TENDENCIES AND FACTORS OF TELECOMMUNICATION SECTOR DEVELOPMENT

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The research of the worldwide development trends of the sector of information technology and telecommunications allows to formulate the following laws of the present stage of their development. The given sector of economy and consumer market is influenced as a whole by a number of financial, technological and structural factors.

Despite optimistic forecasts of analysts and comparative security of the given sector in comparison with other sectors of economic activity it is not possible to avoid the influence of modern macroeconomic tendencies. Nevertheless, characteristic specificity of the sector introduces some corrective amendments in the estimation.

1. Availability of structural alterations. From the point of view of the international union of electric communication (IUEC) the economy entered a cyclical slowdown which began more than two years ago and sharply manifested itself in the autumn of 2008. However, the problems of the sector of information technology and telecommunications have structural and system character. They appeared long before the crisis and were accumulated through the years. The financial crisis only strengthened them. Structural alterations are connected with the competitiveness in sphere of new technologies, the change of profiles of consumption from outside clients, the backlog of regulation resulting from the rates of change of the market environment.

As economists fairly consider, such problems cannot be solved by injecting financial assets, liquidity and stimulating the demand restoration. Long-term strategic initiatives are necessary.

From the point of view of IUEC the crisis will lead to the revision of the schemes of financing and sector investment, the change in the structure of consumer demand, the legislation adaptation that in turn will cause the change of existing business models of communication statements. The crisis will accelerate the revision of the roles and prospects of some technologies, especially mobile communication, broadband access to the Internet (BANI), WiMAX and Long Term Evolution (LTE), NGN, NGA and satellite communication.

2. The development of an infrastructure of the sector of information technology and telecommunications. From the point of view of administration, it is impossible for the USA to curb the crisis without advancing the development of this infrastructure and to secure the role of the technological and innovative leader. Special focus is on connection to the Internet of all the medical and educational institutions, libraries, and objects of culture. EU also pays attention to the development of access infrastructure. The focus is shifted from the growth of the level of penetration to the creation of motivation for more effective utilization of BANI, Internet applications, etc.

The European commission on communications (European Communication Commission) accelerates reforms in the sphere NGA (New Generation Access Network) - the technologies of access and, first of all, in the sphere of optical technologies FTTH and FTTN, and gives higher priority to the discussion of the questions connected with frequency regulation, and the introduction of digital TV. Thus, in EU the creation of a specialized regulator ETMA (European Telecom Market Authority) is planned. Foreign regulators pay special attention to the development of the concept of universal service. The European Committee in 1993 gave following definition of a universal service (US): it is the minimum set of services of the established quality accessible to all users disregarding their geographical arrangement, under the prices established with the allowance for the features of economic and social situation of the territory.

As a rule, developing countries and the states with transitive economy pay the greatest attention to universal access and the installation of

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telephones to households. The developed countries, having already solved this problem, focus on a wide range of universal services.

3. Sustainable development of fixed-line telephony in the conditions of crisis. The fixed telephone service became one of the basic stabilizers of the branch. According to the questionnaire, only 10 % of the respondents (European consumers) said they can cut on fixed-line telephony, 20 % - on the Internet and 55 % - on paid TV. Thus, the fixed-line telephony and the Internet are up to the standard of requirements of the first necessity.

By the estimations of analysts, the crisis will lead to some major modifications of the competitive environment. Financially more stable, large players can enter into bull transactions with the prices and ARPU, offering the packages of Double and Triple Play and better service. Key strategy here is to sell more services to the current subscribers, instead of searching for the new ones.

For the market leaders it will lead, at least, to the preservation of incomes. On the other hand, high prices can cause the outflow of clients, therefore in a number of regions and client segments price war can break out. Thus the companies having high debt load, cannot reduce tariffs and cannot service their debt because of the decrease in the cash flow; thus it will worsen the parity debt/EBITDA that will in turn toughen the conditions of granting bank credits.

Thus, the companies with the low debt load have more possibilities for competition and if necessary, they can use price competition.

Small players with dated technology and low speed of access to the Internet will face the requests of the subscribers to lower tariffs under the threat to pass to other operator that will in turn lead to operational losses, and can become the reason of fast bankruptcy.

So, in 2004-2009 the amount of services in the telecommunication sector grew by 7, 3 times, while the GNP only grew by 2, 9 times. The economic crisis in the end of 2008 - beginning of 2009 led to the decrease in the rates of increase in the amounts of services in the telecommunication sector of economic activity by 4,6 %, in comparison with 7,8 % of the decrease in the growth rates of the GNP.

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