



# Sophisticated handsets, more bandwidth are winning combo for mobile gaming

By Reva McEachern

Expect nothing radically different for the mobile gaming market in 2008, according to Eberhard Schoneburg, chairman/CEO of [Artificial Life Inc.](#), a Hong Kong-based mobile broadband technology and games provider. Instead, he expects to see more better-quality games and more people playing them on their mobile phones.

Still, Mr. Schoneburg worries about the increasing number of handsets that mobile games must support, as he tells Mobile Marketer's **Reva McEachern** in this interview. Excerpts:

## What is the key trend in mobile gaming for 2008?

There are essentially four major trends in mobile gaming right now: interactive real-time 3D games, massive multi-player games and social networking games. This means a trend towards more complex and more sophisticated, richer game play.

On the other side, there are the so-called casual games, i.e. games that are very simple and very easy to play. Most mobile games today are such casual games and this will

probably stay so for quite a while to come.

## Any other trends that you noticed?

Other trends in mobile are the increasing penetration of 3G, 3.5G and 4G networks and devices, i.e. more broadband technology and networks will be available pretty much everywhere in the world.

## What are the implications of these trends for mobile marketers?

The handsets are becoming increasingly more powerful and sophisticated. With a 4G network, for example, a phone can have a 50 Mbit wireless data connection which allows many times higher data transfer rates than the current DSL or broadband connections most home PCs have.

## How will 2008 differ from 2007 for the mobile gaming industry?

There will not be any major differences, mostly just gradual shifts.

In general, one will see more games, better-quality games and more people playing games on their phones in the future than they have in the past.

With more sophisticated phones and more smartphones out there in the market and more advanced user interfaces



Eberhard Schoneburg,  
Artificial Life

like on the [iPhone](#), people will have more options for game play then they have had so far.

**What were some key developments in mobile gaming in 2007?**

Again, the most important things are more sophisticated handsets and more bandwidth becomes available for mobile phones and hence the games can as well get much more entertaining,

have better graphics, better interfaces, connectivity, streaming video, etc.

**Who do you anticipate will be the key industry players in mobile gaming?**

Besides Artificial Life there are only very few global players in the market. The biggest one is [Electronic Arts](#) and the new [Vivendi](#) entity.

**What is the size of the market?**

Estimates vary strongly. The global number of current mobile handsets is estimated usually in the range of 3 billion. For 2010 this number is expected to be in the range of 5 billion, of which the number of game players will be around 15 percent to 20 percent. So the potential market should be in the range of 450 million to 1 billion mobile gamers per year by 2010.

It's a huge market, much bigger than the PC game or console gaming market, which are in the 100-million [player] range.

**What challenges will the mobile gaming industry face in 2008?**

There are an ever-increasing number of handsets in the market that need to be supported. The market is very fragmented and the effort to support literally thousands of different handset types is very high for mobile content producers and game companies.

**What are the implications for handset manufacturers?**

The competition for handset manufacturers is getting increasingly intense and prices seem to go down for handsets, which is good for the end user, but bad for the manufacturers as it becomes a real margin business.

For the gaming industry, however, this provides an opportunity as the handset manufacturers will need to provide more pre-installed games and applications to differentiate handsets from each other.

**What is the one thing marketers should do to take advantage of the mobile gaming market?**

It's product placements. A clearly recognizable trend in the industry is to either offer free games that are sponsored by brands or to include marketing messages within games in the form of product placements as it is already quite common in the console and PC gaming markets.

This option only recently became available on phones as the better phones now allow the kind of high-resolution graphics and color screens for more sophisticated product placements. ■

