App Trader

Purchase Proposal

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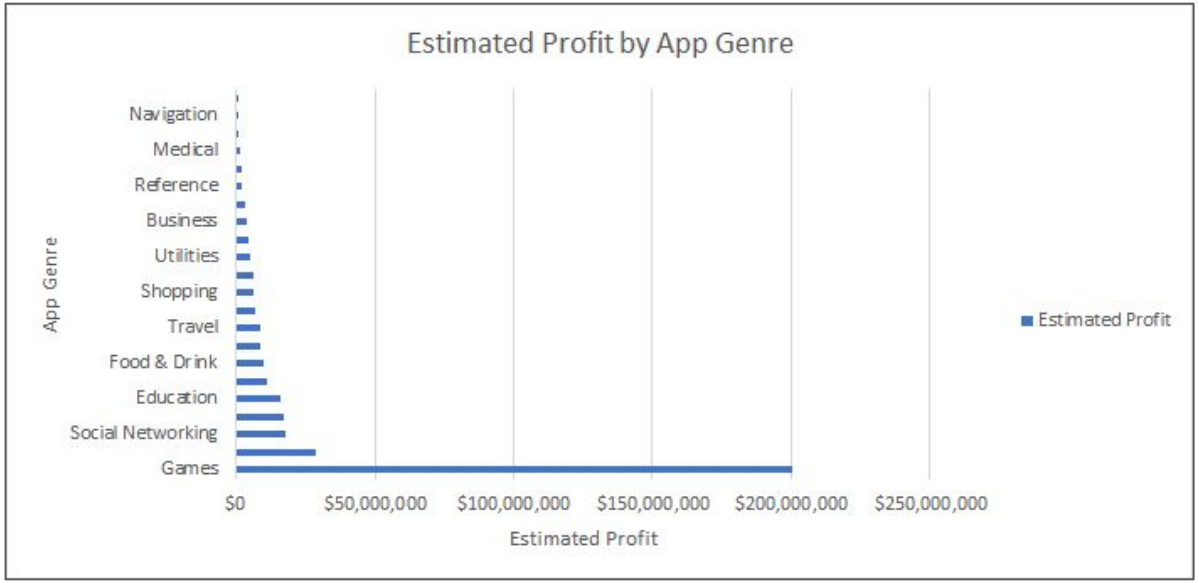
Assumptions

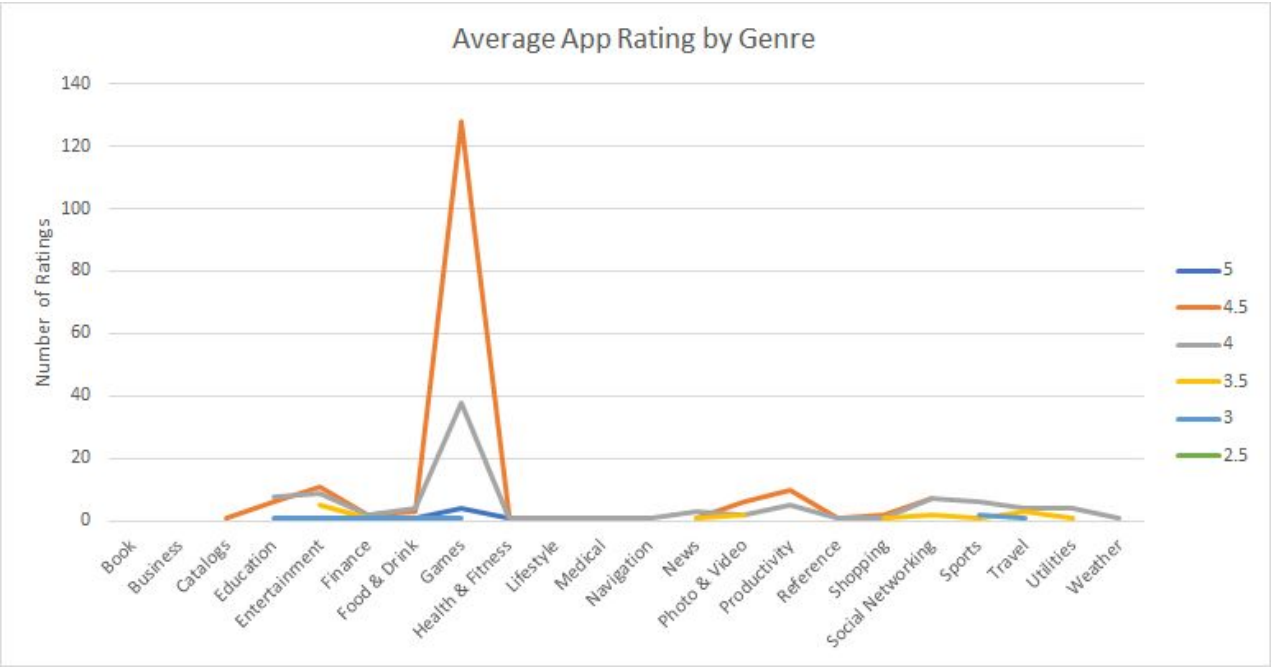
1. App Trader will purchase apps for 10,000 times the price of the app. For apps that are priced from free up to $1.00, the purchase price is $10,000.
2. Apps earn $5000 per month on average from in-app advertising and in-app purchases *regardless* of the price of the app.
3. App Trader will spend an average of $1000 per month to market an app *regardless* of the price of the app. If App Trader owns rights to the app in both stores, it can market the app for both stores for a single cost of $1000 per month.
4. For every half point that an app gains in rating, its projected lifespan increases by one year, in other words, an app with a rating of 0 can be expected to be in use for 1 year, an app with a rating of 1.0 can be expected to last 3 years, and an app with a rating of 4.0 can be expected to last 9 years. Ratings should be rounded to the nearest 0.5 to evaluate an app's likely longevity.
5. App Trader would prefer to work with apps that are available in both the App Store and the Play Store since they can market both for the same $1000 per month.

Our Analysis - Genre

- Largest estimated profited found in Gaming apps due to the number that are free. This means the App Trader purchase price is $10K.
- Assuming that an app across both stores will have a base annual income of $120K, **App Trader should focus on Free apps that have the highest ratings and therefore the largest expected lifespan.**



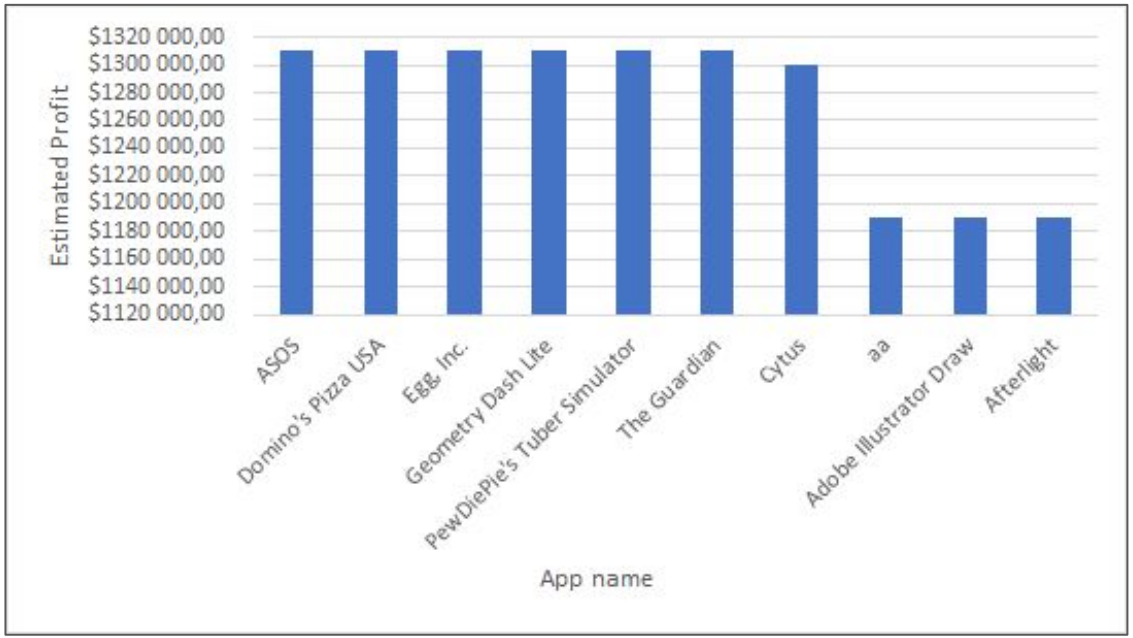
Our Analysis - Ratings & Genre



- The largest opportunity is in those apps with the highest ratings.
- Alternatively, the “Games” genre has the most highest-average star-ratings and lowest purchase price, which means this should be App Trader’s primary focus for app purchasing, in addition to secondary genres of Shopping, Food & Drink, and News.
- Our data rounds average rating to the nearest half point.

Purchase Recommendation

App name	Profit
ASOS	$1 310 000,00
Domino's Pizza USA	$1 310 000,00
Egg, Inc.	$1 310 000,00
Geometry Dash Lite	$1 310 000,00
PewDiePie's Tuber Simulator	$1 310 000,00
The Guardian	$1 310 000,00
Cytus	$1 300 100,00
aa	$1 190 000,00
Adobe Illustrator Draw	$1 190 000,00
Afterlight	$1 190 000,00



- These apps are in both the Apple Store and Google Play Store to double profit without increased marketing spend
- Profit takes out initial purchase price and is based on app rating and monthly expected income

Request for More Data

- Is advertising data available? We would like to have a better understanding of actual profit by app that App Trader currently supports with marketing.
- There is also an opportunity to be more strategic with how much budget goes to marketing per app. Are there apps that have a lower Cost Per In-App Purchase?


Search for apps
WhatsApp
Facebook
Messenger
Google
Play Store
Instagram
Snapchat
Play Music
Netflix
Bitmoji
Maps
Spotify
YouTube
Word
Skype
Pinterest

Appendix

```
WITH all_app_data AS
(SELECT DISTINCT app.name AS name, app.price as app_price, CAST(play.price as money) as play_price, CAST(app.price as money) + CAST(play.price as money)
as total_app_price, ROUND(((app.rating + play.rating)/2),2) AS avg_app_rating, app.primary_genre AS app_genre, play.genres as play_genre
 FROM app_store_apps AS app
left join play_store_apps AS play
on app.name = play.name),

app_trader_purchase_price AS
                        (SELECT *,
                        CASE WHEN (total_app_price > '1') THEN (total_app_price * '10000')
                        ELSE '10000'
                        END AS app_trader_purchase_price
                        FROM all_app_data),

rounded_avg_rating AS
                        (SELECT *,
                                CASE WHEN avg_app_rating BETWEEN 0 AND 0.24 THEN 0
                                WHEN avg_app_rating BETWEEN 0.25 and 0.74 THEN 0.50
                                WHEN avg_app_rating BETWEEN 0.75 and 1.24 THEN 1.00
                                WHEN avg_app_rating BETWEEN 1.25 and 1.74 THEN 1.50
                                WHEN avg_app_rating BETWEEN 1.75 and 2.24 THEN 2.00
                                WHEN avg_app_rating BETWEEN 2.25 and 2.74 THEN 2.50
                                WHEN avg_app_rating BETWEEN 2.75 and 3.24 THEN 3.00
                                WHEN avg_app_rating BETWEEN 3.25 and 3.74 THEN 3.50
                                WHEN avg_app_rating BETWEEN 3.75 and 4.24 THEN 4.00
                                WHEN avg_app_rating BETWEEN 4.25 and 4.74 THEN 4.50
                                WHEN avg_app_rating BETWEEN 4.75 and 5.00 THEN 5.00 END as avg_app_rating_rounded
                        FROM app_trader_purchase_price)

        SELECT *,
                         CASE WHEN avg_app_rating_rounded > 0 THEN ((avg_app_rating_rounded * 2) +1)
                                ELSE 1 END AS expected_app_lifespan_years
FROM rounded_avg_rating
ORDER BY app_trader_purchase_price DESC;
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