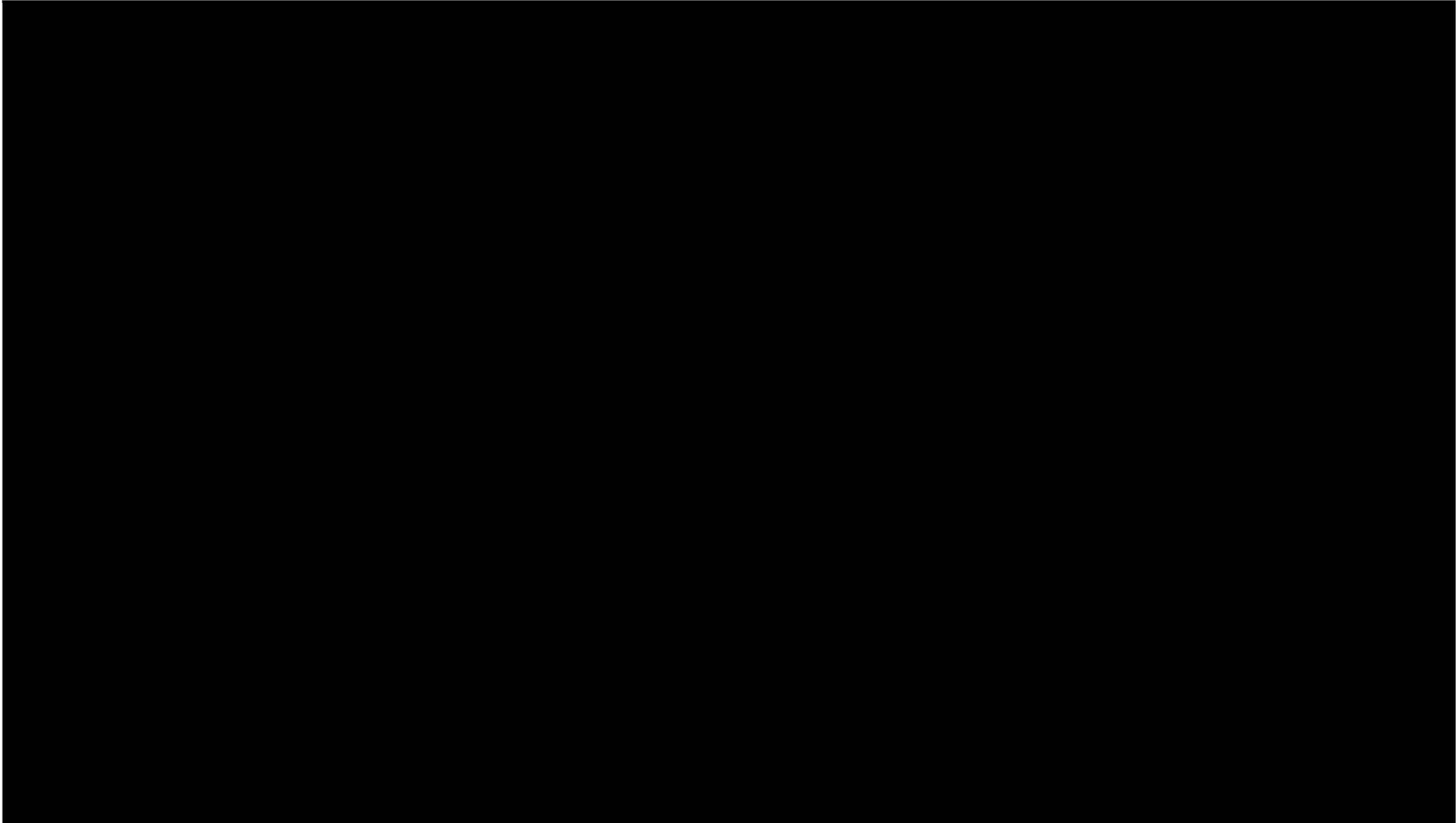




High performance. Delivered.

Introduction into the App Economy

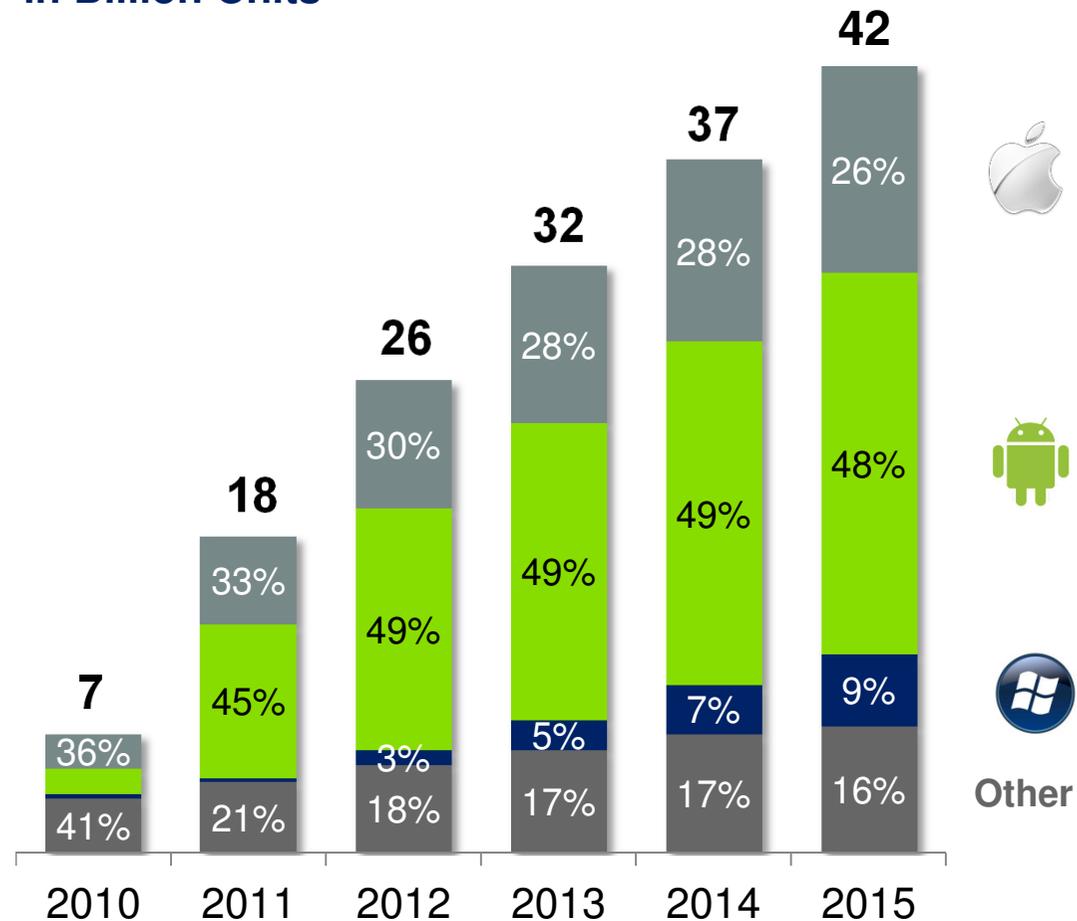
Münchener Kreis
Fachkonferenz App Economy
Paradigmenwechsel oder Evolution



The App Economy is booming and affecting all areas of life and business

- Mobile services was already a trillion dollar industry in 2010
- 40+ billion app downloads are expected by the end of 2015
- Mobile app store revenues will account for about US\$3.8 billion in 2011
- In 2015, mobile internet usage will exceed computer users globally

Development of Global Application Downloads 2011, in Billion Units



*Source: BBC News, Gartner, OVUM, ACTA 2011

Copyright © 2011 Accenture. All rights reserved.

Definitions of “App”, “App Economy” and “App Marketplaces”

App

Als Apps bezeichnet man Zusatzprogramme bzw. -anwendungen, die überwiegend für das Betriebssystem mobiler Geräte wie Smartphones oder Tablet-PCs konzipiert wurden. Der Begriff ist eine Kurzform für das englische Wort Application, was zu deutsch Anwendung bedeutet.

App Economy

Trendbegriff für sämtliche Bestandteile des ökonomischen Umfelds um Softwareanwendungen für mobile Endgeräte und Dienste. Produkte der App-Economy werden typischerweise als *Apps* oder *Widgets* bezeichnet.

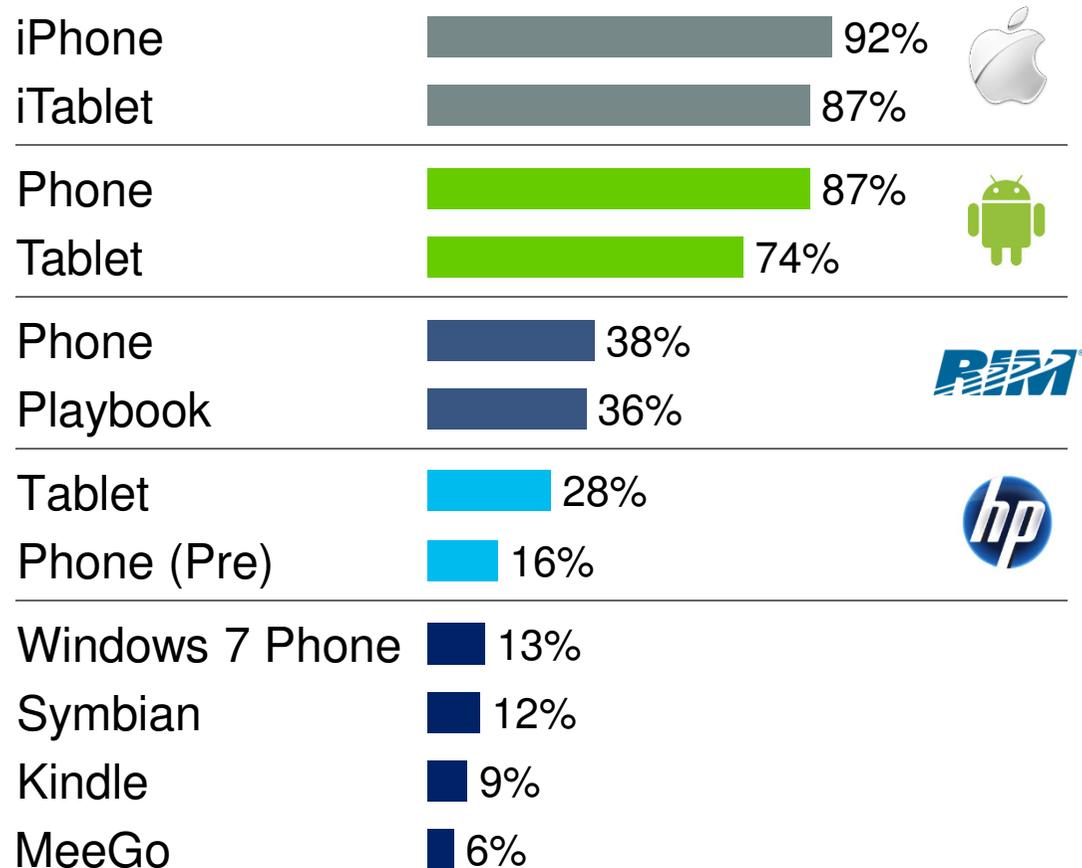
App Marketplace

Sogenannte App Marketplaces sind virtuelle Plattformen, die als Intermediär zwischen App-Entwicklern und Konsumenten agieren. Entwickler stellen ihre Programme auf der Plattform bereit, wo Kunden diese teils kostenlos, teils kostenpflichtig für ihre Endgeräte erwerben können.

Apps marketplaces will undergo the same development as internet portals; developers will follow the gold rush

- Number of marketplaces and platforms is growing continuously
- The predominance of both iOS and Android will continue to grow over the next years supplemented by 2 or 3 challengers
- Scalability, revenue potential and security concerns are the main decision drivers for developers
- A challenging environment, which encourages innovation is very important for developers

Developer which are “Very Interested” in Developing for Platform, 2011, in %



Source: IDC, OVUM; www.opendevdevelopment.com/de

Copyright © 2011 Accenture. All rights reserved.

Apps have changed usability and user behavior; but the willingness to pay will continue to be limited

Number of Available Apps, US, March 2011, in k



- **Apps are 6 times more popular than websites on smartphones**
- **Tablet user generally access more books, movies and magazines than smartphone users**
- **Approximately 85% of downloads are free applications and willingness to pay is limited**

Source: Zokem, Distimo

Copyright © 2011 Accenture. All rights reserved.

Consumer electronic devices are likely to become pure output channels and the App Economy will dominate

- App stores and apps will become an integral part of multimedia devices
- There is a need to synchronize apps throughout devices (and platforms)
- There is a desire to personalize devices via apps
- Multimedia devices are likely to become a pure output channel

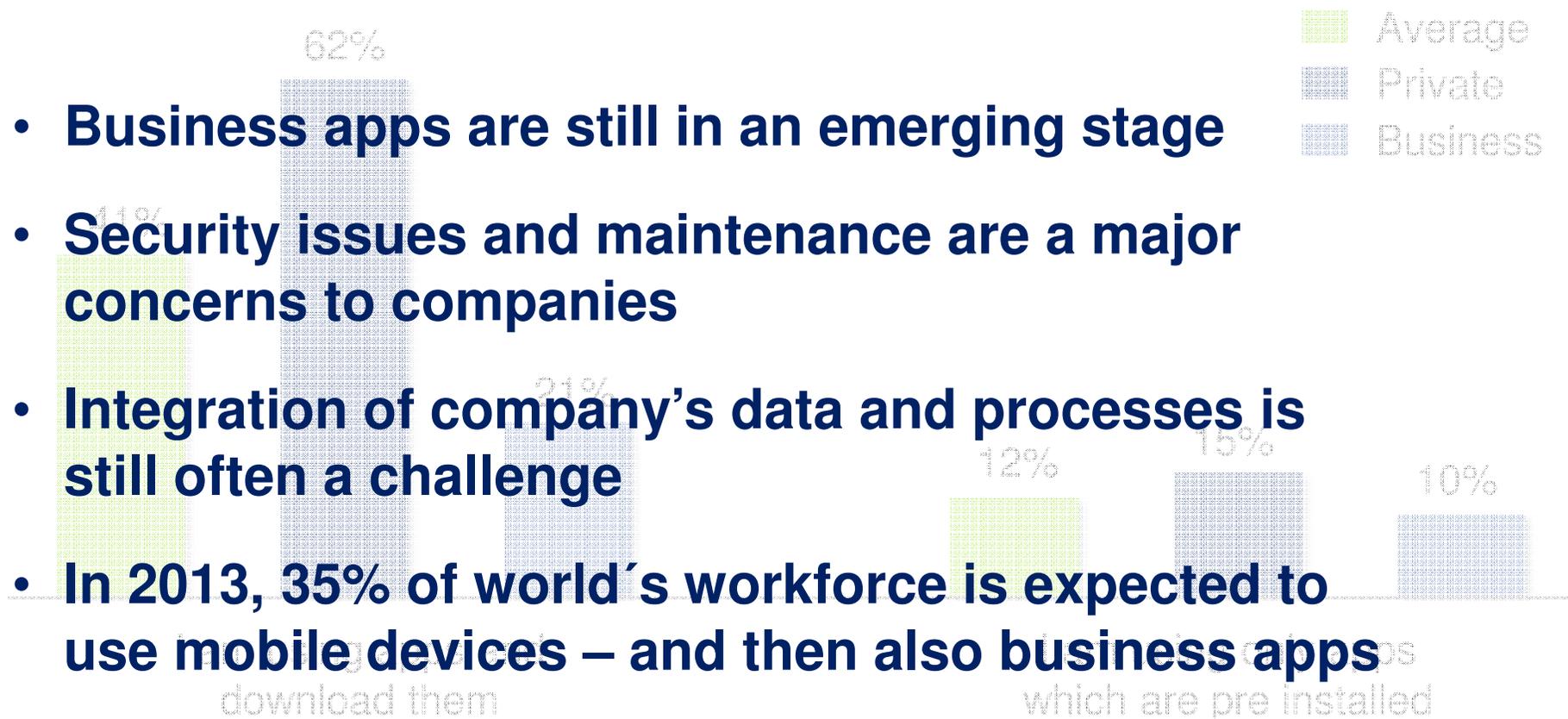


Source: Accenture, Company Websites (Samsung, Nokia, Apple)

Copyright © 2011 Accenture. All rights reserved.

Business apps will gain momentum when data transmission is secure and cloud services are established

Usage of Applications in Austria, Germany and Switzerland, 2011, in %



- **Business apps are still in an emerging stage**
- **Security issues and maintenance are a major concerns to companies**
- **Integration of company's data and processes is still often a challenge**
- **In 2013, 35% of world's workforce is expected to use mobile devices – and then also business apps**

Source: Accenture, Mobile Web Watch 2011

Copyright © 2011 Accenture. All rights reserved.

The App Economy has the potential to enable all industries and change existing industry dynamics

Apps will influence, change or replace business processes in all industries through features like:

- 1-click information
- Social media
- Consumer tracking
- Location-based services
- Augmented reality
- Always and everywhere online

	2/2010	9/2010	Growth
Apple AppStore Health Apps	4,276	2,860	67%
Google Android Health Apps	505	791	157%
BlackBerry App World Health Apps	140	338	141%

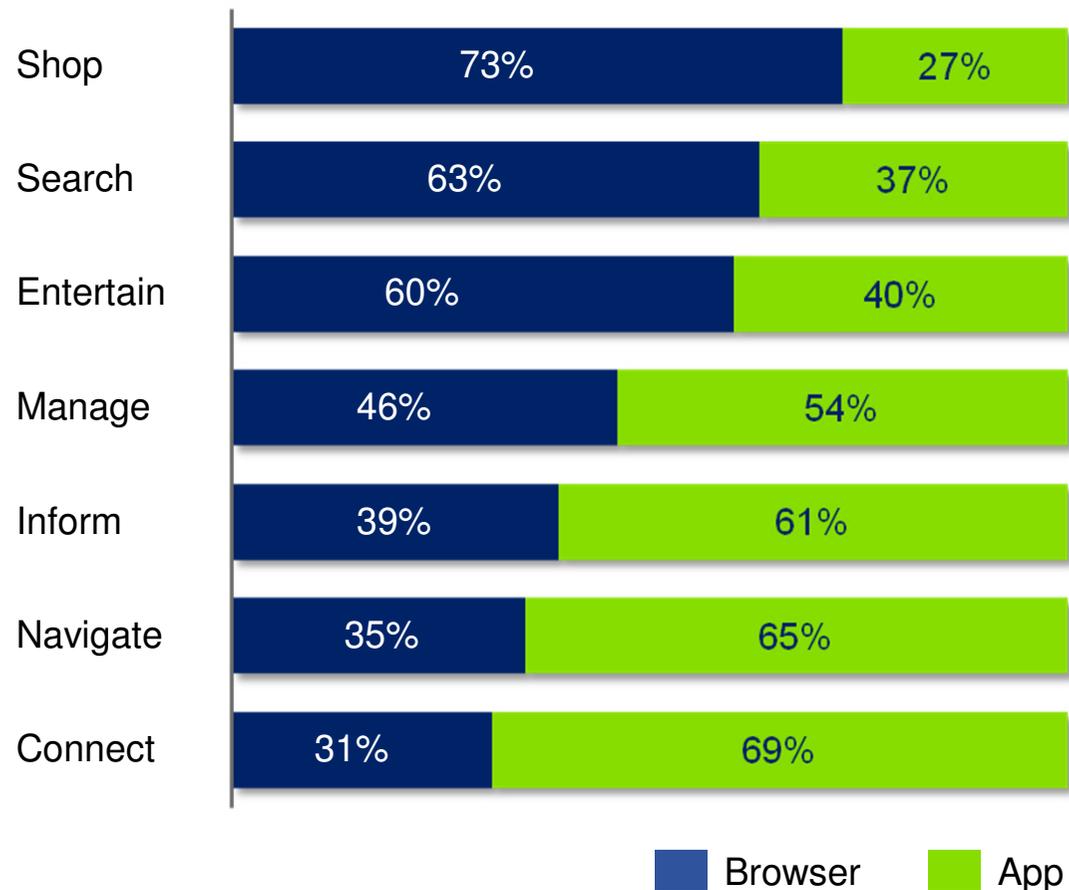
Source, Columbia University, Harman, IDC, MobiHealthNews

Copyright © 2011 Accenture. All rights reserved.

The App Economy will be social and location-based short-term and browser-based mid-term

- Apps allow quick access to required information and attractive content ...
- ... while including social media, location-based services and augmented reality
- HTML 5 is device-agnostic and does not require downloads or marketplaces
- Consumers do not care where they get their content from, they want it the easiest way

Mobile Internet tasks for which US smartphone users use a Mobile App vs. Browser, 2011



Source: Circ.us. eMarketer

Copyright © 2011 Accenture. All rights reserved.

The future of the App Economy highly depends on the valid business models – which are still very often unclear ...

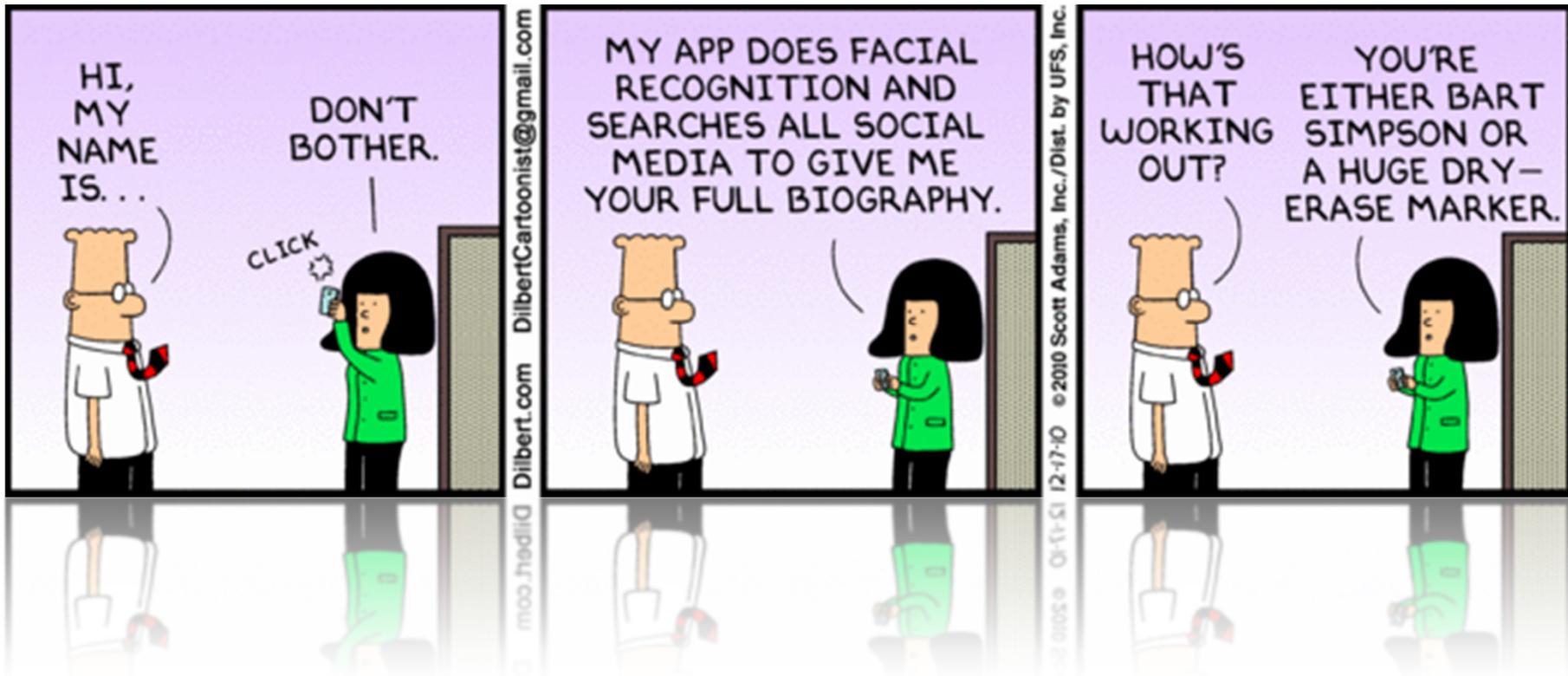
- The number of apps and users are still increasing
- Only a small number of apps are commercially successful
- Creative business models are needed to secure long-term success

Used Business Models for Apps, 2011, in %

	2010	2011	Growth
App Store Sales	40%	59%	48%
Advertising	27%	43%	59%
In-App Purchase	27%	42%	56%
Brand Loyalty & Engagement	30%	34%	13%
SaaS Subscription	18%	26%	44%
Mobile Commerce	14%	26%	86%
Coupons / Loyalty	6%	10%	67%

Source: ACTA 2011, IDC

...and without the proper content not sustainable



Source: Dilbert

Copyright © 2011 Accenture. All rights reserved.