

# Adult industry to net US\$1bn from mobile phone users in 2005

Submitted by: Juniper Research

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Hampshire UK, 8th February 2005: The value of mobile adult content is expected to rise by more than 50% to US\$1.01bn in 2005, according to a new report from Juniper Research.

With text-based services already well established in many countries, the strongest growth will come from more sophisticated services offering video-clips and streamed video in addition to text and images.

The report reveals that the majority of revenues will continue be derived from Europe and the Asia-Pacific region, although an increasing availability of services in the US will push North American mobile adult revenues past the US\$400mn mark by the end of the decade.

Report author, Dr Windsor Holden, said, "At the present time, the size of the US market is extremely limited because customers are used to downloading content through the portal of their network operator, and the network operators are reluctant to offer adult content for fear of a regulatory or consumer backlash. But in the medium term, customers will become increasingly adept at browsing wireless internet sites operated by aggregators or other independent providers, with the result that overall revenues will show a significant increase."

Dr Holden added that while the market will continue to be dominated by small businesses, the major adult publishers should begin to encroach on their market share from 2005.

"You're also seeing an increasing level of convergence, with services such as 'Naked News' now available on PDAs and mobile handsets."

Other findings from the report include:

- The value of the global mobile adult market is set to reach US\$2.1bn by 2009.
- While US networks will continue to eschew adult content, in the UK and mainland Europe the scale of content available directly from the operators is likely to rise dramatically in the short and medium term.
- More than half the net additions to the user base of adult text-based services will come from Asia.
- European customers are currently the biggest spenders on adult content, with an average annual revenue per user of more than US\$34.

White papers and further details of the new study 'Mobile Adult Content: Text, Images & Video (second edition)' can be obtained at [www.juniperresearch.com](http://www.juniperresearch.com) or from Michele Ince at [micheleince@juniperresearch.com](mailto:micheleince@juniperresearch.com), Telephone +44(0)1256 345612.

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