

# Global Recession Causes Mobile Entertainment Growth to Decline to 7% p.a. in Worst Case Scenario, Warns Juniper Report

Submitted by: Juniper Research

Tuesday, 3 March 2009

---

HAMPSHIRE, UK: March, 3rd 2009 -- A new report from Juniper Research warns that, while its best case forecasts estimate that the mobile entertainment market will reach nearly \$36bn in 2010, revenue growth will be markedly lower if the global recession fails to bottom-out over the next twelve months.

Using a scenario-based approach to assess the impact of the recession on the mobile entertainment industry, the mobile entertainment report (<http://www.juniperresearch.com/shop/viewreport.php?id=174>) found that average annual growth over the next two years declines from nearly 19% under the best case scenario to less than 7% in the worst case, with mobile TV, user-generated content and music amongst those sectors which are particularly exposed.

Lower discretionary spend on services and handsets were amongst the major contributory factors to the decline in top-line entertainment service revenues, although the report found that other attendant factors – such as a lack of available funding to finance the development of new applications, and faster migration to ad-funded services – would also impact on revenue growth over the forecast period.

According to mobile entertainment report (<http://www.juniperresearch.com/shop/viewreport.php?id=174>) author Dr Windsor Holden, “Some entertainment services appear to be highly susceptible to the downturn. Furthermore, given that operators will perceive that consumers will be increasingly reluctant – or unable – to purchase content, they may in turn be less likely to roll out expensive, higher risk services: a dedicated mobile broadcast TV network is a prime example”.

However, the Juniper report found that some sectors, such as adult services and gambling, were less exposed than others: it noted that for mobile gambling, there was a possible upside in the migration of wagers from physical to remote sites with consumers going out less and instead placing bets via the mobile or PC.

Other findings from the report include:

- Under all scenarios, mobile music will remain the largest single mobile entertainment sector, despite the continuing decline in revenues from ringtones
- In addition to the negative impact of the downturn, growth in service deployment and adoption remains constrained by the excessive cost of data services across many markets.

Whitepaper (<http://www.juniperresearch.com/shop/viewwhitepaper.php?id=174&whitepaper=82>) and further details of the study ‘Mobile Entertainment in a Recession: Scenarios, Markets & Forecasts 2009-2013’ can be freely downloaded from <http://www.juniperresearch.com> Alternatively please contact John Levett at [john.levett@juniperresearch.com](mailto:john.levett@juniperresearch.com), telephone +44(0)1256 830002.

Juniper Research provides research and analytical services to the global hi-tech communications sector, providing consultancy, analyst reports and industry commentary.