Mobile Media Market Map

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FirstPartner

Introduction

Welcome to the FirstPartner Mobile Media Map 2009. The map shows the structure of the industry and identifies key players and market trends.

Market Drivers

Mobile Handsets are finally usable personal media devices..... and personal media devices are getting connected

Following the lead set by the iPhone, current generation Smartphones combine specifications and user interfaces that finally make handsets truly usable media devices. Key enabling features include high speed connectivity (HSPA and Wi-Fi), large screens, high memory capacity, support of applications and genuinely usable web browsers. Personal media devices such as iPod touch and Nintendo DS also have Wi-Fi connectivity facilitating web browsing and content download. Smart phone sales have performed strongly in spite of a global downturn in the handset market with shipments growing 18.7% between 2008 and 2009 (source Ovum). Mid range feature phones are also increasingly optimised for and marketed around specific mobile media applications, notably music and social networking.

Perceived Cost of Browsing is Coming Down

The introduction by operators of flat rate data plans is an important facilitator for both browsing and content download, although consumer take up is still relatively low. ComScore has reported a doubling in US users using their mobile devices to access Internet news and content between Jan 2008 and Jan 2009.

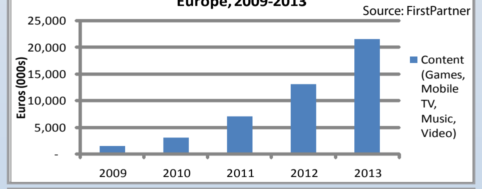
Application Stores Open Up the Distribution Channel

The Apple Appstore provides a discovery and purchase user experience that is far superior to that traditionally offered by MNO and Direct to Consumer (D2C) portals and has reached 1.5BN downloads in just over a year since launch. Application stores are now a significant distribution channel for games and mobile apps are delivering social networking, music services, video and even books to. A user survey undertaken by AdMob in August 2009 reported iPhone and Android users downloading 9-10 new apps per month and with 50% downloading one or more paid apps.

Paid, AdFunded or Free?

While analysts suggest healthy revenues for mobile content (Gfk report European mobile entertainment spend exceeded €2bn in 2008), research evidence suggests that consumers are more prepared to consume mobile media content if it is subsidised through targeted and relevant ad funding (source 4th Screen Advertising). Mobile advertising is still at an early stage of market development and while it has great potential, mobile is not yet accepted by advertisers or agencies as a mainstream media option. FirstPartner forecasts that revenues for content based advertising in Western Europe will reach €21.5M by 2013.

Mobile Advertising Content Revenue Western Europe, 2009-2013



Social Networking: A Major Driver of Mobile Web Traffic.

According to Opera, social networking makes up nearly 40% of all mobile web traffic in the US and South Africa and nearly 60% in Indonesia. ComScore has reported 152% growth in mobile social networking between Nov 2007 and Nov 2008 in Western Europe with 5% of Western European mobile phone users accessing internet and mobile social networks.

Mobile Music: About to Take off?

In Japan mobile accounted for 90% of digital music revenues in 2008 but has been much slower to take off in the rest of the world. The emergence of DRM free downloads and unlimited access subscription services offered through several MNOs, Nokia Comes with Music and Sony Ericsson PlayNowPlus are set to change this. Ringback tones have proven popular in some territories and internet streaming services Last fm and Spotify are also now available through mobile applications.

Mobile TV: Finally moving into the frame?

Despite its early promise, broadcast mobile TV has made slow progress primarily as a result of unproven business models and lack of clear evidence of consumer demand for paid services. The major exception is Asia Pacific, where Japan and Korea lead with 20M and 22M viewers respectively and services launched in China in 2008. The free to air business model attracting the majority of these viewers is still challenging due to weak advertising sales. In Europe Italy is the leading market with just over 1M subscribers and Three Italia the leading player. The Netherlands has also seen a strong launch but success in other European markets has been limited. In the US, restricted MediaFLO deployments by MNOs AT&T and Verizon will likely be joined by ATSC M/H based rollouts by local broadcasters within the next 2 years. India is also likely to demonstrate strong growth when services launch led by state broadcaster Doordarshan.

Prepared by

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Customer Segments

Mobile Socialisers – Active socialisers using the mobile for continuous access to social networking services, messaging and uploading content.

Personal Music Players – Music and video fans using their phone as their main personal music and media player.

Casual Personalisers – Download occasional pictures, ringtones etc to personalise the phone. Light users of games, video and full track music services

Mobile Gamers – Use a phone or handheld gaming device to play on the move and increasingly as a media and communications device

Business / utility Users – Use the mobile phone to gain access to news, travel, weather information and increasingly navigation and other business and utility apps

PC Substitutors – Use the mobile as regular or only internet access device. Will be increasingly prevalent in developing economies.

Devices

Smart Phones – Supporting high speed cellular and WiFi connectivity, with large screens, high memory capacity and advanced applications and media support, these devices are most suited to mobile media consumption. Market share is still low but is growing especially in developed markets.
- iPhone • HTC Magic • Palm Pre • Blackberry • Nokia N and E series

Feature Phones – Mass market devices often optimised for one or more media uses such as music or social networking. Smaller screen sizes, lack of high speed connectivity and limited application support limit mobile browsing capabilities. These phones are most widely used to access media content
- Nokia 5310 • Sony Ericsson C510 • Samsung Tocco Lite • LG Chocolate BL40 • INQ1

Basic Handsets – Low cost mass market devices with limited web browsing and media capabilities. Common amongst less sophisticated customers and in emerging markets
- Nokia 3110c • Sony Ericsson W200i • Samsung M300 • LG KS360 • Motorola F3

Personal Media and Handheld Gaming Devices – Increasingly including WiFi connectivity and browsing capability and supported by video and content stores, these devices provide an alternative to the mobile handset for mobile web browsing and media consumption
- Nintendo DS • Apple iPod Touch • Sony PSP

Mobile Networks

Delivery Channels

Mobile Internet

Operator Portal
- Vodafone live! • AT&T • Telefonica • Verizon

Off Portal Mobile Internet Sites

Broadcasters and Media: • BBC Mobile • CNN • Bloomberg

News and information Sites: • BBC • NBC

D2C Entertainment Portals: • Buongiorno (BlinkGold) • Hungama • PlayPhone • Jamba • NeoMobile

Application Stores

Operator: • Vodafone Apps Shop • Orange Apps Shop • China Mobile Mobile Market • T-Mobile Web 2 Go

Platform Vendor: • Apple Appstore • Google Android • Nokia Ovi • Blackberry App World • Palm App Catalogue • Samsung Mobile Apps • Sony Ericsson PlayNow

Independant: • Neomobile / Mobango • Getjar • Handango

Fixed Internet Delivery

Mobile devices with WiFi Connectivity enable users to access media via Applications Stores and the Internet without using mobile operator networks

Physical Distribution

Content and applications are preloaded onto devices, delivered via on device portals or using physical memory cards
- SanDisk • PNY Technologies

Delivery Platforms & Enablers

Transaction and Security

Payment: • Amdocs • Accumulate • Bango • mBlox • Inmobia • Materna • Paypal • Sybase 365 • Oracle • Verisign

DRM: • Safenet • Discretix • Irdeto • NDS • Microsoft PlayReady • Nagravision

Delivery Platforms

Broadcast TV: • Qualcomm • SIDSA • Irdeto • Alcatel Lucent • Solaris Mobile • Thomson NDS

TV, Video and Music: • Ericsson • Safron Digital • Player X • Mobix • inmobia • Mobiclip • QuickPlay Media • Tandberg • Qualcomm • Yospace • Muzicall • Aspiro/Rubber Duck Media

Games: • Accumulate • Amdocs • Materna • Motricity • Movaya • MPlayit • Greystripe • Metaflow • Mpowerplayer • Player X

Publishing Platforms: • Fonestarz • Minick • Volantis • Inmobia • Kilrush • Netbiscuits • Tanla • MoMac • Wapple

Content Discovery

Content discovery tools include Mobile Search, Application Store categorisation and recommendations, Active Idle Screens and specialist applications.

Mobile Search: Google, Yahoo! • MCN • Medio Systems • Taptu • JumpTap

Active Idle Screen: • Abraxia • SurfKitchen

Specialist Tools & Apps: • Gracenote (Sony) • xiam (Qualcomm) • Audials

Services

Mobile TV

Delivered via Broadcast (eg DVB-H, MediaFLO), streamed over the mobile network or via the fixed internet and WiFi. Services are fronted by Mobile operators, Mobile Broadcast Network Operators, Broadcasters and independent specialist services providers

Video On Demand

On demand TV programming, catch up TV, music videos and mobile video clips, delivered through MNO portals, Broadcaster mobile sites, D2C mobile entertainment specialists, content stores and applications

Games

Mobile Games received a significant boost through the success of iPhone as a new platform and application stores as a distribution channel.

Music

Mobile Operators, Handset Vendors, Independent D2C specialists and music stores compete in the paid full track download market. Innovative business models, such as Nokia's "Comes with Music" bundle content in handset pricing. The category also includes streaming, ringtones, ringback tones and track recognition.

Information & Utilities

Improved browsing capabilities and applications support are turning mobile phones into ubiquitous information devices providing up to date travel and weather, mapping and navigation, city guides, language translation and a multitude of other utility applications.

Social Networking

Accessing social networks is one of the main drivers for mobile Internet usage. Leading web based services have mobile clients /applications and specialist mobile services are also finding a place in the market. Mobile operators increasingly include access to social networks as a value added service bundled into tariffs.

News

Major and specialist news providers increasingly provide mobile optimised sites, and applications in addition to providing news content to Operator portals

Entertainment

Entertainment covers a range of services from novelty mobile apps to books, lifestyle advice and adult content and services.

Content is delivered via mobile internet portals and increasingly mobile applications

Retailers / B2C Service Providers

Mobile TV Service Providers
- MNO's: • AT&T • Vodafone • Orange • KPN • 3 Italia • SK Telecom
- Broadcasters: • NHK (Japan) • Doordarshan (India) • TU Media (Korea) • Mediaset
- Independants: • ROK Entertainment • QuickPlay Media

Video Service Providers
- MNO's: • Vodafone • Orange • 3
- D2C Retailers: • Apple iTunes • Club zed
- Handset Vendors: • Sony Ericsson • Nokia
- Broadcasters: • BBC (iPlayer) • ABC

B2C Retailers
- MNO Portals: • Vodafone • Telefonica • AT&T
- D2C Retailers: • Playphone • Neomobile • Hungama
- App Stores: • Apple Appstore • Nokia Ovi • Blackberry App World
- Publisher D2C: • EA Mobile • Gameloft • Glu

B2C Service Providers – Branded music stores and services promoted directly to consumers
- • Vodafone • Orange • KDDI • Sony Ericsson • Apple iTunes • Thumbplay • Nokia • Napster • 7 Digital • Spotify • Last FM • Shazam

Applications
- Google Earth
- Pandora Radio (Internet Radio)
- TomTom (Navigation)
- Urbanspoon (Restaurant guide
- The Weather Channel (Weather)

Social Networks
- Internet: • Facebook • Twitter • MySpace • Bebo • orkut
- Mobile: • Flirtomatic • itsmy.com (GoFresh) • MixIT • The Grid • Peperonity (Peperony) • Mamba • Mocospace • Loopt • Buzz City

News Providers
- General: • BBC • Sky • CNN • CBS
- Specialist: • Bloomberg • ESPN • AccuWeather

Content and Applications Providers
- Cherry Media (Adult)
- Hottrix (novelty apps)
- Uclick (comics)
- 3G Dating Agency (dating)
- Penguin (books)
- Random House (books)

Aggregators and White Label Service Providers

Multi Service Aggregators – Provide Packages of content and delivery platforms to MNOs, Portals, Broadcasters and Brands
- Hungamana • Zed / Player X • Boungiorno • Inmobia • Mobile Streams

Video and TV Specialist Aggregators: • Mofilm • MobiTV • ROK • Yamgo

Games Aggregators: • Arvato • Selatra

White Label Music Providers: • Omniphone • 24-7 Entertainment • 7 Digital • Thumbplay • mSpot

Content Creation

Channel Operators & Broadcasters – Provide packages of optimised channels for Broadcast Mobile TV and VOD
- MTV • Sky • NBC • NTV • BBC Worldwide • Discovery Channel • NHK • Prosieben

Localisation and Repurposing: • Saffron Digital • Rythm NewMedia

Video & TV Production Companies – Mainstream and specialist production houses are creating video and TV content tailored for the medium.
- Endemol • Fox • CBS Mobile • Disney Interactive • Warner Bros
- Made for Mobile specialists: • Fun Little Movies • Studio X

User Generated Content: • YouTube • Mobango • Kyte • Eyevibe

Publishers – Publishers Fund, Distribute and Market Games. Many leading publishers have mobile specific brands
- EA Mobile • Gameloft • THQ Wireless • Digital Chocolate • Glu • Connect 2 Media • Hands-On Mobile • Namco

Developers: • Firemint • Gameloft • DigitalChocolate • Mr Goodliving • Fishlabs • Dynamic Pixels

Labels: • Universal Music • EMI Music • Sony BMG • Warner Music • Ministry of Sound

Artists / Users – Some services encourage artists and community members to directly submit tracks (eg Mobango).

Content Providers
- Navteq (Maps)
- TeleAtlas (Maps)
- eBay (Trading)
- Time Out (Entertainment Listings)
- Rough Guides (Travel information)
- Foreka (Weather)
- Inrix (Traffic Information)
- Transport for London (Public Transport)
- Collins (Dictionaries)

Ad Funding of Content

Mobile Marketing Platform Providers
- Velti / Adinfuse • Nokia Interactive Solutions • Buongiorno • Netsize • Amobee • iconmobile • Inmobia • xiam (Qualcomm) • Yahoo • Greystripe • Celltick • Smaarto • Tania • Sybase 365

Mobile Sales Houses and Ad Networks – Sell ad space (inventory) on behalf of media and content owners, serve ads and deliver metrics.
- AdMob • InMobi Network • Unanimis (Orange) • 3rd Screen Media (AOL) • Mobisolve • Yahoo • Microsoft • Nokia • Zestads • Greystripe

Metrics: • Comscore • Nielsen Mobile Media • Motally • Medio Systems • GSMA

Design, Creative and Campaign Management
- Specialist Agencies: • Velti • iconmobile
- Full Service Agencies: • WPP • MC Saatchi
- Media Planners and Buyers: • Zenith Optimedia • BLM Quantum

Brands and Advertisers: Mercedes-Benz, Nike, HSBC (The world's local bank), Red Bull, Coca-Cola, Michelin

Market Enablers

Industry Bodies
- Mobile Entertainment Forum (MEF) • Mobile Marketing Association (MMA) • Mobile Data Association (MDA) • CTIA • GSMA • IFPI • ITU • OMA • 3GPP

Mobile TV Broadcast
- DVB-H • S-DMB • T-DMB • MediaFLO • STIM • DVB-SH • ISDB-T • SMBMS • ATSC M/H

Regulatory
- MMA (US) • FCC (US) • CTIA (Worldwide) • European Commission • MIIT (China) • MIC (Japan) • PhonePayPlus (UK) • OfCom (UK)