

into single operator (*B.net*). By the end of 2008 *B.net* had the majority (73%) of cable TV customers in Croatia.

In Q4 2008 the cable penetration in households reached 9,2%, with no significant growth achieved since 2006 (Table 14). In 2008 the largest cable operator *B.net* focused its investments on the upgrade of its existing cable network, enabling the offer of triple play services to all of its customers. Also, the further growth of cable penetration has been constrained by the offer of incumbent's IPTV service during the last two years.

Table 14 – Cable networks developments, Q42006-Q42008

	Q406	Q107	Q207	Q307	Q407	Q108	Q208	Q308	Q408
Cable TV customers (thousands)	131	133	135	134	133	134	134	133	136
<i>Penetration in households</i>	8,9%	9,0%	9,1%	9,0%	9,0%	9,0%	9,1%	9,0%	9,2%
Cable Internet access customers (thousands)	8	8	9	10	10	13	16	18	22
Cable voice customers (thousands)	-	-	-	-	3	5	6	7	7

Source: Lator based on operators and HAKOM data.

IPTV Services

There were 137.000 IPTV customers by the end of 2008 (Table 15). The majority of IPTV customers belonged to the incumbent operator, which has been offering its IPTV services over ADSL lines since Q3 2006. Incumbent's IPTV packages contain standard and premium TV channels delivered in standard and high-definition TV quality. Apart from the incumbent, only one alternative operator (*Metronet*) offers IPTV services via FTTH network. Its services are available only in few parts of capital Zagreb, resulting with rather low customer base of around 1.000.

Table 15 – IPTV customers development, Q12007-Q42008

	Q406	Q107	Q207	Q307	Q407	Q108	Q208	Q308	Q408
IPTV customers (thousands)	6	17	22	24	45	57	73	93	137

Source: Lator based on operators and HAKOM data.

Bundled Packages

Bundled services comprise package offer of voice, broadband data or TV services, invoiced to customer on a single bill¹¹. If two services are offered within the package, the package is considered to be *double-play*, while simultaneous offer of three services is considered as *triple-play* package.

At the end of 2008 the Croatian bundled packages market segment was still in a nascent phase (Table 16), resulting with rather low penetration of bundled customers in population (1,2%). The bundled customers belonged to national cable operator and alternative operators that offered bundled voice and ADSL packages. It should be noted that these indicators have a potential for significant increase once the incumbent starts to offer bundled packages to its large base of ADSL customers (over 473.000 customers by the end of Q4 2008).

¹¹ According to the EU COM definition.