

# Operators Eye Content Revenues as Billing Opportunity Reaches \$47 billion by 2020

Submitted by: Juniper Research

Monday, 11 July 2016

---

Hampshire, UK –11th July 2016: A new study from Juniper Research

([http://www.juniperresearch.com/home?utm\\_source=sourcewirepr&utm\\_medium=email&utm\\_campaign=Digital\\_Business\\_Co](http://www.juniperresearch.com/home?utm_source=sourcewirepr&utm_medium=email&utm_campaign=Digital_Business_Co)

has found that the value of digital content transactions paid for by carrier billing is expected to reach \$47 billion by 2020, more than 4 times 2015's figure of just under \$11.3 billion.

According to the new research - Digital Content Business Models: OTT & Operator Strategies 2016-2021

(<https://www.juniperresearch.com/researchstore/strategy-competition/digital-content-business-models/ott-operator-strategies?>

– Apple's decision to test carrier billing in Germany and Russia is likely to herald a substantial number of further deployments in the medium term. It argued that the move will be essential if Apple is to monetise unbanked owners of refurbished devices in emerging markets, who would otherwise be limited to paying for content via iTunes gift cards.

It also claimed that carrier billing solutions could be a key means of monetising content purchased within an array of environments, including connected cars and for in-flight infotainment.

## Low Spend Limits - 'Counterproductive' For Operators

However, the research found that the operator practice of setting daily or monthly carrier bill spend limits at a low level to minimise exposure to fraud or compensation claims was counterproductive. According to research author Dr Windsor Holden,

"If you have a daily spend limit of \$20 in place, consumers are severely constrained in the amount of content they can purchase, particularly given the fact that many content bundles – such as Clash of Clans gems bundles – are priced at close to this level. Any savings from customer care time spent dealing with inappropriate or unauthorised purchases can more than offset by customer care time spent on failed purchases."

## Debit & Credit Cards Remain Dominant

Meanwhile, the report argued that while other payment mechanisms including PayPal were likely to experience significant growth, the majority of payments (69% by value in 2020) would continue to be made via debit and credit cards. It claimed that this would also remain the case for purchases made on mobile devices, with consumers increasingly using smartphones and tablets to pay for higher-value content which is subsequently consumed on connected TVs or games consoles.

The complimentary whitepaper, 'Making Digital Content Pay'

([https://www.juniperresearch.com/document-library/white-papers/making-digital-content-pay?utm\\_source=sourcewirepr&utm\\_](https://www.juniperresearch.com/document-library/white-papers/making-digital-content-pay?utm_source=sourcewirepr&utm_)

is available to download from the Juniper website together with further details of the full research and the attendant Interactive Forecast Excel (IFxI).

Juniper Research provides research and analytical services to the global hi-tech communications sector,

providing consultancy, analyst reports and industry commentary.

For further details please contact Sam Smith, Press Relations

T: +44(0)1256 830001

E: sam.smith@juniperresearch.com