Aust net, video phone usage below average
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Australia's usage of internet enabled and camera mobile phones is well behind global rates, but local demand for text and picture services shows promise, according to a new study.

The Mobinet 2004 study of 5800 mobile phone users in 15 countries reports that Australia's internet enabled phones (IEP) penetration rate is 36 per cent, below the global average of 47 per cent and well under market leaders South Korea (83 per cent), Japan (79 per cent) and Germany (63 per cent).

The survey found that, in Australia, 43 per cent of people with IEP access data through their mobiles at least once a month, compared to the global average of 50 per cent.

The survey was undertaken by consultant AT Kearney and Cambridge University's Judge Institute of Management.

AT Kearney's Australian mobiles practice leader Mark Higgins said there was cause for optimism, as there are now 5.4 million IEPs in Australia, and the figure should double within two years.

"Australians are registering high intention to use new services, but operators had been unable to turn positive customer intentions into revenue opportunities," Higgins said.

"Operators need to think creatively to accelerate the takeup of multimedia and camera phones - for example, via loyalty bonuses and incentives to upgrade to new phones."

Higgins said the survey results indicated that if the operators could get more handsets to customers, there was a good chance they would use the new data services.

The survey also found that Multimedia Messaging Service (MMS) usage - image-related text messaging - had expanded to 50 per cent by Australian camera phone owners, compared to the global average of 47 per cent.

And Higgins said there was still growth in Australia in short messaging services (SMS) compared to the rest of the world.

The survey reported that Australia had the third highest SMS penetration with 85 per cent, behind South Korea (89 per cent) and China (87 per cent).

"Despite this market maturity, we predict a 13 per cent growth in SMS in Australia over the next 12 months, driven by increasing use by 35 to 44 year olds," Higgins said.

He said use of new mobile data services - technology including interactive games, videos, music and email - will grow in popularity in Australia over the next year, but it will be at least two years until there is a mass market.

"The market has grown from 640,000 data users in June 2002, to 2.24 million in April this year," he said.

Of those Australians using data services, 31 per cent did so for general access or email, 21 per cent to download games, 20 per cent for pictures or video, 15 per cent for music and 13 per cent for interactive games, he said.

AT Kearney estimates the market for mobile data services beyond SMS and MMS is likely to be around $50 million a year today, rising to above $300 million in the next two years.

The Mobinet study is conducted regularly since June 2000, with interviews conducted with mobile phone users in 15 countries including Australia, Brazil, Canada, China, France, the US and the UK.

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