



# Market Report

A Snapshot of your Marketing Sector

## App Developer

This pack has been designed to provide information on setting up a business in the **App Developer** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **April 2026**.

## What do I need to know about the App Developer market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Despite having a far smaller user base than countries such as the United States, China or India, the United Kingdom represents a very significant market for apps. With high smartphone penetration and consumer spend, the UK is an attractive target for app developers. British users spend over five hours a day on mobile, and despite stagnant disposable incomes, consumer spending on apps has grown every year. Strong revenue generators include dating apps and short-form entertainment, such as TikTok. Other apps that perform well in the UK include travel and shopping, with the UK spending far more than the average per capita on both categories. AI apps, such as chatbots and image editing tools, have both performed well in the country. (Business of Apps, [UK App Market Statistics \(2026\)](#), January 2026).
- ◆ The UK app market earned \$4.8 billion in 2024, an increase of 9% on the previous year and the average UK consumer spent \$93.2 on apps in 2024. Apps were downloaded 2.2 billion times in the UK in 2024 and the average UK consumer downloaded 42.7 apps. (Business of Apps, [UK App Market Statistics \(2026\)](#), January 2026).
- ◆ According to Statista forecasts the United Kingdom is expected to witness a significant growth in the Application Development Software market, by 2026, the projected revenue of the market in the United Kingdom is estimated to reach US\$11.19bn and is expected to exhibit a steady annual growth rate (CAGR 2026-2030) of 6.28%. As a result, the market volume is projected to expand to US\$14.28bn by 2030. (Statista, *Market Insights - Application Development Software*, January 2026).
- ◆ The number of downloads is forecast to experience significant growth in all segments in 2029. The trend observed from 2019 to 2027 remains consistent throughout the entire forecast period. There is a continuous increase in the indicator across all segments. Notably, the games segment achieves the highest value of 204 billion downloads in 2029 (Statista, *Mobile app usage*, 2025).
- ◆ The national organisation for this industry is [The App Association](#) (UK branch). Other industry related organisations include the [Business Application Software Developers Association \(BASDA\)](#), [ScotlandIS](#) and the [Developers Alliance](#).



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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **Statista - Market Insights - Application Development Software, (January 2026).** The United Kingdom has a strong technology industry, with many startups and established companies focusing on software development. This has created a competitive market for application development software, with companies constantly innovating to stay ahead. One trend in the Application Development Software market in United Kingdom is the adoption of low-code or no-code platforms. These platforms allow users to create applications without the need for extensive coding knowledge, making it more accessible for businesses of all sizes. Another trend is the integration of artificial intelligence and machine learning into application development software, allowing for more personalized and efficient applications.
- ◆ **Statista - Mobile apps in the United Kingdom (UK) - Statistics & facts (December 2025).** In the UK mobile market, e-mail services, social media, and messaging apps were the most widely used app categories after internet browsers. Weather apps followed, with the most popular titles gathering millions of users thanks to a mix of functionalities and features. UK app users were highly engaged with several mobile categories, including less functional and purely entertaining mobile gaming. Approximately 40 percent of UK gamers reported playing between one and five hours weekly, while over 20 percent of respondents reported playing between six and 10 hours per week. As mobile phones and smartphones were the most used devices to play video games, the UK mobile gaming market has been developing rapidly. In 2023, mobile gaming registered spending of over 1.52 billion pounds, which represents an increase of over six percent compared to the previous year.

There are also a number of online resources you may find helpful:

- ◆ **ScotlandIS** - reports on the outlook for the Scottish tech sector [Technology Industry Survey 2025](#), highlighting that AI and machine learning are seen as critical growth opportunities for 69% of its members in 2025, up from 43% in 2023.
- ◆ [Techscaler](#) is a Scottish Government programme for creating, developing and scaling tech startups, delivered by CodeBase Ltd.
- ◆ **DataRePortal's [Digital 2026 Global Overview Report](#)** (October 2025) – at over 700 pages – includes a detailed analysis of the dominant e-commerce, social media and entertainment platforms used, as well as AI integration and digital advertising (e.g. the estimated \$390 billion global spend on in-app advertising).
- ◆ **AppsFlyer's [App retention benchmarks report: 2025 edition](#)** examines global app retention performance – covering metrics such as Day 1, Day 3, Day 14, and Day 30 retention across 11,000 apps and 10.6 billion installs, segmented by platform, region, and category.

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by: Andy**

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