SALAR | FRIDAY | 8 NOVEMBER 2024

# Apple users question value of iOS amid higher app charges

AMINA AFAQ BENGALURU, 7 NOV

The increased charges on everyday apps on Apple devices have raised doubts among users on whether to continue with iOS phones. "We're paying a premium for using iOS. It is frustrating to be paying more for the same service, especially when there's no clear benefit in return. It makes me wonder if sticking with iOS is worth it," Abdul Hannan, a student from Jain PU College here, told Salar News



#### NO 3RD PARTY FOR PAYMENTS

Apple's strict policies mandate apps use its in-app payment system, preventing developers from employing third-party services that would allow them to bypass the 30 per cent 'Apple Tax'. Violating this policy can result in apps being removed from the App Store, as was the case with Epic Games in 2020 when they launched an alternate payment system for gaming app Fortnite; Apple later removed Fortnite from the App Store.

The cost of acquiring new users is also more: it reportedly costs \$5.11 (Rs 429.85) per app installed on the App Store compared to \$4.61 (Rs 387.79) on Google Play. It is a price the apps pay advertising platforms such as Google Ads or Facebook Ads each time a user installs their app after clicking on an ad.



#### SAME PRICE FOR OTT SUBSCRIPTIONS

With the 30 per cent fee on in-app purchases, one might expect that OTT subscriptions for iOS users would be higher than for Android users. However, Salar News found that the prices for these subscriptions are the same across both platforms. So, why aren't OTT services charging different prices when everyday physical goods apps do?

Well, Apple Tax is not the sole reason for the discrepancy. Author of 'Daily Coffee & Startup Fundraising' and Instagram influencer Sarthak Ahuja, who has over 1.9M followers, said these apps use a method called 'Occasion Based Pricing and Promotion for Consumer Goods' (OBPPC) to decide on pricing for customers.

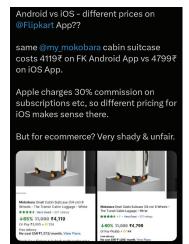
Uber, Ola, Amazon, flight and hotel

booking apps and food delivery apps opt for price discrimination under OBPPC to quote a price users are willing to pay, irrespective of the platform. For example, Uber and Ola will charge more depending on rush hours or if it starts raining. Apps collect users' history, such as the items they purchased and the amount of money that was spent per month, and personalise their rates for you. Simply put, they will charge you more if you can afford it.

Yashwanth, Grievance Officer with Ola, told Salar News that pricing is dynamic and depends on a variety of factors including the demand in the area and supply. "External factors such as weather and holidays can also impact pricing," he

#### PHYSICAL GOODS

Even if Apple claims not to impose extra charges on physical goods, users are paying more than they would on Android, A Flipkart user, Saurabh Sharma, recently took to X to highlight the price difference for the same product. "The same Mokobara cabin suitcase costs Rs 4,119 on Flipkart's Android app vs Rs 4,799 on the iOS app. Apple charges a 30 per cent commission on subscriptions, etc., so different pricing for iOS makes sense there. But for e-commerce? Very shady and unfair," Sharma wrote.



ONLINE PURCHASE

PRICING ISSUE RAISED IN MANY COUNTRIES This difference in pricing has previously been reported in other countries. In May 2023, a US citizen Ross Hecox from Maryland sued US-based food delivery app DoorDash, claiming that the delivery service charges extra fees for orders made on iPhones compared to Android devices. It was alleged that customers using DashPass, DoorDash's subscription service, are hit with additional costs on

Amal Sony, who has been coding since he was a teen and has developed two apps, said Android and iOS apps are not directly compatible, so the app developers need separate teams for each platform: one for Android and one for iOS, which costs app developers more. "In India, there are far more Android users than iOS users, so the overhead costs for Android are smaller than iOS, which



### **BYPASSING HIGH PRICE**

each order.

Netizens claim that they avoided the higher prices on iOS by purchasing subscriptions for apps such as Google Storage on a Windows PC using the same email ID or account that was on

their Apple device. Maaz Mohammed, who is pursuing his Master's in Artificial Intelligence at the University of Cleveland, told Salar News, that Apple products are part of the most highend technology, hence the high pricing. "The apps are not at fault since they have to pay Apple the extra fee, and they make up for it with increased prices," he said.

### 'IT IS DECEPTION'

"It is highly unethical and unlawful for Apple and the apps to charge extra without informing users. It is deception, and that is not okay," iOS user Alia said. Apple and the apps need to address this issue publicly and "not over a post on social media", she said.

Saandra, an iOS user, thinks Apple will not address the problem till it becomes a widely discussed issue. "I would like for them to make prices fair, but that would also mean Google and other big tech companies would do the same," she

Uber, MakeMyTrip, Yatra and Google did not reply despite Salar News repeatedly mailing them; Apple refused to be quoted for the story.

#### APPLE AND ITS LEGAL TROUBLES

In July 2024, the antitrust body, Competition Commission of India, found that Apple exploited its dominant position in the app market, forcing developers to use its proprietary in-app payment system. Apple has denied any wrongdoing, claiming it is a small player in India's smartphone market, which is largely dominated by

> Android devices. This scrutiny is not limited to India. In March 2024, Apple was fined over €1.8 billion by European Commission for preventing competitors like Spotify from informing users about payment options outside the App Store. To resolve a similar antitrust case in the EU, Apple has begun allowing rival mobile wallets access to its

"tap to pay" functionality. Meanwhile, South Korea has passed a law banning the practice of requiring apps to use a single payment system, although its implementation has faced delays.

## **RATES ON APPLE & ANDROID**

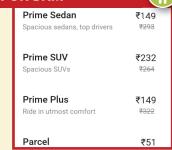
#### **UBER FARE FOR 5KM** Uber Auto **≜**3 ₹154.08 23:59 · 3 min away Moto 💵 **●** ₹64.12 00:01 • 5 min away ₹80.15

Economy

Uber Auto **≜**3 ₹121.18 **₹**45.72 Moto 21 12:00am • 5 min away ₹65.31 UberXL **≜**6 **≥** ₹190.88

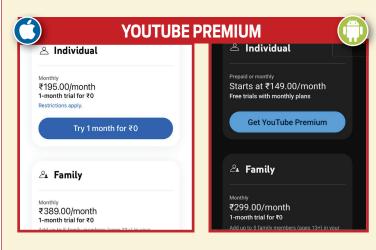


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### PRICES FOR A 5KM RIDE IN BENGALURU

	iOS	Android
Uber Auto	Rs 154	Rs 121
Uber Moto	Rs 64	Rs 45
Ola Mini	Rs 149	Rs 143
Ola Sedan	Rs 174	Rs 168
Ola Parcol	Dc 115	Dc 51



# **YOUTUBE PREMIUM SUBSCRIPTION**

	iOS	Android
Individual	Rs 195 per month	Rs 149
Family	Rs 389	Rs 299



#### **BUYING GOOGLE STORAGE**

		iOS	Android
	30 GB	Not available	Rs 59
	100 GB	Rs 179	Rs 130
	200 GB	Rs 269	Rs 210



#### **APPLE OVER ANDROID**

Even with the pricing issues, users say they would prefer Apple over Android any day because of its privacy and security features. "I feel confident that my data is safeguarded, and the regular updates ensure I'm always protected against the latest threats," said Priya, a 21-year-old student from Bengaluru.

Faraz, a Bengaluru techie, says he would choose iOS over Android any day as it has better performance, camera, and security. "The high price is worth it," he said.



## **APPLE GUIDELINES**

Apple guidelines state that apps should never prey on users or attempt to rip off customers, raise prices in a tricky manner, charge for features or content that are not delivered, or engage in any other manipulative practices within or outside of the app. "And while pricing is up to you, we won't distribute apps and in-app purchase items that are clear ripoffs. We'll reject expensive apps that try to cheat users with irrationally high prices," Apple tells the developers.

However, even with its guidelines, Apple has not taken any action against DoorDash or other apps violating the guidelines.



#### A LOT OF SPENDING

A 2016 report by AppsFlyer, the leading global mobile marketing attribution analytics company, says iOS users spend nearly 2.5 times more than Android users: \$1.08 (Rs 90.85) vs \$0.43 (Rs 36.17) monthly per app. The average purchase amount is \$12.77 (Rs 1,074.22) on iOS and

\$6.19 (Rs 520) on Android. It says Asian users spend 40 per cent more on in-app purchases than the rest of the world. In India, iOS users spend around 5.5 times more than Android users \$1.12 (Rs 94.21) to \$ 0.20 (Rs 16.81), and iOS users are three times more likely to spend on apps than

Projections suggest that by 2027, iOS users will spend around \$125 billion on in-app purchases, while Android users will spend \$60 billion. Abdul Hannan claims that iPhone users are caught in a cycle where they are paying more not just for the device, but also for the services on it.

**DESIGN:** G VISHWANATHA