

Period of Transition for Consumer VoIP

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At the end of its last financial quarter Skype announced that it had 309.3 million registered users worldwide. Taking these figures at face value, this would mean that PC/software-based VoIP completely overshadows any other type of VoIP service that is currently offered. But is this really the case?

IMS Research's recently published report entitled "The Worldwide Market for Consumer VoIP" estimates that at the end of 2007 there were in excess of 30 million households worldwide that subscribed to gateway-based VoIP services, i.e. they were "active" users of IAD-based voice solutions - at first you would therefore assume that this is a much smaller market.

However, as has been documented and commented on many times, Skype's registered user numbers are based on the number of new accounts that have downloaded its software. Many of these users may never have then used their account, only used them once or could in fact be the same user downloading the software more than once.

IMS has attempted to make an estimate of the number of "active" users of PC-VoIP services. It defines an active user as an individual that has used the service more than once in the last 12 months. This results in IMS's estimate for the total number of active PC/software-based VoIP users being around 100 million at the end of 2007. Still larger than the gateway-based VoIP market, but an order of magnitude closer.

However, fixed service & competitive service providers are forecast to migrate many of their subscribers to gateway VoIP during the next five years. Furthermore, many mobile service providers are forecast to offer home voice services via the residential gateway in the form of femtocells or WiFi/UMA. Both of these trends will dramatically reduce the gap between PC-VoIP subscriber numbers and gateway VoIP subscriber numbers, eventually leading to a reversal, forecast in 2011, when gateway VoIP will become the larger market.

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