

Mobile and Tablet Apps - China - October 2015

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“China’s mobile app market is fast growing and rapidly changing with fierce competition. Chinese consumers are actively downloading and using mobile apps, while relatively few of them have spent money on apps yet.”
– Terra Xu, Senior Research Analyst

This report looks at the following areas:

- Making advertising in mobile apps more effective
- Marketing in health and wellbeing apps
- How to grow paid apps and in-app purchases

China’s mobile app market is fast growing and ever-changing with fierce competition. Consumers are actively using different mobile devices to get online. The penetration of smartphones and tablets has reached 99% and 95% respectively among online users across tier one to three cities, with similar app download level on both devices.

Health and wellbeing apps see a significant growth in usage from last year, indicating opportunities not only for app developers, but also for companies and brands to advertise in them by providing health advice and promoting their products and service to consumers based on their health data.

Although only 38% consumers surveyed have spent on apps, they show a higher interest in buying apps or in-app services, especially the problem-solving and solution-based apps that can help them save money, facilitate their life and improve work efficiency.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Marketing in health and wellbeing apps

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The implications

How to grow paid apps and in-app purchases

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The Market – What You Need to Know

A fast growing and rapidly changing mobile app market, with fierce competition in the O2O realm

Growth is likely to be sustained under a number of market factors

Few consumers making actual payments and lack of loyalty are key challenges

Market Overview

Significant growth in mobile device ownership

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China has become the third biggest market for iOS app

A rapidly changing mobile app market

Fierce competition in the O2O realm

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Connectivity development has laid the foundations for app market to grow

Mobile payment continues to penetrate, allowing consumers to use apps on more occasions

Relatively few consumers paying for apps or in-app service may be a risk to revenue growth

Low user loyalty may be another risk for mobile app market

Key Players – What You Need to Know

Baidu, Alibaba and Tencent dominate the market and continue to expand

Consumer packaged goods brands tap into health and wellness with innovative app marketing

State's policies encourage innovative apps to bring experiential online shopping

Key Players

Tencent

Latest development

Alibaba

Latest development

Baidu

Latest development

Key app download platforms

Who's Innovating?

Yili launched an app for bus riders to check their health on-the-go

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Consumers able to virtually try on Jewellery on TIY

The Consumer – What You Need to Know

Android dominates smartphone OS, and iOS leads in tablet
 Similar download level observed on smartphones and tablets
 App store is the most important source to learn about new apps
 Health and wellbeing apps saw the biggest growth in usage
 Consumers are most willing to pay for apps that can help save money
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