

Mobile Gambling & Adult Content to generate \$6.5bn by 2006, pending favourable regulatory development.

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Two new studies from Juniper Research conclude that Gambling and Adult based content have the potential to generate revenues in excess of \$6.5bn by 2006 . . . but only if the right operating conditions are set by the industry, its regulators and partners:

- Safety, security and child protection must be the No.1 priority - getting these issues right will lay the foundations for future growth.
- Trustworthy and reliable payment systems must be in place, providing two-way commercial transactions (micro and macro payments for services, and the return of gambling winnings).
- Unsolicited content, 'Spam' - the curse of the internet, must not be allowed to invade the mobile world to the same extent. Self regulation must feature high on the agenda, or the inevitable lobbying and regulation will no doubt be enforced .
- Operator & service provider brand protection, and public perception, will need to be managed very carefully, distancing content provider and operator.

Paul Skeldon, Senior Analyst at Juniper Research, and mobile entertainment specialist comments: "A high demand from mobile users for adult content, and simple lottery type gambling services, is almost without doubt. The big issue now facing the sector is regulation, and its implementation across the world. Our assessment is that the services that are given a green-light will generate good revenues (in certain regions), but these will be limited. Regulated lotteries and betting services will be the big winners".

Mobile Adult Content

2006

Text \$118m

Images \$253m

Video \$420m

Total Adult Content \$791m

The Juniper study found that adult content will generate around \$790m in revenues by 2006, with over half of this derived from video content. Despite large amounts of adult-type content being exchanged by peers (via text and camera phones etc), we believe that content generating revenue will remain relatively low.

Mobile Gambling Services

2006

Casino \$0.9bn

Lotteries/Competitions \$2.8bn

Betting \$2.0bn

Total Gambling Services \$5.7bn

The introduction of peer to peer betting at sports events, and the like, will be the one to watch, as will the adoption of lottery and TV linked competitions to the mobile.

Further Information

Juniper Research is a European based provider of business intelligence.

Details and FREE white papers can be found at: <http://www.juniperresearch.com>

Source: Juniper Research

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