



## **Age Verification is the best thing to happen to Mobile Erotica**

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Amazing! The whole issue of 'opt-in' and asking people to put down personal details to view +18 services had the mobile erotica companies shaking in their boots! It didn't work with Internet or IVR and went against all the consumer behaviour data we previously had for these other channels.

However, what we have seen is the reverse! What we have had to date is a big gap between the needs of adult consumers and operators and I think age verification is the first step to bringing those two very different needs together in a responsible, yet beneficial way for all. I still believe that low quality, topless wallpapers for example, have sold so well because the consumers couldn't get their hands on anything else! What surprised me most was that despite asking consumers to admit they wanted to view +18 services and THEN asking them put down personal information, they were actually going through this less than desirable experience in order to reach the services. It really highlights the strength of the consumer demand! We actually saw revenues for our hardcore channel go UP after one UK operator introduced their automatic barring and 'opt-in' approach, which we were definitely NOT expecting!. The 'white lists' are a great idea and an example of the industry coming together to create a better and more personalised end-user experience. They should have just started them earlier!

We know there is a proven commercial demand for adult entertainment on mobile, and whatever your personal feelings are about it, it WILL be one of the major revenue drivers for mobile. The latest Juniper report on the subject is estimating that mobile erotica alone will be worth 1bn this year! However, the issue we were facing was how to separate those who should and those who shouldn't access it in the first place. It's obviously important to stop those who should not from even getting close to this type of content, but what is often side-stepped and equally important is ensuring that people who WANT to, can! This is delivering to consumer demand, creating customer satisfaction and increasing ARPU. I think that finally getting the age verification up and running is helping to create one of the most responsible channels for erotic and adult entertainment in history and because of this, consumers have more confidence in handing over personal information, which is what created this surprising response!

Cherrysauce has rated its content in line with UK regulations since we launched in 2003 as have many of our leading 'counterparts' and these are the companies now being approached for on-portal services. We all use fully licensed, high quality content and offer both mainstream erotica and more explicit services. We include free browsing and sample sites to provide transparency and honesty to the customer and finally we aggregate a wide variety of different content, normally under one trusted brand, to offer something for everyone (because erotica is a very personal thing!). I talk with a lot of our main 'competitors' in the market. We exchange experiences, results and strategies in order to create a better perception of the erotic business community and our value in the mobile food chain. I think what you will find is that these adult companies, who have a long-term view on this industry and WANT to responsibly present their products, will therefore reap the returns of doing so, whereas companies who don't, won't survive. As a result, the hope is that we will have a totally regulated, self-rated and responsible erotic AND adult mobile industry in a short space of time.

Julia Dimambro, Managing Director

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