Small and Medium Businesses
Mobile solutions Study

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Why is Mobility Solutions important?

• In the next 3-4 years the mobile internet traffic will surpass the desktop internet traffic, driven by mobile internet/data enabled devices

• The Mobility focus is shifting away from wireless carriers and device manufacturers over to software and service providers (cloud-based datacenters)

• In the longer-term - mobile application platform, innovative mobile application solutions and mobile service providers will be the market drivers and not the device or device OS/middleware providers
Business Issues

Mobile devices, applications and services are dramatically reshaping SMBs revenue models, business strategies and how employees interact with other employees, partners and customers. To gain share in this large and diverse market, vendors need to develop product and marketing strategies based on a solid understanding of:

• Key drivers and inhibitors for mobile solutions and services adoption.
• The discovery, learning, evaluation and selection process for mobile solutions and services.
• Top functions/workflows that SMBs use/plan to use mobile solutions for.
• Internal governance and purchase criteria for mobile solutions.
• How SMB factors such as company size, industry, user role and age of businesses impact attitudes, adoption, spending and plans for mobile
Key Questions this Study Will Answer

✓ How do SMBs think mobile solutions can help address their key business challenges and opportunities?
✓ How much are SMBs spending today on mobile solutions—and how much do they expect to spend?
✓ What percentage of the IT budget is for mobile solutions and devices?
✓ What are SMBs’ top information sources for mobile solutions trends and information?
✓ What are the top drivers and inhibitors for SMBs to adopt mobile business solutions?
✓ What business functions and workflows are SMBs using mobile solutions for now—and for what are they planning to use them?
✓ What solutions do mobile solutions need to integrate with?
✓ What percentage of SMB employees use smart mobile devices and solutions for work?
✓ What kind of policies and governance do SMBs have about providing mobile devices, solutions and services to employees?
✓ How does mobile solution adoption vary based on company size, user roles, industry, and company age?
✓ How does mobile solution adoption impact broader SMB business and technology strategy?
✓ What types of providers do SMBs purchase mobile (cellular and Wi-Fi) solutions from?
✓ How does mobile solution adoption affect the selection of cellular service providers?
✓ What’s the role of mobile application marketplaces in the consideration, evaluation and purchase process for mobile business solutions?
✓ What are SMBs perceptions of the top benefits mobile solutions provide?
✓ What are their top issues/concerns about mobile solutions?
✓ What mobile solutions are the SMBs planning to offer to their customers, prospects, partners, etc.? (e.g. Mobile e-commerce and mobile payment processing)
Mobile Solution Eco-System

- Increasing competition
- Integration with web-presence
- Mobile payments solns.
- Mobil e-commerce
- Security & Compliance

- Increasing # and type of devices
- Fewer SP’s
- Cellular/Wi-Fi
- Policies - Net Neutrality
- Vendor – SP relationships

- New & innovative apps
- Appl. access & integration
- Business functions in demand
- Mobile Apps MarketPlaces
- Mobile apps development

- Mobility challenges & opportunities
- Increasing mobile workforce
- Role-based adoption
- Spending
- Mobility Management
- Segmentation

- Mobile Devices & Service Providers
- Internal
  - Employees
  - Role –based
  - Functions-Worfflow
  - Policies
- External
  - Customers
  - Partners
  - Suppliers

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- Mobile Applications & Services
Mobility Study Focus

Small & Medium Businesses

- Company demographics
- Challenges & Opportunities
- Current and planned usage of devices and services
- Spending — devices & services (voice, data, apps), changes in next 12 months
- Mobile Apps. offered externally — current & planned
- Mobile apps usage (current, planned) internally
- Company mobility dynamics
- Mobile Apps. Marketplace
Follow-on Vendor Specific Engagements

Core Information from Mobile Solutions Study

- Channel identification and targeting
- Message development and testing
- Agency support
- Solution specific white papers/webinars
- Market Segmentation based on propensity to buy mobile solutions
- Refine value proposition, messaging to improve sales and marketing effectiveness
Deliverables and Pricing

Option A: Basic Package—Study Results $14,500
- Data report study (Power Point format)
- Includes detailed crosstab analysis by employee size includes for:
  - Vary Small Business: 1-19 employee segment
  - Small Business: 20-99 employee segments
  - Medium Business: 100-249, 250-499, 500-1,000 employee segments
  - Some relevant analysis by respondent age and company age
- PDF of study results with employee size crosstab banner for all questions

Option B: Extended Package—Study Results plus Additional Cross Tabs and Inquiry $16,500
- Includes all the deliverables in Option A plus:
  - Web conference presentation of key findings and Q&A
  - 3 hours of additional inquiry (including additional crosstabs)
  - Additional industry analysis and crosstabs

Please contact us if you’d like to schedule time to learn more.

surveys@smb-gr.com or call Sanjeev Aggarwal (508)410-3562
Methodology

- Web-based survey
- Data collected in late Sept./Early Oct. 2010
- Sample selection: Random sample of small and medium businesses
- 3-35 questions
- 500-750 respondents/completed interviews covering the four segments:
  - Very small business (1-19 employees)
  - Small business (20-49 employees, 50-99 employees)
  - Medium business (100-249 employees, 250-499 employees)
  - Mid-market business (500 to 999 employees)
- SMB survey respondents are responsible for making Mobility Solutions evaluating and purchasing decisions.
- The survey is intended to provide directional guidance to solution providers as they develop their go-to-market strategies and messaging.
Survey Process

SMB Company Databases

Target Quota: N=750

Nationally Representative Sampling

Technology Solutions Selection and Purchasing Decision Makers in North America Based Small and Medium Businesses (businesses with 1-1,000 employees)

Completed Interviews: N=

Web based survey

All employee sizes represented
Representative of most vertical industries
Representative of most regions
Home-based, non-profit included
Weighted by employee size

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SMBs Defined

**Small Businesses**

- Fewer than 100 employees (full-time) across entire corporation
  - Education, government, non-profit organizations are included

- **Location:**
  - Home-based businesses (Soho) are included
  - Non-profits are included
  - Located in North America

- Franchises are not included
  - Purchase decisions driven by business/location being surveyed

**Medium Businesses**

- 100 – 1,000 employees (full-time) across entire corporation
  - Education, government, non-profit organizations are included

- **Location:**
  - Commercial location
  - Non-profits are included
  - Located in North America

- Franchises are not included
  - Purchase decisions driven by business/location being surveyed
Error Margin of Sampling

Target N = 600
Actual =
2010 Small and Medium Businesses Mobile Solutions Study

Example of Analysis and Presentation

December 2010

SMB Group
www.smb-gr.com
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Source: SMB Group 2010 Small & Medium Business Mobile Solutions Study, December 2010
Table of Contents

• About the 2010 Small and Medium Business Mobile Solutions Study

• Executive Summary and Key Findings

• Very Small Business: 1-19 Employee Analysis
  o Core Respondent Demographics
  o Survey Highlights
  o Detailed Demographics

• Small Business: 1-99 Employees Analysis
  o Core Respondent Demographics
  o Survey Highlights
  o Detailed Demographics

• Medium Business: 100-1,000 Employees Analysis
  o Core Respondent Demographics
  o Survey Highlights
  o Detailed Demographics
What this market research project covers?
Top Obstacles for Mobile Solution Adoption

As companies grow, top concerns are about the same. However, costs become less important than security, application availability, management and support.

Q14.) What do you view as the top 3 obstacles to using/providing mobile devices, voice and general data services and mobile business applications to employees in your organization?
### Use and Planned Use of Mobile Business Applications

Mobile business apps for VSBs are a huge, largely untapped opportunity for vendors. The biggest growth area is mobile marketing and advertising—poised to almost triple.

#### 16.) What specific line of business applications (to support financial, marketing, sales, services, inventory management, operations, etc.) do you use and/or plan to provide for your company employees to use?

<table>
<thead>
<tr>
<th>Application</th>
<th>Currently Use</th>
<th>Plan to Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer management</td>
<td>51%</td>
<td>36%</td>
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<tr>
<td>Social media marketing</td>
<td>34%</td>
<td>35%</td>
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<tr>
<td>Delivery &amp; shipment tracking</td>
<td>25%</td>
<td>30%</td>
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<tr>
<td>Time management &amp; time capture</td>
<td>28%</td>
<td>33%</td>
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<tr>
<td>Field service applications</td>
<td>25%</td>
<td>31%</td>
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<tr>
<td>Payment processing</td>
<td>23%</td>
<td>26%</td>
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<tr>
<td>Business analytics</td>
<td>20%</td>
<td>28%</td>
</tr>
<tr>
<td>Employee payroll</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Mobile marketing and advertising</td>
<td>15%</td>
<td>42%</td>
</tr>
<tr>
<td>Sales force automation</td>
<td>14%</td>
<td>20%</td>
</tr>
<tr>
<td>Supply chain integration/inventory management</td>
<td>11%</td>
<td>23%</td>
</tr>
<tr>
<td>Fleet asset tracking</td>
<td>7%</td>
<td>12%</td>
</tr>
</tbody>
</table>

*Sample Size = 394*
Role Based Affinity for Mobile Devices

VSB companies

Management
- 13% smartphones
- 4% tablets
- 2% purpose built devices

Sales
- 10% smartphones
- 3% tablets
- < 2% purpose built devices

Information Worker
- 9% smartphones
- 2% tablets
- < 2% purpose built devices

Non-Information Worker / Shop Floor Worker
- 4% smartphones
- 2% tablets
- 2% purpose built devices

Administration/Office Manager
- 8% smartphones
- 2% tablets
- < 2% purpose built devices

SmartPhones (some industries Tablets, e.g. healthcare, legal)

Purpose built devices

December 2010

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- Voice and data service is the biggest part of SMBs’ mobile budgets (69%), followed by mobile application spending (12%), mobile devices (11%) and mobile device/application management (8%)
- The highest growth segments are mobile applications followed by mobile management