



Shaw Communications Inc. Has a Lucrative Mobile Solution

Description

Canada's telecoms are often noted as being some of the [best investments on the market](#).

Indeed, the Big Four telecoms offer many of the same services, with similar coverage areas and even similar additional revenue streams outside the core subscription services, typically in media and, more recently, home monitoring services.

Shaw Communications Inc. ([TSX:SJR.B](#))([NYSE:SJR](#)) may be the smallest of the Big Four telecoms by coverage, but that doesn't necessarily translate into any less of an opportunity for investment.

In fact, Shaw poses what is probably one of the most intriguing opportunities across any of the telecom companies which investors should be prepared to act on.

Shaw's mobile solution

One area where Shaw lags behind its peers, at least for the moment, is in offering a nationwide wireless solution.

Over the past decade, smartphones have evolved from being primarily communication devices to a more multifunctional role that has replaced a multitude of everyday devices, with more functionality being added with nearly every passing day.

All of that added functionality comes with a growing need for data, which the carriers are all too eager to provide to their customers. This drives up rates, which invites faster smartphones to enter the market and creates the opportunity for developers to create more data-hungry applications that perform new functions.

It's a vicious circle that experts see as one of the primary drivers behind a near doubling of data-consumption rates.

The flip side of this is that as data rates rise, wireless customers are becoming more dissatisfied with their wireless providers and actively explore any viable competitors.

Shaw knows this, and this was part of the impetus behind Shaw acquiring the network of former telecom Wind Mobile. Wind was a smaller regional player, with coverage only in pockets of Ontario and in the west of the country, but the areas where Wind did operate it was wildly popular, owing to its lower rates and simplified, contract-free business model.

Wind has, on occasion, pledged its desire to build and modernize the former Wind network, vowing to keep the aggressive pricing and policies to shake up the wireless market in Canada.

That approach has, so far, worked incredibly well, as Shaw added 93,500 new post-paid wireless subscribers to its new Freedom mobile offering, far eclipsing the meagre 33,400 subscribers gained in the prior year.

Should you invest in Shaw?

Shaw poses an incredible opportunity for investors looking at diversifying their portfolios with a telecom investment. Shaw's monthly dividend, which offers a very appetizing 4.43% yield, will draw in income-seeking investors as well, making this stock a great long-term pick for both [income and growth-seeking investors](#).

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