

South Africa Telecom MNO - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

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Report description:

South Africa Telecom MNO Market Analysis

The South Africa Telecom MNO Market size in 2026 is estimated at USD 11.21 billion, growing from 2025 value of USD 10.87 billion with 2031 projections showing USD 13.07 billion, growing at 3.12% CAGR over 2026-2031.

Muted growth reflects a mature voice business, recurring load-shedding costs and tight pricing oversight, even as data-centric revenues, 5G launches and fintech services deepen digital engagement. Device subsidies, spectrum refarming and open-access infrastructure keep subscriber additions positive, while cloud-linked enterprise connectivity lifts average revenue per user. Regulatory support for a 2G/3G switch-off by December 2027, together with open-access tower and fiber models, helps operators pivot capex toward 4G and 5G densification. Persistent power instability, high data prices and occasional subsea-cable faults remain the most visible growth brakes.

South Africa Telecom MNO Market Trends and Insights

Soaring Smartphone Adoption Drives Mobile Data Traffic

Rapid smartphone uptake multiplies data consumption, shifting revenues toward higher-margin bundles. MTN's plan to seed 1.2 million low-cost 4G handsets in 2025 directly tackles affordability hurdles and accelerates migration off legacy networks. The strategy aligns with the December 2027 2G/3G sunset, compelling operators to manage capacity upgrades while subsidizing

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devices. Network traffic across MTN South Africa climbed 35.7% to 9,054 PB in H1 2024, validating the revenue upside as adoption scales.

Enterprise Cloud and IoT Connectivity Demand Surges

Hyperscalers' local zones-from AWS Cape Town to Google Cloud Johannesburg-anchor South African firms' digital-first roadmaps. Vodacom Business earned AWS Direct Connect status, giving enterprises low-latency, secure links to cloud workloads. Large banks such as Standard Bank accelerated workload migration in 2024, driving demand for managed VPNs, SD-WAN and NB-IoT connections. Expanded IoT deployments-spanning agriculture sensors to municipal smart meters-support the segment's 3.38% CAGR outlook.

High Data Prices and Affordability Gap Limit Usage

At USD 2.67 per GB, South Africa ranks 136th worldwide for mobile-data affordability, limiting uptake of premium plans. Inflation, load-shedding fuel costs and a weak rand pressure operator margins, prompting cautious discounting strategies. Regulator ICASA relaxed data-expiry rules in 2024, implicitly acknowledging the tight economics confronting networks. Affordability constraints hit rural and prepaid users hardest, slowing full market digital inclusion.

Other drivers and restraints analyzed in the detailed report include:

5G Spectrum Auctions Unlock Premium-ARPU Services Fintech-Telco Convergence Creates Sticky Revenue Streams Load-Shedding Disrupts Network Availability and Opex

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

Data and Internet Services held a 55.56% South Africa telecom MNO market share in 2025 and contributed 48.3% of MTN's service revenue in Q1 2025. Voice and SMS volumes continue secular decline as over-the-top apps offload legacy traffic, yet dual-SIM penetration preserves a baseline of paid minutes. IoT and M2M, though only 1.96% of 2025 revenues, is the fastest-growing slice and underpins a projected 3.22% CAGR to 2031, aided by Vodacom's nationwide NB-IoT network.

The South Africa telecom MNO market size attached to IoT and M2M is set to expand alongside provincial smart-city budgets and private-sector fleet-tracking contracts. OTT video drives Pay-TV partnerships such as Telkom-Netflix, while bundled value-added services-from cybersecurity to cloud backup-defend margins against pure-play data commoditization. Operators' ability to package fintech wallets with data bundles adds retention levers absent from traditional service menus.

The South Africa Telecom MNO Market is Segmented by Service Type (Voice Services, Data and Internet Services, Messaging Services, IoT and M2M Services, OTT and PayTV Services, Other Services), End User (Enterprises, Consumers). The Market Forecasts are Provided in Terms of Value (USD) and Volume (Subscribers).

List of Companies Covered in this Report:

MTN Group Limited Telkom SA SOC Limited Cell C Limited Vodacom South Africa Rain (Pty) Ltd

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The market estimate (ME) sheet in Excel format
3 months of analyst support

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