TECH IPHONE

This Is Why the iPhone Upended the Tech Industry

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00:01 / 14:00

BY LISA EADICICCO

JUNE 29, 2017 7:00 AM EDT

Think back to the mobile phone you owned before 2007. It probably looked something like this: A silver clamshell device with numeric keys on the bottom and a low-resolution screen on the top. It probably had a simple camera, a calendar, and was capable of running a few basic games, but you used it primarily for voice calls and texting. In the early 2000s you might have upgraded to a BlackBerry 6210 — a favorite among text-obsessed teens and corporate employees tied to their email inboxes.

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But in 2007 the cellphone industry was sundered. In hindsight, there is only before and after the iPhone. "An iPod, a phone, and an Internet communicator," Steve Jobs famously said on stage at Macworld in 2007 when unveiling the first iPhone. "Are you getting it? These are not three separate devices. This is one device."

The original iPhone, which went on sale 10 years ago on June 29, laid the foundation for the modern smartphone, forever changing the way we access the world's information. It introduced two very important concepts that would remain at the core of mobile computers for years to come: the touch screen and the App Store. "The iPhone wouldn't be what it is, and the smartphone industry wouldn't be what it is, if you didn't have a combination between two of those," says Gene Munster, managing partner at Loup Ventures who previously spent 21 years covering Apple and the tech industry at Piper Jaffray.

So-called smartphones existed before the iPhone, but many of them were unwieldy and expensive. IBM's Simon, which launched in 1994 and is widely regarded as the world's first smartphone, had a touch screen and even supported basic applications like email, an alarm clock, a to-do list and faxing. But it weighed more than a pound, cost around $1,000, and wasn't very intuitive.

With a dynamic touch-friendly interface and a central repository for discovering new applications, the iPhone was unlike any other mobile device. But the influence of the App Store — which launched in July 2008 to support the iPhone 3G's release a few months before Android's own marketplace debuted — can't be overstated. It's the reason we can summon taxis without speaking a word, dispatch magically disappearing photos and transfer digital payments with the press of a button. The Ubers, Snapchats and Venmos of the world wouldn't exist without smartphones, and the iPhone was and remains the category's foundation.

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Together, the iPhone and the App Store established the idea that an electronic device needn't be functionally rigid: just a phone, or just a camera, or just a handheld gaming console. Today's smartphones are computational Swiss army knives, capable of everything from turn-by-turn driving directions to housing all our work-related documents. But dubbing smartphones mere "pocket-sized computers" is too reductive, argues Munster. "[The iPhone] was more than a computer, because a computer wasn't a camera, it wasn't GPS, it wasn't an MP3 player," he says. "The illustration that it became a computer in your pocket really doesn't sum it up."

After the iPhone's launch, smartphones quickly adopted slick, candy-bar shaped frames with touch screens. Google famously rebuilt its first Android phone from the ground up after Apple's keynote. "Holy crap, I guess we're not going to ship *that* phone," said Android creator Andy Rubin after watching the presentation, according to journalist Fred Vogelstein in his book *Dogfight: How Apple and Google Went to War and Started a Revolution*.

The iPhone did more than change the way cellphones were designed, it both revitalized and redefined the category. It carved out the notion that technology could be a status symbol, and with each iteration somehow elevated its allure such that buyers were willing to pay boutique prices. The original iPhone started at $500, while competing phones like the T-Mobile G1 (the first phone to run on Android) cost $150 on a two-year contract. Even wildly popular phones like the Motorola Razr never attracted the attention or drew lines as famously long as those outside Apple Stores at each new iPhone launch. "It's one of the reasons [Apple] did so well in China at first," says Lauren Guenveur, consumer insight director for Kantar Worldpanel ComTech, a firm that studies technology market trends. "To own an iPhone was to own a status symbol."

10 years ago, Apple changed the world with the iPhone. Now, it's using the iPhone to kickstart its next big gambit, augmented reality, a technology that maps computer-generated graphics onto real world surroundings. During its Worldwide Developers Conference in June, Apple unveiled ARKit, a suite of tools developers can use to create augmented reality apps for the iPhone.

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"I think what [Apple] is doing with ARKit is as significant as the App Store," says Munster, expressing a view shared by many, namely that the practical uses of augmented reality (as opposed to the immobilizing niche-ness of wraparound virtual reality) is where the next technological revolution lies. *Pokémon Go*, a crazy-popular game about snatching fantasy monsters from real world locations, illustrates augmented reality's potential for merging play with fitness and social elements. And companies like Apple, Microsoft and Facebook believe it will fundamentally alter how we interact with computers.

It's too soon to say what those changes will look like, but one thing seems certain: A decade from now, when we think back to the smartphones we cherished in 2017, odds are they'll little resemble the pocket-sized glass-and-aluminum slabs we carry in our pockets today. Everyone wants to make that next world-changing device — or in other words, the next iPhone.

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