

To News Organizations and Journalists

Mobile Content Forum

The 2016 total for mobile content related markets was 5,061.9 billion yen.

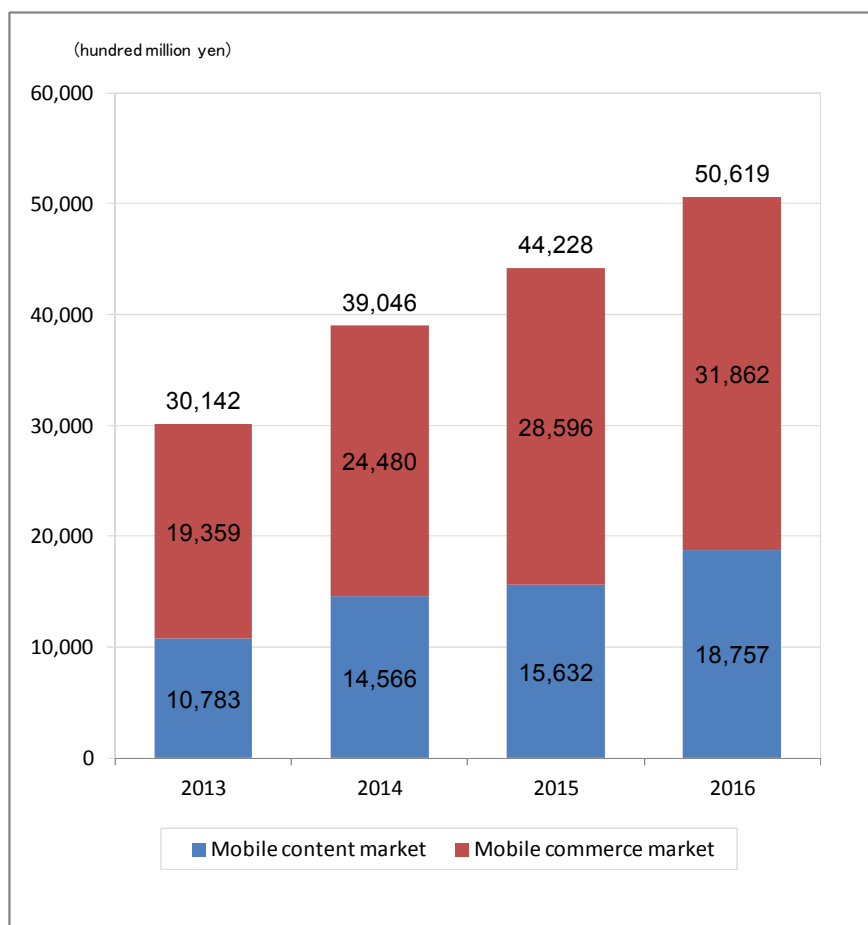
The mobile content market accounted for 1,875.7billion yen.

The mobile commerce market accounted for 3,186.2 billion yen.

(Unit: hundred million yen)

Market category	2013	2014	2015	YOY	2016	YOY
Mobile content market	10,783	14,566	15,632	107%	18,757	120%
Mobile commerce market	19,359	24,480	28,596	117%	31,862	111%
Mobile content related market	30,142	39,046	44,228	113%	50,619	114%

Mobile Content Forum Survey



Mobile Content Forum (MCF) conducted market research regarding the mobile content-related market in 2016 (from January to December). We have announced the results of our mobile content-related market survey with regards to the "mobile content market", which consists of paid digital content such as games and music, and the "mobile commerce market", which consists of 3 segments including the shopping, services, and transaction segments. The total for the "mobile content-related market", combining both markets in 2016, was 5,061.9 billion yen for a positive year-on-year of 114%. Since the business model of the "mobile content market" is different, calculations were made to distinguish between the feature phone market and the smartphone market.

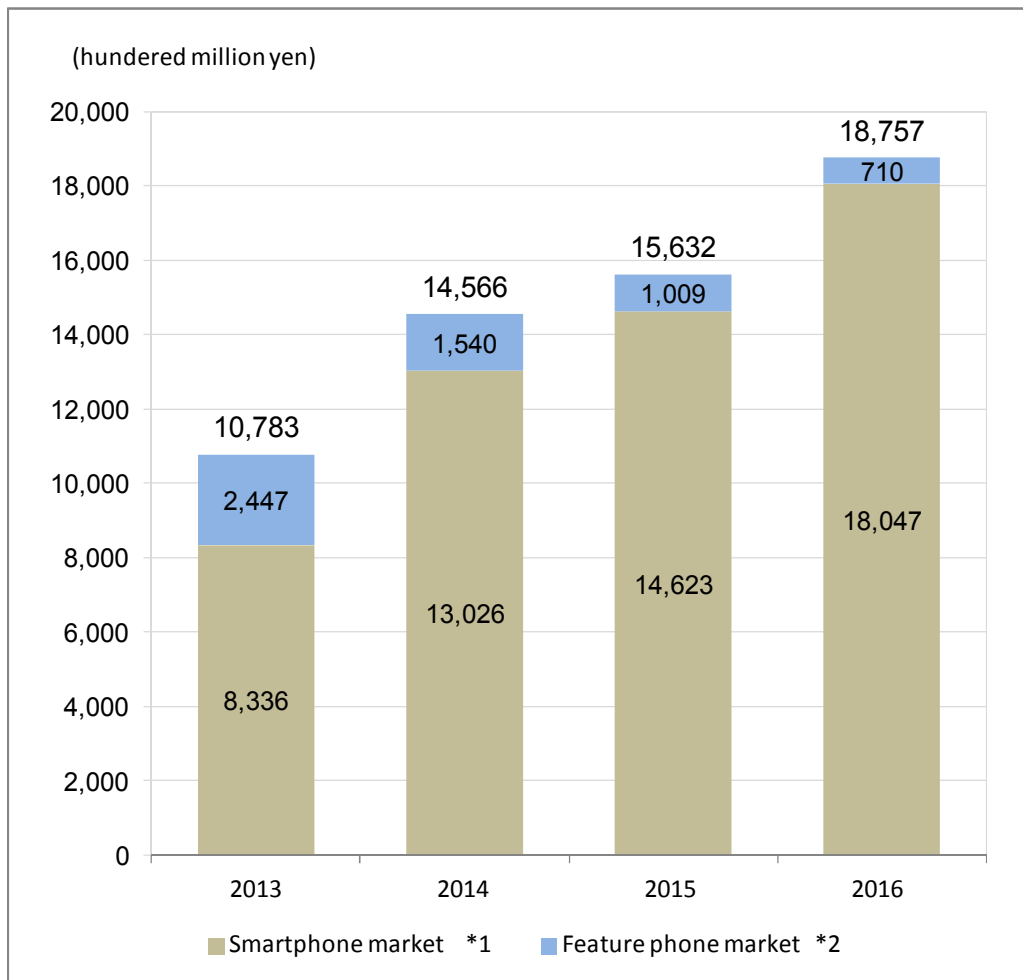
The mobile content market accounted for 1,875.7 billion yen in 2016.

The feature phone market accounted for 71.0 billion yen and the smartphone market accounted for 1,804.7 billion yen.

(Unit: hundred million yen)

	2013	2014	2015	YOY	2016	YOY
Smartphone market *1	8,336	13,026	14,623	112%	18,047	123%
Feature phone market *2	2,447	1,540	1,009	66%	710	70%
Mobile content market	10,783	14,566	15,632	107%	18,757	120%

Mobile Content Forum Survey



*1 Smartphones (including tablets) are defined as terminals that are Internet connectible open operating systems that can make general use via applications and Web browsers. The smartphone market is defined as the market for selling digital content (including applications) related to smartphones. Although game dedicated terminals, which can download game titles, and notebook PCs are capable of connecting to the Internet, they have not been included in this market.

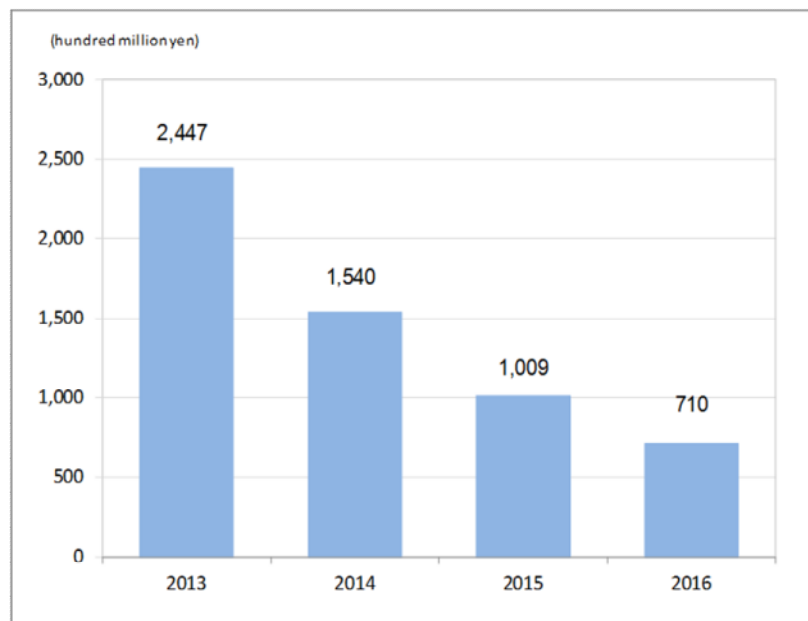
*2 Feature phones are defined as conventional mobile phones that can make use of IP services for mobile phones such as the i-mode. The feature phone market is defined as the market for selling digital content such as music and games, based on a main model representing carrier charges on an official website related to feature phones.

Breakdown of the 2016 Feature Phone Market

(Unit: hundred million yen)

	2013	2014	2015	YOY	2016	YOY
Ringtone market	135	95	78	82%	60	77%
Chaku-uta market	289	186	135	73%	99	73%
(Breakdown) Chaku-uta market	104	66	52	79%	40	77%
(Breakdown)Chaku-uta Full market	185	120	83	69%	59	71%
Mobile game market	194	112	78	70%	51	65%
Decomail® market	58	45	25	56%	20	80%
E-book market	159	99	62	63%	41	66%
Ringback tone market	66	61	47	77%	39	83%
Horoscope market	71	40	29	73%	20	69%
Standby image market	50	32	22	69%	16	73%
Kisekae tool market	22	17	9	53%	5	56%
Weather/news market *1	84	73	61	84%	49	80%
Traffic information market *2	114	86	76	88%	61	80%
Lifestyle information market *3	55	24	22	92%	18	82%
Avatar/item sales (SNS, etc.) *4	770	364	171	47%	93	54%
Mobile video *5	40	24	13	54%	11	85%
Arts/entertainment *6	85	44	26	59%	20	77%
Media/information *7	20	11	9	82%	5	56%
Other mobile content market	235	227	146	64%	102	70%
Feature phone market totals	2,447	1,540	1,009	66%	710	70%

Mobile Content Forum Survey



- *1 The weather/news market refers to news services such as weather information, current events, and financial information.
- *2 The traffic information market refers to traffic information services such as searching navigation, map information, and station transfer information.
- *4 The social game market had its name changed in 2011 from "avatar/item selling (SNS, etc.)" to the "social game market". This includes digital tools that can be bought such as SNS related charges, avatars, and other items.
- *5 The video dedicated market refers to websites that exclusively provide video content.
- *6 The arts and entertainment market refers to entertainment related productions that provide artist information, entertainment news, movie information, etc.
- *7 The media and information related market refers to program and magazine related information operated by television and radio broadcasters as well as publishing companies.

Breakdown of the 2016 smartphone market

The "game and social game market" accounted for 1,183.6 billion yen.

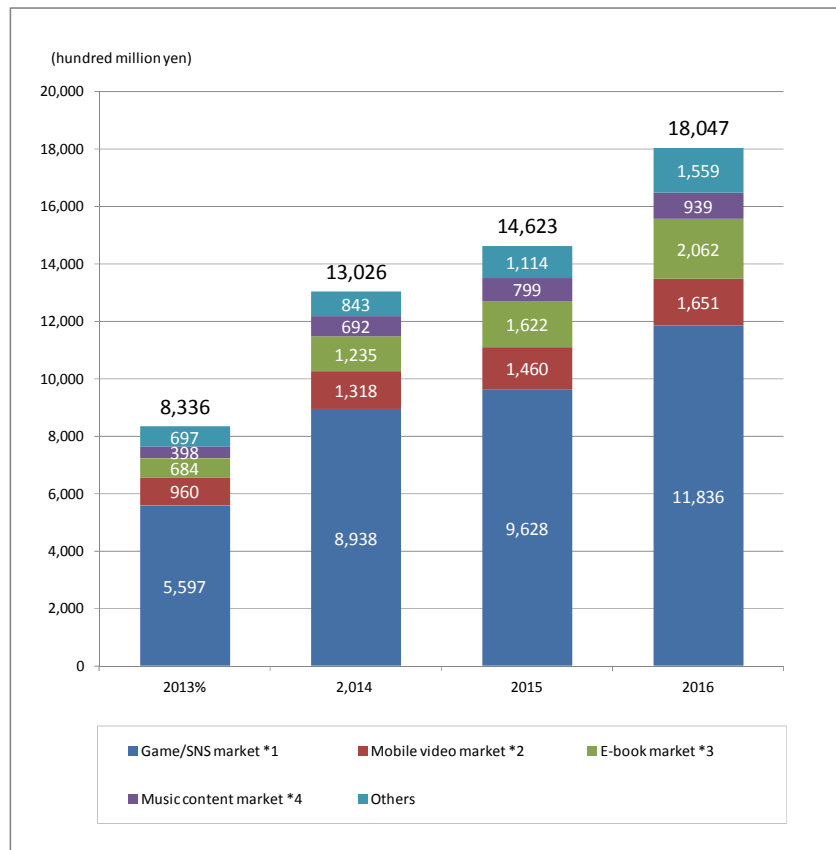
The "Mobile video market" accounted for 165.1 billion yen, and the "E-book market" accounted for 206.2 billion yen.

The "music content market" accounted for 93.9 billion yen.

(Unit: hundred million yen)

	2013%	2,014	2015	YOY	2016	YOY
Game/SNS market *1	5,597	8,938	9,628	108%	11,836	123%
Mobile video market *2	960	1,318	1,460	111%	1,651	113%
E-book market *3	684	1,235	1,622	131%	2,062	127%
Music content market *4	398	692	799	115%	939	118%
Others	697	843	1,114	132%	1,559	140%
Smartphone market totals	8,336	13,026	14,623	112%	18,047	123%

Mobile Content Forum Survey



*1 The "Game and social game market" refers to online games and paid content provided by SNS, etc. This includes digital tools that can be bought such as avatars, and other items.

*2 The "Mobile video market" refers to paid video and movie content that can be used on smartphones, etc.

*3 The "E-book market" refers to e-book content that can be used on smartphones, etc.

*4 The "Music content market" refers to paid music content that can be used on smartphones, etc.

The market scale of the "mobile content market" in 2016 was 1,875.7 billion yen, which is up, providing a year-on-year increase of 120%. The market scale includes calculation divided between the feature phone market, which is the market for selling digital content such as music and games, based on a main model representing carrier charges on an official website related to feature phones, and the smartphone market, which is the market for selling digital content (including applications) related to smartphones.

Among the figures for the market, the "smartphone market" experienced growth that 1,804.7 billion yen for year-on-year growth of 123%. On the other hand, the "feature phone market" accounted for 71.0 billion, shrank at only 70% of the previous year's figures. Looking at the breakdown of the content, all genres in the "feature phone market" are indicating a downward trend. In contrast to this, all genres in the "smartphone market" are indicating an upward trend. The "Game and social game market" in the "smartphone market" accounted for 66% of the whole market, providing for 1,183.6 billion yen. And, the "Mobile video market" and the "Music content market", accounted for 165.1 billion yen and 93.9 billion yen respectively. In addition, the "E-book market" accounted for 206.2 billion yen.

The mobile commerce market accounted for 3,186.2 billion yen in 2016.

"Shopping" accounted for 1,605.5 billion yen.

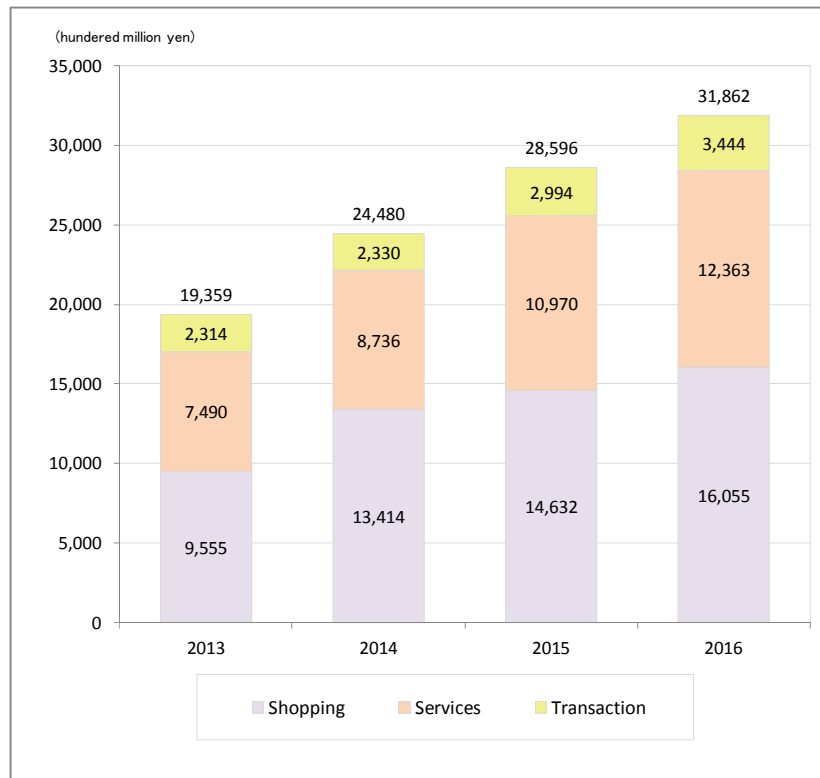
"Services" accounted for 1,236.3 billion yen.

"Transaction" accounted for 344.4 billion yen.

(Unit: hundred million yen)

	2013	2014	2015	YOY	2016	YOY
Shopping	9,555	13,414	14,632	109%	16,055	110%
Services	7,490	8,736	10,970	126%	12,363	113%
Transaction	2,314	2,330	2,994	128%	3,444	115%
Mobile commerce market totals	19,359	24,480	28,596	117%	31,862	111%

*Mobile Content Forum Survey



The "mobile commerce market" is divided into 3 category segments including the "shopping market" (market targeting general mail order shopping), the "services market" (market targeting performance tickets, travel tickets, airline tickets, train tickets, etc.), and the "transaction market" (market targeting securities transaction fees, auction transaction fees, public competition transaction fees, etc.). The "mobile commerce market", by combining the 3 segments" accounted for 3,186.2 billion yen for a year-on-year of 111%.

The "shopping market" for purchasing products accounted for 1,605.5 billion yen, providing a year-on-year of 110%. The "services market" accounted for 1,236.3 billion yen for a year-on-year of 113%. The "transaction market" accounted for 344.0 billion yen for a year-on-year of 115%.

The mobile commerce market combines the totals of the feature phone and smartphone market.

◆Mobile Content Forum (abbreviated name: MCF)

Mobile Content Forum was established as an industry association consisting of businesses related to mobile content delivery services in order to further activate the mobile content environment. In order to support the healthy development of mobile content related industries, we aim at achieving co-existence and co-prosperity with society as it builds smooth relationships between consumers and relevant organizations. It is our mission to support the activities of our members and the industry. We have a membership of 120 companies (as of August 2017), most of whom are content providers.

Inquiries regarding this release

■Mobile Content Forum

Sawada Building 4F, Higashi 3-22-8, Shibuya-ku, Tokyo, Japan 150-0011

Contact us :<https://www.mcf.or.jp/en/inquiry.html>

URL : <http://www.mcf.or.jp/en/>

E-mail: info@mcf.or.jp