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5 Mobile App Predictions

FOR 2024

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Supercharge or unearth winning acquisition and ASO strategies with top class market evaluation tools.

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Leverage natural language processing that translates thousands of customer reviews for you, so you get actionable indicators signaling what keeps users happy and coming back for more.

Monetization
Get the full picture with in-app purchase and advertising revenue metrics that inform your own monetization strategies.

Global Mobile Market Predictions

1

TikTok to Break All Records for App Store Spend in 2024 — Surpassing $14.6 billion.

2

Gaming Consumer Spend to Rebound to $111.4 Billion in 2024.

3

MicroBlogging Apps to Lose a Potential 66 Million Daily Active Users by 2024.

4

AI to Power Up to 10% of App Downloads in 2024.

5

Social Media Apps Poised to Carve Out Share of Wallet in 2024.

data.ai | Our customers

8 out of 10 top publishers trust data.ai insights to grow their business.

Gaming	Media & Entertainment	Technology	Retail & E-commerce	Gig Economy	QSR
EA	Disney+	Google	Walmart	Uber	HUNGRY JACK'S
ROVIO	STARZ	amazon	macy's	DOORDASH	DQ
ACTIVISION	SONY	Microsoft	ebay	Gett.	7 ELEVEN
SEGA	ByteDance	Meta	fetch	DiDi	Pizza Hut
OUTFIT7	NBA	Tencent 腾讯	Alibaba	Delivery Hero	POPEYES
(Discord)	iHeart RADIO	kakao	CVS Health	deliveroo	Domino's

5 Mobile App Predictions for 2024

Explosion of AI Demand
Growth of Generative AI Apps in 2023
Powered by data.ai's **App IQ** Taxonomy

● AI Art Generator ● AI Chatbot

Launch of Character AI and ChatGPT (iOS only)

Launch of ChatGPT on Google Play

In 2024, 2.3 Billion Downloads Will Include Generative AI Functionality

● Generative AI is set to play a big role in our mobile user experience in 2024, with downloads of apps that contain Generative AI functionality — whether directly Generative AI apps or apps embedding AI into their value proposition — will grow by 40% year-over-year.

● The launch of ChatGPT in 2023 sent shockwaves through the world in 2023. in the US, Google searches for "AI" increased nearly 10x YoY peaking in April 2023. Downloads of Generative AI apps grew nine-fold during the year. Within this, AI Chatbots saw 72x growth — supercharging a whole new sector of apps poised for sustained growth in 2024.

● Outside of AI Chatbots and AI Art Generator apps, apps which leverage "AI" experienced a 60% boost in downloads in 2023 — due to new feature additions and app launches. Top subgenres for these were Photo Editing, Video Editing and Selfie & Beauty Editor apps.

● Usage of the ChatGPT app peaks during the work week and falls off on the weekends — showing the time-savings and efficiency-generating power of AI Chatbots like *ChatGPT*. Business use cases will continue to power adoption and consumer spend in 2024.
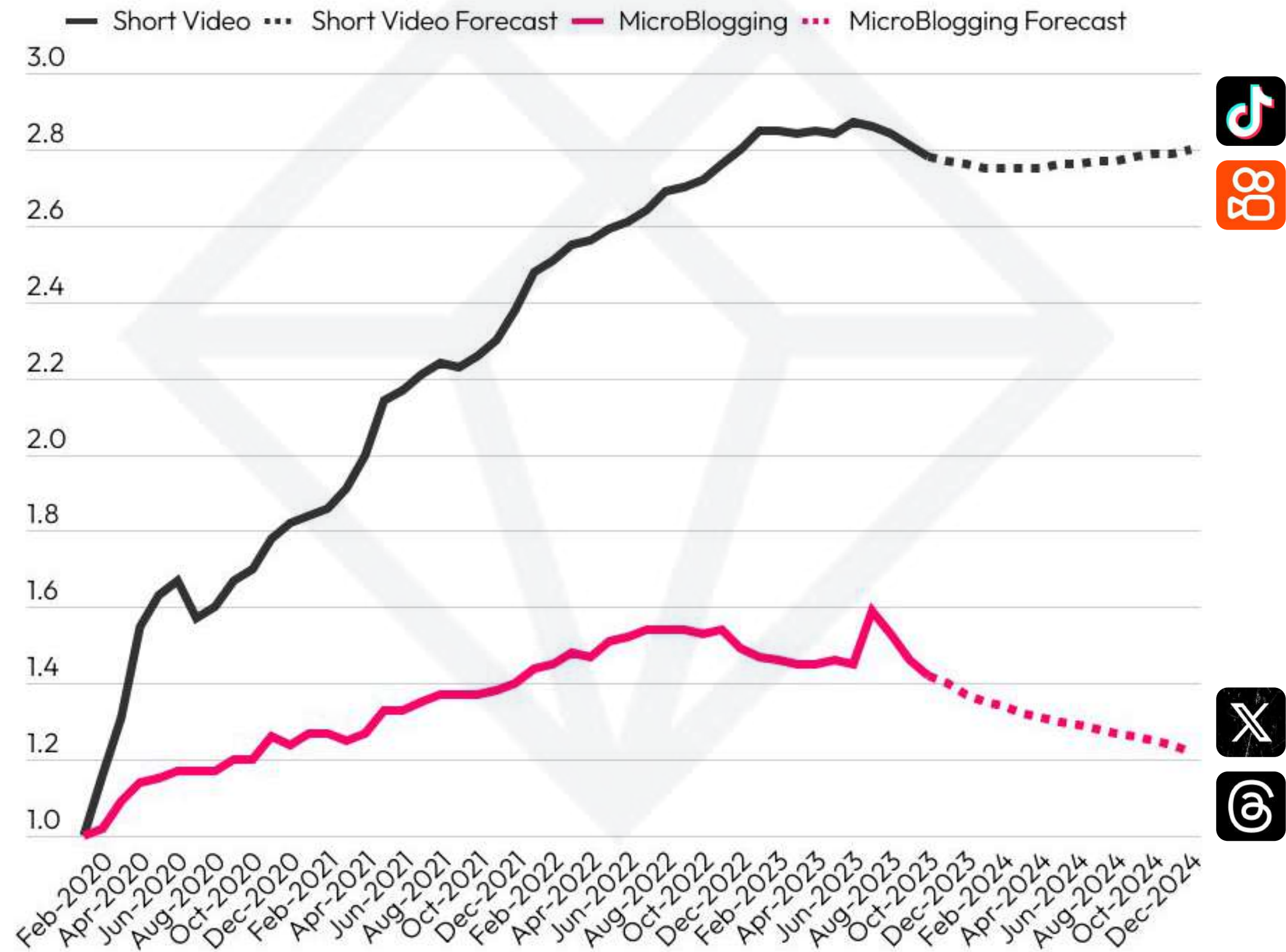
The Decline of MicroBlogging:
MicroBlogging vs Short Video Average Global Daily Active Users
Growth Indexed to January 2020
Powered by data.ai's **App IQ** Taxonomy

The Sun Sets on Microblogging: X (Twitter) & Threads Face Decline in 2024

- *X (Twitter)* alone is set to see Daily Active Users (DAU) drop to 250 million, down 53 million from when Elon Musk's acquisition began in April 2022, and down 66 million from its peak in July 2022.

- It's not just X, but the greater microblogging space: Threads poised to see peak day remain July 7, 2023 at 61 million DAU as active users stabilized around 20 million DAU in November 2023.

- Microblogging apps will face further decline in 2024 — from a convergence of competitors and usage shifts. While platforms like X are likely to maintain a core niche of users, the overall trends show **consumers are swapping out text-based social networking apps for photo and video-first platforms**. Along with a series of mismanagement and public image fumbles for X, there is a **general shift of where news content is being absorbed**.

- TikTok to make further in-roads on X's news' stronghold: <u>43%</u> of US TikTok users report they get their news on the platform, double from 3 years prior. Formerly a first-port of call for news, X (Twitter) has seen the share of users seeking news drop from 59% to 53% during the same time period. Video-first news is now king.

Billion Dollar Consumer Spend Club Milestones in 2024
Lifetime Consumer Spend | iOS & Google Play Combined
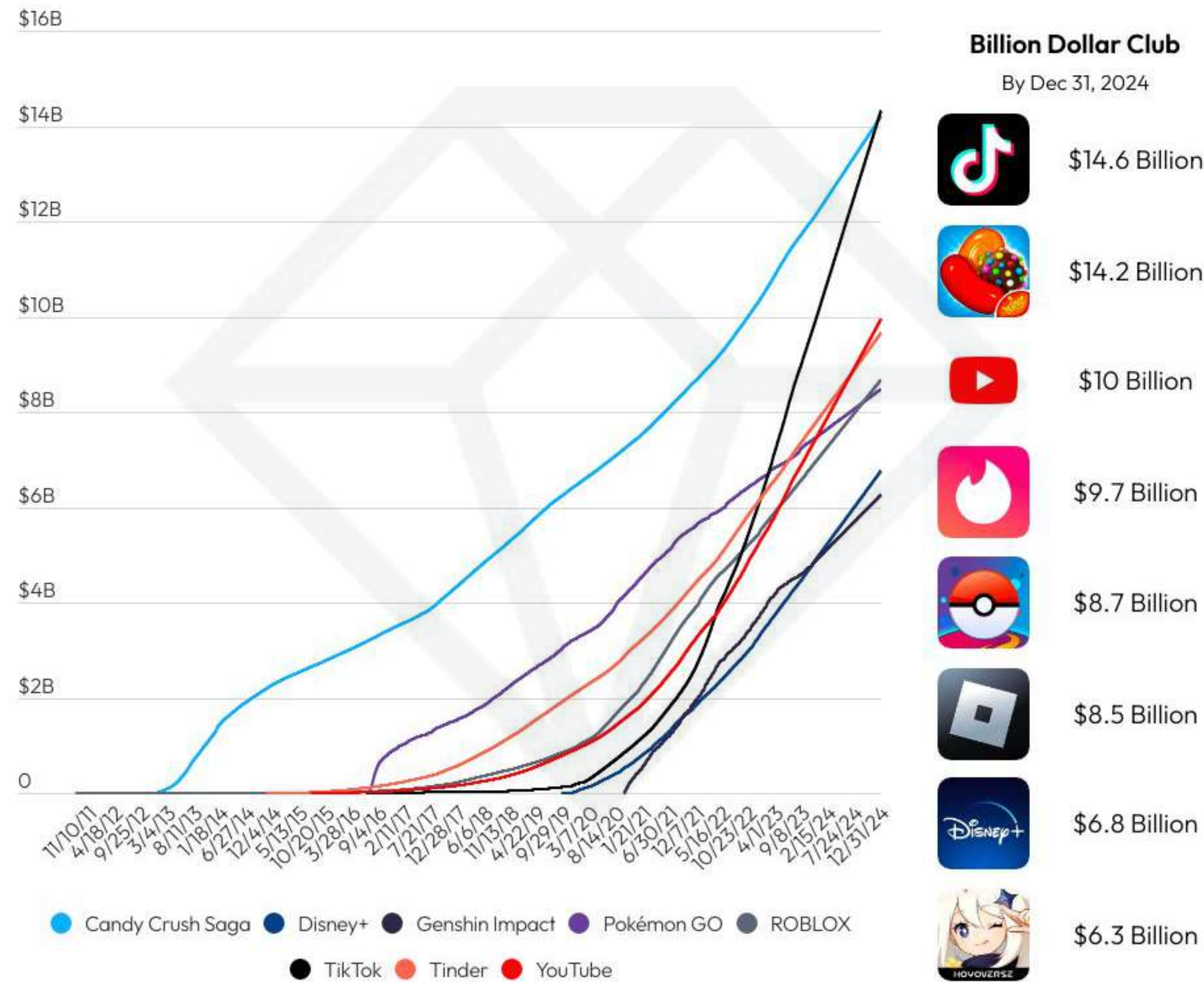
Billion Dollar Club
By Dec 31, 2024

- $14.6 Billion (TikTok)
- $14.2 Billion (Candy Crush Saga)
- $10 Billion (YouTube)
- $9.7 Billion (Tinder)
- $8.7 Billion (Pokémon GO)
- $8.5 Billion (ROBLOX)
- $6.8 Billion (Disney+)
- $6.3 Billion (Genshin Impact)

Legend: Candy Crush Saga, Disney+, Genshin Impact, Pokémon GO, ROBLOX, TikTok, Tinder, YouTube

TikTok to Become Highest Grossing App Ever, Approaching $15 Billion Milestone in 2024 and Earning Over $11 Million Per Day

- *TikTok* is set to sneak past *Candy Crush Saga* to claim the title as the highest grossing app ever. However, the beloved match-3 title is slated to hit the coveted $14 billion 10 days before TikTok.

- Cumulative spend in TikTok year to date in 2023 grew 70% YoY — 3.7x faster than Candy Crush Saga at 19%. Candy Crush Saga was first released in 2012 and simultaneously began monetizing through the app stores. TikTok, however, really began to see revenue ramp in 2016 — assuming a much stronger velocity in recent years.

- In 2024, Disney+ is set to approach the $7 billion milestone in only five years. Genshin Impact is set to surpass $6.3 billion in only four.

Mobile Gaming Consumer Spend
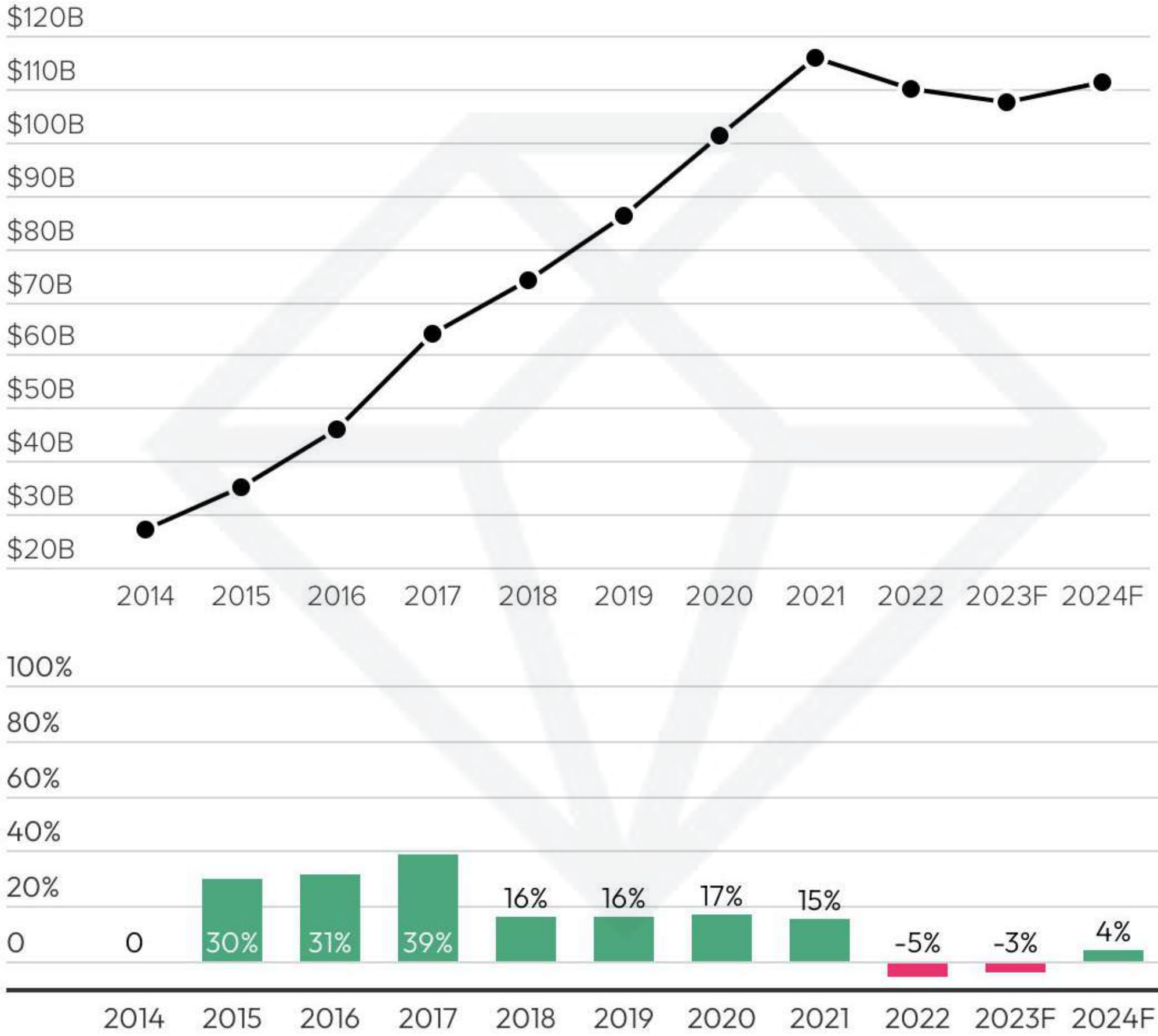
Gaming Spend Set to Make a Comeback in 2024 Fueled by Spend in the US, Japan and Korea

- Consumer spend in mobile gaming is set to drop a further -3% in 2023 to $107.5 billion — a continuation of the squeeze on consumers' wallets due to high inflation, economic headwinds and a market correction from pandemic-related highs.
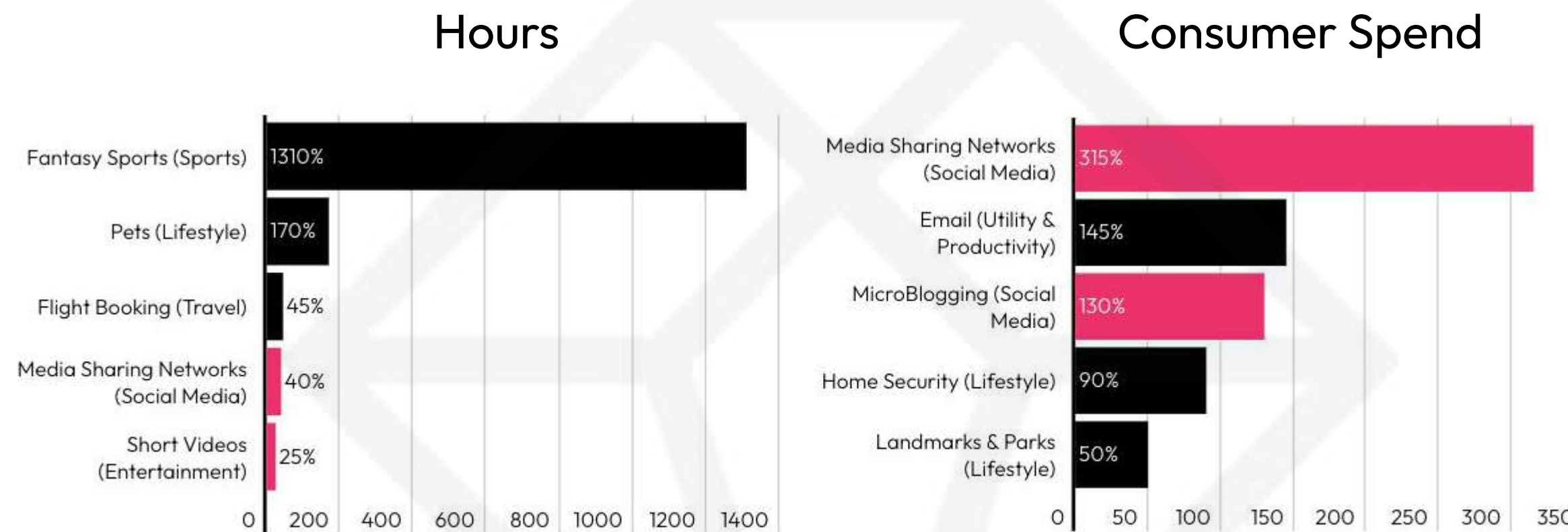
- However, the trend is set to reverse: consumer spend in 2024F set to rebound 4% year on year to $111.4 billion, falling short of peak levels during COVID-19 at $115.8 billion.

- The US is set to be the largest driver of spending growth in 2024, accounting for 40% of aggregate YoY spend, followed by Japan, South Korea, Taiwan, Germany and the UK. Japan is set to contribute 16% of total growth in YoY spending.

- In terms of Genres, RPG, Match, Party and Casino will fuel growth in spending in 2024, but will be more evenly spread than the markets. RPG and Match will each fuel $1 of every $5 of aggregate growth in spending.

- This bodes well for the industry on the whole as gaming resumes a more moderate growth trajectory from pre-Covid accelerating spending levels. However, this is not without potential headwinds like macroeconomic impacts on discretionary spending, crackdown on fingerprinting in advertising, the growth alternative app store distributions and regulations on gaming, especially in China — the largest gaming market in the world.
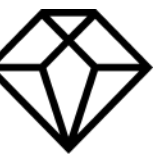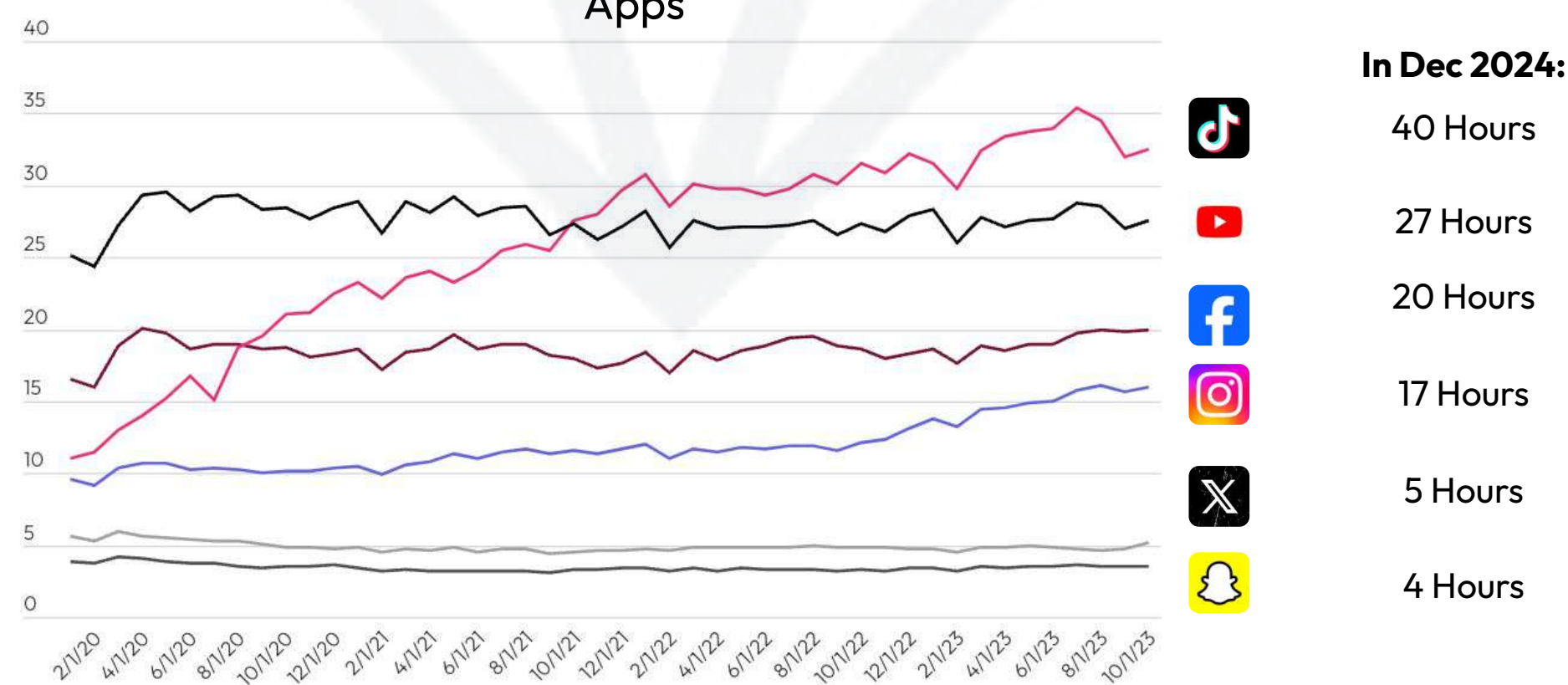
Pockets Poised for Growth in 2024
Based on YoY Growth Jan - Oct 2023, Worldwide
Powered by data.ai's **App IQ** Taxonomy

Hours

Fantasy Sports (Sports)	1310%
Pets (Lifestyle)	170%
Flight Booking (Travel)	45%
Media Sharing Networks (Social Media)	40%
Short Videos (Entertainment)	25%

0 200 400 600 800 1000 1200 1400

Consumer Spend

Media Sharing Networks (Social Media)	315%
Email (Utility & Productivity)	145%
MicroBlogging (Social Media)	130%
Home Security (Lifestyle)	90%
Landmarks & Parks (Lifestyle)	50%

0 50 100 150 200 250 300 350

Global Average Monthly Hours Spent Per User, Select Social Apps

In Dec 2024:

- 40 Hours (TikTok)
- 27 Hours (YouTube)
- 20 Hours (Facebook)
- 17 Hours (Instagram)
- 5 Hours (X)
- 4 Hours (Snapchat)

2/1/20 4/1/20 6/1/20 8/1/20 10/1/20 12/1/20 2/1/21 4/1/21 6/1/21 8/1/21 10/1/21 12/1/21 2/1/22 4/1/22 6/1/22 8/1/22 10/1/22 12/1/22 2/1/23 4/1/23 6/1/23 8/1/23 10/1/23

Source: data.ai Intelligence
Note: Downloads across iOS and Google Play combined;
China is iOS only, Time Spent is Android phones only outside of China

In-App Purchases to Be the Next Battleground for Revenue in Social Media Apps

- Time is money, and social media is the next battleground for consumer spend in 2024. Historically, social platforms tended to monetize via ad revenue, with active users and time being critical measurements for ad success. In 2024, more social platforms will try to capture revenue directly from consumers. Media Sharing Networks are set to see a 152% increase in consumer spend in 2024 to approach $1.3 billion. This will shift some of the burden of cost back to the consumer, which previously fell to advertisers.

- *TikTok* changed the game for social media with its introduction of In-App Purchases to "tip" content creators. In January 2020, *TikTok* users spent 11 hours per month in the app. By October 2023, this tripled to hit 32.5 hours per month. **By December 2024, the average *TikTok* user is set to spend 40 hours per month in the app — 13 more than *YouTube*.** In Tandem with its consumer spend milestone, *TikTok* is poised to claim both our time and money.

- *YouTube* via Shorts and *Instagram* have taken note and added "gifting" features. *Snapchat* has also introduced subscriptions allowing users early access to premium features. Other social apps are trialing fees for account verification and removal of ads, including *X*, as they face declining user bases and the possibility of shrinking ad revenues.

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