



Mexico's App Economy in 2020

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INTRODUCTION

The COVID-19 pandemic undoubtedly disrupted peoples' way of life, both in terms of health and the economy. For Mexico, more than 2 million cases have been confirmed as of this writing, with economic output declining by 8.5 percent in 2020 - the country's biggest annual contraction since the 1930s.¹

As people have engaged in social distancing and work from home to mitigate the virus, wireless connectivity has never been more critical. Smartphones and apps are increasingly becoming a part of daily life, allowing consumers and businesses to interact and be productive from a distance.

In this paper, we focus on Mexico's App Economy: those app developers and other workers who create, maintain, and support an ever-expanding range of apps for health, communications, ecommerce, education, transportation, banking, and smart homes. The size of an App Economy workforce in a country is indicative of the rate at which that country is embracing the digital transformation and how well it will be positioned as the global economy recovers from the pandemic.

As of 2020, we estimate Mexico had 178,000 App Economy jobs.² We estimate that the iOS ecosystem included 104,700 App Economy jobs and the Android ecosystem totaled 146,200

jobs. These numbers sum to more than the total of Mexican App Economy jobs because App Economy jobs can belong to multiple ecosystems.

FIGURE 1: MEXICO'S APP ECONOMY, 2020

Total App Economy Jobs	178,000
iOS App Economy Jobs	104,700
Android App Economy Jobs	146,200

Data: Progressive Policy Institute, indeed.com

GROWTH

Based on our current and unpublished estimates, Mexico's App Economy jobs grew by 11 percent from 2019 to 2020, and by 7 percent from 2018 to 2019.³ This Mexican App Economy gain during the pandemic year 2020 is consistent with what happened in other countries such as the United States, where the App Economy grew during the Covid Recession.⁴ The growth of the Mexican App Economy during the pandemic is also consistent with the reported growth of jobs in 2020 in the Mexican "information and communication industry," where many App Economy workers are employed.⁵

This gain in Mexican App Economy jobs comes against the backdrop of an overall fall in the country, just like in the United States. The ability of the App Economy to resist recession can be seen going back to 2008, when Apple opened the first App Store in the middle of the deep global financial crisis.

METHODOLOGY

For this study, a worker is in the App Economy if he or she is in:

- An IT-related job that uses App Economy skills—the ability to develop, maintain, or support mobile applications. We will call this a "core" App Economy job. Core App Economy jobs include app developers; software engineers whose work requires knowledge of mobile applications; security engineers who help keep mobile apps safe from being hacked; and help desk workers who support use of mobile apps.
- A non-IT job (such as sales, marketing, finance, human resources, or administrative staff) that supports core App Economy jobs in the same enterprise. We will call this an "indirect" App Economy job.
- A job in the local economy that is supported either by the goods and services purchased by the enterprise or by the income flowing to core and indirect App Economy workers. These "spillover" jobs include local

professional services such as bank tellers, law offices, and building managers; telecom, electric, and cable installers and maintainers; education, recreation, lodging, and restaurant jobs; and all the other necessary services. We use a conservative estimate of the indirect and spillover effects.

We estimate the number of App Economy jobs by combining annual data on ICT professionals in Mexico from the International Labour Organization with comprehensive counts of “App Economy” job openings in Mexico from Indeed.com.⁶ Our methodology is described in detail in the Appendix to our 2017 paper on the European App Economy, including our technique for combining both Spanish and English terms for App Economy jobs.⁷

EXAMPLES

Mexico’s burgeoning App Economy is growing in terms of volume and spans a range of industries. Of course the tech sector is hiring App Economy workers. As of February 2021, automation tech company Apoint Mexico was hiring a developer with knowledge of Android and iOS environments in Benito Juárez. Software consulting firm AgileThought was searching for a mobile lead with experience in iOS and Android in Cuajimalpa. Digital solutions company e-Bitware was seeking an Android developer in Cuauhtémoc. J2E Technology was looking for an Android developer in Miguel Hidalgo. Mutinational software company SAP was hiring a mobile architect with iOS and Android development skills in Mexico City. Development firm Brounie was searching for an iOS developer in Queretaro. Software development firm iTJuana was seeking a DevOps engineer with experience in mobile apps development in Tijuana.

But the App Economy is expanding beyond the traditional tech sector to connect physical industries too. Banking company INVEX was looking for a developer with knowledge of Android and iOS in Miguel Hidalgo. Home loan company AmWest Funding Mexico was hiring a software developer with experience in iOS and Android programming in Guadalajara. As of January 2021, property management company PIDOMEX was searching for a mobile developer with knowledge of iOS and Android programming in Cancun. Enalte Real Estate Developers was seeking a programmer with iOS and Android experience in Ciudad Juárez.

As of February 2021, Making More Consulting was looking for a mobile developer with knowledge of iOS and Android in Tlalneapantla. Accounting software FreshBooks was hiring a software engineering manager with expertise in iOS and Android in San Luis Potosí. Consulting company KCTS was searching for a mobile engineer with experience working on iOS and Android apps in Miguel Hidalgo. Skill building company Zealous was seeking an iOS and Android mobile leader in Benito Juárez. PwC was looking for a senior mobile developer with Swift and Kotlin expertise in Mexico City.

Ride hailing app Uber was hiring a cybersecurity advisor with knowledge of Android and iOS in Mexico City. Online marketplace OfferUp was searching for a software development engineer with experience in iOS and Android in Mexico City. Infinity Marketing was seeking a react native programmer with iOS and Android experience in Monterrey. As of January 2021, department store Coppel was looking for a programmer with knowledge of iOS and Android in Zapopan. Commerce platform Aptos was hiring a quality assurance engineer with iOS and Android testing experience in Monterrey.

As of February 2021, earthquake resilience company SkyAlert was seeking a mobile developer with iOS and Android experience in Cuauhtémoc. Football team Club Leon was looking for a systems engineer with iOS and Android development experience in Leon. Baby development app Kinedu was hiring an iOS developer in Monterrey.

CONCLUSION

The coronavirus pandemic has transformed how people complete everyday business and, as a result, the economy. Innovative ways to deliver goods and services such as telemedicine, e-learning, and ecommerce have seen increased demand. As a result, apps and data – which allow consumers to purchase goods and services without coming into contact with others – will be essential going forward. Mexico's App Economy is already substantial, totaling 178,000 App Economy jobs by our estimates as of 2020. That includes the digital sector but also physical industries such as banking, ecommerce, health, and others.

ABOUT THE AUTHORS

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