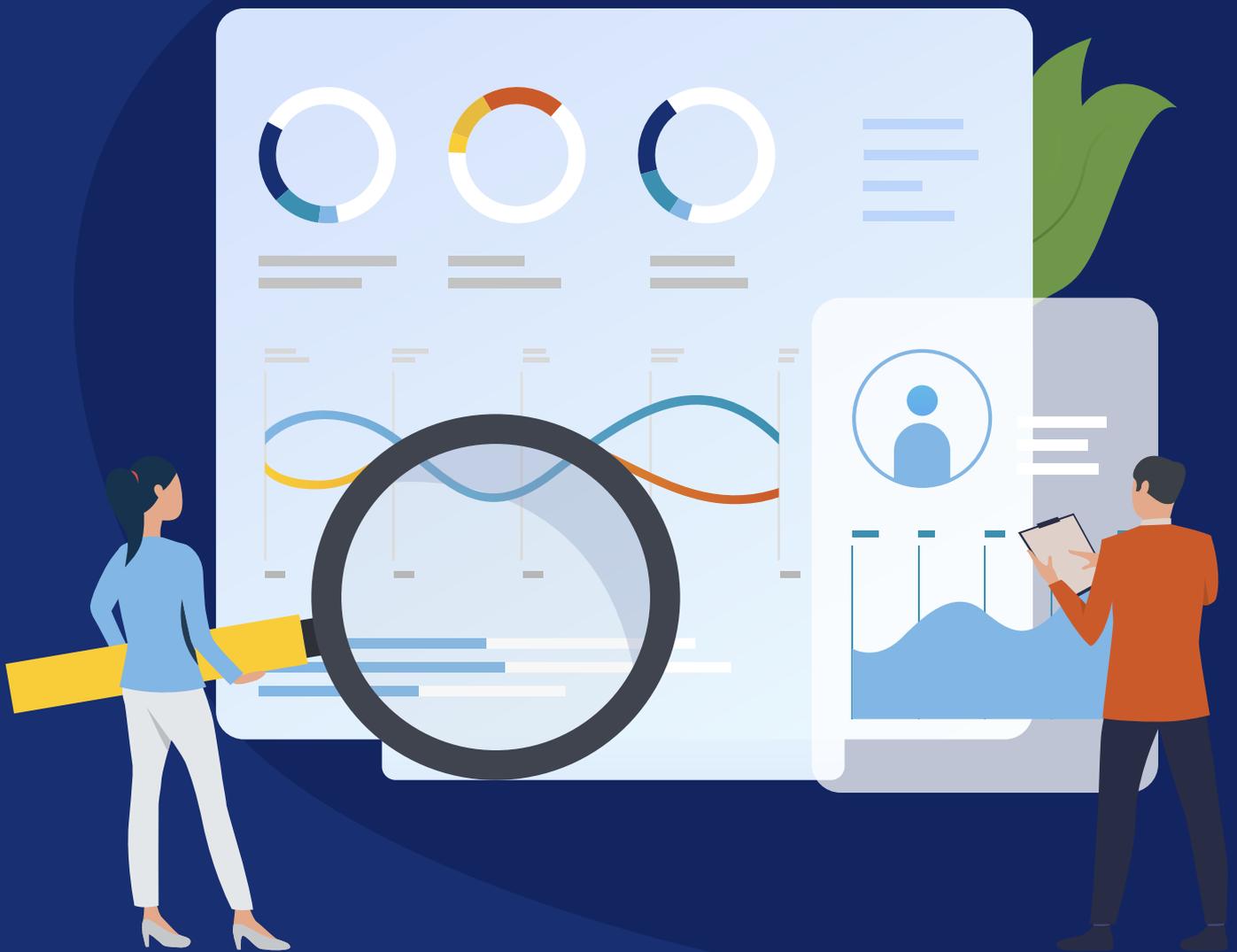


# 2021 US DIGITAL ECONOMY TRENDS

Capitalizing on predictions for new and increased business growth



# 01

## Creating New Revenue Streams from Rising Digital Trends

Digitization continues to accelerate to this day. Due to the impact of the coronavirus pandemic, consumers' behaviour has been altered dramatically. We can observe this through a visible pattern of digital disruptions that's made creating new revenue streams around the world possible.

Particularly, two industries – **entertainment and media, and e-commerce** – have been propping up the digital economy. Agile consumers are investing more time and money into entertaining themselves via digital means such as online and mobile phone.

Let's take a closer look at how people's lives – and society at large – is kept afloat through rising digital trends.

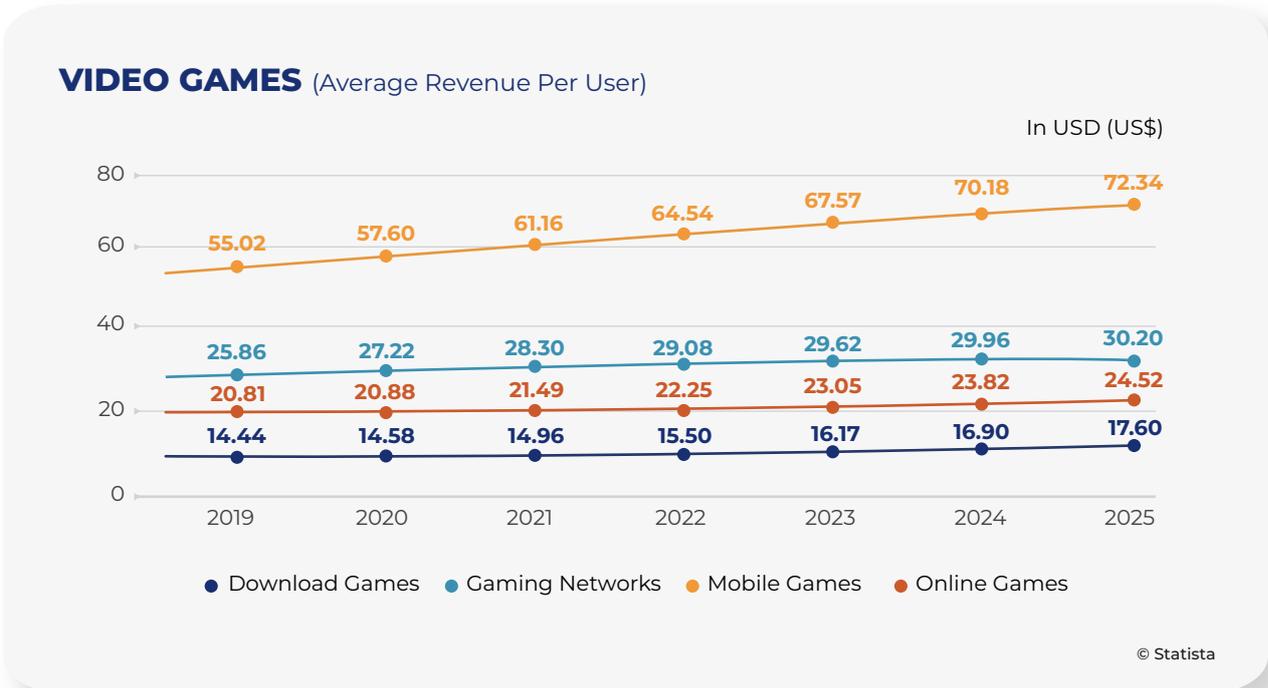


## Gamer numbers, playtime and spending has increased exponentially

In previous years, we've seen a steady increase in new people entering the gaming scene as the technology evolved and new games were released. When the pandemic hit, however, the number of active gamers skyrocketed.

According to Game Analytics, the traffic increased by nearly half (46%), from 1.2 billion people playing every month to a 1.75 billion in Q1 2020. On average, it was recorded that the total amount of playtime hit a peak of over 90 million hours in March, which was 62% higher than the start of 2020.

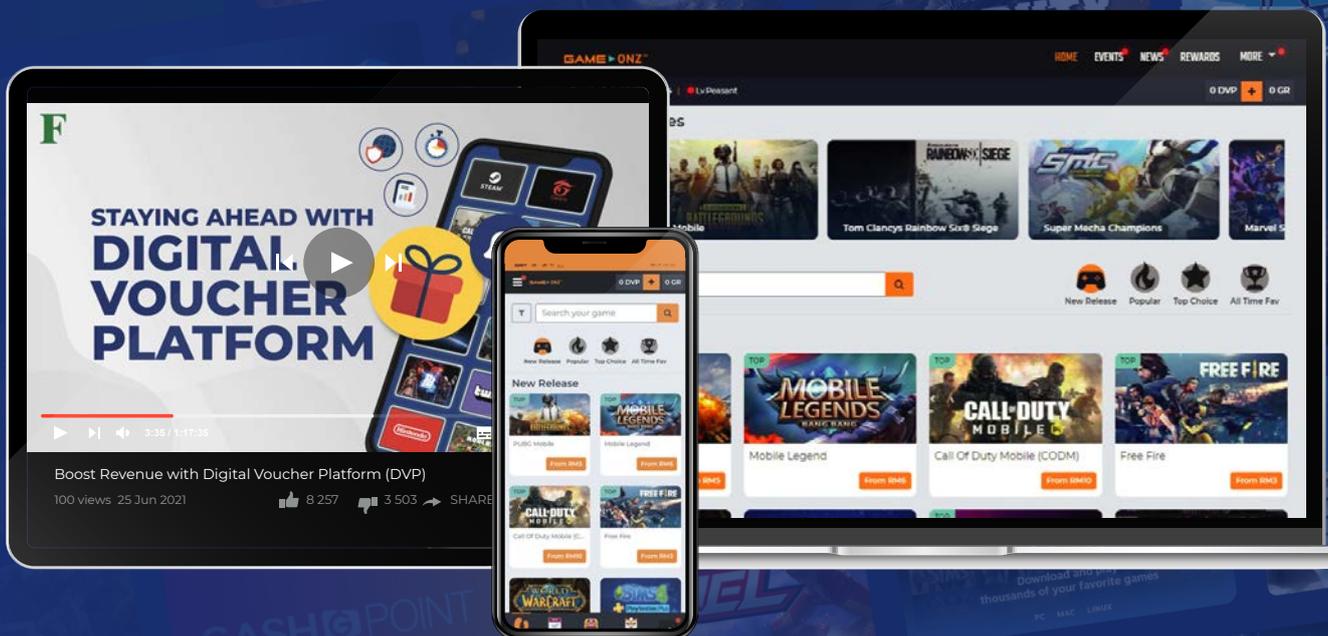
More people playing video games has also contributed to the growing amount of people that are spending on in-game purchases too. The logic behind this is that the longer people play, the higher chance someone will spend something. The following infographics reflects this upward trend.



What is most compelling is that mobile constitutes the biggest gaming segment for revenue gains year-on-year. Though purchasing games for consoles could be seen as expensive across the world, avid gamers have found it more viable to play relatively cheaper games via their mobile phones.

# 02

## The Solution: Digital Voucher Platform



### Digital Voucher Global Statistics

### Market Overview

Digital vouchers continue to be the fastest-growing method of redemption due to the increase in consumer demand for convenience.

62%

of smartphone users are highly likely to use digital vouchers in the future.

68%

states that vouchers generate loyalty.

1.05 Billion

people are global mobile voucher users in 2019 (estimated).

# 03

## 2021 Statistics & Trends in The US

### 2<sup>nd</sup> Rank - US

Top 10 markets by game revenue in 2020



USD **56.9** Billion

Consumer spending in 2020

Sources: NPD Group Report, 2021

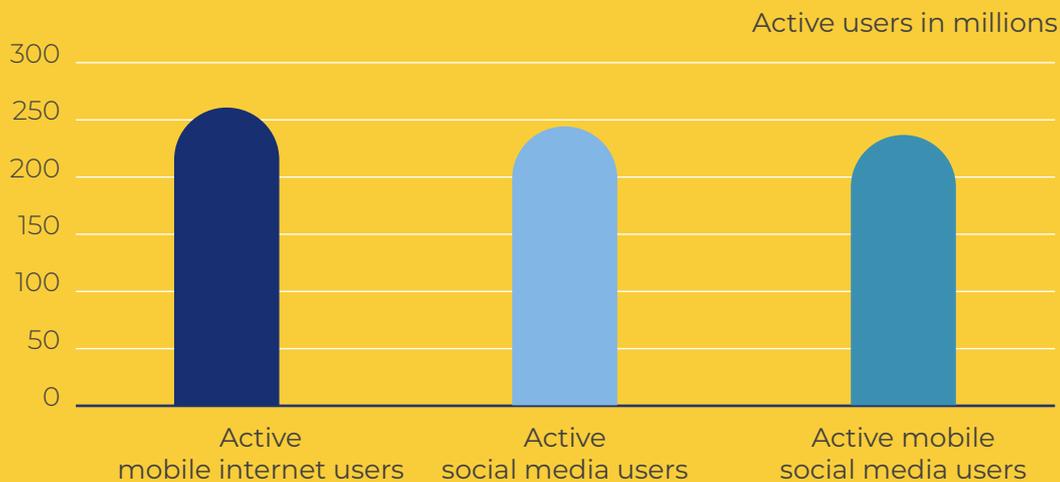
**283.9** Million

Internet Population as of 2020

**The US is one of the most saturated markets in the gaming industry supported by its developed mobile and digital infrastructure across the nation.**

Source: Newzoo, Top 10 Countries by Game Revenues, 2020

## Digital population in the United States as of January 2021 (in millions)



Source: We Are Social & Hootsuite & DataReportal, Digital population in the United States, January 2021

## 298 million

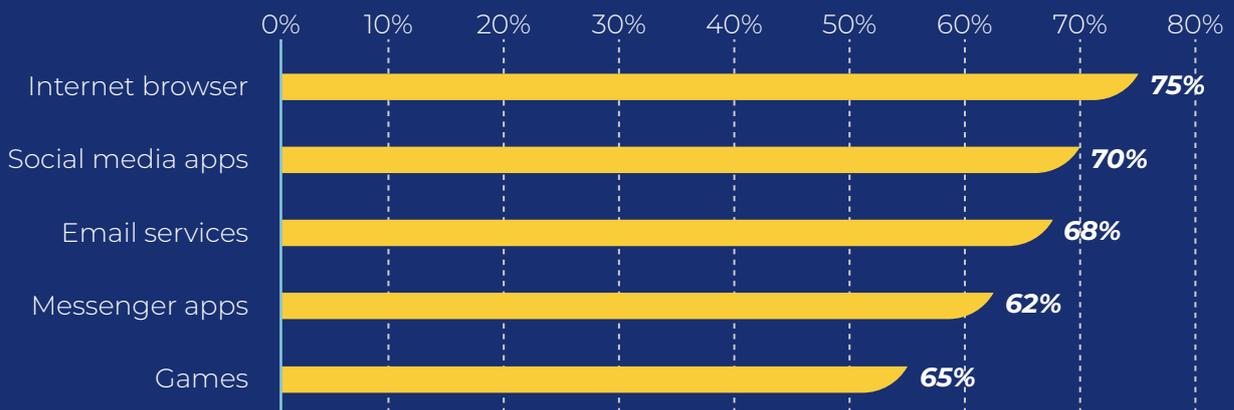
consumers are using smartphones in the US



**30% of consumers prefer to use mobile wallet as a payment method in 2020**

30% also prefer credit card

## Smartphone app usage by type in the US 2020



Share of respondents. Number of respondents = 3805.

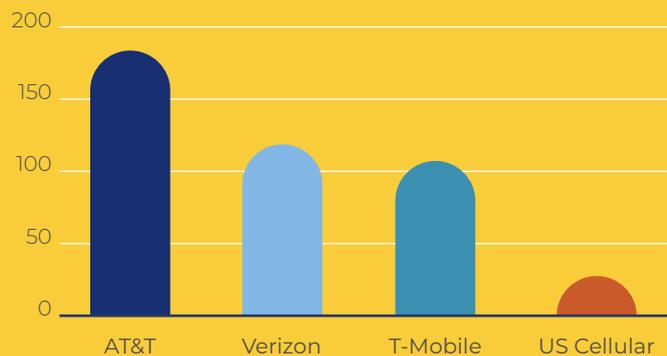
Source: Statista Global Consumer Survey 2020

## Mobile operating system used by US gamers in 2020:

- ▶ 52% use Android
- ▶ 44% use iOS

## Mobile Operators in the US:

Subscribers in millions as of 2020

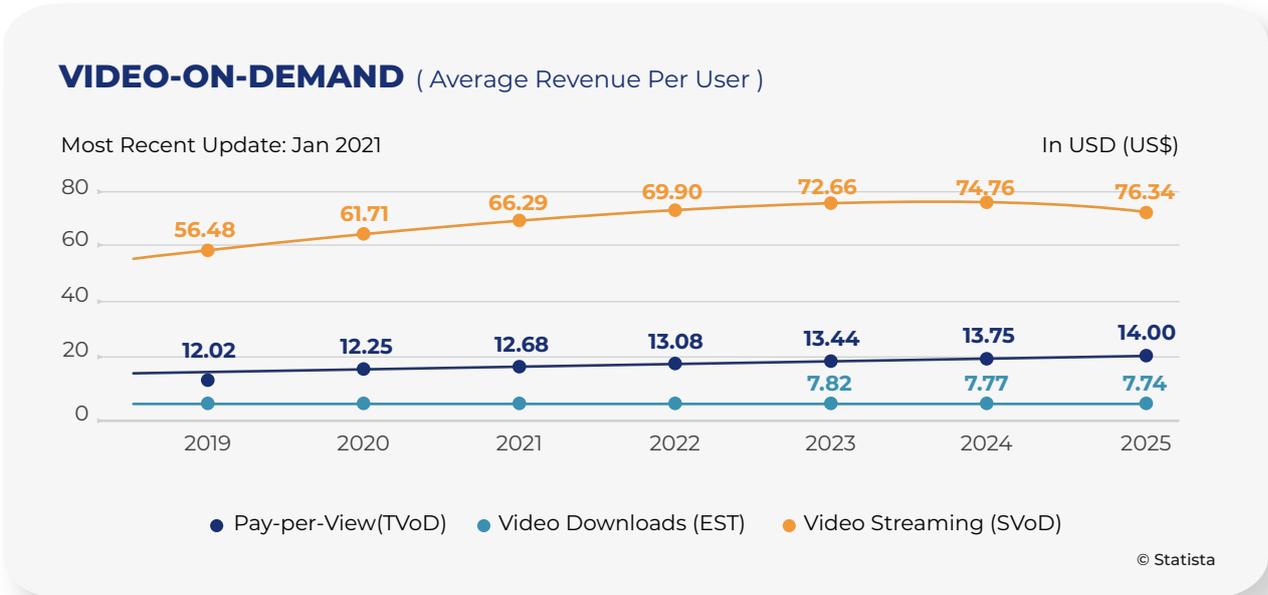


Source: Companies' Annual Reports

# 04

## The Market for Video On Demand (VOD) is Competitive and Growing

Streaming services built their biggest audiences back in 2020 when most countries went into lockdown and people were confined to the home for their health and safety. While those audience numbers may decline when society returns to normal, video streaming is unlikely to lose popularity anytime soon.



Communication research firm Interdigital predicts that **video streaming is expected to constitute 82% of all internet traffic by 2022** due to the increased accessibility of video streaming which fuels its continued growth. Cloud computing has made it easier than ever for viewers to access content from their television, gaming devices, laptops and smartphones.

As streaming media companies adjust their business model to include new and existing customer bases, they've also expanded their content portfolio and partnerships to stay competitive. The growing digital landscape requires every enterprise to be more agile, responsive and adaptive than ever before.

For example, Sony signed an exclusive licensing agreement with Netflix in April 2021 to show all their theatrical titles on the massively popular streaming platform. Compared to their competitors, Sony is the only major media entertainment conglomerate to not have developed their own SVOD platform.

## 05

# Ecommerce Has Become The Lifeline for Many Businesses

Goods and services are being offered to customers via new shopping experiences and online store concepts.

In the new report, COVID-19 and E-Commerce: A Global Review, by UNCTAD and eTrade, the findings showed a strong uptake of e-commerce across several regions in 2020. Here are some examples:

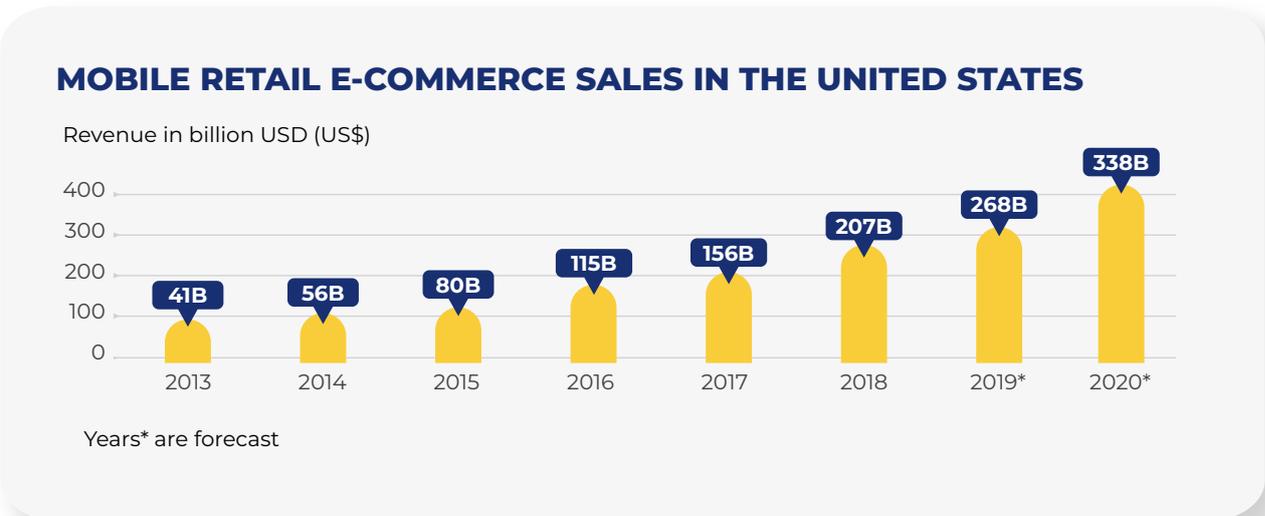
- ▶ Latin America's online marketplace Mercado Libre sold twice as many items per day in the second quarter of 2020 compared with the same period the previous year.
- ▶ African e-commerce platform Jumia reported a 50% jump in transactions during the first 6 months of 2020.
- ▶ China's online share of retail sales rose from 19.4% to 24.6% between August 2019 and August 2020.
- ▶ In Kazakhstan, the online share of retail sales increased from 5% in 2019 to 9.4% in 2020.
- ▶ Thailand saw downloads of shopping apps jump 60% in just one week during March 2020.



These e-commerce gains are likely to continue throughout the recovery period. The flow of innovation coming from numerous start-ups and cashflow from a digitally-savvy generation of users is prompting great changes in the market.

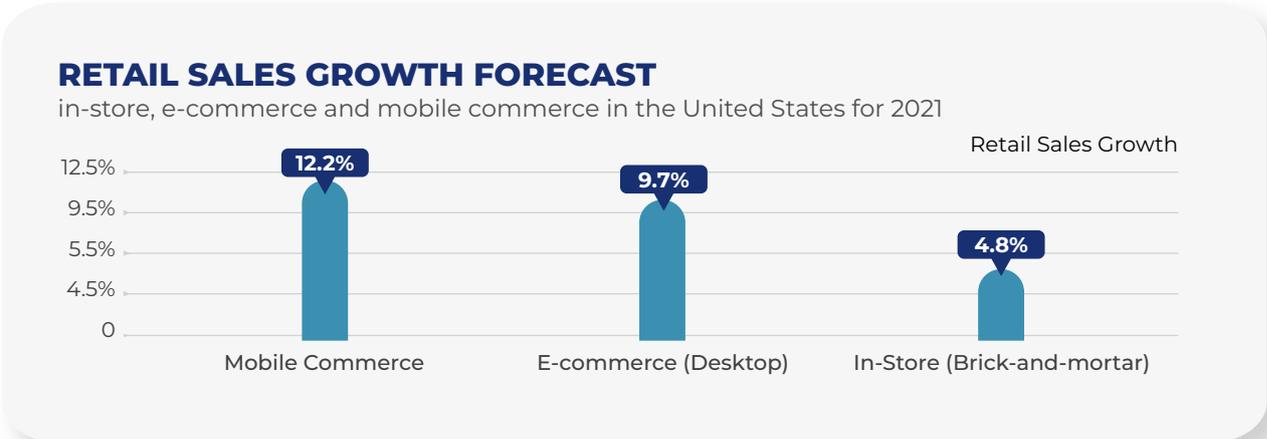
## Online Retail Is Shifting Towards Mobile Commerce

When looking at the US ecommerce landscape, the pace of digital transformation shows no signs of stopping. Throughout the first year of the COVID-19 pandemic, the surge in online sales continued, reinforcing the upward trend of digital adoption in ecommerce sites and mobile payments.

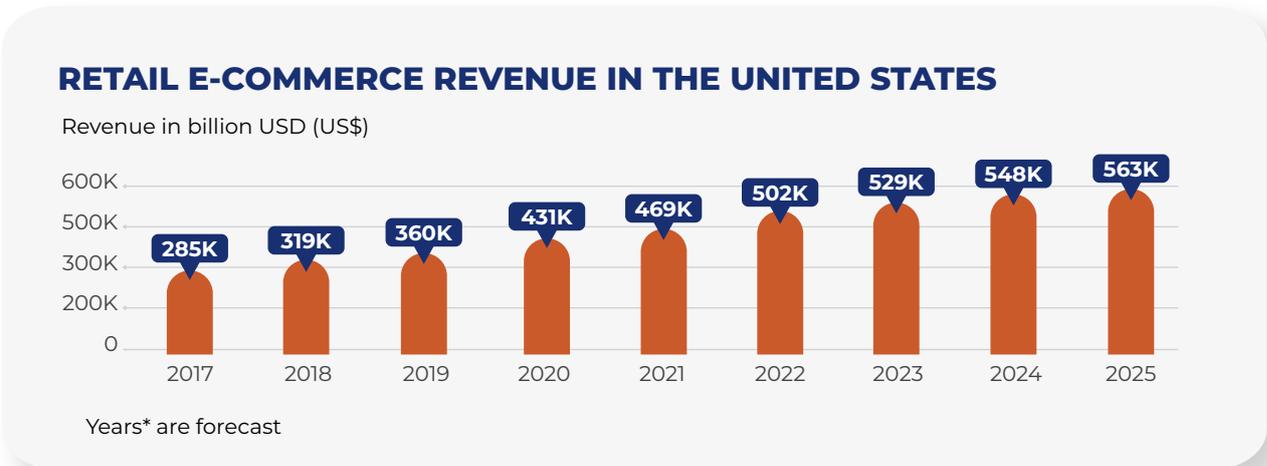


To counter the lack of in-store sales and improve the overall shopping experience during this period, the functionality of many retail businesses had to counter the lack of in-store sales and improve the overall shopping experience during this period, the functionality of many retail businesses had

to shift online and more technology was implemented. The demand for mobile commerce only grew as a result as the time customers spent on mobile devices increased.



When customers see more businesses offering the kind of products or services they desire online, they will have increased expectations across the whole sector for flexible and convenient payment methods.



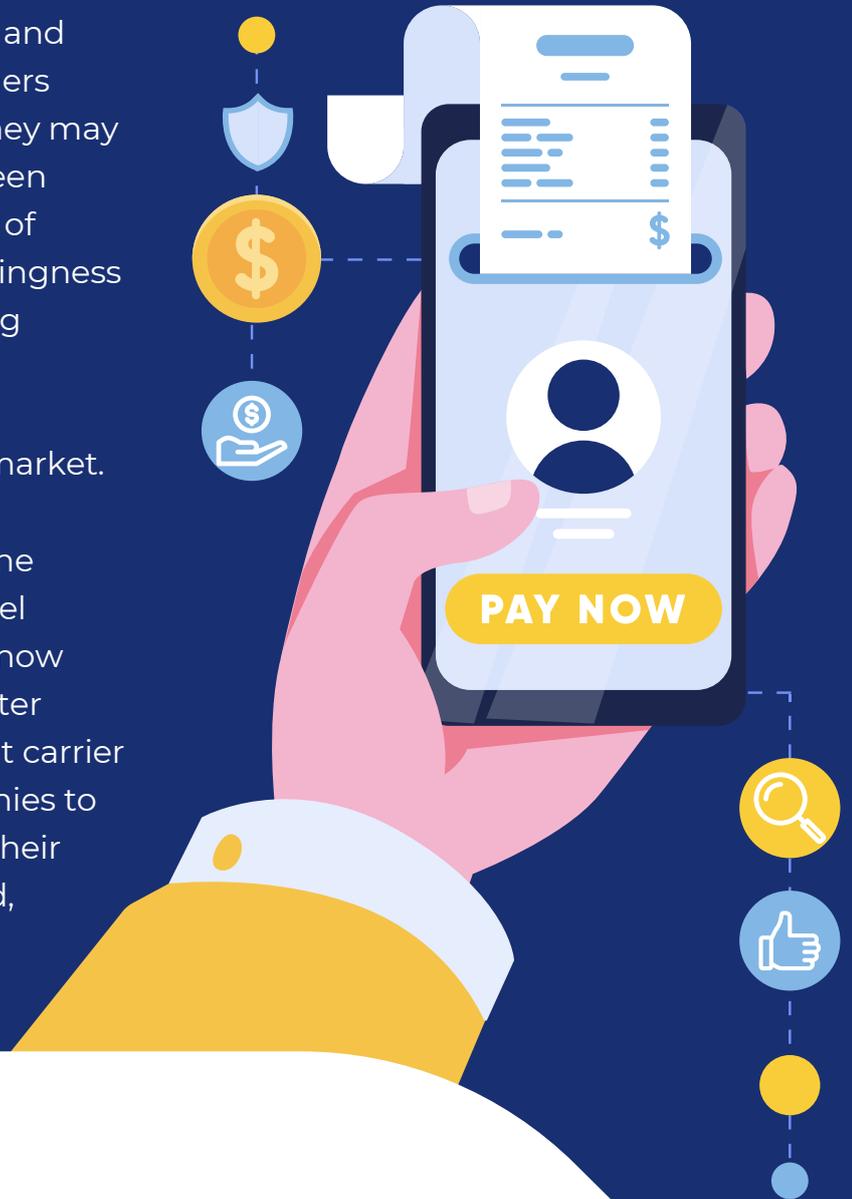
Nowadays, e-wallets make shopping on the go much easier. More businesses recognize the importance of the mobile customer experience and are keen to develop apps to optimize the shopping journey, increase customer loyalty and reduce the number of clicks to purchase.

At the end of the day, meeting consumers' expectations is still central to any good business strategy. Customers are open to new and innovative services as long as they can see a benefit or alleviation of an issue.

# Direct Carrier Billing: A Solution for Sustaining Online Sales?

During the period of lockdown and economic uncertainty, consumers were opened up to channels they may not have considered or even been aware of previously. New levels of technology adoption and a willingness to try using different purchasing channels means that there is a growing customer base in the burgeoning digital payments market.

Prompting an acceleration in the implementation of omnichannel services then, consumers may now demand, or at least expect, better services from companies. Direct carrier billing can be a way for companies to differentiate themselves from their competitors in highly saturated, competitive environments.



## Mobile Operator Solutions: Direct Carrier Billing

Forest interactive's Direct Carrier Billing (DCB) is a Platform-as-a-Service (PAAS) that gives users the best purchasing experience in both online and mobile environments.

It allows users to make purchases **by charging payments to their mobile phone bill.**

# ABOUT FOREST INTERACTIVE

Forest Interactive develops scalable mobile platforms that enable mobile operators and content providers to build enriched customer experiences with highly-customizable and easy-to-use platforms. With over a decade of industry experience, Forest Interactive has expanded to include a workforce of 30 nationalities in 17 regional offices and 35 operating countries, providing innovative and comprehensive solutions to 90+ mobile operators and over 100+ content partners with the capacity to reach 1.4 billion subscribers worldwide.

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