

The year of a global fibre revolution

By [David Coleman](#)

17 Jan 2024

The world is witnessing a revolution in connectivity, with fibre becoming a global priority. In the United Kingdom, the regulatory authority [Ofcom](#) forecasts that the nation will achieve over 80% full fibre coverage within the next two years. This is not an isolated trend. Countries such as Japan, Iceland, Korea, Spain, and Sweden [have already surpassed the 80% mark](#). Even South Africa is making significant strides, with a staggering [2,400% increase in fibre connections](#) over the past seven years.



David Coleman, Chief Product Officer at Frogfoot Networks

So, what does this surge in fibre connectivity mean for the landscape of digital solutions in 2024?

The first anticipated shift is towards more affordable solutions for consumers feeling the pinch. Economic pressures are permeating all aspects of daily life, with many consumers prioritising cost over speed. This is likely to spark a wave of price announcements, offering a balance of varying speeds within different packages, more closely aligned with customer needs.

However, it's not just consumers feeling the economic strain. Internet Service Providers (ISPs) are also grappling with dollar pressure and inflationary costs. As a result, most are expected to increase their prices across the board from February 2024.



Apple the world's most valuable brand says Brand Finance, but no African brands in rankings

17 Jan 2024



A careful balance between price and performance may soften the blow, but many companies, unable to continue absorbing the impact of the current economic climate, will have to pass some of the costs on to the consumer.

The drive towards faster service aligns with a global trend. Internationally, consumers are gaining access to speeds beyond a gigabit. There has been a ceiling on fibre to the home (FTTH) of a gigabit for both upload and download speeds, but this has been largely unexplored for home offerings in the past, despite being standard practice for fibre to the business (FTTB).

Now, companies are breaking through this ceiling, introducing higher speeds to stay competitive, leading to a shake-up in the middle and higher segments of the market.

An opportunity to benefit

This is an opportunity for customers to benefit from solutions that are aimed at the lower segment of the market. Solutions that will potentially come in at low price points as companies compete for attention and market share. The services are limited with reduced Wi-Fi range, but they do provide rapid connectivity and radically improved experiences on mobile devices alongside improved reliability.

Customers don't lose connectivity when there's a power failure as they can keep their routers connected, unlike mobile solutions that last as long as the available cell tower battery.

The speed and reliability factors are going to play a significant role in the market in 2024, igniting increased adoption of FTTH solutions across new areas of the South African market. The available speeds will likely sit at around 50mbps and the cost of connectivity will easily be covered by cash

“ This is transformative accessibility that will have a lasting social impact and will be further bolstered by the move towards prepaid fibre solutions. ”

These prepaid packages are affordable and accessible. People are at a point where they have to make tough choices about purchases, so prepaid options keep them connected within a cost bracket they can manage but without a significant compromise on quality and speed.

It is very likely that this will remain as solid growth in 2024 for all these reasons plus the added benefits of connectivity while on holiday – prepaid can travel. This is the ideal investment for students, retirement villages and holidaymakers.

Smooth transition

The smooth transition from limited connectivity options to a variety of options to suit different customers and budgets is opening doors for South Africa. On the social front, it allows for improved business opportunities, education, networking and collaboration, providing people with the connectivity they need to enrich their lives.

On the business front, it puts service providers on a new frontier where competition may yet bring the prices down even further, but will definitely improve speeds and quality.

The shape of connectivity in 2024 will be defined by accessibility, affordability and ingenuity. Customers will want fibre but they also want more options at better costs while companies will continue to fight for growth within shrinking margins and

tightening belts.

ABOUT THE AUTHOR

David Coleman is chief product officer at Frogfoot Networks

For more, visit: <https://www.bizcommunity.com>