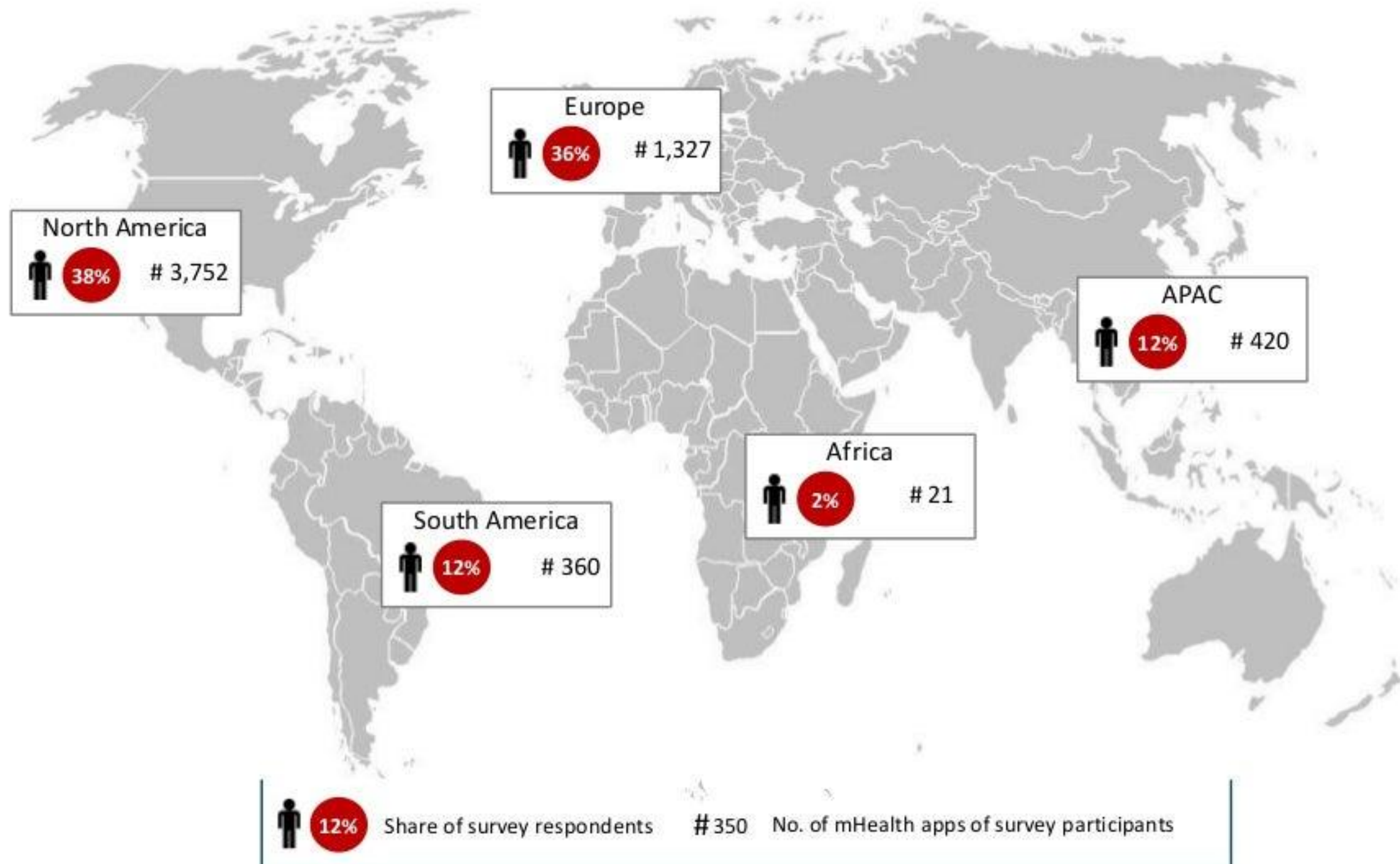# research2guidance
the app market specialists

mHealth App Developer Economics 2014

Largest Global Study on mHealth App Publishing

May 2014

The „mHealth Developer Economics 2014" is the largest study on mHealth app publishing globally

Survey participants and mHealth app numbers by region

Europe
36%   # 1,327

North America
38%   # 3,752

APAC
12%   # 420

Africa
2%   # 21

South America
12%   # 360

12% Share of survey respondents   # 350 No. of mHealth apps of survey participants

Source: research2guidance, mHealth App Developer Economics Study 2014

Research2guidance is a market leading analyst and advisory company in the mHealth app market

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About research2guidance

research2guidance is a strategy advisory and market research company. We concentrate on the mobile app eco-system. We are convinced that mobile health solutions will make a difference to people's lives and that the impact on the healthcare industry will be significant. We provide insights to make it happen and to successfully lead your business.
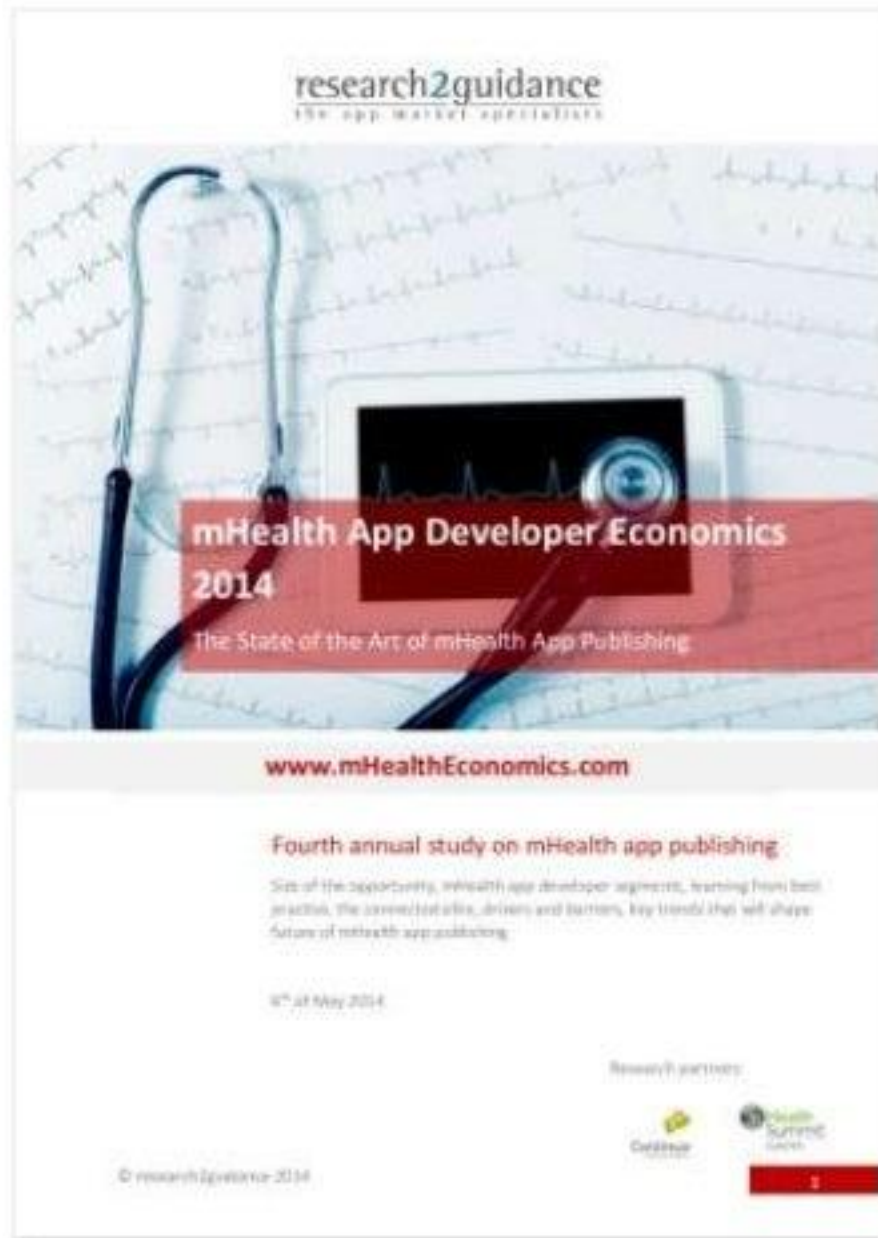
Contact:

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This is a summary presentation of the „mHealth App Developer Economics 2014" report

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The largest global study on mHealth app publishing

✓ **Read through this summary presentation and**

✓ **Download the full 42 page report** (Get a free copy here)

✓ **Share it and**

✓ **Get in contact.** We want to hear your thoughts on how mHealth app publishing will develop in the next 5 years

www.mHealthEconomics.com

"What are the topics?"

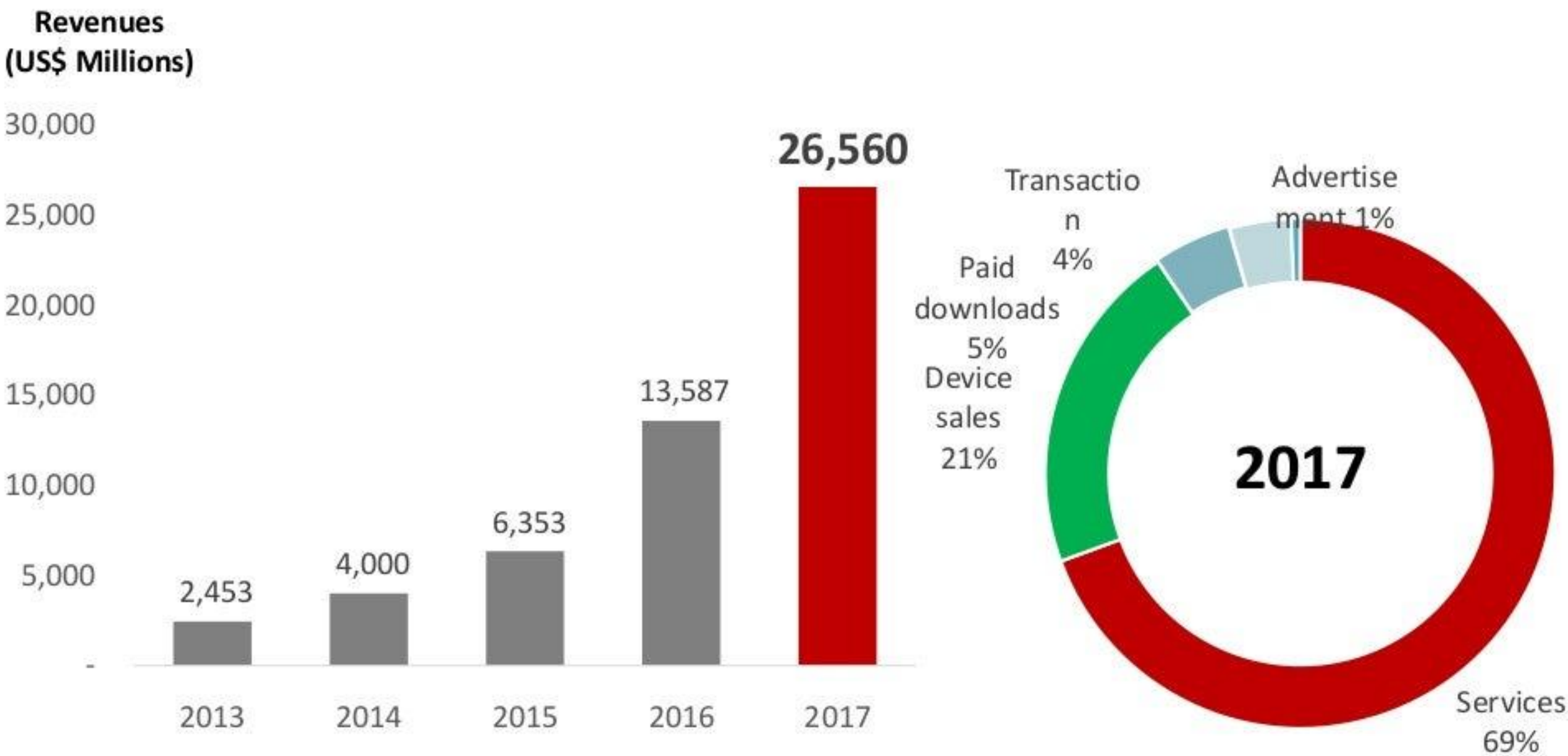**Current status of the mHealth app publishing**

Who is publishing and what can be learned from successful mHealth app publishers

The Connected Elite

Outlook

The mHealth app market will reach USD 26bn revenue by 2017

Global mHealth market revenue in USD (2013-2017)

Revenues (US$ Millions)

30,000	
25,000	26,560
20,000	
15,000	13,587
10,000	
5,000	6,353
-	2,453 4,000

2013 2014 2015 2016 2017

Transaction 4%
Advertisement 1%
Paid downloads 5%
Device sales 21%
2017
Services 69%

Source: research2guidance, mHealth App Market Report 2013-2017

Fitness and medical reference apps are the largest mHealth app categories

mHealth app category share

Remote consultation & monitoring, 0.6%

Reminders and alerts, 1.1%

Compliance, 1.6%

Diagnostics, 1.4%

CME, 2.1%

PHR, 2.6%

Medical condition management, 6.6%

Nutrition, 7.4%

Others, 13.6%

Fitness, 30.9%

>100k mHealth Apps

Medical reference, 16.6%

Wellness, 15.5%
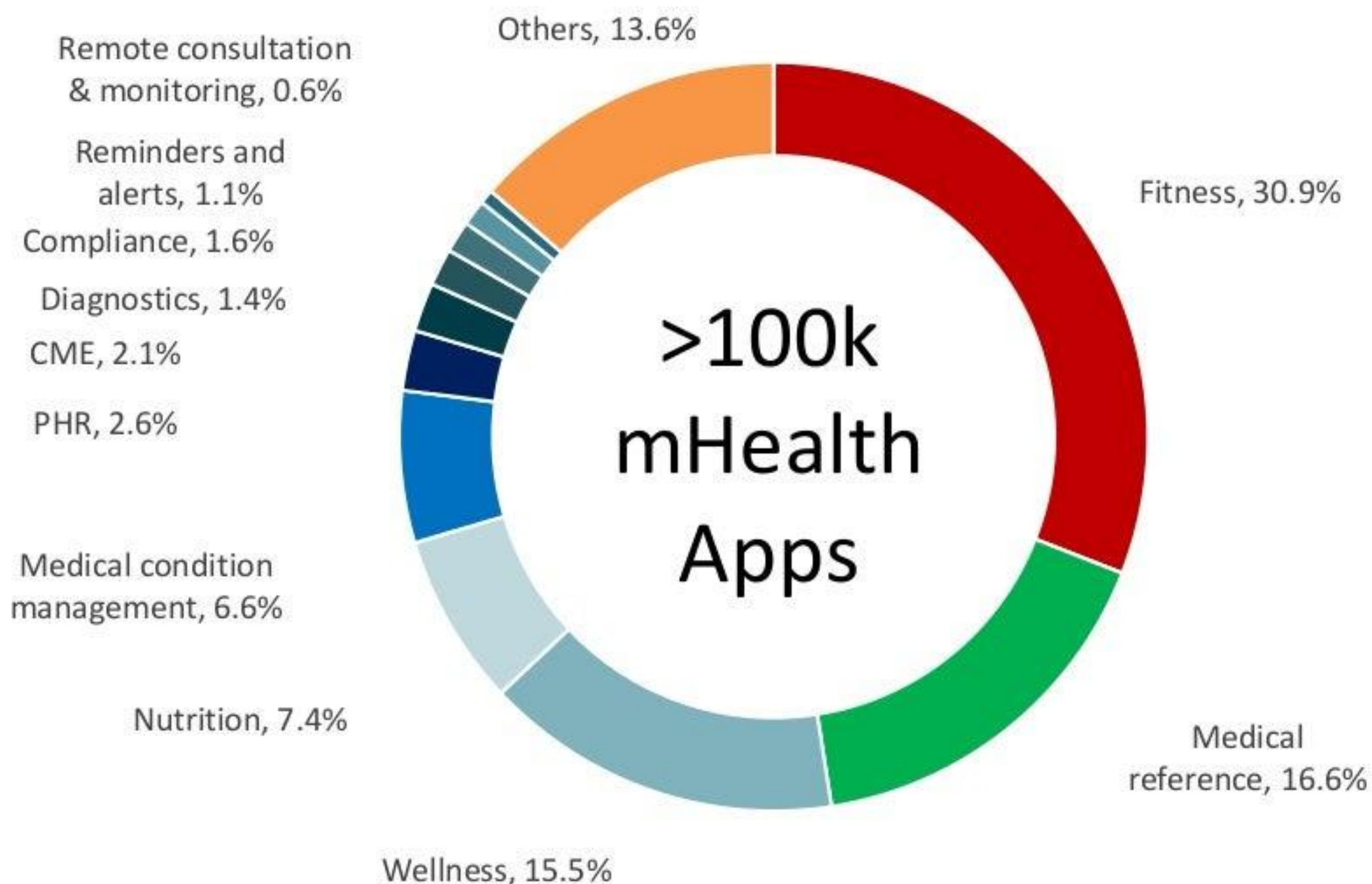
Source: research2guidance, 808 apps form Apple App Store, Goolge Play, BlackBerry App World and Windows Phone Store (March 2014)

"*What are the topics?*"
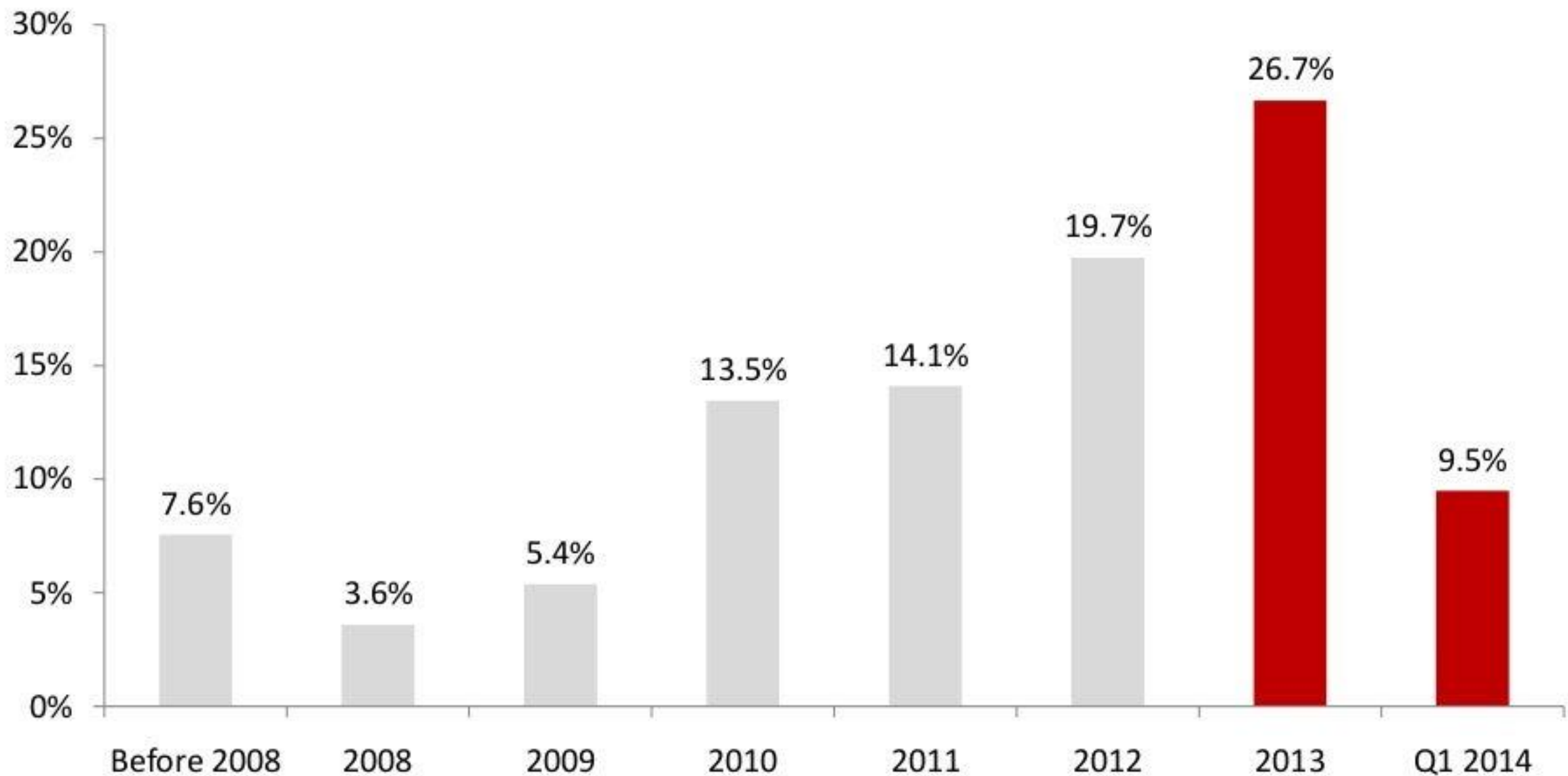
Current status of the mHealth app publishing

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Outlook

# More than 36% only recently entered the mHealth app market

Publishing year of the first mHealth app

Before 2008	2008	2009	2010	2011	2012	2013	Q1 2014
7.6%	3.6%	5.4%	13.5%	14.1%	19.7%	26.7%	9.5%

Source: research2guidance mHealth App Developer Economics survey 2014, n= 2032

50% of mHealth app publisher have released only one or two mHealth apps
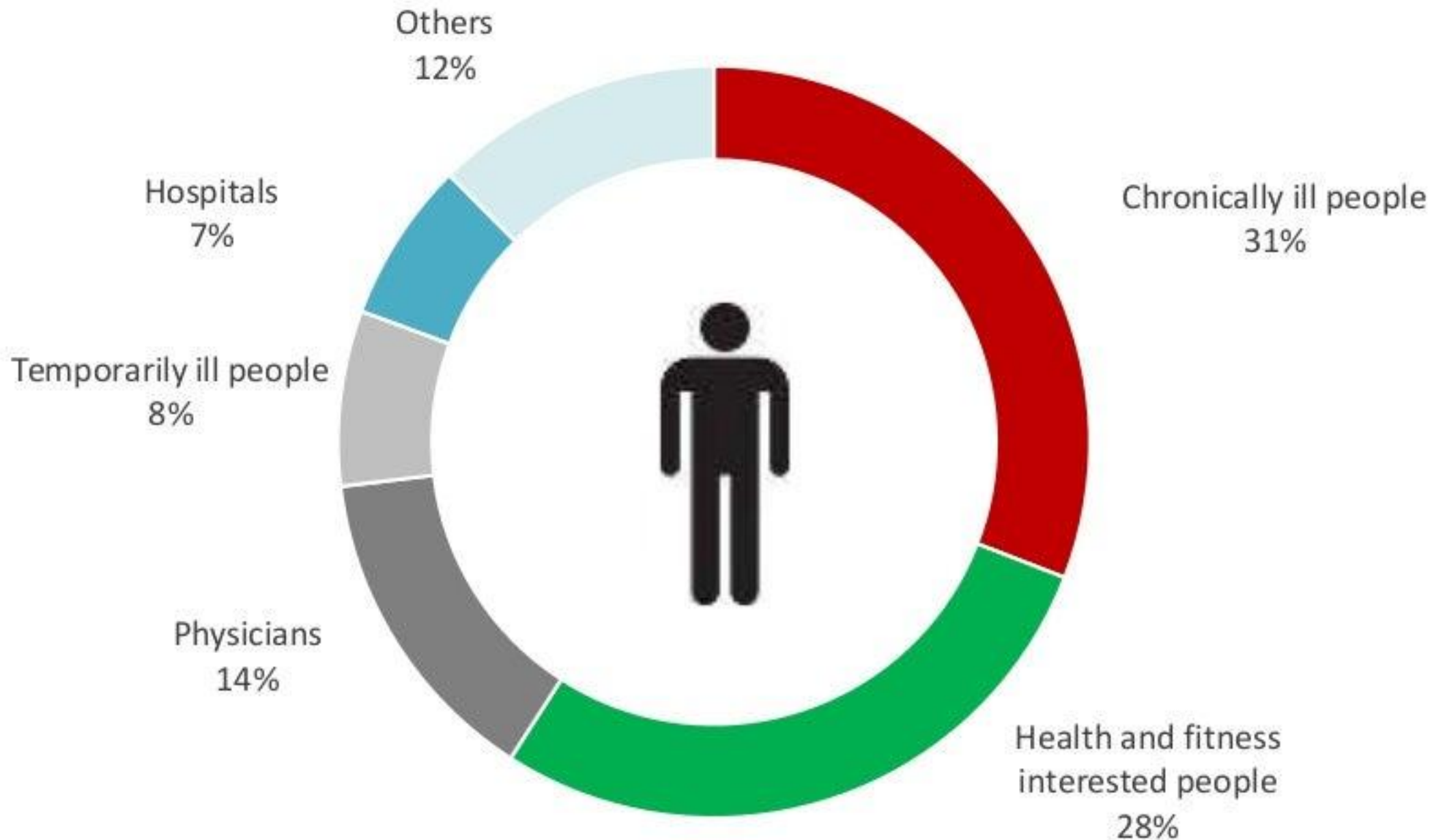
Publisher share of mHealth app portfolio size
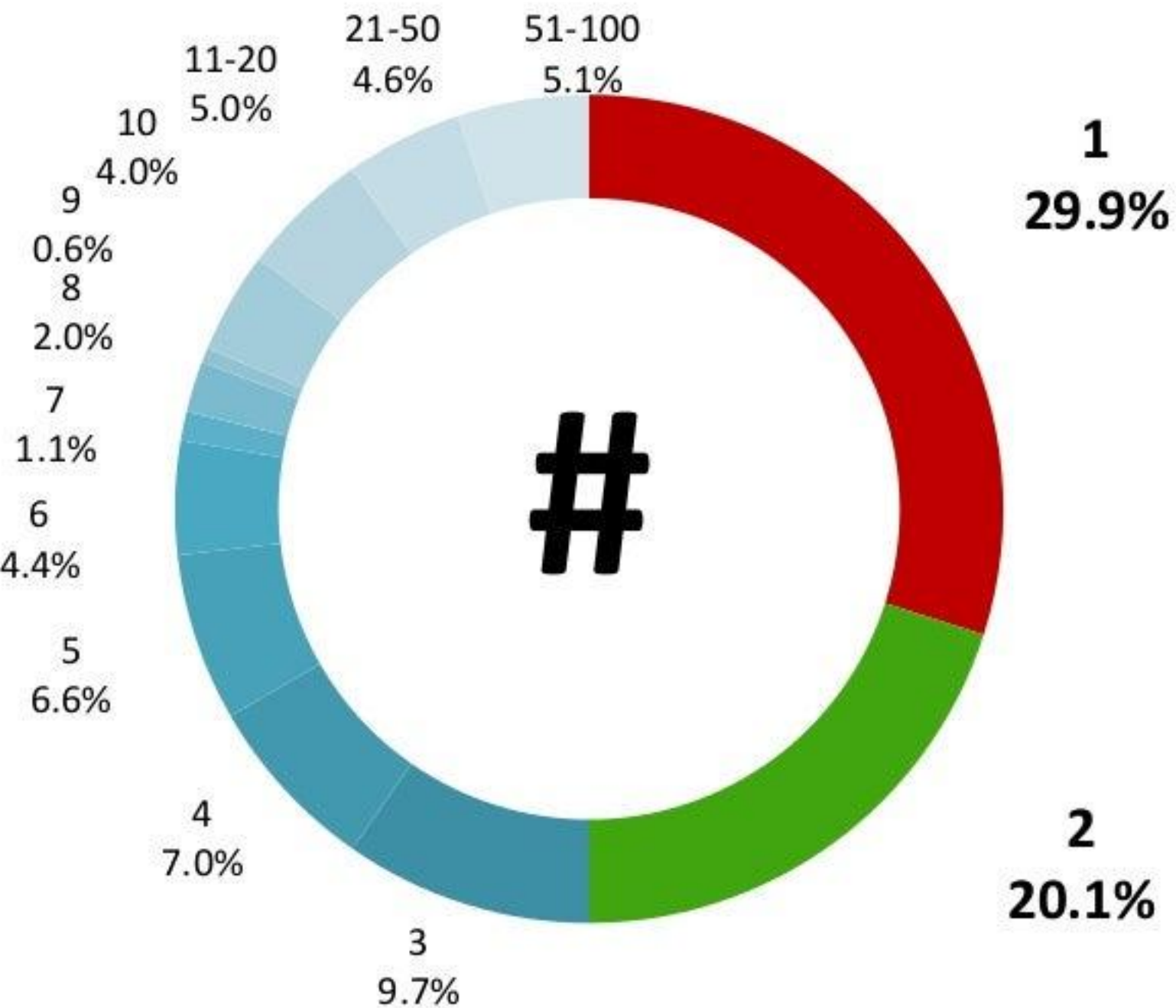
Comment: An app that is published on multiple platforms is counted as one app.

Source: research2guidance mHealth App Developer Economics survey 2014, n=2032

Chronically ill and fitness seekers are the main target groups for mHealth app publishers

Target group share of mHealth app publishers

Others
12%

Hospitals
7%

Temporarily ill people
8%

Physicians
14%

Chronically ill people
31%

Health and fitness
interested people
28%

Source: research2guidance mHealth App Developer Economics survey 2014, n=2032

There are six groups of mHealth app publishers that are behind the apps

		Establ. Health Players	App Specialists	Helpers	Medical Specialists	Fitness Specialists	Connecters
Percentage of total	%	3 %	14 %	32 %	20 %	10 %	18 %
Medical expert in team	∅	57,6%	40,1%	47,5%	100%	43,7%	49,7%
Typical company size		5,000+	3-10	3-10	3-10	11-100	11-100
Goal of apps		Brand awareness	Revenue	Help people	Help people	Revenue	Revenue
APIs usage		low	average	average	average	high	all
Tool usage		low	high	average	average	high	very heavy
Downloads (<5k/ >1m)		43.3% / 6.7%	60.1% / 6.4%	61.2% / 5.8%	58.6% / 6.3%	44.6% / 7.4%	53.1% / 7.7%
Revenues (0/ >1m)	$	67%/ 3.2%	25.7%/ 7.8%	51.4%/ 5.1%	42.7%/ 9.1%	39.4%/ 7.4%	39.0%/ 8.9%
Goal achieved		⬇	➡	⬆	➡	⬆	⬆

Goals achieved: ⬆ Mainly yes   ➡ Partly   ⬇ Mainly not

Source: research2guidance mHealth App Developer Economics survey 2014, n= 2032

Commercially successful mHealth publishers do 6 things differently

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1	**Top revenue type**	$	Service sales	35%
			Pay per download	31%
2	**Large app portfolio** (>20 apps)	#		35%
				16%
3	**More experience** (start 2010 or ealier)			60%
				22%
4	**mHealth API usage** [1] (average)			61%
				40%
5	**Tool usage** (average)			37%
				23%
6	**iOS focus** (top rank platform)			76%
				56%
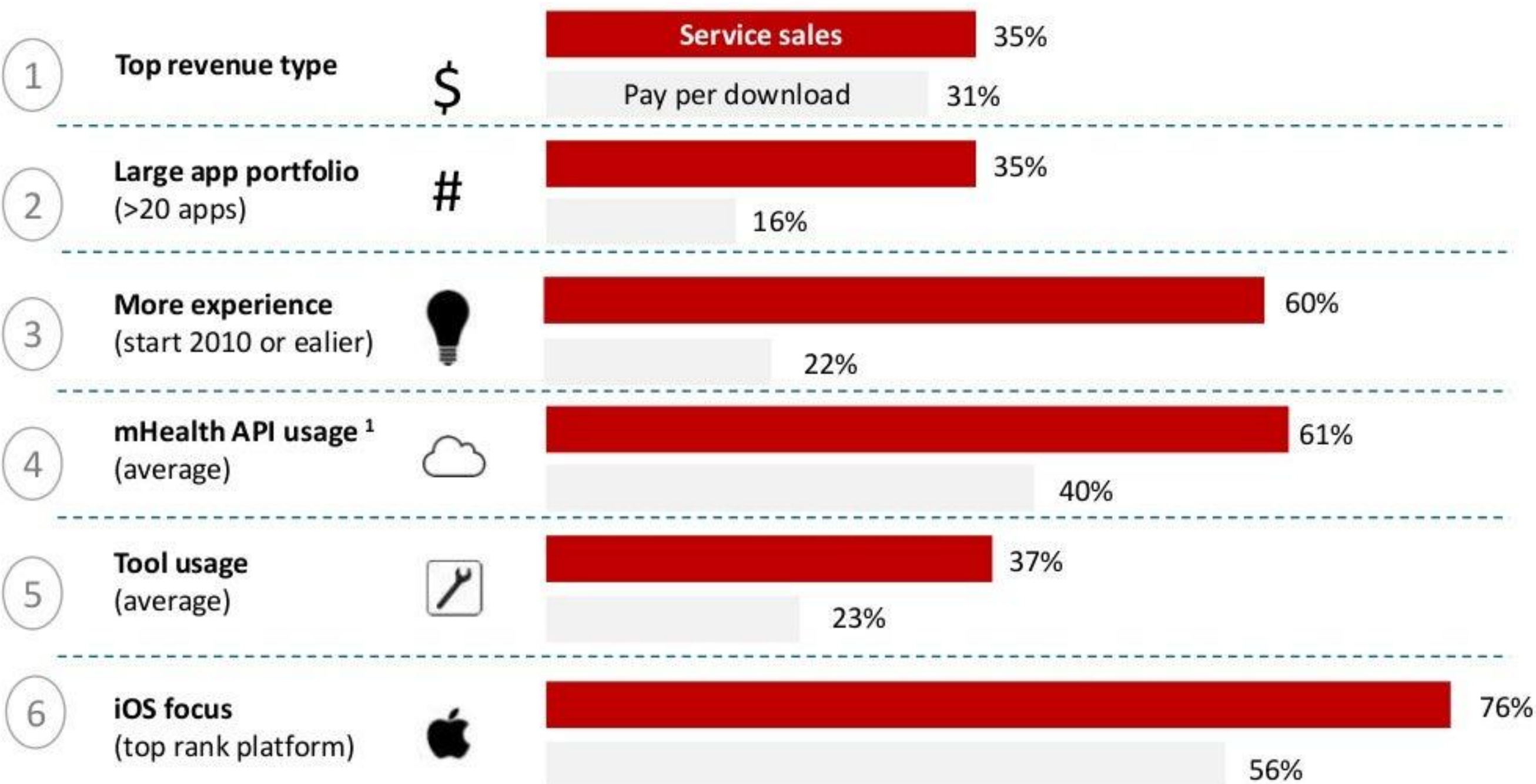
■ Millionaires: mHealth app revenues 2013 > 1m USD   ▢ Low Earners: mHealth app revenues 2013 < 10,000 USD

Source: research2guidance mHealth App Developer Economics survey 2014, n= 2032

1) Actual and planned usage of APIs that connect to personal&general health database APIs and medical and fitness device APIs

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Outlook

There is a "Connected Elite" of mHealth app publishers that drive interoperability between apps and sensors

No. of connected app publishers & sensor vendors by an app

App	Value
MyFitnessPal	~33
MapMyFitness	~31
EveryMove	~31
myFitnessCompanion	~26
Fitbit	~23
Moves	~19
Runkeeper	~18
Tactio Health	~17
dacadoo	~14
Carepass	~13
Endomondo	~12
Lose It!	~11
Digfit iCardio	~11
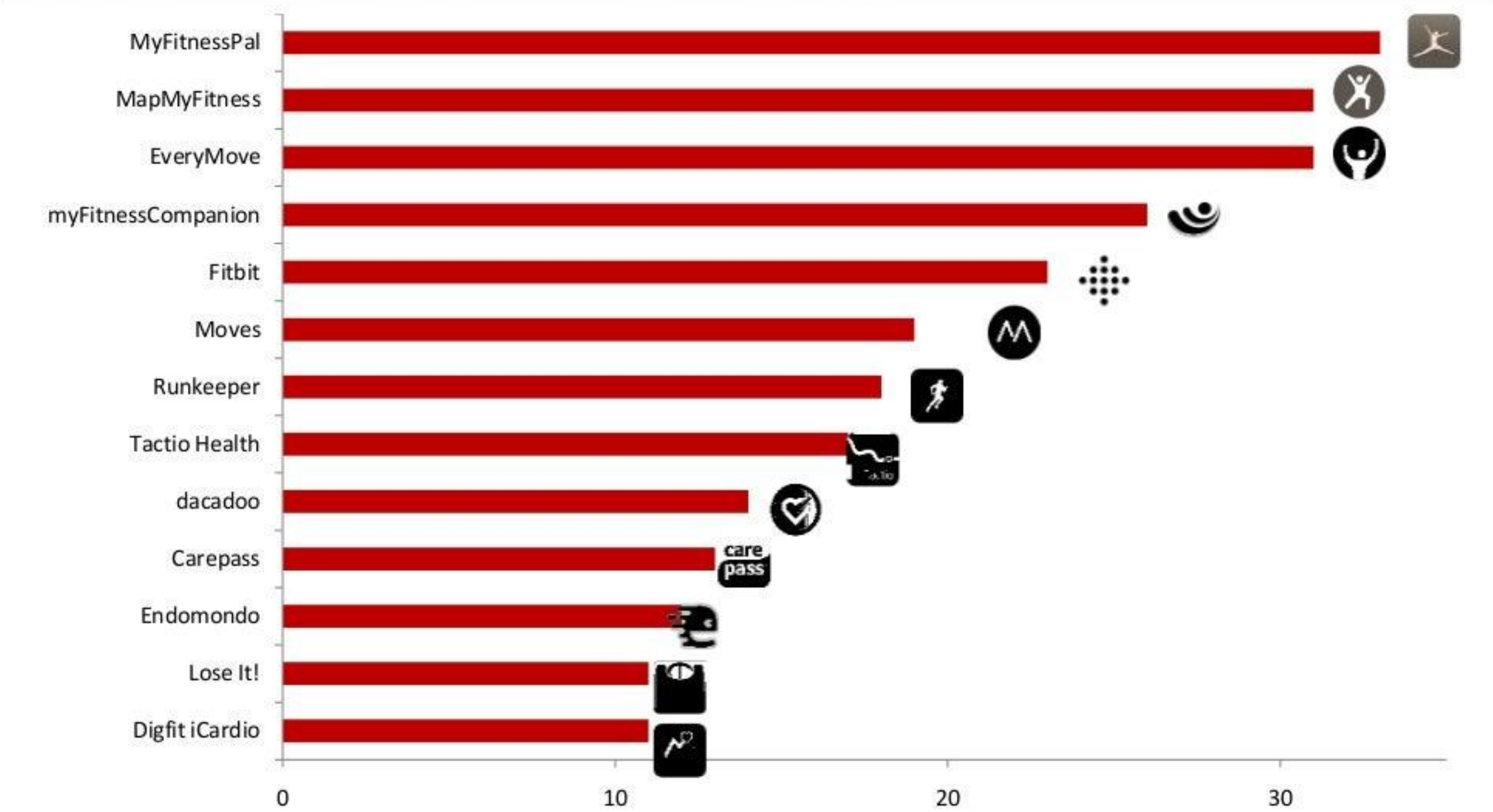
Source: research2guidance and app & vendor data (March 2014)

A new „Enabling Layer" is connecting the new and the old healthcare industry

App users

| Smartphone users | Patients | Payers | HCPs |

App Stores
€

Connected Elite

Connected Apps

Connected Sensors

wahoo FITNESS | Zephyr | MiO

Withings PロLAR | fitbit

Shops
€

Apps

Enabling Layer

API Aggregators

Human API

VALIDIC

App Aggregators

carepass from aetna

API Managed Services

happtique

apigee

QUALCOMMLIFE

Sensors

Health Database
- Food
- Medicine
- Disease

Health Insurance Database

Universities, Medical Institutions

Source: research2guidance

Up to 100m vital metrics are collected regularly

mHealth measures by Monthly Active Users

MAU (In m)

Health&fitness tracking

Steps, duration, speed, heart rate, hydration, perspiration, mood, c alories & other nutritional values, sleep

Patient monitoring

Blood pressure, temperature, glucose level, posture, medicine adherence, mouth hygiene, alcohol consumption, sun exposure

Medical examination

Respiratory rate, lung air volume, ECG, EEG, blood tests, color tests, urine tests, ultrasound imaging

100

3

1

No. of metrics

Source: research2guidance
MAU: Monthly active users that track health parameters

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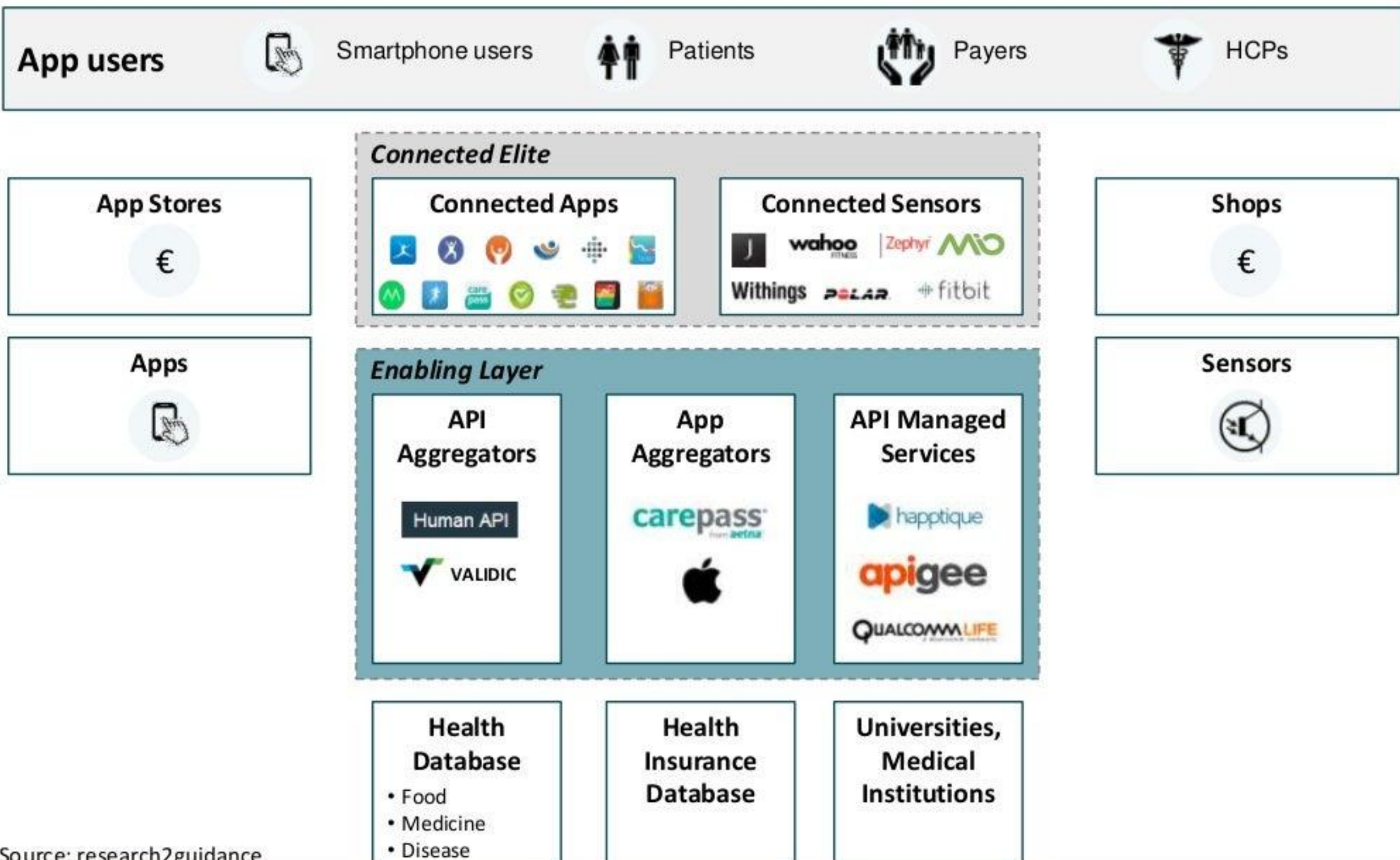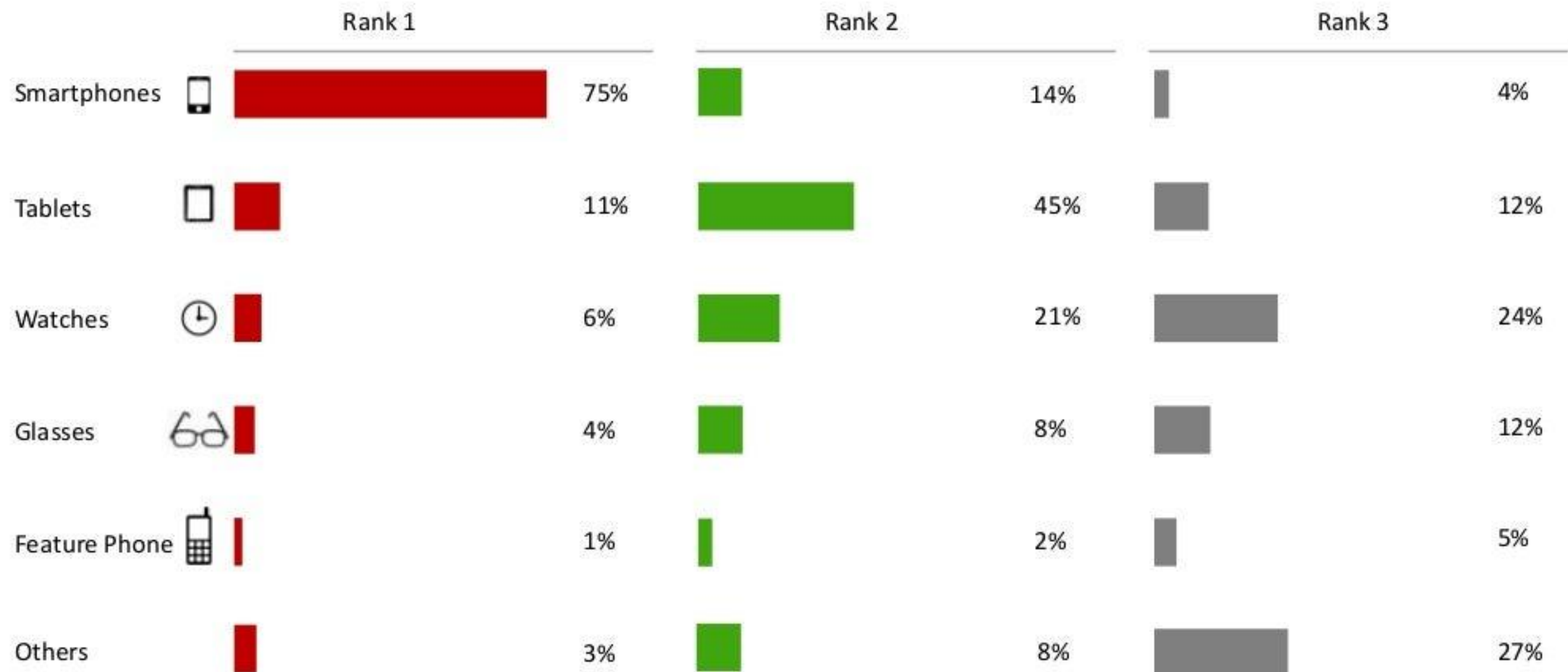
The Connected Elite

Outlook

Smartphones are the primary device for mHealth apps

Devices with highest business potential for mHealth app by rank in 5 years

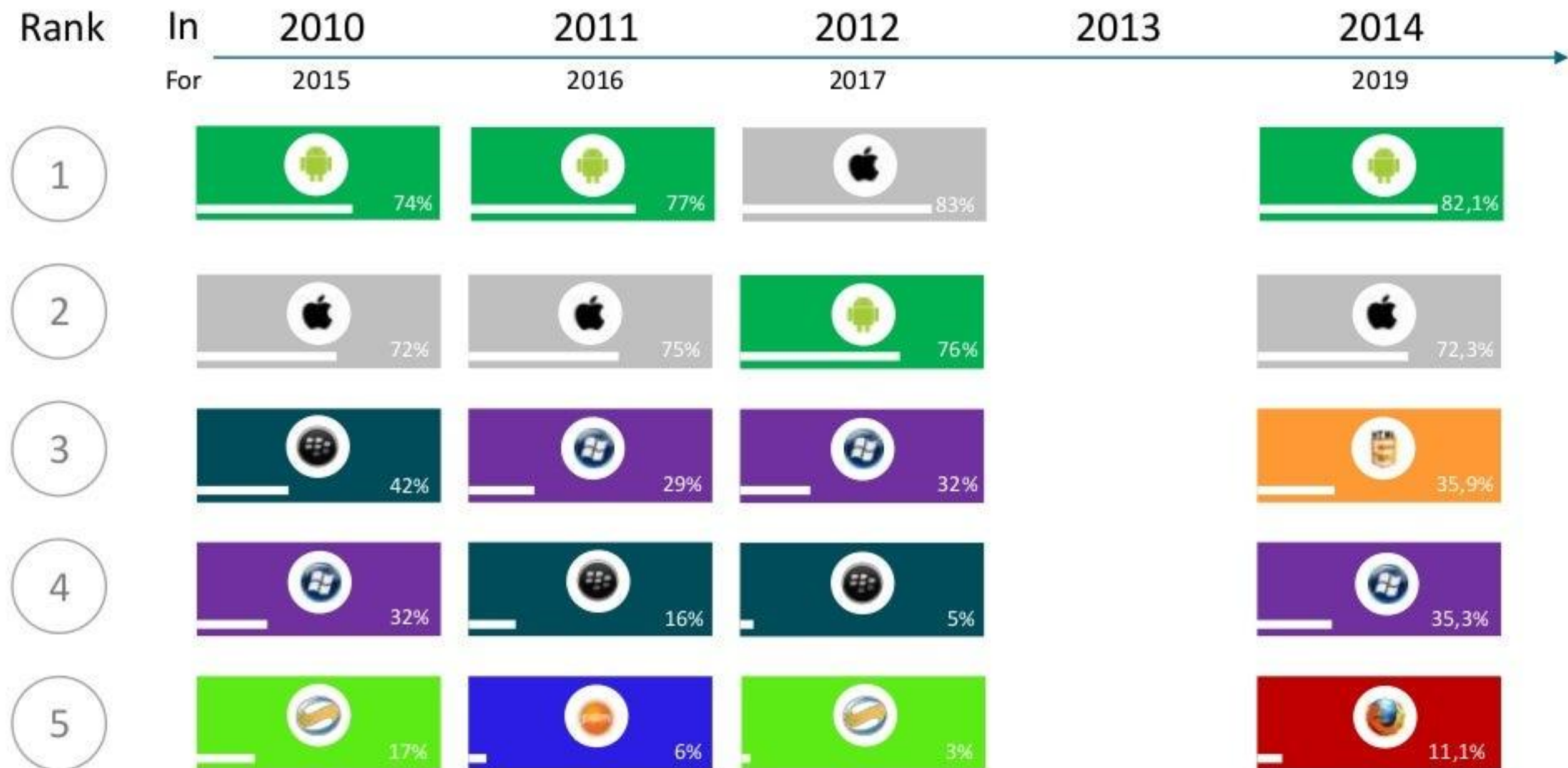|	Rank 1	Rank 2	Rank 3
Smartphones	75%	14%	4%
Tablets	11%	45%	12%
Watches	6%	21%	24%
Glasses	4%	8%	12%
Feature Phone	1%	2%	5%
Others	3%	8%	27%

Comment: Figures do not sum up to 100% as not all participants provided answers for the rank 2+3
Source: research2guidance mHealth App Developer Economics survey 2014, n=2032

Android and iOS remain the top ranked operating systems for mHealth app publishers in five years time

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Mobile operating systems with highest business potential for mHealth apps by rank in 5 years

Rank	In / For	2010 / 2015	2011 / 2016	2012 / 2017	2013	2014 / 2019
1		Android 74%	Android 77%	Apple 83%		Android 82,1%
2		Apple 72%	Apple 75%	Android 76%		Apple 72,3%
3		BlackBerry 42%	Windows 29%	Windows 32%		35,9%
4		Windows 32%	BlackBerry 16%	BlackBerry 5%		Windows 35,3%
5		17%	6%	3%		Firefox 11,1%

Source: research2guidance mHealth App Developer Economics survey 2010, 2011, 2012 and 2014, n= 2032

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