

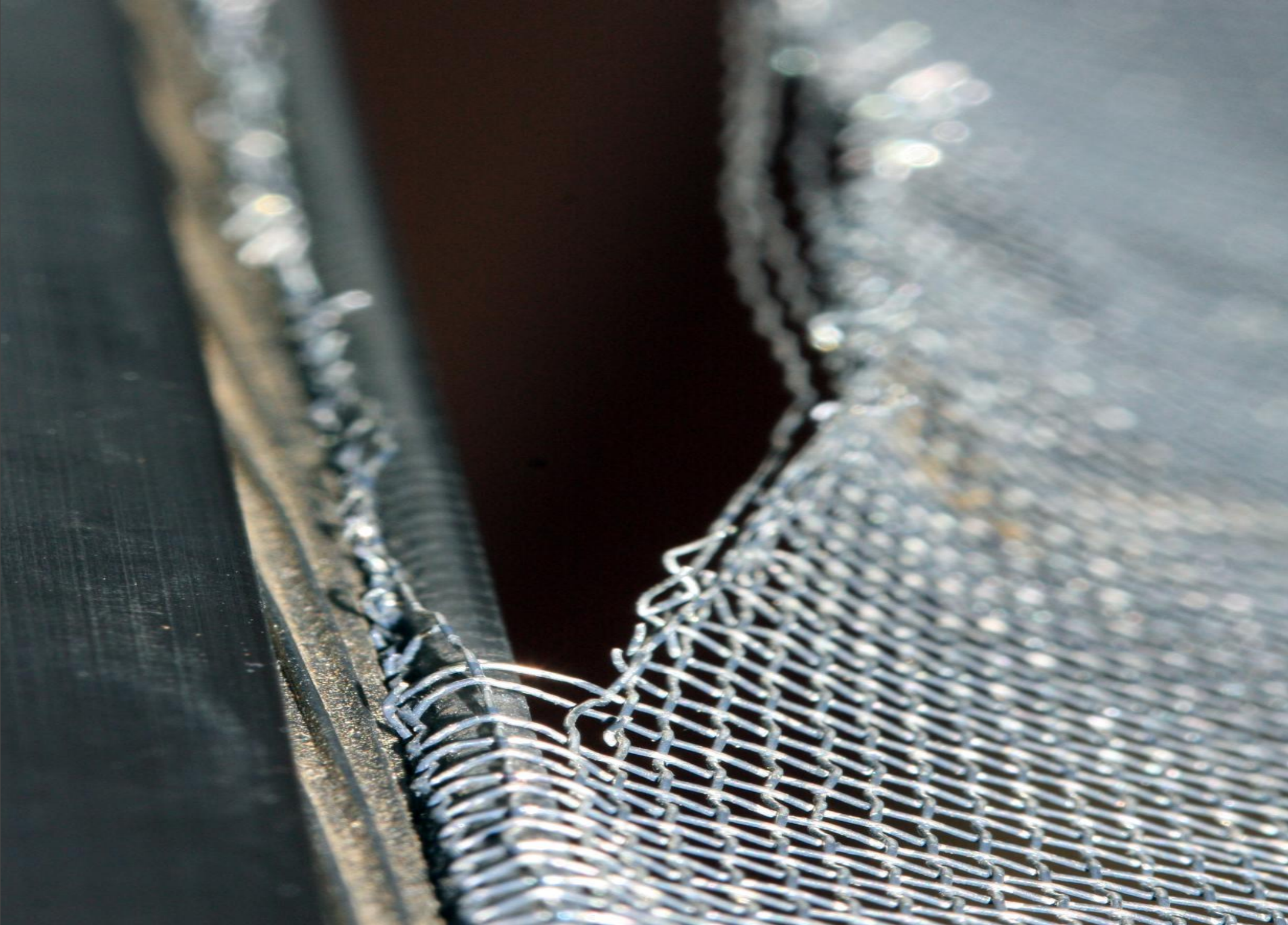
# Mobile apps and open source business models

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Failure

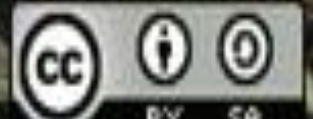
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DARK  
ICE  
CREAM  
CLAMPED

# CHANGE THE MODEL



Sell what you do not the software

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Share costs of production

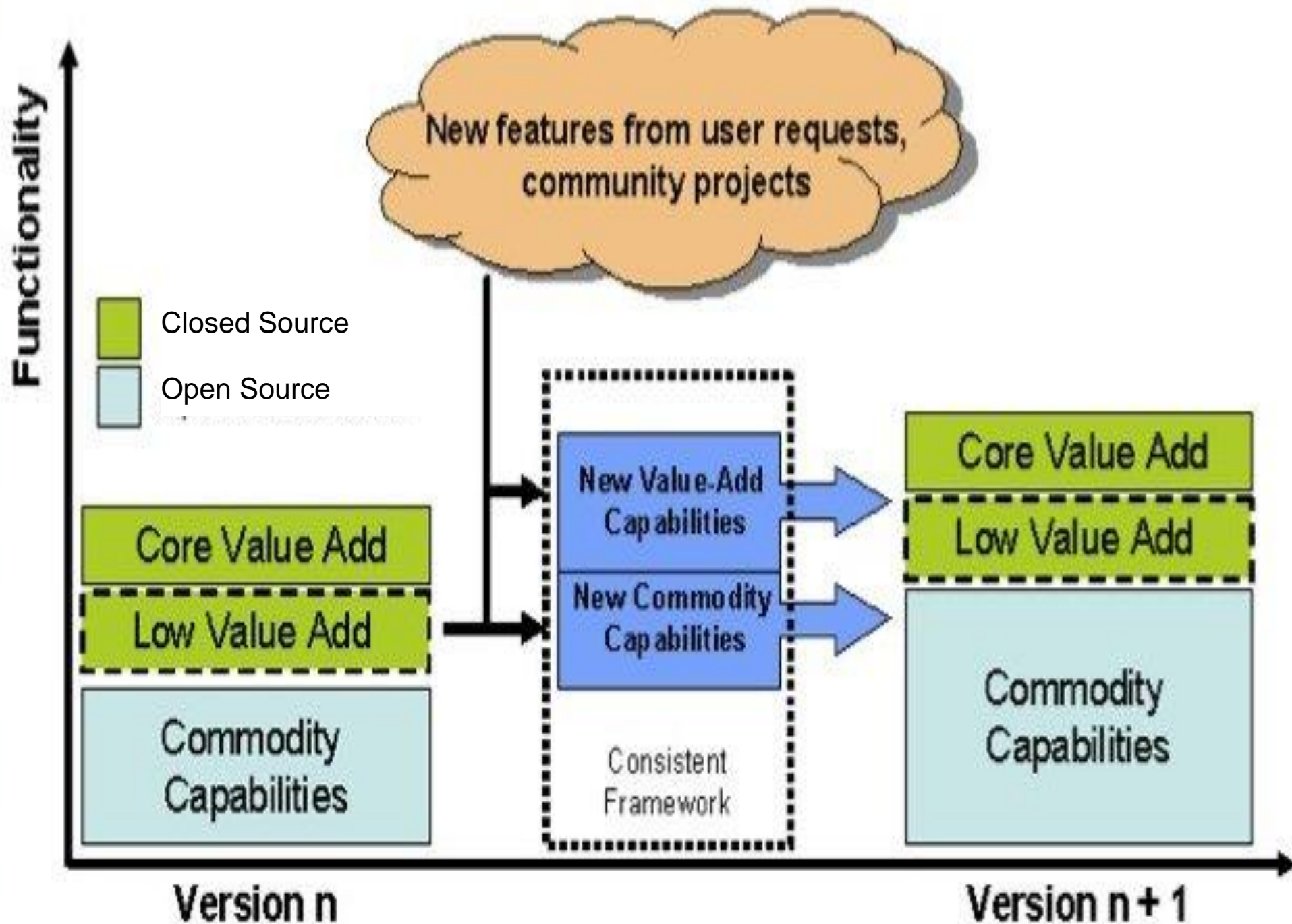
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新快速

Special Rapid Service

# What works for mobile apps?

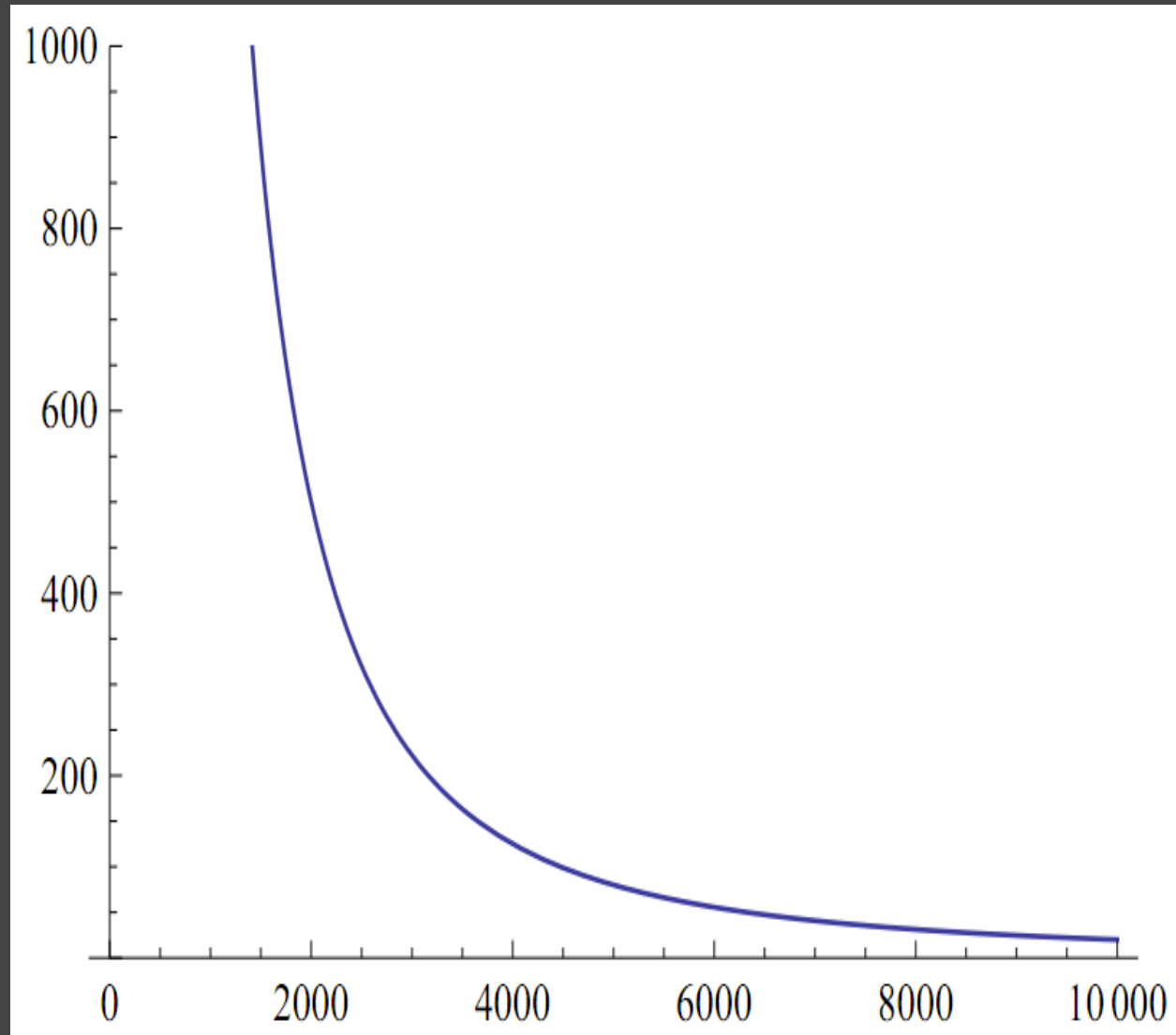
- App Sales
- Advertising
- Server-side revenue

# The Market

- Continued growth in mobile media consumption
  - More than 55 million tablets in 2011
  - More than 1 billion smartphones by 2013.
- 17.7 billion downloads in 2011
  - revenues surpassing \$15 billion – up 190% from 2010.
- Wireless communications opening new opportunities
  - E,g, RFID, Near Field Communication, QR codes, GPS
- Security a key concern in mobile commerce

# Selling apps

- A few do well
- Cost of apps too low
- App store barriers
- Market too young



# New opportunities in mobile apps

- Device goes with you
- Senses environment
- Pushes data
- Maximise engagement



# Server-side revenue

- Apps sell services
- Apps sell products
- No expectations of cost
  - Charge what its worth



# Advertising



- Geo location
- Location is not new to advertising
  - \$130 billion in U.S. each year on locally targeted advertising
- Proximity
  - 31% research on mobile before purchasing
  - 55% would travel up to 15 mins for a 10% discount

# What we do and don't know?

- Market is young
- Interoperability is not a focus
- Operators are king
- Platforms are king
- What will be commoditised?
- What will be the healthy revenue streams in 5 years
- Should we collaborate to reduce cost of development?