

RESEARCH

Apple Watch app development slows as benefits prove elusive: report

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Promotional image for Hermès Apple Watch

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Marketers are taking a slower approach to developing Apple Watch applications as the benefits of doing so are not apparent yet, and those that do foray into the technology must set clear goals before jumping into production, according to new research from Strategy Analytics.

It is still unclear whether or not there are significant added benefits to developing an Apple Watch app, and while the technology is relatively new, marketers do not want to take the risk. Brands such as Runtastic, MapMyFitness and Nike jumped into the technology at first launch, but have paused in developing Apple Watch apps for more than 25 percent of their products.

“We do not want to give the impression Apple Watch is a failure or an unimportant platform,” said Joshua Martin, director of analytics research services at Strategy Analytics. “As a company we believe the product category, wearables and the Apple Watch itself are poised for success.

“However, since companies need to make resource intensive decisions when it comes to

supporting Apple Watch, they should have a clear objective in mind,” he said. “For marketers, the Watch is likely a great platform as they may not need to concern themselves with driving revenue from an app but instead can focus on content.

“This is an ideal situation for Apple Watch users as well. But creating an app creates an expectation of long-term support and therefore companies should be prepared to resource for the long haul.”

Marketer slow-down

Prior to the product launching, marketers were excited about the new channel as an added opportunity to connect with consumers. However, now that the device has not been the immediate runaway success that some expected, marketers are slowing down their movement towards the wearable tech.



Apple Watch

Brands that take the resources to develop an app for the Apple Watch must have a clear goal in mind for the platform. Distinguishing between goals such as a revenue driver, first to market, engagement increase or to achieve organic growth.

The most popular category on the iPhone is gaming, which has been significantly slow on the Apple Watch. For the top 200 games on the iPhone, only three percent of them have adopted to the smart watch.



Apple Watch Edition

However, major airlines have taken to the Apple Watch, as it is an ideal platform for convenient options for boarding and flight experiences.

Apple watch evolution

Starbucks, Target and a plethora of other brands originally marshaled mobile applications for the Apple Watch as the wearable shipped, offering the potential for new engagement and commerce opportunities ([see more](#)).

Also, with iPhone sales showing renewed strength, it is the eight-year-old device, and not the newer Apple Watch, that drove excitement for the brand, positioning it to create a virtuous circle of mobile experiences across content, utility and commerce ([see more](#)).

“Developers did not see a bigger boost from supporting Apple Watch, even in their intra-category rankings,” Mr. Martin said. “With just about 50 H&F apps supporting Apple Watch, I was expecting there to be movement towards the top of the category for these applications, but we just weren’t seeing it.

“Again, it depends on your objective, but this to me was most surprising as the category is on the smaller side from a download perspective, comparatively speaking, and many of these apps were highly publicized by Apple,” he said. “The truth is companies need to keep watching and waiting for now.

“The most telling is likely going to be how quickly large competitors to existing apps that support Apple Watch jump in. If they sense an opportunity and there is a big market shift it will be evident in press releases but in terms of evaluating the success of the market and impact on bottom line that is more complicated and likely will require independent analysis.”

Final Take

Brielle Jaekel is editorial assistant at Mobile Marketer

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