2013 Small and Medium Businesses Mobile Solutions Study

April, 2013

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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 mobile apps used by employees and mobile apps SMB are developing to engage with their customers and prospects

- Many SMB are now including Mobility as an integral part of their company business and technology strategy

- Rise of the BYOD phenomena and implications for the SMB segment

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 solution.

Mobility Study Focus
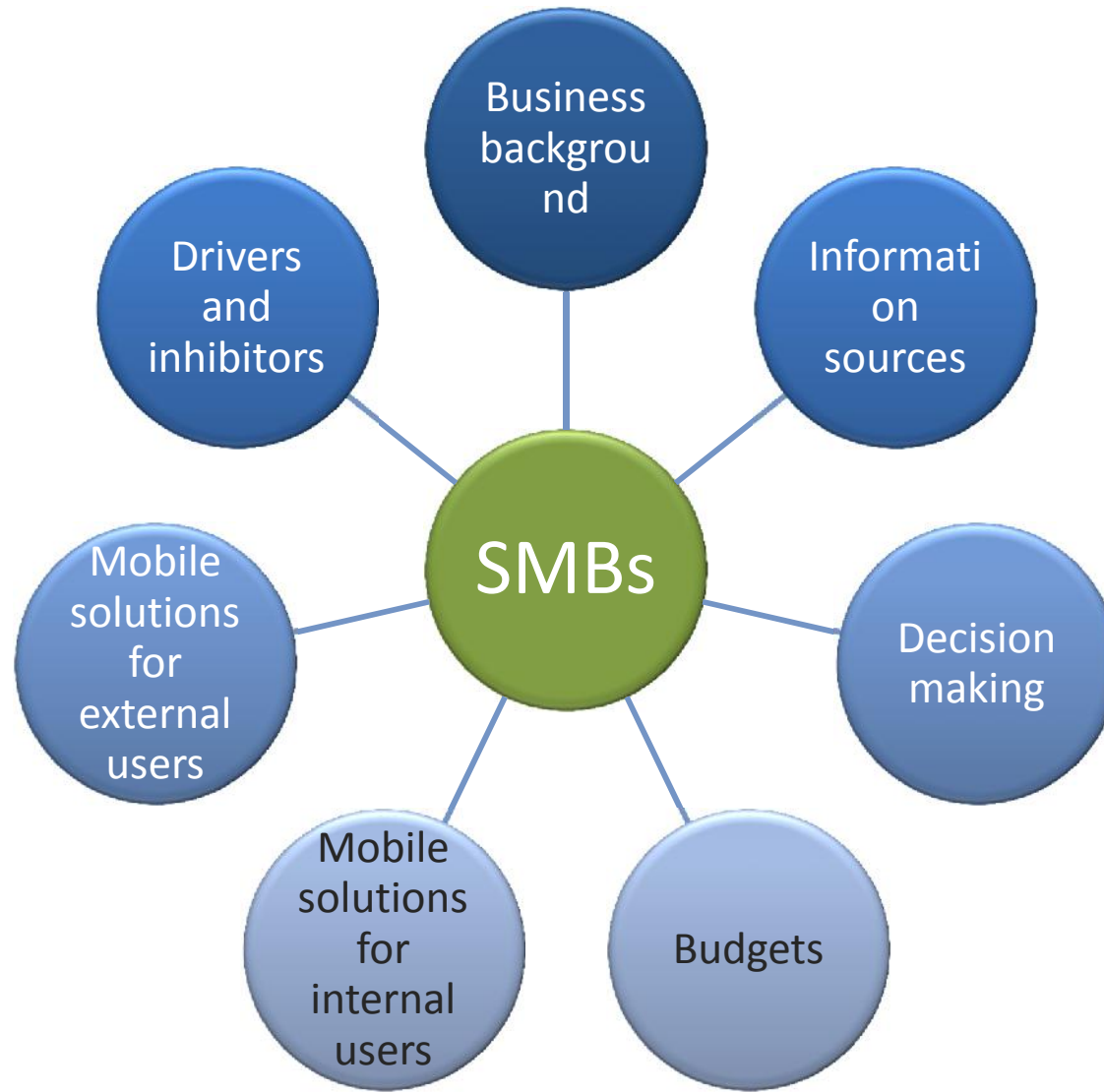
The study will also provide trending insights based on year-over-year data comparisons with the SMB Group's *2012 Small and Medium Business Mobile Solutions Study.*

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 top applications) 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's the role of mobile application marketplaces in the consideration, evaluation and purchase process for mobile business solutions?
- ✓ What mobile solutions (and top applications) are the SMBs planning to offer to their customers, prospects, partners, etc.? (e.g. Mobile e-commerce and mobile payment processing)
- ✓ Adoption of MDM and Mobile apps platform and requirements
- ✓ Top vendors for MDM and Mobile apps platform
- ✓ Detailed SMB market segmentation for mobility

Deliverables and Pricing

Option A: Extended Package—Study Results, Presentation plus Additional Cross Tabs and Inquiry time $18,000

- o Study presentation (Power Point format)
- o Web conference presentation of key findings and Q&A
- o 3 hours of additional inquiry (including additional crosstabs)
- o PDF of study results with employee size crosstab banner for all questions
- o Analysis and crosstabs by industry
- o SMB Group will compare similar data points from the *2010 SMB Routes-to-Market Survey* to provide trend analysis in key areas

Option B: Basic Package—Study Results $16,000

- o Study presentation (Power Point format)
- o PDF of study results with employee size crosstab banner for all questions

Please contact us if you'd like to schedule time to learn more.
clientservices@smb-gr.com **or call Sanjeev Aggarwal (508)410-3562**

2013 Small and Medium Businesses Mobile Solutions Study

Example of Analysis and Presentation

April 2013

SMB Group
www.smb-gr.com

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- Medium Business: 100-1,000 Employees Analysis
  - Core Respondent Demographics
  - Survey Highlights
  - Detailed Demographics

Attitudes About Mobility

MB

■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree

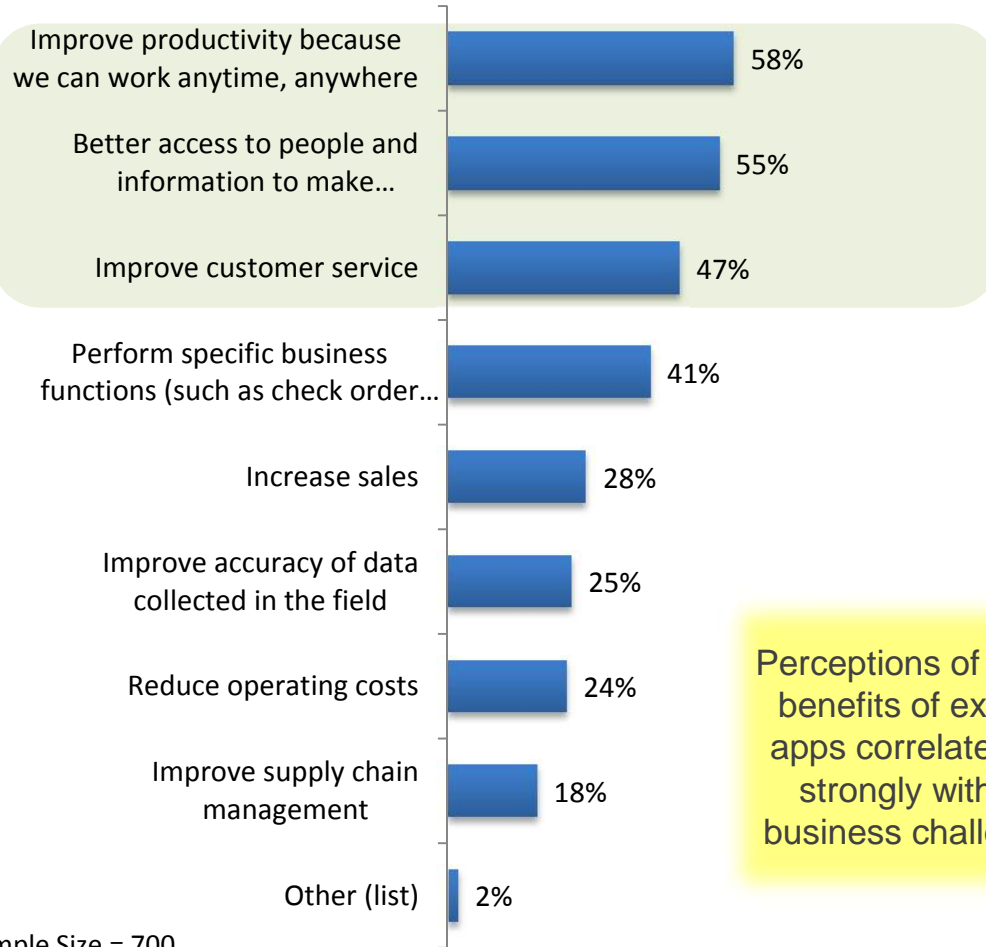| Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Mobile solutions are now critical for our business	36%	38%	21%	3%	2%
Tablets are replacing some PCs in our company	36%	40%	11%	10%	3%
Mobile marketing is key to future business growth	36%	36%	24%	3%	1%
Mobile apps compliment current business applications	36%	44%	16%	3%	1%
Mobile marketing efforts are driving new business	33%	41%	17%	6%	2%
New business has increased since we introduced mobile apps for customers	31%	27%	30%	7%	5%
Mobile apps will replace some of our current business applications	29%	31%	28%	9%	2%
IT supports a "bring your own device" (BYOD) policy	28%	34%	19%	11%	7%
Business has increased since we started to accept mobile payments	26%	28%	31%	9%	6%

Sample Size = 239

14) Do you agree or disagree with the following statements?

SMB Perceived Benefits of Internal Vs. External Mobile Solutions

Top Benefits of Internal (Employee) Mobile Solutions

Benefit	%
Improve productivity because we can work anytime, anywhere	58%
Better access to people and information to make…	55%
Improve customer service	47%
Perform specific business functions (such as check order…	41%
Increase sales	28%
Improve accuracy of data collected in the field	25%
Reduce operating costs	24%
Improve supply chain management	18%
Other (list)	2%

Sample Size = 700, Valid Cases = 700

21) What do you view as the top 3 benefits for your company's employees to use mobile devices, service plans and mobile applications for business purposes?

Top Benefits of External (Customer, Partner, Supplier) Mobile Solutions

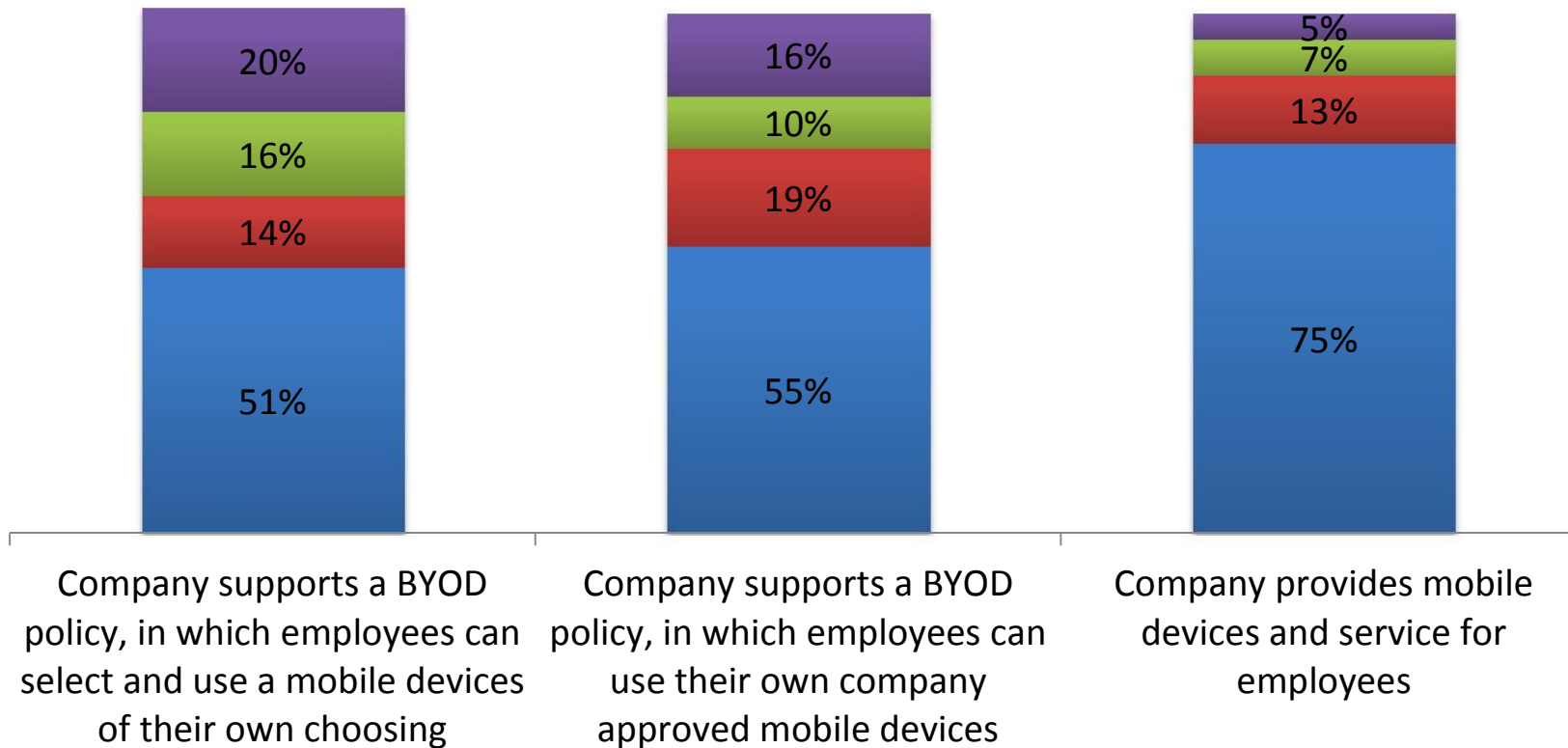| Benefit	%
Gives us the ability to respond faster to customers, partners,…	49%
Helps us attract new customers	45%
Helps us provide a more personalized customer experience	45%
Helps us keep up with the competition	39%
Enables customer self-service	37%
Helps us grow revenue	36%
Enables us to process mobile payments	24%
Streamlines partner/supplier transactions	21%
Other (list)	3%

Sample Size = 700, Valid Cases = 700

32) What are the top 3 benefits of having a mobile website and/or mobile business applications for external users (customers, partners, suppliers, etc.)?

> Perceptions of the top benefits of external apps correlate more strongly with top business challenges.

How MBs Provide Mobile Devices To Employees

Legend:
- ■ Currently support
- ■ Planning to support in next 12 months
- ■ Considering but no specific timeframe
- ■ Not planning to support

Company supports a BYOD policy, in which employees can select and use a mobile devices of their own choosing
- 20%
- 16%
- 14%
- 51%

Company supports a BYOD policy, in which employees can use their own company approved mobile devices
- 16%
- 10%
- 19%
- 55%

Company provides mobile devices and service for employees
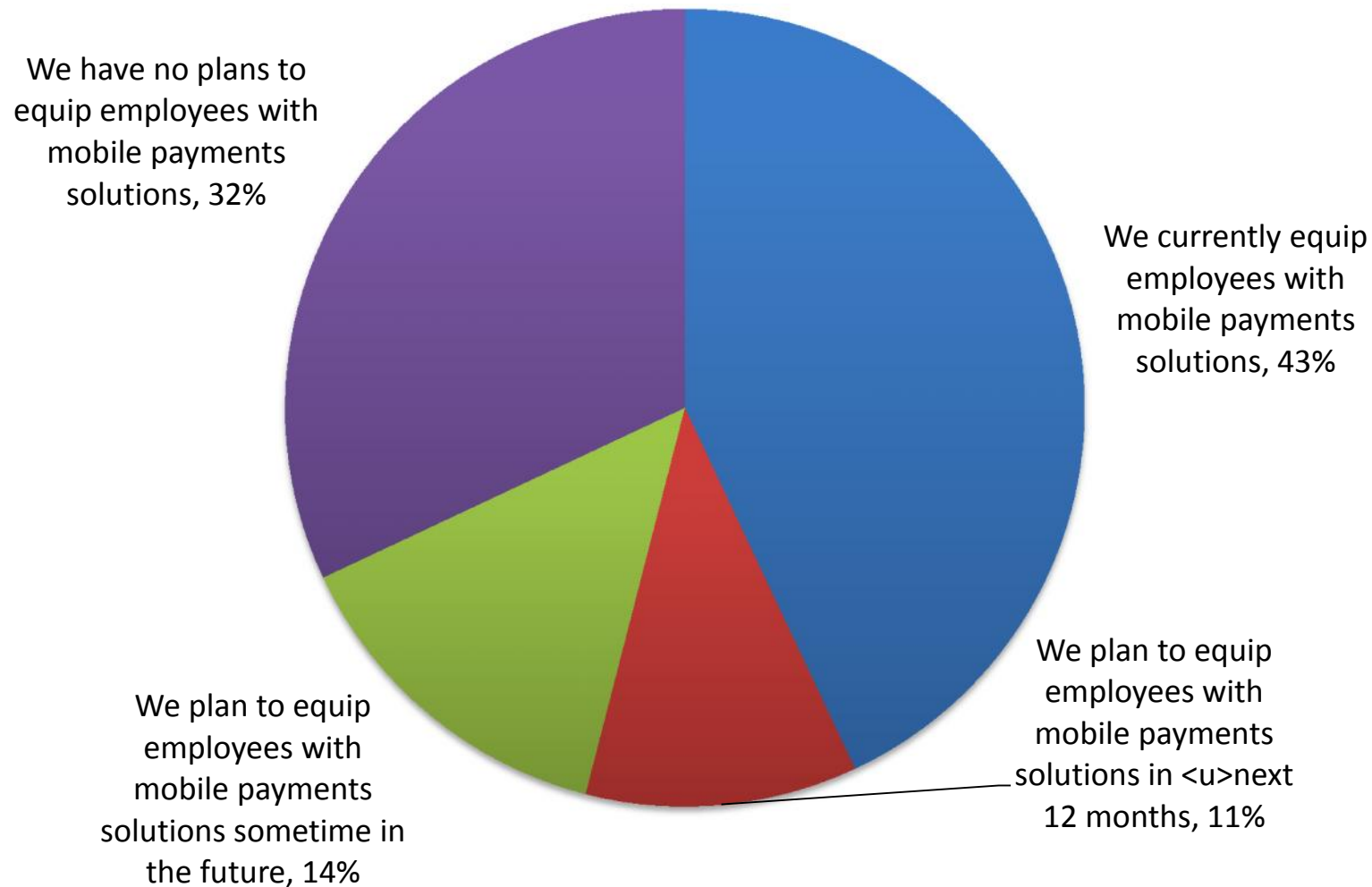- 5%
- 7%
- 13%
- 75%

Company provided remains flat compared to last year. The BYOD part has more than doubled compared to 2012.

Sample Size = 239

15) In which of the following ways does your company enable employees to use mobile devices?

Use and Plans of Mobile Payments Apps Via an Employee Device

We have no plans to equip employees with mobile payments solutions, 32%

We currently equip employees with mobile payments solutions, 43%

We plan to equip employees with mobile payments solutions in <u>next 12 months, 11%

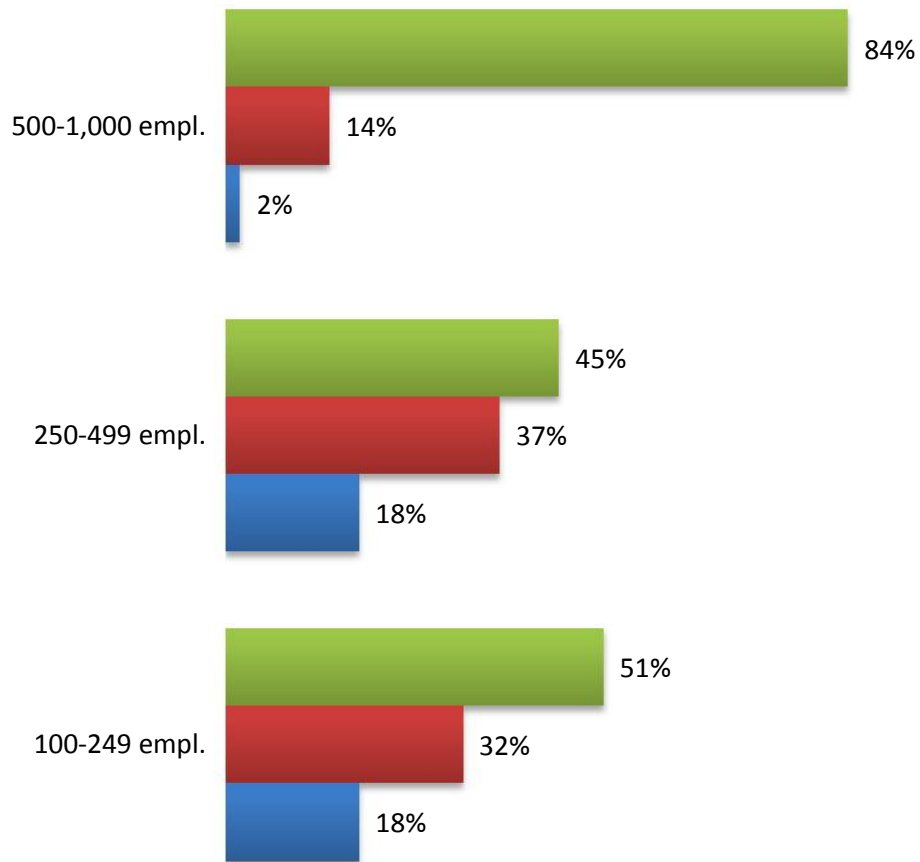We plan to equip employees with mobile payments solutions sometime in the future, 14%

Sample Size = 239

26) Do you currently/plan to equip any of your employees with mobile payments solutions such as Intuit GoPayments, Square, etc. to enable them to accept customer payments on their mobile devices?

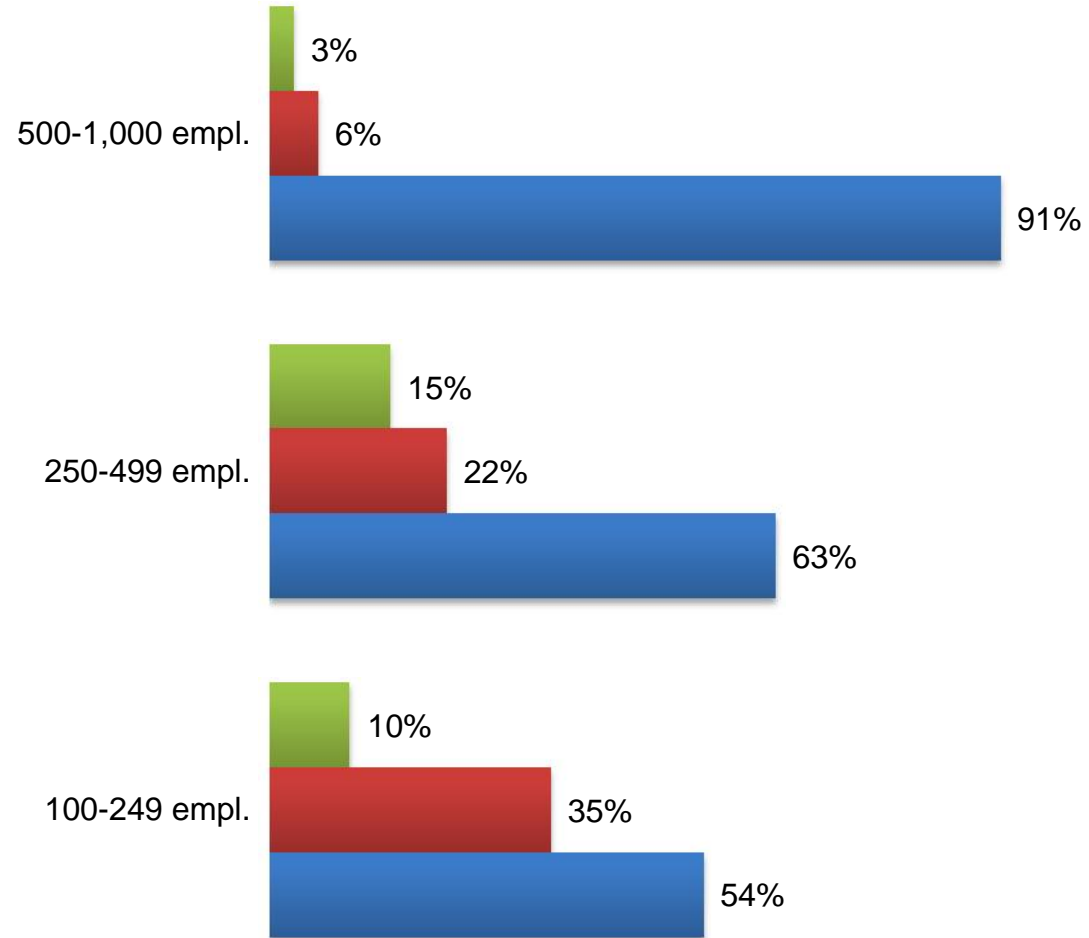# Use of/Plans for Customer (External) Mobile Apps

Mobile Apps.

Mobile-device friendly website

■ Yes　　　■ No, but planning to do so within the next 12 months　　　■ No and no plans to do so

Mobile Apps.

- 500-1,000 empl.: 84%, 14%, 2%
- 250-499 empl.: 45%, 37%, 18%
- 100-249 empl.: 51%, 32%, 18%

Mobile-device friendly website

- 500-1,000 empl.: 3%, 6%, 91%
- 250-499 empl.: 15%, 22%, 63%
- 100-249 empl.: 10%, 35%, 54%

Sample Size = 239

30) Does your company have the following?

Business Apps - Currently Use	Banking/ investments	Social media management (Twitter, Facebook, LinkedIn, etc.)	Customer relationship/sales management	Delivery & shipment applications (order & shipment tracking, etc.)	Payment processing	Order entry and management	Financial management	Expense management	Mobile marketing and advertising	Business analytics	Time management & time capture	Field service apps	Payroll	Supply chain integration/inventory management	Fleet asset tracking
Personal Services	69%	81%	69%	69%	69%	62%	62%	50%	50%	38%	44%	50%	31%	44%	31%
IT Services/Technology/VAR/ Systems Integrator	70%	60%	70%	30%	60%	50%	60%	50%	50%	40%	30%	40%	40%	60%	20%
Wholesale/Distribution	47%	53%	67%	60%	47%	47%	53%	47%	40%	47%	33%	47%	40%	27%	27%
Healthcare, Medical & Dental	73%	47%	60%	40%	33%	33%	27%	27%	40%	33%	40%	27%	33%	27%	13%
Financial Services/Banking/ Insurance	50%	55%	40%	35%	30%	40%	45%	40%	25%	40%	35%	30%	30%	25%	20%
Retail	45%	65%	48%	48%	42%	52%	35%	29%	39%	13%	23%	26%	26%	29%	10%
Manufacturing - Discrete	27%	27%	18%	45%	36%	36%	36%	36%	27%	45%	27%	27%	27%	18%	18%
Construction/Real Estate	40%	30%	33%	40%	33%	28%	16%	23%	19%	14%	23%	21%	21%	19%	7%
Professional Services (Consulting, Accounting, Legal)	43%	43%	30%	33%	20%	16%	28%	28%	15%	20%	26%	11%	18%	10%	8%

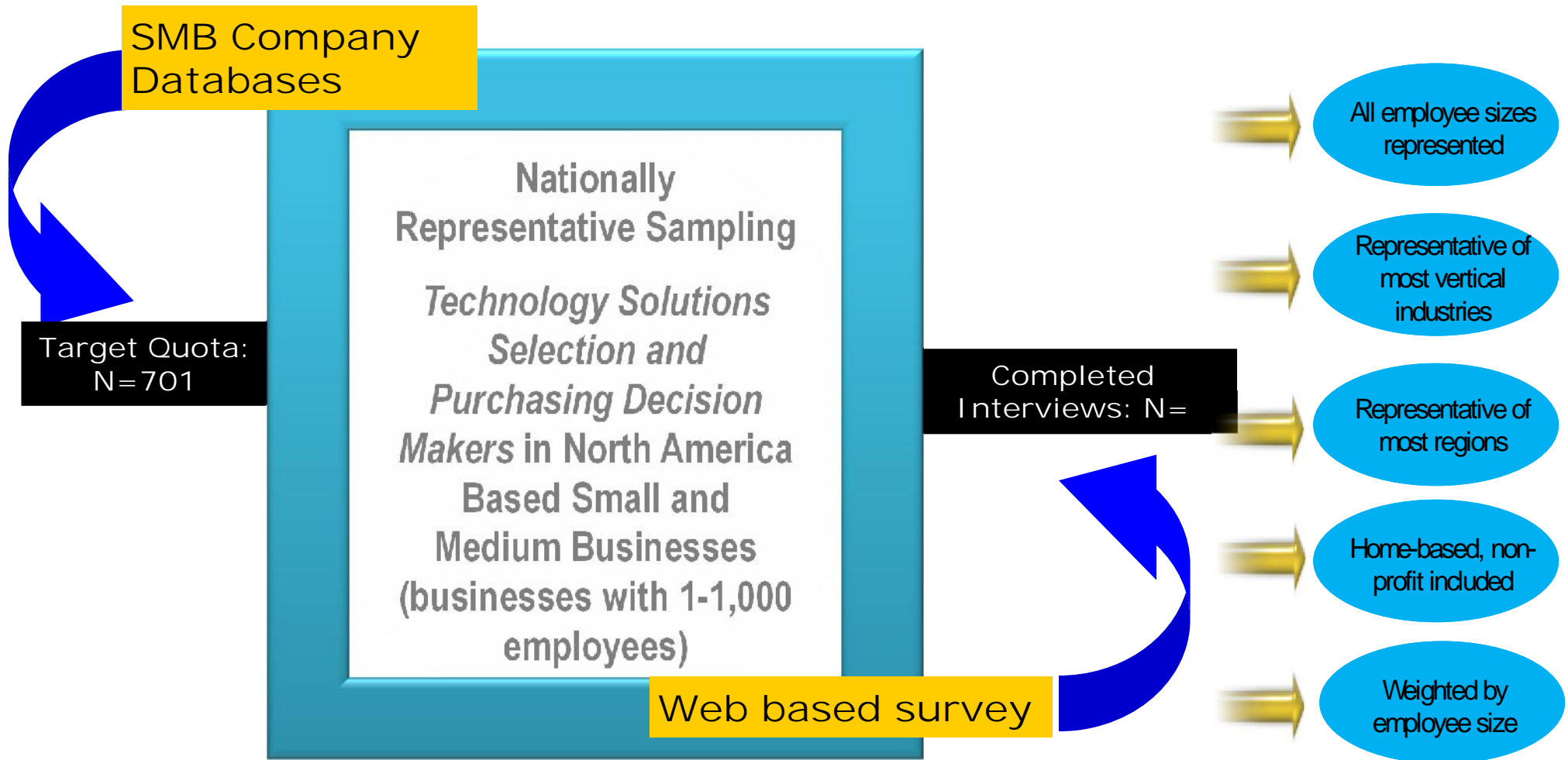# 2013 SMB Allocation of Mobile Budgets
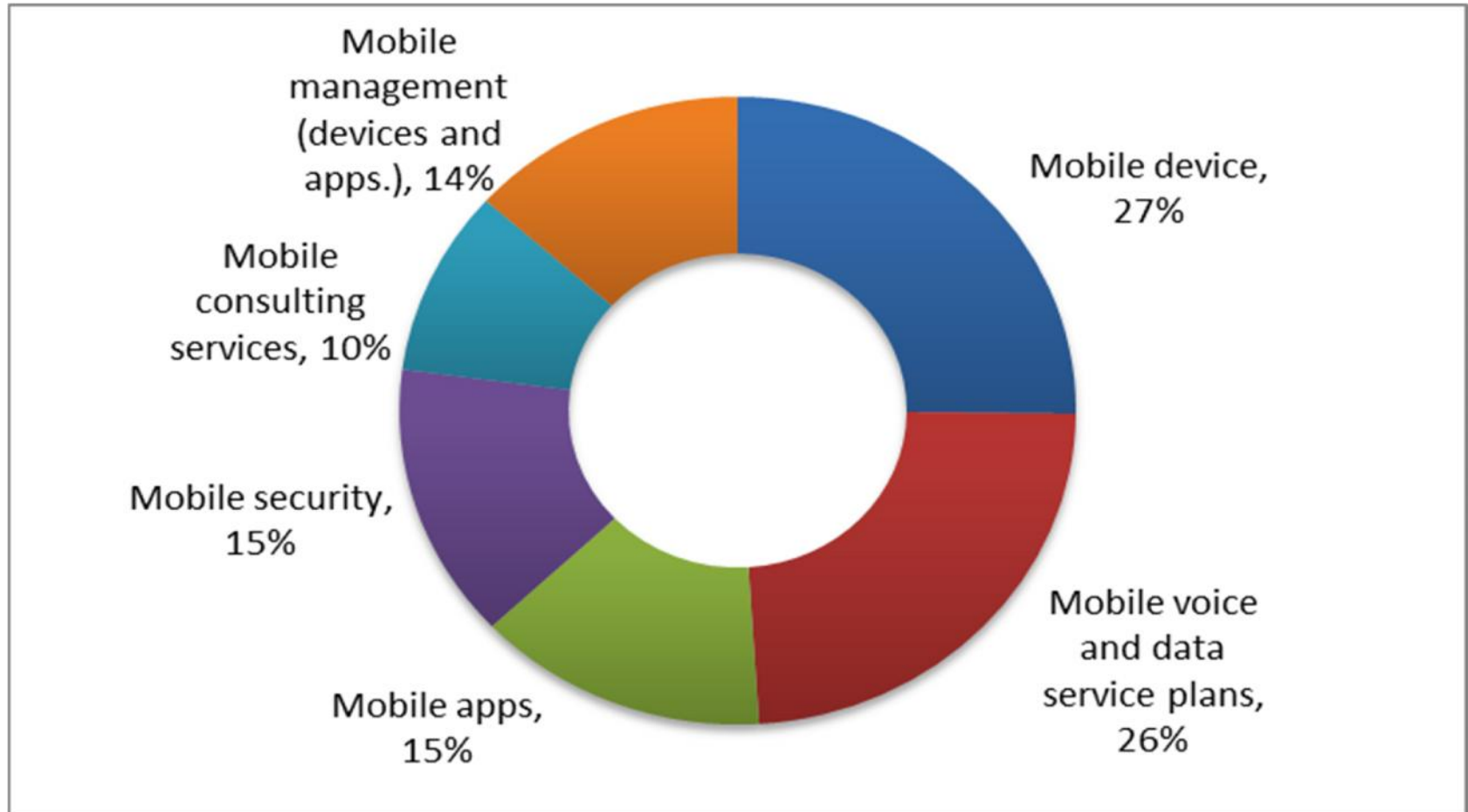
Methodology

- Web-based survey

- Data collected in late march 2013

- Sample selection: Random sample of small and medium businesses

- 48 questions

- 701 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=701

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

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