

Cashing In On Apps

I would like to share with you some quick and easy methods for making money with iPhone and other apps. For a while I stayed away from the market because I did not really see how a person could make an app in the Apple store and make a profit.

The first issue I had was that most of the apps were either free or in the .99 cent range and it seemed like a waste of time to through the effort of coming up with an idea, get it programmed etc. The prices to develop the app combined with the profit margins did not seem to make sense for a small marketer.

However I was wrong.....

It occurred to me that there were some simple content ideas that I could launch quickly and relatively inexpensively as a test. And that's what I did.

In the following pages I am going to show you how to quickly and easily get content ideas, and get them published fast... even if you have zero experience. I am going to help you figure out what types of apps to create. There are tips I will share about what makes an app successful and what makes them bomb. I will share how I made my first app which will open your eyes to the possibilities.

Market Size & Market Potential

Before you embark on the journey to make money developing apps, I think it is important for you to understand the background data of the App store and the apps. I'm going to get into numbers here for a bit as I want to make sure you fully understand the size and potential of the Apple apps market.

As of writing, Apple is dominating the market for touch-screen based smart phones

Apple : 33.1%

Nokia : 29.5%

HTC : 10.2%

Samsung : 6.4%

Others : 20.9%

Source: Canalys Research

The number of Apps that are available for the iPhone is now well over 150,000 overall with Games leading the pack.

Books	27,300
Business	3,578
Education	10,238
Entertainment	20,050
Finance	2,138
Games	28,457
Health/Fitness	3,178
Lifestyle	8,848
Medical	1,978
Music	5,459
Navigation	3,599
News	3,658
Photography	2,718
Productivity	3,438
Reference	5,517
Social	2,495
Networking	
Sports	5,520
Travel	7,880
Utilities	9,356
Weather	620

In September last year, a survey was done with 1200 iPhone owners and below are the results that will be of interest to you:

Average number of apps per iPhone : 65

Average money spent on apps per iPhone : \$80

Average cost of a paid app : \$1.56

Percentage of free apps : 65% (only?)

Percentage users with ONLY free apps : 7%

Source: AppsFire

The predictions for mobile apps revenue and downloads in general according to market research firm Gartner is as follows:

2009 : \$4.23 billion (2.5 billion downloads)

2010 : \$6.77 billion (4.5 billion downloads) estimated

2013 : \$29.47 billion (21.6 billion downloads) estimated

Source: Gartner

According to another market research firm Yankee Group, by 2013, Americans alone will buy **\$4.2 billion** worth of mobile applications!

I hope that based on the numbers above, you are able to see the sheer size and the profit potential of the mobile apps market with the iPhone dominating the mobile apps market. Later in the report, we will be looking at the different strategies you can use to create and make money with iPhone apps.

Types of Apps

There are over tens of thousands of apps (free and paid) that can be downloaded for the iPhone and iPod Touch and with almost 140,000 of these apps soon to be made available for the iPad. As we want to make money with apps, let's take a look at some of the top grossing apps today...



Call of Duty: World at War: Zombies - Games



iFitness – Healthcare & Fitness



Documents To Go® (Microsoft Word & Excel editing & Desktop sync) - Productivity



Martha's Everyday Food: Fresh & Easy Recipes - Lifestyle



Zagat To Go - Travel



TextNow – Unlimited Free Texting (SMS) – Social Networking

If you go to the App Store on iTunes, you will find that most of the top grossing apps are games with entertainment, travel, lifestyle apps not far behind. You can see that there is plenty of profit potential if you create an app that either is highly addictive or makes like

easier for the user.

To get a better idea of what type of apps you should create, I would advise you to check out the App store to look at apps that are most popular and apps that simplify the user's life. Also ask yourself as in any business venture, what user problem will YOUR app solve?

My First App

Such a simple idea... did you know you can take a .PDF and quickly create an iPhone app?

Ask yourself this... How many PLR ebooks and reports etc. do you have sitting around on your hard drive? ... Even if you don't, how much would it cost you to get rights to a good quality report in a hot niche? \$7 , \$10, \$20 or even \$50?

All I did was take some cooking recipes in a hot niche and put them in .PDF format to create my first app. Basically it was an ebook with digital chapters and some background graphics.

Why Is The App Store Unique?

The App store is unique because of the extreme simplicity in downloading apps. You download the iTunes program and set up your account with your credit card details. You then browse through the categories to select the app you want to download. Once you have selected the app and clicked on the icon, you will be brought to app's page and you click on the "Buy App" button which will automatically download the app to your pc's hard drive. If it's free, you won't be charged. If it's a paid app, your credit card will be automatically billed with the invoice sent to your email.

If you're buying through your iPhone or iPod Touch, you need to access the “App Store” button on the screen. You then go through the same steps as above and once you click on the “Buy Now” button, you will be asked for your iTunes password after which the app will be automatically downloaded to your iPhone or iPod Touch.

I'm sure you can see how easy it is to download an app with just a few clicks. This is one of the reasons why the App store has over 150,000 apps and has topped 3 billion downloads. Think about the profit potential if you can make a killer app!

My First Sales Results

It turns out that it really is easier than you would think....

I created my first app and it was submitted and published in about 2 weeks (it can take 2 weeks for your app to be approved by Apple, although 24 hours is possible too). I pretty much forgot about for a month. When I checked my stats for the first time I had sold about 265 units.... with ZERO promotion on my part. Since my app was priced at \$1.99 per download the gross sales were \$530 bucks! Now Apple takes 30% right off the top so the net on this is \$371

Not Bad!... no article writing, backlink building, adwords, blogging and the all the rest. How many adsense sites would you have to create and how long would it take to pull in \$371 per month? The thing is if you hit “the motherload” you could do much better than this.... but let's keep it real.

Your only challenge is getting a quality app created and approved by the app store.

Now there are lots of info products that you can promote in the app store, but here are a few ideas that work well.

Ebooks

Mp3 Audio

Video Content

Software Programs

Rss Feeds

How To Make Apps

So you're done with your market research and you now have a good idea of the type of app(s) you want to create. Now the question is how do you go about creating an app?

Well there are 2 methods you can use: The first is the 'Do It Yourself' (DIY) method and the second is the 'Hire A Programmer' method. Let's talk about these two methods in a bit more detail.

“Do It Yourself” Method

- You need to first join the Apple iPhone Developer program which costs \$99.
- You need to get a Mac because that's the machine you'll be using to create your apps
- You need to download and install the latest version of iPhone SDK for developing the app
- It will be best if you have either an iPhone or iPod Touch so you get a feel of what works and what doesn't work

These are the basic tools you need in your app development kit. Once you have your setup ready, you can begin creating your app. In order to create the app however, you will need to know two programming languages: C and Objective-C and also how to use Cocoa-Touch (an application programming interface).

If you're not familiar with any of these, I suggest you better start taking some courses though this might mean that you have to invest considerable amounts of time for your learning curve. It may take a few months for you to get familiar with them but it can be done if you really want to :)

If you are going to go that route, there is more info here...

[create your own apps](#)

and

[create your own app](#)

“Hire A Programmer” Method

Creating an app is definitely not for the fainthearted as you have to spend PLENTY of time learning programming languages, how to code and how to integrate with the iPhone interface. If you want to create a killer app and you have no programming experience, the best way forward is to hire a programmer with expertise in developing iPhone apps. You will have to invest some money for outsourcing but the benefits are extremely worth it. Investing in a programmer means

- Quick and easy– you don't need to spend a lot of your hard earned money to learn all the necessary programming languages
- You save time – you don't need to spend the many many hours needed to study the programming languages
- You have peace of mind – you don't need to worry about messing up the code because you know that your app is in the safe hands of an expert

When you invest in a programmer, you know your killer app will be created properly which will get you up and running as fast as possible.

I offer a flat rate app creation service for the kind of info products we are talking about in this report. For more information check out... [flat rate app service](#)

Anatomy Of A Successful App

What makes an app sell and what makes an app bomb?

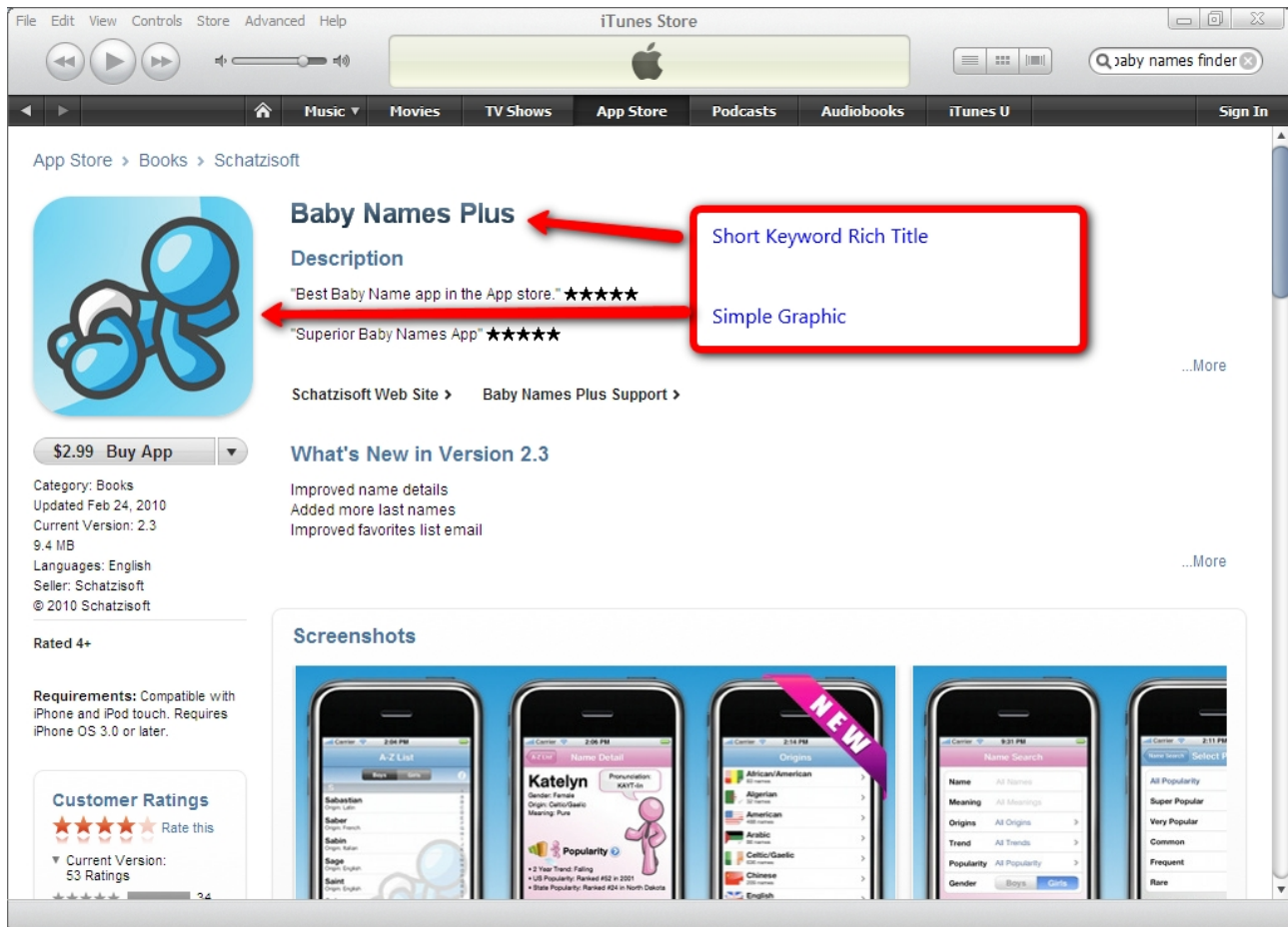
While you can never tell how successful any app will be until you launch it, here are some tips on what to do and what to avoid.

Case Study

BABY NAMES PLUS

As you can see... this little app is nothing new and there are actually quite a few different baby name app in the itunes app store. This one is priced @ \$2.99 per download and is doing quite well.

As you can see in the following illustration there are a few key things that make this app successful.



1) *A proven market.*

People are willing to pay to look up baby names. The key with this app is that it is both cheaper and more convenient than going to the bookstore to find baby names.

2) *Simple Themed Graphic Icon*

You can tell by looking at the icon that it is baby related

Requirements: Compatible with iPhone and iPod touch. Requires iPhone OS 3.0 or later.

Customer Ratings
★★★★★ Rate this

▼ Current Version: 53 Ratings

★★★★★	34
★★★★	9
★★★	3
★★	1
★	6


▼ All Versions: 401 Ratings

★★★★★	151
★★★★	91
★★★	70
★★	32
★	57

More by Schatzisoft



Proud Republican
Halloween Deluxe
Baby Names Finder



Browse thousands of names! **Advanced search**

Good Customer Review Sell More Apps!

Customer Reviews Current Version (11) All Versions (30) Sort By: Most Helpful

Write a Review >

HIGHLY RECOMMEND IT ★★★★★ Report a Concern >

by Fellbach - Version 2.3 - Feb 24, 2010

The search features are the best out of any baby name app. I also like the Twitter ability and the fact that you can now look up your last name. Pretty good stuff.

VERY satisfied customer.

1 out of 1 customers found this review helpful Was this review helpful? Yes | No

3) Good reviews

Reviews are key in the app store. The more good reviews you have the better... nothing will crater your sales faster than bad reviews. If possible line up a couple reviews ahead of time to get the ball rolling in the right direction.

You can mail your list if you have one and announce your new app. A bad review in the App store can kill your sales.

4) Several Sample Screenshots

People want to see what their app will look like. Give them good graphics and let them know what to expect.

In most cases a simple background image and very basic keyword rich sales copy is all that is necessary. For more about graphics for your apps... [app graphics](#)

Strategies

4 Basic Models

There are 4 basic models for making cash with iPhone apps

#1 -Lead Generation and Traffic Generation

You can create an app that will drive leads/ traffic to your online web promotions. The plan is very straightforward.....

Create content that is useful and in demand and provide a link to your website / money pages. You can do this by making the app free of charge and thus maximize your number of downloads.

You can use the free method as a “doorway” to your paid membership site.. offer a taste of content and sign them up for a monthly membership either in the app or to your membership website.

#2 the Straight Sales Model(my favorite)

You price your app in the \$1 to \$5 dollar range and profit from the revenue. This is the most simple method that you can stay with but there are variations. One example would be to offer a free download that has a paid upgrade option.

You could create a monthly membership application where the user would get new content. The thing is to take all your online methods that you are familiar with and combine them with iPhone apps as a gateway into your marketing funnel.

#3 Offline “App” Gold (HUGE OPPORTUNITY)

If you specialize in working with offline businesses you are going to love this one. Perhaps you have a customer that has a restaurant that you are helping promote. Iphone apps can be another lucrative profit center for you.

Lets take a restaurant who is looking for more business. You can create an app for him to allow his customers to book a reservation right through the iphone. The same is true for hotel owners and any other offline businesses that take reservations. You create the app and simply promote it to his existing customers through his website or email list.

All businesses are looking for an edge and you can offer them affordable solutions to boost sales and increase repeat business. How about an app that sends out special coupons and promotions to customers who are part of the “app club”. I'm sure you can see the endless variations; with this one model alone you can do very well... as well as get your foot in the door as a consultant to their other marketing promotions.

There are opportunities to charge for the setup plus ongoing monthly service fees.

Taking it wider

Not just for iphone but all apps

So far I talked mostly about iphone apps. There are actually more offline opportunities for other types of non iphone applications.

Did you that you can set up an offline client to sell his products through mobile

apps?

That's right... you can offer a service to set up offline clients with their own mobile app “store” in most cases your clients can sell up to 1000 items. I'm about to share with you a service that will allow you to profit in 2 different ways with offline clients.

1) White label apps -

These are pre-existing apps that are ready to go. Just add your customers images and products.

The mobile store is already set up you just find local merchants who want to sell their products using mobile apps and charge a fee for the implementation. You act as a go-between and charge you own price for setting up your customer with a mobile app.... no programming needed on this one just collect your clients data and submit it.

Here are some examples of remade white label apps for you to offer your customer:

Mobile T-shirt Store

Mobile Flower Store

Mobile Pizza Store

the possibilities are endless.....

Using the mobile app versions your offline clients can sell more stuff to more people.

What else can you offer offline clients?

[Mobile Invoicer](#)

How about the ability to turn their mobile phone into a hand held credit card terminal and mobile billing system.

The Scheduler

Here's one you can offer to Massage therapists, chiropractors, or anyone who makes appointments with clients. Allows your customers to schedule appointments and buy products directly on their phone.

There are more of these “pre-made” apps that you can offer to your local business clients to put money in your pocket.

- 2) If you don't want to get involved directly with businesses you can still promote these services as an affiliate and earn residual commissions from people that purchases these pre-made white label apps

You can join as an affiliate here.... [join the affiliate program](#)

#4 Sales within the app itself

You can create an application that allows you to promote products right in the app. This can be used for both online and offline businesses. Whether your products are digital or physical this is another method of generating revenue.

#5 Promote affiliate programs

How about creating a content based app that has links to your affiliate URL's. You can distribute it as part of your marketing promotions. The free app method would get more downloads and traffic. You can also rotate in advertisements in and out of your apps using certain services, as I will explain later... these too could have links to your website, products, and affiliate promotions. The key is providing a good content based app that will attract a lot of downloads.

How To Market Your Apps

Now that you have created your app and have gotten it approved by Apple, your app has gone 'live' in the App Store. Congratulations!

If you want to maximize your sales then you have to get your app noticed.

When the App Store was first launched, it used to be as simple as just creating an app, getting it approved by Apple, launching it at the app store and the downloads will happen – in other words, your app will sell itself. And this is still true but with a focused promotion you will do much better.

My Second iPhone App

For the second app I did the same thing as the first. I actually had some more PLR content sitting on my hard drive. It was in the same niche as the first which I would recommend doing due to the fact that you can cross promote all your apps if you are in the same basic market.

The good thing about apps is they can be updated so as you come out with a new app you can add links to your already published apps and sell even more.

I launched a 60 page PDF ebook and this time got published right away (36hours). It did not take long to see a few sales come in, and that product averages about \$10 to \$20 per day or \$300 - \$600 per month, again without much promotion at all.

Now to some people that may not seem like a big deal but as you can see if your were to create 2-4 of these simple apps a month. After 6 months you could have a nice little income stream. The key is to take proven info products that sell in other venue's and make them into apps.

I should also emphasize that although this strategy is to take PLR info products and make them into apps, please use **good quality** ebooks and products. Nothing will get you slammed faster in the Apple store than a bunch of bad reviews.... good reviews are gold and you get that by putting out quality content. I have put some links to good PLR content sources in the resources section.

You can get more sophisticated if you wish, but then your production cost and time will be greater. There is no right way or wrong way but at this point I prefer a quantity approach.

If you do go for the other approach, you should invest more time on the research and marketing side of things. Make sure that:

- You have identified and created your app for the right target market.
- You know what is and how to leverage Web 2.0 marketing (i.e. social networking sites).

Let's look at some ways that you can market your app to get the best ROI...

App Store Marketing

1. **Creating A Great App** – this is a no brainer. If you want to rake in the money, you need to create a fantastic app, something that people will want and is easy to use. If you do not have a great app, all the marketing in the world is not going to help you. So make sure you have got this down pat.
2. **Lite & Paid Versions** – creating a free version that has a lot of great features and an option to upgrade to paid status will mean that the prospect will be keen to buy your paid version; because he or she will know that if the free version is good, the paid one will be even better.
3. **Eye-Catching Icon** – the icon is the first thing your prospect will see so make sure that you have an icon that tells them immediately what your app is about, allowing you to stand out from your competitors.
4. **Compelling Screenshots** – create screen shots of the best features of your app as this is what will determine if the prospect buys or not.
5. **Description That SELLS** – write a description for your app that speaks to your prospect about their wants and needs: a description that tells them your app is their solution.
6. **Update Your App** – for developers who regularly update their apps, Apple rewards them by placing them at the top of their New Release list which means more sales for you potentially and more sales will mean the chances of your app entering the Top 100 list , which will again mean more sales potentially :) Pay attention to customer feedback... they may suggest features that you have not even thought about.

Marketing Outside The App Store

1. **App Review Sites** – submit your app to some of the top app review sites like [AppCraver](#), [AppVee](#), [iUsethis](#), [AppStoreApps](#) and [Apple iPhone School](#). *Tip*: don't make the reviewers pay for access, give them access for free using a promo code.

2. **Buy Ads In Other Apps** – promoting your app within another app means many more eyeballs will view your ad and if you've made your ad compelling enough, the click-thru rates can potentially be very high. What's great about this method is that you can specifically target your ad via age, gender, geography etc. 2 Ad networks that you should check out are [AdMob](#) and [MediaLets](#).

3. **Use Your Contacts** – Blast out news about your app to your friends, business associates and just every single contact you have via social networking sites like Facebook, Twitter, MySpace and LinkedIn.
4. **Set Up A Facebook Fan Page** – It's simple to create and is a great marketing method because when people become fans of your app, your fan page will appear on their news feed meaning all their friends will be able to view it.
5. **Twitter Update Feature** – create a twitter update feature within your app that will allow the users to tweet about how they're loving your app. *Tip*: Provide some free tweet messages so all they need to do is send :)
6. **Tell A Friend Feature** – like the twitter update, create a tell a friend feature within your app that will allow your users to send out a message to all their contacts stored in their iPhone promoting your app and providing a link for more information. *Tip*: again provide a free message template they can use with ease :)

You can make a lot of money with just one or two apps however with the thousands of apps out there, you need to make sure your app STANDS OUT.

Monetizing Your App

One way to get your app seen and also earn money is through mobile advertising networks. These networks provide app developers with a platform to distribute and monetize their apps. Let's take a look at 4 leading networks.

AdMob

When you advertise with AdMob, the chances of your app being found among the thousands of apps is a lot higher and the ranking of your app in the App Store also increases. There is also a download tracking tool provided which track your ads allowing you to maximize your ROI.

You can also monetize your app by allowing ads in your app. It is a quick 2 step process that allows you to get started within minutes. What's cool is that you can use your earnings to promote your own app :) AdMob also has a Download Exchange program that allows new users to find your app from within hundreds of other apps in one of the worlds largest iPhone networks.

1. Show ads for other apps
2. Ads for your app – other apps show your ads
3. New users download your app from the App Store

And the cycle continues.

MobClix

MobClix gets you access to unlimited ad networks with just one sign up. Your account will allow you to manage your multiple ad networks and all your earnings will be consolidated into one check. MobClix has a patented technology that targets ads based on your app's specific metrics instead of using reference apps. It is common for ad networks to have minimum payoffs but that's not the case here. If you make money with MobClix, it ensures you get paid. The biggest selling point for MobClix is that it guarantees that all your ad slots will be filled :)

Mohiva

Mojiva has only been around for 2 years but has served over 3 billion impressions to date (as of writing). Mojiva works by analyzing the content of your app, identifies targeted keywords and then searches for matching advertiser mobile ads. It allows advertisers to place ads on your app based on the location of your visitor.

AdWhirl

Like MobClix, AdWhirl allows you to monetize your app by using multiple ad networks. You can allocate a percentage of your inventory to the ad networks and update them in real time. This way, you are able to track which ad networks perform best for your app and reallocate accordingly. You can also create custom ads for your app. The downside with using AdWhirl is that you get paid directly from the ad networks unlike MobClix which consolidates all payments for you. Plus, you also need to sign up with each ad network individually which can be a tedious process.

One cool thing about a program like AdWhirl is that you can rotate in your own ads to any website... great for driving traffic.

The Future is iPad

When Apple announced the launch of iPad earlier this year, it said that app developers will experience and enjoy a “second gold rush”. The iPad has a bigger screen and a speedier process chip which mean there will be a lot more advanced versions of current iPhone apps and other new apps will be created specifically for the iPad.

Apps are what makes the iPhone so coveted and is predicted to also mean the same for the iPad. In other words, apps will be the reason for iPad's success or failure. It is in the developer's hands to create fantastic apps that will appeal to the potential buyers. Plus the affordable pricing (low end version at \$499) will mean that there will be many

people who will buy the iPad just to see what the hype is all about.

What does this mean for you? With this potentially huge market at your beckoning, you can be one of the “first wave” to position yourself. Because there is a bigger screen on the iPad there is opportunity to be one of the first to create apps that work on both the iPhone and the iPad. All of the over 150,000 apps for the iPhone and will be available on the iPad. Like with the iPhone, if you don't move fast, you will be competing again with thousands. It will happen faster than it did for the iPhone because people are already aware of the massive potential of the app market.

So how do you get ahead and start making money with the iPad?

- **Be One Of The First Movers** – brainstorm ideas for apps that will be specifically targeted at the iPad. Once you have a solid idea, outsource your app content to a developer and launch as soon as you can.

This is very important as you already have thousands of competitors and it's just going to increase as the days go by. Get going NOW!

- **Say Goodbye To High Pricing** – Unless you have created an app that meets a very unique want/need (niche), be prepared to bid adieu to charging high prices. Using the iPhone as an example, when it was first launched, video game apps were sold between \$10 - \$20 however the pricing fell very quickly and most video games these days cost about 99 cents.
- Try to find a potentially big market for which to create your app so that you at a low price AND still make a good profit.
- **Create Useful Apps** – do not create apps that are already existing for the iPhone as these will also be available for the iPad. Instead think in terms of the iPad's

features – it's screen size and also the potential to be permanent living room fixture.

For more about the iPad and the potential opportunity... [making money with the ipad](#)

CONCLUSION

Apps are here to stay. The mobile market is only going to get bigger in the next few years. By getting in on this trend early you can position yourself to benefit from explosive demand for apps that is starting to occur. I wish you the best with your app strategy and will continue to share with you as I find new and improved ways to make money with apps.

If you would like to get started with apps the fastest way possible then try out my app creation service. As a fellow warrior I understand what your needs are and will create an app for you at a price you can afford. You can learn all about my flat rate app creation service here... [affordable app creation](#)

For the latest information about app marketing check out my blog at

<http://www.theprofitbooster.com>

RESOURCES

Here are the links to all the places mentioned throughout this article.

MY FLAT RATE APP CREATIONS SERVICE FOR MARKETERS Turn your Ebooks, audio products, video products and PLR content into iphone apps at affordable flat rate pricing.... [click here for rates](#)

CREATE YOUR OWN APPS

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[App Graphics](#)

OFFLINE BUSINESS APPS

Mobile Store Maker – Make mobile e commerce, pizza, t-shirt stores etc.

Mobile Invoicer

Mobile Commerce

IPAD APP MARKETING

iPad Marketing Training making money with ipad apps

PRIVATE LABEL RIGHTS PRODUCTS

Plr Ebook Club

Yummy Plr - Food and Recipe Plr

Mommy Plr

PLR Training Courses

Plr Cash Machine - Private Label Rights Training

Plr How To Videos