



How the App Economy is Set to Evolve in 2018

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Joel Oliver
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Biography

Joel is the CEO of My Firms App™ (www.myfirmsapp.co.uk) and is no newcomer to the Fintech market or working with professional service companies. Joel owns Insight Marketing, SalesForAccountants and Insight Digital Media, with over 20 years' experience working with Accountants, IFAs, Financial Planners, Law Firms and professional service companies.

He pioneered the My Firms App product back in 2012 as he could see the huge benefits of Apps for professional firms who wanted to care for existing clients and market profitably to potential new customers. Now the company provide the only compliant approved and endorsed Apps for accountants and bookkeepers in the world. With hundreds of professional firms subscribing to the software and over 130,000 end users.

Over recent months the My Firms App platform has been successfully launched in UK, Ireland, Australia and America – with growing demand from markets such as New Zealand, South Africa and Canada.

Joel has a hands-on role within the family of companies and enjoys meeting clients and helping them future-proof their businesses. As the App continues to expand in the UK and overseas, Joel continues to ensure the App puts accountants first and the product gets get better and better with the help and support of the entire team.

Outside work you will often find Joel with his friends or family enjoying varied hobbies from salmon fishing to watching his son play rugby or sailing. Joel is also an assistant pastor at a local church and runs numerous youth groups.

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Paper type Research

Abstract

It's hard to believe that 2018 will mark the 10-year anniversary for both the Apple App Store and Android Market. During the last decade, mobile Apps have had an incredible impact on society and the scale and pace of take up has been exponential. But what does the future hold?

Introduction

As we enter the second decade, what lies in store for the App economy? According to statistics from App Annie¹, the leading global App market data and insights company, by the end of October 2017, the iOS App Store had more than 2 million Apps available and Google Play had more than 3.5 million Apps.

During the month ending October 2017, roughly 50,000 new apps launched on the iOS App Store and over 150,000 were added to Google Play. In addition, research shows that an average of two hours per day are being spent in Apps by users which equates to one month out of every year. But more importantly, Apps now play a key role in almost every industry today.



Technology and Innovation

1. **Worldwide Gross App Store Spend expected to exceed \$110 billion in 2018** – The evolution of markets across the globe is expected to continue next year and the worldwide consumer spend across all mobile App stores is expected to grow approximately 30% year-on-year to exceed \$110 billion in 2018.
2. **China, India and Brazil are top markets to watch** – As in past years, China will continue to be a key market for App store consumer spend in 2018 with its growth rate predicted to significantly outpace that for the rest of the world. This is particularly impressive given that China is the top market for iOS App Store consumer spend.
3. **Making it easier to search for Apps will expand opportunities for independent publishers** – The number of Apps available is expected to increase at a healthy rate in 2018, which will have the knock-on effect of making App discovery more difficult. To alleviate this problem, both Apple and Google have announced updates that will make it easier to search for Apps that are based on a particular topic or specific area of interest. As these enhancements gain traction, it is expected that ‘needs-based’ Apps are more likely to be downloaded.

We expected that these improvements to App discovery will not only help boost In-App-Purchases revenue overall, but will also spread these gains across a broader group of publishers.

4. **Augmented Reality (AR) Adoption is expected to increase** – In 2018, AR will take another significant step forward towards realizing its massive potential. This will be driven by the foundation that was set by AR-related initiatives unveiled by Facebook, Google and Apple at their developer conferences in 2017. These initiatives will accelerate the space by making it easier and faster for publishers to develop AR apps, while also stoking consumer interest.
5. **Fragmentation of the Video Streaming Space Accelerates** – Apps have significantly transformed how people watch video content across a number of dimensions. Last year, was another extraordinary year for video streaming services as they continued to capture large audiences. It is expected that in 2018 its success will attract even more activity, from content owners and distributors, to an already complex landscape.
6. **Mobile Pushes to become the focus of the retail customer journey** – Mobile has become an increasingly integral part of the retail shopper journey. Initially, it was used to research pricing, product information and reviews for in-store shopping, but now it has become a full-fledged channel in its own right. The latest figures show that shoppers are now very engaged with mobile Apps and in the year to date until 31 October 2017, across all Android phone users in the United States and United Kingdom, consumers spent nearly an hour on average in Shopping Apps each month.



In 2018 these changes will cause consumers to change their shopping habits, For example, as already seen in China, western markets will increasingly use physical stores as a place to pick up items purchased on mobile and mobile payment will increase in popularity.

- 7. European Open Banking Legislation Triggers Value Chain Shift** – While convenience has been a significant driver behind the App economy’s success, there are still concerns about security. In Europe, next year with the implementation of PSD2 legislation, a new level of security that comes from government oversight and legitimacy is set to open the door for more players to provide comprehensive, app-centric, financial-related services.

This will unbundle the banking value chain in Europe, with aggregation Apps increasingly becoming the primary gateway for consumer finance. As the benefits of these changes become apparent. It is expected to drive similar innovation in markets outside of Europe.

- 8. P2P payment Apps to displace cash and cheques** – Person-to-person (P2P) payment Apps have transformed how consumers, particularly millennials, exchange money, by displacing the use of cash and cheques. In the next year, these services are set to broaden their range of services in an effort to expand their revenue potential, fend off increased competition from traditional banks and deepen user engagement.

Conclusion

Technological advances and innovation are being fuelled by the growing expectations users have of Apps. No longer satisfied with Apps that merely replicate the activities that they can do on other mediums, there is a growing expectation for Apps to completely transform the very nature of how they accomplish goals and tasks, as well as create brand new experiences not possible on other platforms.

App developers will take every opportunity to go above and beyond what’s currently possible and deliver the next generation of future proofed Apps that will reach new heights in the second decade of their incredible journey.

Reference

- ¹ <https://www.appannie.com/en/insights/market-data/2018-app-predictions-mobile-convenience-will-drive-transformation-across-industries/>