

The finance and economics of the Internet

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Data, arguments, and references:

- paper: “Will smart data pricing finally take off?”
- to appear in *Smart Data Pricing*, S. Sen, C. Joe-Wong, S. Ha, and M. Chiang, eds., Wiley, 2014
- available at
<http://www.dtc.umn.edu/~odlyzko/recent.html>
- or bing or google “odlyzko smart pricing”

“Content is king” delusion

- US wireless industry revenues in 2011: \$170 B
- Google worldwide revenues in 2011: \$38 B
- Hollywood worldwide video revenues around \$100 B

- world GPD: approx. \$70,000 B
- world telecom service revenues close to \$2,000 B
- world advertising spending: approx. \$500 B
- Google worldwide 2011 revenues: \$38 B

US wireless industry statistics

year	revenues \$B	capex \$B	capex/revenues
2004	102.1	27.9	27.3%
2005	113.5	25.2	22.2
2006	125.5	24.4	19.4
2007	138.9	21.1	15.2
2008	148.1	20.2	13.6
2009	152.6	20.4	13.3
2010	159.9	24.9	15.6
2011	169.8	25.3	14.9
2012	185.0	30.1	16.3

More information, papers, and presentation decks:

<http://www.dtc.umn.edu/~odlyzko/>

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