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LARGEST EVER
10,000+ APP DEVS
APP DEV SURVEY

## DEVELOPER ECONOMICS

# STATE OF THE DEVELOPER NATION Q3 2014

**Based on a survey of 10,000+ app developers**


Tracking the latest developer experiences across platforms, revenues, apps, tools, segments and regions.

www.vmob.me/DE3Q14

Published July 2014

# About VisionMobile ™

VisionMobile™ is the leading research company on the apps economy and mobile business models. Our research helps clients track app developer trends and master mobile business models.

Developer Economics is our semi-annual industry research series, tracking app developer trends, attitudes, experiences and monetization by region.

Our mantra: distilling market noise into market sense.

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# Contents



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## About Developer Economics

Welcome to the State of the Developer Nation Q3 2014, the 7th edition of Developer Economics - the leading research program on mobile developers and the app economy, tracking developer experiences across platforms, revenues, apps, tools, APIs, segments and regions. The Developer Economics program investigates the latest trends in mobile development via developer surveys reaching up to 10,000 app developers in over 130 countries, 6 times a year.

This is the 7th edition Developer Economics: State of the Developer Nation report and presents the key findings from the largest, most global developer survey to date with over 10,000 respondents from 137 countries. This research report delves into the key mobile development trends, as identified in our survey, and discusses platform consolidation, languages, consumer vs. enterprise revenues, developer tools, segments and more!

The report focuses on eight major themes – each comes with its own infographic:

1. Platform wars go local - Global vs. regional Mindshare
2. Language ranking - Most popular vs. most actively used programming languages
3. Language lock-in - Language mix for Android, iOS, Windows Phone, BlackBerry
4. App monetization - App revenues globally, Android vs. iOS, app revenue split
5. Consumer vs. enterprise - Revenues for developers targeting consumers vs. enterprises
6. Game developers - Revenues for mobile game developers, top platforms and tools
7. Developer tools - Revenues of developers using tools, top tool categories
8. Developer segments - Characteristics, sizes and revenues for all 8 developer segments

We hope you'll enjoy this report and find the insights useful!

If you have any questions or comments or are looking for additional data, you can get in touch at matos@visionmobile.com. You can also find an online version of our report at www.DeveloperEconomics.com/go

Mark, Christina, Matos, AndreasP, AndreasC, Dimitris, Vanessa, Chris, Alex, Nick, Michael and Stijn at VisionMobile.

## Thank you

We'd like to thank everyone who helped us reach an unprecedented number of respondents for our survey, and create this report:

Our Marketing and Research Partners – Digia, Intel, Microsoft, Mozilla and Nokia.

Our Regional and Media Partners, who are too many to number here – you know who you are!

Also, the developers and mobile insiders that took the time and interest to share their experiences with us.

# KEY TAKEAWAYS

The 7th Developer Economics survey has once again broken all records, including responses from more than 10,000 app developers and 137 countries. This State of the Developer Nation report brings you the most important findings from the survey, showcasing the latest trends in the platforms, languages and tools that app developers are using and how much money they're making. We also take a deep dive into both enterprise and games developers.

## Platform Wars

On a global level, the platform wars are ending with iOS claiming the majority of the high-end device market and Android winning almost everywhere else. Windows Phone continues to gain developer mindshare steadily at 28%, although the users have not followed.

At a local level there are still many countries, including China, India and most of South America, where the battle for developers and users continues. Apple needs local developer support for differentiation at the high end and Windows Phone is attempting to gain a foothold against Android with first time smartphone buyers at the low end.

Developer attention is consolidating around fewer platforms. The average number of platforms a developer targets has fallen from 2.9 to 2.2 over the last 12 months.

BlackBerry 10 is rapidly leaking developer mindshare, down to 11%, having failed to gain traction with consumers.

The future of HTML5 is beyond the browser. Although HTML5 is used by 42% of developers as a technology for app development, only 15% still target mobile browsers as a distribution platform.

## Development Languages

HTML5 is the most widely used technology at 42% of developers with Java, the native language on Android, the next most popular at 38%. However, if we look at the primary languages developers use when creating their apps, Java takes the top spot at 26% with Objective-C for iOS in second at 17%.

C# remains popular with 14% of developers using it as their primary language, suggesting that Microsoft still has an opportunity to be a major force in mobile development, even if they don't control the mobile OS layer.

A surprisingly high 47% of iOS developers and 42% of Android developers are using something other than the native language on their platforms.

Hybrid apps are the most popular non-native option for building Android and iOS apps, used by 13% of developers. Hybrid apps are HTML5 apps with a native wrapper, typically created by tools such as Cordova.

While 63% of Windows Phone developers are using Microsoft's C#, there are almost as many C# developers on Android and iOS combined. This suggests Microsoft should increase their focus on common tooling for mobile developers across platforms.

## App Revenues

The majority of app businesses are not sustainable at current revenue levels. 50% of iOS developers and 64% of Android developers are below the 'app poverty line" of $500 per app per month.

24% of developers interested in making money earn nothing at all. A further 23% make less than $100 per app per month.

The overall app economy, including all revenue sources not just the app stores, is still growing but the revenues are highly concentrated. At the top end of the revenue scale there are just 1.6% of developers with apps earning more than $500k per month, collectively they earn multiples of the other 98.4% combined.

## Enterprise Developers

67% of mobile app developers primarily target consumers and 11% target professionals directly. The 16% of developers who target enterprises are twice as likely to be earning over $5k per app per month and almost 3 times as likely to earn more than $25k per app per month.

Currently iOS appears to be winning the battle for enterprise adoption and revenues. Yet many developers are focusing on the wrong platform with 10% more enterprise developers targeting Android than iOS.

Although enterprise apps have been a historical strength for them, Microsoft and BlackBerry are seeing very weak adoption for their new platforms amongst enterprise developers due to lack of demand from enterprises.

## Games Developers

Games dominate app store revenues, yet most games developers struggle. 33% of developers make games but 57% of those games make less than $500 per month. Experience wins, the more games a developer has shipped the more likely they are to be financially successful. However, 70% of games developers have shipped less than 4 titles.

Games is a multi-platform world with the average games developer targeting 3 platforms versus 1.75 platforms for non-games developers.

Multi-platform games benefit from cross-platform game development tools with Unity by far the most popular, used by 47% of game developers. The next paid tool, Adobe Air, comes a distant second at 15%.

## Tools of the Trade

Third party tools are a critical part of successful app businesses. There's a strong correlation between tool use and revenues, the more tools a developer uses, the more money they make. Despite this tool use is declining, partly due to the rapid influx of new mobile developers. 26% of developers that are interested in making money don't use any third party tools.

The most popular category of tool is Ad Networks, with 30% of developers using them. However, this is one of the few tool categories that is not associated with higher than average revenues.

More experienced and successful developers show a preference for Cloud Computing platforms, with 40% of those with 6+ years experience in mobile apps adopting them.

This informative 35 page report was authored by Mark Wilcox, Business Analyst, and Christina Voskoglou, Data & Operations Manager, VisionMobile.

The full version is available at:

http://www.developereconomics.com/reports/developer-economics-q3-2014/