

More Retail Shopping Apps for Google Play, but New Additions Slow in App Store

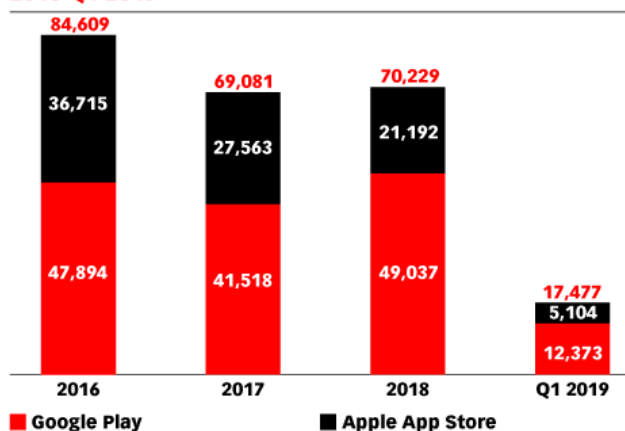
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Thousands of new shopping apps continue to pop up in Apple's App Store and the Google Play store each year as consumers gear their shopping habits toward mobile. But the increase in competition might be causing smaller retailers and startups to think twice about investing in app development, especially on the iOS marketplace.

According to app analytics platform [Apptopia](#), more than 21,000 shopping apps worldwide were added to Apple's App Store for iOS devices in 2018, with an additional 5,104 new shopping apps in Q1 2019. Google Play, which distributes apps for Android-powered devices, added nearly 50,000 shopping apps last year and 12,373 in Q1 2019.

Number of Shopping Apps Added to App Stores Worldwide, Google Play vs. Apple App Store, 2016-Q1 2019



Source: Apptopia, May 2019

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In Google Play, the rate of shopping app additions grew by 18.1% year over year in 2018. But in the App Store, additions decreased by 23.1% from 27,563 in 2017. It's common for Google Play to feature more apps than the App Store because Android apps are easier to develop, according to Adam Blacker, vice president of insights and global alliances at Apptopia. However, competition in an already crowded field dominated by successful startups and retail giants has contributed to the slowdown of shopping apps added to the App Store.

"Competition is high with big-budget apps," Blacker said. "If you are in the iOS shopping category, you're either trying to make money through in-app purchases, a brick-and-mortar retailer—like Walmart or Target—that wants a digital presence or a digital-only provider like [Wish](#) or [GOAT](#)."

Shopping apps are seeing an [increase in downloads worldwide](#) and many US smartphone and tablet users have browsed and made purchases on mobile retail apps. In a February 2019 survey conducted by Bizrate Insights, 54% of US smartphone/tablet owners said they have used a mobile retail app to look for more information about a product and service, and 50% used a mobile retail app to buy a product or service.

Which Activities Have US Smartphone/Tablet Owners Done Using Apps on Their Smartphone/Tablet in the Past Month?

% of respondents, by demographic, April 2019

	Gender		Age			Total
	Male	Female	18-34	35-54	55+	
Used a mobile retail app to look for more information about a product or a service	52%	56%	63%	61%	39%	54%
Used a mobile retail app to buy a product or service	47%	53%	61%	54%	36%	50%
Used a mobile wallet app to pay in-store (e.g., Apple Pay, Android Pay, Starbucks App, etc.)	28%	32%	42%	35%	12%	30%
Used a shared economy service app (e.g., Uber, Lyft, Airbnb, etc.)	27%	25%	39%	27%	13%	26%
Used a grocery app (e.g., AmazonFresh, FreshDirect, Walmart Grocery, etc.)	18%	26%	25%	26%	16%	22%
Used a meal kit subscription service app (e.g., Blue Apron, HelloFresh, etc.)	2%	4%	7%	3%	0%	3%
None of the above	29%	20%	11%	20%	41%	24%

Source: "The eMarketer Ecommerce Survey" conducted in April 2019 by Bizrate Insights, April 9, 2019

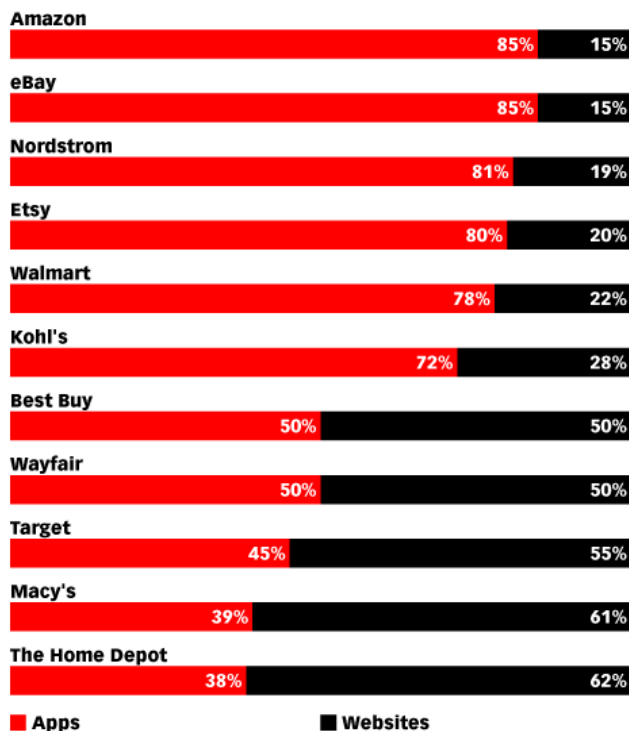
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For many top retailers, mobile activity skews heavily toward their apps. Amazon, eBay, Nordstrom, Etsy, Walmart and Kohl's all saw at least 70% of mobile activity coming through their app in 2018, according to Comscore. Not only do apps have more functionality than mobile websites, they also reduce purchase friction and see higher conversion than mobile web.

Share of Mobile* Time Spent on Select Retailers' Apps vs. Websites Among US Internet Users, 2018

% of total



Note: *smartphones

Source: Comscore data as cited in the Internet Retailer blog, March 29, 2019

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But the fact that these larger and more established retailers are succeeding in the shopping category doesn't mean that smaller retailers and app startups can do the same. According to Apptopia's Blacker, the retail and ecommerce giants occupying the retail app space are making it harder for new players to get involved.

"Nationwide retailers and well-known digital competitors have massive budgets and spend a lot on user acquisition and advertising," Blacker said. "The cost to advertise and compete is simply too high compared to other categories."