

AdMob Mobile Metrics

iPhone and Android app discovery and usage

August 2009

The AdMob logo is displayed in white text on a black rectangular background. The word "admob" is in a lowercase, sans-serif font. Above the letter "b", there are three small, stylized, upward-pointing curved lines, resembling a signal or a speech bubble.

Summary of findings

The majority of app discovery happens through browsing and search on the mobile device

- The most-cited ways of discovering apps are browsing Android Market/App Store and direct search
- Over 90% of users who cite these activities do them on their mobile device (not their computer)

Android and iPhone users are highly engaged with apps; iPod touch users even more

- Android and iPhone users spend 80-90 minutes/day using apps; iPod touch users spend 2 hours
- Android and iPhone users download 9-10 new apps/month; iPod touch users download 18

The App Store gets twice as many paid app downloads per user as Android Market

- Driven by low paid app adoption by Android users: 81% do not or rarely download paid apps

However, consumers who do purchase paid apps are similar across platforms

- Android users who do purchase paid apps download 5.4/month, vs. 5.1 iPhone, 5.1 iPod touch
- They also spend a similar amount on paid apps per month: \$8.63 vs. \$9.49 iPhone, \$9.79 iPod touch
- Across platforms, free-to-paid upgrade is the most-cited driver in purchasing a paid app

Methodology

AdMob surveyed 1,117 respondents over a 1-week period

- 390 Android users, 380 iPhone users, and 347 iPod touch users
- Respondents were asked to take a short survey on their mobile device
- No incentive was offered

Respondents were sourced through mobile ads on AdMob's global network

- Mobile ads linking to the mobile survey were shown across AdMob's iPhone and Android networks of over 7,000 mobile Web sites and over 3,000 iPhone and Android apps
- The geographical distribution of the respondents was designed to approximately mirror the geographical distribution of iPhone and Android phones sold to date

Contents

App discovery and usage

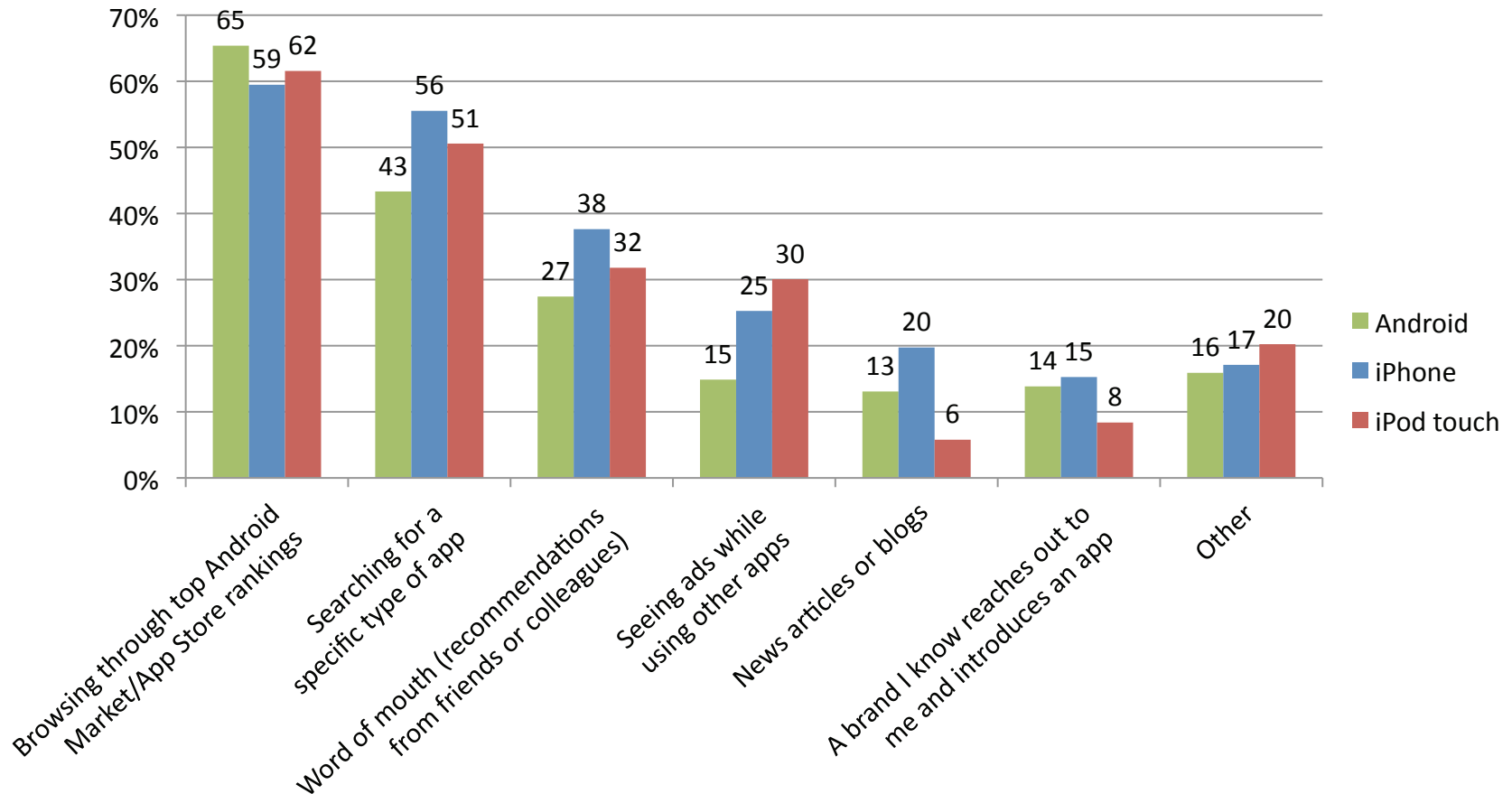
Average monthly downloads

Focus on paid apps

Users most often discover apps by browsing the Market/Store and searching directly

How do you discover the apps you decide to download? (select all that apply)

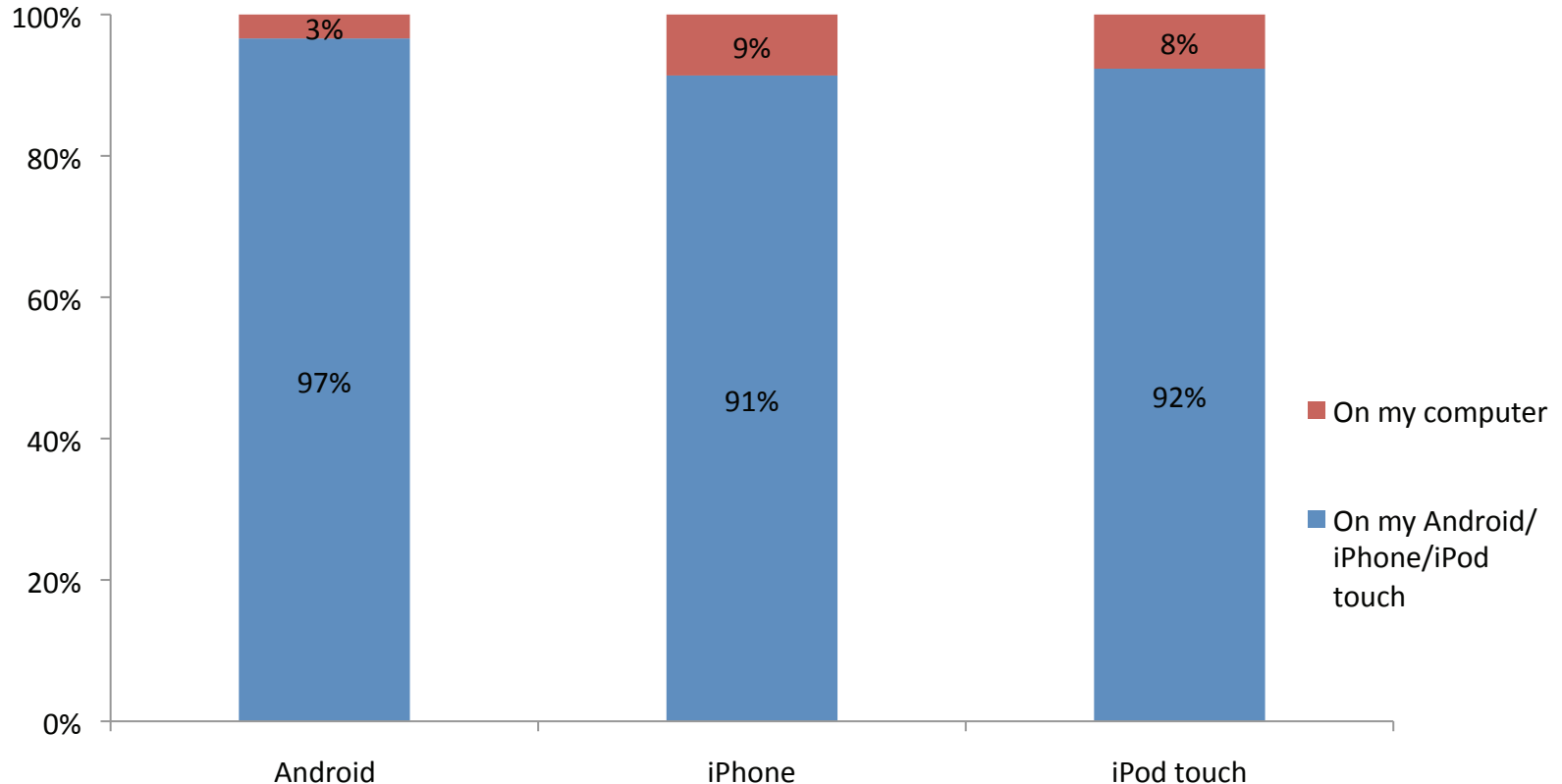
% of respondents



Almost all searching/browsing for apps is done directly on the mobile device

Where do you usually search or browse for apps?

% of respondents

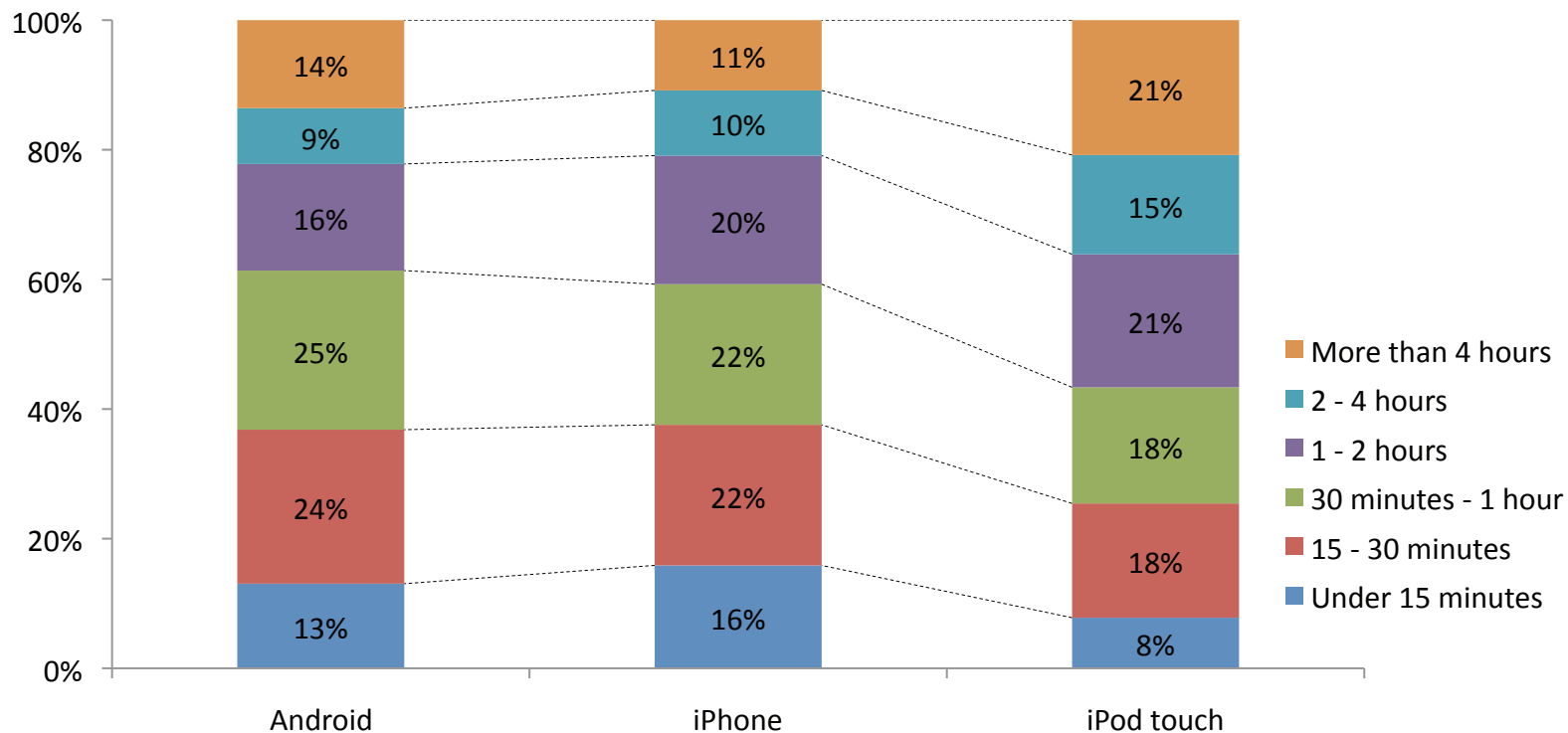


Note: Question only asked of respondents who selected “Searching for a specific type of app” or “Browsing through top Android Market/App Store rankings” in previous question

Android and iPhone users spend ~80-90 minutes/day using apps; iPod touch users spend a half hour more

How much time do you spend using apps on an average day?

% of respondents



**Weighted average
user time per day**

**88 minutes
(1.5 hours)**

**84 minutes
(1.4 hours)**

**121 minutes
(2.0 hours)**

Note: Weighted averages calculated using midpoint of each time segment. 7.5 minutes assumed for "Under 15 minutes" segment; 5 hours assumed for "More than 4 hours" segment

Contents

App discovery and usage

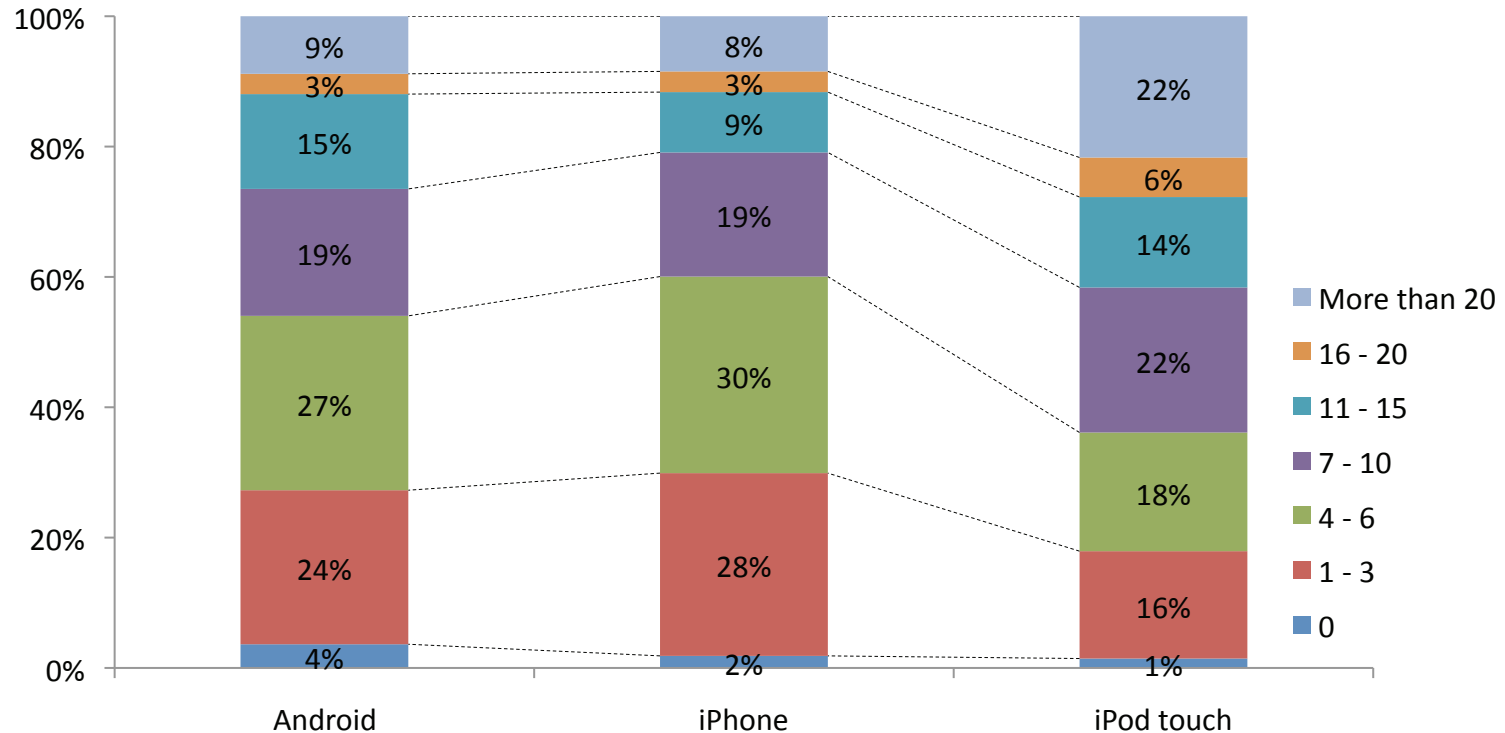
Average monthly downloads

Focus on paid apps

iPod touch users download twice as many free apps as iPhone and Android users

How many free apps do you download in an average month?

% of respondents



**Weighted average #
of free apps per user**

8.1

7.6

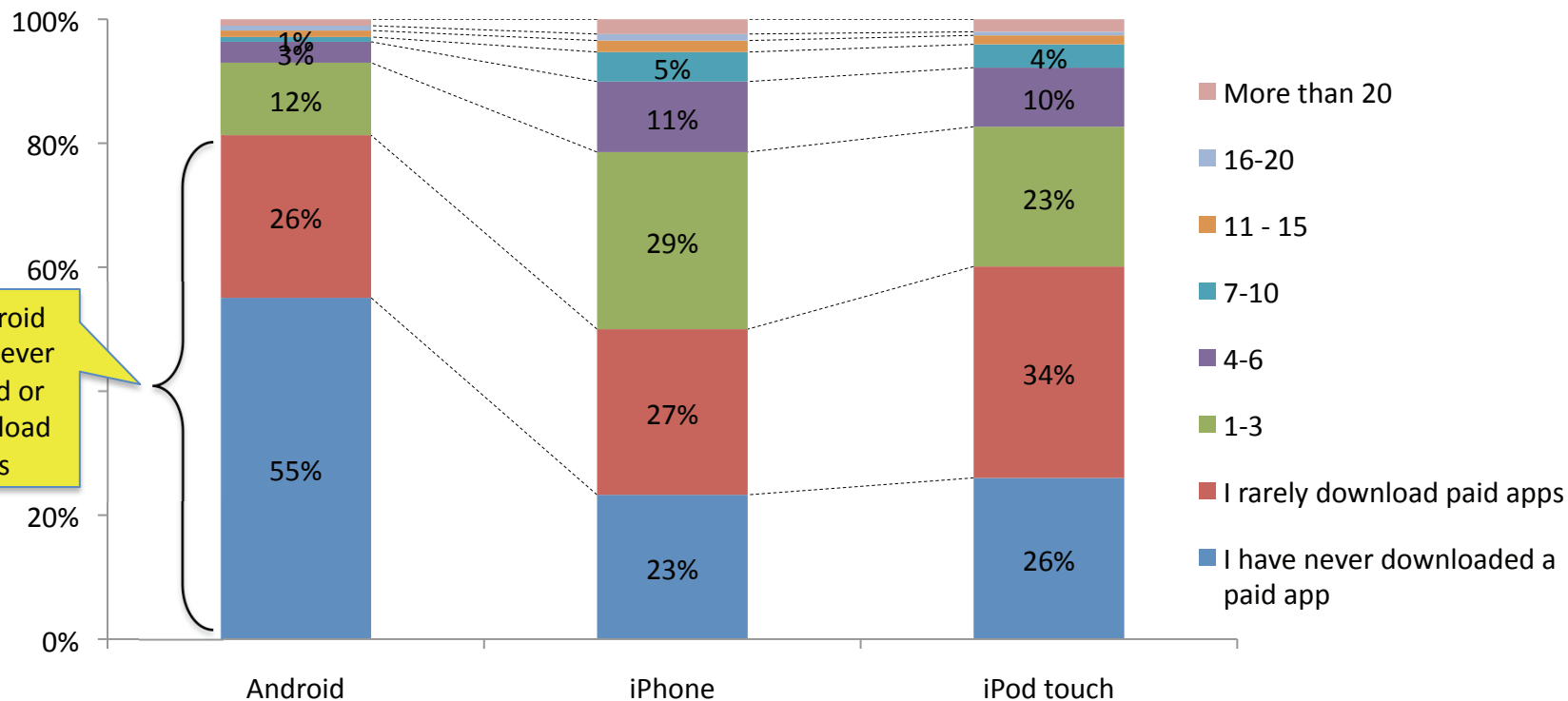
16.4

Note: Weighted averages calculated using midpoint of each segment. 25 apps assumed for "More than 20" segment

iPhone and iPod touch users download twice as many paid apps as Android users on average

How many paid apps do you download in an average month?

% of respondents



**Weighted average #
of paid apps per user**

1.0

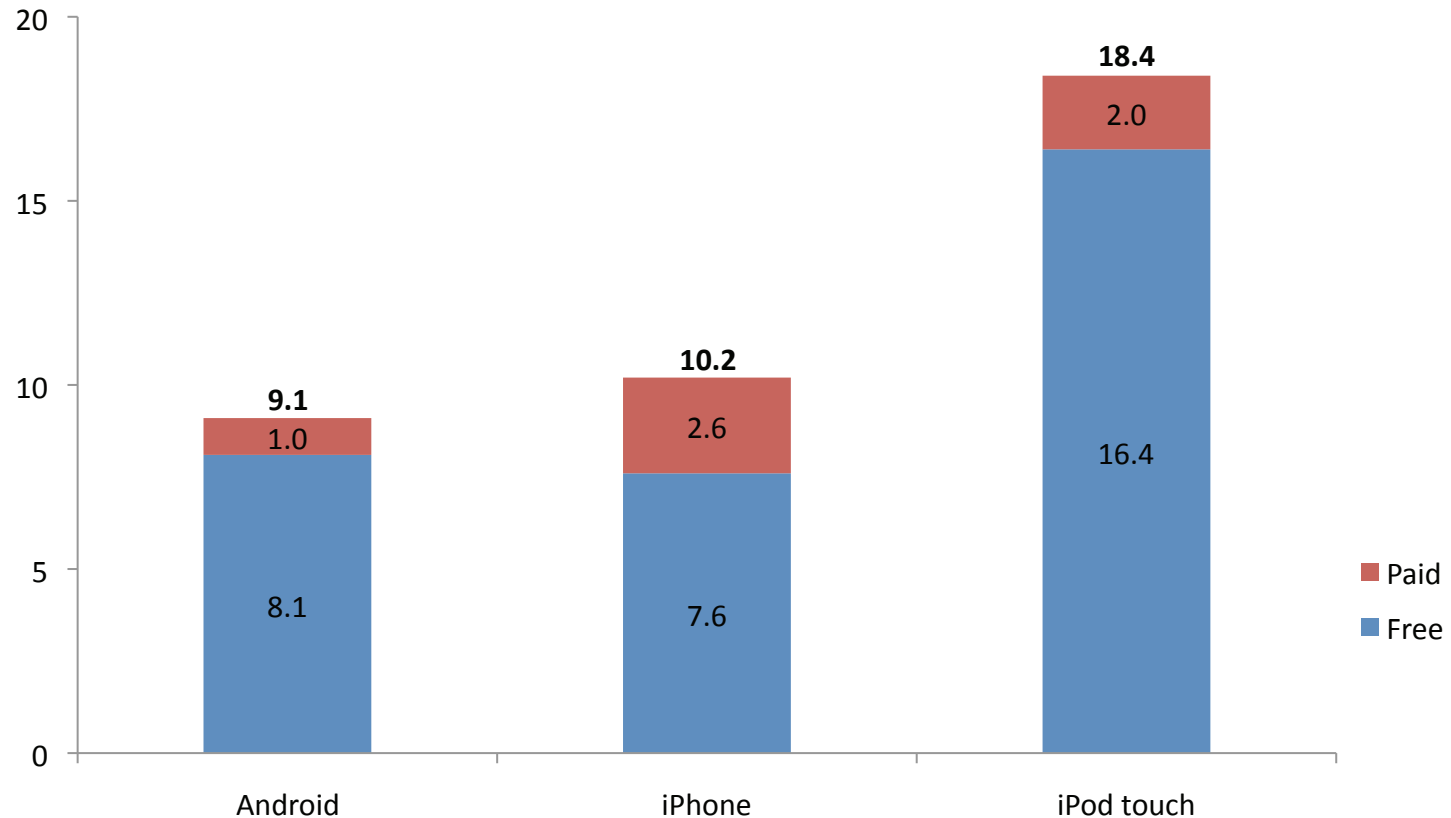
2.6

2.0

Note: Weighted averages calculated using midpoint of each segment. 0 apps used for "I have never downloaded a paid app" and "I rarely download paid apps" segments. 25 apps assumed for "More than 20" segment

Summary of app download habits by platform

Average number of apps
downloaded per user per month



Contents

App discovery and usage

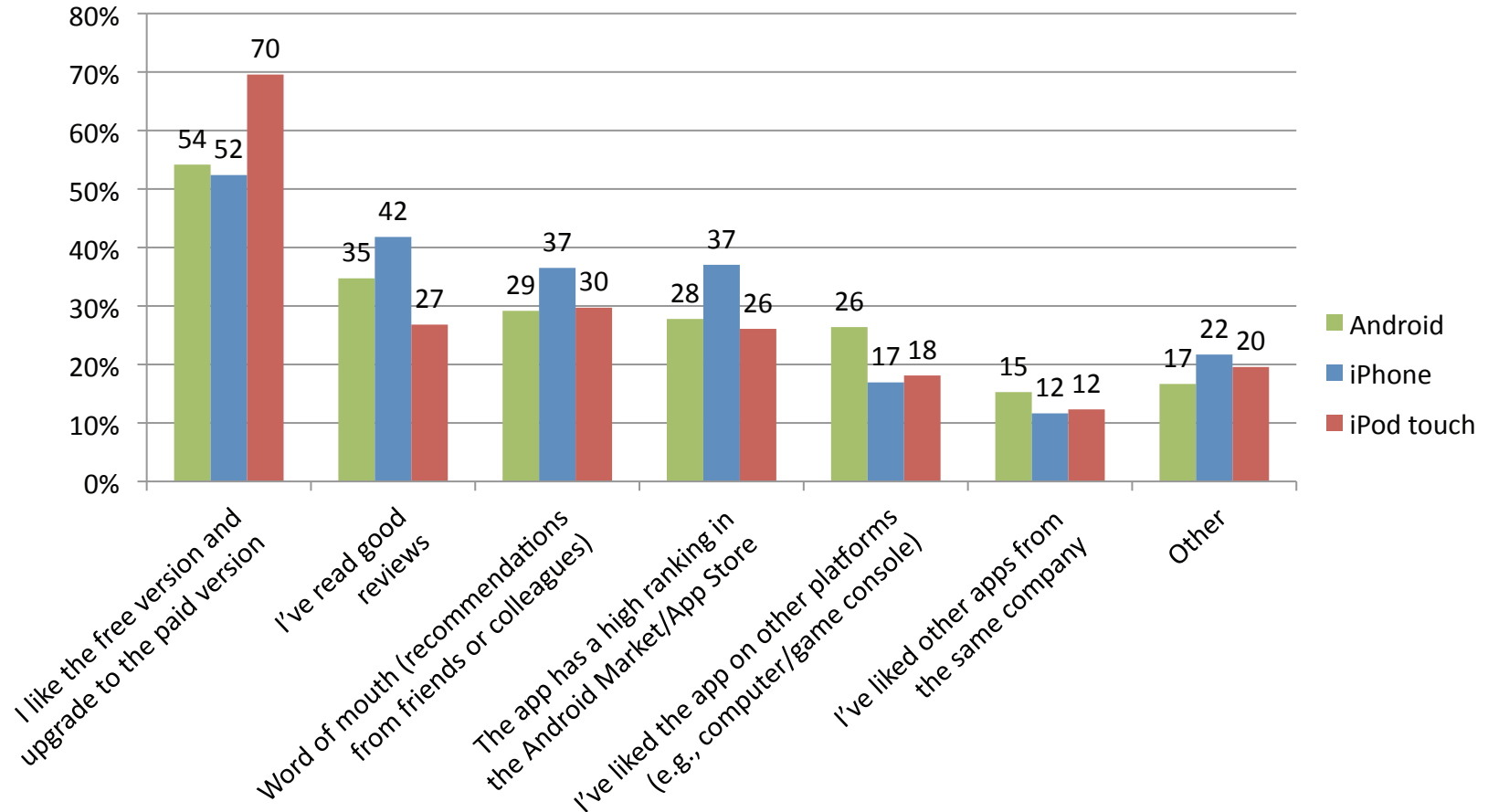
Average monthly downloads

Focus on paid apps

Across platforms, free-to-paid upgrade is the most important driver of paid app sales

What usually drives you to purchase a paid app? (select all that apply)

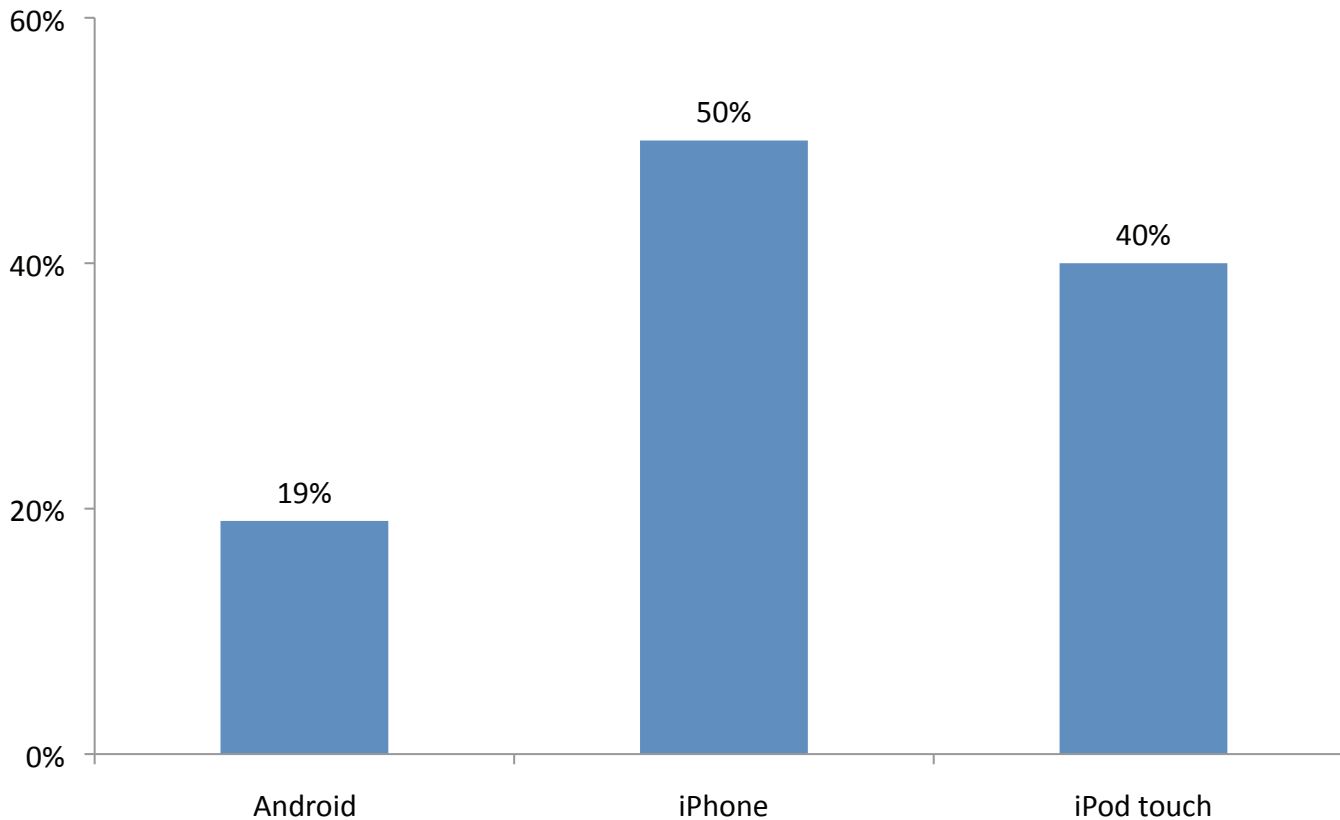
% of respondents who purchase paid apps



Note: Question only asked of respondents who indicated that they purchase 1 or more paid apps per month

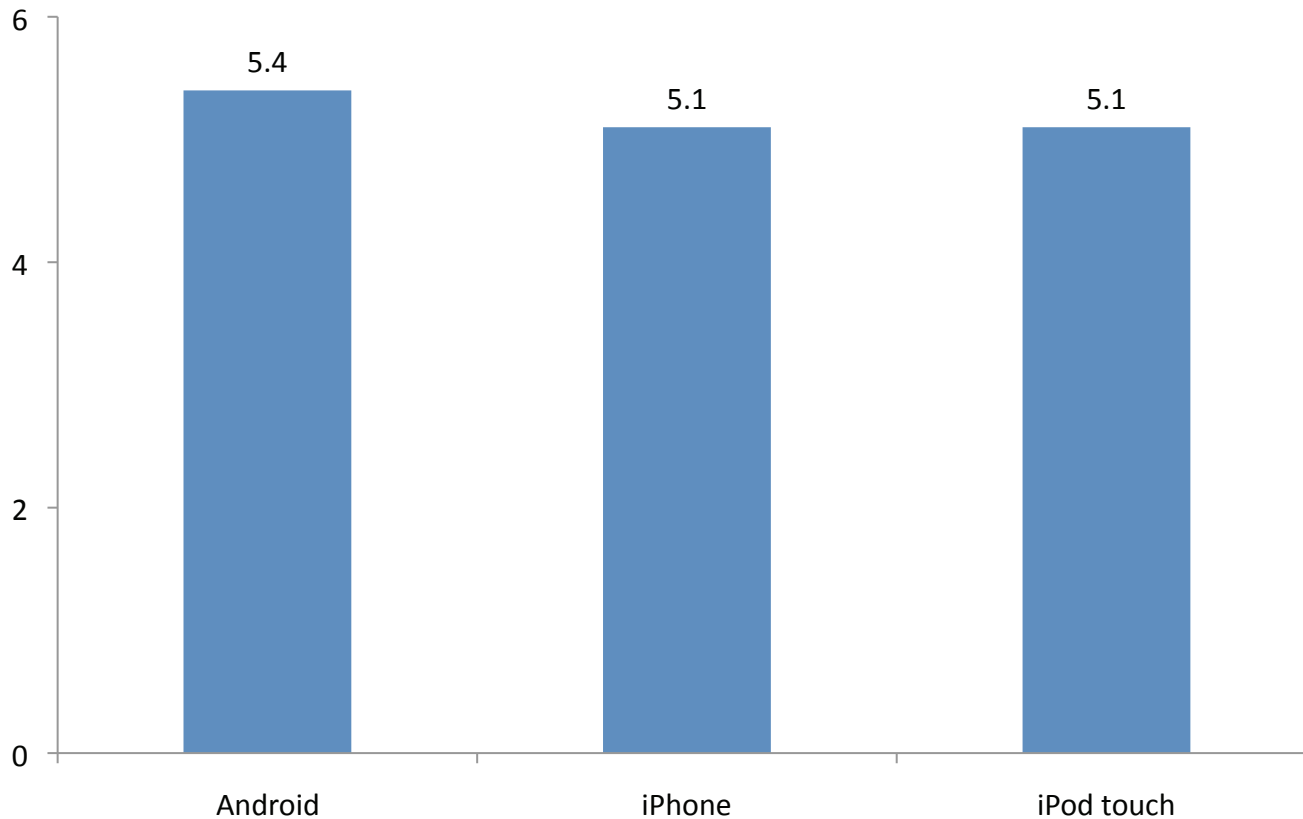
More than twice as many iPhone and iPod touch users have adopted paid apps as Android users

% of respondents who indicated that they purchase 1 or more paid apps per month



However, users who do purchase paid apps download similar quantities across platforms

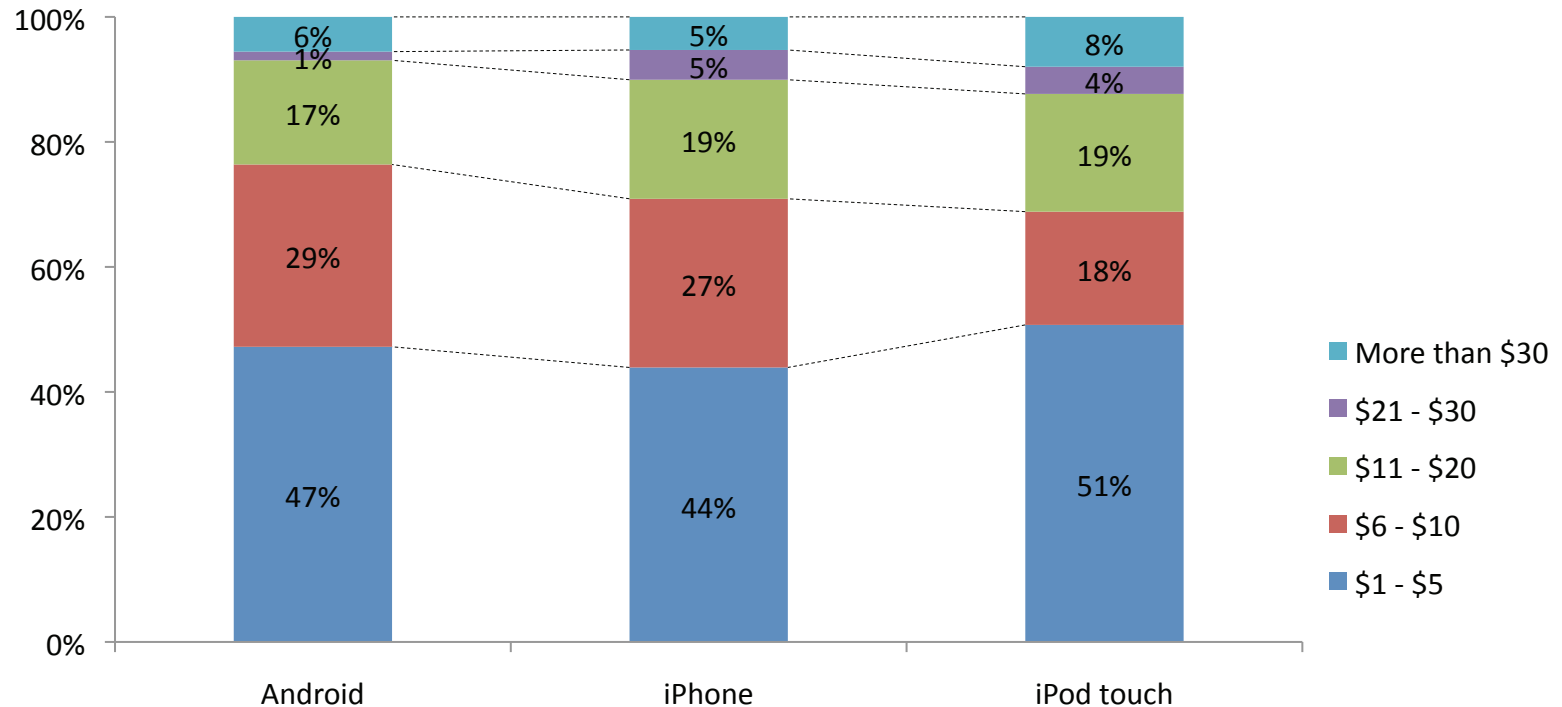
Average number of paid apps downloaded per month
by users who download 1 or more paid apps per month



Purchasers of paid apps also spend similar amounts per month across platforms

In total, how much do you spend on paid apps in an average month?

% of respondents who purchase paid apps



**Weighted average amount
spent on apps per month**

\$8.63

\$9.49

\$9.79

Note: Question only asked of respondents who indicated that they purchase 1 or more paid apps per month. Weighted averages calculated using midpoint of each segment. \$35 assumed for "More than \$30" segment

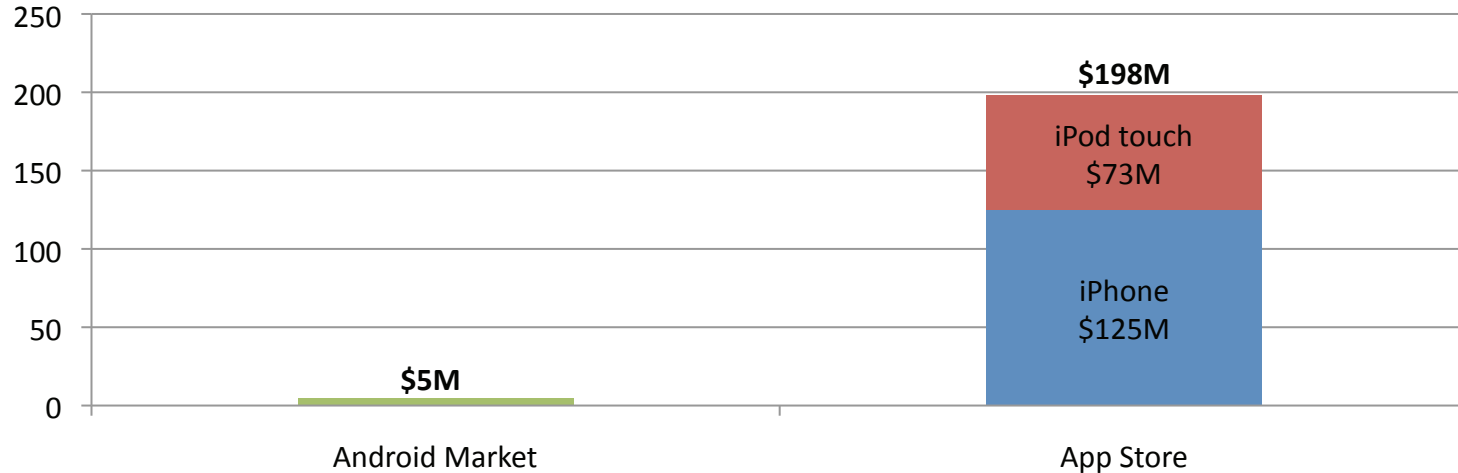
Average app purchase prices are similar across platforms

	Average amount spent on paid apps per month by paid app purchasers	Average number of paid apps downloaded per month by paid app purchasers		Average app purchase price
Android users	\$8.63	5.4	➡	\$1.60
iPhone users	\$9.49	5.1	➡	\$1.86
iPod touch users	\$9.79	5.1	➡	\$1.92

Note: Average number of paid apps downloaded per month by paid app purchasers = weighted average number of paid apps per user excluding users who do not download paid app

App Store paid apps are currently a 40X larger market than Android Market paid apps

Estimated paid app market size,
August 2009 (\$M)



	Estimated Number of Users	% Who Buy Paid Apps	Average \$/Month Spent on Paid Apps		Est. August 2009 Paid App Market Size
Android	3M ⁽¹⁾	19%	\$8.63	➡	\$5M
iPhone	26.4M ⁽²⁾	50%	\$9.49	➡	\$125M
iPod touch	18.6M ⁽³⁾	40%	\$9.79	➡	\$73M

1) From T-Mobile and HTC announcements, at least 1 million HTC Dream units and 1 million HTC Magic units are known to have been sold. 3 million devices running Android assumed

2) http://en.wikipedia.org/wiki/File:IPhone_sales_per_quarter.svg#Data_and_references

3) On their earnings call on June 21st, Apple announced that it has sold 45 million iPhone OS devices. 45 million - 26.4 million iPhones = 18.6 million iPod touch units

About AdMob

AdMob is the world's largest mobile advertising platform, serving more than 7.1 billion mobile banner and text ads per month across a wide range of leading mobile Web sites and applications. AdMob helps advertisers connect with a relevant audience of consumers on mobile devices and gives publishers the ability to effectively monetize their mobile traffic. Incorporated in April 2006, AdMob provides the tools, data, and business models fueling the explosive growth of mobile media in more than 160 countries and territories worldwide.

AdMob has been named one of the most innovative companies in advertising and marketing in 2009 by Fast Company magazine, a 2008 Technology Pioneer by the World Economic Forum, and one of Wired.com's 2008 Companies to Watch. AdMob works with thousands of advertisers and publishers, including Adidas, CBS News, Comedy Central, Gap, Lonely Planet, MovieTickets.com, MySpace, P&G, Tapulous, and Universal Pictures. To learn more about AdMob, visit www.admob.com.