Mobile Apps:
Gaining Insight Into the Demand and the Difficulties

GATEPOINT RESEARCH

Contents

The 'Big Picture'

Mobile applications are rapidly upending conventional approaches to how and where we work. At the same time they facilitate organizational flexibility and agility, enhancing operational efficiencies. Likewise, mobile apps are creating value for customers and changing how customers interact with our organizations. Yet the rush to mobilize our enterprises is creating several key challenges, which savvy marketers of mobile solutions can turn into key opportunities. Success in marketing mobile solutions requires a deep knowledge of the target audience, including an under-standing of the needs and challenges of our customer's end customer, as well as up-to-date information on the market and business context.

To provide insight into current trends and challenges in the mobility market, **Gatepoint Research** conducted several surveys in 2014 among technology executives at leading global firms. This brief synthesizes the findings from two surveys:

- Survey #1 **Executive Enterprise Mobility** considered the strategic perspective of enterprise mobility leaders (sponsored by Apperian)

- Survey #2 **Mobile First Application Development** examined more specific trends among mobile application development teams and leaders (sponsored by IBM).
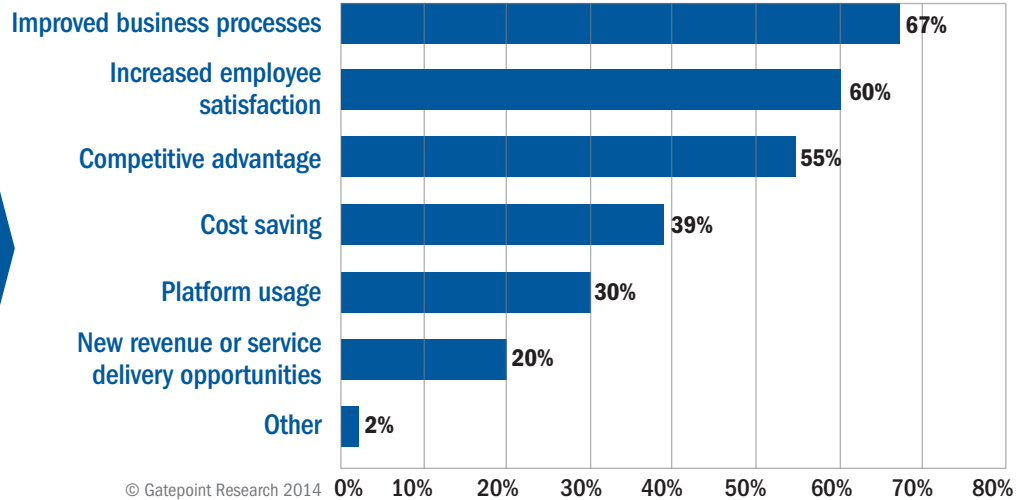
The collective Gatepoint Research findings indicate an increasing momentum behind the mobilization of the enterprise and the subsequent pressures on app development teams to keep up with this momentum. These findings are supported by a recent independent survey of US and UK application development directors and managers (Opinion Matters, October 2014), which revealed that "organizations are currently struggling with a significant mobile backlog and unable to cope with business demands." [i]

Likewise, this mounting pressure on the enterprise was clearly illustrated at the strategic level earlier this year in a Garnter survey of more than 2300 global CIOs. The Gartner survey found that "51 percent of CIOs are concerned that the digital torrent is coming faster than they can cope and 42 percent don't feel that they have the talent needed to face this future." [ii]

Yet, as evidenced by the Gatepoint results, inherent in this pressure to mobilize is also the critical need to safe-guard the enterprise, its stakeholders and customers by addressing the very real and pressing issue of IT-related security threats. Consequently, leaders of mobility programs and their application development teams are caught between the competing goals of rapid, yet secure quality application deployments.

Figure 1

What **benefits** are you seeking with your mobility investments?

Benefit	Percentage
Improved business processes	67%
Increased employee satisfaction	60%
Competitive advantage	55%
Cost saving	39%
Platform usage	30%
New revenue or service delivery opportunities	20%
Other	2%

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Key Findings, Challenges & Insights

Organizational goals: business processes and competitive advantage

which leads to competitive advantage (figure 1). Organizations expect that the following mobile apps will have the greatest impact on improved productivity and ROI: (figure 2)

- Apps for customers
- Basic business productivity apps (e.g., email/calendar/contacts)
- Role- and function-specific apps (e.g., apps for marketing or sales)

The results of the strategic survey reveal that respondents are mobilizing the enterprise primarily to improve business processes, followed by improved employee satisfaction,

Underlying all of these selections is the inherent notion of increasing effectiveness and efficiency, which serve the strategic objective of supporting whether directly or indirectly—the needs of both employees and customers. This drive for effectiveness and efficiency was similarly reflected in the mobile app development survey where "mobile application management" was the clear focus of respondents who were asked, "What capabilities does your organization need to excel at within the next 12–18 months to improve your mobile apps?" (figure 3) Rounding out the top three responses were selections that further reinforced this strategic objective: "ability to integrate with backend data", and "analytics of mobile data." Curiously, "security"— which remains a high-visibility issue in the C-suite—only received moderate attention in the app development survey as an area within app development where respondents feel their organizations need to excel (figure 3 again).

Figure 2

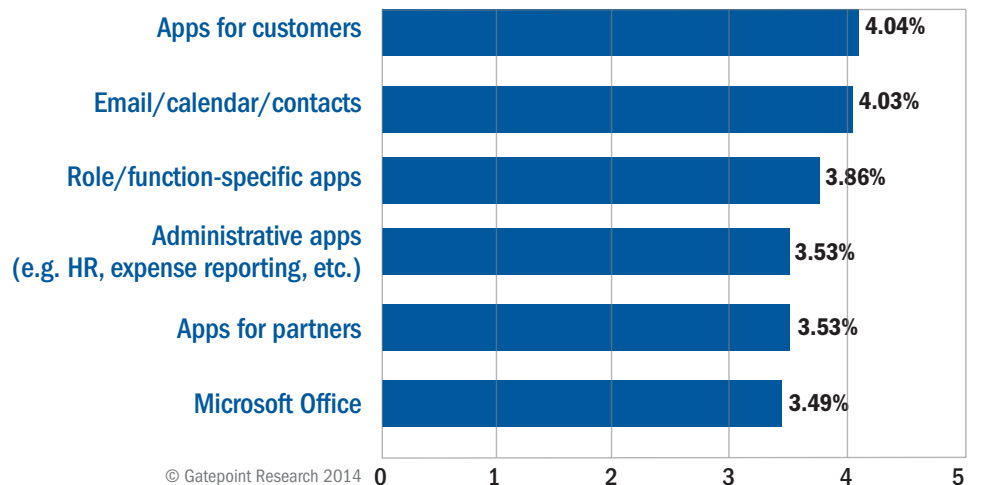### What mobile apps do you believe will have the greatest impact on **productivity** and/or **ROI**?

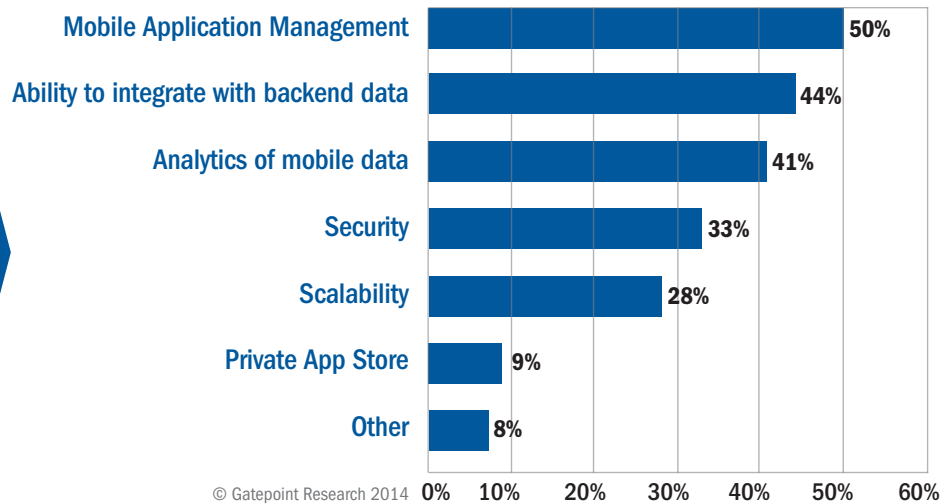| App	Value
Apps for customers	4.04%
Email/calendar/contacts	4.03%
Role/function-specific apps	3.86%
Administrative apps (e.g. HR, expense reporting, etc.)	3.53%
Apps for partners	3.53%
Microsoft Office	3.49%

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Figure 3

What **capabilities** does your organization need to excel at within the next 12–18 months **to improve** your mobile apps?

Capability	Percentage
Mobile Application Management	50%
Ability to integrate with backend data	44%
Analytics of mobile data	41%
Security	33%
Scalability	28%
Private App Store	9%
Other	8%

The Security Disconnect

While in the strategic survey, security was indeed overwhelmingly cited (77%) as the top challenge impeding the attainment of mobility goals (see figure 4), this finding was not reflected at the development level. Rather, respondents in the app development survey relegated security concerns to the near bottom of their selections (24%) concerning their top challenges in developing apps (figure 5).

These findings indicate a disconnect between the strategic concern of security and its practical application. While overwhelmingly enterprise mobility leaders identify security as their top challenge, these two surveys indicate that this concern isn't yet being felt or met by mobile app development teams. With over 70% of respondents having no visibility into security and data leaks—nor is it being identified as a driving concern among app developers—these findings suggest a strong need for the creation and integration of security management metrics. It may be that many development teams are already working within a prescribed security architecture and implementation suite, and therefore don't feel the pressure of delivering on security beyond that. However, a chain is only as strong as its weakest link—mobility leaders would be well served to explore the question of how effectively mobile app development teams are addressing the critical issue of security.

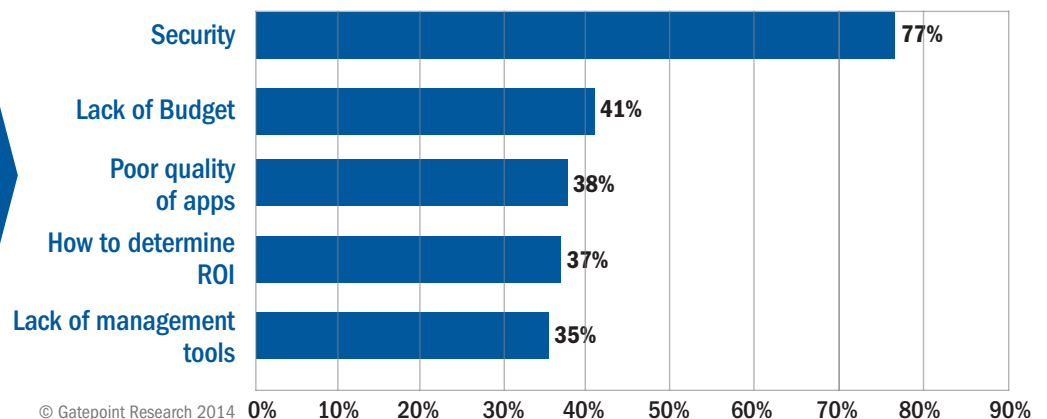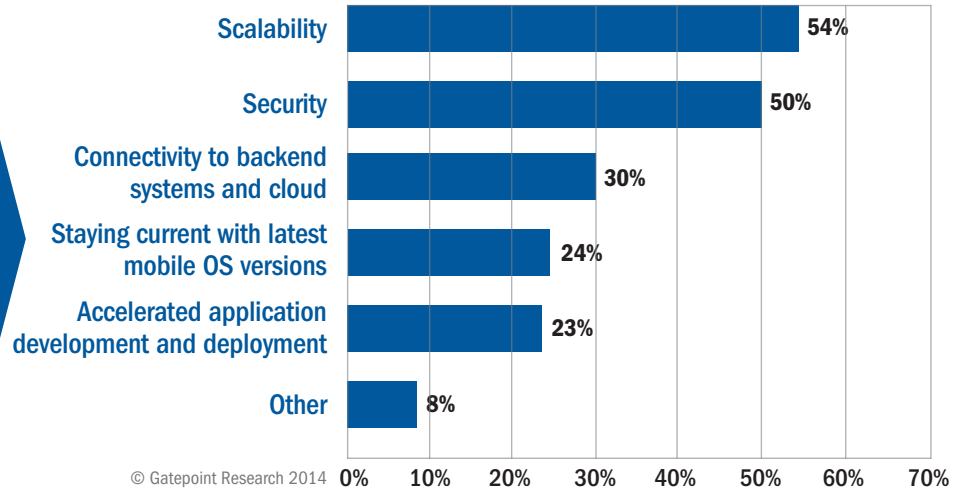**Figure 4**

Challenges to achieving **mobility goals**

Challenge	Percentage
Security	77%
Lack of Budget	41%
Poor quality of apps	38%
How to determine ROI	37%
Lack of management tools	35%

Figure 5

What challenges are you dealing with in developing your **mobile app?**

Challenge	%
Scalability	54%
Security	50%
Connectivity to backend systems and cloud	30%
Staying current with latest mobile OS versions	24%
Accelerated application development and deployment	23%
Other	8%

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The Momentum Challenge

In contrast to the security concerns overwhelmingly identified as the primary challenge in the strategic survey, respondents in the app development survey identified their top challenges as "accelerated application development and deployment" and "staying current with latest mobile OS versions." (figure 5) Indeed, the strategic survey similarly found that while security is a widespread concern, it hasn't slowed deployment momentum. Over the next two years, respondents overwhelmingly anticipate large-scale deployments of mobile apps within the enterprise—over 70% expect to equip a thousand users or more, and a full third are planning for over 5000 users (figure 7).

The pressure of this momentum is clearly affecting the selection of mobile development tools, as the top considerations cited by developers were the "ability to leverage existing programming skills" (53%) and "short time to market" (52%). The ability to leverage this skill is *the* critical deciding factor (65%), for development teams rated by respondents as below average in programming expertise.

Figure 6

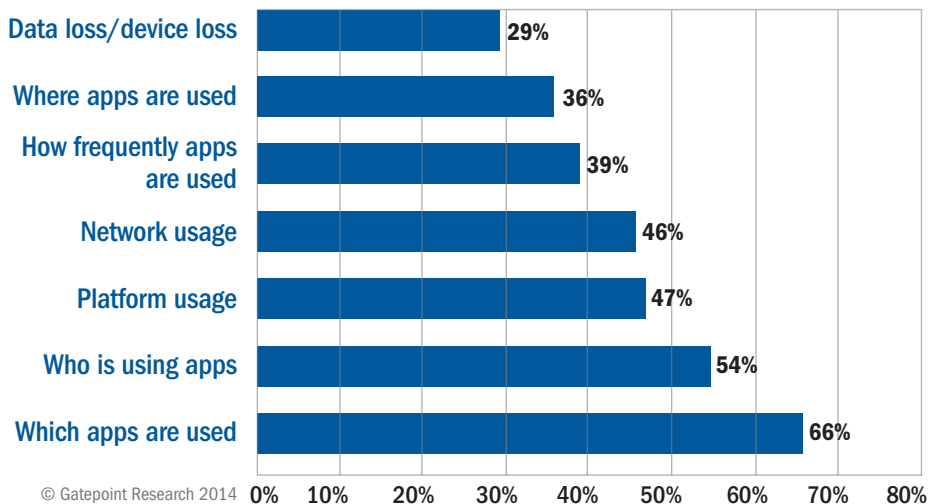Do you have **visibility** into the following metrics for your **mobility program?**

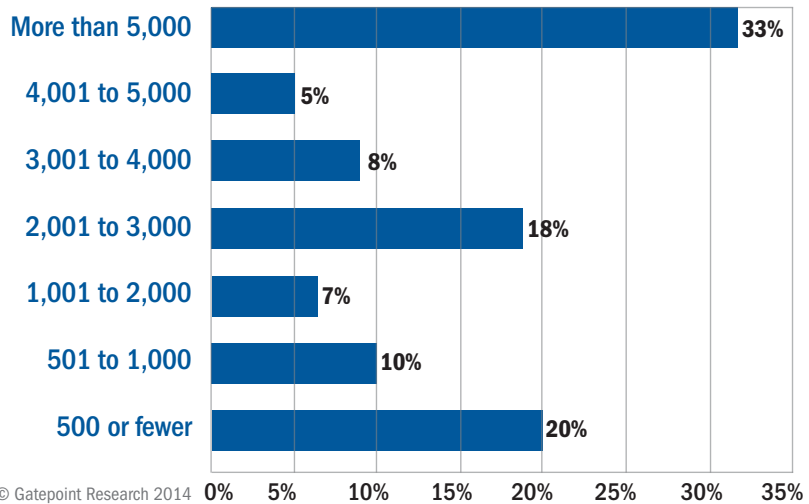| Metric	%
Data loss/device loss	29%
Where apps are used	36%
How frequently apps are used	39%
Network usage	46%
Platform usage	47%
Who is using apps	54%
Which apps are used	66%

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Figure 7

How many users do you expect to **equip with mobile apps** within the next two years?

Chart:

Users	Percentage
More than 5,000	33%
4,001 to 5,000	5%
3,001 to 4,000	8%
2,001 to 3,000	18%
1,001 to 2,000	7%
501 to 1,000	10%
500 or fewer	20%

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The Opportunity

Going forward, mobile solution vendors have an opportunity to capitalize on the mobility momentum that is overwhelming many organizations. Vendors that address organizational priorities to

- Improve business processes
- Provide a better experience
- Deliver improved workflow for employees,
- Add value for your customer's end customer, will find yourself well placed in this dynamic market.

Yet, the savvy vendor will also remember that a chain is only as strong as its weakest link

- Provide solutions for the 65% of organizations with below average programming skills and
- Attend to the strategic imperative of security.

[i] http://www.outsystems.com/company/news/2014/mobile-trend-statistics/

[ii] http://www.gartner.com/newsroom/id/2649419

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