



**Making Money with iPhone Apps** 



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That said, it IS possible to make money online. Thousands of people are doing it every day, and we hope that this report can help you join those ranks!



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#### Introduction

There are many people who are making millions of dollars with applications for the iPhone and iPad. Fortunately, many iPhone apps will also work for the iPad, so you can kill two birds with one stone by making one app that will go with both.

While the field is constantly becoming more and more competitive, there is never going to be a better time than now to be an app developer as the market is still relatively young so if you get in now, you have a very good chance to make a lot of money. Remember, the pioneers in an industry usually establish dominance right away, so it's important to jump in as soon as you can as the longer you wait, the more money you are leaving on the table!

The iPhone continues to be very popular and many feel that it will replace laptops as well as many other accessories in years to come.



## What are iPhone Applications?

Applications for the iPhone range from finding stock quotes to playing interactive video games. Some of the more interesting iPhone applications include video games that you play with other users or interactive sound that will tell you the name of a song when you put your phone up to it, symbols and sounds to use in chat, virtual gifts or theft alarms.

Most iPhone applications fulfill a need that someone has, even if it is a creative need; there are so many ideas for iPhone applications that are only hampered by your imagination. The old saying that if you can think it, it can be done, applies heavily to this system. If you can think of something that would make sense on an iPhone for an application, then chances are that you can create it using software that is made for this purpose.

Other iPhone applications are created out of necessity. For example, if you are using an iPhone and feel that there is a need for a certain application that is not yet available, why not create the application yourself? This is how most good products are invented - there is a need that can be fulfilled by a product. Someone with an imagination can make a lot of money when they combine this with their own special talent and create an iPhone application to make money. The sky is truly the limit when it comes to creating iPhone apps.

In order to create iPhone applications that people will want to use and to enable you to earn money, you need to think about what the needs of others are. Latch onto an idea then bring it to fruition with your iPhone applications.



#### Follow the Trends and do Your Homework

Before you start your iPhone application building and marketing, you should also know what you are up against when it comes to the trends in applications and what people want. You should always keep your finger on the pulse of pop culture and know what is hot right now. Remember that the internet runs hot and cold very quickly as trends continue to change. However, if you can manage to keep up with the trends, you can do quite a business online, especially if you are able to build and distribute iPhone applications. Look on the popular searches, keep your eyes on what is new in entertainment and also what the hottest new websites are online in order to create an iPhone application that will work. You should also go to the Apple website so that you can see the hottest applications to get an idea of what is selling.

A great many of the applications are for the purpose of entertainment. Some of them are owned and distributed by Apple, such as Sonic the Hedgehog and others are created by individuals and sold. By keeping in touch with what is hot, it is easier to create iPhone applications using tools provided either by Apple or those that you find online, or engaging the help of a web designer.



# **How to Create iPhone Applications**

The easiest way to create an iPhone application is to purchase software that is made for this purpose. If you can follow the prompts on a software package, you can create your own iPhone application. This is the best way that you can get started with this process. An iPhone application is called a widget which is software that is relatively easy to create. You can go to Google and download software for creating Widgets and use that to create your application.

You can get gadgets or widgets and both are on Google and Yahoo respectively. You can also get generic widget software to create your application. If you decide to create and distribute through the Apple site, you can download an application builder that gives you all of the tools that you need to create your own widget and get started with building it, debugging it and also distributing it. You will need to go through the debug step before you can upload your application to your Apple account.

If you are very tech savvy, you might want to create your own application by using basic internet tools which you can download for free. Many of the applications for the iPhone are internet related and by working with a site and basic iPhone technology skills, you can create an iPhone application. If you can build a widget, you can make money on it by selling it outright on your own website, without having to use the Apple site.

The same software that can be used for web design and other web applications on your computer can also be used to make applications for your iPhone. If you have application creation software for your website, you are all set. You should create the application on your own computer website and then download it to your iPhone. Creating applications for the iPhone are just like creating anything for a website.

If you do not have a website, you should get one. Whereas it used to be very expensive to have a website designed years ago, much has changed. There are many web applications out there that will help you design your own website and you can download these applications for free. If you have a website, chances are that your hosting site will have tools that you can use to not only create your site, but also to create applications for your iPhone and you can download the applications that you create on your computer to your iPhone just as you would download any other application. You can choose to use the application for yourself or you can choose to distribute it to others.

There are various web tools that you can use for free online and you should look for web



tools that are both PC and Mac compatible. Just as the I-Pod is compatible with both PC and Mac users, you should be sure that the tools you use are compatible with a Mac product.

Creating applications is not difficult. Once you understand how to use software that can create the applications that you want, you can usually find tutorials online. Make your first application an easy one, such as a feed from a local news site as this will give you a general idea of the basic components of the iPhone application.

If you have web design knowledge, it will be even easier for you to create an iPhone application. If you do not have any ability when it comes to web design or are not computer savvy but have some great ideas on iPhone applications that you can create, you can still do so by working with a partner.



# **Creating Custom Applications for Others**

Another way that you can make money with applications for the iPhone is to use custom applications. Unlike other applications that are made and then distributed in various ways online, custom applications are those that are made specifically for another person.

Those who own iPhones want to get the latest applications and also may have some ideas on what they would want but do not know how to get it. There are many reasons why people who have iPhones will be glad to pay for a unique application for a variety of different reasons:

- ➤ They can have it customized specifically for them;
- > They can get applications that would not be available on iPhone stores;
- They can have an application that no one else has;
- They can get something that may not be marketable to a lot of people;
- > They can get an application that they cannot find anywhere else.

To find people who want unique and customized iPhone applications you can advertise your services on places such as Craig's List. You can put an ad on Craig's List for free and also have it so that it goes all over the country of your choosing.

However, before you start building custom applications, you should be adept at building all types of applications so that you are ready for building custom apps that will be ordered by others.

Once you are proficient when it comes to building iPhone apps, you can then start your business of creating custom made applications for customers. You should have business cards that have your logo on them as well as your website information so that people know what you do and how you can help them. Every time you see someone with an iPhone, you should give them a card so that they get to know how you can help them.

You can charge more for customized iPhone applications than you would for ordinary applications and you can also transfer the copyright and ownership rights to the customer. This means that they have entire control over their custom application.

If you are going to do this, it is very important that you have a website that looks professional and can be used as your home base so that those who are interested in your service can go to the website and see samples of some of the applications that you have



designed. You may also want to sell other products, such as your regular iPhone applications at this site.

Creating a custom iPhone app takes time and this is where experience really comes in handy. You should know how much time it will take to create the custom app and then be able to work on a deadline and you should use tools like chat and instant messenger so that you can take orders and negotiate custom projects.

You are better off not to charge a flat rate but an estimated hourly rate for designing customer iPhone applications because the demands of customers will all be different and so will the prices. You can advertise your services the same way that you market anything else both online and off. In addition to using free sites like Craig's List for your services, you can use ads and even social networking sites like Facebook and MySpace to advertise your custom applications.

You will need to price yourself competitively for the market. While you do not want to overprice yourself, you do not want to under price yourself either. If you under price yourself, you give the impression that your work is not of value; if you overprice yourself, you are most likely to lose jobs because others can provide satisfaction without the expense.

Make sure that you get some sort of down payment for the work from your customer and once everything else is transferred over to the customer, you should get the final payment. It's better if you can use an escrow service for the project.

Take a look at some sites like Get a Freelancer, Guru and Elance when it comes to finding work as many people are posting jobs on those sites for those who can create custom iPhone applications. This can be a great way to start looking for jobs to get started and once you develop a good reputation in the business, chances are that you will get a lot of iPhone users contacting you for the sake of getting their own custom iPhone apps. While most of those who are creating applications for iPhones are doing it for fun, you can tap into an untapped market where there is significant demand if you develop custom apps.



## **Making Money with Ads**

One way that you can make money with your iPhone applications is to use ads. Instead of selling your applications, you can give them away as free downloads. You can incorporate ads with the application and set up accounts for those who want to sponsor the app and they can then pay you a flat fee for advertising their product or service or they can pay you "per download".

In order to get the ads for your application, you can look for them on sites like Clickbank which is a site for affiliate marketers. At Clickbank you can look for companies that are looking for affiliates which is often easier than looking for companies that have an affiliate program. Affiliate programs give you a percentage of the profits every time someone clicks onto their site and buys something, or in some cases just clicks on the site. When you work as an affiliate, you get paid each time the ad is used, not with each download.

You can even make up apps for the iPhone that work off of the product or service that the company offers. In such a case, you should create the app and then ask the company for advertising. Chances are that they will agree to this proposal. This is a bit more involved than just going on Clickbank and being an affiliate but often nets you more cash. Companies will want to know what type of application you are distributing and how so you should have a business plan ready for any company you contact so that they will understand what they will be getting for their money. It is important that you understand who the target market is for your advertising campaign and both your application and the company that you are advertising for should have the same target market.

For example, if you are advertising a product that has a target market of women, you do not want to have it on an application that gives you all of the football scores. While many women like football, the target market of football advertising is men. You can tell just by watching a football game on television and seeing the ads. The ads are therefore only effective when they hit the target market.

One way to get advertisers for your iPhone application is to go to social networks such as Facebook and MySpace. Many of them have people in the arts that are looking to get the word out about their band, art, music or acting abilities. You can contact them directly to see if they are interested in being part of your application. Many applications also feature music and art from unknown artists.



Using ads are an ideal way to make money off of your iPhone app and you are better off to give away applications when you are using advertising from which you are earning a profit. Many people feel that when they purchase an application, they should not have to see any ads however, when they download a free application, they are used to seeing advertisements.

It is important to also note that most of the iPhone users are younger people. While the internet is beginning to target older individuals with advertising campaigns, iPhone applications target younger people who also happen to have the money for this technology and to keep it up. Your applications therefore should appeal to a younger audience that is more likely to download the product. While applications like stock market updates and weather updates from your area may seem like a fine idea, and are already implemented in iPhone applications, updates on the latest pop band or new trend may be even more popular when it comes to applications as well as getting advertisers.

When you are seeking advertisers for your applications, be sure to look for those who are marketing their products to a younger crowd.



## Using an Apple Account

One of the best ways that you can make money from your iPhone application is to open up an Apple account for distribution of the iPhone downloads. You can then create your own application and put it on the account where it can be downloaded by people for free. This is the best way to get your application out there to others. You can have your own business account at the Apple site or you can have an individual account where you do not charge for the applications.

You will have to pay for a business or personal account and the prices will vary but this may be a good option for those who have an extraordinary application that they want to share as this is where a great many people go to download applications for their iPhones. You can make a lot of money if you have an enterprise account on this site as they have thousands of applications, feature new applications and also feature the most popular.

Recently, the New Yorker magazine featured a drawing that was created on an iPhone application for artists on their cover. The application was downloaded for around \$6 from the Apple website. The creator of the application was not named, but is bound to be getting quite a few orders from this unexpected boost of publicity for their application.

One of the best aspects of using an Apple account is that you can get all of the tools that you need to create an application, debug it and also distribute it on the site. You do not have to worry about using any special tools and the steps you need to take through Apple to create the widget are very simple and easy to follow. You do not have to be a genius when it comes to computer technology to follow the creating process provided by Apple.

Before you can submit the application to Apple, however, you have to be sure that you own the copyright to all of your software. You should have it copyrighted as well, with the name of your company or your name as the copyright holder. In order to do this, you need to be sure that you are not infringing on the copyright of someone else.

If you want to make up an application on the TV series "Full House" for example, you would not be able to copyright such an application because you do not have the rights to make a profit from this TV show. While you can create such an application and distribute it elsewhere, you cannot distribute it on the Apple site as only software that is free and clear from copyright infringement can be distributed there.

You might wonder why someone would choose to use the Apple site to distribute their



software rather than their own site, after all, it can be costly to open an Apple account whereas it is not expensive at all to start your own website. There are also a lot of rules to follow as well, such as those relating to copyright infringement. You may feel that it would be better to sell the applications on your own website.

The reason that most people decide to use the Apple website is because they know that they will get the most chance of someone seeing their application. There are thousands of applications on Apple for those with iPhones to download. Many of the downloads are free while some of them cost a few dollars but most of the applications, such as the art application that enabled an artist to create a cover for the New Yorker magazine, are only a few dollars. When you use the Apple site to sell iPhone applications, you can get the most exposure for your product.

Some people are just looking for exposure so that they can make money in another way so instead of selling the application, they are just putting their message on the application and using it to promote themselves. This can be another way to make money. If you have a product that you want to promote, you can connect it to a widget and then use it for distribution and this is ideal if you have a rock band, artwork or want to promote yourself in some way. This system can work for politicians as well as celebrities and is already being used in this way.

Using the Apple account is a good idea for a first timer who just wants to learn how to create iPhone applications and use them in a way that they can make money. When you sign up for an Apple account, you will see that you do not have to be very good with computers as the tools that you need to promote your applications are right there. You can upload and distribute your iPhone applications for free or you can choose to get an account and pay for the service. Apple does take a percentage of your profits when you sell on their site, but it is their interactive site that comes up first in the search engines for Apple iPhone as the easiest way for customers to find your applications and for you to reap the profit from selling them in this manner.



### How to Market Your iPhone Apps

Once you have created the iPhone app and have decided how to distribute the product, you need to market. Marketing is different from distribution. When you distribute the product, you sit back and relax and wait for the payments to come to you and many people who are on the Apple site do just that. There is nothing wrong with this, as many of them do well, but if you want to increase sales, you should do what you can do to market your software so that others who have not heard of the software can learn about it and possibly buy it.

There are many different marketing techniques that you can use when online. The good news about this type of e-marketing is that it costs you a fraction of off line marketing and some of it is free. Here are some suggestions on how you can market your iPhone application:

- > Create a buzz on social sites such as Facebook or Twitter
- > Post links on forums (hyperlinks and regular links)
- > Article marketing
- ➤ Offline marketing
- > Direct response marketing
- > Pay ads
- Video marketing
- > Affiliate marketing
- ➤ Link exchanges

You can use most of these marketing tools with or without the Apple account. Remember, the more effort you put into marketing your product, the more sales you will generate.

A buzz gets the information out there and also gets others to recognize the name of your application and find out what all the fuss is about. Curiosity and bandwagon thinking motivates many people to check it out and then buy. The bandwagon effect, which is that "everyone" has something, therefore you need it too, is one of the oldest and still extremely effective marketing tool.

Creating a buzz is not difficult, especially if you use social websites. You can create several different personalities for these social networking sites and then invite "friends" as well as participate in forums. Each of your alternate personalities can discuss this



great feature of the iPhone and others, seeing the excitement in the thread, may be inclined to listen.

Creating a buzz can also be used on Twitter. If you can come up with a few hundred email names and register them to Yahoo Buzz, you can actually write an article, put it on a site like Associated Content and then use each of your emails to buzz up the article. This will get you to the top of Yahoo News.

Use forums to post links and hyperlinks. Hyperlinks are when you see the key phrase as a link and regular links are just plain links. The reason you should post both is because people will want to know where they are going before they click on a strange link and will also want to know why they are clicking on the link. Putting both options on the forums gives them a chance to see where and why.

Article marketing is never to be underestimated. You can submit articles to free directories that can link to your home page and help you sell your iPhone applications. The articles should be informative and not a sales pitch. If you want to write a sales pitch, however, you should use a press release site and create a press release. You can post it on a free site or there are also a number of paid sites that circulate throughout the internet where you can place your release.

Social marketing is easy. You can put links on the social networking sites, including blog sites so that others can see them. You can tell all your friends about your cool new iPhone application and how it works and this may encourage people to want to buy the product.

When you are social networking for business, you should never, ever come off as though you are selling something. You should always come off as if you are trying to help people. Never contact anyone with a link and a sales pitch and never just post links on other pages. This can compromise your account and may even get you kicked off of the social networking site.

If your social networking site allows blogs, you can put in a hyperlink into the blog so that others can see it but be aware that there are a lot of people doing this. In fact, a good portion of those who join these sites do so because they are looking to make contacts for business. The more you come off as friendly and not intrusive, the better it will be.

Offline marketing is one way to generate interest in your iPhone application. You can get printed items such as flash drives, hats and water bottles for a lot less than you think when you go online. You can get the products printed and then delivered to you where



you can give them out in trade shows and at charity events.

If there is a technology trade show in your area, you should go there so that you can introduce people to your application. You can demonstrate the application, give out promotional items and cards and tell them where to order the product. Trade shows do not allow money to change hands, but since you have an electronic file that has to be downloaded, you can give them all the information they need to get the product right away.

Get the word out about your iPhone application when you are out in public. You can give away some applications to friends and family members and promise them a percentage of the profit if they bring in additional customers and this can help you sell the application quickly. You can even have them wear T-shirts with your iPhone application logo on it and a catchphrase for the product as this can bring in even more business. The more people on the outside that see your name and the name of your application, the more interested they will become and the more likely they will be to buy your product.

For direct response marketing, you need to use a website. You should have a landing page where people can find out information right away about something that they need to know. Most of these websites are called stealth websites and are used to get information from people. For example, if your product is all about deals for first time homebuyers, you can set up a website that has a mortgage calculator. It can also provide other real estate information. In order to use the calculator, they have to provide you with their email address as well as their name by signing up to your list. This is all they need to do and they can then calculate their mortgage.

You can use an autoresponder site like Aweber to build a list and send out direct email advertising to those who have shown an interest in real estate. The purpose is to get people to buy your product - you already know they might be interested because you have targeted people who are looking for a home and who may be interested in an iPhone application that can tell them all they need to know about buying a home for the first time.

Paying for advertising is another way to market your product and works extremely well. You can use AdWords to put a keyword phrase into a link and have Google distribute it all over the net. You pay for the ad only when someone clicks on the link that leads them to your website and this can be a good way to market your product if you use the right keywords. Google has tools that you can use that will give you the best keywords that will help sell your product and you can also use video ads.



Video is one of the best ways to market. Make a video about your application and show the public and then put it on YouTube. This will show the audience just what the application can do for them and is the ideal way to market as it will be found in the search engines easier than a website. You can also buzz up your video by logging in to YouTube using the various email accounts that you created.

Affiliate marketing is another way to get the word out about your application. You can again go to Clickbank as a provider and look for affiliates who will market your product for you in exchange for a commission. This is ideal if you do not have a lot of time to market your product, as the more people who are out there trying to sell your iPhone application, the better off you will be and the more sales you can make.

Link exchanges are also a great idea. You can put a link to your iPhone application on another site, again using the hyperlink and in exchange, they will ask that you put a link to them on your site. You can enter a link exchange community online and use link exchanges as a way to promote your iPhone application.

You should do all you can to market your iPhone applications to the masses. The internet is very competitive when it comes to advertising and marketing so you should look at all avenues when you are trying to market anything online. As the iPhone continues to grow in popularity, the marketing for applications will become easier. Right now, if you have a very clever idea for an iPhone application, you can usually make money when it comes to selling it.



## **Copywriting Software**

Whenever you create intellectual property such as a book, a song, art, film or software, you should register it with a copyright office. You can get the forms and everything that you need when you go online. When you register your application with the copyright office, you should register it under its name. You can give your product a trade name and send in the file of the software to the copyright office. You will pay a fee, but be given copyright protection after you file.

The reason that you need copyright protection is because there are people out there who will be glad to take credit for your work. Even if they have not done the work at all, they will steal the application that you worked so hard on and use it to make a profit. This is called copyright infringement - it is a punishable act and is illegal. You can sue in a civil court for such an action and the person can also be liable for criminal damages if he or she knowingly stole your property. While criminal damages are rare, there are hundreds of thousands of copyright infringement lawsuits going on right now.

It is well worth the money to protect your application from copyright infringement. You need to understand that an idea on its own cannot be copyrighted. It has to be the actual product that is copyrighted. A title cannot be copyrighted, either. Many people who create applications for the iPhone will give it a whimsical name that they have trademarked, along with the logo. A copyright will protect your software from being stolen and used for profit by unscrupulous people, or at least discourage them from doing so. A copyright will only protect the software however, and not your logo or name. For that, you will want to get a trademark.

Before you build your software, you should have a name for it in mind as well as a logo design that you want to use. There are plenty of places where you can go to get a logo designed for you and Logo Tournament is one site that actually allows graphic designers to compete for giving you the winning logo design. Once you have your trademark and your original name, you can get them trademark protection at a trademark registration office. This entails just putting the matter to paper and then sending it in with the application and the fee. You will then have trademark protection for your logo right away.

If you're wondering if you should go through the expense of trademarking and copyrighting your product, just think, if the software is a big hit and becomes one of the most innovative software applications for the iPhone online, there will be many people



looking for a way to cash in on your good fortune. They can discover online if you have trademark and copyright protection and if you don't, they can then start to use your product for their own good. Anytime you create intellectual property, you need to make sure that it is copyrighted. Whenever you create a logo or a name for your application you should have it trademarked. You can use the trademark and logo as a way to build your brand for your application. The fees associated with copyright protection and trademark protection are well worth the price when you think about what you get in return. You have the peace of mind knowing that your intellectual property is protected and that no one can steal it or use it without your permission.

Copyrighting your software or trade marking your logo and name is not difficult to do at all and you don't need to engage an attorney for this. The forms as well as instructions on how to do this are readily available online at the appropriate office.

Wishing you all the best in creating your iPhone apps!