

Year End Report: How Many Apps are Out There?

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Apple App Store for iPhone doubled during 2010 reaching almost 300,000 applications, while the number of applications for the Android Market reached almost 130,000 (6X the Android apps available one year ago). BlackBerry App World (18,000 apps) and Nokia Ovi Store (25,000 apps) both showed triple digit growth in the last year.

No surprise but consumers prefer FREE apps, so developers must experiment with monetization methods other than paid up-front. While the proportion of free applications grew, **the average price of the applications also declined** for the 100 most popular applications in the Apple App Store for iPhone, BlackBerry App World, Google Android Market and Nokia Ovi Store.

The download ratio between FREE and PAID is 10:1. According to Distimo, the top 300 free applications in USA generated, on average, over 3 million downloads each day during December 2010 versus the paid applications 350,000 downloaded daily. Yet paid downloads increased almost 30% more than free downloads in the top 300 (comparing the download figures of December 2010 versus June 2010).

Comparing June to December in USA, the share of revenue generated by **in-app purchases** from the most grossing free applications more than doubled for both the iPhone and iPad. But the share of revenue generated by in-app purchases from free applications is **much smaller on iPad** (15%) compared to iPhone (34%).

This Distimo Report confirms what the market instinctively knows: you have to get the consumer's attention and then find a way to monetize. That's makes it a harsh commercial environment, but to thrive as a paid app... you have to be **a super-app**.