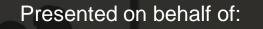
The SMB Business Environment

October 2014







Key trends in technology investment

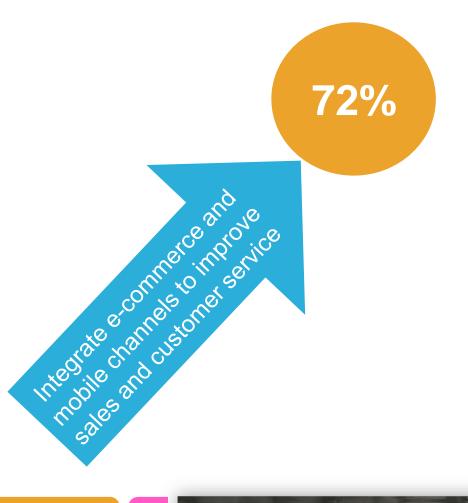
<u>Among manufacturers</u>, the top three objectives for technology spend over the past two years:





Key trends in technology investment

The big shift in priority over the next two years





Survey Findings



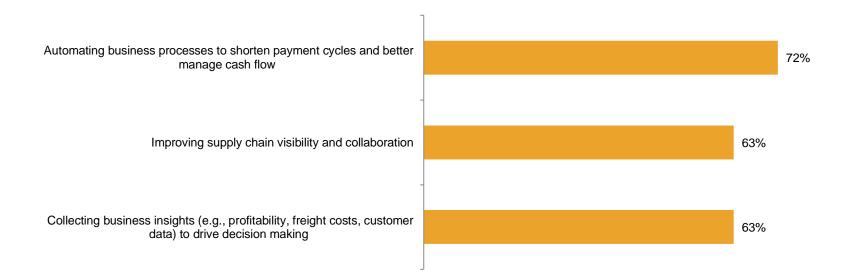


CHALLENGES TO DAILY OPERATION OF BUSINESS (BY INDUSTRY):

To what extent is your company experiencing challenges in the following areas in the daily operation of your business?

(5-point scale where 5 = To a significant extent; 3 = To a moderate extent; 1 = To no extent)

Top 3 Challenges for Manufacturing



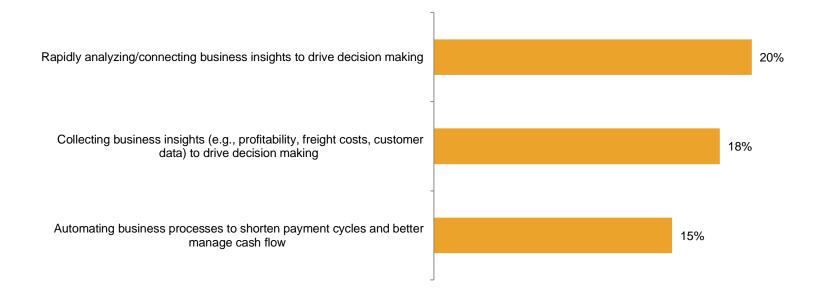




CHALLENGES TO DAILY OPERATION OF BUSINESS MOST LIKE TO FIX:

Of the key business challenges that your company faces today, which <u>one</u> would your organization most like to address or fix?

Top 3 Challenges Most Want To Fix for Manufacturing







INVESTMENTS IN TECHNOLOGY AND IMPROVEMENTS SEEN BY INDUSTRY:

Have you made an investment in technology in the <u>last 1-2 years</u> to address any of the areas below? Did you see an improvement in your business from the investments you made?

Made an investment last 1-2 years Saw improvement as a result of investment Collecting business insights (e.g., profitability, freight costs, customer data)to drive 76% 100% decision making 74% Integrating new technology with legacy systems to have a single view of the business 74% Automating business processes to shorten payment cycles and better manage cash 70% 91% flow 70% Using mobile technology to make sales and customer service more efficient 78% 67% Improving supply chain visibility and collaboration 77% 65% Ensuring compliance with Sarbanes Oxley and other government reporting 63% 63% Optimizing inventory management & demand forecasting 93% 63% Leveraging customer relationship management to manage new sales opportunities 76% 61% Rapidly analyzing/connecting business insights to drive decision making 96% 61% Improving the efficiency of warehouse logistics & the accuracy of order fulfillment 86% Integrating e-commerce and mobile channels with ERP and other business 59% management software 85%

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Investments and Improvements for Manufacturing



LIKELY TO INVEST IN NEXT 1-2 YEARS BY INDUSTRY:

Is your company <u>likely to invest in technology in the next 1-2 years</u> to address any of the areas below?

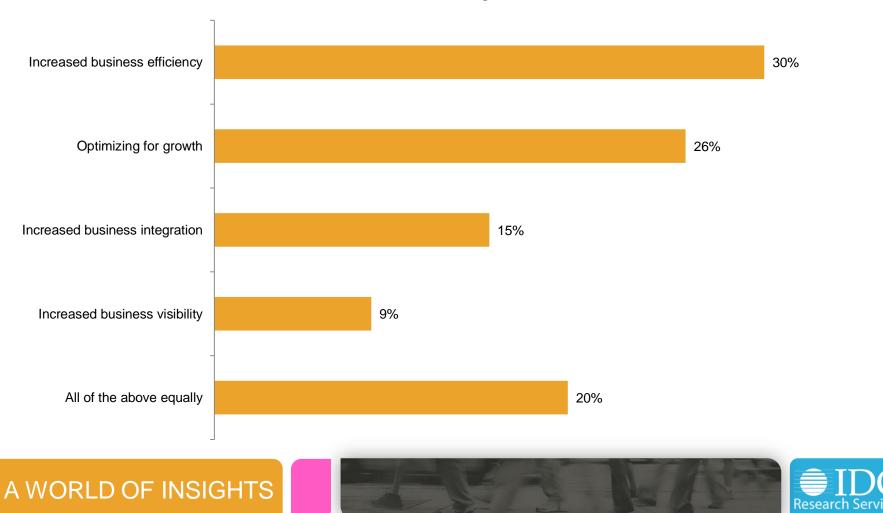
Likely Investments for Manufacturing Over Next 1-2 Years





MOST CRITICAL OUTCOMES OF NEW INVESTMENTS:

When making technology investment decisions to address key business challenges, which of the following outcomes is most critical for your company?



Needed Outcomes for Manufacturing

IDG Research Services specializes in marketing and media-related research for technology marketers. As a division of International Data Group (IDG), the world's leading technology media, research, and event company, IDG Research Services brings the resources and experience of a large, global company to its clients in the form of a small, customer-focused business. For more information please visit our <u>website</u>.

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A WORLD OF INSIGHTS

10