



The App Age: How Enterprises Use Mobile Applications

Introduction

The mobile app market is growing steadily as businesses seek ways to innovate, create business value and engage partners and customers in new and different ways. To find out more about this market, CDW surveyed **374** mobile app decision makers who currently use off-the-shelf and custom mobile apps to learn:

- How small, medium and large businesses are using mobile apps
- How they select and deploy new mobile apps
- The impact on the overall business mission and strategy

For the purpose of this survey:*

“Custom” mobile apps are mobile apps that are fully/partially customized to meet a business’ specific business or mission needs – these apps are paid for by the business

“Off-the-shelf” mobile apps are mobile apps that employees can download from a general app store that are used to perform key processes

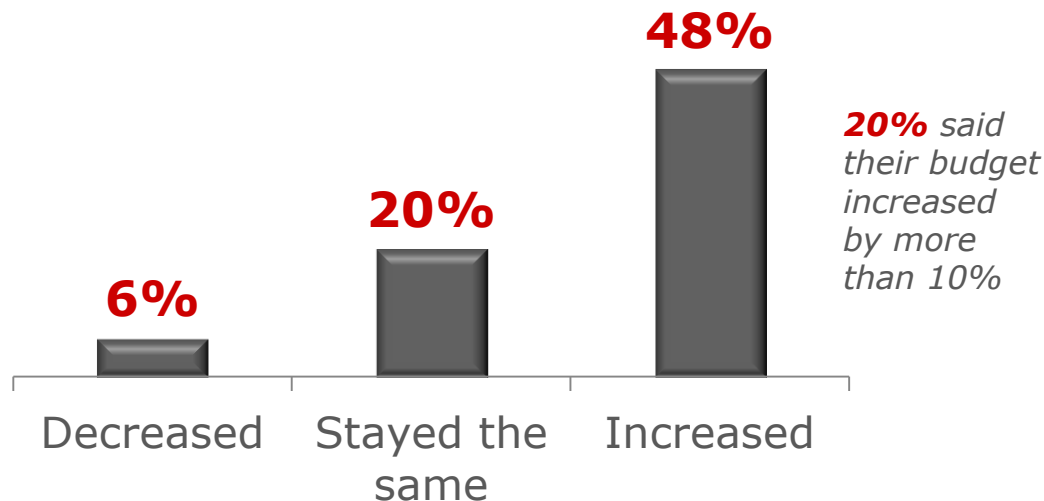


*See slide 22 for full definitions

The Growing Mobile App Market

Researchers project that the mobile enterprise app market will nearly double from 2012 to 2018, growing from \$31 billion to approximately \$61 billion.* Survey respondents indicate a similar trajectory

How did your business' mobile app budget change year over year?***



What about custom apps?

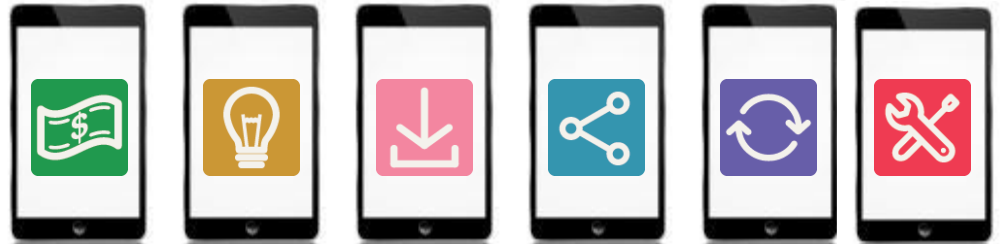
On average, businesses estimate spending **11%** of their 2014 IT budgets on custom mobile apps and related technologies

*Source: "Global Mobile Enterprise Business Application Revenue, 2012-2018," Strategic Analytics, December 2013 **Based on a comparison of 2013 and 2014 budgets. 16% of respondents said they do not have a distinct mobile app budget and 10% were unsure

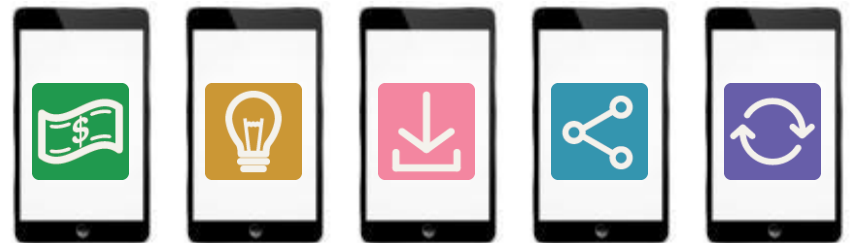
Off-the-Shelf versus Custom Mobile Apps

Currently, companies are using more off-the-shelf mobile apps than custom mobile apps for business use – six to five

On average, businesses have approved
Six off-the-shelf mobile apps



and
Five custom mobile apps



A Closer Look at Off-the-Shelf Apps

77% of businesses surveyed allow employees to use off-the-shelf apps for work*

Does your business allow the use of off-the-shelf mobile apps for work purposes?



77% say yes



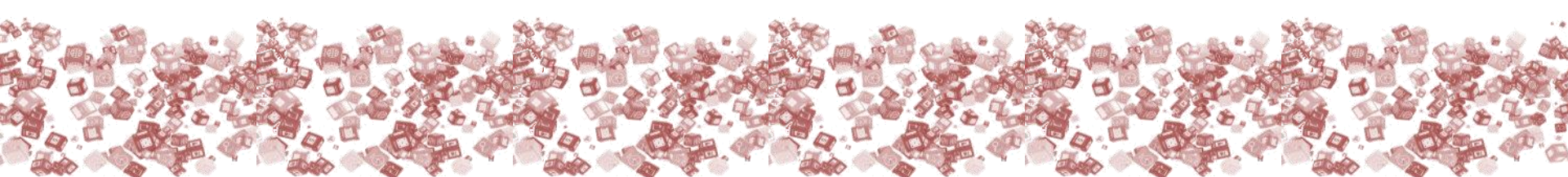
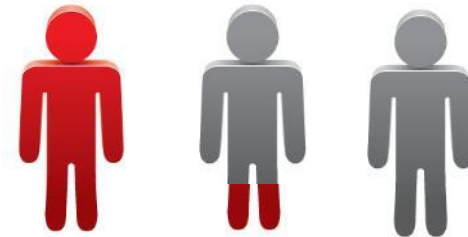
16% say no, but employees use them anyway



7% say no, and employees follow protocol

What percentage of your employees use off-the-shelf mobile apps for work purposes?

36%

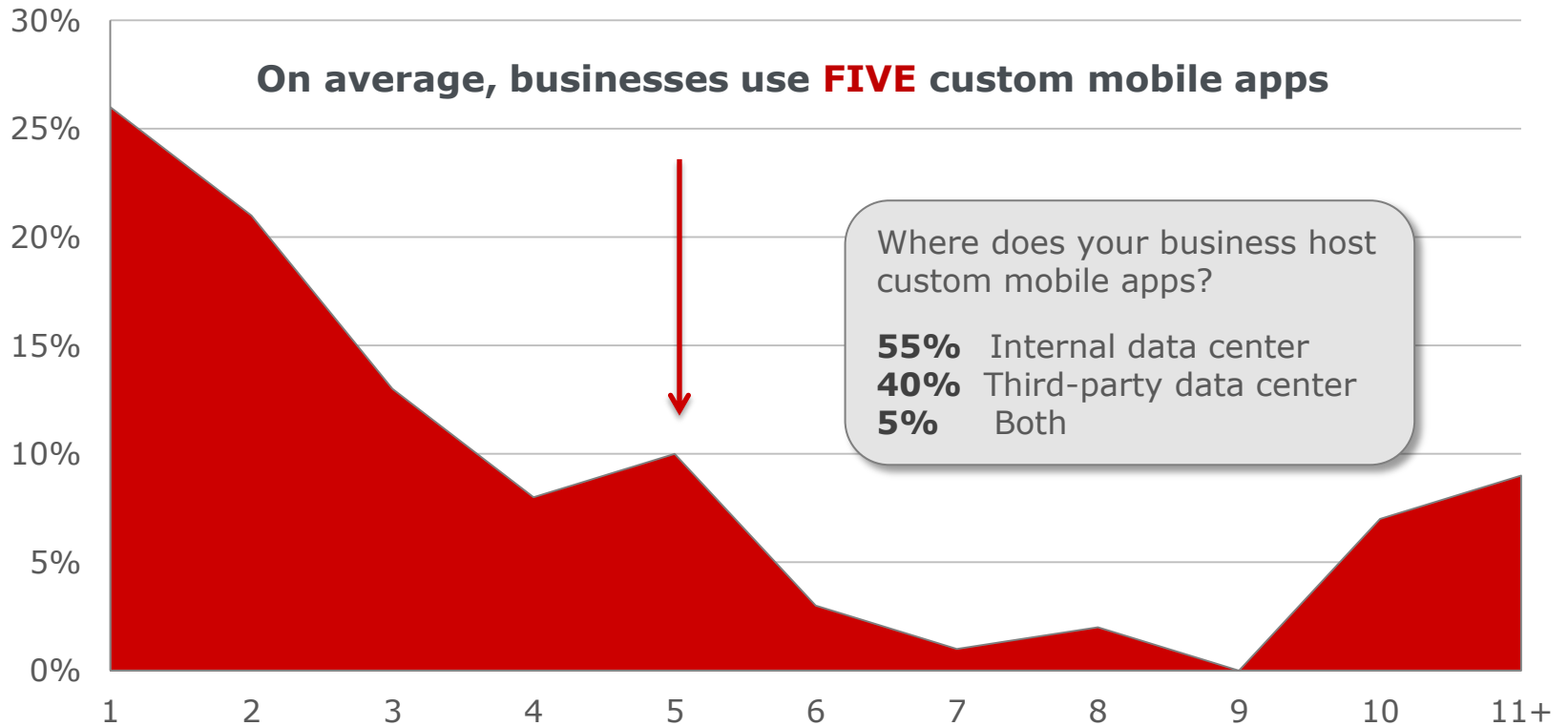


*Small, medium and large businesses that currently use at least one custom mobile app

A Closer Look at Custom Mobile Apps

Many businesses also use custom mobile apps to ensure the app's features are tailored for their unique needs and mission

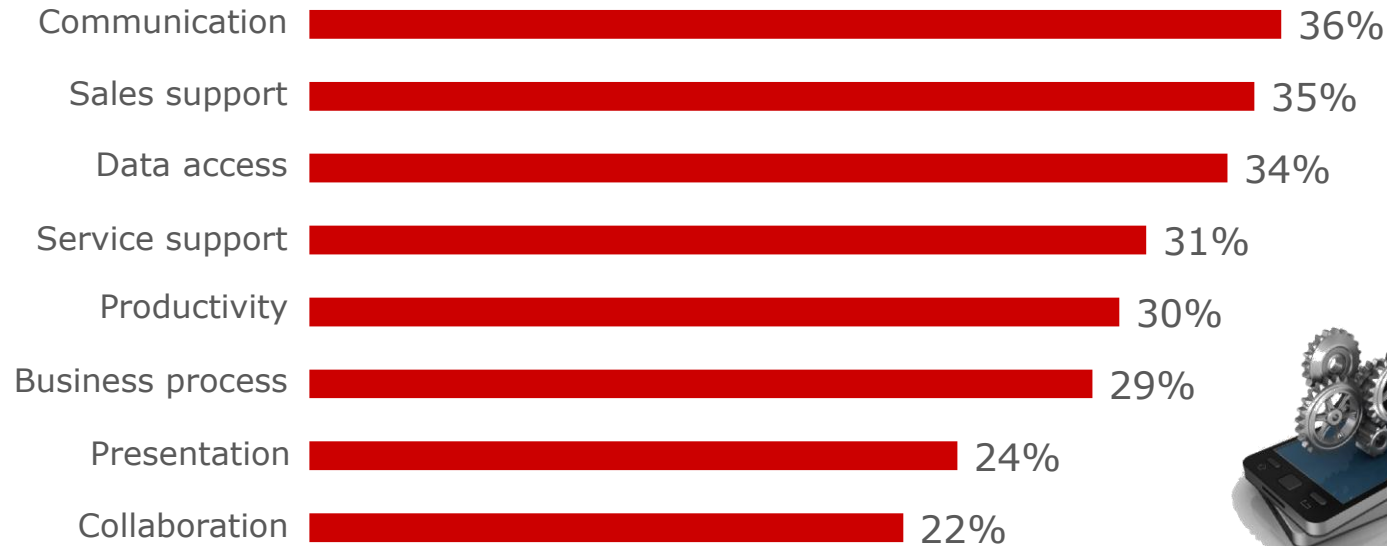
How many custom mobile apps are you using?



Operations Performed

Businesses are using custom apps to support daily operations and procedures

Which of the following business operations/workflows does your business perform via custom mobile apps?*



Up and coming: CDW partners recognize a significant opportunity to further leverage this platform to drive innovation, competitive advantage and value

*Respondents asked to please select all that apply

Most Common Users

Sales professionals are the most likely custom app users followed closely by those in IT systems and business/operations

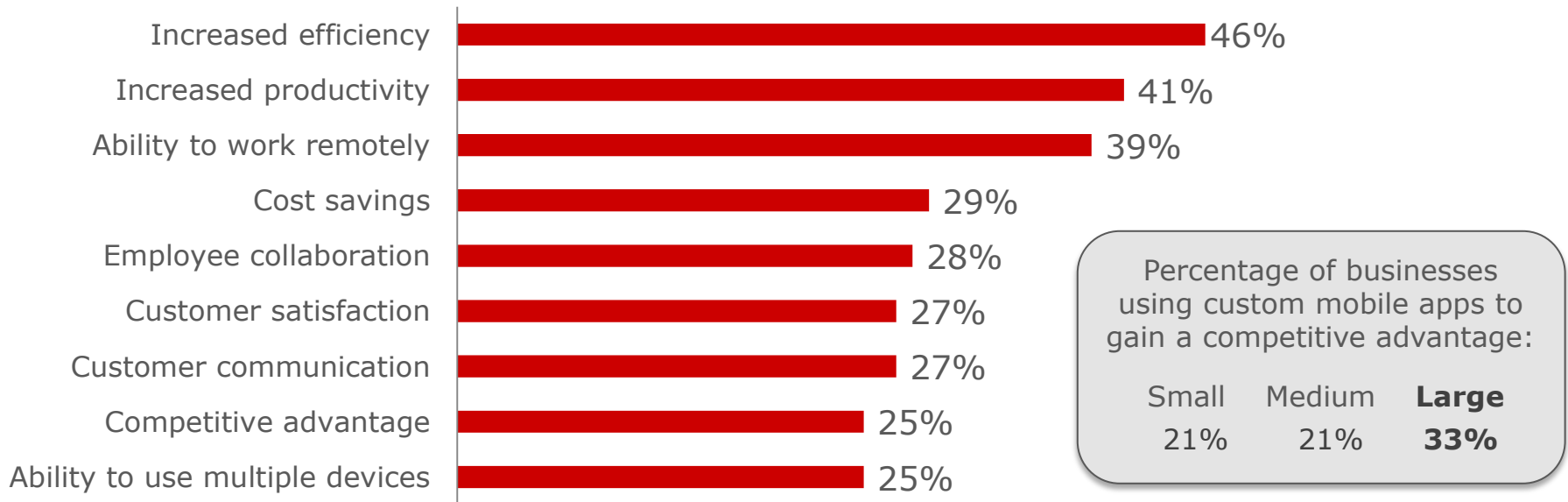


Departments/roles most likely to use custom mobile apps
(Respondents asked to select all that apply)

Benefits of Custom Mobile Apps

Nearly all respondents say their business has experienced benefits from using custom mobile apps

What are the greatest benefits to using custom mobile apps?*



“Custom apps allow you to set things up the way **you want** to, not the way the app wants to be used” – *Marketing/Sales, Medium Business*

*Respondents asked to please select all that apply

Custom Mobile App Purchase Considerations

IT has the final say, but they look to security, reliability and end-user needs when it comes to design and purchasing decisions

“Department managers and executives make and drive mobile app development and design, but the IT department often has the final say on if a deal moves forward”
-says WillowTree*

Top considerations for the design and purchase of custom mobile apps:**



Data security **77%**



Data availability **74%**



Alignment with overall business strategy **68%**



User application needs **67%**



Availability for multiple device platforms **63%**



User interface design **60%**

Up and coming: CDW Partners recognize growing focus on analytical capabilities during the mobile app design and purchasing process

*As noted by WillowTree **Based on those who selected 4 or 5 on a scale from 1-5 where 1 is not at all important and 5 is extremely important

Preparing to Launch

Businesses take a variety of steps to secure approval and prepare for mobile app deployment

How does your business secure approval?



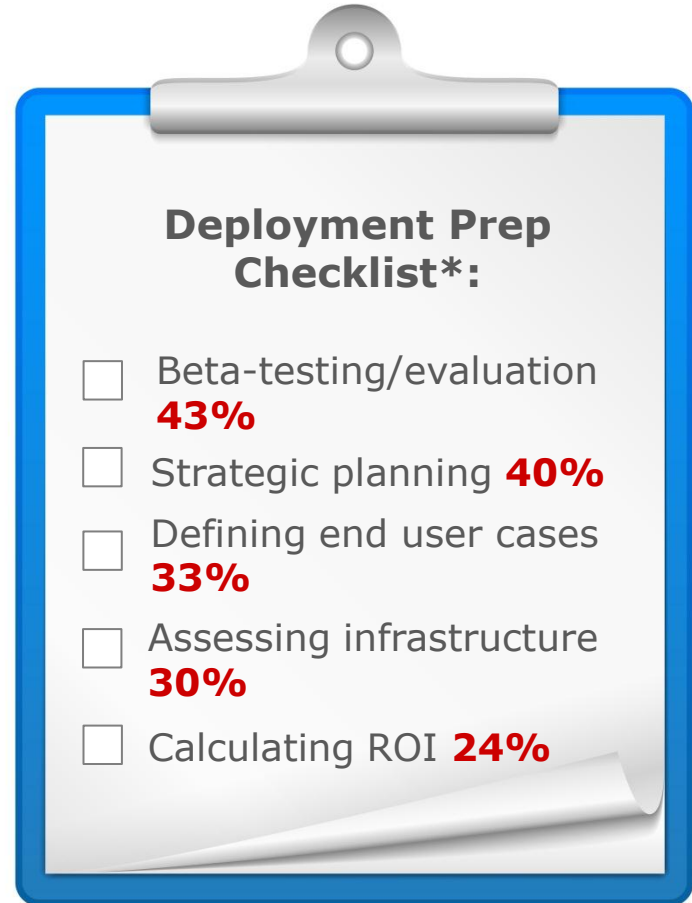
"After conception of the idea and beta testing, a **review board looks over the data** to see if the tool would improve productivity"



"The Director of our division **develops a vision** for the application, requests a cost estimate from a contractor and then makes the **proposal to executives**"



"Our IT executive makes a final decision after **careful evaluation** of his IT employees' reports"

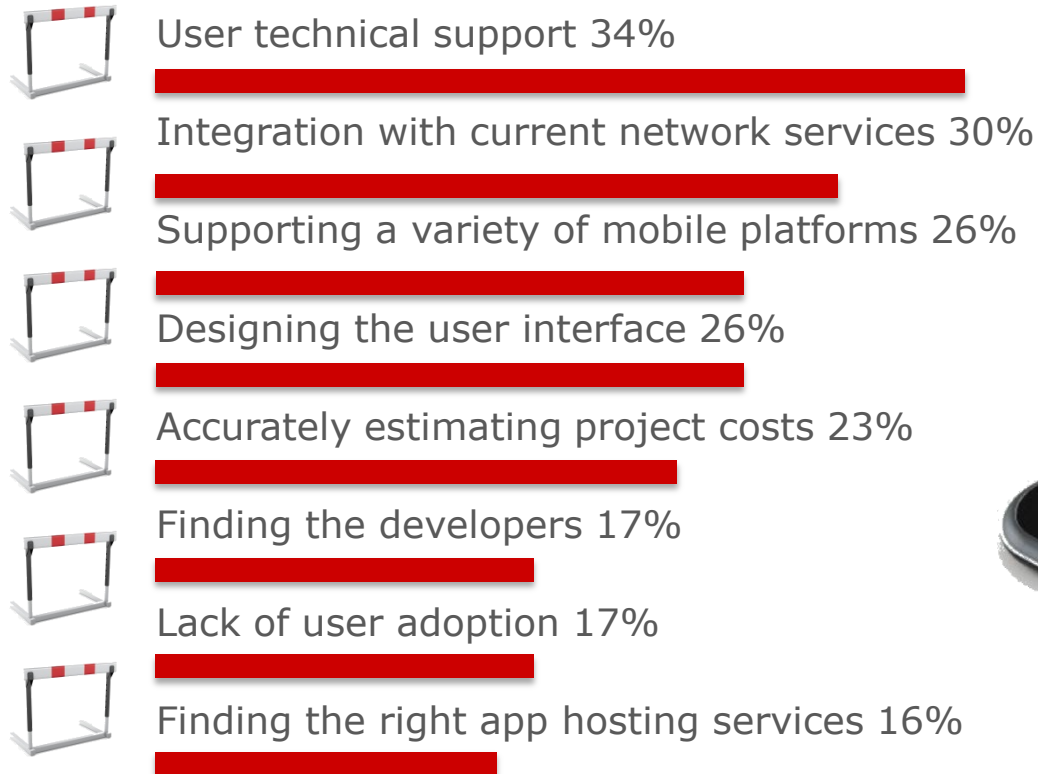


*Respondents asked to please select all that apply

Overcoming Hurdles

Nearly all businesses face obstacles when deploying custom mobile apps – to overcome these challenges they can learn from peers

Which of the following challenges has your business faced with the deployment of custom mobile apps?*

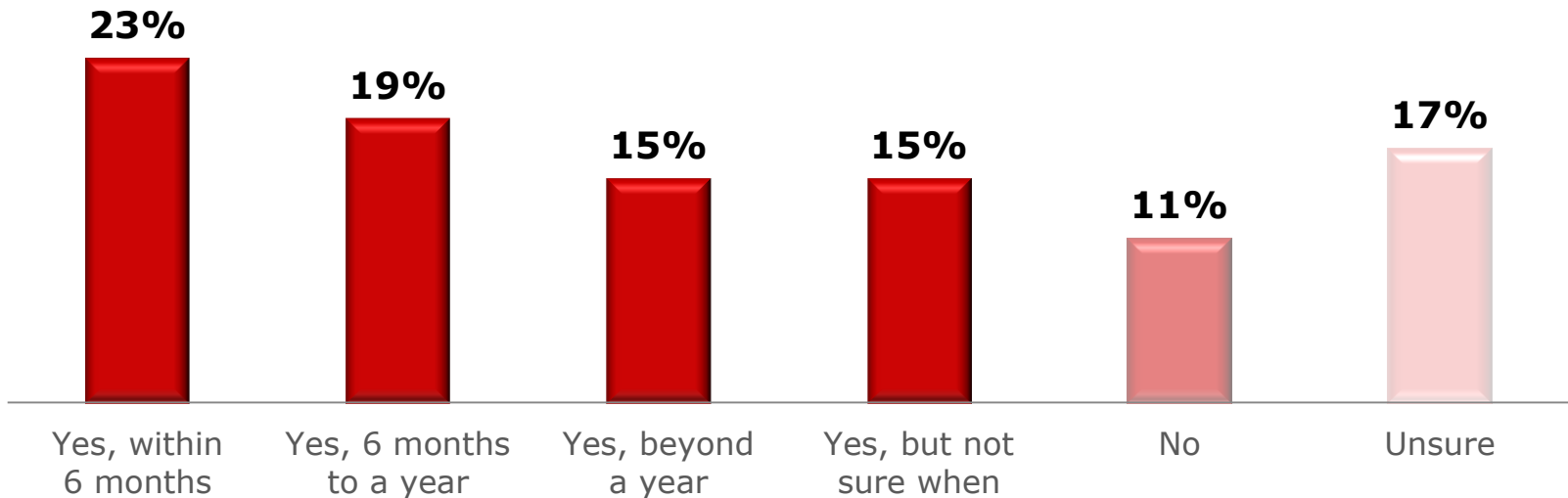


*Respondents asked to please select all that apply

Market Outlook for Custom Mobile Apps

Many custom mobile app users plan to continue investing in custom mobile apps – **42%** within the year

Based on your experience, does your business have plans to invest in additional custom mobile apps?



Additionally, businesses expect **one in four** mobile app purchases to be at least partially customized over the next five years

Mobile App ROI

The majority of respondents struggle with formal metrics to measure ROI, but nearly all say custom mobile apps save their business time and money

Nearly **all** respondents believe their employees save time with the use of custom mobile apps

Additionally, **82%** believe custom mobile apps have helped their business generate additional revenue

Average time saved:

7.5 hours

per employee, per week*

Average revenue gain



16%

“Custom apps are unique and help us stand apart from our competition”
– *Senior Management, Small Business*

What's Next

- Organizations are just starting to explore possibilities presented by custom apps
- There is a significant opportunity to use apps to drive business transformation and competitive advantage, not just support day-to-day tasks
- App investment will continue to grow, especially as apps become more integrated with business strategy



Methodology and Demographics

O’Keeffe & Company surveyed **374** mobile app decision makers across small, medium and large businesses that currently use custom mobile apps in May 2014. The total sample equates to a margin of error of $\pm 5.02\%$ at a 95% confidence level

100% of respondents’ businesses use a custom mobile app for work related purposes

100% of respondents are familiar with their business’s overall use of, or plans to use, mobile apps

Respondent Position	
Senior Management	46%
Business/Operations	13%
Engineering/Scientific/Technical/R&D	5%
IT Systems/Network Management/Communications	19%
Finance	5%
Marketing or Sales	12%

Industry	
Small business	41%
Medium business	24%
Large business	35%

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Industries at a Glance

Small business
(Fewer than 100 employees)



Medium business
(100-499 employees)



Large business
(500 or more employees)



How many custom mobile apps has your business deployed?

THREE

FOUR

SEVEN

Which department is most likely to use custom mobile apps?

Business/operations



IT systems



Sales



What is the top use for custom mobile apps?

Communications



Business process



Sales support



Small Business at a Glance

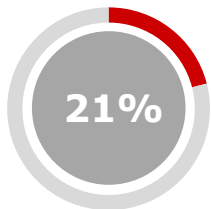


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Average number of custom mobile apps deployed today

Top Benefits*

- Increased efficiency **44%**
- Increased productivity **38%**
- Ability to work remotely **32%**



Percentage who see custom mobile apps as a competitive advantage for their business

Departments most likely to use custom mobile apps*

- Business/operations **34%**
- Senior management **33%**
- Sales **29%**
- General staff **29%**

Operations custom mobile apps are most used for*

- Communications **35%**
- Sales support **31%**
- Productivity **29%**
- Service support **29%**

In 2014, small businesses estimate spending **10%** of their IT budgets on custom mobile apps and related technologies**

*Respondents asked to please select all that apply **Estimates include related technologies



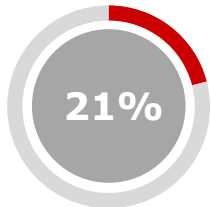
Medium Business at a Glance

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Average number of custom mobile apps deployed today

Top Benefits*

- Ability to work remotely **40%**
- Increased efficiency **40%**
- Increased productivity **35%**



Percentage who see custom mobile apps as a competitive advantage for their business

Departments most likely to use custom mobile apps*

- IT systems **39%**
- Marketing **33%**
- Senior Management **32%**

Operations custom mobile apps are most used for*

- Business process **31%**
- Communications **30%**
- Collaboration **29%**

In 2014, medium businesses estimate spending **10%** of their IT budgets on custom mobile apps and related technologies**

*Respondents asked to please select all that apply **Estimates include related technologies



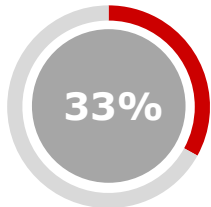
Large Business at a Glance

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Average number of custom mobile apps deployed today

Top Benefits*

- Increased efficiency **54%**
- Increased productivity **50%**
- Ability to work remotely **47%**



Percentage who see custom mobile apps as a competitive advantage for their business

Departments most likely to use custom mobile apps*

- Sales **49%**
- IT **42%**
- Field services **33%**

Operations custom mobile apps are most used for*

- Sales support **47%**
- Data access **46%**
- Communications **40%**

In 2014, large businesses estimate spending **12%** of their IT budgets on custom mobile apps and related technologies**

*Respondents asked to please select all that apply **Estimates include related technologies

Definitions

“Custom” mobile apps will refer to mobile apps that are either fully or partially customized to meet an business’s specific business or mission needs. These are apps sanctioned and paid for by a business to enable key processes or functions – customized apps that a business has purchased or built in-house and deployed for employee use. Examples might include productivity, collaboration or sales support, but they must have some degree of customization specific to your business.

“Off-the-shelf” mobile apps will refer to mobile apps that employees can download from a general app store that are used to perform key processes or functions. Examples could be: productivity, collaboration or sales support apps such as Dropbox, DocuSign, etc.