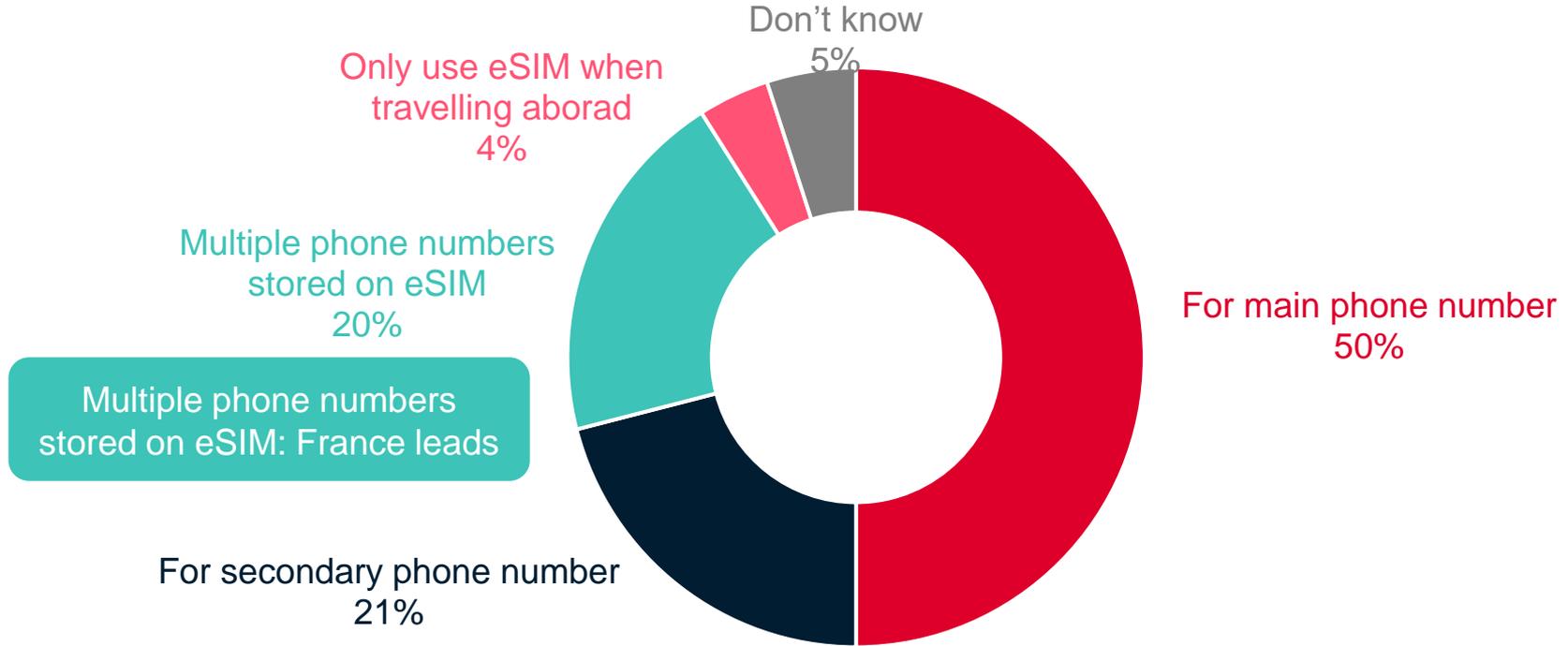
- Happiness with traditional SIM leads, especially in Europe
- 15% don't see the benefits of eSIM
- 12% don't understand how eSIM works

How do consumers use eSIM?

For main phone number

Use of eSIM in mobile phones

Percentage of surveyed consumers who use eSIM (aggregate, 8 countries)

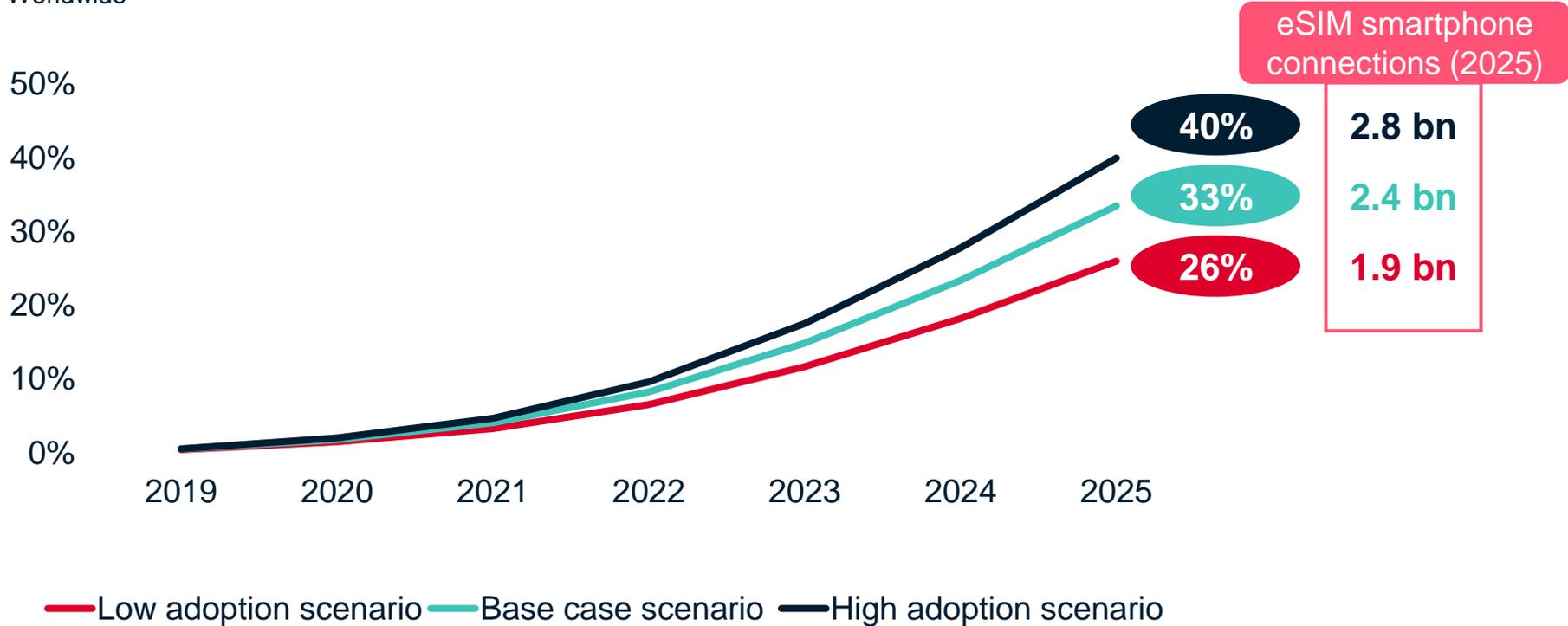


Charting the future: eSIM adoption in smartphones

The march towards mainstream – Acceleration from 2023 onwards

eSIM smartphone connections as % of total smartphone connections (installed base)

Worldwide



eSIM

Future outlook: what could
accelerate eSIM adoption?

eSIM in the Consumer Market

- OEMs and operators raising consumer awareness of eSIM and promoting its benefits
- Enhancing user experience for eSIM activation and service management
- Full launch by all OEMs
- Transition to eSIM-only smartphones
- China launching commercial eSIM service for smartphones
- Migration to 5G: opportunity to push the transition to eSIM

eSIM in the Enterprise Market

- Adoption of global standards/specifications (as opposed to proprietary solutions)
- 5G adding momentum to the use of cellular connectivity for IoT – hence pushing eSIM
- The combined effect of eSIM- and iSIM-based solutions
- eSIM helping address key IoT deployments challenges (integration with existing technologies, cost of implementation and security)
- IoT companies having a clear eSIM strategy alongside their main IoT proposition



MWCTM
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<p>Data</p>	 <p>1,400 Mobile operators</p>	 <p>80 Operators groups</p>	 <p>5,000 Networks</p>	 <p>30M Data points updated daily</p>
<p>Research</p>	 <p>130+ Reports annually</p>	 <p>1M Report downloads in 2019</p>	 <p>100+ Global, Regional & Topical Research, Deep Dives & Analysis</p>	
 <p>Pinpoint accuracy</p> <p>Five-year forecast consistently accurate within +/- 2.5% of reported data, updated quarterly</p>	 <p>50+ Analysts & industry experts</p> <p>Supporting the business strategy of our subscribers and the wider ecosystem</p>			

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THANK YOU!

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