

To App or not to App?

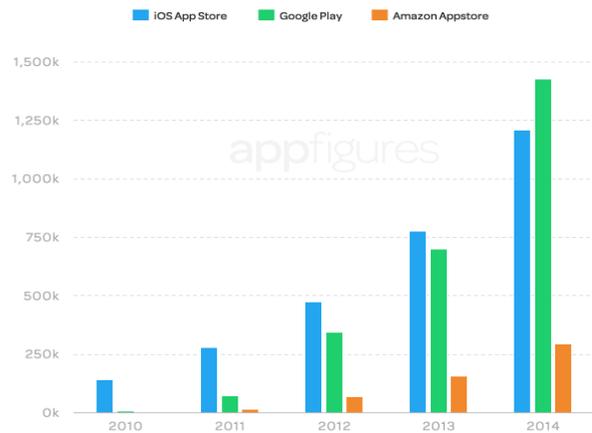
What is an App? An App (short for Application) is “a self-contained program or piece of software designed to fulfill a particular purpose” via a smartphone and/or web-based platform (TechTarget). Apps can provide a focused service but they are also developed to enhance company visibility and to improve customer engagement and loyalty.

Types of Apps? There are Web Apps and Native Apps.

1) **The Web App** is stored on a remote server and delivered over the Internet, and

2) **The Native App** is developed for use on – typically - an Android or iOS (Apple) platform. Native Apps are built using special software. They tend to have fewer technical problems than web Apps, but can be more expensive as they are written in two separate code documents.

Total Number of Apps by App Store



<http://blog.Appfigures.com/App-stores-growth-accelerates-in-2014/>

How many Apps are there? As of July 2015, there were over 3 million Apps: Approximately 1.6 million available through Google play and 1.5 million available through the Apple Store. The number of Apps has grown dramatically (See figure).

How many APPs are "successful"? The question here is "What is meant by successful"? One article in 2014 estimated that over 99% of Apps do not make any money (Gartner, 2014). What seems clear is that the vast majority of profitable Apps (of the order of 90% or more) are games. Interestingly, of these, much of the income comes from in-App purchases (i.e., you buy something after you get the App). However, success can also mean use and number of downloads. In relation to this sense of success (download and use), one study showed that 80-90% of Apps that are downloaded are eventually deleted (i.e., the user downloads, tries it, doesn't want it, deletes it) (Compuware, Digital Trends, 2013).

How long does it take and much does it cost to develop an APP? Building an APP typically takes at least 18 weeks from start to finish (plus time to design the product). There is no clear indication on how much an App costs - as it depends on the developer and the purpose. Some companies spend from \$500,000 to over \$1,000,000 per APP, while others build their own (using products like: Como; Build Fire; Apps Builder). In the “middle” are users who turn to companies to build the App for them. In such cases, price depends on the complexity of the App, but you can get an for \$5,000 to \$10,000+ (similar in price to hiring a professional company to build a website). One advantage of the middle approach is that companies can help guide App development and design and do follow-up to “debug”.

Keys to success? Various sites (e.g., Haselmayr, 2014) list steps required for building Apps which include defining your goals, researching, story boarding, testing etc. through to release. However, here, we want to highlight a couple of key elements for the beginner considering App development. **One of the major issues is what is the plan for sustainability?** How will you track and respond to the emerging needs of your audience? What competition will emerge and how will you remain "better"? And perhaps most critically, how will you keep the App functional as operating systems evolve (remember those regular App Updates?).

References: Melanie Haselmayr. Forbes, November 2014. A 12 step guide to building your very first App. Part 1. Part 2.