

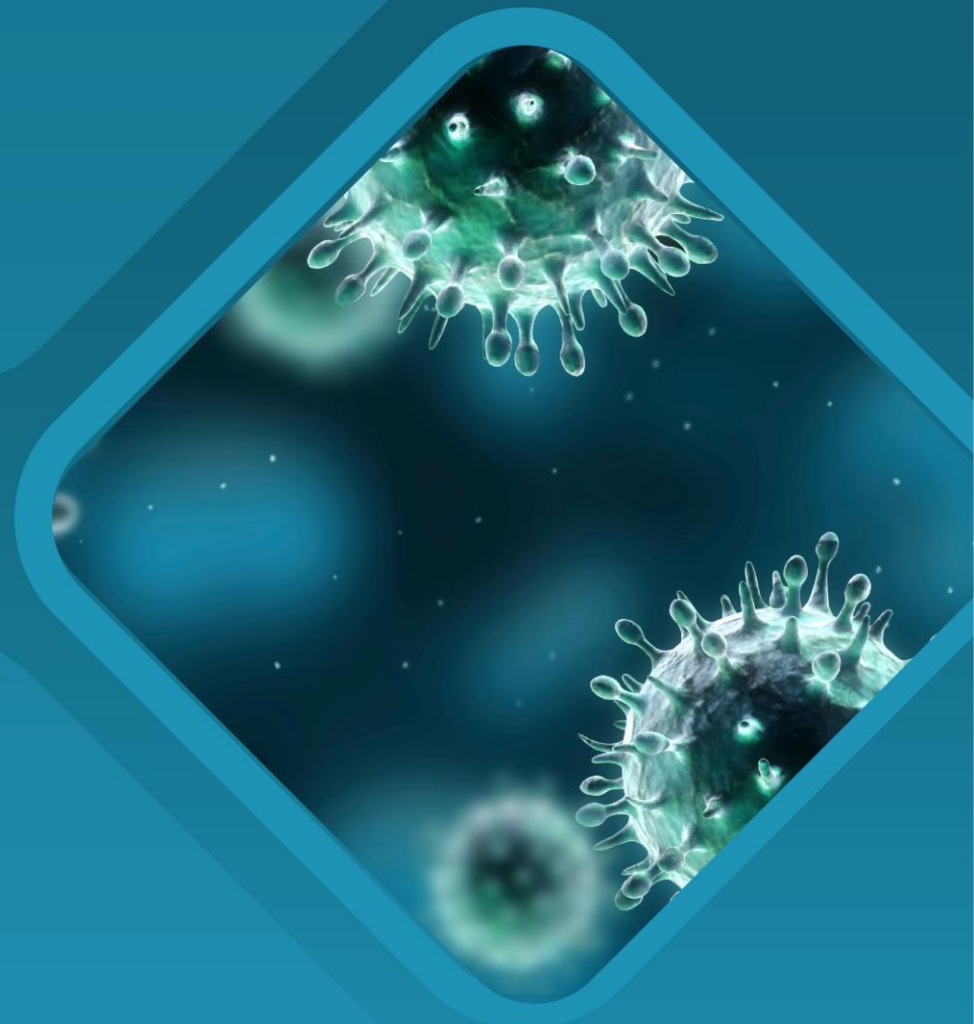


AUTORITÀ PER LE
GARANZIE NELLE
COMUNICAZIONI

COMMUNICATION MARKETS MONITORING SYSTEM

COVID-19 monitoring

no. 2/2020



01 INTRODUCTION

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4.4 Parcels:

volumes (millions of items)

The following figures are based on AGCOM's elaborations on firms' data. The data are updated until september 2020 where possible. The results are not directly comparable with those reported in other documents produced by the Authority. Percentages may not total 100 due to rounding.

1.1: COVID-19 MONITORING: AGCOM'S ROLE DURING COVID-19 EMERGENCY

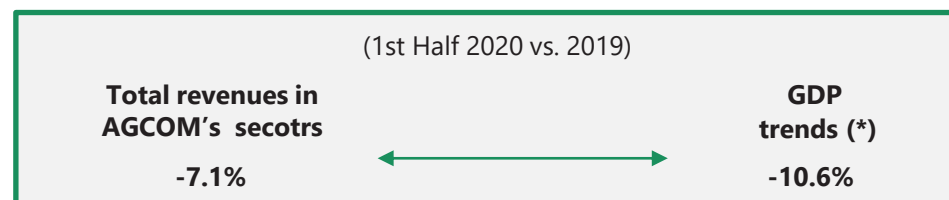
- ① The so-called "**Cura Italia**" decree reaffirmed AGCOM's role as the competent authority for any modifications, integrations or derogations to the ordinary regulations which are required necessary to deal with the health emergency, ensuring competition in the infrastructure and services markets and, at the same time, the protection of users.
- ② To this end, **permanent consultation panels** with sector operators and stakeholders have been set up in order to identify suitable proposals to resolve the main critical issues related to the COVID-19 emergency.
- ③ The **data and information** illustrated in the figures below represent the result of **a specific monitoring activity** conducted by the Authority, which has the **general objective** of providing an information base that can contribute to a better understanding of trends and any critical issues that may emerge from the current pandemic crisis.
- ④ The **information presented** in the figures below is the result of a specific **monitoring activity carried out by the Authority**, achieved also thanks to the effective collaboration with operators, with the aim of providing an information base that can contribute to a better understanding of the trends in progress in such a complex period.

Permanent consultation panels	Specific monitoring objectives	Indicators
Telco and consumers panel https://www.agcom.it/tavolo-telecomunicazioni-e-consumatori	Track the economic and financial sustainability of the sector Track the pressure on network infrastructures	Revenues Data traffic
Media service panel https://www.agcom.it/tavolo-servizi-media	Track the economic and financial sustainability of the sector Supervise the quality of information	Revenues Osservatorio sulla disinformazione online
Digital platforms and big data panel https://www.agcom.it/tavolo-piattaforme-digitali-e-big-data	Supervise the online disinformation	Osservatorio sulla disinformazione online - Speciale Coronavirus AGCOM Data Science Task Force
Postal services panel https://www.agcom.it/tavolo-servizi-postali	Track the economic and financial sustainability of the sector Monitor the use of postal services	Revenues Mail and parcel delivery volumes

1.2: REVENUES: MAIN EVIDENCES

1 The communications system

In the first half of 2020, the Authority's reference ecosystem recorded less negative results compared to the overall macroeconomic framework:



This is mainly due to the positive contribution of online advertising and e-commerce.

3 Electronic communications

In June 2020, the decrease in **revenues** (-5.7% on average compared to June 2019) was less intense for mobile network services (-4.7%) than for fixed network services (-6.5%).

In terms of **volumes**, in the first nine months of the year, daily traffic grew by 44.4% in the fixed network and 55.6% in the mobile network. Correspondingly, the daily average traffic per broadband line is estimated at 5.8 GB (+40.2% on an annual basis) while it is 0.24 GB for a «human» sim card (+64.2%).

(*) Agcom's elaboration on ISTAT data - <https://www.istat.it/it/archivio/246771>

2 Media

The decrease in overall **revenues**, which in the first half of 2020 amounted to 10.1% compared to the same period of 2019, was affected by the particularly negative trend in the second quarter of 2020 (-16.8%) mainly due to the decline in advertising resources on traditional media (radio, television and publishing) particularly sensitive to the reduction in consumption due to the health crisis.

Daily and periodical publishing (-19.0%) is the most penalized sector. Television, particularly pay tv, limits the damage thanks to the growth in resources deriving from the consumption of streaming video content, while online advertising (+1.9%) is the only segment to grow.

3 Postal services

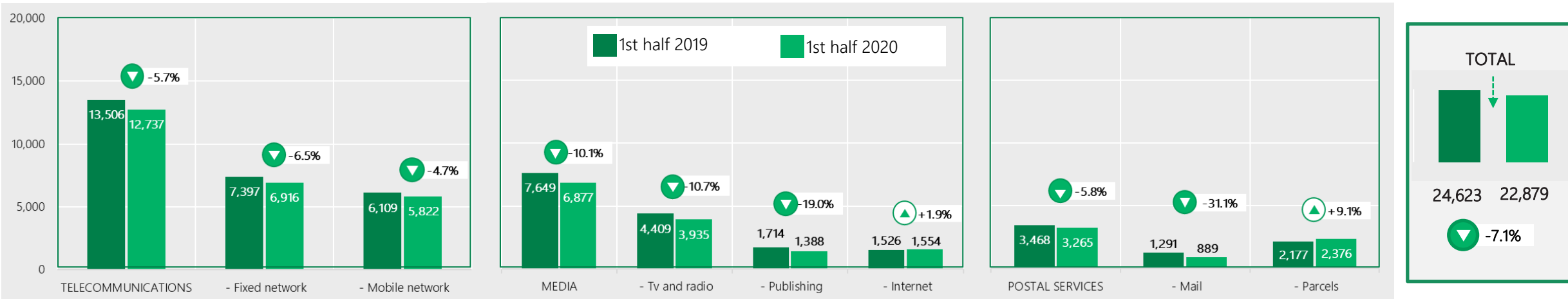
In the first half of 2020, total **revenues** decreased by 5.8% compared to the same period of 2019, with a substantially equivalent result looking distinctly at the first two quarters of the year. Including also the months of July and August, the decline in overall resources is slightly reduced (-3.6%). The results recorded in the January-August period by mail services (-29.4%) and parcel delivery services (+11.4%) differ significantly.

In the first eight months of the year, **volumes** of traditional postal services decreased on average by 22.6% (by 27.8% the mail services included in the US), while those relating to the delivery of parcels services increased on average by 27.0% (a value that rises to 30.6% with reference to domestic parcels only).

1.3: REVENUES: REVENUES IN AGCOM'S AREAS OF COMPETENCE

MILLIONS OF €

COMPARISON: 1st HALF 2019 – 1st HALF 2020



- 1 The reduction in revenues in **AGCOM's areas of competence** in the first half of 2020 was **1,743.3 million euros** compared to the same period in 2019. In the second quarter of 2020 (April-May-June) there was a reduction of 9.1% compared to 2019.
- 2 The **Telecommunications** sector lost -€768.7 million € due to a reduction in both fixed network revenues (-€481.2 million) and, to a lesser extent, mobile network revenues (-€287.6 million).
- 3 The **Media** sector recorded the most significant loss (-771.7 million €). Considerable losses were recorded in the publishing sector (-326.4 million €) and television and radio (-473.8 million €), while internet advertising revenues recovered slightly (+28.5 million €).
- 4 In the **Postal sector** (-202.8 million €), the reduction in revenues was mainly due to the Universal Service mail services segment (-401.5 million €), which was offset by growth in the parcel delivery segment (+198.7 million €).

QUARTERLY COMPARISON (2019 vs. 2020)

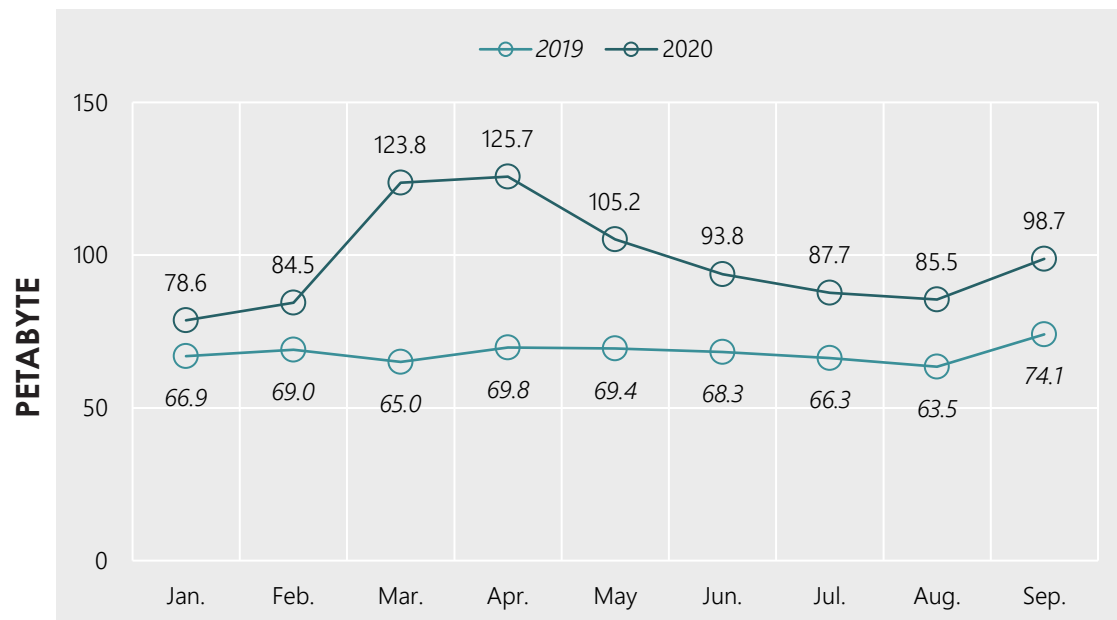
	1st half	2st half
TELECOMMUNICATION	-5.8%	-5.5%
- Fixed network	-5.8%	-7.2%
- Mobile network	-5.9%	-3.5%

	1st half	2st half
MEDIA	-3.0%	-16.8%
- Television and radio	-3.9%	-17.4%
- Publishing	-12.1%	-25.5%
- Internet	+9.6%	-5.4%

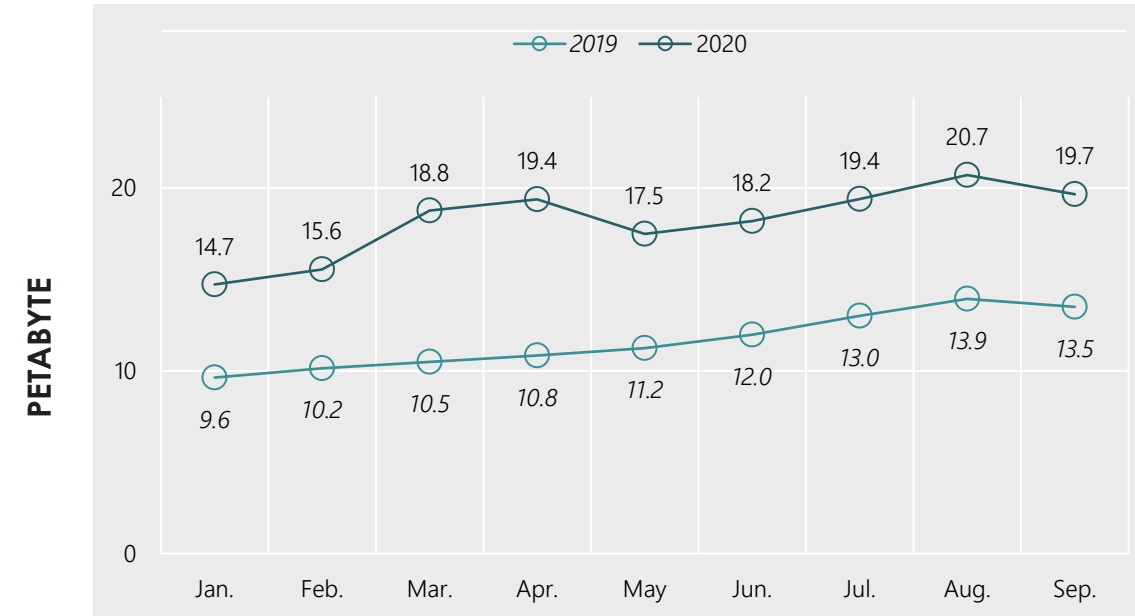
	1st half	2st half
POSTAL SERVICES	-5.8%	-5.9%
- Mail services	-21.4%	-40.7%
- Parcel delivery services	-3.2%	+15.1%

2.1: FIXED AND MOBILE NETWORK: AVERAGE DAILY DATA TRAFFIC (download + upload)

FIXED NETWORK



MOBILE NETWORK



1 **Average daily data traffic:**
(Jan. - Sep. 2019)
68.0 petabyte

→
↑ **+44.4%**

(Jan. - Sep. 2020)
98.2 petabyte

2 **Monthly trend in 2020**
(% change)

Jan. - Feb.	+7.4
Feb. - Mar.	+46.5
Mar. - Apr.	+1.6
Apr. - May	-16.4
May - Jun.	-10.8
Jun. - Jul.	-6.5
Jul. - Aug.	-2.5
Aug. - Sep.	+15.5

3 **Annual change (2019 - 2020)**
(%)

Jan.	+17.5
Feb.	+22.4
Mar.	+90.4
Apr.	+80.2
May.	+51.5
Jun.	+37.3
Jul.	+32.2
Aug.	+34.5
Sep.	+33.3

1 **Average daily data traffic:**
(Jan. - Sep. 2019)
11.7 petabyte

→
↑ **+56.4%**

(Jan. - Sep. 2020)
18.2 petabyte

2 **Monthly trend in 2020**
(% change)

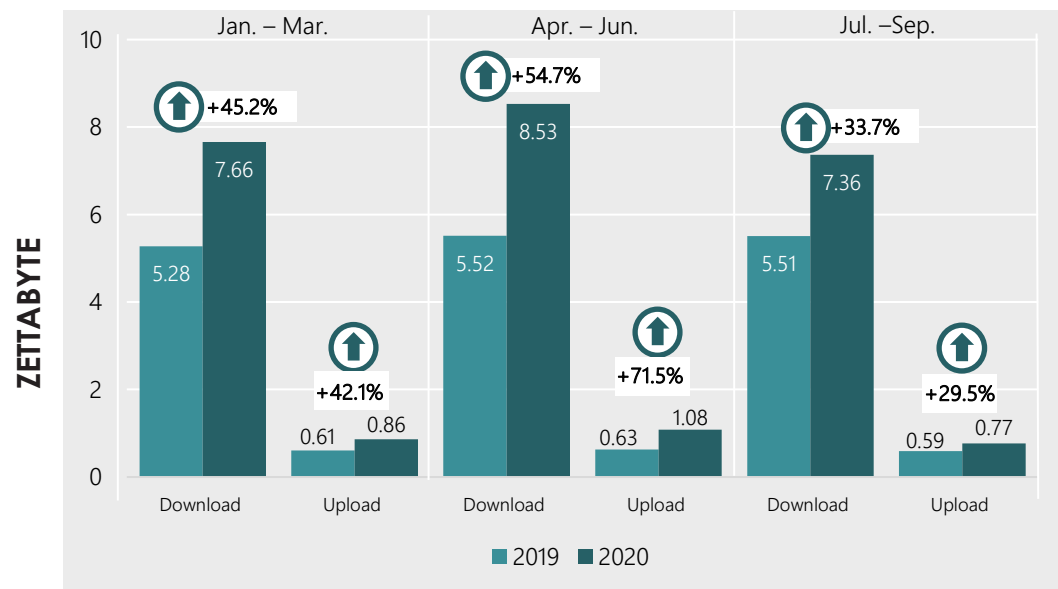
Jan. - Feb.	+5.6
Feb. - Mar.	+20.7
Mar. - Apr.	+3.2
Apr. - May	-9.8
May - Jun.	+4.1
Jun. - Jul.	+6.7
Jul. - Aug.	+6.7
Aug. - Sep.	-5.0

3 **Annual change (2019 - 2020)**
(%)

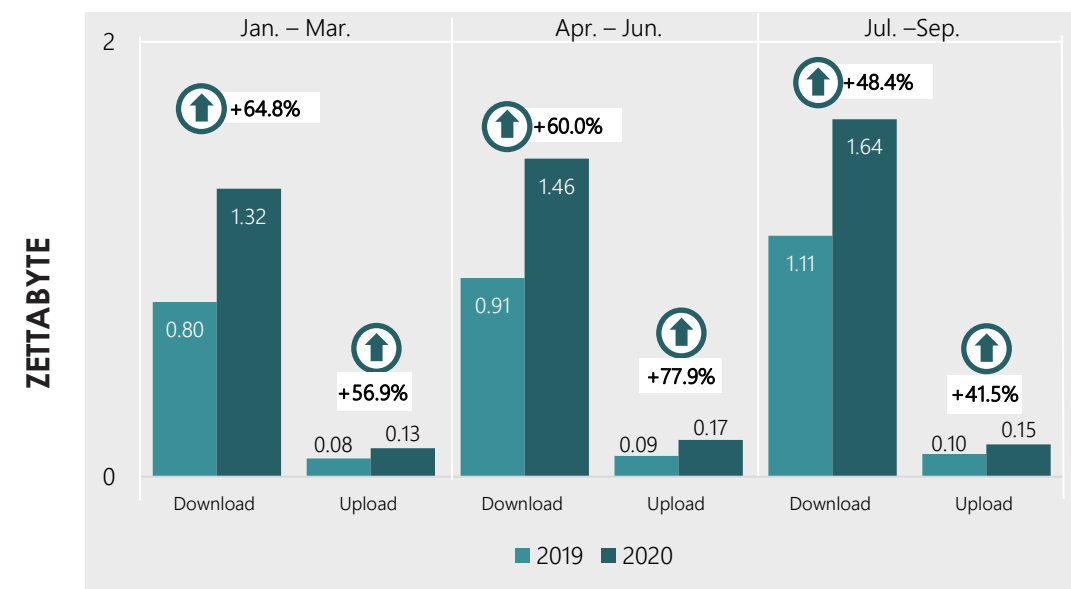
Jan.	+52.8
Feb.	+53.3
Mar.	+79.0
Apr.	+78.9
Mag.	+55.7
Giu.	+51.9
Lug.	+49.1
Aug.	+48.6
Set.	+45.8

2.2: FIXED AND MOBILE NETWORK: MONTHLY DATA TRAFFIC IN DOWNLOAD AND UPLOAD

FIXED NETWORK



MOBILE NETWORK



1 Download data traffic:

	Year 2019	→	Year 2020
Total traffic (Jan. – Sep.)	16.30 zettabyte		23.56 zettabyte
Average monthly traffic (Jan. – Sep.)	1.81 zettabyte	↑ +44.5%	2.62 zettabyte

2 Upload data traffic:

	Year 2019	→	Year 2020
Total traffic (Jan. – Sep.)	1.83 zettabyte		2.71 zettabyte
Average monthly traffic (Jan. – Sep.)	0.20 zettabyte	↑ +48.1%	0.30 zettabyte

1 Download data traffic:

	Year 2019	→	Year 2020
Total traffic (Jan. – Sep.)	2.83 zettabyte		4.43 zettabyte
Average monthly traffic (Jan. – Set.)	0.31 zettabyte	↑ +56.8%	0.49 zettabyte

2 Upload data traffic:

	Year 2019	→	Year 2020
Total traffic (Jan. – Sep.)	0.28 zettabyte		0.45 zettabyte
Average monthly traffic (Jan. – Sep.)	0.03 zettabyte	↑ +58.3%	0.05 zettabyte

2.3: FIXED AND MOBILE NETWORK: AVERAGE DAILY DATA TRAFFIC FOR BROADBAND LINE AND FOR "HUMAN" SIM

AVERAGE DAILY DATA TRAFFIC PER BROADBAND LIINE



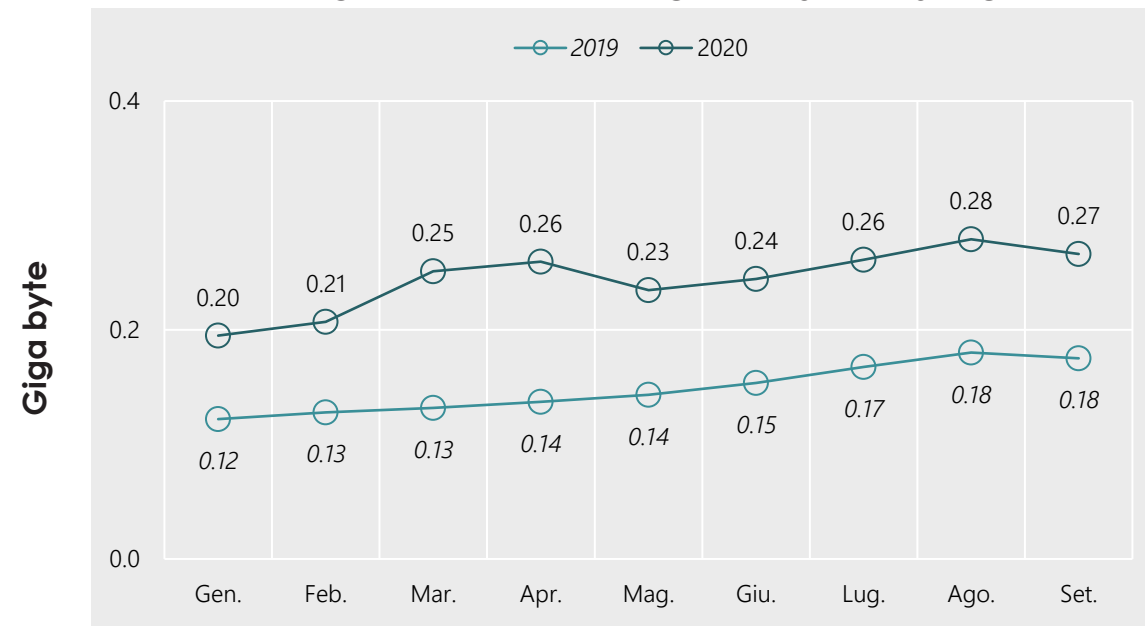
1 Average daily data traffic per broadband line:

(Jan. - Sep. 2019)	→	(Jan. - Sep. 2020)
4.13 giga byte	↑ +40.2%	5.79 giga byte

2 Average daily data traffic per broadband line: quarterly values

(Jan. - Mar. 2019)	→	(Gen. - Set. 2020)
4.10 giga byte	↑ +38.6%	5.68 giga byte
(Apr. - Jun. 2019)	→	(Apr. - Jun. 2020)
4.21 giga byte	↑ +51.8%	6.39 giga byte
(Jul. - Sep. 2019)	→	(Jul. - Sep. 2020)
4.09 giga byte	↑ +29.7%	5.31 giga byte

AVERAGE DAILY DATA TRAFFIC PER «HUMAN» SIM CARD



1 Average daily data traffic per «human» sim card:

(Jan. - Sep. 2019)	→	(Jan. - Sep. 2020)
0.15 giga byte	↑ +66.0%	0.24 giga byte

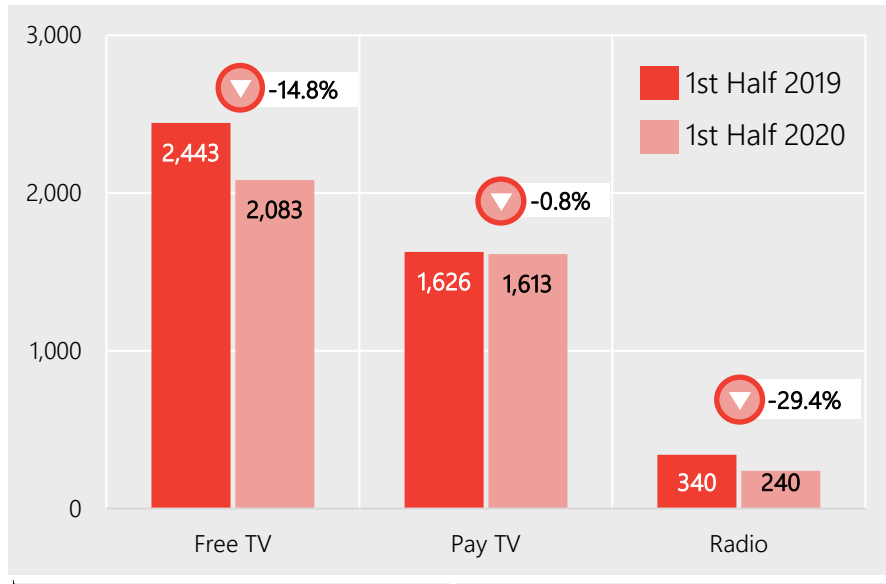
2 Average daily data traffic per «human» sim card: quarterly values

(Jan. - Mar. 2019)	→	(Jan. - Sep. 2020)
0.13 giga byte	↑ +71.0%	0.22 giga byte
(Apr. - Jun. 2019)	→	(Apr. - Jun. 2020)
0.14 giga byte	↑ +70.1%	0.25 giga byte
(Jul. - Sep. 2019)	→	(Jul. - Sep. 2020)
0.17 giga byte	↑ +54.2%	0.27 giga byte

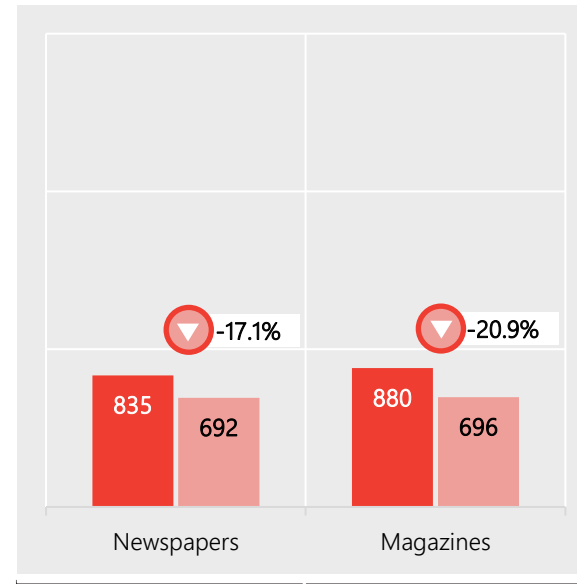
3.1: MEDIA: total revenues trend

MILLIONS OF €

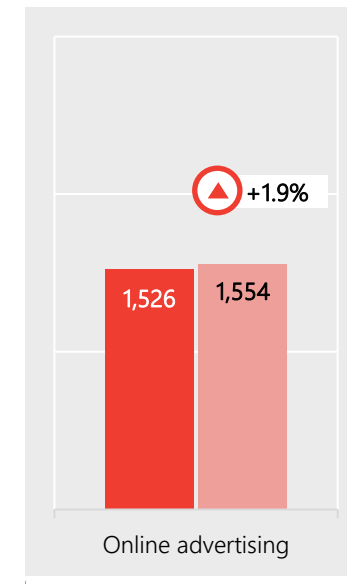
COMPARISON: 1st HALF 2019 – 1st HALF 2020



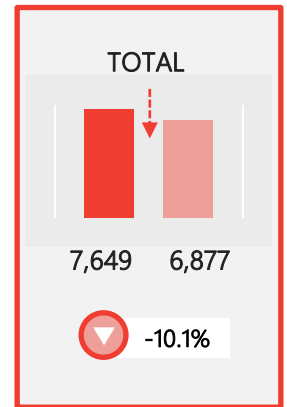
TV AND RADIO



PUBLISHING

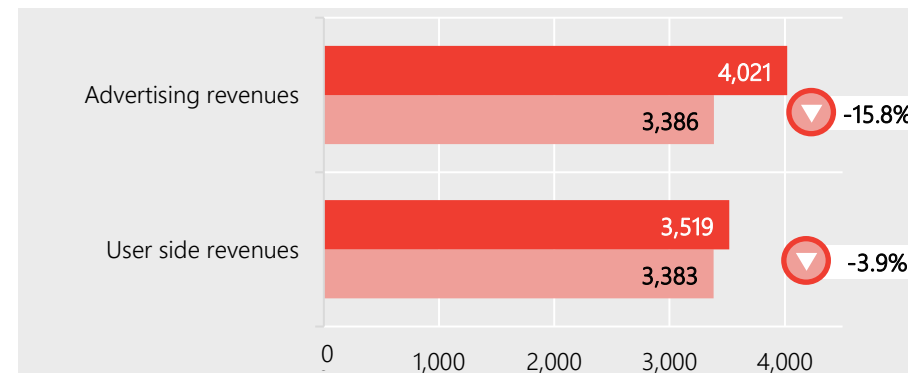


INTERNET



1 On a half-yearly basis, **revenues** show a decrease of 10.1% compared to the corresponding half of 2019. Advertising on internet platforms is the only segment to show a growth, while revenues in the other segments are all lower than in the first half of 2019, albeit at different rates.

REVENUES BREAKDOWN

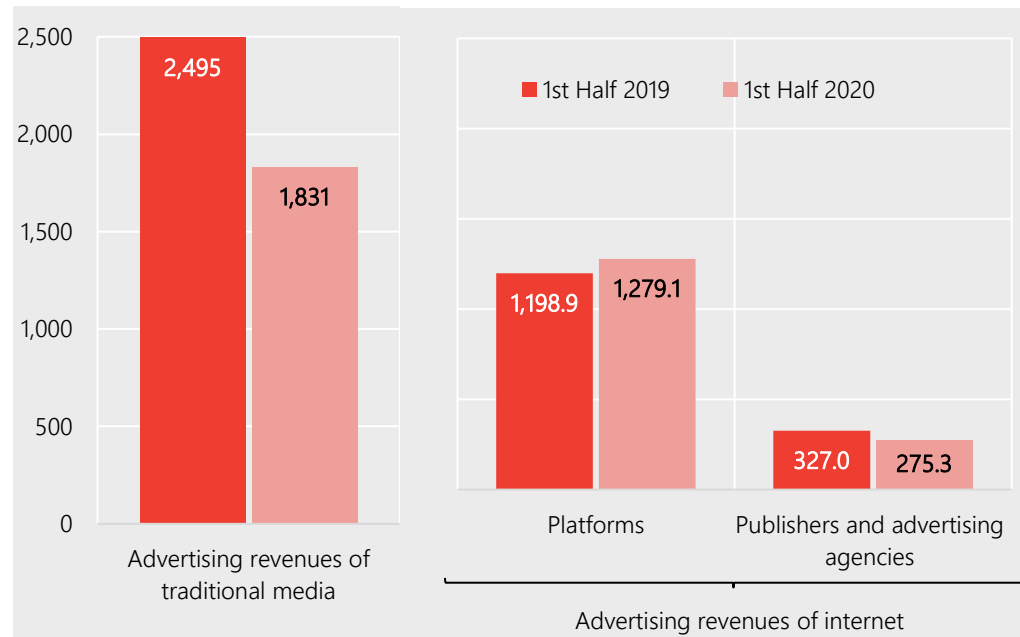


2 The **breakdown** of total revenues in the first half of 2020 shows a significant change compared to 2019. Due to the stronger reduction in advertising revenues compared to the user side revenues, the two components in the first half of 2020 are almost equal, while in 2019 the advertising revenue component was about 500 million euros higher.

3.2: MEDIA: ANDAMENTO DEI RICAVI DA PUBBLICITÀ

Advertising sales

MILLIONS OF €

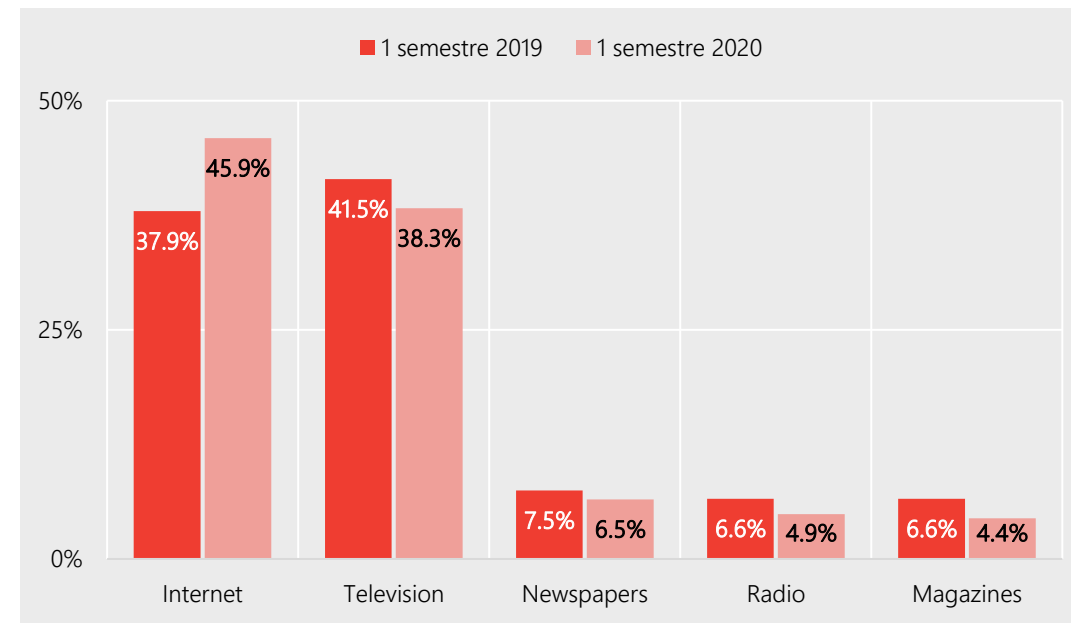


① **Change %** (1st half 2019) → (1st half 2020)

Advertising revenues of traditional media	↓ -26.6%
Advertising revenues of internet	
- Platforms	↑ +6.7%
- Publishers and advertising agencies	↓ -15.8%

Composition of advertising revenues by means

%

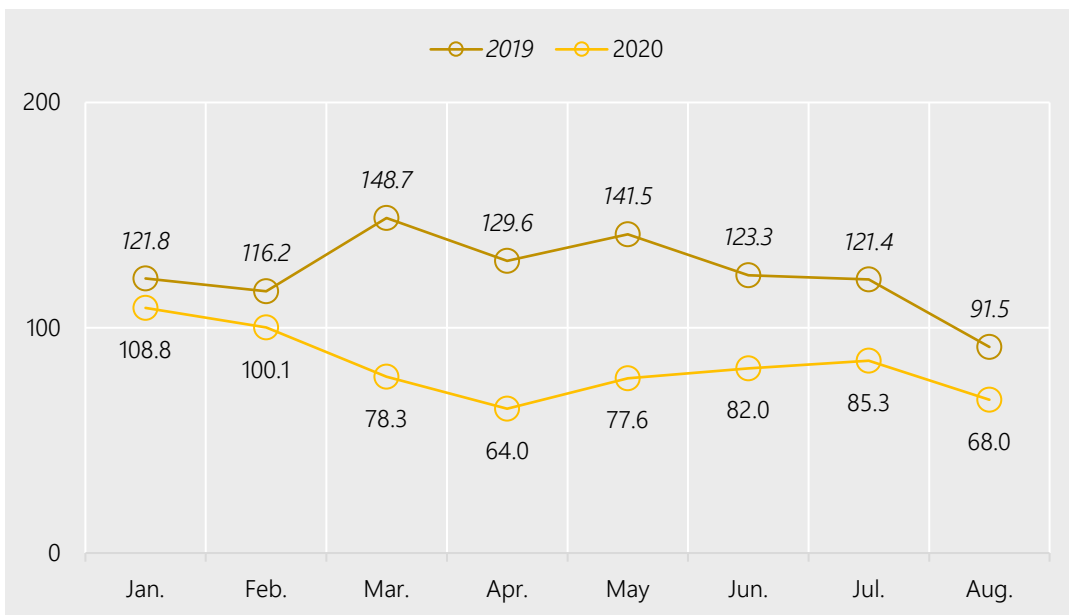


① **Change in percentage points** (1st half 2019) → (1st half 2020)

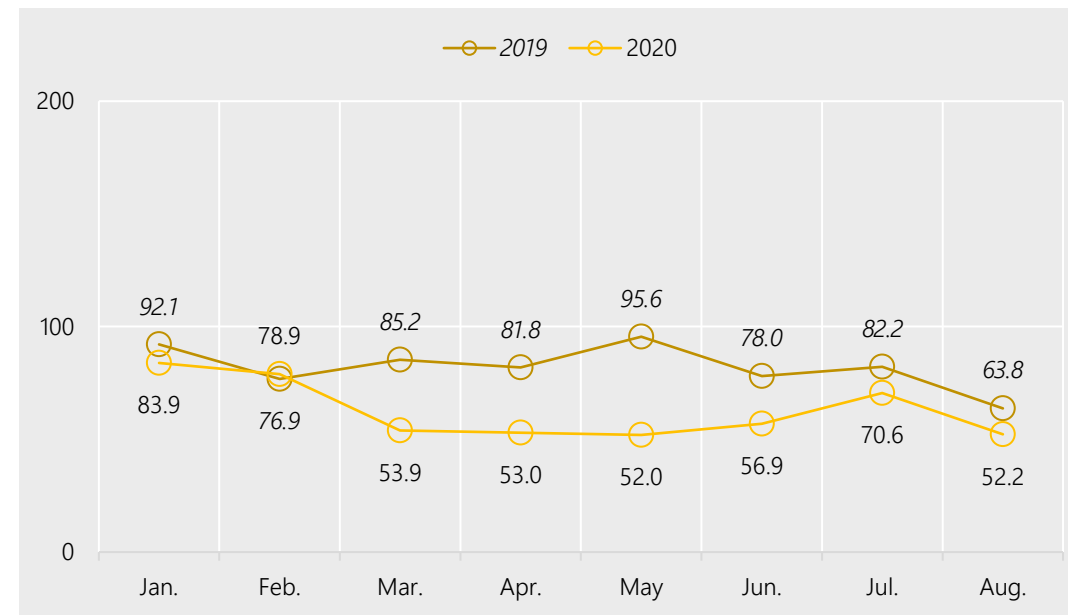
Internet	↑ +8.0 p.p.
Television	↓ -3.2 p.p.
Newspapers	↓ -1.0 p.p.
Radio	↓ -1.7 p.p.
Magazines	↓ -2.1 p.p.

3.1: POSTAL SERVICES: MAIL REVENUES (millions of €)

UNIVERSAL SERVICE (US)



OTHER SERVICES (NO US)



1

Cumulative revenues for the entire period

(Jan. - Aug. 2019)
994.2 mln. €

→
↓ -33.2%

(Jan. - Aug. 2020)
664.2 mln. €

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-8.0
Feb. - Mar.	-21.8
Mar. - Apr.	-18.2
Apr. - May	+21.2
May - Jun.	+5.7
Jun. - Jul.	+4.1
Jul. - Aug.	-20.3

3

Annual change (2019 - 2020) (%)

Jan.	-10.7
Feb.	-13.8
Mar.	-47.4
Apr.	-50.6
May	-45.1
Jun.	-33.5
Jul.	-29.7
Aug.	-25.7

1

Cumulative revenues for the entire period

(Jan. - Aug. 2019)
655.6 mln. €

→
↓ -23.5%

(Jan. - Aug. 2020)
501.3 mln. €

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-5.9
Feb. - Mar.	-31.9
Mar. - Apr.	-1.7
Apr. - May	-1.9
May - Jun.	+9.6
Jun. - Jul.	+23.9
Jul. - Aug.	-26.1

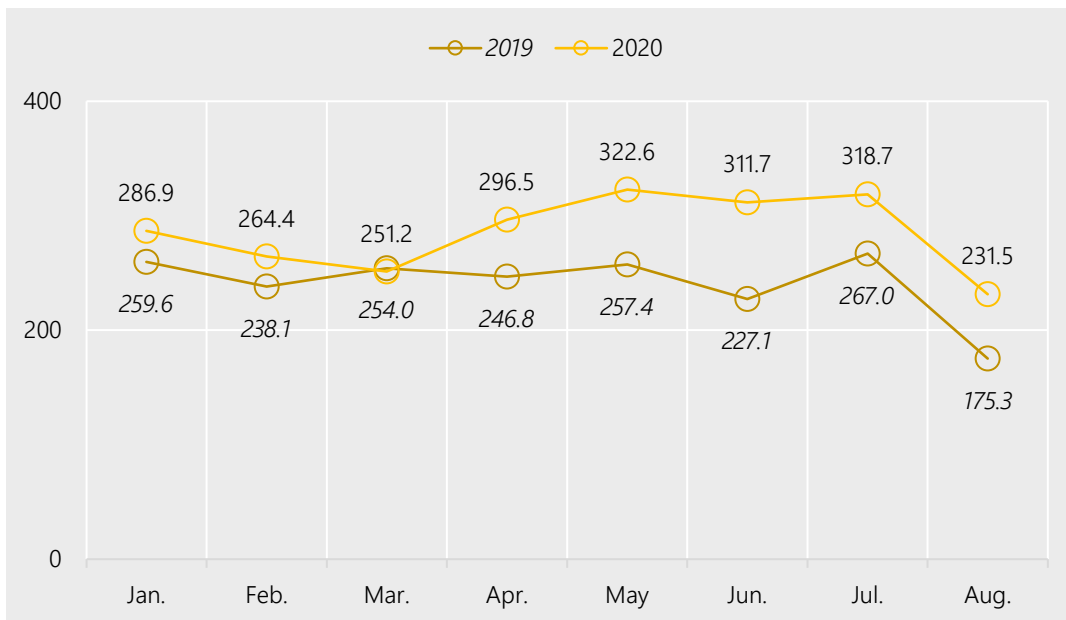
3

Annual change (2019 - 2020) (%)

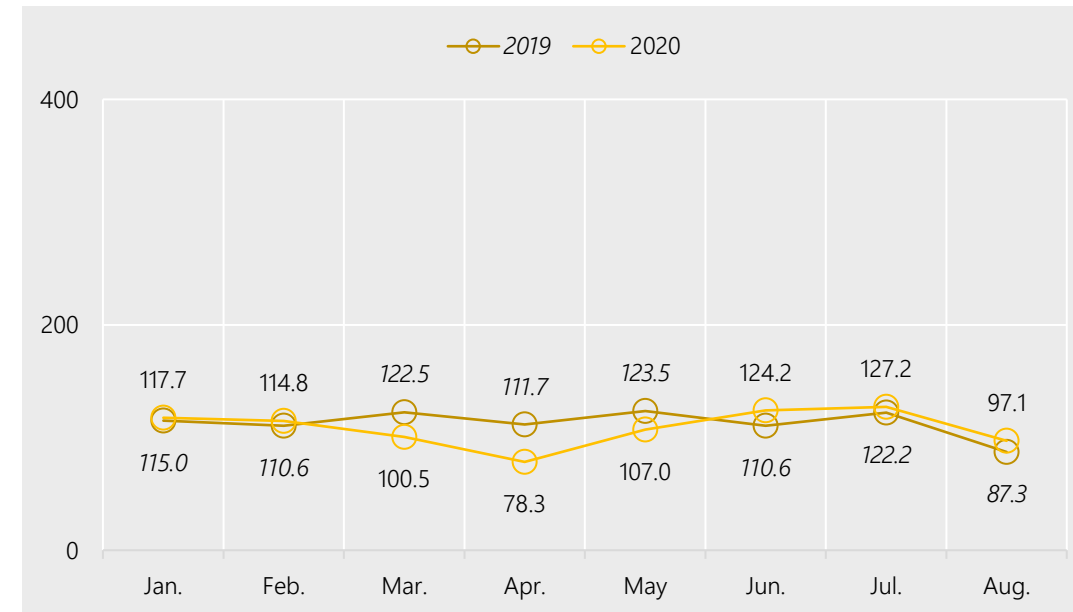
Jan.	-8.9
Feb.	+2.7
Mar.	-36.8
Apr.	-35.3
May	-45.6
Jun.	-27.0
Jul.	-14.1
Aug.	-18.2

3.2: POSTAL SERVICES: PARCELS DELIVERY SERVICES REVENUES (millions of €)

NATIONAL



INTERNATIONAL



1

Cumulative revenues for the entire period

(Jan. - Aug. 2019)
1,925.4 mln. €

→
↑ **+18.6%**

(Jan. - Aug. 2020)
2,283.5 mln. €

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-7.8
Feb. - Mar.	-5.0
Mar. - Apr.	+18.0
Apr. - May	+8.8
May - Jun.	-3.4
Jun. - Jul.	+2.2
Jul. - Aug.	-27.3

3

Annual change (2019 - 2020) (%)

Jan.	+10.5
Feb.	+11.0
Mar.	-1.1
Apr.	+20.6
May	+25.4
Jun.	+37.2
Jul.	+19.4
Aug.	+32.0

1

Cumulative revenues for the entire period

(Jan. - Aug. 2019)
903.5 mln. €

→
↓ **-4.1%**

(Jan. - Aug. 2020)
866.8 mln. €

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-2.4
Feb. - Mar.	-12.5
Mar. - Apr.	-22.0
Apr. - May	+36.6
May - Jun.	+16.1
Jun. - Jul.	+2.4
Jul. - Aug.	-23.7

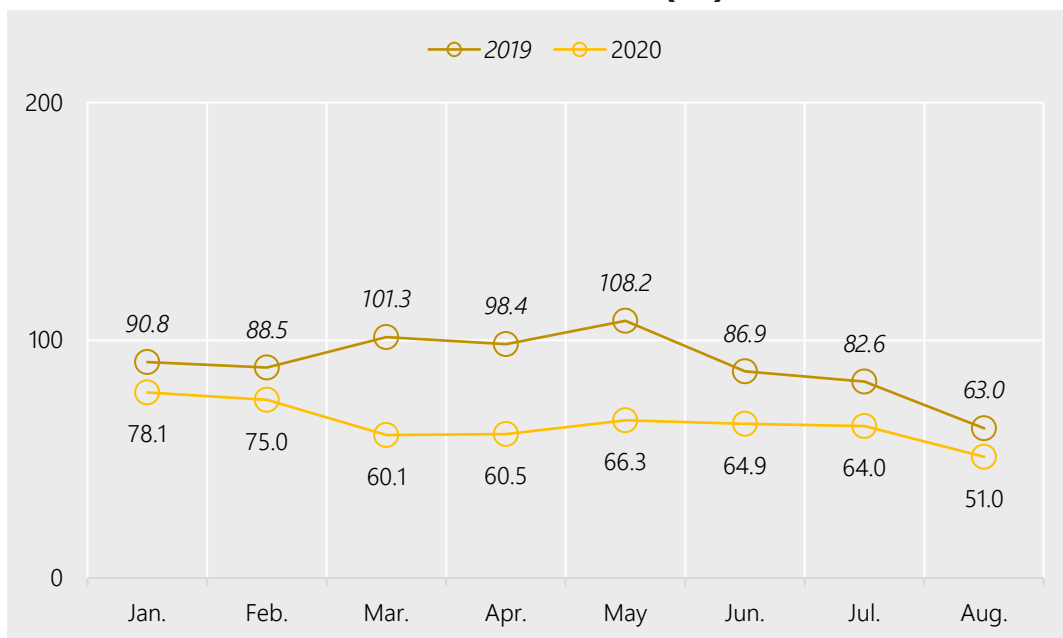
3

Annual change (2019 - 2020) (%)

Jan.	+2.3
Feb.	+3.8
Mar.	-18.0
Apr.	-29.9
May	-13.4
Jun.	+12.2
Jul.	+4.1
Aug.	+11.2

3.3: POSTAL SERVICES: MAIL REVENUES (millions of items)

UNIVERSAL SERVICE (US)



1

Cumulative items for the entire period

(Jan. - Aug. 2019)
719.9 mln. of items

→
↓ -27.8%

(Jan. - Aug. 2020)
520.0 mln. of items

2

Monthly revenues 2020 (% change)

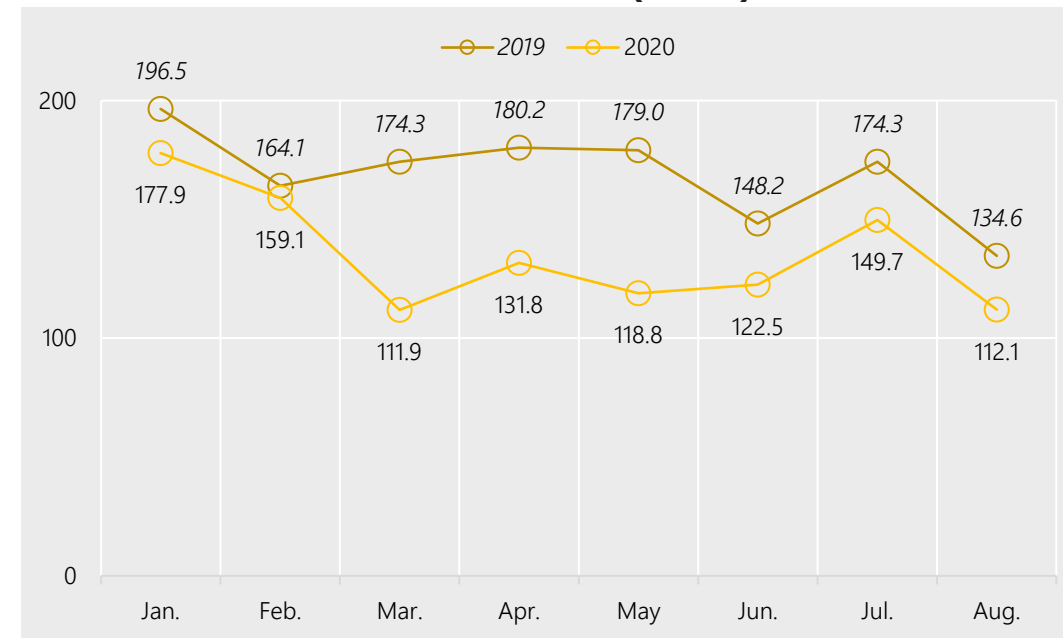
Jan. - Feb.	-8.0
Feb. - Mar.	-21.8
Mar. - Apr.	-18.2
Apr. - May	+21.2
May - Jun.	+5.7
Jun. - Jul.	+4.1
Jul. - Aug.	-20.3

3

Annual change (2019 - 2020) (%)

Jan.	-14.0
Feb.	-15.2
Mar.	-40.6
Apr.	-38.5
May	-38.7
Jun.	-25.4
Jul.	-22.6
Aug.	-19.1

OTHER SERVICES (NO US)



1

Cumulative items for the entire period

(Jan. - Aug. 2019)
1,351.3 mln. of items

→
↓ -19.8%

(Jan. - Aug. 2020)
1,083.7 mln. of items

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-10.6
Feb. - Mar.	-29.7
Mar. - Apr.	+17.8
Apr. - May	-9.8
May - Jun.	+3.1
Jun. - Jul.	+22.2
Jul. - Aug.	-25.1

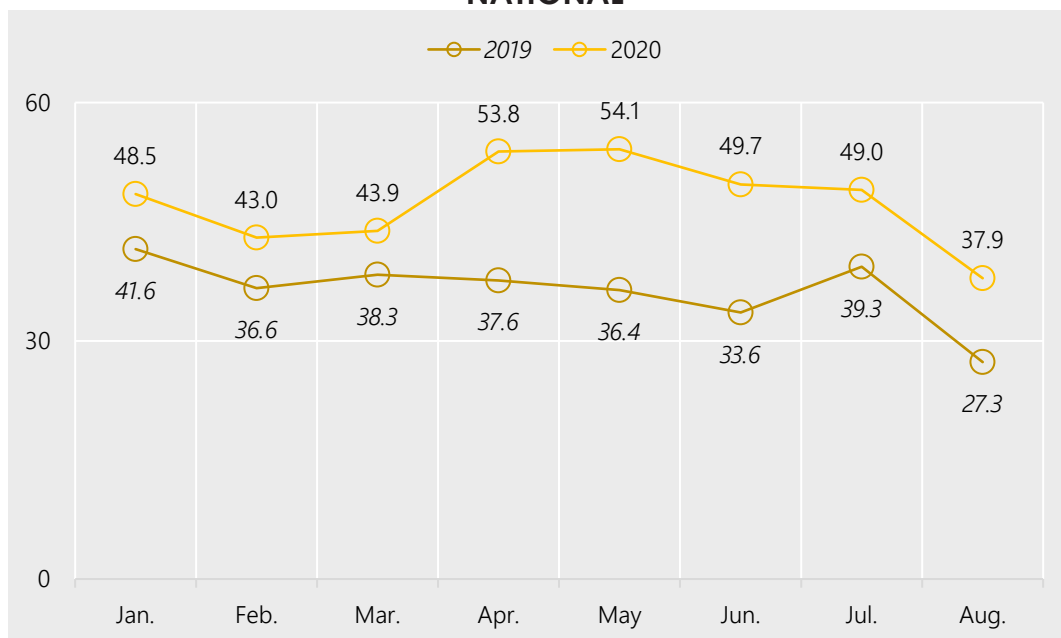
3

Annual change (2019 - 2020) (%)

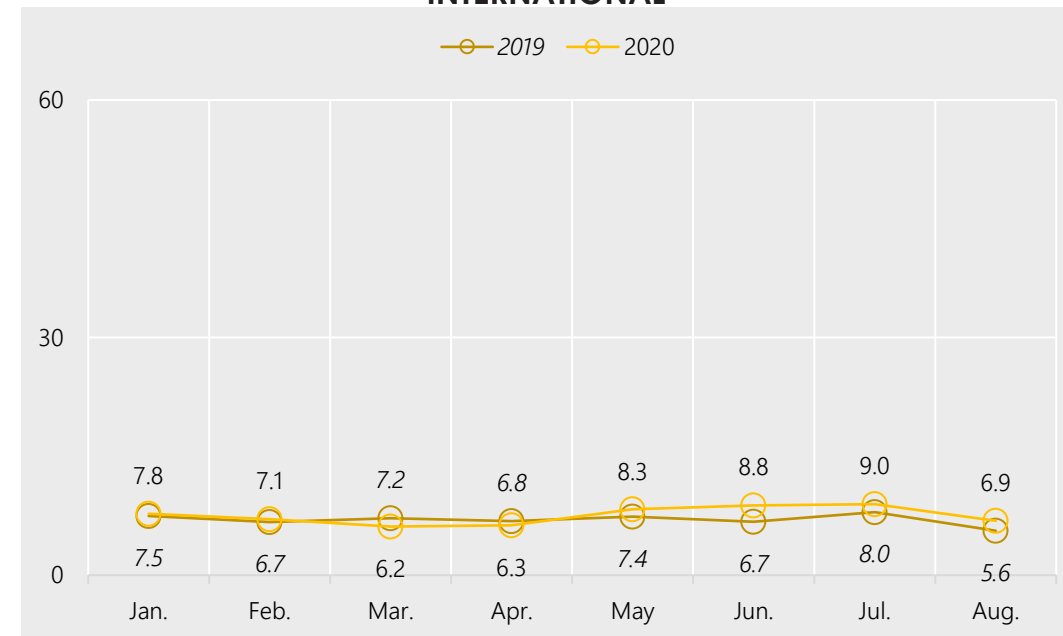
Jan.	-9.5
Feb.	-3.1
Mar.	-35.8
Apr.	-26.9
May	-33.6
Jun.	-17.4
Jul.	-14.1
Aug.	-16.8

3.4: POSTAL SERVICES: PARCELS DELIVERY SERVICES VOLUMES (millions of items)

NATIONAL



INTERNATIONAL



1

Cumulative items for the entire period

(Jan. - Aug. 2019)
290.8 mln. of items

→
↑ **+30.6%**

(Jan. - Aug. 2020)
379.9 mln. of items

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-11.3
Feb. - Mar.	+2.0
Mar. - Apr.	+22.7
Apr. - May	+0.5
May - Jun.	-8.1
Jun. - Jul.	-1.4
Jul. - Aug.	-22.7

3

Annual change (2019 - 2020) (%)

Jan.	+16.7
Feb.	+17.3
Mar.	+14.4
Apr.	+43.1
May	+48.7
Jun.	+48.1
Jul.	+24.6
Aug.	+38.6

1

Cumulative items for the entire period

(Jan. - Aug. 2019)
55.9 mln. of items

→
↑ **+7.8%**

(Jan. - Aug. 2020)
60.3 mln. of items

2

Monthly revenues 2020 (% change)

Jan. - Feb.	-8.9
Feb. - Mar.	-13.0
Mar. - Apr.	+2.3
Apr. - May	+32.1
May - Jun.	+6.2
Jun. - Jul.	+1.7
Jul. - Aug.	-23.7

3

Annual change (2019 - 2020) (%)

Jan.	+4.1
Feb.	+5.5
Mar.	-14.4
Apr.	-7.8
May	-12.4
Jun.	+31.1
Jul.	+12.5
Aug.	+22.3



AUTORITÀ PER LE
GARANZIE NELLE
AGCOM COMUNICAZIONI

**COMMUNICATION MONITORING
MARKETS SYSTEM**
COVID-19 monitoring

no. 2/2020

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