

2019-2023

Mobile Market Forecast





Worldwide App Store and Google Play user spend will reach \$156 billion by 2023, an increase of 120% compared to 2018. **App Store revenue** will increase to **\$96B** while **Google Play** will grow to **\$60B**.



The U.S. is projected to pass Japan in 2019 to become the top earning country on Google Play. Japan had 43% year-over-year growth in 2018 to take the top spot.



App Store downloads in China fell in 2018 as a result of the game licensing freeze implemented in March. Look for China's mobile app downloads and revenue to recover over the next few years.



The rise of subscriptions in the App Store will continue to drive revenue growth over the next five years. **By 2023, 60% of App Store revenue will come from games**, with the remaining **40% from apps**.

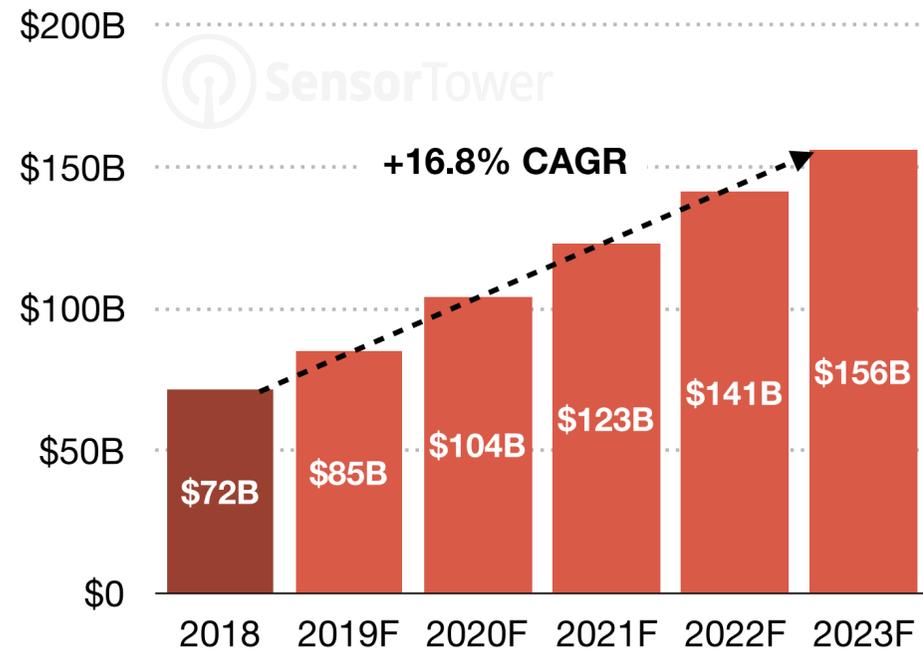
Sensor Tower's Mobile Insights analysts produced the download and revenue forecasts provided in this report using the [Sensor Tower Store Intelligence](#) platform.

- Figures cited in this report reflect App Store and Google Play download and revenue estimates for January 1, 2015 through December 31, 2018.
- The market forecast for 2019-2023 is based on past download and revenue trends, macroeconomic projections, and other factors.
- All revenue figures in this report capture user spending (gross revenue). This includes the revenue earned by the app developer as well as the portion earned by Apple or Google.
- Android estimates represent revenue and downloads from the Google Play Store only. Sensor Tower does not provide revenue or download estimates for third-party Android stores.

Could your business benefit from access to Store Intelligence insights and the highly accurate data used to build this report? See the fastest growing apps and publishers by downloads or revenue.

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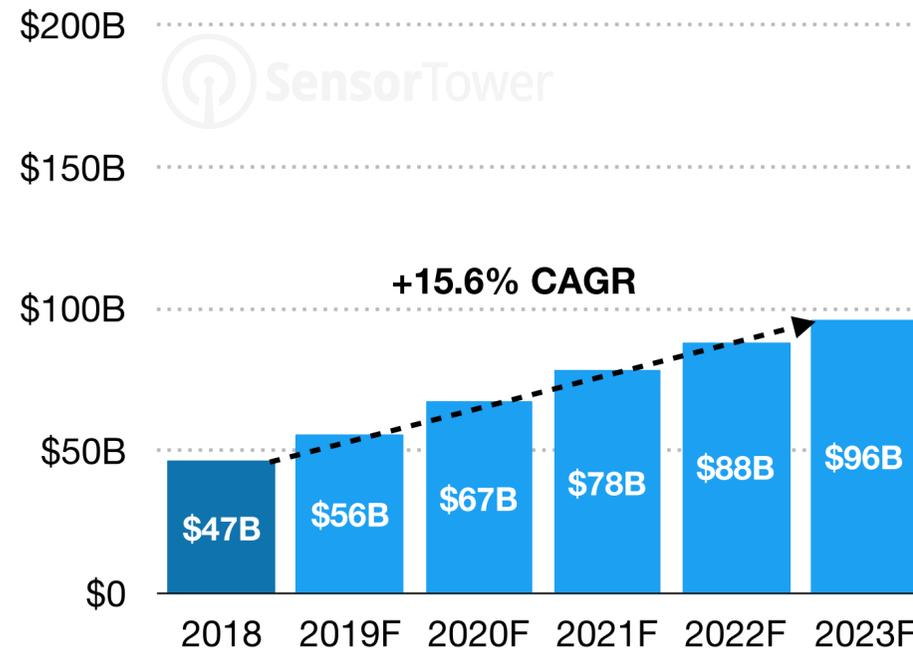
Worldwide App Store and Google Play User Spending



\$156 Billion

App Store + Google Play Revenue
By 2023

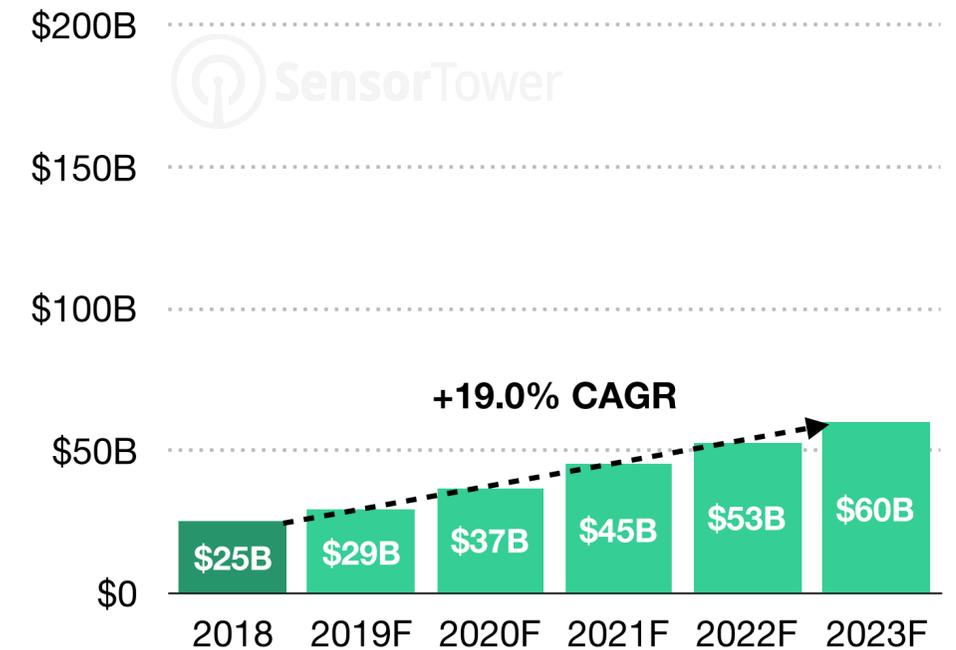
Worldwide App Store User Spending



\$96 Billion

App Store Revenue
By 2023

Worldwide Google Play User Spending

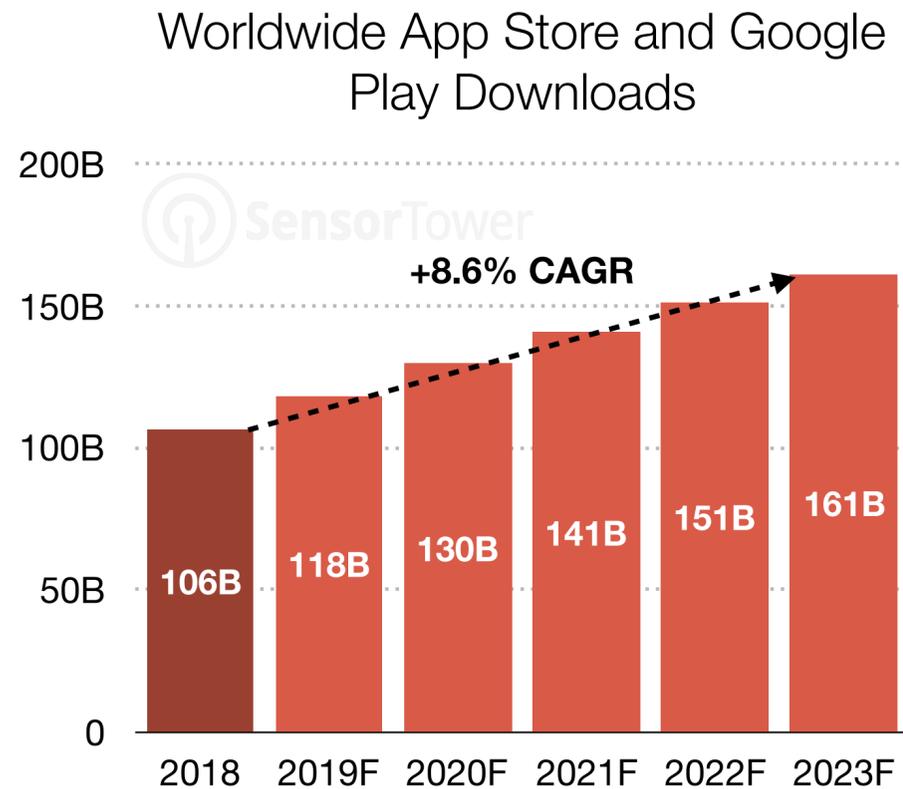


\$60 Billion

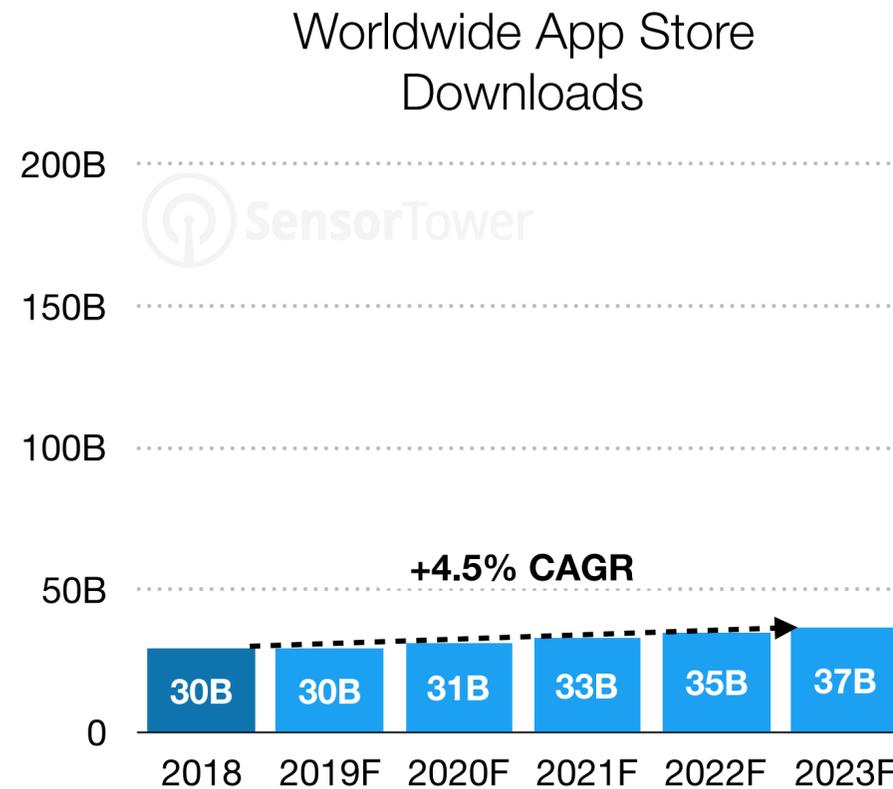
Google Play Revenue
By 2023

Note Regarding Revenue Estimates

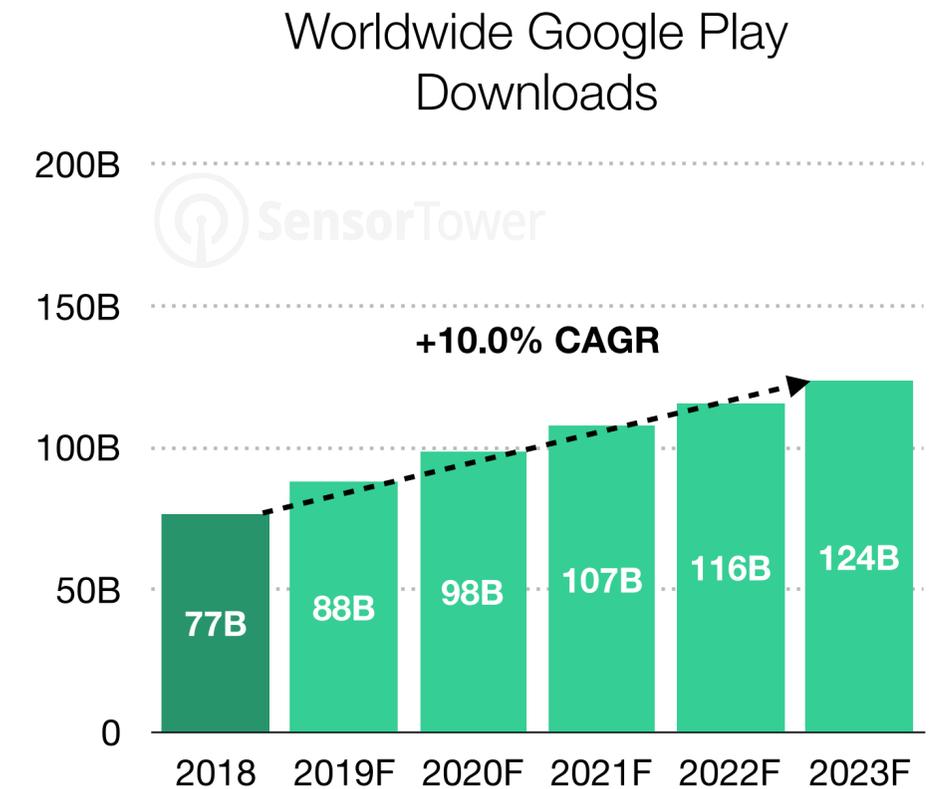
We report gross revenue (including the cut for Apple or Google).
Android estimates do not include third-party stores.



161 Billion
App Store + Google Play Downloads
By 2023



37 Billion
App Store Downloads
By 2023



124 Billion
Google Play Downloads
By 2023

Top Countries by App Store Revenue

2018		2019F		2023F	
1	China	1	China -	1	China -
2	U.S.	2	U.S. -	2	U.S. -
3	Japan	3	Japan -	3	Japan -
4	Great Britain	4	Great Britain -	4	Great Britain -
5	South Korea	5	Taiwan +1	5	Taiwan -
6	Taiwan	6	Canada +1	6	Canada -
7	Canada	7	South Korea -2	7	Germany +2
8	Australia	8	Australia -	8	South Korea -1
9	Germany	9	Germany -	9	Australia -1
10	France	10	France -	10	France -

Revenue growth in China slowed at the end of 2018. With a drop in downloads related to the game licensing freeze, we anticipate low revenue growth in 2019 until the market bounces back, allowing the U.S. to narrow the gap between it and China as the top country.

South Korea revenue also dropped in 2018. It is forecasted to be the seventh largest market in 2019, down from No. 5 in 2018 and No. 4 in 2017.

Note Regarding Revenue Estimates

We report gross revenue (including the cut for Apple or Google).

Top Countries by Google Play Revenue

2018		2019F		2023F	
1	Japan	1	U.S. +1	1	U.S. -
2	U.S.	2	Japan -1	2	South Korea +1
3	South Korea	3	South Korea -	3	Japan -1
4	Germany	4	Germany -	4	Germany -
5	Taiwan	5	Taiwan -	5	Taiwan -
6	Great Britain	6	Great Britain -	6	Russia +4
7	France	7	France -	7	Great Britain -1
8	Australia	8	Canada +1	8	Brazil NEW
9	Canada	9	Australia -1	9	France -2
10	Russia	10	Russia -	10	Turkey NEW

The only change anticipated among the top five Google Play countries in 2019 is the U.S. passing Japan.

Japan's 43% revenue growth in 2018 was driven by top games like Monster Strike and Fate/Grand Order, and its growth is expected to slow in 2019.

Brazil, the second largest market by downloads, is expected to enter the top 10 by revenue by 2023. Brazil's revenue forecast for 2023 is nearly \$1.5B, 40% CAGR since 2018.

Note Regarding Revenue Estimates

We report gross revenue (including the cut for Apple or Google). Android estimates do not include third-party stores.

Top Countries by App Store Downloads

2018		2019F		2023F	
1	China	1	China -	1	China -
2	U.S.	2	U.S. -	2	U.S. -
3	Japan	3	Japan -	3	Japan -
4	Great Britain	4	Great Britain -	4	Russia +1
5	Russia	5	Russia -	5	Great Britain -1
6	France	6	France -	6	Vietnam +3
7	Germany	7	Brazil +1	7	Brazil -
8	Brazil	8	Germany -1	8	France -2
9	Canada	9	Vietnam +1	9	Germany -1
10	Vietnam	10	Canada -1	10	India NEW

The top five countries in the 2023 forecast are the same as in 2018, with Russia passing Great Britain to take the No. 4 spot. Russia is projected for a CAGR of 6.4%.

App Store downloads in Vietnam are projected to nearly double by 2023, becoming the sixth largest market. Vietnam was the tenth largest market in 2018 with 550M installs.

Top Countries by Google Play Downloads

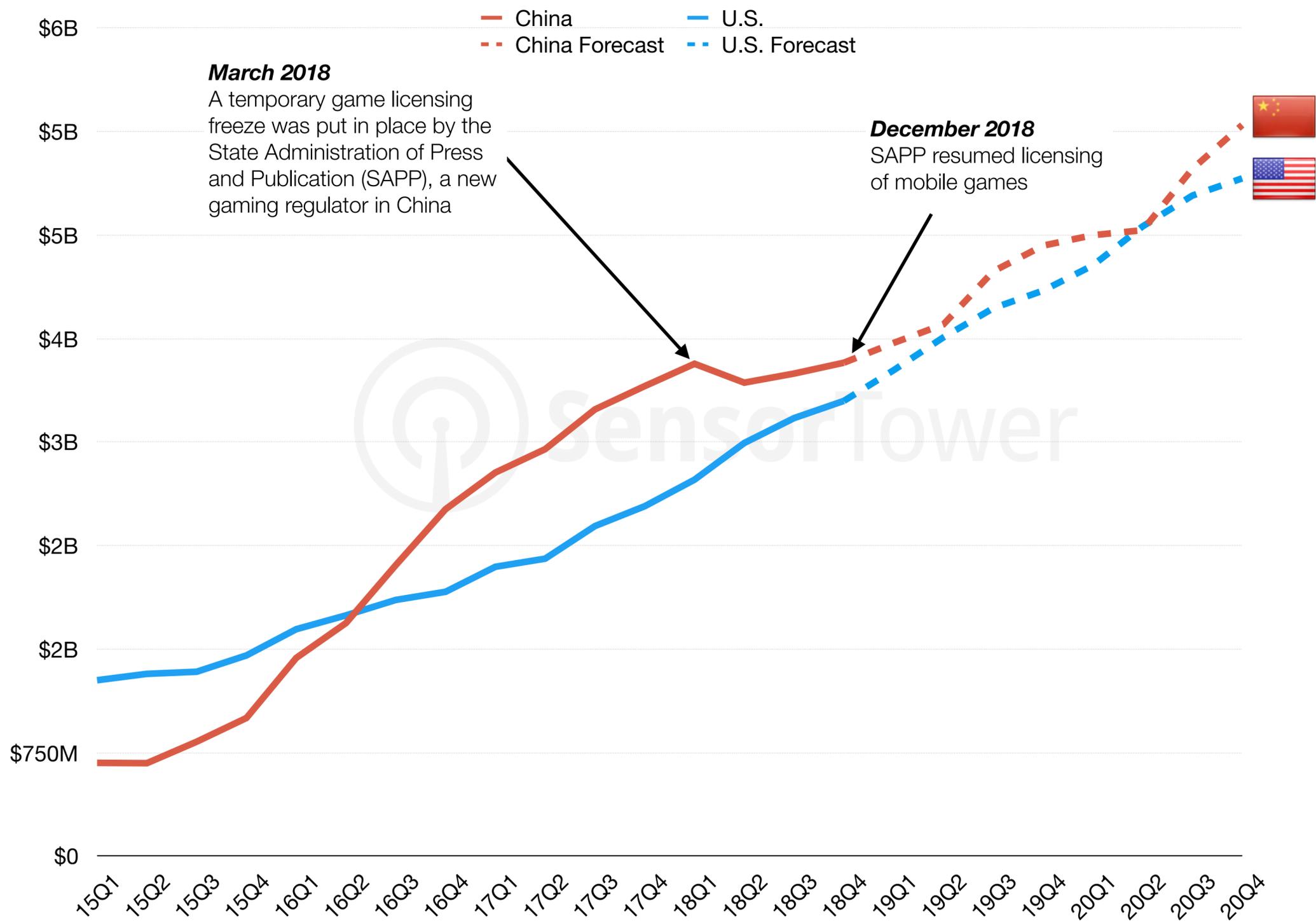
2018		2019F		2023F	
1	India	1	India -	1	India -
2	Brazil	2	Brazil -	2	Brazil -
3	U.S.	3	Indonesia +1	3	Indonesia -
4	Indonesia	4	U.S. -1	4	U.S. -
5	Russia	5	Russia -	5	Russia -
6	Mexico	6	Mexico -	6	Mexico -
7	Turkey	7	Turkey -	7	Vietnam +1
8	Vietnam	8	Vietnam -	8	Turkey -1
9	Thailand	9	Thailand -	9	Pakistan +1
10	South Korea	10	Pakistan NEW	10	Egypt NEW

Google Play downloads in Indonesia grew 25% between 2017 and 2018, while U.S. installs fell over the same period. Indonesia is expected to surpass U.S. in 2019 to become the third largest market in the world.

Pakistan and Egypt are two of the fastest growing markets. Both countries look to have a CAGR of 15-20% over the next five years.

China Revenue ▶ App Store Revenue by Country

Quarterly App Store revenue, China and U.S.



The game licensing freeze implemented in March 2018 made a substantial dent in App Store revenue in China, essentially halting all growth over the next three quarters. Consumer spending grew only 14% year-over-year in 2018, compared to 60% growth the prior year.

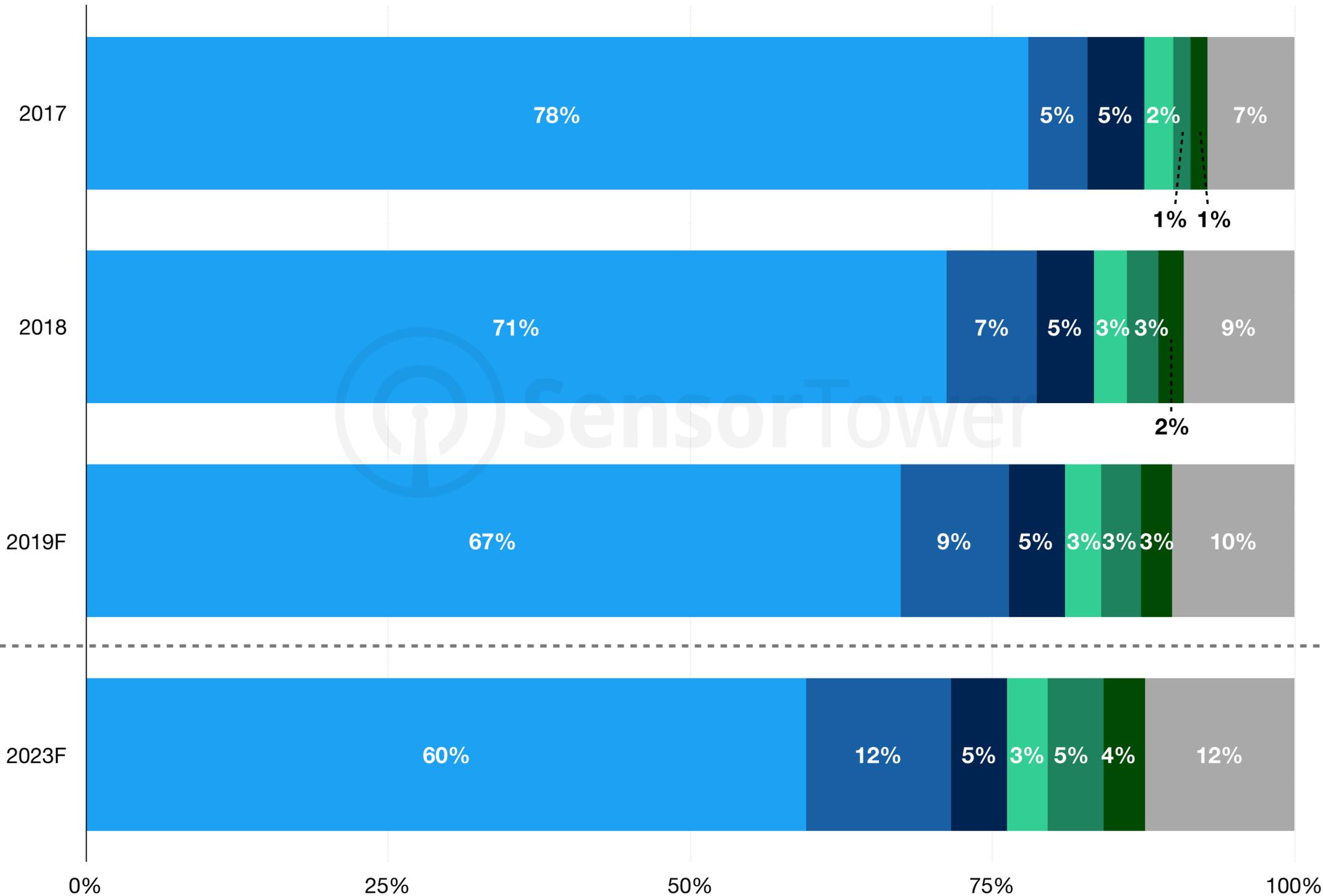
China's revenue is expected to recover with the renewal of mobile game licensing. U.S. App Store revenue is projected to approach China's levels over the next few years.

Note Regarding Revenue Estimates

We report gross revenue (including the cut for Apple or Google).

App Store ▶ Revenue Share by Category

■ Games
 ■ Entertainment
 ■ Social Networking
 ■ Music
■ Photo & Video
 ■ Lifestyle
 ■ Other



While revenue growth from games has slowed in recent years, **the rising popularity of subscriptions helped apps achieve 57% year-over-year revenue growth in 2018.**

Entertainment, Photo & Video, and Lifestyle apps each had revenue growth of more than 80% year-over-year.

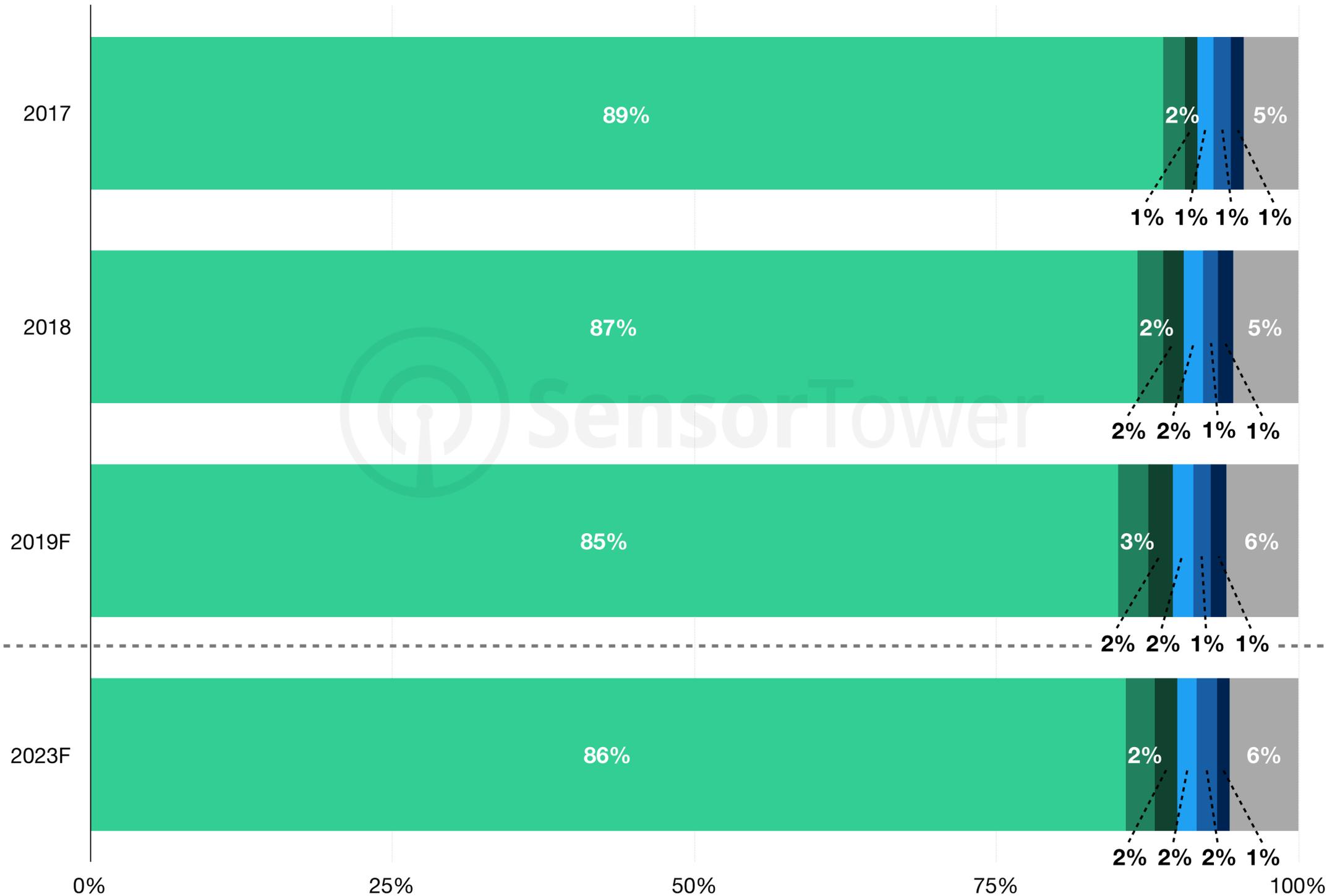
By 2023, games will only account for 60% of the revenue on the App Store. App revenue is projected for a compound annual growth rate of 24%, compared to 12% for games revenue.

Note Regarding Revenue Estimates

We report gross revenue (including the cut for Apple or Google).

Google Play ▶ Revenue Share by Category

■ Games
 ■ Social
 ■ Lifestyle
 ■ Entertainment
■ Communication
■ Productivity
■ Other



Games still dominate mobile revenue on the Google Play store, with 87% of the market in 2018. Game revenue grew 24% year-over-year in 2018.

Apps have gained some of the market share, with 52% revenue growth in 2018. Social and Lifestyle apps will continue to grow into 2019.

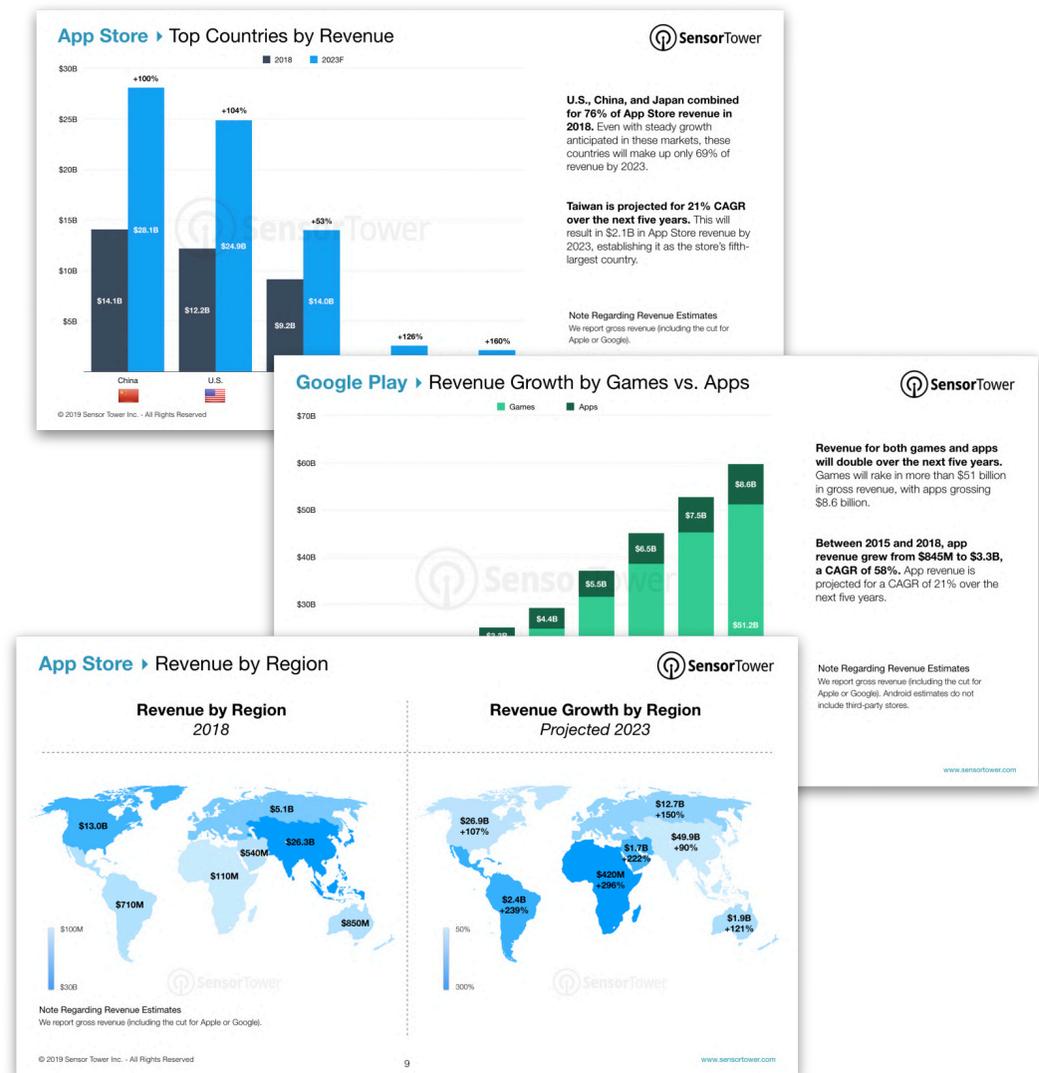
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The full 2019-2023 Market Forecast report is available exclusively to Sensor Tower Enterprise customers. [Request the full report from our sales team \(sales@sensortower.com\)](mailto:sales@sensortower.com):

Additional Insights in the Full 2019-2023 Market Forecast (20 more pages)

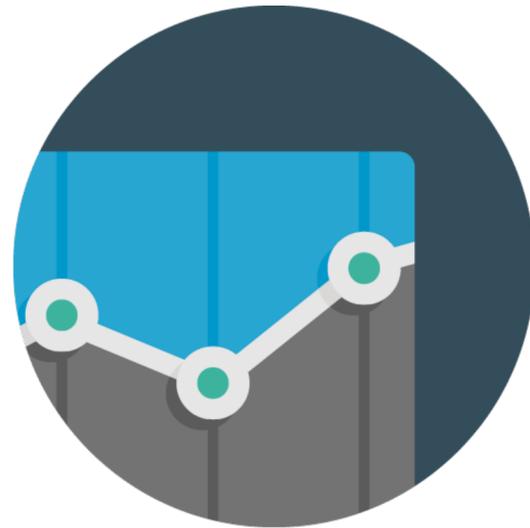
- Revenue and Download Growth by Region
- Top Countries and Projected Revenue and Downloads
- Share of Downloads From Top Categories on the App Store and Google Play
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