



The Undead App Store

The course for discovery in 2015

A 2014 retrospective report on App Store performance

Executive summary

The app ecosystem is evolving, and it is becoming more Darwinistic every day. Only the fittest of the fittest shall survive – which comes as no surprise to the developers who have followed closely as the app economy took a couple of milestones in the past year: The total volume of apps available through Apple's app store crossed 1,000,000 apps in early April, only to continue its unrestricted growth to reach almost 1.5 million apps in December.

At first sight, this seems to be an insignificant problem, because while the number of apps grows, so too does the user base. But this is hardly a compensatory mechanism, as each user can only handle a limited number of apps. Where bandwidth limitations and cost considerations are minor deterrents, it is the need to economize their time that prevents users from supporting the growing breadth of apps by downloading more apps per month. More users therefore only mean more clients for top apps, not for all apps.

With the growing number of apps, winning at the app store discovery game, securing those top 10 or even top 50 placements in their category is proving an unattainable dream for many developers with smaller marketing budgets.

Key stats

- The app store has grown **60 %**, from **890,000** available apps on 1/1/2014 to over **1.42M** available apps on 12/31/2014.
- Total available apps over 1M in March. The zombies count passed the same milestone in September.
- The zombie rate has increased from **74 %** for January 2014 to more than **83 %** in December.
- Number of apps available in **German** outpaces apps available in other languages:
Growth of 81 % over 2014
- Chinese app market also booms with 77% growth through 2014
- Growth of apps available in Japanese comparatively slow: **54.4 %** over 2014



Methodology

All data in this report was sourced from *adjust's* *appttrace* database on January 2nd, 2015. The database is used by *adjust's* free online tool appttrace.com to provide the mobile industry with valuable insights into app performance in the Apple App Store and the Google Play Store. It includes app rankings, categories, ratings, versions and reviews.

The data on Apple's App Store is aggregated from Apple's Enterprise Partner Feed (EPF). Our data covers all apps that were ever available in the App Store and all Google Play apps that ranked in the past year and a half.

We define as zombies all apps in the Apple App Store that appear on no top list on one third of the available days. These top lists are those lists that a user will be shown when browsing apps by categories. There are lists by app genre, by cost (free, freemium, paid). These lists differ depending on the country in which the user is registered.

Additionally, we've segmented all of the apps in the iOS App Store by the localizations that were available for that app. The segments are groups of apps that generally are available internationally, and may have multiple localizations. In each segment, you'll have a proportion of apps that are developed in another country and then localized to the respective language, as well as apps that are originally developed for the language and then exported. These segments thus accurately represent the relative importance of a particular mobile market, in terms of consumers as well as producers.

For each segment, we've looked at growth in total number of apps, as well as the number of zombie apps. As the zombie rates are calculated on all apps that were available throughout a month, the most recent rate is for December 2014.



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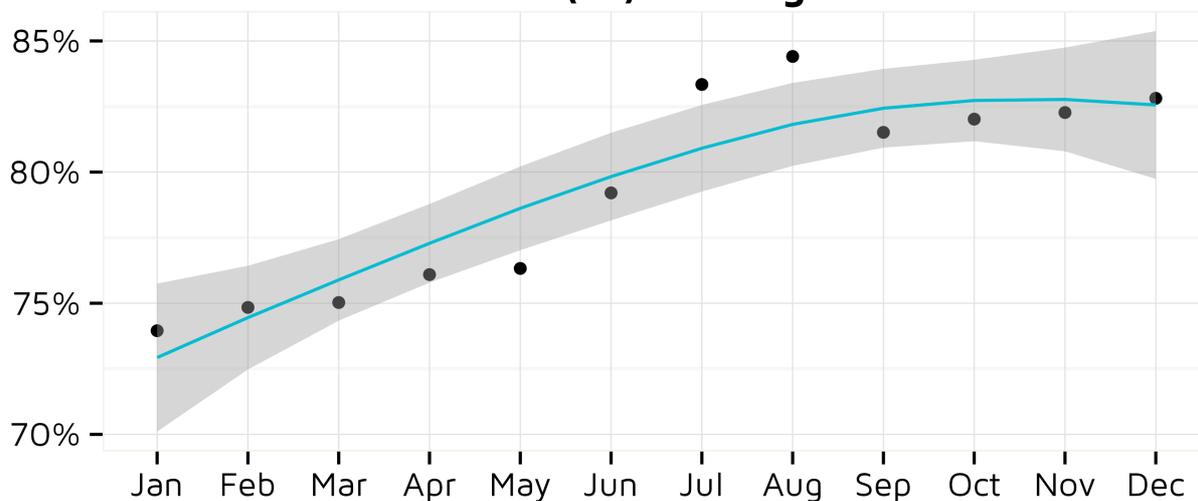
1. Worldwide zombie apps development in 2014

Zombie apps are apps that are not visible in the store, as they occupy not a single ranking in any top list worldwide. This means, on the one hand, that users cannot find the app organically, by browsing category lists – instead they can only find it by searching for a specific type of app, or by finding the app directly by name. On the other hand, due to the sheer quantity of top list placements worldwide, an app can acquire a ranking with only a handful of downloads. To show the overall state of the store, rather than a snapshot of a daily state, we mark an app as Zombie if it appears in the top lists on fewer than two out of three days.

To date, there are over 1.4 million apps in the iOS App Store, and the latest zombie rate for December 2014 was a massive 82.8 %. This represents a significant growth compared to the beginning of the year: the zombie rate for January 2014 was 74.0%. In this report, we'll discuss some other key metrics and indicators, as well as look at the effects in particular localizations.

At adjust we track the iOS and Google Play stores through our free sister service, apptrace.com, and have been doing so since founding in 2012. The additional insights we glean on the marketplaces tie right into our core business model, attribution analytics, allowing us to connect our clients' attribution data with their App Store performance.

Zombie rate (%) through 2014



	# APPS	# ZOMBIES	ZOMBIE %
Jan	889,231	657,778	74.0%
Feb	923,156	690,941	74.8%
Mar	955,221	716,420	75.0%
Apr	995,717	758,281	76.2%
May	1,041,490	796,132	76.4%
Jun	1,085,383	855,283	78.8%
Jul	1,129,256	941,695	83.4%
Aug	1,173,475	991,051	84.5%
Sep	1,240,571	1,011,249	81.5%
Oct	1,279,282	1,049,825	82.1%
Nov	1,325,250	1,090,442	82.3%
Dec	1,372,371	1,136,501	82.8%



2. Zombies per genre

Listing your app in a category is one of the key decisions when working toward acquiring organic users from the Store. Because apps can fall into multiple categories, Apple allows up to three genres to be selected. For apps that find reach most of their target audience in one or two channels, the choice of the remaining categories can still be a nontrivial marketing decision guided by two dimensions: congruity and competition.

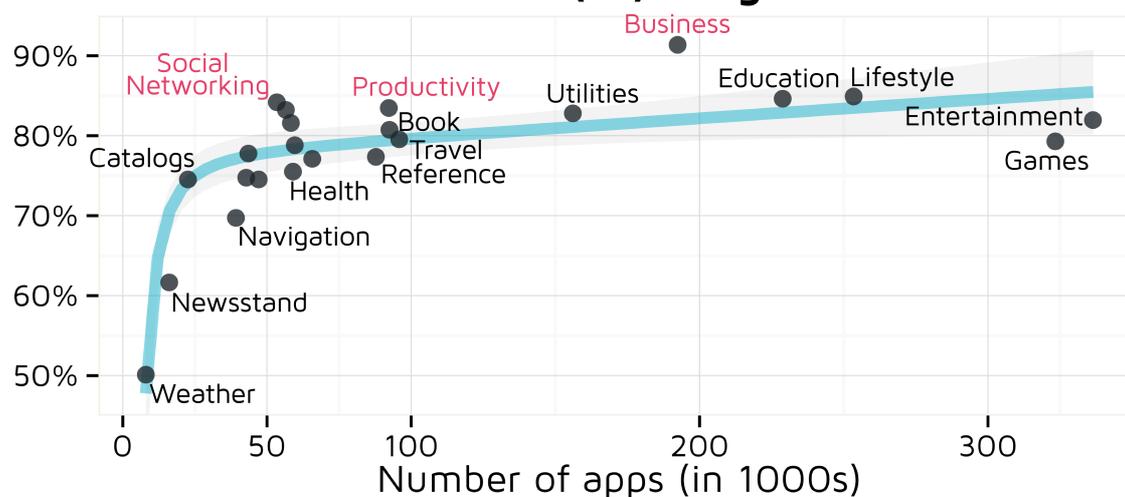
Ideally, an app should be listed in three genres that are both good fits for it, and have less stringent competition, allowing for visibility there.

Looking at the size of a genre versus the number of zombies listed in this genre, a key relationship becomes obvious: genres with very few apps are considerably easier to enter. In particular, observe the outliers:

- The "Business" category is dominated by a few successful apps worldwide, and most apps listing in this category alone stand no chance to rank;
- Navigation and Sports apps enjoy a much lower zombie rating compared to their size, as they are often location-specific and thus compete with a much smaller subset of local apps;
- Half of all Weather apps, the smallest category in the App Store, can be found in the top lists.

App developers making their category decision can have a close look at the data available. Business-oriented apps may well fall into other, less competitive genres, like Productivity and Finance. Listing your game across Entertainment, Games and Lifestyle, or some combination thereof, is unlikely to provide additional ranking ease.

Zombie rate (%) vs genre size



	# APPS	# ZOMBIES	ZOMBIE %
Entertainment	336,539	275,799	82%
Games	323,358	256,408	79%
Lifestyle	253,487	215,225	85%
Education	228,826	193,635	85%
Business	192,282	175,666	91%
Utilities	156,148	129,284	83%
Productivity	92,192	76,945	83%
Travel	95,919	76,293	80%
Book	92,520	74,702	81%
Reference	87,796	67,910	77%
Health & Fitness	65,727	50,678	77%
Music	58,382	47,631	82%
Photo & Video	56,524	47,043	83%
News	59,560	46,941	79%
Social Networking	53,424	44,973	84%
Sports	59,023	44,563	76%
Finance	47,201	35,176	75%
Food & Drink	43,475	33,811	78%
Medical	42,774	31,973	75%
Navigation	39,302	27,402	70%
Catalogs	22,708	16,923	75%
Newsstand	16,127	9,942	62%
Weather	7,992	4,005	50%



2.1 Subgenres of games

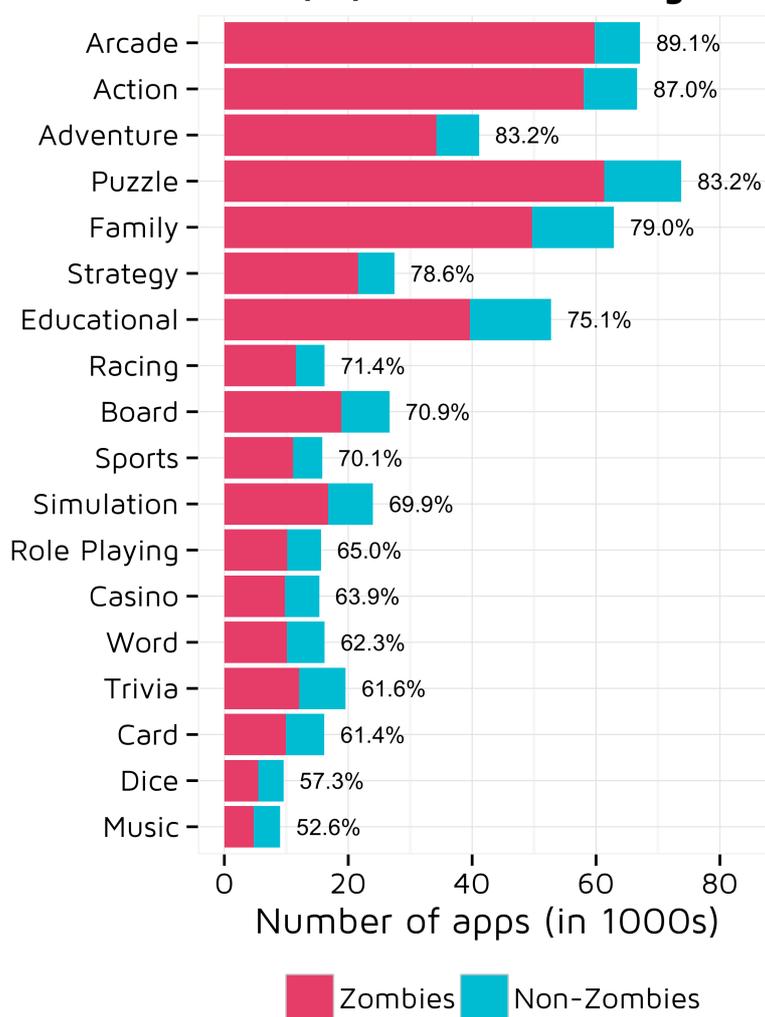
Unsurprisingly, Games is the largest category on the App Store, and together with Entertainment, dwarfs the sizes of all other categories. The subgenres of the Games category allows further subdivision, and so makes the space a little less crowded. As we can see, the competition across different genres varies wildly: whereas 83 % of all apps struggle to find a place among the puzzle games, a music app needs to attract very few users to rank in the top.

As in the previous discussion, there's a definite relationship between size and zombie rate. Once a genre has more than around 250,000 apps, zombie rates tend to scale upward very quickly.

It seems that app marketers are happy to use Games Subgenres in hopes to get visibility for their apps, as it will be more likely to be seen in these smaller genres than in its original genre. 22.9 % of apps listed in some subgenre of games don't bother listing in the top Games category – and with the > 80 % zombie rate dominating there, this might be the right choice.



Zombie rate (%) in Games Subgenres



App counts per category on December 31 2014:

- 338,381 Games
- 427,958 individual apps in sub genres of Games
- 348,808 apps in Entertainment
- 183,850 apps listed in Games, but not in Entertainment.
- 154,531 apps in Games and Entertainment simultaneously
(45.7 % of Games, 44.3 % of Entertainment apps)
- almost 100,000 of the apps listed on some subgenre of Games are not tagged as Games (22.9%).



3. Regional markets and language ecosystems

Developers often choose to localize their apps into other languages in order to increase their potential user base. In this section, we compare a few particular language markets that stood out in their development: German, Japanese, Chinese and Russian.

Market size and growth rates

The German app ecosystem is the biggest among these, with 265,000 apps available in December. This segment grew by 81.3 % from January to December 2014, clearly outpacing the global average growth of 62.3 %. With 218,000 apps available in Chinese, this is the second largest of these markets. The growth in Chinese apps was on par with that of the German market (81.3 %). These rates indicate that the developer communities in these countries are growing, but also that it is more common for apps to be released in these languages as well as in English.

To Japanese and Russian speakers, there were 170,000 and 121,000 apps available in their native language in December respectively. The Russian growth rate over the past year was at 67.6 %, thus slightly above the global rate. The Japanese app market however, which only grew by 54.9 %, was lower than the global growth. This indicates that development has decelerated in Japan or that it has become less common to localize apps into Japanese.

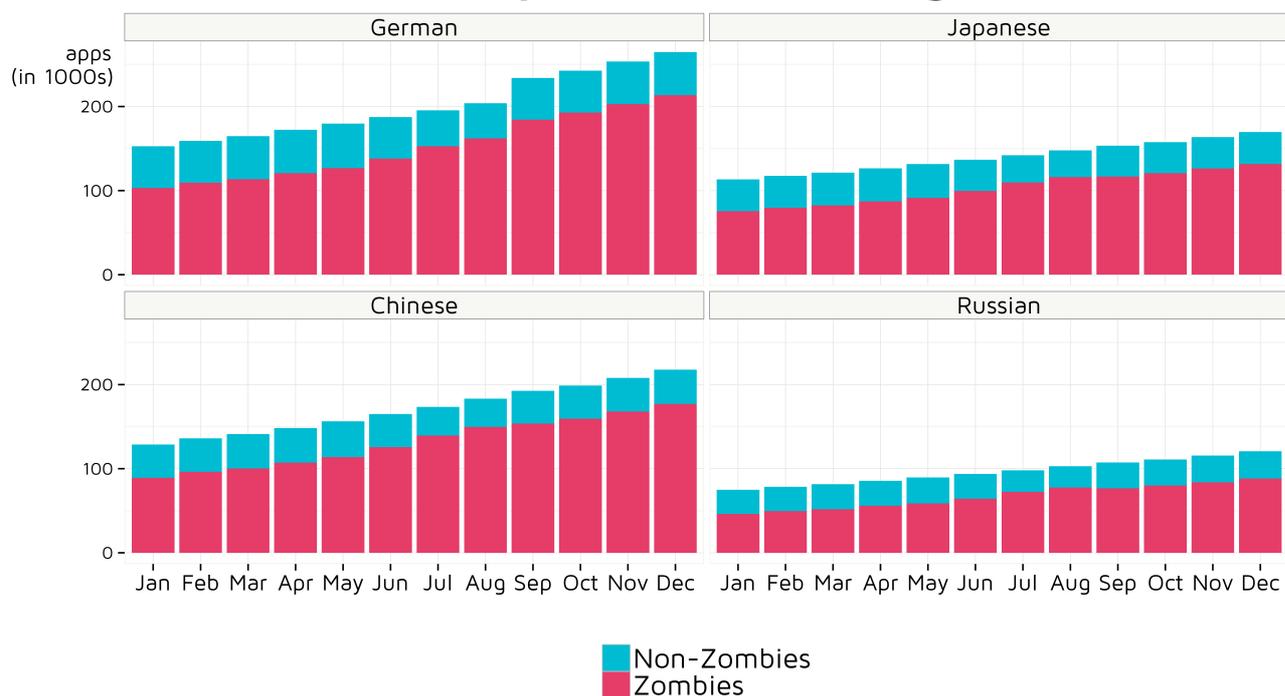
Zombie rates per language market

The zombie rates for these markets show a trend similar to that of the genres: The smaller the market, the more favorable the zombie rate. The zombie rates among apps available in German and Chinese (80.6 % and 81.3 %) are higher than those among apps in Japanese and Russian (77.6 % and 73.2 %). There are two reasons for this relation. First, only the most successful apps warrant a translation into all languages; as these apps regularly place on multiple top lists, they reduce the zombie rate within a language when a version of them is made available in that language. Second, there are fewer apps competing for the local top lists. This is especially important in environments with a strong preference for the local language, such as the Japanese market.

Notice that although the market is smaller, the zombie rate among apps available in Chinese is higher than that among apps available in German. We think that this is due to the more difficult task of localizing apps from English into Chinese.



Zombies per market through 2014



Jan 2014

Dec 2014

	# APPS	% ZOMBIES	# APPS	% ZOMBIES
All apps	889,231	74.0%	1,372,371	82.8%
English	827,123	74.1%	1,294,418	83.0%
German	152,796	67.4%	264,781	80.6%
Chinese	128,691	69.3%	217,755	81.3%
Japanese	113,363	66.7%	169,643	77.6%
Russian	74,973	61.6%	120,653	73.2%



Translations of Zombies and non-Zombies

The vast majority of apps in any of these four languages is also available in English: 96.1% of all German apps, 93.9% of Chinese, and 91.2% of Japanese apps also have a version available in English. 94.1% of Chinese non-Zombies have an English localization, as do 94.6% of the Japanese non-Zombies.

It is less common that apps have localized versions in an additional one of these languages. Only 43.3% of the German apps are localized into any of the other three languages. The most successful apps, though, usually have more translations: 62.6% of the German non-zombies were translated into at least one of these other languages.

Similarly, 54.6% of all Chinese apps and 68.1% of all Japanese apps are ported into one of the other languages, but 71.2% of Chinese, and 77.4% of Japanese non-Zombies have localized versions other than English available.

The special Russian case

The Russian market, the smallest of the pack, surprises with a paradoxical localization pattern: Here, there are in fact more local than international non-zombies. 97.7% of Russian apps also have a version available in English, but only 95.8% of Russian non-Zombies do. The general rate of localization into one of the other three languages is 86.5%; surprisingly, this rate is lower for the non-zombie apps (82.4%).

This is arguably testimony to the strength of the Russian developer community, which clearly manages to dominate the local market over localized versions of other, international apps. It also indicates that there is potential for these apps to be successful internationally if more of them were to produce external versions.



4. Lookout

Since adjust started tracking the App Store in early 2012, the zombie metric has been one of the key indicators we've been watching – and it's only been going upwards. The sheer growth rates are a thing to behold, doubling the size of the Store every year. At the same time, people's ability to browse hundreds of apps isn't improving.

The days of the lone developer placing his creation into the world and watching it grab an audience by itself are definitely long gone, with a few wild (avian) exceptions. To stand a chance of ranking in the top 20 %, developers are facing a reality where marketing and user acquisition are key components of the business.

Apple is moving towards trying new features and discovery systems in the Store, including increased curation and better algorithms for Explore or Discover pages. App developers are becoming more savvy with optimising their profiles for the App Store search engine – App Store Optimization being a returning subject at every app developer conference around the world. At the same time, iOS is restrictive of app promotion, ruling out the various third party stores available on Android, and cautiously observing the evolution of the mobile ad ecosystem.

We're eager to see Apple experimenting with new ways of promoting praiseworthy apps to a broader audience. At the same time, we believe that a limited, one-size-fits-all approach is not fully extensible to a market that continues to at this pace.

The App Store is dead. As a source of organic user acquisition, it can no longer serve all the apps and all the users that flock to it. While the App Store provides a secondary method for users to find out about apps, most people look to the media, their Facebook feeds and – whether they admit so or not – increasingly toward branding and advertising. The data proves it.



About *adjust*

adjust is a mobile attribution and analytics company that provides app marketers with a comprehensive business intelligence platform. *adjust* combines attribution for advertising sources with advanced analytics and store statistics such as rankings, ratings and reviews.

Attribution enables mobile app marketers to identify where a user came from and when they installed the app. In the analytics department, *adjust* offers cohort analysis in addition to deliverable analytics that count sales, events, sessions, installs and clicks. Marketers can group users together by common criteria, such as the install time. KPIs can then be normalized over the lifetime of the user. Additional product features include: app store statistics like global rankings displayed in the dashboard, deep-linking fallback and reattribution for re-engagement campaigns.

adjust is an official Facebook and Twitter mobile measurement partner, and is also integrated with over 400 other major networks worldwide. *adjust* is ePrivacy certified, transfers data under SSL encryption, and meets the most stringent privacy compliance standards internationally.

Clients include some of the world's largest brands in Asia, the EU and the Americas, such as Baidu, Deutsche Telekom, Universal Music and Viacom. *adjust* delivers app analytics to the world's largest advertising and media agencies including Vivaki, Publicis and GroupM.

