

Is it the end of the road for the telephone landline?

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OFCOM recently published this year's communications market report detailing digital trends and usage amongst different age groups. [[Link](#)]

There report starts off with a particularly punch quote:

"As a result of growing up in the digital age, 12-15 year olds are developing fundamentally different communication habits than older generations, even compared to the advanced 16-24 age group."

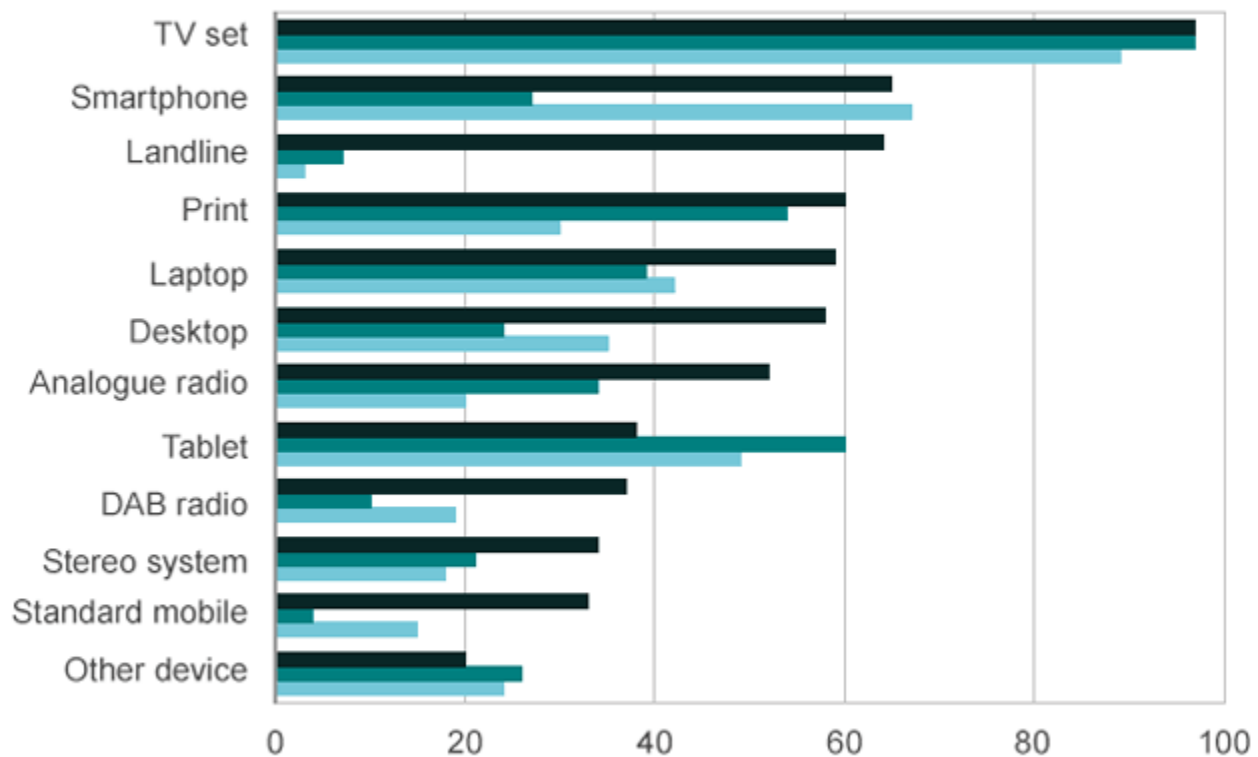
It goes on to explain how its children leading the digital revolution with mass adoption of online applications and channels.

The following graph shows the 'weekly exposure to devices':

Weekly exposure to devices

■ Adults 16+ ■ 6-11 years ■ 12-15 years

%



*Based on a 7-day period for adults surveyed, and a 3-day period for children

Source: Ofcom

One thing that this report does highlight is that over the generations surveyed landline telephone usage is on the decline. This raises some interesting questions, and a few intriguing possibilities.

I put a an example case to you:

When I was a child the Landline was the ONLY telephone in the house.

Now it's pretty much an ornament as modern mobile contracts tend to come with so many inclusive minutes that I only ever use the landline for premium numbers that are free on that over the mobile. All of the adults in the house have thousands of inclusive minutes. Why would they ever use the landline? Despite that I still pay a month fixed line fee though, but the actual usage bill is regularly in the pence cost bracket.

The OFCOM report is showing exactly this behaviour in children. Mobile usage is massively up, for a number of reasons, such as barriers to entry lowering, i.e. handset costs and contract allowances, and increased stability and speed in mobile networks means that the quality of service is always improving. Just search for 4G coverage in the UK.

What are the reasons for having a landline?

So why do people still have landlines?

1. The first reason is to make calls.
2. The second reason is because of other over-the-top services such as broadband and TV services
3. The third is as a bundled product. Often service providers will cut you a discount for taking many products instead of just one. For example if I remove my landline from my Virgin Media bundle I'll actually pay MORE for not having it.

So what is the Landline used for now?

So realistically that leaves the second reason as the most valid. Some providers are still using the landline for TV broadcasting or device communications rather than their satellite network (I'm looking at you Sky). But doesn't that seem counter intuitive? Having to have a landline to support increasingly bandwidth hungry Hi-definition TV channels? What the OFCOM report shows is that the newest generations of our society don't use a landline at all. When they come of age as to be moving into their own homes and having the conversations with service providers about 'requiring a landline because you have TV' there is going to be a serious customer backlash.

Death of the landline

So I'm predicting that the landline has to find another purpose. Or its Dead. It's not good enough to be in a bundle of service, or to merely be a cost differentiator. It has to do something. Otherwise 'digital natural selection' will occur and Broadband and satellite comms will consume it.

It will follow the usual pattern of decline in as much as customer uptake will drop, meaning that the cost will rise. Suddenly all the cost and effort in dropping new lines into new housing estates and renewing old lines will start to look like a bad expenditure to the big telecoms companies. The landline will price itself out of the market, and investment in it will shrink.

You just watch. Next years annual OFCOM report will show even less landline usage in the youth generation.