

Google Play, App Store generate \$98.5bn in nine-month revenues

Despite the year-over-year growth slowing down in Q3 2021, the mobile market continues surging amid the pandemic, with consumers worldwide spending on mobile apps more than ever.



Source: [Unsplash](#)

According to data presented by SafeBettingSites.com, as the two largest distribution channels for mobile apps, Google Play and App Store generated \$98.5bn in revenues in nine months of the year or 25% more than in the same period a year ago.

iPhone users Spent \$63bn on mobile apps, 23% more than a year ago

Even with less than a 15% market share, iOS has led the way in revenue generation for app developers. This is partly due to iPhone being more popular in regions with higher income, like the United States and Japan, where people also spend more on mobile apps.

On the other hand, Google Play's largest markets include Southeast Asia, India and South America, which typically generate less revenue per user.

According to Sensor Tower and App Annie data, iOS users spent \$63bn on in-app purchases, premium apps and subscriptions in the nine months of the year, 23% more than in the same period a year ago. In Q3 2021 only, total App Store revenues amounted to \$21.5bn, almost double that of Google Play.

On the other hand, Android users spent \$35.5bn on apps in the nine months of the year, up from \$28.2bn in the year-ago period. Moreover, around 35% of that value was generated in Q3, as the strongest quarter to date.

Although Google's marketplace saw growth in app adoption in the first half of the year, mostly due to the use of Android devices in areas still drastically affected by Covid-19, that wasn't the case in the third quarter of the year.

Between July and September, first-time installs in the Google Play store dropped by 2.1% YoY to 27.6 billion. At the same time, Apple's marketplace saw a decline of 1.2% and a total of 8.1 billion downloads in this period.

Statistics show that combined downloads in both app stores dropped around 2% YoY to 35.7 billion in Q3 2021, down from 36.4 billion in Q3 2020.

Global app market to touch nearly \$400bn value this year

Since the pandemic hit, billions of people started using mobile apps not just for social networking, gaming, communication and entertainment but also to educate, get medical advice and do business. This surging demand for mobile app solutions is expected to continue fuelling the growth of the entire industry.

According to Statista Digital Market Outlook, the global app market was valued at around \$253bn before the Covid-19. Since then, annual revenues, including paid app revenues from one-time purchases, IAP revenues and advertising revenues from showing ads within an app, grew by around 25% per year. As a result, in 2021, the entire market is expected to hit nearly \$400bn value, up from \$316.6bn a year ago.

As expected, mobile games will remain the largest revenue stream of the entire industry, bringing in \$252bn this year. Far behind, social networking ranked as the second-largest app category with \$39.6bn in revenue in 2021. Entertainment and photo and video apps follow, with \$27bn and \$16bn in revenue, respectively.

The surging demand for mobile app solutions and the growing number of smartphone users will continue driving the downloads growth. Statista estimates the total number of downloads will hit 220.5 billion in 2021, up from 187.5 million a year ago.

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