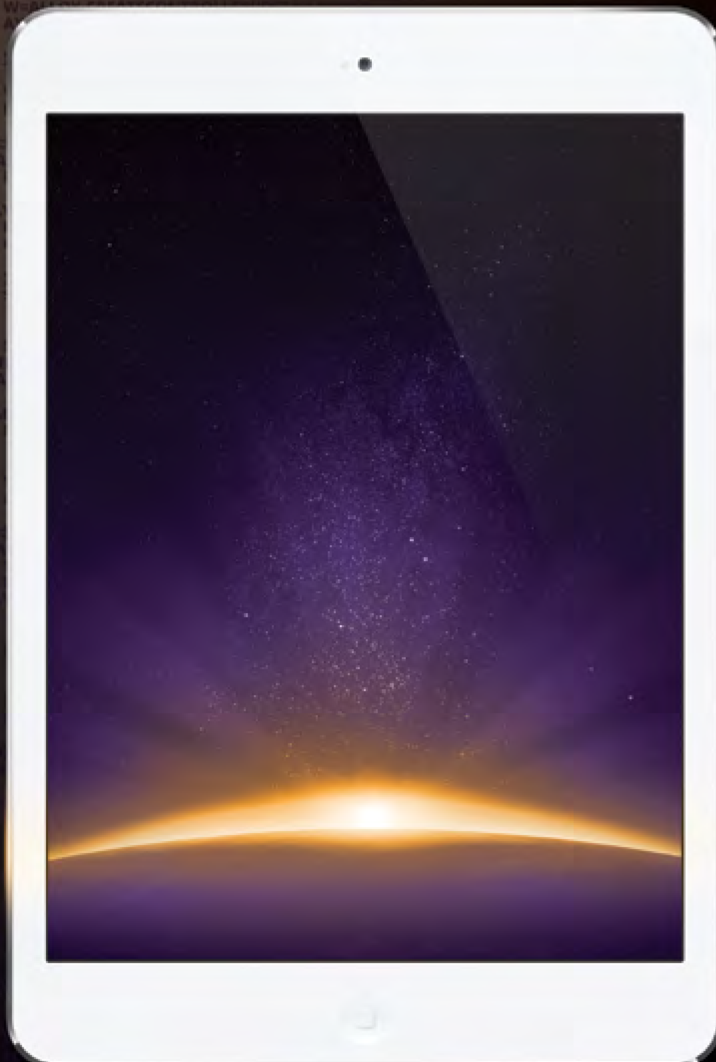


APPCELERATOR/IDC

Q2 2013 MOBILE DEVELOPER REPORT

Tablets becoming next major computing platform

THE VOICE OF THE NEXT-GENERATION MOBILE DEVELOPER

- Mobile developers go to the enterprise
- A multi-party mobile state?
- Where is Windows?
- The rise of new form-factors
- Does Nexus represent the future of Android?

The world's largest mobile developer report of 6,046 mobile developers from April 18-22, 2013

APPCELERATOR / IDC

Q2 2013 Mobile Developer Report

Summary

Appcelerator and IDC surveyed 6,046 Appcelerator Titanium developers from April 18-22, 2013. This constitutes the world's largest survey of mobile app developers, covering the priorities and perceptions of the people driving the mobile-first world.

Key Findings

Mobile developers go to the enterprise

Q410 to Q213 has seen a 19% decline in developers who report expecting to build consumer-facing apps (B2C) for their enterprise clients. The growth is in business (B2B) and employee (B2E) apps, from 29.3% in Q410 to 42.7% in Q213. Due to the number of employee apps required by enterprises, 63% of developers are reporting "increased" or "greatly increased" enterprise demand for their skills in the past six months.

Development for (certain) tablets growing fast

Developers are increasingly looking at tablets as the next emerging app platform, with most developers placing equal priority on tablets and smartphones. Notably, while iOS and Windows developers show roughly equal interest in smartphone and tablet forms, Android developers report a significant bias against the tablet.

Mobile developers on a fast track to commercial success

Appcelerator's mobile developers are working in or with enterprises, and while doing so, getting paid for and/or supporting themselves entirely with their mobile app development skills.

Google Glass surprises

Google Glass is on a path to becoming the first real wearable computing device to see any mass-market potential. Developers seem to agree, giving Google Glass nearly an even score with smart TVs in terms of interest, despite the fact that Google Glass is still unavailable as a mass-market device. Connected cars trailed, with less than 8% of developers interested in building applications for them.

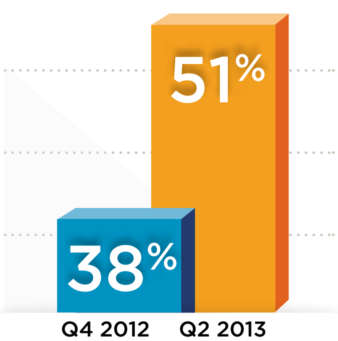
Android device growth does not equal developer interest

The exponential growth in Android devices – approaching 1 billion at time of survey – hasn't produced an equivalent rise in developer interest. This likely reflects fragmentation around the platform, unclear revenue potential of lower-end devices, and a lack of information about Key Lime Pie (the next version of Android). Only Google's own Nexus product line punches above its weight, continuing to draw developer interest despite a relatively limited audience and geographic availability.

Mobile developers go to the enterprise

With three years of survey data now available, some interesting historical trends can be seen. Notable among them is the shift in the types of apps being built. In Q410, 70.7% of developers planned to build apps that would be primarily consumer-facing (B2C), whereas in Q213, the number fell to 57.2%. By contrast, in Q410 the percentage of developers who planned to build business (B2B) and employee (B2E) apps stood at 29.3%. As of Q213, that number has grown to 42.7%. This evolution – consumer opportunities first, followed by enterprise needs and adoption – mirrors that of the original web, but the rate of evolution is much faster.

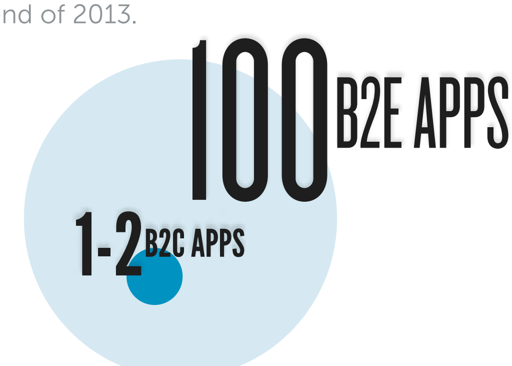
Developers Building for Enterprise



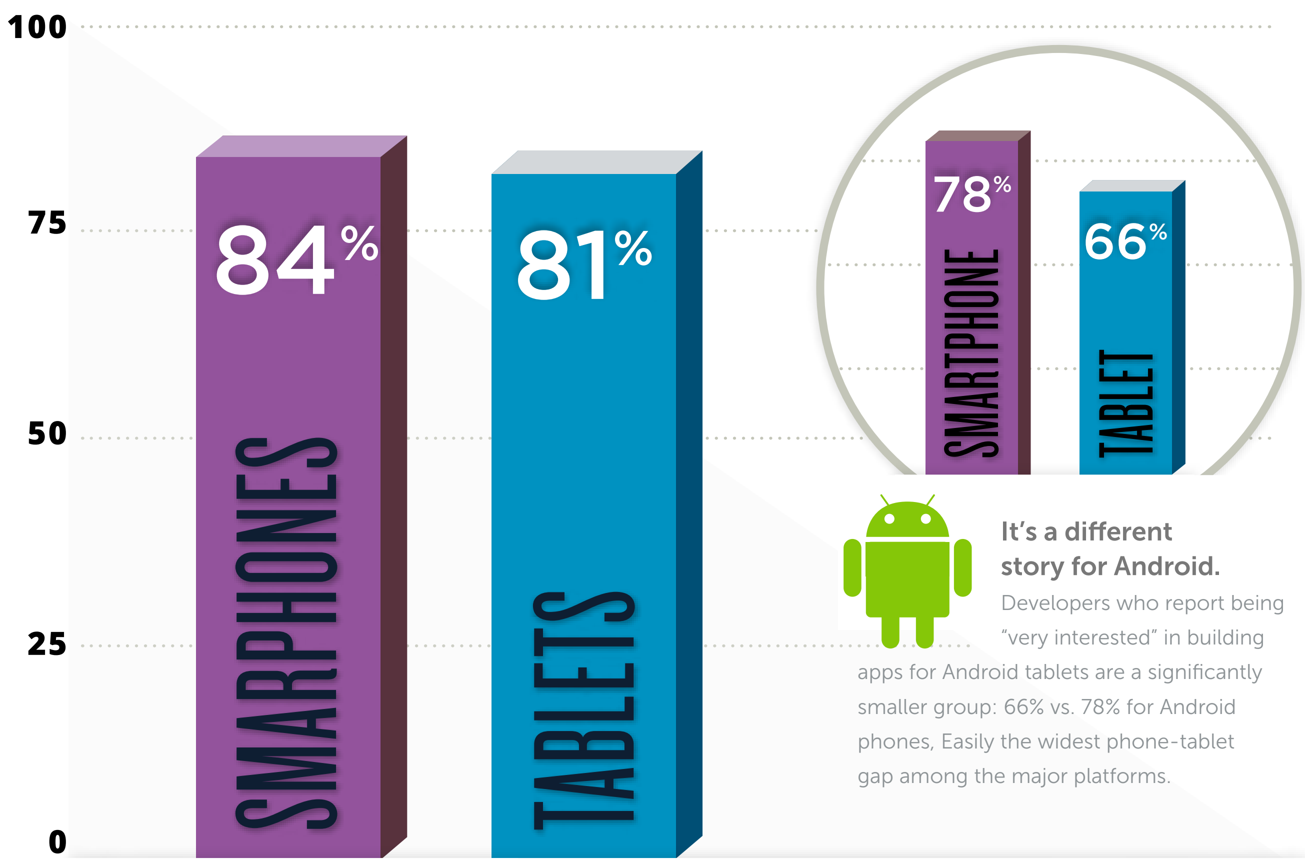
Confirming this shift in focus is the number of Appcelerator developers who expect to build for enterprise app stores.

A little more than a year ago, this number was at 38.8%; this quarter's survey puts it at 51.3%. Based on our own interactions with customers, we anticipate this number will go above 60% by the end of 2013.

While an enterprise may have only a couple of customer-facing apps, it will likely have requirements for tens or hundreds of employee- and partner-focused apps (expense reporting, dispatch and routing, etc.). This differential is borne out by the latest survey data: 63% of developers report their skills have seen "increased" or "greatly increased" demand from enterprises in the past six months.



Tablets are becoming the next major computing platform

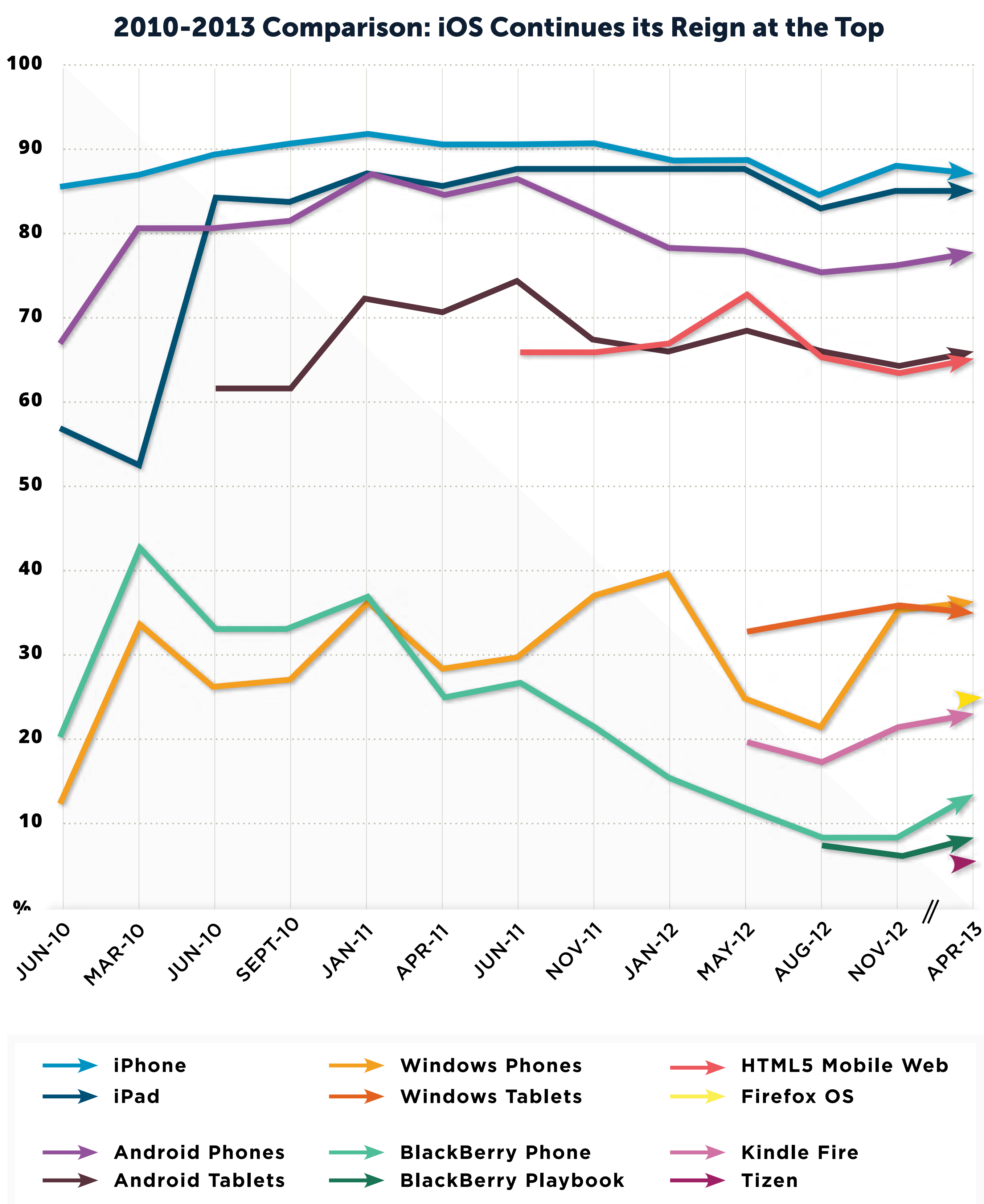


Developers are increasingly looking at tablets as the next application platform.

Over the next 6 months, nearly an equivalent percentage of developers expect to build for the tablet as for the smartphone: 81.34% vs. 84%, respectively. Where IOS and Windows are concerned, developers show roughly equal interest across form factors, with less than a 2% preferring phones to tablets in each OS. This is the closest differential we've seen since our first survey three years ago.

It's clear that tablet usage is on the rise for both developers and the enterprise. Whether as a laptop replacement, an executive dashboard, a dedicated point-of-sale terminal, or an in-store retail assistant, tablet usage in enterprises continues to grow. Together, developer interest and enterprise adoption of tablets are creating something of a virtuous cycle in innovation, generating new takes on traditionally PC-based business processes, on customer relationship management, and on the number and quality of touch points between customers and employees.

% "Very Interested" in Developing for Each Platform

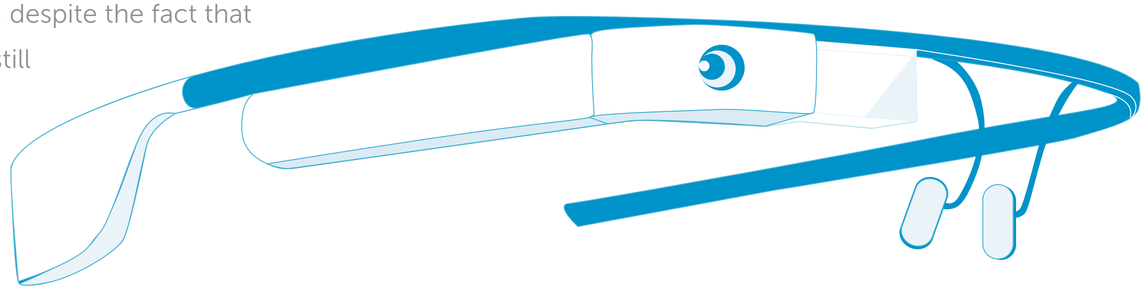


The rise of new form-factors

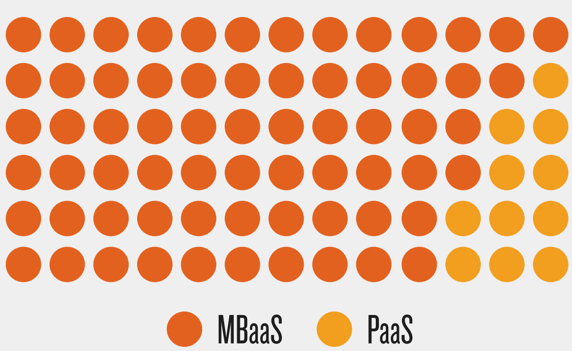
The emergence of new device classes continues unabated within the mobile space.

We asked developers which emerging form factors they expect to be developing for, and the answers were quite varied. After a slow start, smart TVs seem to be hitting a slightly better stride, with 16% of developers expecting to build applications for smart TVs within the next six months.

Google Glass is on a path to becoming the first real "wearable" computing device to see any mass-market interest. Developers seem to agree, giving Google Glass nearly an even score with smart TVs in terms of interest, despite the fact that Google Glass is still unavailable as a mass-market device. Connected cars trailed, with less than 8% of developers interested in building applications for them. Overall, these results point to a market that will be multi-device, multi-device class, and multi-operating system for the foreseeable future.



SIDE NOTE



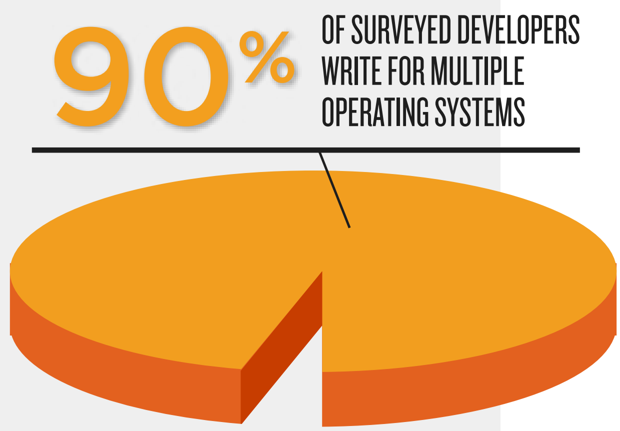
61% of developers think that Mobile Backend-as-as-Service (MBaaS) will replace Platform-as-a-Service (PaaS) within 24 months for mobile developers.

A multi-party mobile state?

Since the first days of mobility, there have been three dominant vendors. In the early handset days it was a battle of the manufacturers: Motorola, Ericsson, and Nokia. More recently, Apple, RIM (now BlackBerry), and Android have shared the spotlight. Now, with RIM falling out of favor with developers, the third slot is open. The latest survey results, in which developer interest in both iOS and Android remained nearly flat, hint at an opportunity for a third party – perhaps the emergent Windows platform, or an Android derivative like Amazon's Kindle, or even a dark horse like Firefox OS.

SIDE NOTE

Developers' interest in building for multiple operating systems remains consistent in this quarter's survey, with the average developer writing for 2.5 operating systems, and is expected to grow, reinforcing the notion that a single app on a single operating system is no longer a possibility.



Does Nexus represent the future of Android?

Google's Nexus continues to see considerable developer interest despite being a platform that is currently limited in audience and geographic availability. The high price point and limited distribution of Nexus devices would seem to provide little incentive for developers looking to build a business, or enterprises looking to reach a significant number of customers or employees. However, the capabilities of the platform, as well as the flagship status of the device (including the OS version), seem to engage developer interest.

Nexus owners spend more on the device at purchase and are often more technology-focused in their selection criteria. Both points make those users a desirable audience for app developers. But without specific sales numbers from Google, it's difficult to know if these two factors – device spending and technical savvy – will translate to higher revenue numbers or greater application usage. And without a Nexus-specific distribution system like Amazon's Kindle store (or even iTunes), the Nexus ecosystem remains murky.

Where is Windows?

Developers interest in Windows (both phones and tablets) remained low but consistent from Q4 2012 to current, a departure from the significant falloff we'd seen since the Windows 7 debut. Whether this marks a final bottoming-out or stabilization on the way to growth remains to be seen. End users cite a lack of apps for Windows phones as the number one reason for non-adoption. In lockstep, many developers cite a lack of engagement from Microsoft.

NO DEVELOPERS = NO APPS = POOR DEVICE SALES

[This is the equation of the new device ecosystem.]

About the Appcelerator / IDC Q2 2013 Mobile Developer Report

Appcelerator and IDC surveyed 6,046 Appcelerator Titanium developers from from April 18-22, 2013 on their perceptions about current debates in mobile as well as their development priorities. Developers were individually invited from Appcelerator's user registration database to complete a web response survey. A raffle for a free iPad mini was made and only one response per user was allowed. Respondents' answers were given freely with no other incentive or compensation for their participation.

About Appcelerator

Appcelerator® offers the only platform built for a Mobile First world. The Appcelerator Platform enables enterprises to create, deliver and analyze their entire mobile application portfolio. With more than 55,000 mobile applications deployed on over 140 million devices, the Appcelerator Platform helps enterprises accelerate their time to market and deliver exceptional mobile user experiences. Appcelerator also provides an award-winning open source mobile development environment, Titanium®. Appcelerator's worldwide ecosystem includes 470,000 mobile developers and hundreds of ISVs and strategic partners, including SAP, Cognizant and Wipro. It is the mobile platform of choice for thousands of companies including eBay, Merck, Mitsubishi Electric, NBC, PayPal and Ray-Ban.
For more information visit www.appcelerator.com

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. IDC helps IT professionals, business executives, and the investment community to make fact-based decisions on technology purchases and business strategy. More than 1,000 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. For more than 46 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.
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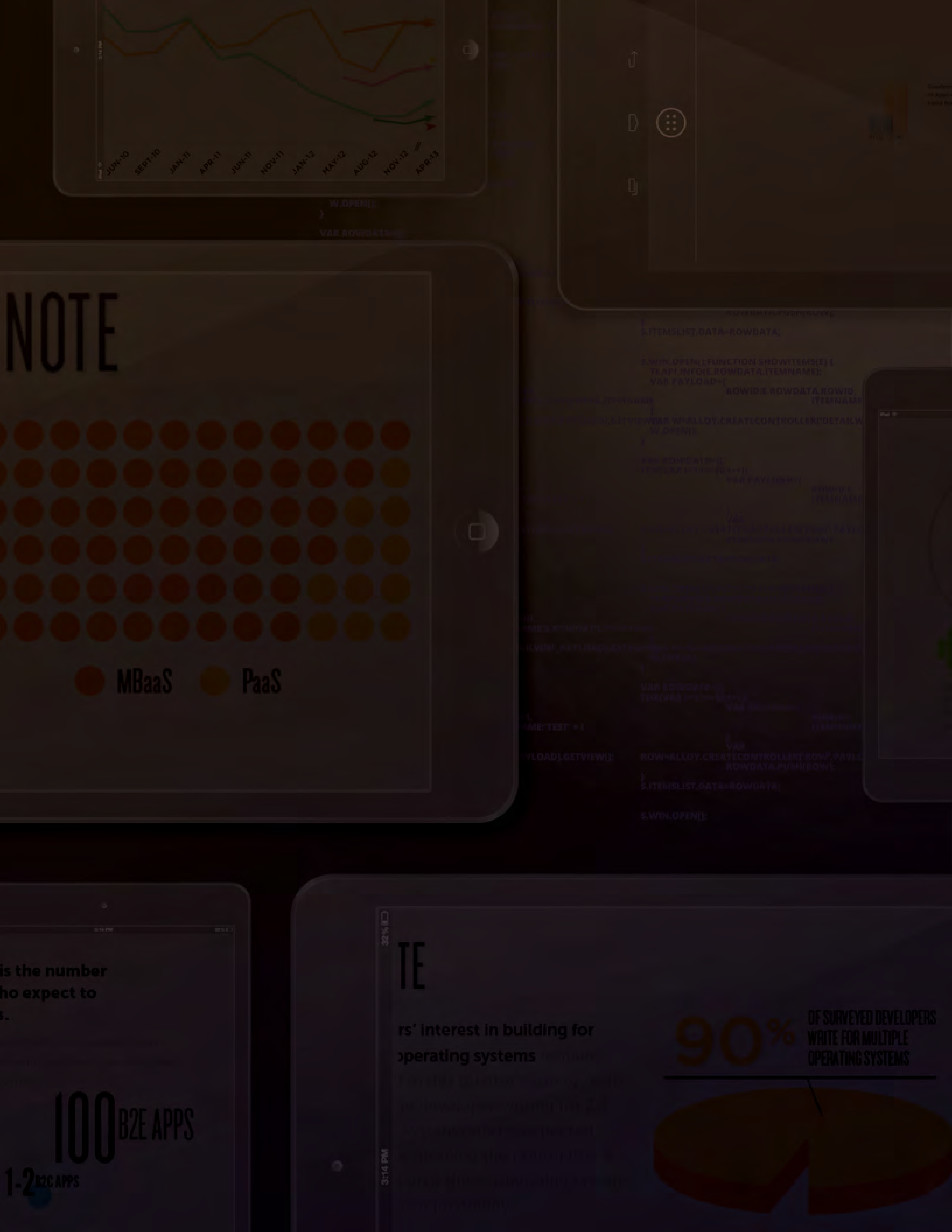
NOTE
MBaaS
PaaS
90%
OF SURVEYED DEVELOPERS WRITE FOR MULTIPLE OPERATING SYSTEMS
100
B2E APPS
1-2
B2C APPS