



2-1-0

“Lifestyle” Overview

Background to the theme

There were several significant changes to the Japanese mobile phone market during 2006.

The largest of these was the introduction on October 24th of MNP (mobile number portability). Previously, if users changed their mobile network operator, they would have to change their phone number and mobile e-mail address. With the introduction of MNP, however, customers are now able to change mobile network operator without losing their mobile phone number, although their mobile e-mail address will still change. This removed one of the major restrictions on changing mobile network operator, and allows users to freely select from among the mobile network operators on offer. The introduction of MNP is expected to introduce further fluidity into the Japanese mobile phone market, which is already considered mature.

The second such change took place on April 1st, with the introduction of one-segment broadcasting. One-segment broadcasting involves receiving terrestrial digital TV broadcasts over mobile phone and other devices. Alongside the introduction of one-segment broadcasting, there has been a swift increase in the number and type of compatible handsets available, and it is thought that this function will continue to grow in popularity.

The third change was the introduction of mobile phone handsets specifically targeted at children and the elderly, which has broadened the range of mobile phone users. A wide range of child-friendly handsets and handsets suitable for elderly people were introduced to the market in 2006, and these people who had not previously been mobile phone users are creating new categories of user, which are drawing attention of the market. In particular, for child-friendly mobile phones, new categories of function and service for mobile phone, such as GPS (location information) and emergency alarm functions for safety and crime-prevention, are being introduced and developing.

Attributes of the theme, and specific topics

As for the features of the 2006 survey and the topics dealt with in this chapter, descriptions are made according to the results of the 2006 survey into the changes listed above in “Background to the theme.”

Concerning the first significant change, MNP, survey results show that more than 60% of users are already aware of and understand MNP. More than 10% of people who have not yet used MNP say that they intend to do so in the future, mostly because it

allows them to select and change over to their mobile network operator of choice.

With regard to the second significant change, one-segment broadcasting, the 2006 survey into general mobile phone use found that 3.3% of mobile phone users are already using one-segment broadcasting services. As compatible handsets increase, it is assumed that the number of users will continue to increase gradually. The results of our survey show that the majority of users' reason for wanting to use one-segment broadcasting is to pass the time while away from home, and it is anticipated that one-segment mobile phones will become established as a new media tool.

The third major change which has occurred is that of the increased use of mobile phones by children and elderly people. The proportion of people over the age of 60 who own mobile phones has grown significantly. Among older people, many users seem to be attracted to mobile phones because they allow them to contact friends and family at any time and from any location. At the same time, many older users find the functionality of mobile phones difficult to master. In contrast, younger people show high rate utilization of mobile phone functions, services and contents, and appear to be fairly proactive in using the mobile phone.

Future predictions

With the changes listed above occurring in 2006, the year represented a further maturation of the mobile phone market. In the future, based on the changes occurring in 2006, the following developments can be predicted.

Firstly, MNP will allow further fluidity in the mobile phone market, as a result of which mobile network operators will be subject to additional competition. This will cause mobile network operators to clarify their features in various policies such as fees and services. Already in early 2007, we have seen mobile network operators introducing measures such as fixed price for calling other users of the same mobile network operator, and several mobile network operators are meeting the challenge of one-segment broadcasting with an increase in the number of compatible models.

In the future, the role and importance of mobile phones in people's lifestyles is expected to increase even further. The Mobile FeliCa (“Osaifu-Keitai”) is one example of this. The results of our survey show that many people using Mobile FeliCa use it as a form of electronic money, indicating that mobile phones are in-

creasingly being used as a means of payment.

It has also been decided that from April 2007, mobile network operators are required to make their mobile phone handsets capable of notifying its location when making an emergency call. This is a clear indication of the way in which mobile phones are becoming a tool and infrastructure to protect and offer safety to

users, not only children.

In the future, mobile phones will not only play the conventional roles of offering communication between people via voice calls and mobile e-mail, but they will also offer increased convenience and safety to users. Further diversification in roles and functions is to be expected.

2-1-1	Transition of Mobile Media Use	Key Words
	Mobile phones have already established themselves as a necessary item for our daily lives, but the introduction of one-segment broadcasting and mobile number portability (MNP) in 2006 has resulted in new trends both among users and mobile network operators. This section offers basic survey results into the number of mobile phone contracts in existence, the state of mobile phone ownership across different age groups, trends in charges and usage costs, awareness of MNP, etc., and focuses on changes from the previous year and new trends.	<ul style="list-style-type: none"> ■ Lifestyle and habits ■ Flat-rate ■ Fee plans ■ Renewal discounts ■ Family discounts ■ SMS

2-1-2	Widespread Mobile Phone Use	Key Words
	The mobile phone has evolved from being merely a means of communication through voice calls and mobile e-mails, to offering photography, music, games and other functions and services that support people's daily lives. This section analyzes the type of contents being used, and along with detailed survey results, considers trends regarding Mobile FeliCa (“Osaifu-Keitai”), one-segment broadcasting, and separation of usage of mobile phones and dedicated equipments.	<ul style="list-style-type: none"> ■ Life assistant functions ■ Blogs ■ SNS ■ Mobile FeliCa (“Osaifu-Keitai”) ■ Electronic money ■ Point cards ■ Commuter tickets ■ Credit cards ■ Filling time ■ Convergence of and partnership between broadcasting and communications

2-1-3	Age-dependent Mobile Phone Use	Key Words
	Over the past few years, the ownership rate of mobile phones by children and elderly people has increased significantly, although these age groups use mobile phones in significantly different ways. The contents used, the situations in which these are used, charges incurred and reasons for wanting to use a mobile phone are all indicated and analyzed as part of our diverse survey results, and the “digital divide”, which is a typical problem among elderly people, is discussed, along with the issue of demands for easy to use handsets.	<ul style="list-style-type: none"> ■ Packet flat-rate ■ Photography ■ GPS ■ Child-friendly mobile phones ■ Location information ■ Digital divide ■ Family ■ Communication