

August 2014



Raising the game

The 2014 IBM Business Tech Trends Study



IBM Center for Applied Insights

IBM Business Tech Trends 2014 – Executive Summary

- ✓ Big data & analytics, cloud, mobile and social are now mainstream
 - Each is deployed by 7 in 10 enterprises
- ✓ But some companies are achieving more tangible business outcomes from these technologies

With everyone jumping into the fray, how are Pacesetters staying at the forefront?



Partnering is in their DNA

Pacesetters team up with less-traditional partners (e.g. startups, clients, academia) to innovate and obtain skills.

Almost 80% partner with citizen developers



Analytics is their fuel

Armed with mature analytics capabilities and skills, Pacesetters run their enterprises on insight.

For nearly 7 in 10, analytical insights are a significant part of decision-making



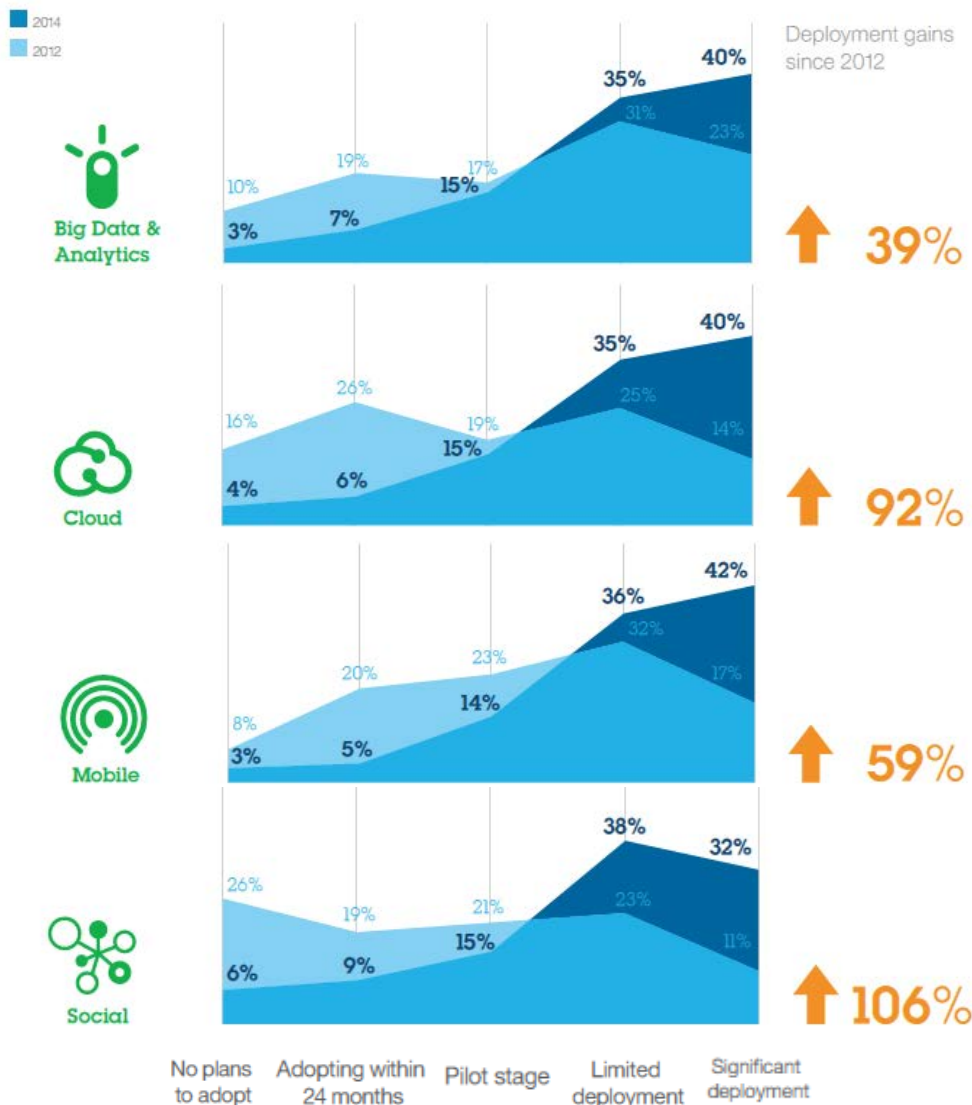
Integration is their breakaway move

Pacesetters integrate the technologies for greater effect.

4-7x more likely to use cloud to deliver mobile, social, and big data & analytics

Notes: To obtain a global understanding of approaches to these transformational technologies, we surveyed 1447 IT and line of business decision-makers — spanning 13 countries and 15 industries.

Adoption is moving at the speed of light & investment continues at full speed



Adoption: Moving at the speed of light

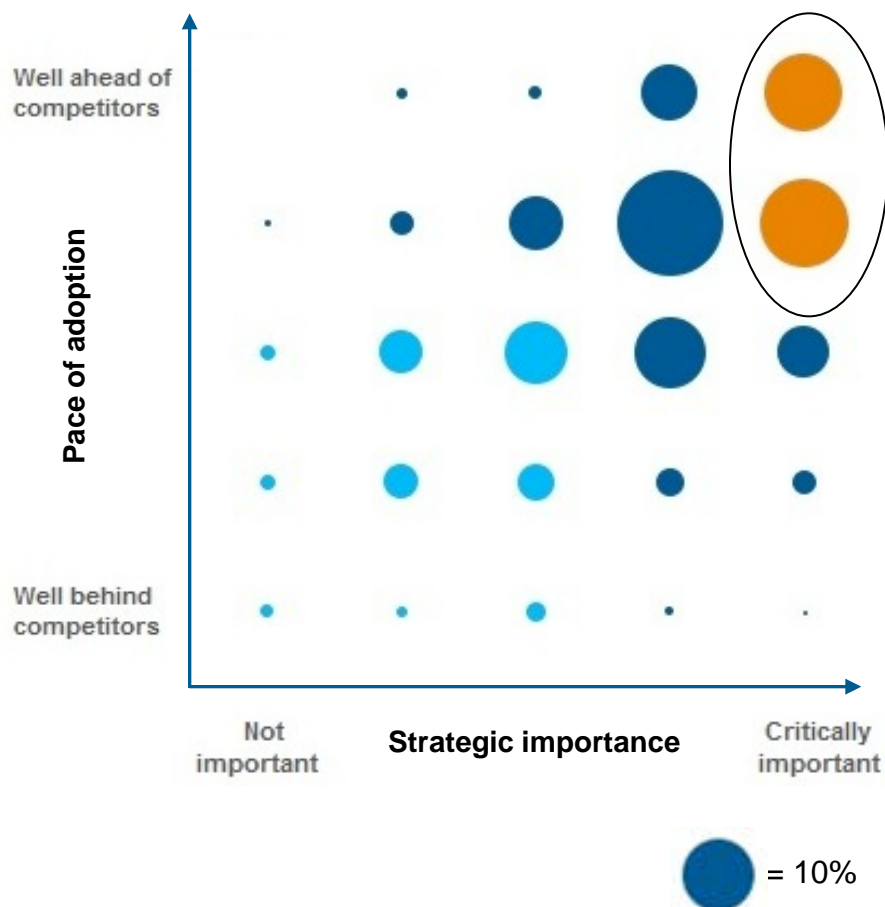
All four technologies have shifted toward deployment. Social Business has had the largest gain, with deployment more than doubling.

Investment: Continuing at full speed

Over the next two years, 3/4 of enterprises plan to increase investments in Mobile, Big Data and Analytics, and Cloud, and 66% in Social.

More leading companies - Pacesetters - are forging ahead and unlocking the potential of these transformative technologies

Pacesetters are leading the way

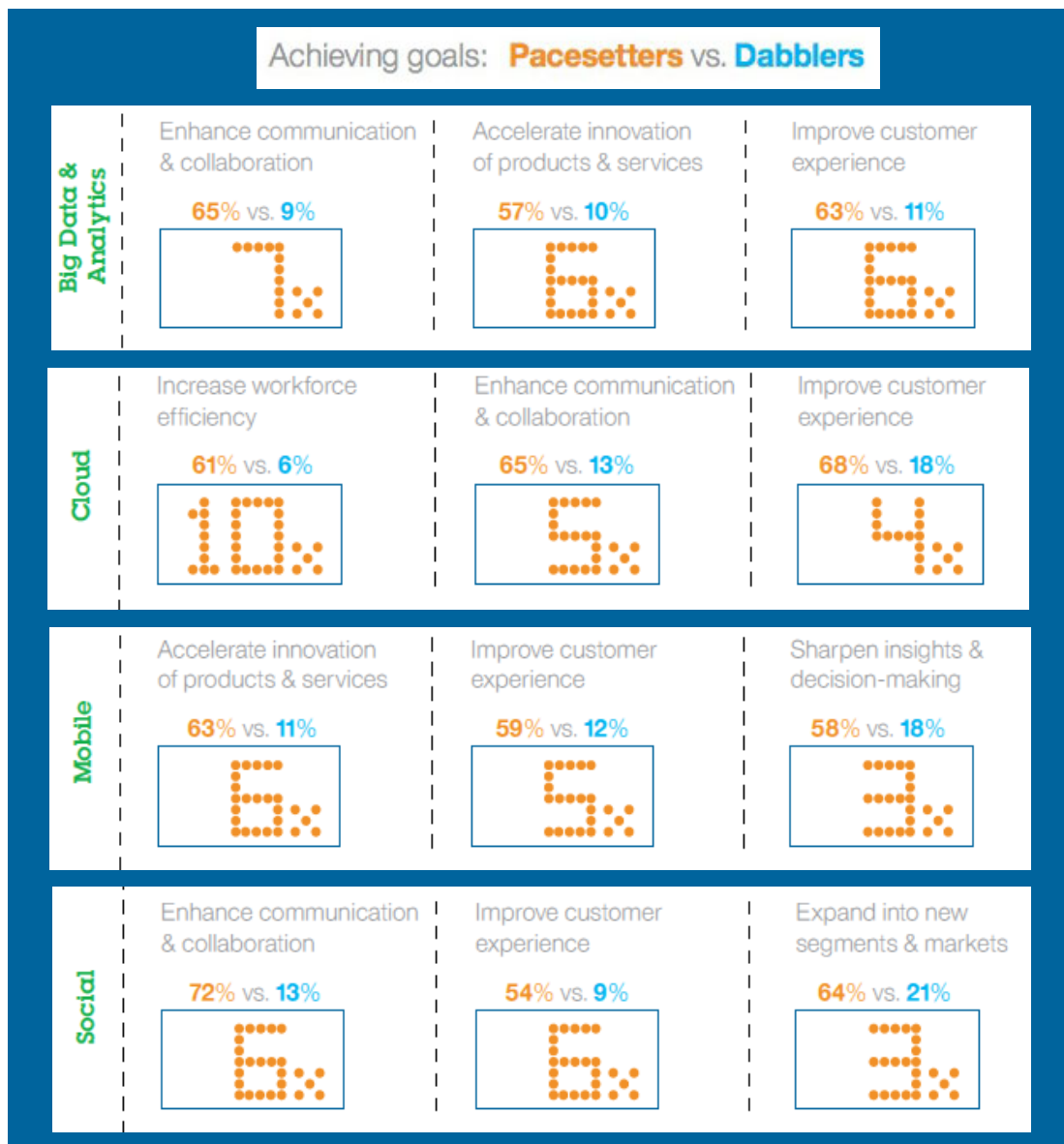


Pacesetters view transformational technologies (big data & analytics, cloud, mobile, and social business) as **critical** to their organization's business success, and they're **outpacing** competitors in adopting.

Pacesetter ranks have grown by seven points since 2012s

	Pacesetters	Followers	Dabblers
2014	27%	54%	19%
2012	20%	55%	25%

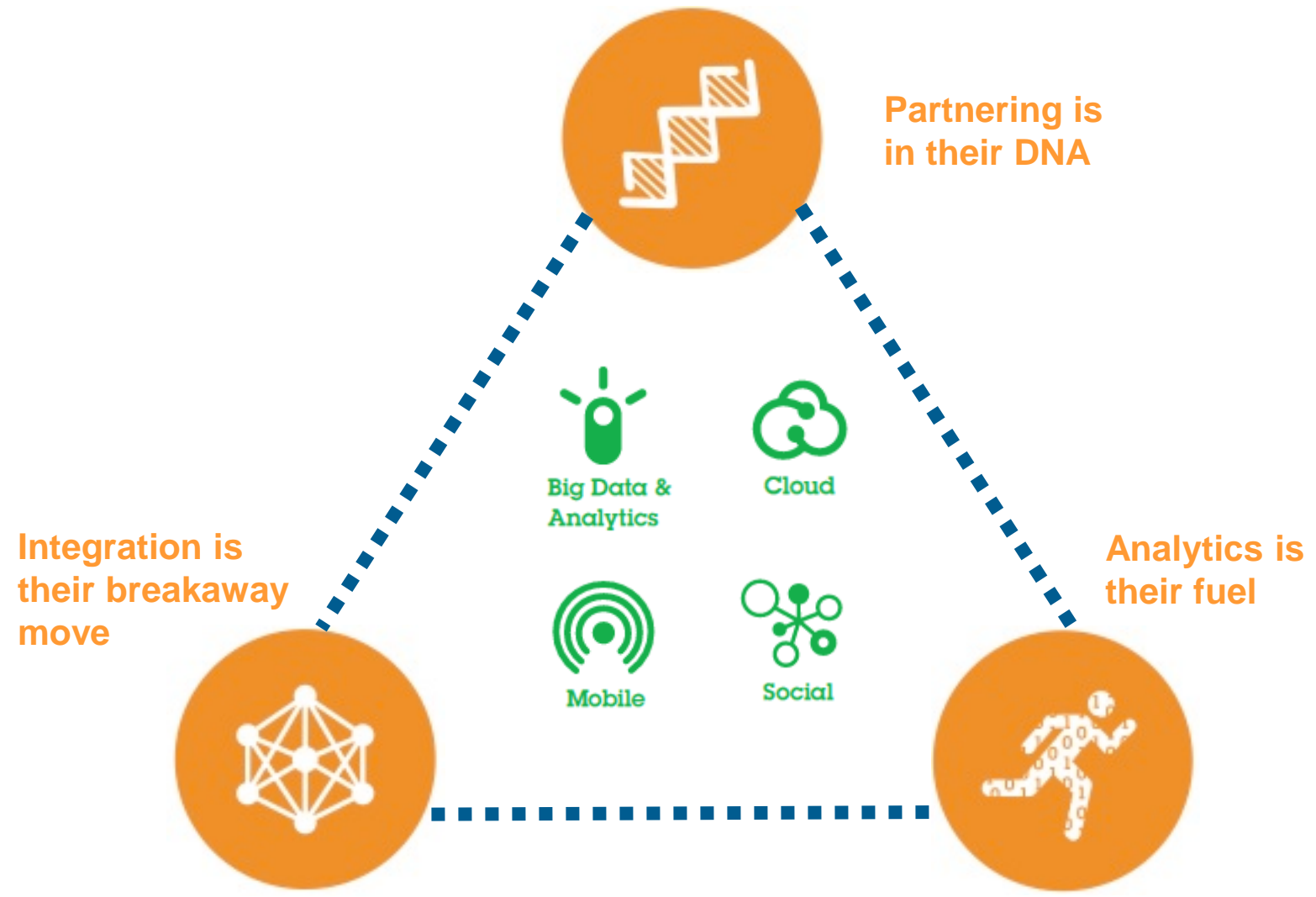
... and they're more likely to achieve their objectives with the technologies



Moreover, 9 in 10 Pacesetters say they're gaining **major competitive advantage** from their initiatives...

On an increasingly competitive playing field, what **sets Pacesetters apart?**

The Pacesetters are taking a different approach





Partnering is in their DNA: Pacesetters partner more broadly across the ecosystem and with more non-traditional partners

Partnering to plug the skills gap

Nearly half of Pacesetters significantly rely on partners for **technology skills development** (vs. 13% of Dabblers)

96% are using **professional developers**, and **79%** are using **citizen developers**



Partnering to innovate

Pacesetters engage clients, startups and academia to help drive innovation.

They are:

1.3x more likely to use clients &
2x more likely to use academia for **product development**

2.6x more likely to turn to start-ups for help **steering their IT direction**



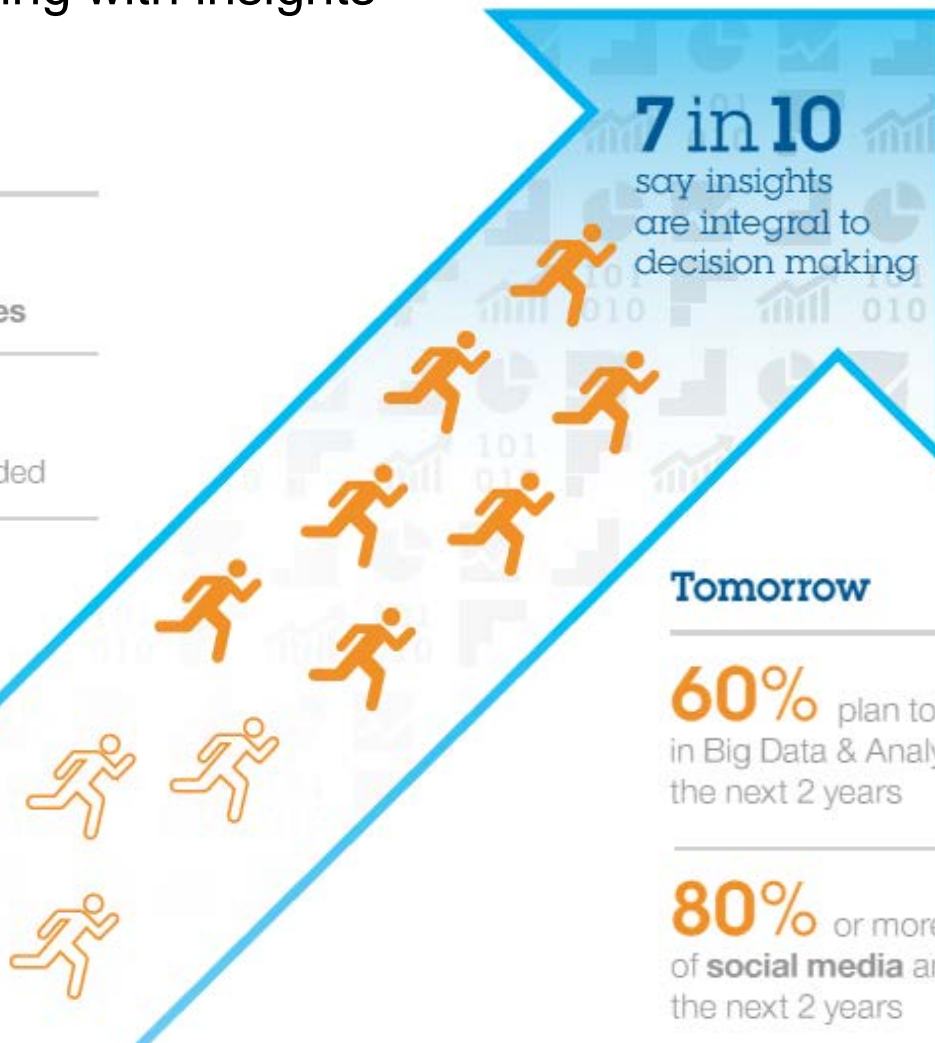
Analytics is their fuel: Pacesetters power their organization's decision-making with insights

Today



89% have **mature** Big Data & Analytics **capabilities**

74% have **most** of the Big Data & Analytics **skills** needed



7 in 10 say insights are integral to decision making

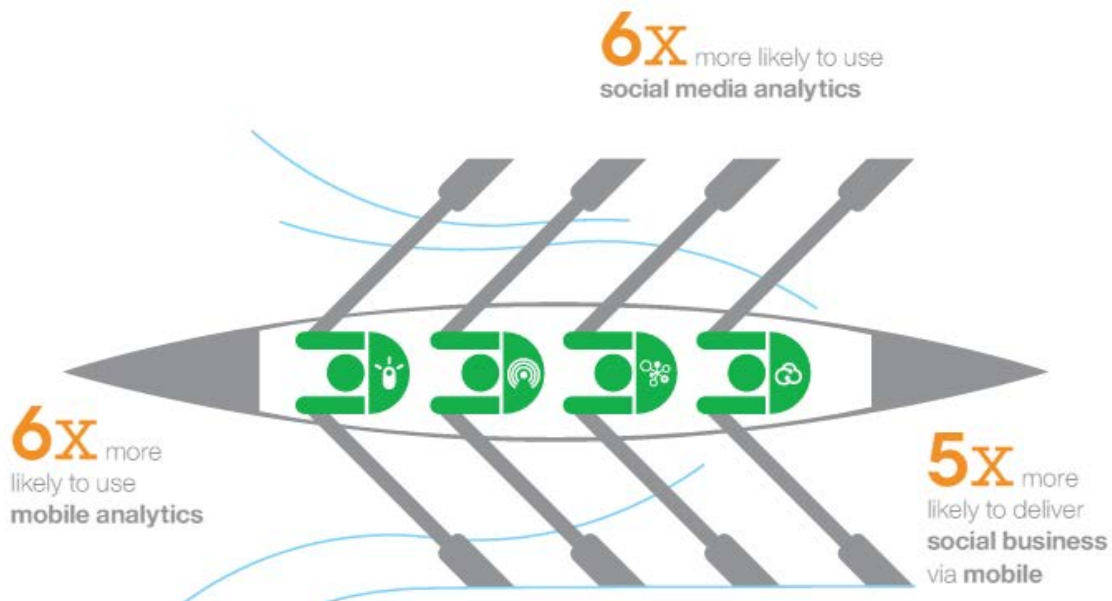
3.6x more than for Dabblers

Tomorrow

60% plan to **increase investment** in Big Data & Analytics 10% or more over the next 2 years

80% or more plan to **increase use** of **social media** and **mobile analytics** over the next 2 years

Integration is their breakaway move: Pacesetters combine social, mobile, and analytics technologies far more than others



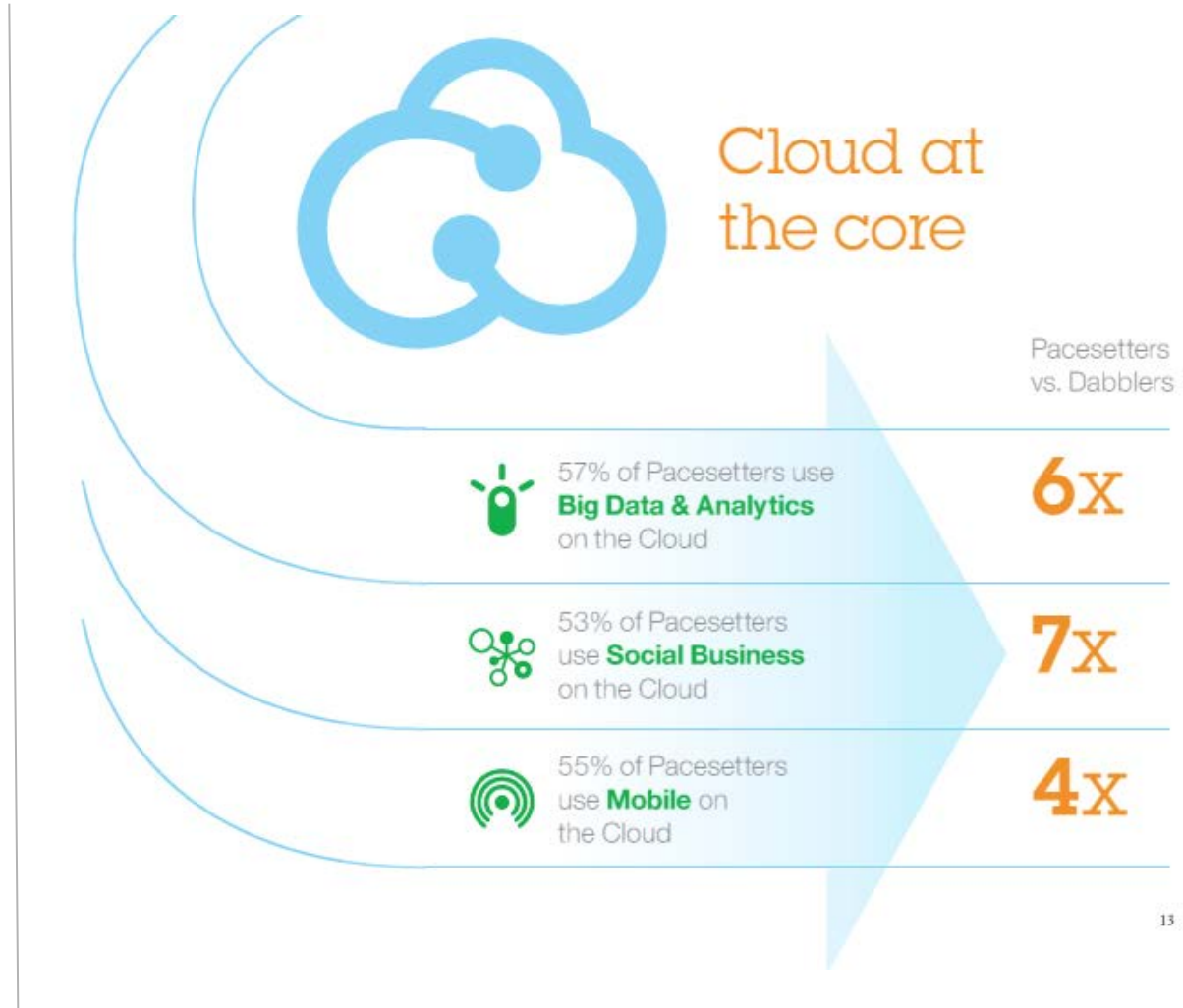
	Dabblers	Followers	Pacesetters
Deliver and use Social Business via mobile to a significant degree	11%	36%	55%
Significant use of mobile analytics	9%	31%	57%
Significant use of social media analytics	10%	30%	57%



....and Pacesetters place cloud at the core of these initiatives

For **over 50% of Pacesetters**, Cloud is a significant part of the use / delivery / application of these other initiatives

They are **4-7x as likely to use cloud** to deliver mobile, social, and big data & analytics



Staying on the leading edge demands more than adoption — it requires a strategic, integrated approach



Broaden your idea of partnering – who you engage and when

- **Plug skill gaps creatively.** Have you considered using academics, start-ups, or clients to train your staff? Are you using crowdsourcing or engaging citizen developers for expertise and speed?
- **Treat innovation as a team sport.** What about bringing in clients or academia to help with product development? Have you engaged clients or start-ups when making strategic IT decisions?
- **Collaborate better.** Are you using social business tools to engage partners? Cloud to scale your collaborations? Analytics to better understand your ecosystem?



Act on insight, not instinct

- **Get equipped for advanced analytics.** Are you taking the plunge into new data sources like unstructured data (e.g. social media)? Building more sophisticated capabilities (e.g. predictive and prescriptive analytics)?
- **Train your team.** Does your organization have the right mix of technical and business skills to use your analytical toolset and interpret results?
- **Act with insight.** Has your organizational culture embraced use of evidence-based insights – rather than gut instinct – for decision making?



Combine technologies to amplify results

- **Engage easily.** Are you making social business capabilities available via mobile (to employees, partners, clients)?
- **Make your mobile apps smarter.** How can you blend the intelligence of big data and analytics with the convenience of mobile to create innovation for your customers and employees?
- **Combine strategically.** How can cloud speed and scale your other technology initiatives? Can integrating technologies help you create new products?



To learn more about the study, please visit

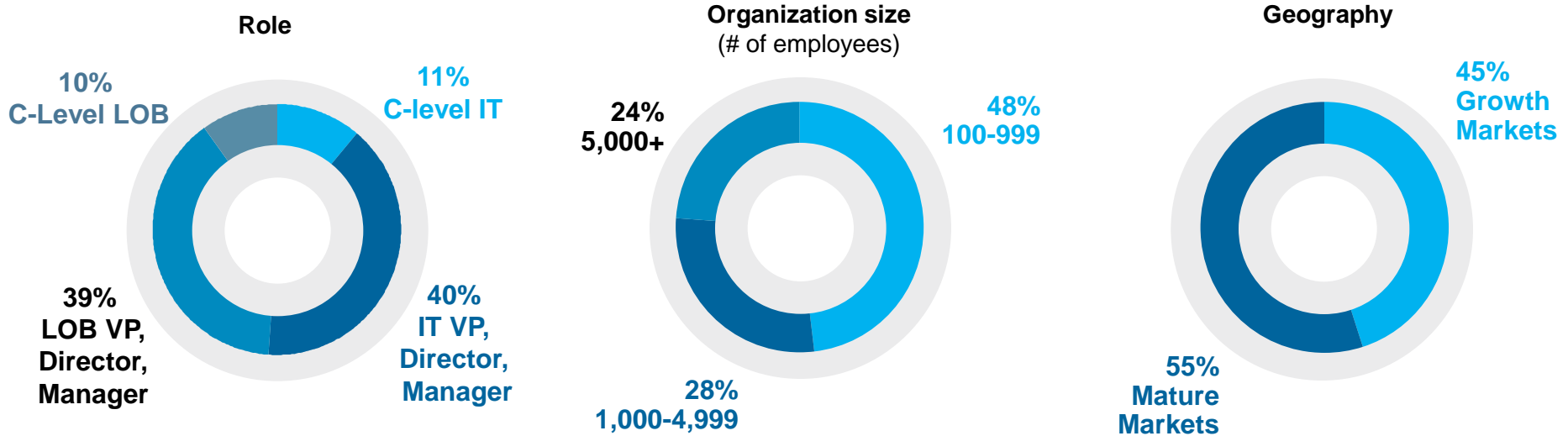
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Appendix

For a global understanding of approaches to big data & analytics, cloud, mobile and social, we surveyed 1447 IT and line-of-business (LOB) decision makers

IBM Business Tech Trends: Respondent distribution

(Transformational technology decision makers, spanning 13 countries* and 15 industries**)



To smooth possible geographic distortions, responses were weighted based on 2012 GDP data from The World Bank: data.worldbank.org/indicator/NY.GDP.MKTP.CD

** Includes 9 priority industries: Telco, Energy and Utilities, Media & Entertainment, Retail, Government, Healthcare, Financial Markets, Banking, Insurance

Growth markets surveyed: Brazil, China, India, Mexico, Russia, South Africa
Mature markets surveyed: Germany, France, Italy, Japan, Spain, UK, US