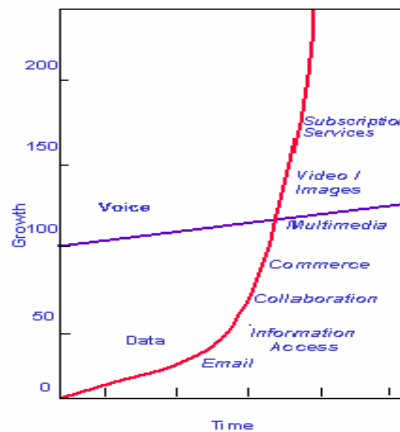


## Mobile phone shift in demand since WAP introduction

We live in an age where mobility and communication is becoming more and more important to people. A visible sign of this is the number of Internet and mobile phone users. Nokia looked at this information and innovated the idea that these two 'musts' could easily be put together- i.e. WAP services on a mobile.

The graph below shows the growth rates for voice only mobiles and (the red line) features the internet has to offer:-



..... if you put these two together you can see that Nokia innovated a winning idea.

So as peoples average income has increased over the last few years, they are aloud to buy luxuries such as mobiles and Internet services. As the above graph shows, the growth rates for both of these are huge, which surely means that demand must be reasonably high for both, but especially for the internet. As the Internet has many features on it that people want, integrating these services into a fashionable mobile will obviously shift demand for Nokia to the right. The case study I've researched proves this:

The mobile market with the introduction of WAP last year witnessed an even stronger growth. Germany's mobile market increased from 23,470 million at the end of 1999 to 48,145 million twelve months later - a net growth of 105 per cent. Mobile penetration amongst the German population stood at 59 per cent at the end of 2000.

So in conclusion, because of WAP, mobile phones have seen a rise in demand. The factors causing this include: the integration of a product and a service; both mobiles and Internet services being successful alone; people being able to afford mobile phones with WAP; and a strong desire to buy these phones. As a result of these factors, Nokia have seen a demand shift looking like this:

