Developers Alliance March 2021 Developer App Store Relations Survey Report

Key Takeaways

- Developers are largely optimistic, a reflection of their entrepreneurial spirit, with largely steady or increasing prospects.
- Developers feel that “big tech” companies are at best inconsistent partners. At worst, some feel taken advantage of. Due to this, many are unsure whether the many costs of partnering with large platforms and corporations are justified. They do agree, however, that the services platforms provide should cost something.
- While they have serious grievances, most developers don’t believe “big tech” is the primary problem, or that government regulation or litigation of the industry’s challenges would be the best means to resolve those situations.

About The Developers Alliance

Founded in January 2012, the Developers Alliance is a global industry association and the world’s leading advocate for software developers and the companies invested in their success. Alliance members include industry leaders in consumer, enterprise, industrial, and emerging software development, and a global network of more than 70,000 developers.

Developer Optimism: Addressing Myths About The Community

Much has been reported concerning developer-led, small-to-medium businesses struggling to survive or get started under the terms of doing business with platform partners. Our responses, however, don’t line up with these assessments. 78% of developers say that their revenue has increased or stayed the same in the last two years. In North America, this number rises to 86%. Additionally, over 50% of developers, across all regions, believe that it is getting easier or about the same difficulty to become financially successful.

Regarding the community’s relationship with their platform partners, the reported disenchantment with “big tech” by developers has been greatly exaggerated. 57% of developers believe that Apple, Google, Amazon, and Facebook are beneficial to society. Microsoft holds an elevated 66% of respondents in this area. In addition, 74% of developers believe that platforms share data appropriately with them.

How Has Developer Income Changed In The Last Two Years?

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<th>Percentage</th>
<th>Global</th>
<th>North America</th>
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<tr>
<td>100%</td>
<td>Increased 48%</td>
<td>Increased 59%</td>
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<td>75%</td>
<td>Stayed The Same 30%</td>
<td>Stayed The Same 26%</td>
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<td>50%</td>
<td>Decreased 22%</td>
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These relationships are not without difficulties, however.

**Developers On Monopolies, Competition, & Harm**

**Competition Concerns**
The most common media and government complaint against the platform providers is that they are monopolies, requiring developers to use their stores to gain access to their products. Developers, however, are divided 50/50 on whether “big tech” companies are monopolies.

**On Acquisition**
Another complaint lodged at the technology industry is its handling of acquisitions; specifically, that large companies force their up-and-coming competitors into being acquired. This concern ignores the long-held industry practice of intentional acquisition as a startup business strategy. Many software companies are started with the intention to develop a new technology or a minimum viable product in order to be acquired. Developers start or join projects that allow them to work in their interest, then sell to those who see the value in their pioneering work. Due to this, across all regions, more developers believe that large platform companies help startups, rather than hurt them, 40% preferred, 41% found them neutral, and only 19% were against. In fact, 52% of developers believe that it would be beneficial to them and their company to be acquired. An additional 31% believe that it would at worst have a neutral effect.

**Costs & Terms**
Criticism has also been lobbied at platform provider’s fees for use of their platforms, which typically include registration fees and 30% of platform sales beyond a set limit. Critics have labeled this as exorbitant. When offered 6 options for what platform services should cost, however, only 14% globally chose “free.” The remaining 85% firmly believed they should pay something for these services to reflect the value gained.

The remaining major point of contention being cited for regulatory intervention is the “censorship” by these platforms. In North America, a significant majority of developers believe that large companies should be able to enforce their terms of service by blocking violators. North Americans also believe, however, that large companies abuse their power when enforcing their TOS.
Developers believe that their platform partners are sufficiently regulated, but we see areas where developers are looking for improvement. The answer they prefer: industry stakeholder resolutions. 64% of developers believe that industry or standards groups, as well as the executives at “gatekeeper” organizations, would be the preferred avenue for resolving disputes, vs only 35% who believe it should be handled by some form of government. In North America, these numbers shift to 83% vs 13%. Fully, 49%, the largest share, believe that technology industries should be regulated by industry groups, experts, and academics, not courts, politicians, or lawyers. In North America specifically, that number rises to 57%, while only 30% believe that the government should be responsible for regulation.

### Conclusion

Developers are broadly optimistic about their opportunities and those of the industry and aren’t asking for any big changes. While developers do believe that their relationships with their platform partners need to evolve, they largely see it as an internal issue not requiring the government. Developers have repeatedly indicated that they believe that industry innovations such as privacy “nutrition” labels, market forces, and other forms of self-regulation are the preferred and the most effective means for improving the situation.