

Apps expected to explode all over again in 2021. Here's why

By [Karam Malhotra](#)

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The promise of a vaccine has not yet dulled the relentless and destructive march of the coronavirus, upending many industries. But, a host of industries also cashed in during the pandemic, namely the likes of e-commerce, delivery, videoconferencing, streaming, health tech, and cloud storage to cite a few.



Photo by Roberto Nickson on Unsplash

There can be no argument that the record time spent online has helped technology suppliers to enjoy a wider audience and leverage the accelerated surge in interest emerging from the working from home model. In fact, in some cases, it has been estimated that Covid-19 pushed some industries two to three years ahead of their expected timelines.

Apps have been a case in point. According to the newly released [App Annie State of Mobile Report 2021](#), consumers downloaded an astounding 218 billion apps in 2020 across iOS and Google Play, up 7% year-on-year. Consumer spending across the app stores spiked by 20% year-on-year to reach \$143bn by year-end.

Looking ahead, what does the change in our behaviour online mean for the app marketplace in 2021?

More time online

The weighted average among countries analysed for time spent online surpassed four hours 10 minutes during the pandemic — up 20% from 2019.

The last 10 months, however, saw the seismic and radical shift to work from home (WFH), thus translating into a dramatic surge in time spent online and on mobile, as users sought tools to facilitate business (Zoom), content discovery and games to entertain and escape, and social media to connect with the outside world.

This resulted in the meteoric rise in downloads, time spent on mobile and consumer spending. A significant 25% jump from 2019 to top 3.5 trillion hours on Android, and key 'at-home' categories are expected to top 1.3 trillion hours on Android phones alone in 2021.

More games and gamers

Mobile and apps have democratised gaming, bringing entertainment into the palms of the three billion smartphone users globally. But Covid-19 and lockdowns thrust gaming into the spotlight breaking new records in downloads and seeing the industry getting categorised into finer segments like hypercasual, casual, core and casino.

Additionally, games are rapidly and continuously upgrading their themes, graphics, privacy settings, and methods of monetisation. The move to 5G and introduction of new devices will spur the ongoing growth of hypercasual games and multiplayer core games as people seek entertainment and connection with friends and like-minded players.

Mobile gaming is on track to surpass \$120bn in consumer spend in 2021.

More access and inclusion

As the cost of data in many countries continues to be unnecessarily high, apps that require low or no data to deliver their services will thrive, grow and prosper.

South Africans, for example, pay almost the same price for data than those living in Japan (137th) and Germany (140th) and rank in the top quarter of all countries for the cost of data (148th).

More advertising spend

Given the increasing amount of time spent indoors, and in homes, mobile's growth means a shift in spending on advertising for corporate clients.

Many countries saw the continuing demise of print, the shift to streaming entertainment, and the ongoing failure by news media to succeed with paywalls, leaving apps, games and social media platforms to pick up the budget.

Mobile actually held up the ad industry in the last twelve month and saw placements grow 95% year-on-year in the US, growing to \$240bn in mobile advertising spend and set to top \$290bn in 2021.

More protection

As cybersecurity and privacy have morphed into a significant threat for governments and individuals, functions like end-to-end encryption, two-factor authentication and verification have become a necessity for app developers, especially when

these are performed by credible partners.

Last but not the least, the pandemic has probably changed the shape of the world forever. The future is online while now we equally understand the importance of offline, being humans.

App downloads are set to skyrocket, digital content continues to spike, gaming booms and sharing is at the centre of it all.

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