

# 5G FWA Go-to-market Strategies – 2023

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# Summary

# Summary

- A lot has changed in the past two years. In 2021 and 2022, 5G FWA deployments were limited, and the go-to-market strategies were all about faster speed and plug-and-play. 5G FWA speed was proving a rival to DSL and some cable.
- However, in 2023, the 5G FWA narrative has evolved to be about more than just speed. New themes include less buffering, service reliability, and “extend home Wi-Fi coverage” (5G FWA bundled with a Wi-Fi mesh router). At the same time, the advertised download speeds of the 20 companies Omdia tracked are now the closest (on average) to fiber compared with other fixed broadband technologies.
- In terms of reach, Verizon and T-Mobile are adding some 400,000–500,000 5G FWA net adds a quarter in the US. In Saudi Arabia, 5G FWA makes up the majority of Zain’s home broadband customer base.
- Meanwhile, 5G FWA will enter the massive untapped market of India in 2023, with Reliance Jio and Bharti Airtel set to launch services.
- Despite these changes, Omdia has not changed its overall market positioning of fixed wireless. 5G FWA is still a niche technology suitable for certain usage types. By and large, it will not do the heavy data lifting that fiber does and will do in the future. We forecast FWA to make up only 7% of total fixed broadband subscriptions by 2028, with 5G FWA accounting for 3% of all fixed broadband subscriptions.
- In short, 5G FWA is still the value proposition to fiber—it is around 16% cheaper—and lacks bundling innovation, such as video streaming (operators do not want to overburden the network). It is, however, in some cases a more financially viable option than fiber.

# Omdia view

- **5G FWA is the 5G “killer app” of the moment.** Over the past year, 5G FWA has come front and center as one of the top success stories of 5G monetization so far. Companies such as T-Mobile US, Verizon, and Zain in Saudi Arabia have seen rapid uptake of 5G FWA services and revenue increases.
- **Fiber and 5G FWA speeds are equivalent.** With 5G networks, service providers can offer speeds above 100Mbps and low latency over FWA, offering a viable replacement for DSL and low-usage cable consumers. However, the gap between advertised 5G FWA and fiber speeds is negligible. At 4Q22, the average download speed offered as part of a fiber plan was 1.1Gbps compared with 913Mbps for 5G FWA.
- **5G FWA is a value play.** Monthly price plan data from Omdia’s top 20 Tier 1 countries found that fiber services are 16% higher than 5G FWA on average. Cable remains at a 10% price premium to 5G FWA.
- **India will prove a game-changer.** 5G FWA will become essential in bringing fixed broadband connectivity to India’s unserved and underserved areas in 2023 and beyond. The fact that Reliance is spearheading the country’s 5G FWA rollout is the key—it will plug areas that are not reached by its extensive fiber network and will have affordability at the heart of its strategy.
- **5G FWA rules in the US.** In 1Q23, 90% of Verizon’s fixed broadband net additions were 5G FWA. All three incumbents—Verizon, AT&T, and T-Mobile—offer 5G FWA, given that they currently have oodles of spectrum (mid-band and mmWave) for both 5G on smartphones and for fixed wireless. For T-Mobile, FWA gives it a broadband play. For Verizon, 5G FWA and fiber are being rolled out in tandem, but the company maintains it has a fiber-first strategy. Together, T-Mobile and Verizon are adding close to one million 5G FWA subs a quarter. Omdia forecasts that one-third of Verizon’s fixed broadband base will be 5G FWA by 2028.

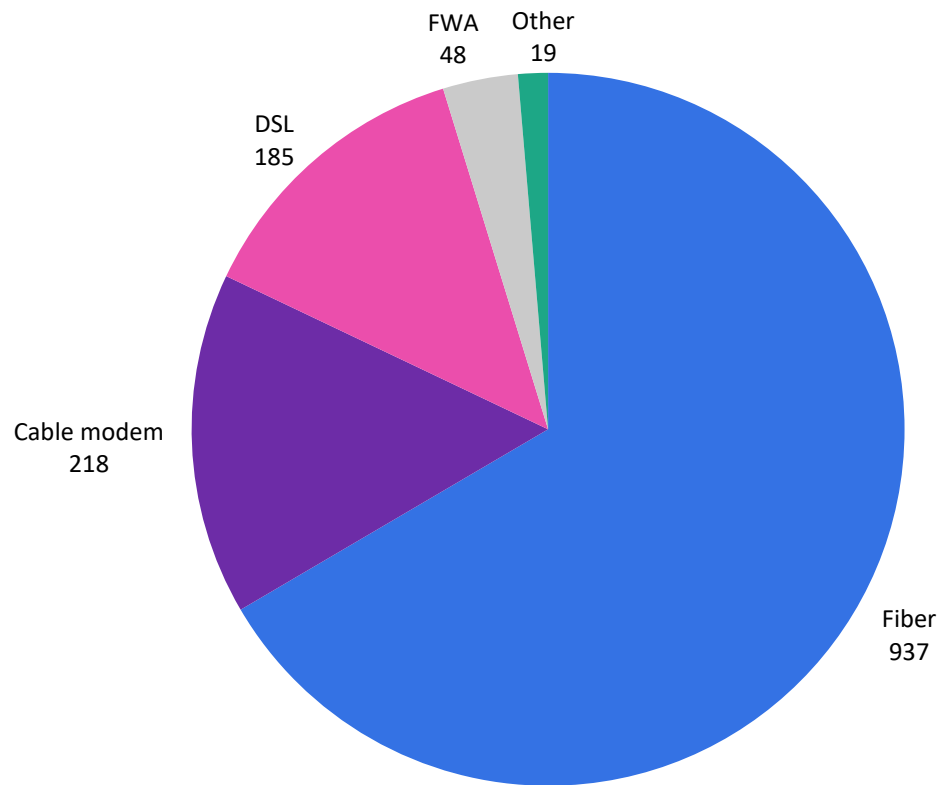
# Recommendations

- **A clearly thought-out business strategy is key.** 5G FWA has emerged as a growth opportunity that needs to be managed with mobile network quality, network investment, and fixed returns in mind. Not all telcos should pursue an “offensive” growth strategy with true unlimited data and without data usage network protections (typical of an aggressive, mobile-only challenger). In short, a service provider’s market position (incumbent or challenger) and its services portfolio (integrated operator or not) must be considered to determine where 5G FWA services will be offered and how they will be marketed.
- **Manage spectrum resources.** Service providers should analyze the impact of FWA on their networks and ensure adequate spectrum is allocated to fixed wireless, especially if they are a “defensive” player and do not wish to diminish the quality of experience for mobile users. Fair network usage policies can be essential in this business case. Managing an over-burdened FWA network is complex, timely, and expensive. Omdia notes that both “offensive” and “defensive” 5G FWA players in the US are currently dedicating sufficient spectrum (mmWave and mid-band spectrum) to avoid network congestion.
- **Do not overpromise or overhype.** There is still considerable nonsensical marketing across many markets when it comes to 5G FWA. Although some operators have linked fixed wireless with reliability (“no interruptions”) and claimed, “FWA can reach every room in your house” (without bundling Wi-Fi mesh), it can be difficult to deliver. Even mobile operators try to avoid such lofty network/service quality guarantees!
- **Fixed mobile bundles should be considered.** Adopting an aggressive fixed-mobile bundling strategy has proven beneficial to the two leading 5G FWA providers (T-Mobile US and Verizon). Slowly, other operators outside the US are choosing to bundle 5G FWA with smartphones (for example, in Japan) for specific customer segments (such as renters and students). Offering discounts on 5G FWA to smartphone users is not only good for churn but will be an important differentiator for some user segments.

# Context

# FWA broadband subscriptions are expected to grow at 16% CAGR in the next five years

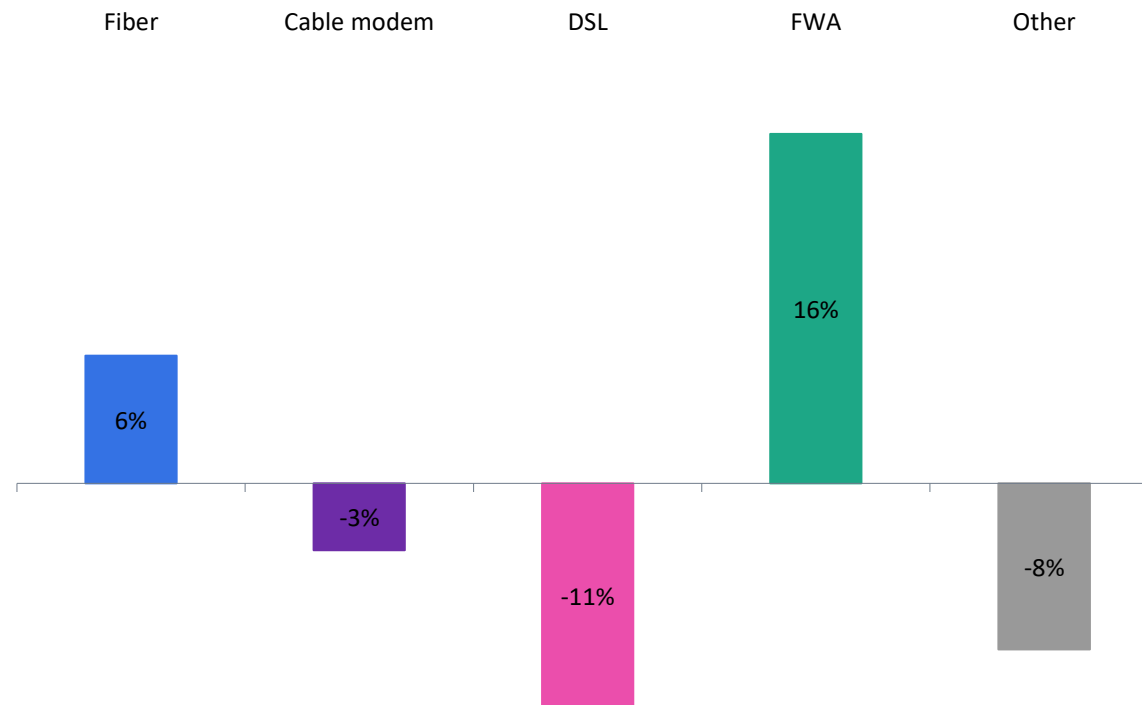
Global broadband subscriptions by technology (millions), 2022



Source: Omdia

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Global broadband subscriptions, CAGR by technology, 2022–28



Source: Omdia

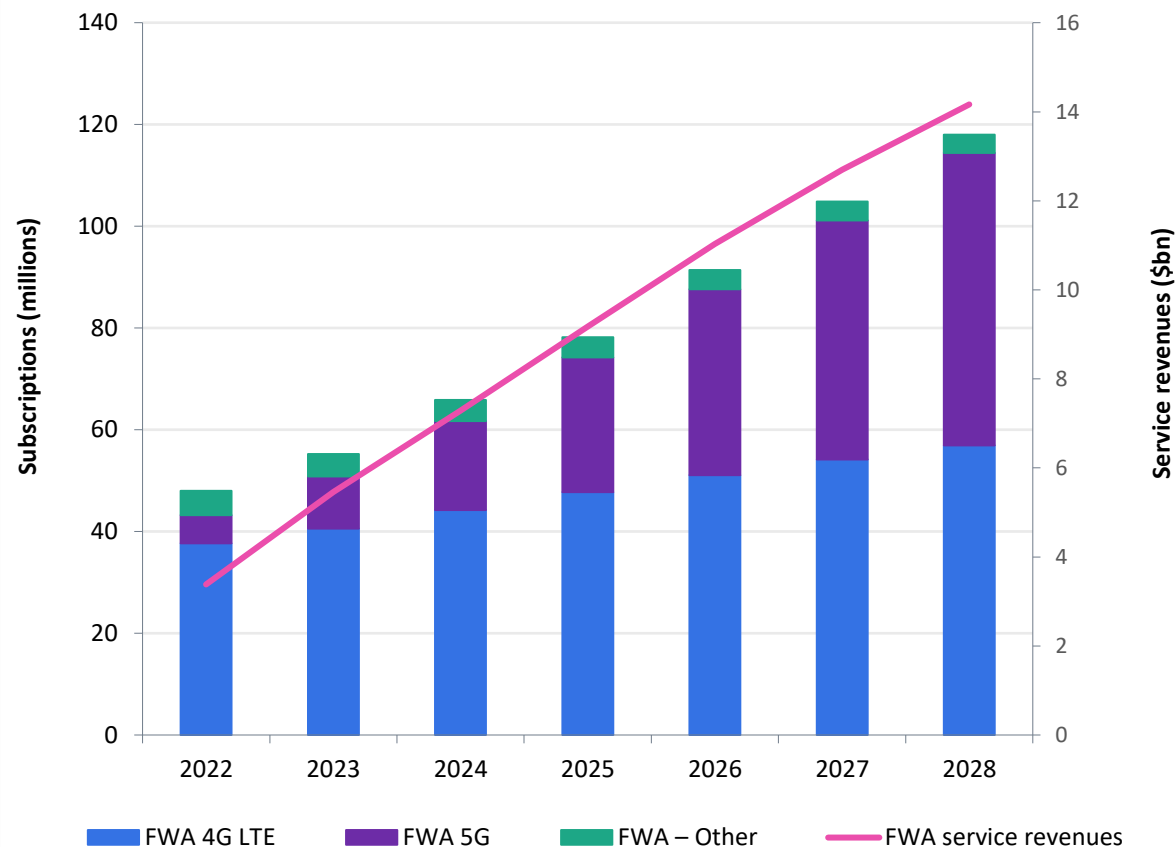
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# 5G FWA is set to reach parity with 4G LTE FWA by 2028

- Global FWA subscriptions are expected to increase from 47 million in 2022 to 118 million in 2028, with FWA's technology market share growing from 3% to 7%.
- Moreover, as DSL subscriptions continue to decline globally, FWA will overtake DSL in 2028 as the third largest broadband access technology behind fiber with 1.3 billion subscriptions and cable with 183 million subscriptions. Given that cable modem subscriptions are projected to be falling at a -3% CAGR, it is reasonable to expect that FWA will become the second most widespread broadband access technology post-2028.
- By 2028, there will be 57 million 5G FWA subscriptions accounting for 48% of all FWA subscriptions worldwide. While total FWA subscriptions are expected to grow by 16% CAGR between 2023 and 2028—the fastest growth rate among all broadband access technologies—5G FWA will record an even more whopping 41% CAGR over the same five-year period.
- In terms of service revenue, FWA services are expected to generate \$14bn by 2028, growing by 21% CAGR. Given that 5G FWA services are considered a premium offering, most of the total FWA revenue will be generated by 5G fixed wireless.

Global FWA subscriptions forecast by network generation (millions) vs. service revenues (\$bn), 2020–28



Note: The "FWA – Other" category includes proprietary and WiMAX FWA solutions

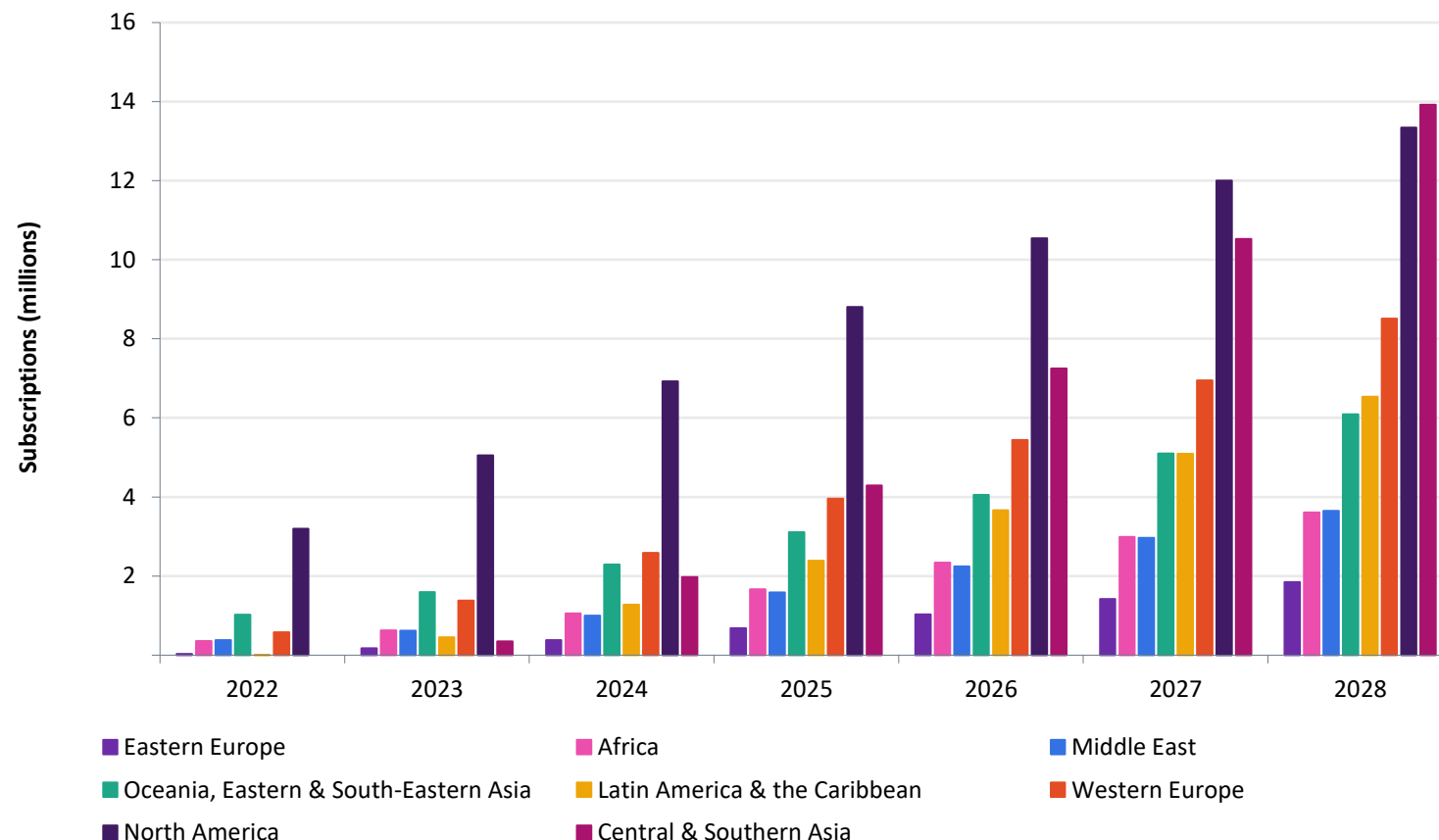
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# The US is the leading 5G FWA market, for now

- The US and Western Europe drive most of the current growth in 5G FWA subscriptions. However, Omdia expects the Indian broadband market to embrace 5G FWA. By 2028, India will be the leading 5G FWA market with 13.8 million subscriptions (making up 13.8% of total broadband subscriptions in India) compared to 13 million subscriptions forecast in the US (8.7% of total US broadband subscriptions).
- While fiber will dominate the Indian landscape, 5G FWA is set to emerge as an alternative broadband option, particularly in areas with limited or no fiber network coverage. Bharti and Jio are planning to launch 5G FWA services in 2023. Omdia expects plan and device affordability to be critical to the growth strategy; Jio unveiled its Jio AirFiber modem during its annual general meeting in 2022.
- In 2022, Japan, the UK, South Africa, and Australia were the other top five 5G FWA markets, while Italy, Brazil, and Japan will be among the top five in 2028.

5G FWA subscriptions forecast by region (millions), 2022–28



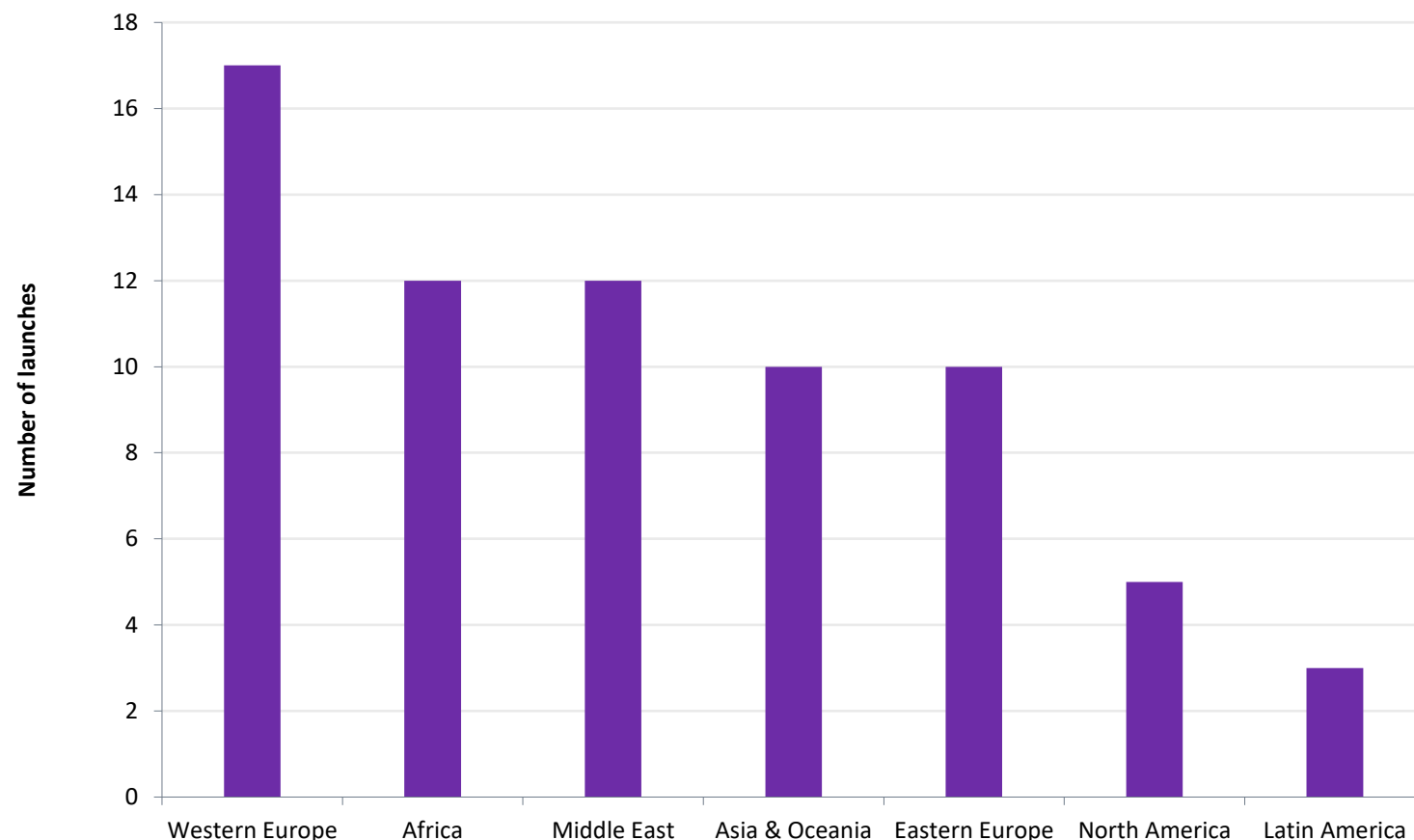
Source: Omdia

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# Europe tops 5G FWA launch list in 1Q23

- Some 69 operators have so far launched commercial 5G FWA services (see chart).
- Western Europe leads, comprising 25% of launches, followed by Africa and the Middle East, with 17% apiece. In Western Europe, 5G FWA is a value proposition that allows incumbents to match price-sensitive rivals.
- In Eastern Europe (15%), there is one 5G FWA per country, rather than multiple competitors as in Western Europe. The mix is mostly challengers.
- In the Middle East, meanwhile, 5G FWA is a primary driver of 5G, whereas other regions (such as Asia) tend to lead on 5G mobile, not fixed wireless.
- In Canada, 5G FWA is used primarily for rural coverage. And the US 5G FWA subscriptions are also slightly skewed toward rural areas.

5G FWA launches by region, 1Q23



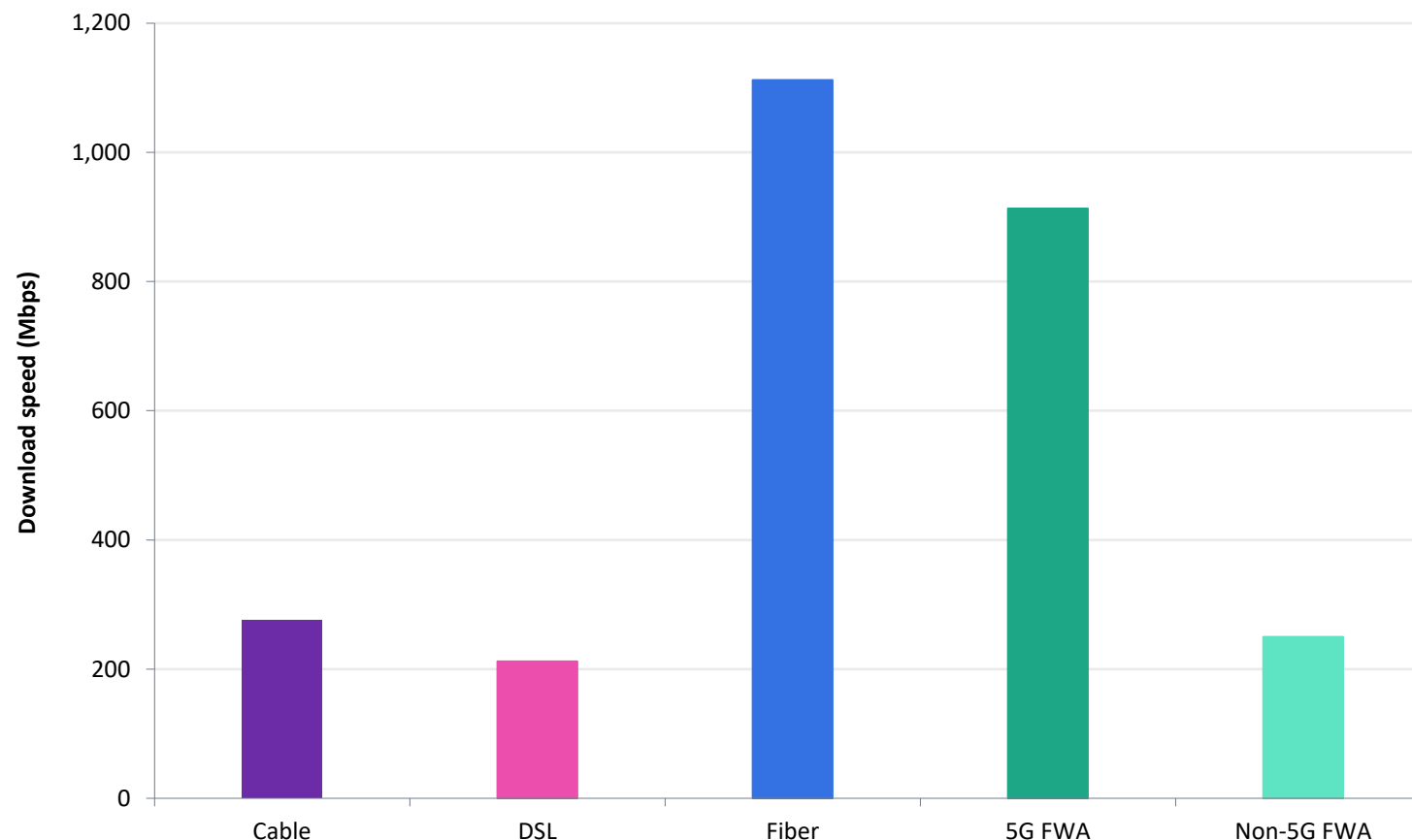
Source: Omdia's 5G Service Provider Tracker – 1Q23

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## 5G FWA advertised speeds close to fiber

- Omdia drew advertised download speeds from operators' plans, calculated the average, and found that 5G FWA and FTTx's marketed speeds are roughly equivalent (see chart). At 4Q22, the average download speed offered as part of a fiber plan was 1.1Gbps compared with 913Mbps for 5G FWA, but fiber's average was dragged down by lots of mid-tier speed plans.
  - We also caveat the closing speed gap by noting these are only the average advertised speeds of Omdia's Top 20 countries and acknowledging that fiber (not 5G FWA) is quickly moving to multi-gig speed plans.
- Non-5G FWA's average marketed speed of 250Mbps trumped DSL (212Mbps). Cable emerged marginally ahead at 276Mbps.
- Fastest 5G FWA peak speeds include NTT DoCoMo (4.3Gbps), followed by Mobily Saudi Arabia (4.1Gbps), Vodafone Italy (2.5Gbps), and SoftBank (2.2Gbps). The most common 5G FWA marketed peak download speed was 300Mbps.

Average advertised download speed (Mbps), by technology, 4Q22



Source: Omdia's Mobile & Broadband Pricing Tracker – 2H22

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# 5G FWA positioning

# Summary of positioning strategies

- In 2023, Omdia expanded its use cases for deploying 5G fixed wireless to include (see table):
  - **Infrastructure substitution:** Telcos using FWA where there is a lack of or unsuitable (for example, too slow) fixed broadband infrastructure, considering both rural and urban depending on the network footprint.
    - Examples: AT&T, Verizon, Telstra, Optus, STC Bahrain/Saudi Arabia, Zain Bahrain/Saudi Arabia, Mobily Saudi Arabia, Vodafone Italy, Orange Poland
  - **Fixed broadband expansion:** Deployed by mobile-only operators to create a new revenue stream.
    - Examples: 3 Hong Kong, 3 UK, T-Mobile US, Entel Perú
  - **Rural connectivity:** Telcos roll out FWA in rural areas where it does not make financial sense to deploy fixed technologies.
    - Examples: Orange Romania, Orange Slovakia, Entel Chile, TIM Brasil
  - **New broadband extension:** Similar to “infrastructure substitution” but less focused on fixed replacement and more on deploying FWA alongside FTTx in less-penetrated broadband markets.
    - Vodacom/MTN South Africa, Reliance Jio and Bharti Airtel India

## Types of 5G FWA positioning strategies

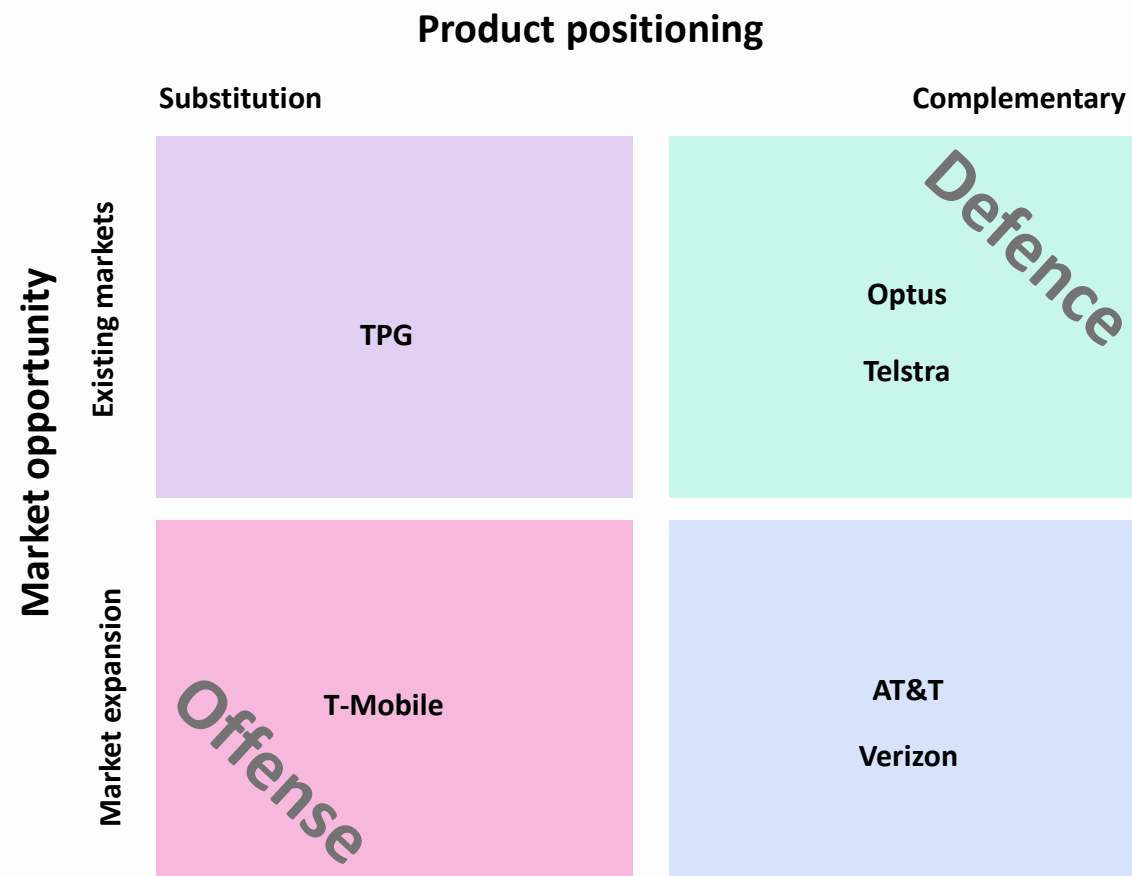
FWA deployment strategy	Regions	Comment
Infrastructure substitution	Asia, Europe, Americas, Middle East	5G FWA is mainly a DSL replacement, allowing telcos to shut down increasingly expensive copper networks with FTTH or cable, and FWA.
Fixed broadband expansion	Asia, Europe, Americas	Mobile-only operators add a fixed home solution to their product range.
Rural connectivity	Americas, Europe, Asia	Leveraging FWA where it is cheaper to deploy than fixed alternatives in remote areas.
New broadband extension	Africa, Asia	Emerging markets with very limited fixed networks; FWA and FTTH rolled out together to close the broadband divide.

Source: Omdia

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# Where to position 5G FWA? The US vs. Australia example

- 5G FWA has emerged as a growth opportunity that needs to be managed with mobile quality, network investment, and fixed returns in mind. A service provider's existing portfolio and market position will determine how FWA services will be marketed.
- For a wireless-only operator (T-Mobile in the chart), the coverage of its network defines its potential market, and an FWA product represents a new fixed revenue pool to be attacked:
  - As an offensive strategy, price leadership and flexibility will be the primary selling points. FWA networks are large-scale.
- For operators with a strong incumbent fixed-broadband base (such as Telstra), protecting the existing customer base will be imperative, with FWA used to address network gaps and areas where fixed-line quality may be poor.
  - As a more defensive strategy, mobile quality of service and “fiber-first” are the pinnacle strategies (for AT&T and Verizon), while FWA is more of a quick incremental revenue win.
- For operators with limited fixed-line franchise areas, a choice must be made between playing offense outside the fixed footprint (such as Verizon) or defense.



Source: Omdia

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## Case study: Zain KSA

- Zain KSA's 5G Home service demonstrates how FWA helps the overall business case. Since its October 2019 launch, the service has doubled its subscribers every year, and 5G FWA now makes up the majority of Zain's home broadband customer base.
- 5G Home's strategy is primarily focused on gaining high-value customers that FTTH does not cover, though the company also aims to attract customers that have fiber services available to them. Zain KSA also provides FTTH services, but there is no major price differentiation between its FTTH and 5G FWA Home offering.
- Rather, the company differentiates its 5G Home service by offering multiple speed-tier options (see table) while providing free routers/Wi-Fi extenders and premium entertainment content such as sports, movies, and gaming. In the near future, Zain KSA also plans to offer various smart home services.
- Zain is also committed to providing a flexible enhanced customer experience, enabling customers to manage their subscriptions and premium content add-ons via the Zain mobile app.
- Finally, we like Zain's out-of-plan device installment plans, where consumers can pay off devices such as iPads, tablets, Sony PlayStations, Wi-Fi extenders, Apple TVs, and even HTC VR Glasses, monthly.

### Zain's 5G Home plans – 24 months (June 2023)

Speed	Tariff	Device	OTT apps
100/20	SAR239 (approx. \$64)	5G router (free)	None
200/40	SAR299 (approx. \$80)	5G router (free)	Shahid VIP, Shahid VIP Sports, GeForce NOW, STARZPLAY, OSN+ (choose one)
300/60	SAR299/329 (approx. \$80/\$88)	5G router + Wi-Fi extender (free)	Shahid VIP, Shahid VIP Sports, GeForce NOW, STARZPLAY, OSN+ (choose two)
Unlimited/ unlimited	SAR299/400 (approx. \$80/\$107)	5G router (free)	Shahid VIP, Shahid VIP Sports, GeForce NOW, STARZPLAY, OSN+ (choose four)

Source: Omdia

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## Case study: T-Mobile US

- The un-carrier, as T-Mobile calls itself, has been the most successful 5G FWA player globally, with 2.5 million subscriptions in 1Q23, gaining an average of 460,000 new quarterly subscriptions for the past four quarters.
- Previously a mobile-only network operator, T-Mobile seized on its 2.5GHz spectrum available through the 2020 Sprint acquisition, which allowed it to offer 5G FWA services nationally, while other major US operators had to wait for the mid-band spectrum auction to take place. In addition, T-Mobile's early and extensive rollout in the 600MHz spectrum had already reached 95% population coverage in 1Q22, a wider 5G coverage than Verizon and AT&T combined.
- T-Mobile launched its 5G FWA service in early 2021, though it has been offering LTE-based FWA service since 2020. The T-Mobile Home Internet is priced at \$50 per month, including the cost of a Wi-Fi router. Those with a Magenta MAX or Go5G Plus mobile plan can add Home Internet for \$30 per month. There are no termed contracts or data caps tied to the service. Moreover, T-Mobile will pay up to \$750 in termination fees to users switching from a rival broadband telco.
- T-Mobile does not offer speed tier pricing or speed assurances. It states that typical download speeds are between 72 and 245 Mbps and upload speeds are between 15 and 31 Mbps, though this is caveated with a note that 25% of customers see speeds below and 25% see speeds above this range.
- T-Mobile's home plan offering aims to drive mobile-fixed bundles with its attractive pricing for mobile customers, though at \$50/month, it provides a compelling alternative to existing competitor DSL and cable offers.

### T-Mobile Home Internet plans (June 2023)

Plan	Tariff	Device	OTT
5G Home Standalone	\$50/month (with Auto Pay) \$55/month (without Auto Pay)	Wi-Fi 6 5G router (free)	
5G Home with Go5G, Magenta, or Essential mobile plan	\$40/month (with Auto Pay)	Wi-Fi 6 5G router (free)	Apple TV+ for 6 months (associated with mobile plan)
5G Home with T-Mobile Go5G Plus or Magenta MAX mobile plan	\$30/month (with Auto Pay)	Wi-Fi 6 5G router (free)	Netflix, Apple TV+ (associated with mobile plan)

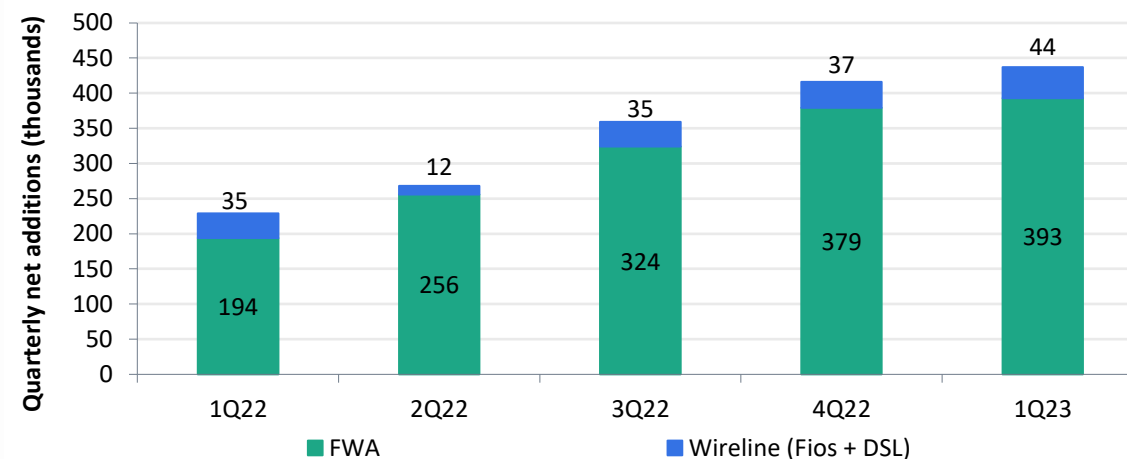
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## Case study: Verizon (1 of 2)

- Verizon is currently the second fastest growing 5G FWA service provider worldwide, with 1.4 million 5G FWA subscriptions in 1Q23, adding 393,000 subscriptions—the highest fixed broadband quarterly net addition in more than a decade.
- Verizon has also been heavily investing in its relatively small Fios fiber network expansion (where it makes sense to deploy), ending 1Q23 with 7.2 million fiber subscriptions. The company's shrinking legacy DSL subscriber base accounted for 348,000 subscribers, following a 30,000 net add loss in the last quarter.
- Verizon first launched its FWA Home Internet plans in 2018, utilizing 4G LTE. In January 2022, the company unveiled its 5G Ultra Wideband network and made its 5G Home Internet available in 900 cities.
- In the next five years, the surge in availability of its 5G Home Internet proposition will dramatically change the composition of Verizon's subscriber base and help drive Verizon's fixed broadband market share from 6.8% in 2022 to 11% in 2028, when it will reach par with AT&T (see page 20).
- By the end of 2028, fiber Fios subscriptions will comprise 56% of Verizon's total subscription base compared with 75% in 1Q23, while 31% of Verizon's fixed broadband subscriptions will be 5G FWA (compared to 15% in 1Q23).

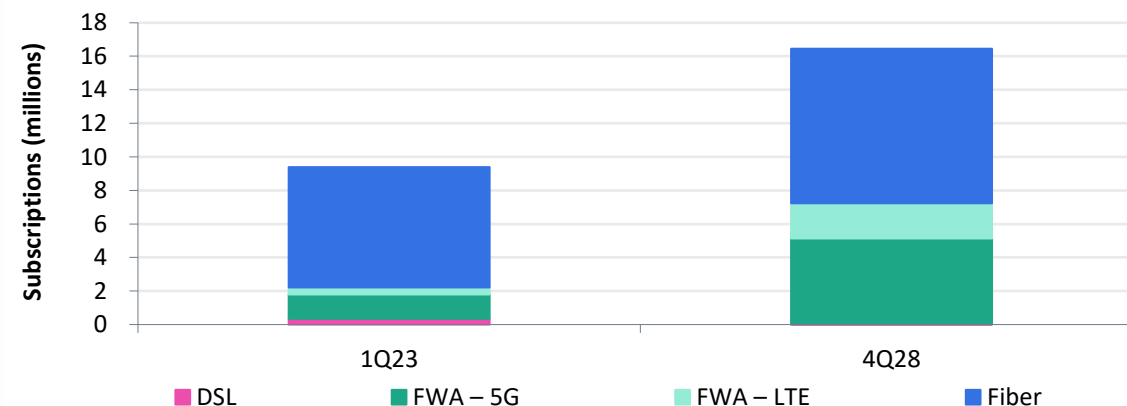
Verizon quarterly fixed broadband net additions (thousands)



Source: Verizon 1Q23 earnings presentation

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Verizon fixed broadband subscriptions by technology, 1Q23 vs. 4Q28



Source: Omdia

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## Case study: Verizon (2 of 2)

- Similar to T-Mobile, Verizon is pushing its 5G FWA proposition heavily in tandem with its mobile plans, offering up to 50% discount on 5G Home plans if bundled with unlimited mobile plans, which start at \$25 per month for a mobile line.
- There are no annual contracts, data caps, or extra speed options, and the price is guaranteed for two or three years, depending on the chosen plan (see table). Verizon offers up to \$500 to cover switching fees from other providers to new customers.
- Verizon also does not offer speed tiering or guaranteed speeds but indicates download speeds in the 85–300Mbps range.
- There are no specific OTT or entertainment promotions tied to the Home plans, as such value-adds are primarily targeted at mobile subscribers or higher-value Fios fiber subscribers.
- One concern raised regarding 5G FWA in the US is whether the networks have sufficient capacity to support long-term growth without quality degradation. Both Verizon and T-Mobile claim that there is currently ample capacity and a wide array of spectrum resources that have not yet been allocated or utilized. Both telcos are due to get new spectrum—C-band for Verizon and both C-band and 2.5GHz for T-Mobile—by the end of the year to help support 5G FWA growth targets, including in rural areas.

### Verizon Home plans (June 2023)

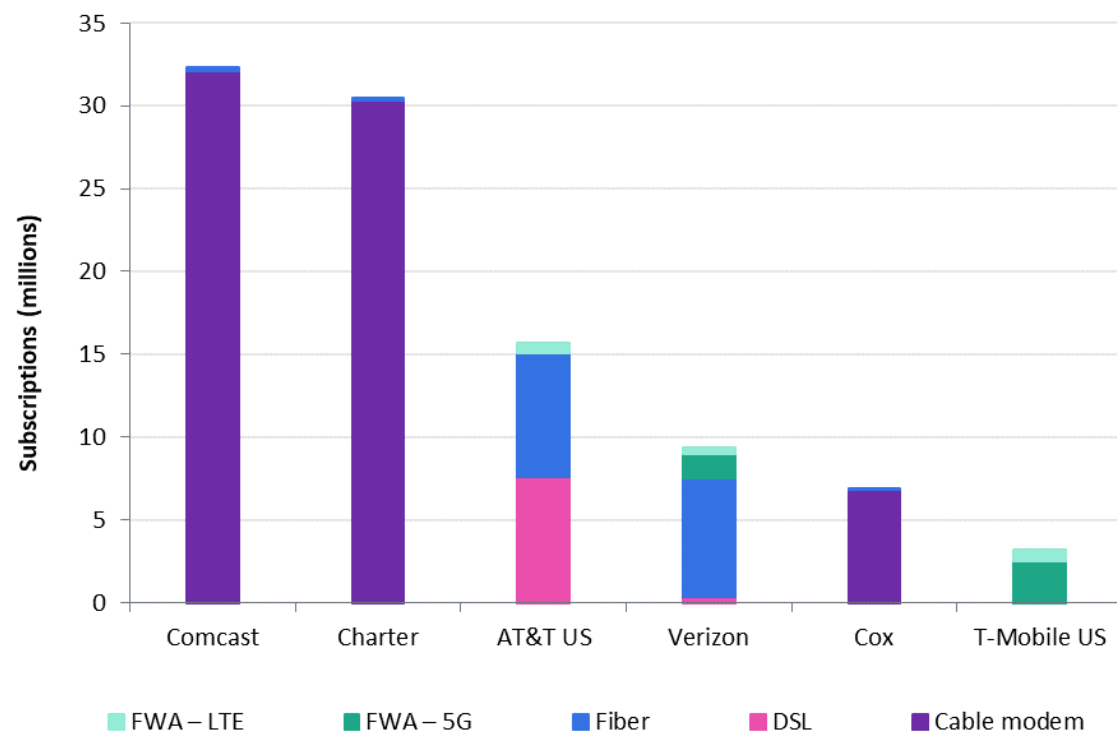
Plan	Tariff	Device	Extras
5G Home Plus Standalone	\$70/month (with Auto Pay) \$80/month (without Auto Pay)	Wi-Fi 6 5G router (free)	<ul style="list-style-type: none"> <li>• Three-year price guarantee</li> <li>• Verizon Cloud Unlimited backup (\$20/month value)</li> <li>• \$100 gift card</li> <li>• Verizon Stream TV soundbar or \$200 to spend at The Home Depot</li> </ul>
5G Home Plus with any Unlimited mobile plan	\$35/month (with Auto Pay)	Wi-Fi 6 5G router (free)	<ul style="list-style-type: none"> <li>• Three-year price guarantee</li> <li>• Verizon Cloud Unlimited backup (\$20/month value)</li> <li>• \$100 gift card</li> <li>• Verizon Stream TV soundbar or \$200 to spend at The Home Depot</li> </ul>
5G Home Standalone	\$50/month (with Auto Pay) \$60/month (without Auto Pay)	Wi-Fi 6 5G router (free)	<ul style="list-style-type: none"> <li>• Two-year price guarantee</li> <li>• \$50 Verizon gift card</li> </ul>
5G Home with any Unlimited mobile plan	\$25/month (with Auto Pay)	Wi-Fi 6 5G router (free)	<ul style="list-style-type: none"> <li>• Two-year price guarantee</li> <li>• \$50 Verizon gift card</li> </ul>

Source: Omdia

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# 5G FWA to drive T-Mobile and Verizon's fixed subs growth by 22% and 11% CAGR, respectively, between 2022 and 2028

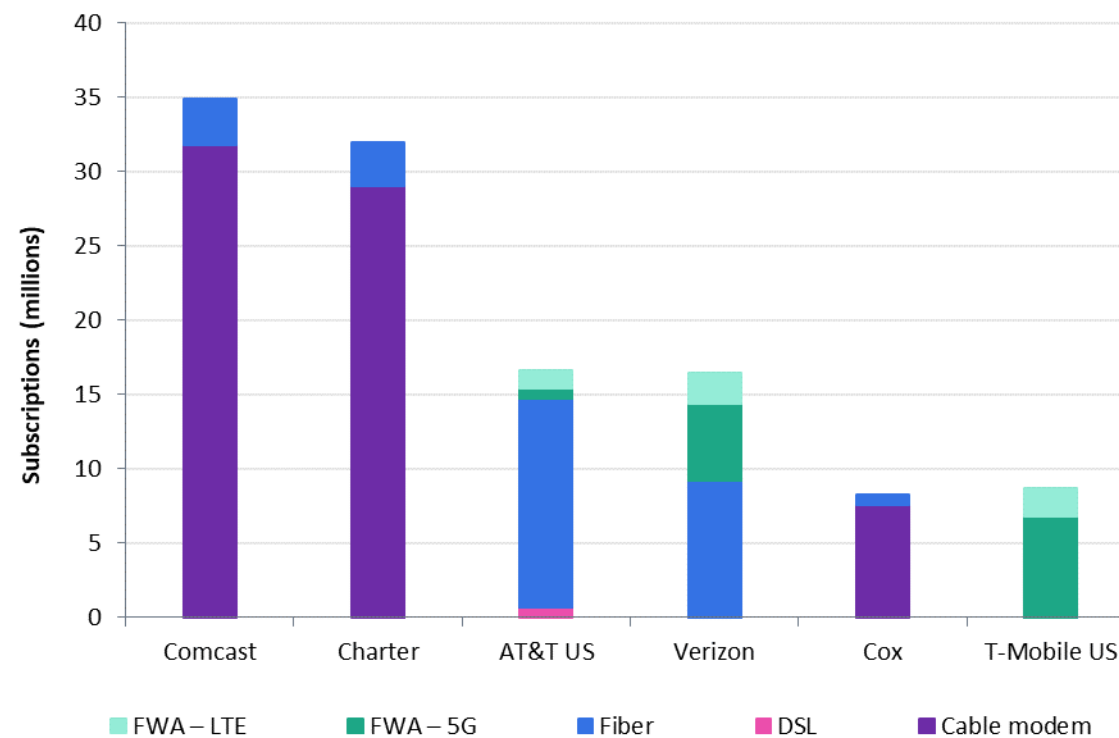
US: Fixed broadband subscriptions by service provider and technology, 1Q23



Source: Omdia

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US: Fixed broadband subscriptions by service provider and technology, 4Q28



Source: Omdia

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# 5G FWA pricing and go-to-market strategies

# 5G FWA pricing: Summary

- From a marketing perspective, 5G FWA and fiber advertised speeds are similar (although FWA uses shared spectrum and speeds can vary, such as at peak times). But price-wise, 5G FWA is 16% cheaper on average. As such, 5G FWA is still a “good value” fiber alternative for low-to-mid range data users that are not overly concerned with network variables, such as speed fluctuations during peak times.
- This year, some operators are hoping to drive upsell from 4G FWA, with messages such as “5G FWA’s faster speed ensures less buffering.” Verizon goes one step further, stating that 5G FWA is “reliable and fast enough” to reach the entire home. It does, however, caveat that this may require “additional Wi-Fi extenders.”
- There is still a lack of 5G FWA bundled options. But Omdia notes a few cases of bundling with mobile and even pay TV. There are few 5G-rich apps in the bundle (see slide 26), which makes sense if the operator’s strategy is to only attract value-seekers to fixed wireless and reserve fixed broadband for premium users. Meanwhile, competition hits several markets, including the US, where telcos are offering price guarantees, and markets such as Australia and Germany battle it out with larger data inclusions.
- Meanwhile, CPE affordability continues to improve (see table).

## 5G pricing in a nutshell (April 2023)

5G pricing indicator	Details
5G FWA price point	Fiber is a 16% price premium to 5G FWA; cable is a 10% premium.
Data controls	Telcos that do not want to diminish mobile network performance control 5G FWA data usage via data caps and fair usage policies. Select marketing of service to certain areas is also used as a tactic.
Bundling strategies	A total of 59% of telcos that Omdia tracks (see slide 26) do not bundle value-added services alongside 5G FWA.
Bundling innovation	Includes 5G FWA + mobile or pay TV.
CPE cost and availability	GSA says 238 5G CPEs have been announced. Huawei believes the price range could drop to \$50–80 in 2023.
Go-to-market messages (new)	Less emphasis on faster speed. New themes include less buffering and service reliability.
Go-to-market messages (what not to do)	Verizon states: “Reliable and fast enough to power your whole home,” but then adds “may require the purchase of additional Wi-Fi extenders”.

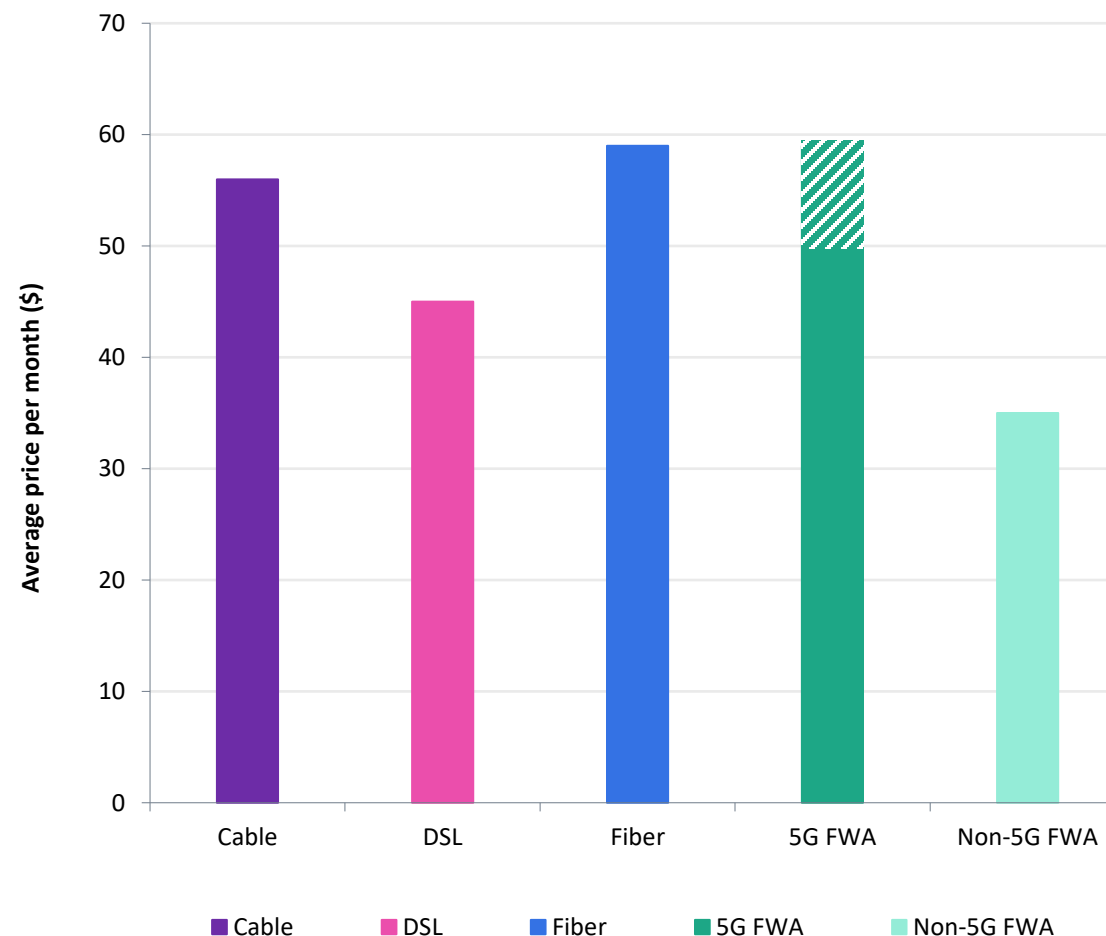
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# After anomalies, fiber costs the most

- According to Omdia's *Mobile & Broadband Pricing Tracker* analysis, 5G FWA and fiber had the same average monthly plan price of \$59 (see figure). This goes against the notion that 5G FWA is a value proposition.
- However, when we remove Mobily Saudi Arabia's expensive 5G Air Fiber plans, the average plan price for 5G FWA drops from \$59 to \$51. In turn, that puts cable at a 10% price premium on 5G FWA at \$56.
- At the low end, non-5G FWA is the cheapest at a \$35—compared with DSL's \$45—average downlink speed, which tips the balance slightly in 4G FWA's favor (250Mbps over DSL's 210Mbps), making 4G FWA an attractive substitute for DSL consumers.
- Meanwhile, the plan price uplift between 5G FWA and non-5G FWA is \$16 or 46%.
- Moreover, 5G FWA is prone to much fewer congestion issues than 4G FWA (all things being equal).

Average monthly broadband plan price by technology (\$), 4Q22



Source: Omdia's *Mobile & Broadband Pricing Tracker* – 2H22

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# Consumer data usage controls depend on the market and the telco

- There are three main ways 5G FWA operators can ensure these networks do not become congested, which can lead to the degradation of the mobile network (where both services share the same spectrum band). The first is data caps, such as T-Mobile Germany, which limits 5G FWA to 100GB. The second is limiting 5G FWA customers within certain suburbs (as in the case of Australia's Telstra). The third is leveraging consumer fair usage policies for network management (see table). The latter is usually deployed by challenger telcos, generally less concerned with mobile network performance. For example, Vodafone in Germany states it “reserves the right” to invoke traffic management measures. There are extremes, such as T-Mobile US and TPG Australia, which offer true unlimited data.
- Meanwhile, in emerging markets such as Africa, 5G FWA is rolled out alongside fiber to help bridge the broadband divide—MTN has fair usage caps (400GB and 1TB) in place since FWA is marketed widely and more as a fixed broadband alternative than complementary service.

## 5G FWA data usage protections (May 2023)

Telco	Country	Telco type	Fair usage policy/usage
Telstra	Australia	Incumbent	If users on the 1TB plan consume more, it is throttled to 25Mbps from 380Mbps average speed.
Optus	Australia	Challenger	“Cannot use the service in a way that is unreasonable, unacceptable, or fraudulent, including causing significant congestion.”
TPG Telecom	Australia	Challenger	During congestion, some data traffic will receive less priority. Users may experience slower speeds as a result.
T-Mobile	Germany	Incumbent	No explicit policy; 100GB for 4G and 5G FWA, speeds of 20Mbps and 300Mbps. 5G is €5 more.
Vodafone	Germany	Challenger	“Vodafone reserves the right to introduce traffic management measures to optimize traffic flow.”
MTN	South Africa	Challenger	“Lite” unlimited: fair usage of 400GB; “Premium” unlimited, fair usage of 1TB.
T-Mobile	US	Challenger	“There are no data caps on our 5G Home Internet service.”

Source: Omdia

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# Go-to-market: Strategies

- What a difference two years makes? Gone are the overabundance of “faster speed” and “plug and play” marketing overtures.
- Rather, Australian incumbent Telstra has changed its tune to focus on the family; its single 5G FWA plan offers 1TB, which it claims is “more than double what the average Telstra 5G home internet household uses in a month.” At A\$85 (\$56) a month (with 12 months of Kayo Basic), it is also priced attractive to its fixed broadband NBN plans (starting at A\$80 for 25Mbps unlimited). The caveat is that the 5G FWA service is available to a limited number of customers per postcode. Challenger TPG continues to promote 5G FWA as another value proposition over fixed broadband.
- In Germany, T-Mobile is promoting 5G FWA for the second home, student dormitory, or hotel room, careful not to cannibalize fixed broadband. In Africa, Vodacom markets 5G FWA’s faster speeds over 4G to reduce buffering.
- Verizon also focuses on service reliability in its advertising. The US has been unwavering in its pitch of 5G FWA as an alternative to cable (see table), but what is new is price guarantees—no price increases ever by T-Mobile US and two and three-year price guarantees by Verizon.

## Select marketing of 5G FWA (May 2023)

Operator	Go-to-market 5G FWA strategy
Telstra	“5G home internet your family can rely on.” “Select areas...and limited number of services available per postcode.”
TPG	“Great value connection” and “no technicians, appointments.”
T-Mobile Germany	“The high-speed hotspot to go.”
Vodafone Germany	“High-speed Internet without Internet connection.”
STC Saudi Arabia	“[5G FWA] allows you to get unlimited data capacity at the maximum speed supported by the network.”
Vodacom South Africa	“Faster 5G speeds reduce buffering so you can enjoy...without interruptions.”
Verizon	“Switch to 5G Home Internet starting at a low price, guaranteed.” “Reliable and fast enough to power your whole home.” “Ditch cable and switch stress-free.”
T-Mobile US	“We’re not like Big Cable. Keep your low price low at \$50 a month (with Price Lock).”

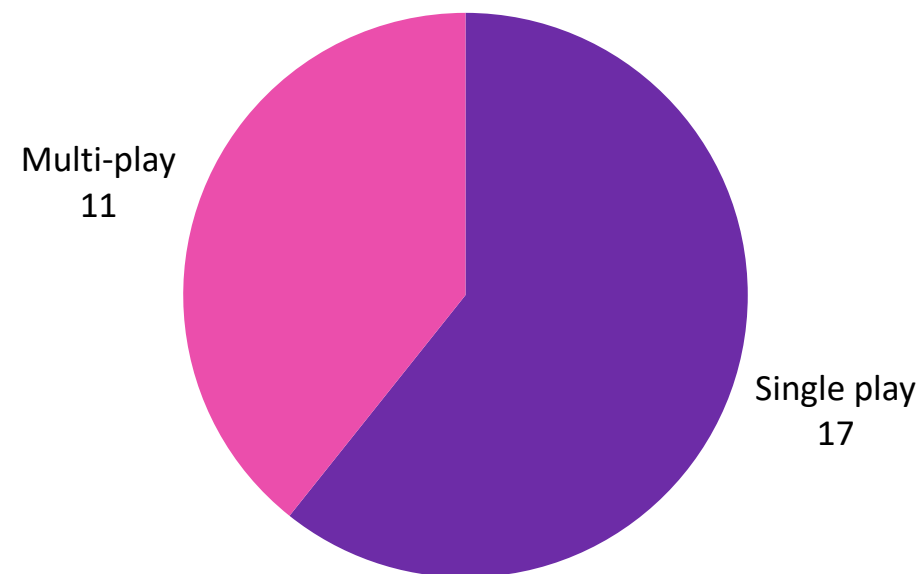
Source: Omdia

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# 5G FWA and mobile bundles are on the rise

- 5G FWA is mostly offered as a single play. Of those with multi-plays (in Omdia's *Mobile & Broadband Pricing Tracker – 2H22*), SoftBank and Vodafone Spain bundle mobile services with 5G fixed wireless.
- T-Mobile US and Verizon also both offer aggressive discounts on their 5G FWA plans when bundled with unlimited mobile plans, up to 40% and 50%, respectively. However, Verizon no longer bundles Disney+ or Xbox Series S consoles alongside 5G FWA.
- Meanwhile, WINDTRE Italy and Optus also bundle Amazon Prime (12 months and six months, respectively), which includes 4K content, hence its categorization as a “5G-rich” service.
- Furthermore, two operators—Vodafone Spain and STC Saudi Arabia—bundle pay TV with 5G FWA.
- Elsewhere, SmarTone Hong Kong differentiates one of its five 5G FWA plans by offering extended home Wi-Fi coverage (with a mesh router rental option).
- It includes loyalty points for every HK\$2 (\$0.25) spent on the service; staggered monthly fee rebates; and on one plan, there is even an option that includes an Iris Ohyama pot cooker.

5G FWA plan by bundle type, 4Q22



Notes: n= 28  
Source: Omdia

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# Appendix



# Appendix

## Methodology

This report draws mainly on Omdia's *Mobile & Broadband Pricing Tracker – 2H22*, which tracks fixed broadband plans and bundles for our Top 20 Tier 1 markets; Omdia's *Total Fixed Broadband Subscription and Revenue Forecast*; operator and vendor discussions; operator financial reports; and operator websites for go-to-market strategies and pricing innovations.

## Further reading

[\*Mobile & Broadband Pricing Tracker – 2H22\*](#) (March 2023)

[\*Fixed Wireless Access Subscription Forecast – 2Q23\*](#) (June 2023)

[\*Total Fixed Broadband Subscription and Revenue Forecast\*](#) (June 2023)

[\*US and Australia Global 5G FWA Strategies – Offense or Defence?\*](#) (July 2022)

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# Appendix

## Omdia Consulting

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Omdia's consulting team may be able to help you. For more information about Omdia's consulting capabilities, please contact us directly at [consulting@omdia.com](mailto:consulting@omdia.com).

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