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video

Streaming sports a hit for Nokia

Nokia Sports is proving a useful test case in learning how American consumers react to streaming video. Nokia launched the application last year with U.S. cellco AT&T Wireless, using the Nokia 6620 handset.

"We're finding [that], if discovery is easy, we get a high adaptability rate," said Penny Cornali, general manager of multimedia at Nokia USA. "If we give people a free trial, a lot of them opt to take it up. Over 50% have purchased a subscription, and our refund rate is less than 0.5%."

Customer interest has been sustained, with users maintaining their subscriptions until the end of a season before dropping off. They consume, on average, just under 8MB of data a month. Nokia notes that usage patterns peak at specific times in sports seasons, with interest increasing in conjunction with finals and all-star games.

Nokia views the Sports application as part of its handset – not content – strategy. Streaming video is just the first step, according to Cornali. "The next stage is a program called Media Charger, where you can download specific content in the off-peak hours and watch it later," she said.

Cingular, which acquired AT&T Wireless last year, seems impressed enough with the take-up of the service to continue it. The Nokia 6682 EDGE handset now shipping to Cingular will feature the Sports application, and the Nokia 7610 will follow.

The application offers video highlights of NBA basketball and MLB baseball, sounding – on the surface – similar to VCast, Sprint PCS Vision and MobiTV. But Nokia maintains that Nokia Sports is a dedicated application that happens to offer video streaming in addition to news, stats and live-audio coverage for MLB games in any region.

Subscribers pay US\$7.99 a month for the MLB application and US\$4.99 a month for the NBA version. Data charges also apply. A revenue-share model is in place with the operators and sports leagues.

operators

TIM opening up slowly to CPs

TIM is continuing to slowly open up its infrastructure to third-party content providers, said Massimo Castelli, the Italian cellco's chief operating officer, at the recent Mobile Entertainment Market, organized by Informa Telecoms & Media and the official event of the Mobile Entertainment Forum.

Castelli defended TIM's hitherto closed approach toward the mobile content market in Italy (*MM*, 12 Mar, 2004), saying such an approach was directly responsible for the industry's growth. The cellco has not foregone revenues by minimizing the role of CPs, he added, saying it is better to work with a single CP or fewer CPs in order to ensure that subs have access to new and differentiated content.

As part of the cellco's drive toward openness, it has announced what Castelli refers to as an enablement strategy for content providers, centered on its i.TIM platform, and is steering away from outlining a content strategy as such.

"i.TIM is a set of enablers in the handset, in the service-delivery platform, that allows the distribution, management and creation of mobile

content

Five players dominate Europe

A mere five players control 47% of Europe's mobile content revenues, according to internal research from interactive-applications enabler Minick. "Very few players are profitable," said Minick CEO Tero Turunen at the recent Mobile Entertainment Market conference in London.

Below the top five, which each generate more than €100 million (US\$120.3 million) in annual revenues, a second level of four players clinch about 4% of total revenues each, followed by a dozen companies with 2% each and, finally, another 20 that generate a combined 13%, according to Minick's calculations.

Just under half of content revenues in Europe come from direct-to-consumer content specialists, such as Jamba! and 123 Multimedia, according to

content," said Castelli. The platform will allow TIM to maintain a level of control over the services offered to its subs, particularly as it moves toward 3G services.

"What I would like as a representative of the industry is to offer to digital-content providers an infrastructure that means service delivery – and handsets that meet specific standards – which is bomb-proof," Castelli said. "This is not the case today."

TIM, like other operators around the world, has recognized that it is operating in what has become an increasingly complex environment for content, said Castelli.

"One out of three services that we launch fails," he said. An example of a service that has not done so well in terms of subscriber take-up and usage is TIM Click, which enabled TIM customers to take photos with their camera phones and have them printed out and sent to themselves or to a friend. A similar service was launched with TIM subsidiary TIM Peru (see "Latin America," p. 5).

But Castelli said the TIM Click service was the first instance in which the cellco was able to map every stage of the CRM and billing process.

Marvel Mobile

Games represent about half of **Marvel Enterprises'** revenues from mobile, Bruno Maglione, president of **Marvel International**, told delegates at the Mobile Entertainment Market conference in London earlier this month.

But the company expects that other types of content will generate a larger share of revenues as its Marvel Mobile business gains momentum.

Marvel's primary content-provider partner for Marvel Mobile, U.S.-based mobile entertainment publisher **Mforma**, is expected to play a key role in delivering not just games based on Marvel properties, but also other types of content and applications, such as wallpapers, screen savers, animations and information services.

"There is still a huge following just for the artwork of Marvel," said Maglione. "We think mobile comics will also be a key application for the entertainment market."

The upcoming movie release of Marvel property *Fantastic Four* will be the first real test of Marvel's partnership with Mforma, Maglione added. "There is an enormous amount of collaboration happening all over the world, with movie studios, operators, handset manufacturers and other partners such as Burger King," he said.