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## **Gartner Says Less Than One Per Cent of Consumer Mobile Apps Will Be Considered a Financial Success by their Developers Through 2018**

### ***Gartner Reveals 2014 Mobility Predictions***

#### ***Gartner Special Report Examines Predictions for the Year Ahead***

STAMFORD, Conn., 13 January, 2014 — Consumers are increasingly turning to recommendation engines, friends, social networking or advertising to discover mobile applications rather than sorting through the thousands of mobile apps available. As a consequence, Gartner, Inc. predicts that through 2018, less than 0.01 per cent of consumer mobile apps will be considered a financial success by their developers.

"The vast number of mobile apps may imply that mobile is a new revenue stream that will bring riches to many," said Ken Dulaney, vice president and distinguished analyst at Gartner. "However, our analysis shows that most mobile applications are not generating profits and that many mobile apps are not designed to generate revenue, but rather are used to build brand recognition and product awareness or are just for fun. Application designers who do not recognise this may find profits elusive."

Mr Dulaney described the mobile application market as "hyperactive" with more than 200 vendors developing mobile application development platforms and millions of developers using these products and open-source tools to build mobile applications. In addition, the bounty of good, free mobile apps has set high expectations for what should be paid for.

"There are so many applications that are free and that will never directly generate revenue. Gartner is forecasting that, by 2017, 94.5 per cent of downloads will be for free apps," said Mr Dulaney. "Furthermore, of paid applications, about 90 per cent are downloaded less than 500 times per day and make less than \$1,250 a day. This is only going to get worse in the future when there will be even greater competition, especially in successful markets."

Gartner outlined two additional key predictions around mobility:

#### **By 2016, 20 per cent of enterprise bring your own device (BYOD) programmes will fail due to enterprise deployment of mobile device management (MDM) measures that are too restrictive.**

"Whether via formal BYOD programmes, or just via devices coming in the back door and being configured to access corporate systems, the use of consumer technologies in the work environment presents a threat to IT control of endpoint computing resources," said Mr Dulaney. "Given the control that IT has exercised over personal computers by developing and deploying images to company-managed PCs, many IT organisations will implement strong controls for mobile devices."

Many IT organisations are already rushing to deploy MDM solutions to address BYOD because of the rapid increase in the use of personal computing devices in the workplace. However, as BYOD programmes proliferate, employees are becoming increasingly aware of the ability for IT organisations to

access their personal information. As a result, employees are becoming sensitive to giving IT organisations access to personal devices, so they are demanding solutions that isolate personal content from business content and restrict the ability of the IT organisation to access or change personal content and applications.

**By 2017, the browser on mobile endpoint devices will be used as a sophisticated application delivery platform, with 50 per cent of new web apps involving complex client-side JavaScript.**

The mobile browser is evolving from a thin rendering engine to a sophisticated application delivery platform running complex JavaScript applications. HTML5 will be the best option for a widely available, platform-neutral application delivery technology that is able to deliver sophisticated applications with a good-quality user experience. However, issues such as performance, fragmentation and immaturity will challenge developers for several years. Developers should be aware of vendors trying to lock them in to platform-specific browser features.

"At least three platforms (Android, iOS and Windows) will gain significant market share in the smartphone, tablet and PC space, requiring many organisations to support multiple platforms for both consumer- and employee-facing applications," said Mr Dulaney. "Although more than 100 'platform independent' development tools exist, most involve technical or commercial compromises, such as lock-in to relatively niche technologies and small vendors. This will drive increasing interest in HTML5 as a somewhat-standardised, widely available, platform-neutral delivery technology."

More detailed analysis is available in the report "Predicts 2014: Mobile and Wireless." The report is available on Gartner's web site at <http://www.gartner.com/resId=2620815>.

Gartner's Special Report "Predicts 2014" features 67 reports arming IT leaders with insights and actions to begin exploring the Digital Industrial Revolution now. The special report can be viewed at <http://www.gartner.com/technology/research/predicts/> and includes links to reports and video commentary that examine the impact of big data on organisations.

Gartner analysts will provide additional analysis on these predictions during the Gartner webinar, "Gartner Predicts a Disruptive IT Future" on 29 January at 1 pm and 4 pm GMT. To register for this complimentary webinar, please visit <http://my.gartner.com/webinardetail/resId=2628928?srclId=1-2994690285>.

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