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Keeping Up With Mobility

The Accenture CIO Mobility Survey 2013

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Accenture Mobility CIO Survey 2013 Executive Summary

Small devices have become very, very big. The last time CIOs saw a groundswell this huge, it was back in the late 90s and called “the web.” Indeed, according to a recently completed Accenture survey of more than 400 global IT executives, 73 percent said that mobility will impact their business as much as or more so than the web did.

That's not necessarily news. The idea of giving employees the ability to exchange data with corporate servers no matter where they are, using a device that fits in their hand, stopped being the stuff of science fiction long ago. Only slightly newer is the idea of being able to interact with customers and prospects no matter where they are, along with the ability to enhance customer intimacy and revenues.

What's really compelling, though: the speed at which the mobility market is maturing.

One-third of the IT executives surveyed cited mobility as one of their top-two priorities, but 75 percent put it among their top five. That's a big commitment for a technology that only became viable less than five years ago. At the same time, overall investment in mobility is increasing. Companies that invested

heavily in mobility in 2011 decreased their investment in 2012. That may seem counterintuitive—a lack of support, perhaps—but it actually indicates a willingness to invest as a way to quickly determine what works and what doesn't. With that early experience, those enterprises are more knowledgeable about how to target their mobility investment. Conversely, companies that spent little on mobility in 2011 increased their investment

in 2012. They're playing catch-up because it's become inescapably clear that mobility is not only crucial to their business, but it's aiding their competitors. Furthermore, 50 percent of companies have done work to implement their mobile strategy within the next year, up from 41 percent last year.

There has also been a marked shift in the way companies think about mobility within their corporate strategies.

Fully 59 percent say they have implemented a centralized, company-wide strategy for mobility, while 58 percent say that their mobile strategy is "moderately" developed (as opposed to minimally); that compares to 53 percent in 2012.

Another part of the maturity trend: now enterprises recognize they can use mobility for so much more. Mobility simply used to be another forum for enterprises to deliver information—that is, develop an application that would let employees (and later, customers) use a browser to navigate through company data on a mobile device.

They can use it to optimize business processes. By deploying tablets to field workers in place of clipboards, paper, and pen, they can gather information faster and avoid transcription errors. They can use it to improve user engagement. By developing applications focused on specific, targeted tasks, they can give workers the simplicity they need to be more productive. They can create new revenue streams for their businesses. By creating applications that aggregate customer location and preferences, they can drive promotions and coupons to likely prospects in appropriate purchasing situations. On a variety of fronts, the value is clear and compelling.

That's not to say that CIOs can wave a magic wand and be successful at mobility, for a variety of reasons. Part of it is that need for user interface simplicity. It's a significant shift to move from feature-rich enterprise applications, stuffed with drop-down windows and options, to a user experience akin to what consumer applications offer.

At the same time, delivering simplicity on the surface usually means high levels of complexity underneath. Mobility is at the center of a major transformation to a "digital enterprise," which means that CIOs cannot look at it as a separate entity but rather as part of a wider strategy that encompasses cloud computing, social media, and analytics. All

of these come together through the use of APIs and integration techniques—issues that have always been challenging to IT.

What do these challenges mean? CIOs need a cohesive mobility strategy to unlock the full potential for their business and embrace this new maturing era of the digital enterprise. Enterprises already have a strong foundation in mobility, as the survey results show, but there are also key tactics they can use to move forward faster and more effectively.

How—and Why—Companies Are Embracing Mobility

Certainly mobility is at the forefront of CIOs' minds, with far deeper insight of how it can help productivity beyond basic voice and data communication. This insight, in fact, extends across companies, geographies, and industries. For instance, 46 percent of respondents plan to make changes in their business processes, workflow, and employee roles to better incorporate mobility during the next year.

Geographically, too, commitment is high. IT executives in emerging markets gauged mobility as a higher priority than mature markets. This may be because, when they expand their businesses, they can leapfrog the installation of traditional desktop systems, which can be both expensive and complex. With ever-cheaper and more-powerful smartphones, even countries in emerging markets are experiencing an uptake in

smartphone usage. Whereas 34 percent of all respondents put mobility among their top two priorities, 53 percent of respondents in China and 50 percent of respondents in India ranked mobility that high. Similarly, emerging markets appear to be more re focused on extensively developing their mobility strategy: 50 percent of respondents in China and 37 percent of respondents in Brazil report an extensively developed mobile strategy.

For more on both global issues, click on [Mobile Goes Global](#) and [China and India Rule](#).

The same commitment applies within specific industries, the survey results showed. Not surprisingly for two industries with high levels of mobile opportunities, retailing and utilities lead the results. Retailers, of course, tend to have mobile sales forces, logistics issues, and the desire to entice

new customers; they can now establish relationships with them outside of the traditional retail environment. The utility industry also has a highly mobile sales force, along with numerous efforts afoot to deploy mobile applications to customers who want to better manage their home utility usage. That's why 30 percent of respondents in the utilities industry reported having the most extensively developed mobile strategy;

the only industry higher was transportation, at 35 percent.

For more on industry issues, click on [Industrial-Strength Mobility](#).

Mobility ranked in the top two priorities for 44 percent of respondents in the retail industry and 34 percent of respondents in the utility industry; an almost equal percentage of respondents in those industries said they have a dedicated mobile budget. Two other industries' IT executives reported dedicated mobile budgets: electronics (60 percent) and automotive (42 percent).

Why such a high commitment to mobility? Enterprises have high expectations for what mobility will deliver, on

multiple fronts. When asked to choose from 19 options in three categories (consumer, enterprise, and machine-to-machine), several items stood out, relating to both revenue and engagement.

On the consumer side, 36 percent of IT executives cited "drive revenue through customer engagement" and another 34 percent cited "drive revenue through transactions on mobile devices." That indicates their understanding of mobility not just as a way to manage transactions, but also as a way to better manage the relationship with customers—that is, to better understand their needs through analytics and deliver on those needs based on contextual information, such as location or previous purchases. As a result,

smartphones have created a new channel for commerce beyond brick-and-mortar stores and the Web.

On the enterprise side, 43 percent of IT executives cited the need to "improve field service/customer service delivery with instant data," while another 33 percent cited the desire to "accelerate the sales cycle with improved access to backend systems." That indicates a strong emphasis on improving business processes both pre- and post-sales. The upshot? Every segment of the sales cycle can be improved through mobile technology, from initial customer engagement to post-sales service.

Challenges and Opportunities

As companies make the move to integrate their mobility strategy into their business, they understand that—especially for a new, and in some areas, immature, technology—some common challenges remain. When asked to name the barriers that kept them from addressing or implementing their mobile priorities, IT executives cited several concerns. Data security, especially with data on devices that have not been issued by corporate IT, i.e.; Bring Your Own Device (BYOD), topped the list, cited by 45 percent of respondents.

Cost and budget concerns were cited by 41 percent of respondents. It's not that mobile devices aren't reasonably priced, but most CIOs are still focusing on maintenance rather than innovation, leaving little budget to invest in cutting-edge technologies like mobility. At the same time, employees don't need laptops and tablets and smartphones,

and neither does IT want to support nor does the business want to pay for them. But, barring the use of a single mobile device, which represents the best combination for deployment? Even so, the confusion over the best device isn't stopping progress toward a mobile-centric IT architecture. Enterprises view tablets

almost as important as smartphones, with 85 percent of respondents saying they support smartphones and 78 percent saying they support tablets (talk about a technology that has become part of mainstream usage quickly). That means concerns about letting employees use their own devices (aka BYOD) may not be as prevalent as previously thought.

Finally, 31 percent reported lack of interoperability with current systems as an issue. There's a wealth of corporate data locked into legacy systems that may not be accessible to mobile devices. One way of exposing data in existing systems is through transforming existing services with modern APIs and gateway services. That's why 54 percent of respondents are

developing an API strategy to go hand in hand with their mobility strategy. With an evolution to API platforms, enterprises can build mobile applications to access legacy systems.

But opportunities outnumber the challenges. IT executives can already map the link between social networking and collaboration tools through mobility—that is, finding the right person or information quickly either through social communication tools for the enterprise or shared data repositories in the cloud. When asked to rank their top three mobile features, 45 percent of respondents cited knowledge sharing and 40 percent cited collaboration.

More than most new technologies, the ability to drive revenue through mobility is clear for IT executives too. Payment and commerce services are becoming a top priority across industry verticals, cited by 38 percent of respondents.

The Way Forward

What about companies that may not be as far along as their competitors—how should they invest in mobility? Interestingly, their path need not be that much different from companies already investing in mobility. According to the survey results, key areas of investment include allocating budget for mobile initiatives, such as hardware and application development; retraining staff to handle management of mobile devices and applications; and hiring more mobile expertise within their ranks. Given the demand for mobile skills, it's also not surprising that many companies plan to leverage external experts to develop or implement those strategies.

At the same time, companies need to identify where within their own organizations or industries they can get the most benefit from mobile deployment. From there, they should conduct gap analysis to identify what they need to do to catch up to peers or competitors and ideally get ahead.

While enterprises' mobile strategies are maturing, there are still many potential opportunities for taking advantage of the technology, especially as the boundaries of what constitutes mobile computing expands. It's telling that among the three areas the survey covered, machine-to-machine capabilities were

among the least cited. The idea of adding connected products to the arsenal of tablets and smartphones for better communications and analytics is nascent but growing—some logistics companies are adding sensors to packaging to better report where packages are along their journey.

Perhaps less prosaic but just as important is the effort to ensure a complete and viable solution from the user experience with the mobile hardware to the backend systems themselves; improving the efficacy of the combination of visual simplicity and underlying complexity.

Finally, there's the potential of analytics—processing massive amounts of real-time data captured by mobile devices to improve not just business but the overall customer experience. Only 25 percent of respondents consider analytics an important mobile feature, but the chances are high for that percentage to increase as enterprises realize the value of aggregated real-time data and responses.

As mature as mobile strategies have become, there is still sufficient headroom and potential for enterprises to do more, just as they are still finding ways to make web technology more efficient. Without a doubt, moving forward with mobility will help companies derive great benefits, but it is only the beginning of a new way of serving customers, making employees more productive, and increasing revenues. Mobility is one component on the way to the digital enterprise.

Mobile Goes Global

IT executives in emerging markets believe that mobility is even more of a game-changer in two different areas. First, the percentages of those who "agree or strongly agree" that mobility will have a bigger effect than the Web did a generation ago are considerably higher in emerging than in mature markets. Similarly, the number of respondents who believe that mobility will provide new revenues is much higher in emerging than in mature markets.

Industrial-Strength Mobility

Which industries are leading the charge on generating revenues from mobility? Retail leads all industries in the importance of using mobility to drive customer engagement (59 percent of retail respondents consider it a top priority), while financial services leads all industries in the importance of using mobility to drive revenues via transactions (48 percent).

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V! services NOW! connectivity NOW! content NOW!
W! connectivity NOW! content NOW! collaboration NOW! services NOW!

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China and India Rule

The two biggest emerging markets, China and India, have no qualms about committing to mobility. IT executives in India reported great optimism, with consistently high scores across a variety of categories. For instance, they believe they can use mobility to drive revenue both through customer engagement and through transactions on mobile devices. They have plans to develop new mobile-specific products or services, and to use the results derived from analytics gathered from those services to understand their consumers better.

IT executives in China, on the other hand, score high on their budget commitments and their execution plans. They're more likely to have dedicated mobile budgets and to have prioritized their list of mobile initiatives. They are more likely to have employees dedicated to mobility in their IT departments, and those employees are working to incorporate mobility into business processes, workflow,

and other employee roles. They're also improving their personnel on multiple fronts. They're not only bringing in new full-time employees with mobile expertise into their organizations and investing in the re-training of existing staff, but they're also more likely to leverage external mobile experts to help develop, implement, and refine their mobile strategy. The result: a higher level of

investment in both mobile experiments and proofs-of-concepts.

In a way, China, India, and other emerging markets have a built-in advantage when it comes to mobility: the ability to start with a clean slate. Think about it: no desktop or laptop infrastructure to support or accommodate in terms of application development and security.

Add to that the ability to deploy computing devices that are both inexpensive and easy to use, and at a time when more consumers are able to increase their economic power through—guess what—better communication capabilities and access to information. It's a virtuous circle for the developing world.



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2D barcode

Methodology

From Dec. 2012 through Jan. 2013, Accenture conducted an online survey with 413 IT professionals (CIOs, CTOs, Directors of Technology or IT, and Chief Mobility Officers) across 14 industries in 14 countries: Australia, Brazil, China, Finland, France, Germany, India, Italy, Japan, Mexico, New Zealand, Spain, United Kingdom, and United States. 53 percent of those surveyed work for companies that generate between US\$1 billion and US\$5 billion in annual revenues; 42 percent for companies that generate between US\$500 million and US\$1 billion; and six percent for companies between US\$250 million and US\$500 million.

About Accenture Mobility

Accenture is focused on enabling its clients to achieve breakthrough growth throughout the rapidly changing mobile ecosystem. The Accenture Mobility group offers five mobility services including consulting, software services—applications, software services—devices and platforms, managed services, and business integration services. These are designed to help organizations embrace business to employee (B2E), business to consumer (B2C), business to business (B2B) and machine to machine (M2M) business opportunities. Accenture offers mobility and embedded software services

across a wide range of industries and platforms, including Android™, Apple® iOS, Blackberry®, Linux, Meego™, Symbian, Windows® Phone and Windows 8.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 259,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$27.9 billion for the fiscal year ended Aug. 31, 2012. Its home page is www.accenture.com.