Mobile Multi-media Group Gap Widenning As Consumers In Developed Asia Lead The Way

Contributed by TNS Global
Friday, 29 May 2009
Last Updated Friday, 29 May 2009

Developed Asian markets such as Japan and Korea have stormed ahead of Europe and North America in mass uptake of mobile multimedia, according to the latest TNSâ€™ Global Telecoms Insights (GTI) study.

Investments in infrastructure, improving network speeds, a focus on innovation and affordable flat-rate data plans have made the Developed Asia region the worldâ€™s most advanced in mobile technology adoption.

The number of consumers using mobile TV features in Japan and Korea has more than doubled in the last year, rising from 14% to 32%.Â Similar rapid growth is observed in Hong Kong (18% to 32%).Â Contrastingly, mobile TV growth in Europe was considerably slower over the past year, rising from 6% to just 8%. Â

While the UK is ahead of the European average, rising to 13% from 8% last year, mobile TV penetration still far lags behind developed Asia.Â In the US, although the number of mobile TV users have doubled in the last year, mobile TV uptake remains relatively low at 11%.

The growth of mobile TV has had such an impact on Asiaâ€™s consumers that it is now a critical driver in determining which handsets they want to purchase. In Korea mobile TV functions are now the single biggest driver of device choice in that market, considered important by 33% of Korean consumers in the device that they choose to purchase, well ahead of MP3 and camera. Â

Desire for mobile TV is also beginning to emerge in developing Asian markets: 25% of users in Thailand and 22% in Vietnam say that being able to access mobile TV is a key driver of purchase.Â Yet looking at Western markets, in the US and the UK only 2% and 5% of users prioritise mobile TV when purchasing handsets. Â

The latest TNS Global Telecoms Insights study also reveals that developed Asian markets lead the way in terms of other advanced mobile services.Â For example, in Korea and in Singapore 15% of users regularly upload video and images, compared with 9% in the US and only 6% across Europe, with the UK lagging further behind at 4%.

Stephen Yap, Group Director at TNS Technology, commented:
â€œA number of reasons underpin the significantly higher adoption of advanced mobile technologies in Asia.Â Technology tends to be more aspirational for Asian consumers, who tend to be earlier adopters as a result.Â Early and significant investment in mobile infrastructure by industry players, and in some cases governments, have led to network capabilities that today surpass those of Europe and North America.Â Moreover, relatively affordable, flat-rate data plans are better established in Asia, while in Europe and the US flat-rate plans are still priced relatively highly and incremental charging for data consumption is still commonplace.â€•

Whatâ€™s more, charging per megabyte used may actually be inhibiting revenue opportunities for operators and service providers.Â In the US only 8% of consumers pay for music downloads on their mobile device; compared with 6% across Europe and just 4% of people in the UK. Â

By contrast in Korea and Japan, 24% and 21% respectively pay for downloads, meaning that by making data affordable, service providers in these markets have opened the door to incremental revenue from value-added services.

Yap continued:
â€œEurope and North America are falling further behind developed Asia as the global centres of innovation in consumer technology.Â Until the industry can come together to deliver user experiences and most importantly pricing plans that encourage mass adoption of mobile data, the promise of a mobile future is still a long way away.â€•

About TNS
TNS, who recently merged with Research International, is the worldâ€™s largest custom research agency delivering actionable insights and research-based business advice to its clients so they can make more effective business decisions. Â

TNS offers comprehensive industry knowledge within the Consumer, Technology, Finance, Automotive and Political & Social sectors, supported by a unique product offering that stretches across the entire range of marketing and business issues, specialising in product development & innovation, brand & communication, stakeholder management, retail &

shopper, and qualitative research.

Delivering best-in-class service across more than 70 countries, TNS is part of Kantar, the worldâ€™s largest research, insight and consultancy network.

Please visit www.tnsglobal.com for more information.

London, UK - May 2009