



World Cup is an own goal for music, as soccer kicks other content out of play

Reports suggest that June has been a slow month for mobile music sales, thanks to the heavy on-portal promotion of the soccer World Cup.

The issue highlights the extent to which operators struggle to promote an ever-increasing range of content on cramped portals and mobile screens. Clever portal managers must think laterally to avoid missing out on valuable cross-promotion opportunities, some observers say.

Aggregator Musiwave supplies operators with World Cup and non-soccer-related content, including music. Albin Serviant, Musiwave's chief marketing officer, says that in June the company has seen less growth in music sales than anticipated. "June to September are traditionally our biggest months," Serviant told *MM*. "It has been slightly disappointing so far, especially compared to last year's figures."

Clear culprit

He doesn't doubt the reason for the slump: World Cup content, which has pushed music off coveted on-portal spots. "Since the beginning of the World Cup, it has been hard to promote on the home page," Serviant says. "Fifty percent has been dedicated to football, whatever [the customer's] profile, even though they may not care about football."

TDC Switzerland has had a similar experience. The Swiss cellco's mobile-product-marketing manager, Peter Grupp, says that music sales dipped on its Sunrise portal during the World Cup. He is also certain of why.

"What is featured on top of the portal home page is extremely important," Grupp says. "Whether something is there or not has a huge impact on sales."

But in the case of Sunrise, it is not just a problem limited to the soccer

season. The operator portal struggles to find enough prime space for all types of deserving content at any time of the year. "If we focus on a new type of game, this has negative impact on music again," Grupp says.

But because of the extended length of time for which the World Cup runs, and because of the vast amount of affiliated spinoff content it generates, the problem of limited space is exacerbated. "[The World Cup] involves lots of content: news, TV, wallpapers, games, chat, sounds," says Grupp.

Accordingly, content not related to the world's largest sporting event suffers disproportionately.

But others have found that the World Cup has actually helped with music sales, albeit of songs about soccer. UK aggregator Monsternob hails the tournament as rescuing the company from the steady sales decline it had been experiencing in 2006. Since the World Cup season began, Monsternob has seen a 17% month-on-month increase in mobile content sales.

"It's down to the fact that so many World Cup real tones were released," says Steve Longbottom, Monsternob's channel administrator. "And they were made available to all our operator partners."

UK digital-music distributor Indie Mobile hasn't seen a dramatic slump in music sales either. If a slight dip was noticeable, says Indie Mobile's clients manager, Seth Jackson, it was because customers' attention – and spending – was diverted to soccer content, but not to an extreme degree.

He accepts that much of the operators' above-the-line marketing was World Cup-oriented but says that his independent catalog saw the same on-portal promotion it always gets. "We had quite a lot of World Cup tracks,

and they were doing well, until some idiot missed a penalty," added Jackson, referring to the elimination of the English national team in the quarter-finals of the tournament.

Indeed, the World Cup was a god-send for soccer-related music content. German operator E-Plus, for example, witnessed a substantial number of soccer-themed full-track downloads climb into its top-10 chart.

Topical promotions

Grupp says he always tries to tie in the content typically sold on the Sunrise portal with topical promotions. Examples include linking a Latino track to the Brazilian team and ensuring that the official Swiss soccer anthem was given a prime spot, he says. Whether the content is directly soccer-oriented or more tenuously linked, it is the bottom line that matters, he says. "It's called portfolio management," Grupp says. "We do not care what song it is that makes us money."

Musiwave also caters to soccer fans, offering anthems and themed wallpapers. Serviant is wary of such tactics, perceiving them as "opportunistic."

MM publisher Informa Telecoms & Media predicts that the World Cup is a significant step in the evolution of mobile TV and video. Informa says that with 3G handsets penetrating the mass market, and operators and content providers alike jumping on the soccer bandwagon, mobile TV will generate US\$300 million in revenue in the buildup and duration of the World Cup.

Any growth in the range of mobile content is important in widening its appeal to consumers and should be welcomed by any member of the value chain looking to the long term, even though that does not make June's figures any easier to decipher.

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