



**LUCINTEL INSIGHT
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FIVE TRENDS SHAPING THE FUTURE OF THE TELECOM CABLE MARKET

The telecom cable market is growing rapidly and gaining traction due to the growing penetration of internet services around the world, emergence of 5G, and digital transformation in the telecommunication industry. Some of the key trends in the telecom cable market are the ultra-high-speed broadband network, adoption of FTTH connectivity, integration of FTTH and wireless, growing adoption of 5G, and an increasing number of data centers. The major growth drivers for

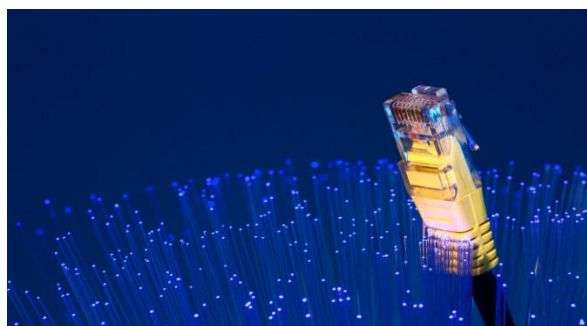
this market are increasing demand for internet connectivity, an increasing internet subscriber base, and growing investment in telecom infrastructure.

The telecom cable market is divided into several segments, such as external copper telecom cable, internal telecom and data cable, and fiber optic telecom cable. Key players in the telecom cable market include Prysmian, Sumitomo Electric, Nexans, Furukawa, LS Cable, General Cable, and Fujikura. These have been working on different strategies to drive sales using highly influential marketing approaches; however, as we examine the challenges and opportunities ahead in this market, companies can benefit from a strategy of developing ultra-fast speed broadband network and the adoption of FTTH connectivity, as well as considering the key target market trends we have identified. Lucintel predicts the global telecom cable market will be valued at \$57.2 billion by 2025, with an expected CAGR of approx. 5.6% between 2020 and 2025.

Lucintel identifies five trends set to influence the global telecom cable market. Most of the industry players and experts agree that these five trends will accelerate developments in the telecom cable industry in the near future. In terms of the widespread knowledge about the telecom cable market already on the horizon, there is still a lack of unified perspective on the direction the industry is moving to proactively address developments. To help bring more clarity to this gap, our study aims to provide insights concerning the direction that changes are taking and how these changes will impact the telecom cable market.

1. Development of Ultra-Fast Broadband Network

The ultra-high-speed broadband network is Fiber-To-The-Premises broadband (FTTP), and delivers super-fast broadband directly to people's homes and businesses. FTTP is a growing technology, and is currently being adopted by numerous internet service providers to provide internet access to their



customers. FTTP offers various features and much faster speeds than other telecom cable internet connections. Growing investment by companies in the development of the ultra-fast broadband network is expected to drive the telecom cable market.

2. Growing Adoption of 5G

Over the next few years, 5G is positioned to become the standard for mobile communication technology, ushering in a new era of connectivity, speed, and possibility. Mobile networks will be up to 100 times faster and have 1,000 times the capacity of those we utilize today. A new generation of fiber optic cable and high-speed connectivity products is laying the groundwork required to create 5G networks. Although 5G is a wireless technology, its deployment involves a lot more fiber and copper cable to connect equipment, both within the radio access network domain and also back to the routing and core network infrastructure. Furthermore, 5G will require many more antennas than 4G ever did. The continuous demand for faster and more efficient connectivity across the world calls for state-of-the-art cable infrastructure to make 5G possible and break down barriers.



3. Growing Adoption of FTTH Connectivity

FTTH (Fiber-To-The-Home) is a fiber solution which offers internet connectivity directly on the doorstep of consumers. FTTH provides high-speed internet access directly to residences and businesses from a central point. These fiber optic cables are capable of transporting data at very high speeds over long



distances. Fiber optic cable provides higher bandwidth compared to other cable. The governments of various countries are providing FTTH connectivity to rural areas of their respective nations. The UK government's six-gigabit FTTH project and the Indian government's initiatives within the Digital India program, providing high-speed broadband through optical fiber across the country, are examples of such initiatives.

4. Integration of FTTH and Wireless

A combination of wireless and fiber optic technology is important to enable achievement of future access solutions. Fiber optic offers high bandwidth, whereas wireless systems offer users the freedom of mobility. A combination of wireless and fiber optic will enhance the service experience of FTTH, with Wi-Fi enabling all kind of services through one infrastructure.



5. Increasing Number of Data Centers

Data centers comprise networked computers with cloud storage facilities, and are used by businesses or other users for storing, processing, and disseminating large volumes of data. Data centers require higher bandwidth due to an increasing demand for cloud-based connectivity, faster access to data, and high data transmission rates. As the demand for cloud storage has increased, it has triggered demand for data centers. Data centers allow companies to keep their data in cloud storage and provide access whenever



required. Digitalization transformation leads to cloud computing, cloud provisioning, cloud migration, cloud-based deployment, and automation, all of which increase the demand for data centers with higher bandwidth, mobility, security, and operational efficiency. Most data centers use fiber optic telecom cables due to the high data transmission capability of such cables, and this is driving the market for telecom cables in data centers.

Strategic Considerations for Key Players in the Telecom Cable Market

The telecom cable industry is dynamic and ever-changing. Successful industry players are masters of innovation, change, and adaptation. To retain this status, they need to be attentive to current trends. We believe there will be promising opportunities for telecom cable in the telecommunication infrastructure, CATV, data center, and computer networking markets. As per Lucintel's latest market research report (Source: <https://www.lucintel.com/telecom-cable-market.aspx>), the [telecom cable market](#) is expected to grow with a CAGR of approx. 5.6% between 2020 and 2025, and reach \$57.2 billion by 2025. This market is primarily driven by the increasing demand for internet connectivity, an increasing subscriber base, and growing investment in telecom infrastructure.

Trends and Forecast for the Global Telecom Cable Market
(US \$B) (2014-2025)



Source: Lucintel

Whether you are new to the telecom cable market or an experienced player, it is important to understand the trends that impact the development process, as these trends as listed above will lead players to create long-term strategy formulation that will allow them to remain competitive and successful in the long run. For example, to capture growth, some of the strategic considerations for players in the telecom cable market are as follows:

- Telecom cable market players can increase their capabilities to develop Fiber-To-The-Premises broadband (FTTP) for providing notable speed and higher bandwidth directly to customers' premises.
- Players can focus on 5G network fiber optic cable, which is expected to lead future trends.
- Investment to increase competencies in FTTH (Fiber-To-The-Home), which offers internet connectivity directly on the doorstep of consumers.
- Research and development activities to develop low-cost telecom cable.

Note: In order to gain better understanding, and learn more about the scope, benefits, and companies researched, as well as other details in the telecom cable market report from Lucintel, click on <https://www.lucintel.com/telecom-cable-market.aspx>. This comprehensive report provides you with in-depth analysis on market trends and forecast, segment analysis, regional analysis, competitive benchmarking and company profiling of key players. In addition, we also offer **strategic growth consulting** to meet your customized needs. We have worked with many PE firms and corporate customers in the process of their market entry and M & A initiatives



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