

Chapter 1

Global Trends in Mobile: A New Global Landscape for Supply And Demand

Giuditta de Prato

European Commission JRC IPTS, Spain

Jean Paul Simon

JPS Public Policy Consulting, Spain

ABSTRACT

This chapter aims at providing a comprehensive overview of the mobile landscape. It bridges the global trends affecting the mobile industry as a whole, with the creation and distribution of contents, emphasizing the new patterns of production and distribution. It shed light on the drivers of the changes taking place. The first part of this chapter identifies and sums up the main trends in a global landscape, namely the role of mobile communications (devices, networks) combined with the rise of the “app economy”, the spread of “Big Data”, and the move toward a multiscreen / cross-media paradigm. It provides a synthesis of available data. The first section tracks the evolution of the global market and the emerging geography with the rise of Asia as a leading player in the mobile world. The second section analyses the smartphone phenomenon. The third section deals with the rise of the “app economy”. The fourth section reviews the new modes of data driven management, stemming from “Big Data”. The fifth section follows the move a multi-screen world. The second part investigates some of the impacts of this fast evolving environment on the production of an array of mobile contents (portable movies, video, video games...) tracking the way content industries, while standing at the nexus of technology and content, are rapidly changing. The section documents the way mobile industry is indeed an innovation platform for new services. The section delineates the growing role of the consumer in a mobile world, its various modes of involvement in the production and distribution of digital content. We conclude with some elements about the new challenges brought by these trends, by the entry of new players in both the content and the mobile field.

DOI: 10.4018/978-1-4666-8838-4.ch001

Disclaimer: The views expressed are those of the authors and may not in any circumstances be regarded as stating an official position of the European Commission.

1. A MOBILE WORLD: SCALING UP^{1,2}

In this section we set up the scene of the mobile environment focusing on some of the main trends that may open the way for new or renewed contents production and circulation. This section relies mostly in industry and consultancy data, as in such a fast changing environment official data even when accessible are in most cases too old to remain relevant to identify the trends. The figures may fluctuate from one source to another, but the direction looks clear enough. Therefore, the data used should be perceived as just signalling potential trends³, but sufficient at the same time to give an overview of the evolution of the global mobile ecosystem.

An Impressive Growth of the Global Market

The World Bank stresses that “mobile telephony has been one of the most quickly adopted technologies of all time”: it took 128 years before fixed telephone lines reached 1 billion users, mobile networks achieved this milestone in just over two decades (Minges, 2012, p. 115). The author adds: “even more astounding, mobile networks have roughly doubled in size every two years since 2002”. Indeed, according to the ITU (2013, p. 1), there were, in 2013, almost as many mobile-cellular subscriptions as people in the world. Asia Pacific, the largest region in the global mobile market, accounted for almost half of all the world’s unique subscribers at the end of 2013 (GSMA, Asia Pacific, 2014a: 10), as shown in Figure 1. At the end of 2003, there were a little over one billion unique subscribers, meaning that just under one in six people had subscribed to a mobile service. By the end of 2013 this figure had increased to 3.4 billion unique subscribers: equivalent to just under half of the global population. Globally there were 7 billion SIM connections at the end of 2014⁴, with an average of 1.8 active SIM cards per unique subscriber (Mobile Economy 2015, p.2). The mobile services industry is one of the most globalized in the world (Minges, 2012, p. 125).

GSMA, the mobile trade association is tracking these evolutions, its research branch Wireless Intelligence (2013) forecasts 8.5 billion connections by 2017 with 50% operating under the new generation of mobile networks (3G⁵: 40%, 4G⁶: 10%). Even if the growth ratio will slow down, from a compound annual growth rate (CAGR) of 11.3% over the 2008-2013 period, to 4.2% growth rate for the next period (2014-2020), in 2020, the number of mobile connections will reach almost 9,2 billion (see Figure 1). Total operators revenues reached 1.15 in 2014 trillion US \$ and will reach 1.4 trillion US \$ in 2020 (GSMA, 2015, Mobile Economy, p. 4). If one considers the broader mobile ecosystem, it goes up to almost 2 trillion US \$: network infrastructure (80 trillion), components (89 trillion), apps/content and advertising (205 trillion), device (436 trillion), and operators as noted a little under 1.2 trillion (GSMA, 2014b, p. 32).

This growth is almost mechanically accompanied by a growth in mobile traffic, now shifting to IP traffic. According to the Cisco Visual Networking Index (2014), for the first time in the history of the Internet, mobile and portable devices will generate more than half of global IP traffic by 2018⁷. No wonder the company may claim that (Cisco Visual Networking Index, 2013, p. 25): “Mobile data are well on its

29 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/global-trends-in-mobile/137986

Related Content

Applying Commonsense Reasoning to Place Identification

Marco Mamei (2010). *International Journal of Handheld Computing Research* (pp. 36-53).

www.irma-international.org/article/applying-commonsense-reasoning-place-identification/43603

Academic Activities Based on Personal Networks Deployment

V. Kaldanis (2007). *Encyclopedia of Mobile Computing and Commerce* (pp. 1-8).

www.irma-international.org/chapter/academic-activities-based-personal-networks/17043

Consumers' Adoption of Mobile Coupons in Malaysia

Sudarsan Jayasinghand Uchenna Cyril Eze (2013). *Strategy, Adoption, and Competitive Advantage of Mobile Services in the Global Economy* (pp. 90-111).

www.irma-international.org/chapter/consumers-adoption-mobile-coupons-malaysia/68077

mHealth R&D Activities in Europe

Yiannis Koumpourosand Aggelos Georgoulas (2016). *M-Health Innovations for Patient-Centered Care* (pp. 20-51).

www.irma-international.org/chapter/mhealth-rd-activities-in-europe/145003

E-Commerce and Mobile Commerce Applications Adoptions

Charlie Chenand Samuel C. Yang (2009). *Mobile Computing: Concepts, Methodologies, Tools, and Applications* (pp. 1615-1625).

www.irma-international.org/chapter/commerce-mobile-commerce-applications-adoptions/26611