

Mobile Music Market to Reach \$9bn by 2009

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Hampshire UK, 1st March 2005: The increasing popularity of full-track downloads and ring-back tones will help push mobile music revenues to more than \$9.3 billion by 2009, according to a new report from Juniper Research.

While the downloads of mobile ringtones and realtones will comprise the bulk of revenues (\$4.8 billion), the market for full-track downloads is expected to increase from just \$20 million in 2004 to nearly \$1.8 billion in 2009, while ring-back tones – already generating substantial revenues in Asia – should be worth \$2.7 billion worldwide by the end of the decade.

According to report author Dr Windsor Holden, “Last year we saw the major network operators and players taking the first tentative steps towards the mass distribution of master recordings via mobile handsets. This year the operators are substantially increasing their catalogues as more labels come on board, while the vendors are producing more handsets with integrated music players.”

Dr Holden added that it was likely that ring-back tones would generate the majority of their revenues amongst fashion-conscious teenagers and young adults.

“By subscribing, they can demonstrate to their callers (usually their peer group) that they are keeping up with the musical times by having the latest number one on their ring-back tone as well as their ringtone,” he said.

Other findings from the report include:

- Total value of global mobile music market to rise by 39% in 2005 to nearly \$5 billion.
- Europe expected to lead revenue growth in short term, to be overhauled once more by Asia-Pacific revenues by 2007.
- European ringtone price levels are unsustainable and are expected to fall by more than 46% over the next five years; North American prices to fall by 33% over the same period.
- Sixty million ring-back tone subscribers worldwide in 2005, rising to more than 300 million in 2009.
- Annual number of full-track downloads to reach 1 billion in 2008.

White papers and further details of the new study ‘Mobile Music: Ringtones, Ring-backs & Full-tracks (second edition)’ can be obtained at www.juniperresearch.com or from Michele Ince at micheleince@juniperresearch.com. Telephone +44(0)1256 345612.

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