

Apple's India Strategy: Think of the Children

The company needs the country's young developers to help take market share from Google

For his seventh birthday, Ashwat Prasanna's parents gave him a MacBook. Three years and one Apple boot camp later, his free measurement-converter app, Quickvert, has been downloaded more than 1,000 times on the App Store.

Ashwat, who often skips cartoons to code, is among thousands who've passed through the company's App Accelerator in the Indian tech hub of Bengaluru, formerly known as Bangalore, over the past year. In several sessions over two days, engineers and designers showed him how to write sleeker code for an app that translates units of measurement, such as Celsius temperatures to Fahrenheit and vice versa. "The uncles here taught me to build a better user interface," says the gap-toothed 10-year-old, using the familial term to denote respect for his programming elders.

By choosing Ashwat's app as one of a handful of accelerator projects to showcase, Apple Inc. is showing India's most junior developers it wants to help smooth their way to the App Store.

The accelerator initiative, which Chief Executive Officer Tim Cook announced in a high-profile India visit in 2016, invites select developers every week for tutoring and modules on fast-track app development. In rooms painted Apple's signature all-white, professionals share the latest technology in sessions ranging from a day to two weeks. Web retailer Flipkart Online Services Pvt. and food delivery platform Zomato Media Pvt. are among those that have sent developers through the program.

The more successful the app, the bigger Apple's cut. And the more young talent Apple can recruit, the more appealing its mobile operating system looks to developers who might otherwise join the local armies programming for Facebook Inc. or Google's Android. "Apple's strategy is to lock developers into the iOS ecosystem," says Anshul Gupta, an analyst at researcher Gartner Inc. Apple declined to comment for this story.

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◀ In the U.S., the company already has sought to build lifelong ties to designers by pitching high schoolers and community college students to work with its streamlined app-coding language, Swift. In India, the world's fastest-growing smartphone market and the second-biggest behind China, Android dominates. Of the 125 million smartphones Indians bought last year, about 3.2 million were iPhones—almost all the rest were powered by Google's operating system. Two years ago, Google started corralling thousands of younger developers with a free government-backed training program offered through a network of public and private universities, and only now is Apple playing catch-up.

India has the world's largest population of people 25 years old or younger, including an unprecedented number of precocious developers, says Ravi Teja Bommireddipalli, CEO of Robosoft Technologies Pvt. in the coastal town of Udupi. Robosoft's developers, who create apps for companies such as McDonald's Corp., also build them for Apple and Google, but they make more money from the App Store. And while a whole previous generation of Indian programmers became globally known for writing code-to-order at outsourcing companies, the next generation prefers to push its creative limits.

Apple's accelerator, tucked into an office tower in the suburbs north of Bengaluru, is spare and vast, with minimalist, modular rooms whose flexible walls can be moved to accommodate a few people or a few hundred. When 16-year-old Harshita Arora arrived from a small town outside Delhi at the end of February, Apple's engineers had plenty of advice in the two days she spent with them. "They told me how to write code that consumes less device memory, runs faster and more efficiently," the schoolgirl developer says. Her Crypto Price Tracker has been downloaded more than 10,000 times since its debut at the end of January. Harshita is already pretty savvy about the economics, too. "IOS apps are known to earn four times more than Android apps," she says.

Beyond the accelerator, Apple is also trying to court cost-conscious Indian customers with cheaper devices. The iPhone maker has begun assembling its budget SE models in Bengaluru and is pushing for more government incentives to set up full-fledged manufacturing operations there. That would allow the company to meet the local sourcing rules that have so far kept it from opening retail stores in the country.

In the meantime, the accelerator will start offering business-model and marketing courses for app developers this summer. Harshita probably won't need them: A few weeks after her training session, a California venture firm bought

her app, which tracks and displays live prices of more than 1,000 cryptocurrencies across 32 countries' exchanges, for an undisclosed price. Now she's learning artificial intelligence technologies to develop a health-focused product.

Ashwat is also thinking about next steps. The soon-to-be fourth-grader, who taught himself coding through YouTube videos, is toying with a Facebook-like social network app where "only users below 16 will be allowed to create an account." While it may discreetly champion that kind of chutzpah, Apple can't present Ashwat or his app at its annual developer conference in San Jose in June. At 10, he's three years too young to be invited there on a student scholarship. —Saritha Rai

THE BOTTOM LINE Google and Facebook own the developer community in India, the world's fastest-growing smartphone market, so Apple is belatedly trying to woo a younger crowd there.