

App Promo White Paper

SLOW AND STEADY WINS THE RACE:

App Developers That Stick it Out Come Out on Top

App Promo Developer Survey (June 2013)

Developers Aren't Giving Up

App Promo 2013 Survey Summary

The biggest learning from this year's survey was that **81%** of app developers indicated that they are not making enough money to consider their app a standalone business yet the same amount, **81%**, stressed that they are not considering abandoning their app.

We find that **Slow and Steady Wins the Race** – as App Developers that Stick It Out are succeeding in this space. Those with apps **3 years** or more are earning total revenues exceeding **\$500,000+** mostly due to marketing efforts with budgets of at least **\$1,000** a month.

That being said, like last year's survey results, the majority of respondents (**67%**) indicated that they are not yet breaking even with the revenue they are generating with their app compared to the costs of operating it.

In fact, **68%** of survey respondents indicated their app has earned less than a \$1,000 since launch with **29%** of the respondents indicating that their app has yet to generate any income at all.

2013

When we compare the results of the 2013 survey to the year prior we find a massive change in monetization models but we confirm that there is little change in app developer's difficulties in making money with their app.

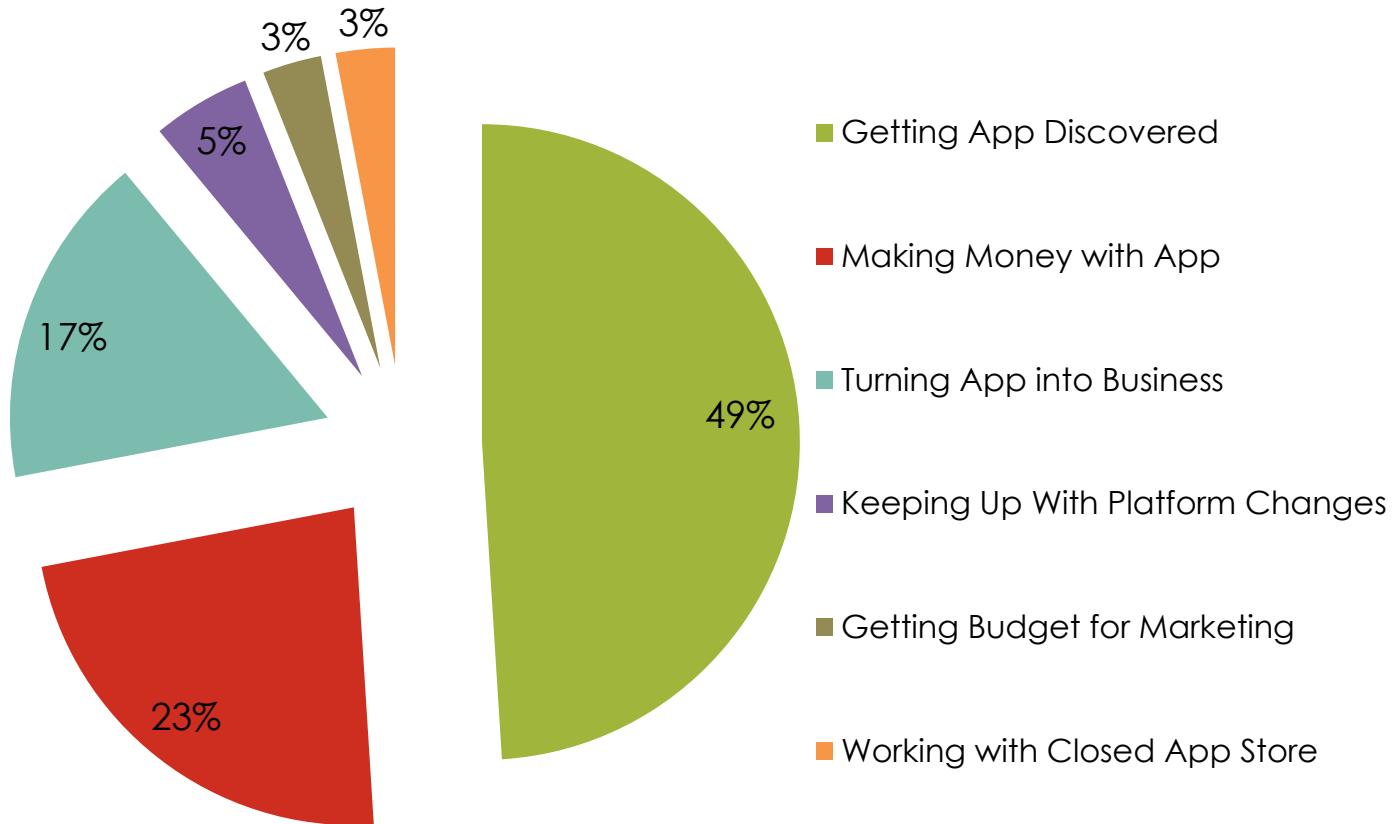
	2013	2012
Developers whose apps are free	63%	35%
Developers who felt they don't have a standalone business	81%	80%
Developers who are not breaking even with app	67%	59%
Developers who don't have a marketing budget	66%	52%

2012

Discovery & Monetization

Top Challenges for Developers

It isn't surprising that discovery and monetization top the list of issues that developers have today. Both are intrinsically tied to one another and are common problems for new products on any platform.



Android Succeeding in Asia iOS Succeeding in the USA

iOS shows its fun and games side while Android proves to be more practical when looking at the differences between successful apps between these two platforms.

	iOS	Android
Developers Seeing Success in Asia	4%	25%
Developers Seeing Success in the US	68%	43%
Most Successful Category	Games – 32%	Utilities – 30%
Free Apps	80%	46%
Most Common Price outside Free	\$2.99 - \$9%	\$0.99 – 25%

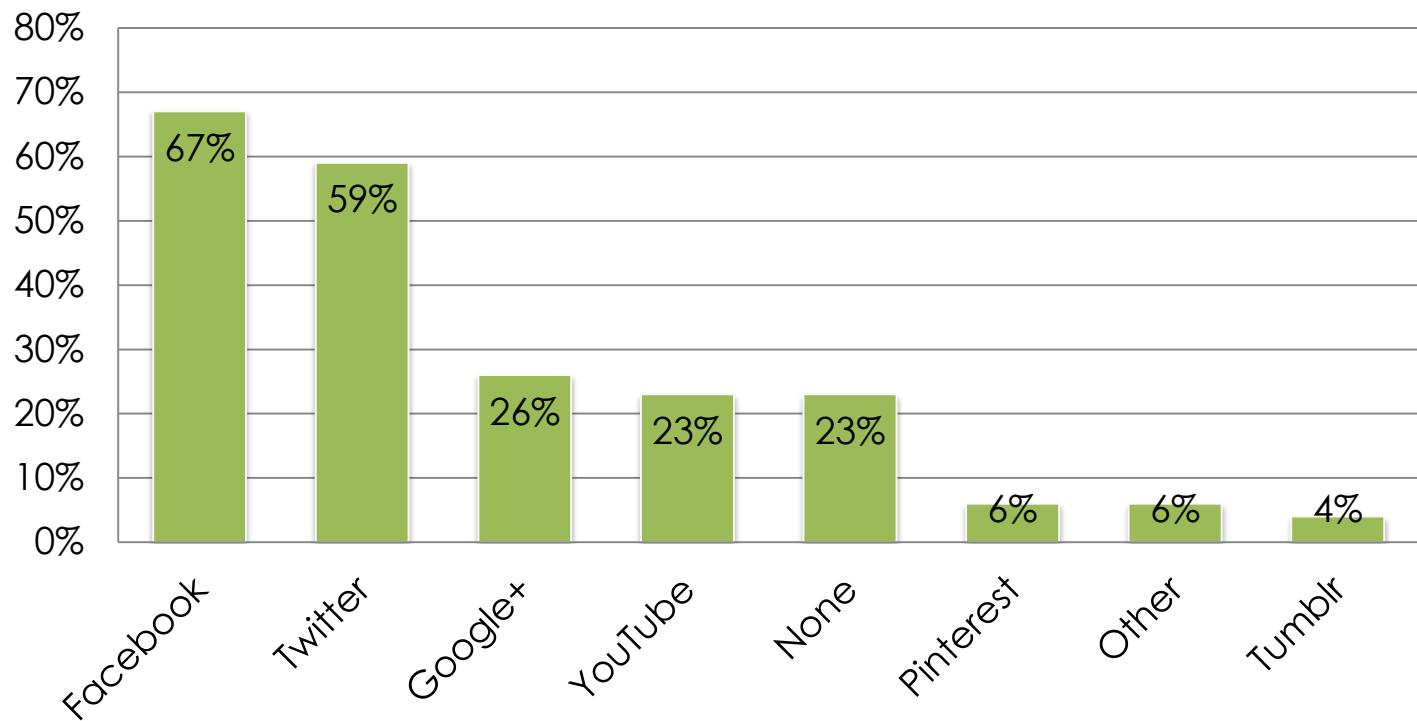
Android Making Less Money iOS Marketing More

We find that both platforms are having issues breaking even but Android developers are having an even harder time than their iOS counterparts

	iOS	Android
Most Common Revenue Model	Paid Apps – 55%	Ads – 41%
Most Developer Revenue Earnings	\$5000 or less – 55%	\$1000 or less – 64%
\$0 in Earned Revenue To Date	10%	41%
Developers with Marketing Budgets of \$1000 or less	32%	23%
Developers not breaking even	58%	73%
Developers who don't consider their app standalone business	75%	77%
Developers Not Considering Abandoning Their App	75%	80%

Facebook & Twitter Most Common Social Networks

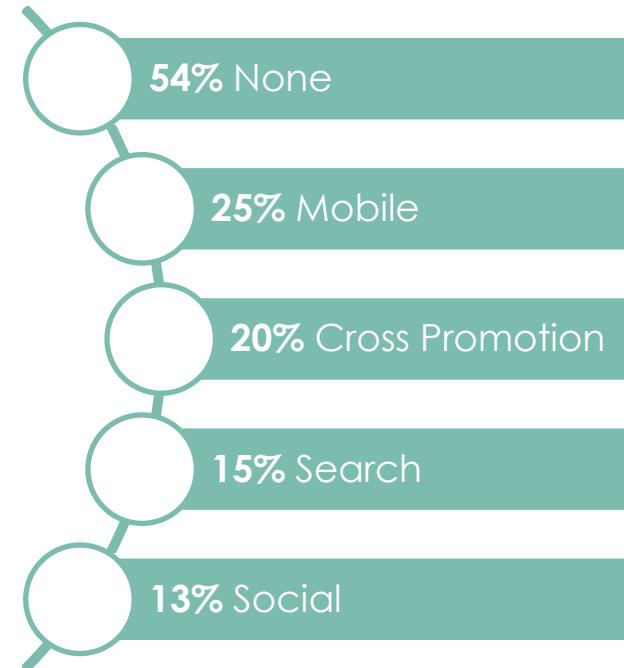
Nearly 1/3 of developers are not using social networks to market their app. For those that are using these networks – Facebook and Twitter reign supreme. Pinterest and Tumblr are untapped networks for marketing of apps at this time.



Ads Under Utilized

Most Developers Not Using Ads to Increase Discovery of Apps

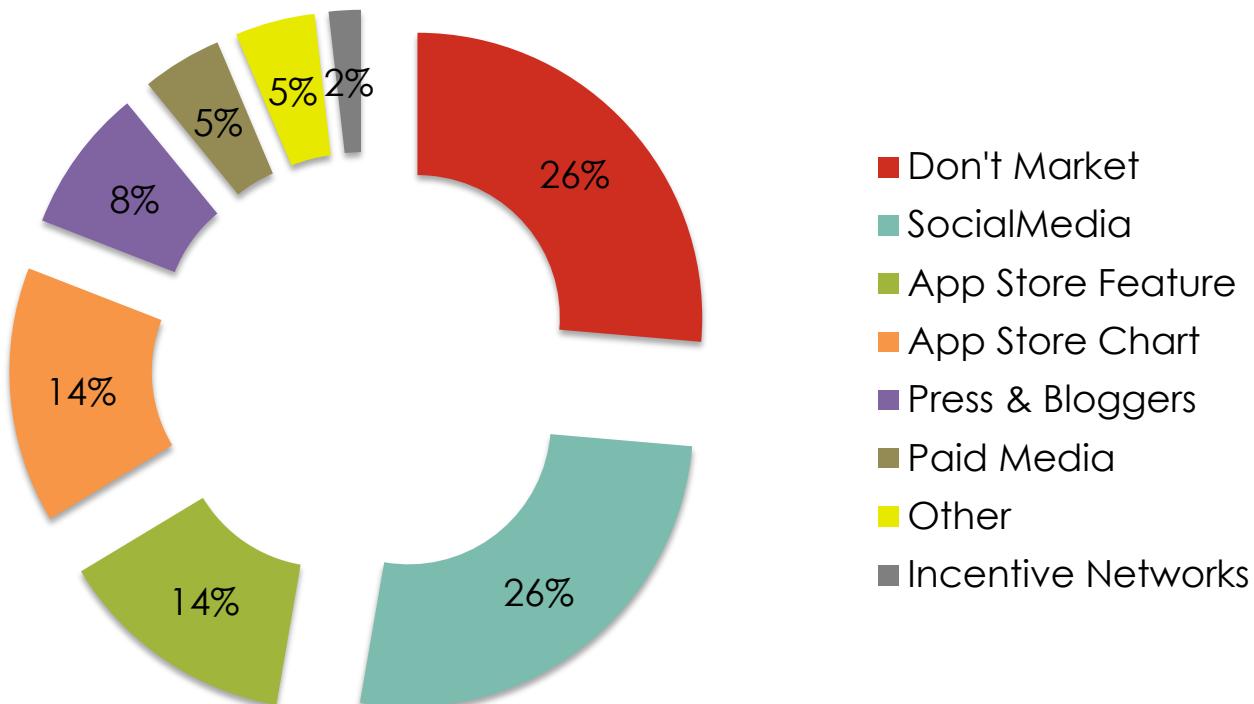
- 54% of App Developers are not using any type of ads to market their apps.
- Mobile ads are the most common outside of search and social.
 - 20% of developers are cross promoting their apps using ads on their own or other developer apps.



Lack of Marketing

Most Developers Not Marketing

29% of developers said that they didn't market their app. For those that did market their app 12% said their campaigns were only 1 week while another 12% indicated that their marketing efforts were ongoing.



The Long Haul Developers That Stick It Out Thrive!

Despite the challenges app developers are facing, we find that those that keep their app in market for 3 or more years are finding the most success. Additionally, those developers who put time and money into marketing were reaping the rewards.

	Newbie Developer	Experienced Developer
Time in Market	Less than 6 Months	Over 3 Years
Revenue Earned to Date	\$1,000 or Less	\$500,000+
Primary Monetization Model	Paid App	Ads
Breaking Even?	77% Said No	100% Said Yes
Marketing Budget?	64% Have \$0	45% Had \$1K or Less
Consider App a Standalone Biz	87% Do Not	78% Do
Thinking of Abandoning Their App	84% Said No	78% Said No

What You Should Be Doing

The best way to learn how to succeed is to look at those who are doing well around you and follow suit.

The Developers that are succeeding with their apps are marketing. To help you get started we have created the following app marketing **checklist**.



Of course, you don't need to do this alone. As an app marketing and strategy firm we are here to help developers who may not have the necessary time to market their application.

Slow & Steady Wins the Race Tenacious App Developers Thrive

The biggest takeaway from this year's survey is that app developers that are committed to making their app successful are seeing success. But this success is tied to taking the initiative to improve app discovery through marketing – with those that had an effective marketing budget set aside seeing the most traction with their app.

New app developers can learn a lot from the results of this survey especially since we find that the choices that developers are making early on are very different from the ones that successful developers are ending up with – especially when it comes to monetization models and attention to marketing.

Ultimately we found that despite the fact that the majority of developers are struggling to break even with their apps – there are many developers that are also seeing tremendous success which may be why 81% of those surveyed were optimistic and refuse to give up.

About Our Survey

We launched our Second Annual Developer Survey on April 15, 2013 and collected responses over a 21-day period closing on May 5, 2013.

The goal of our survey was to gather information from the app developer and publisher community on the success they are seeing with their mobile applications. We are especially interested in how developers are monetizing their application as well as the extent to which they are leveraging marketing to improve app success.

We were successful at reaching a critical mass of over 365 qualified app developers in order to ensure that our results were statistically valid.

We asked our participants a series of multiple choice questions in three main areas: (1) general information; (2) revenue and downloads and (3) marketing.

All individual responses from the survey are confidential.

For more information about this survey, please **contact us** directly at:
info@app-promo.com.

About App Promo

We are leaders in app marketing and strategy.

We help our clients succeed in the business of applications offering strategy, marketing and monetization services across platforms: iOS, Android, BlackBerry, Windows & Nokia.

Our services aim to increase discovery, optimize revenue and better position applications to set them up for success.

We recently launched our App Store Optimization services which help developers better position themselves in the app store especially to improve search.

Our team has years of proven experience in strategy, marketing and increasing revenue for companies with their digital offerings.

Contact us at info@app-promo.com today to get started on succeeding with your app.



info@app-promo.com

www.app-promo.com

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Thank You

We would like to extend a thank you to our survey distribution partners who assisted us in acquiring a critical mass of app developer participation in this year's survey.



You create it. We localize it.

