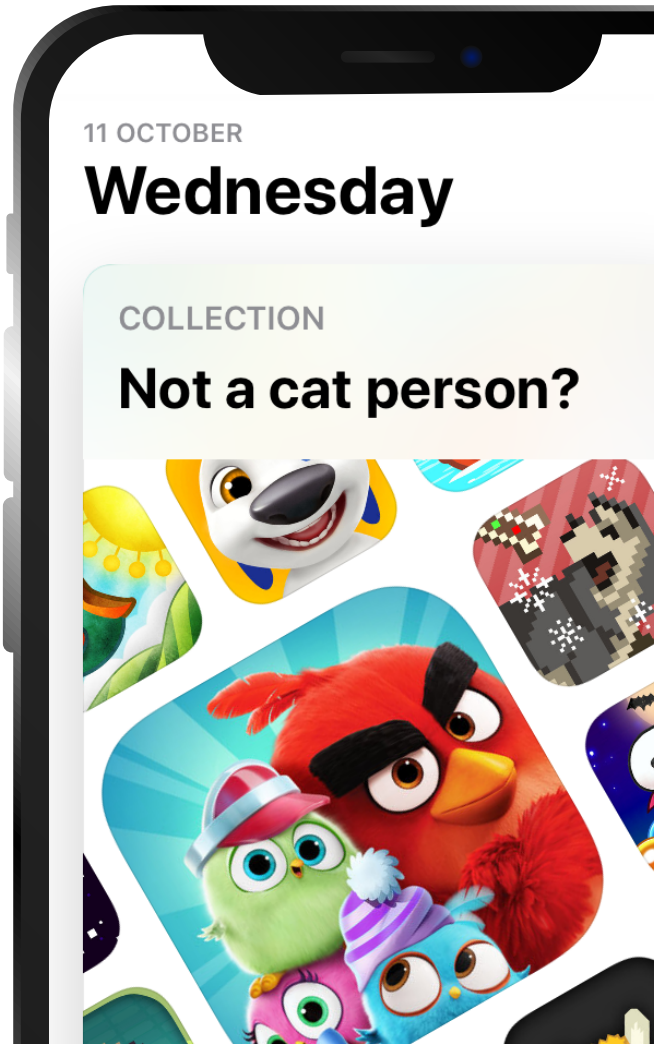*Mitchell Hall*

Revolutionising applications

Consequences of the introduction of the iPhone's App Store to the application market

Revolutionising Applications

Mitchell Hall

Angry Birds. Snapchat. Facebook. It's hard to imagine how we once lived without them. Today, there is an application for everything, from games to social media, from fitness to productivity. There are currently over 2 million applications in the Apple iOS App Store and counting, but it wasn't always like this.

Before the release of the first iPhone in 2007, mobile applications didn't extend much further than phone calls, text messages, emails and Snake. These utilities often came with the phone and third-party applications were limited. Then, in 2007 came the Apple iPhone, a highly criticised smartphone far ahead of its time. Shortly afterwards in July, 2008, came the release of the Apple App Store. The iPhone became a platform to bring application developers and consumers together seamlessly. The App Store was launched with only 552 applications but still managed to top an impressive 10 million downloads on iOS devices in its first weekend. Fast-forward to 2017 and the App Store has over 2.2 million applications gaining Apple an impressive US$4.9+ billion in revenue this year alone.

As can been seen in *Figure 1*, App Store growth shows to have always been on a steady and consistent incline. In the year 2012, App Store applications downloads totalled 63.98 billion. Just five years later in 2017, that figure has increased by almost 420%, at 268.69 billion downloads so far. Although this graph only represents the latter half of the App Store timeline, it gives us a good idea of the colossal scale of the App Store's market.

So, what genre of application has made Apple's App Store so successful? Between the years 2008 and 2016, the most commonly downloaded applications consist of only three genres; games, social media and music/video. In chronological order, these applications are; Pandora Radio, Facebook, Angry Birds, YouTube, Candy Crush Saga, Facebook Messenger, Candy Crush Saga (again) and Snapchat. From my analysis, I have found that the success of these applications is because of application usability on the iPhone.

How does this differentiate from earlier, less successful application markets?

Again, I find that this is most likely due to the user-friendly interface of the iPhone. Before this device, all user interfaces were minimal in size and obstructed by keypads or keyboards. Developers were then not able to profit from applications as users weren't inclined to buy apps for these devices. Therefore, there was not a market for these applications before the iPhone's introduction.

Today, we still find a very limited number of competitors to the iPhone's App Store. The only two which are notable are Google Play and Amazon Appstore for Android, neither of which are compatible with the iPhone. The reason for this is because the company that sells the device usually makes the applications in their store entirely exclusive to their device, therefore ensuring that they have little to no competition. Because of differing devices, it is difficult to be conclusive when comparing statistics between application stores.

The data in *Figure 3* shows that although Google Play now has more applications and twice as many downloads as the App Store,

the App Store still leads in revenue by a significant 75%. This could potentially mean that although more people own devices with Android software, the iOS App Store still has more of a market and is therefore much more profitable. The fact that the App Store has less applications is most likely due to its strict publication rules and guidelines.

After almost ten years, the iOS App Store has completely and undoubtedly revolutionised the way we utilise and consume applications in our everyday lives. Whether it be media consumption, social media, games, health or utilities, the applications on our devices continue to improve our quality of life. And to think – **this is just the beginning...**

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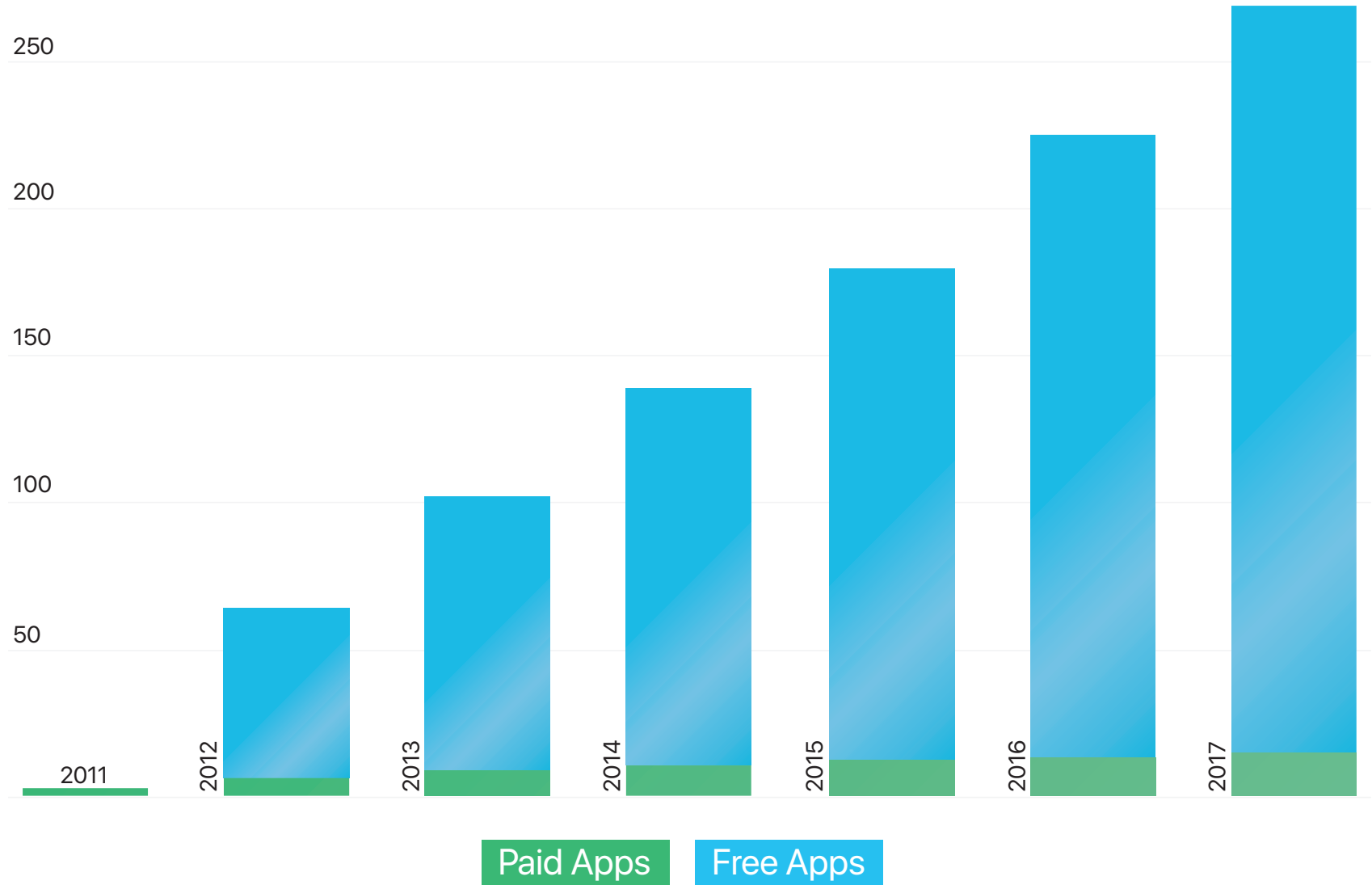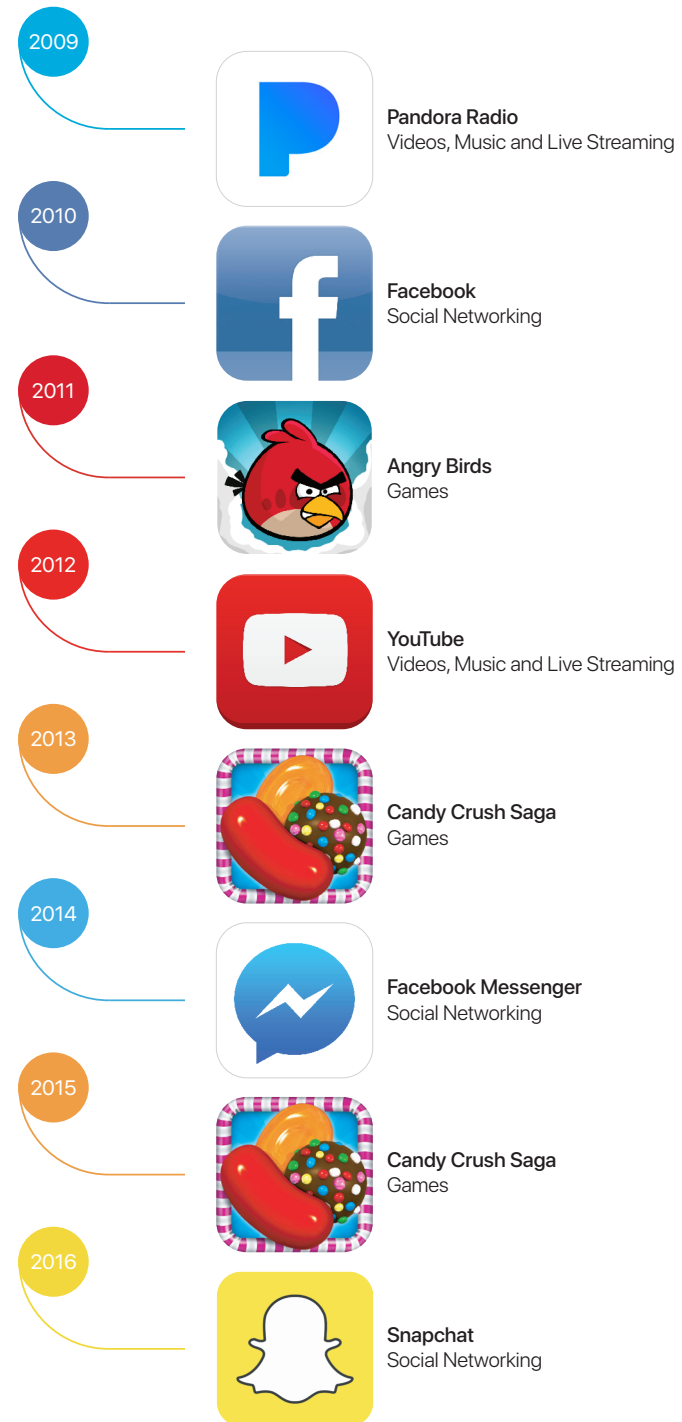
App Store downloads

Between 2011 and 2017

Paid Apps   Free Apps

Figure 1   3

App Store timeline 'Most Downloaded'

A timeline of the most downloaded iOS applications between 2009 and 2016 and their categories

2009

Pandora Radio
Videos, Music and Live Streaming

2010

Facebook
Social Networking

2011

Angry Birds
Games

2012

YouTube
Videos, Music and Live Streaming

2013

Candy Crush Saga
Games

2014

Facebook Messenger
Social Networking

2015

Candy Crush Saga
Games

2016

Snapchat
Social Networking

Figure 2   4

App Store v. Google Play

Comparison of market download and revenue
between 2016 and 2017

Downloads (in billions)

	iOS App Store
	Android Google Play
	Other

Revenue (in $ billions)

	iOS App Store
	Android Google Play
	Other

Figure 3   5