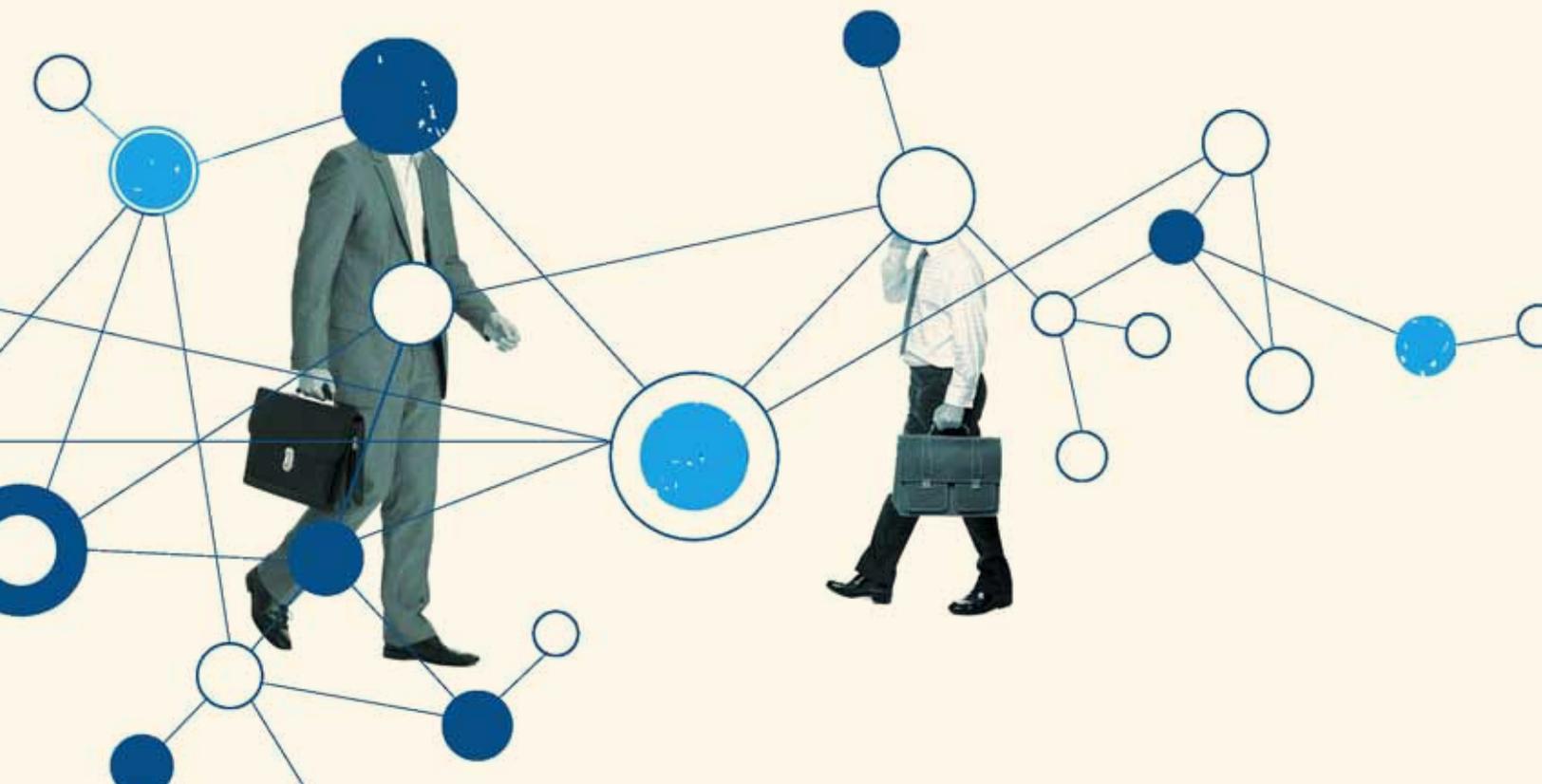


SURVEY REPORT

THE STATE OF *Hyperconnectivity*

This Wipro and UBM Tech survey talks of how hyperconnectivity, which describes multi-client and multi-device access to enterprise resources, can help improve customer service and relationships.



“Digitally connected (hyper connectivity) customers are clearly influencing the market dynamics. These customers want to have seamless user experience on the devices of their choice (phone, tablet, laptop). They would always like to be in direct control of their transactions and demand rich, contextual, real time, personalized data. Improving underlying mobility infrastructure and providing secure, cloud based services would be key to the growth.” - Kedar Limaye



Subu Musti

Director - Mobile Strategy, Wipro
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Kedar Limaye

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Enterprises expect hyperconnectivity to improve customer service and customer relationships, according to a new research from UBM Tech and Wipro, based on 238 high-level marketing and IT managers respondents (see the sidebar, *The Hyperconnected User*, for a more detailed breakdown of the respondents). Nearly half also expect a bump in mobile productivity.

These findings indicate that companies are focusing on deeper engagement with existing customers before attracting new customers and that most place higher priority on improving efficiency and margins than on finding ways to cut costs with hyperconnectivity. This makes sense as it's cheaper to keep existing customers—and sell new or add-on services to them—then it is to prospect for and attract new customers.

The research set out to provide insight into how enterprises plan to use hyperconnectivity as it relates to mobile connectivity, user productivity, social network integration, workflow improvement, potential security issues, as well as cost savings and revenue opportunities moving forward. Overall, the indication is that hyperconnectivity leads to new opportunities, improved customer relationships and increased efficiency in many areas.

Improving Customer Relations and Support

Hyperconnectivity, which describes multi-client and multi-device access to enterprise resources, involves mobility, personalization, localization, and the management of the customer experience. The data, applied analytics, and trends that are discovered as a result are harnessed by corporations to manage and improve the customer experience. As a result, executives can adjust corporate strategy and even their entire organization structure to better serve customers. Hyperconnectivity has the potential to transform companies into next-generation enterprises.

Nearly three-quarters (72%) of all respondents to the UBM Tech research survey indicated that they agree or completely agree that hyperconnectivity will significantly increase the customer engagement index. Only 3% of all respondents disagreed (rating of 1 or 2) while the remaining 25% were neutral or unsure (rating of 3).

Looking at the responses broken out by job role, a full 85% of marketing professionals agree or completely

agree (rating of 4 or 5) and 68% of IT agree that hyperconnectivity will significantly increase the customer engagement index at their company.

In fact, respondents expect that hyperconnectivity will help them meet their business goals primarily by strengthening customer bonds (see Figure 1). According to the survey responses, the top three ways that hyperconnectivity will help achieve business goals are:

- 1.Improving customer service (55% of marketers; 70% of IT)
- 2.Building stronger customer relationships (55% for marketers; 44% for IT)
- 3.Increasing mobile workforce productivity (51% for marketers; 45% for IT).

Fig 1 : How do you envision hyperconnectivity will improve your business?

Note: Maximum of three responses allowed
 Data: UBM Tech survey of 238 insurance business technology and marketing professionals, May 2013



These results show that companies believe hyperconnectivity can improve business: companies are marketing to their existing customers to improve their relationships, learn to support them better, and provide them better value with the goal to increase sales. As examples, the integration of social media represents an additional channel for marketing, and the additional customer touch points lead to a better understanding of users’ needs outside of the product(s) they’re currently using. This leads to increased satisfaction and new sales to existing customers, achieved through new product features or even new product families, as customers’ needs are better discovered.

Improving Workflow

One philosophy for software design is to focus mainly on users’ needs and the data required, rather than on building an application for the desktop or a mobile device. This approach can enable a user to collaborate on a document with another teammate regardless of whether they’re at their desk, working from home, commuting, or on business travel. The device type and user location become less important, and the experience needs to be consistent across all locations.

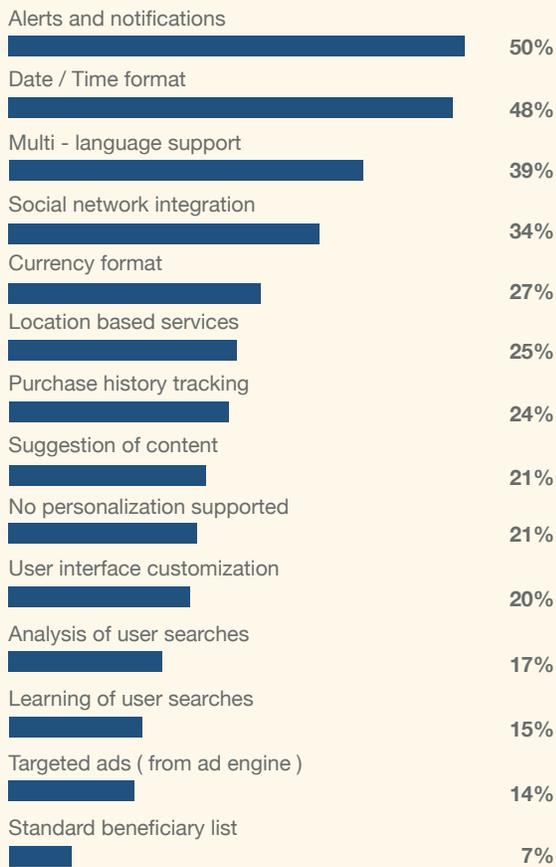
Companies are using hyperconnectivity to better enable user workflow, regardless of application and user location. Survey questions that ask about customer service, creative marketing, and in the integration of social media into more traditional applications support this, as we’ll see in the next section.

Integrating Social Media and User Data

Many companies are betting their future success on tight social network integration and data mining. For example, software vendors are increasingly integrating social media authentication (such as Facebook user ID and password) into their own applications. This integration offers a level of convenience for users and opens the door for deeper analytics, leading to a better understanding of their customers’ needs and interests. The sharing of social media information works in three important ways:

Fig 2. Which of the following personalization features are supported by your applications?

Note: Multiple responses allowed
 Data: UBM Tech survey of 238 insurance business technology and marketing professionals, May 2013



first, it helps the software vendor gain a deeper understanding of their customers as well as their experiences with the related application. Second, it provides an additional channel of communication between vendors and users. Finally, it leads to new personalization and interaction based on social media patterns.

Thirty-four percent of all respondents offer social media integration as a personalization feature for to their enterprise application users (see Figure 2). This integration is

“An example of hyperconnectivity is collaboration. For example, can you seamlessly and quickly jump into a video call with your mobile phone and share visual information instead of a creating separate engagement?” – Subu Musti

at the heart of hyperconnectivity, as it plays a huge role in connecting the various forms of technology people use throughout the day. Other methods of personalization cited by respondents include more alerts and notifications and improved internationalization features, such as multi-language support.

Social media allows users to collaborate and communicate more easily (with each other as well as with application vendors), and it opens opportunities for deeper understanding about these customers. Although social media data may be outside the business context, understanding customers on a personal level helps companies better meet their needs on a business level.

Customer Service and Market Strategy

The majority of marketing professionals (62%) report that increased customer engagement is the top way that hyper-personalization is affecting their market strategy. This engagement is done through both traditional channels as well as new channels created by the move to hyperconnectivity. For IT, customer engagement was cited by just under half (48%) of those who responded. For both groups, the second area of impact is increased brand awareness (51% and 30% for marketing and IT respectively).

When asked to rank all of the ways in which mobile applications have affected customer service, most respondents overall chose higher efficiency as the number one answer (57%), with mobile device email integration at a close second at 56% (see Figure 3).

When broken out separately, both the marketing and IT groups chose mobile device email integration first (68% for marketers; 54% for IT), higher efficiency and throughput second (64% for marketers; 53% for IT) and

emergence of a self-service model third (36% and 44%).

Almost 50% of both groups indicated that between 10% and 29% of their customers would adopt self-service applications in the first year (see *Figure 4*). Just over one-third of those surveyed expect that less than 10% of their customer base might adopt self-services apps in the first year. Through self-service, hyperconnectivity enables users to help one another, gain assistance through new automated procedures (either online or via mobile integration), or connect to vendors over social media, in addition to traditional methods such as phone-based customer support.

Better Enabling Hyperconnectivity

Despite the potential for hyperconnectivity to improve business, respondents point out many areas for improvement, including bandwidth, security, device capability, and so on. For instance, only recently have devices contained enough processing power, memory, storage, and screen resolution to accomplish tasks otherwise done on a desktop or laptop.

Although device capabilities continue to improve, in many cases users cite additional needs to support a truly hyperconnected experience. The technologies that IT and marketing managers felt would best enable growth and adoption of hyperconnectivity in the next three years are:

1. Improved mobile bandwidth (72% for both marketing and IT)
2. Increased use of cloud-based services (60% for marketing and 47% for IT)
3. Improved security (53% for both groups)

IT security is too often poorly planned, and planned too late in the process to ensure an effective strategy. The fact that security appears in the top three enabling technologies shows that this is a key concern in the area of hyperconnectivity as well. A focus on security can be a differentiator and help drive adoption in the long run as users otherwise lose confidence in vendors that overlook this crucial feature.

Evolution or Revolution?

Savvy companies try to look beyond the hype to determine whether new technology represents a new paradigm or just a progression of something that already exists. With hyperconnectivity, for example, do the mobility-driven changes in user expectation represent a sea change in how we build new solutions, or just a shift in a few key areas? The ability to use social media to expand the viewing experience in real-time while watching a television show is a good example of a revolutionary

Methodology

In May 2013 UBM Tech conducted an online survey on behalf of Wipro. A total of 238 business technology and marketing respondents were collected from specific industries such as technology manufacturing, healthcare/medical, and banking/financial services.

The greatest possible margin of error for the total respondent base (N=238) is +/- 6 percentage points. UBM Tech was responsible for all programming and data analysis. These procedures were carried out in strict accordance with standard market research practices.

These key findings showcase a comparison of respondents with marketing titles and IT titles. The 47 marketing professionals base yields a possible margin of error of +/- 14 percentage points, and for the IT segment of 119 respondents, it is +/- 9 percentage points.

Fig 3. In which of the following ways have mobile applications impacted customer service?

Note: Multiple responses allowed
 Data: UBM Tech survey of 238 insurance business technology and marketing professionals, May 2013



Base: 47 marketing respondents



Base: 118 IT respondents

hyperconnectivity experience. Simply creating a feature-for-feature equivalent of a desktop application for a mobile device may only be considered evolutionary.

When asked how they envision their applications' user experience changing in the future, 70% of marketing and 60% of IT managers cited multi-device compatibility, followed by seamless connectivity (59% for marketing and 44% for IT). Interestingly, the third most common answer differed between the two groups: The marketing group

selected "common user interface components" and "a more personalized experience" (tied at 44%), and the IT group chose device convergence (40%) for their third choice (see Figure 5).

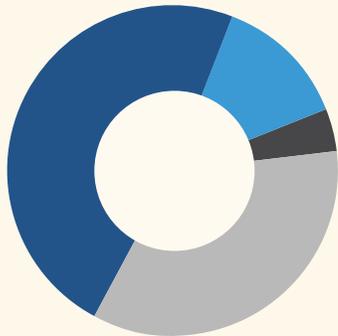
One area where many have predicted a sea change related to hyperconnectivity is in the area of mobile payments. In the UBM Tech and Wipro survey 15% of marketing and 20% of IT respondents say their applications already support mobile payments/billing, whereas 38% of marketing and 45% of IT plan to roll out mobile payments/billing in the near future. Nearly half (47%) of marketers and just over one-third (35%) of IT respondents indicate that they don't currently plan to support mobile payments.

This relatively low rating for mobile payment support is somewhat surprising, especially as the market for mobile users and applications continues to grow. Confusion over what a mobile payment is (for example, PayPal or near-field communication) might be suppressing the numbers in the responses. Alternatively, it's possible that mobile apps and their users just haven't matured enough to require mobile payments. Possible mobile payment methods include PayPal, direct mobile billing through the carrier, Google Wallet, Amazon Payments, QR codes, contactless NFC, or credit card vendors (i.e. Visa payWave, MasterCard PayPass, or American Express Mobile).

"In the banking space, executives are very paranoid when using mobile devices. We see they usually carry two devices. For instance, a BlackBerry for work, and an iOS or Android device for personal use. Compliance and regulations are forcing companies to be strict regarding this." -Subu Musti

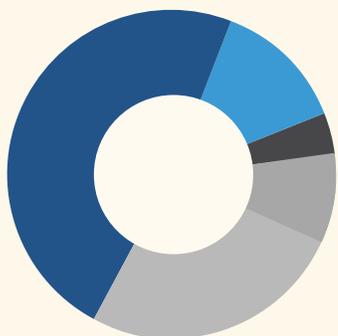
Fig 4 : What percentage of your customer base might adopt or will adopt self-service apps in the first year?

Base: 47 marketing respondents
 Data: UBM Tech survey of 238 insurance business technology and marketing professionals, May 2013



30 to 49%	13%
50% or more	4%
Under 10%	35%
10 to 29%	48%
None	0%

Base: 47 marketing respondents



30 to 49%	10%
50% or more	5%
Under 10%	27%
10 to 29%	49%
None	9%

Base: 118 IT respondents

Hyperconnectivity in Industrial Automation

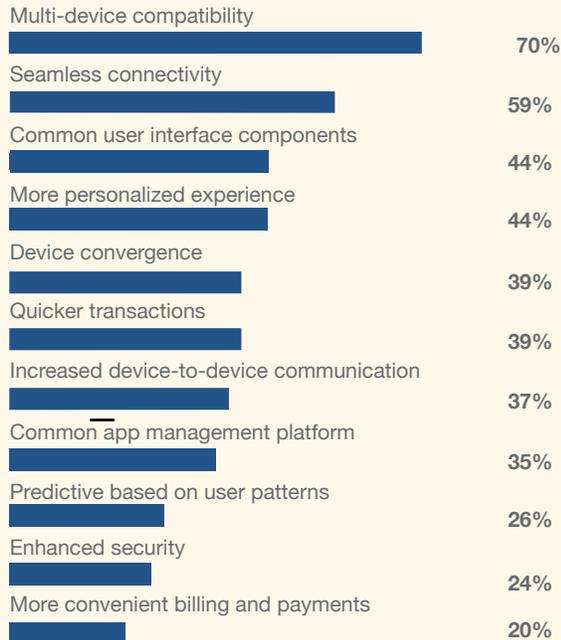
In the face of rising costs, increased liability and expensive downtime, the construction industry increasingly uses technology to boost efficiency and save costs. Companies such as Rasmussen Equipment rely on the efficiency and reliability of their equipment to stand out from their competition. Affordable bandwidth from wireless carriers is their number one technology enabler for hyperconnectivity, according to Rasmussen's Shane Johnson.

Location-based functionality is important in construction, especially in terms of helping crews travel and communicate in remote locations, and to track the whereabouts of expensive equipment. Additionally, as with most, security remains high on the list of needs in the area of hyperconnectivity.

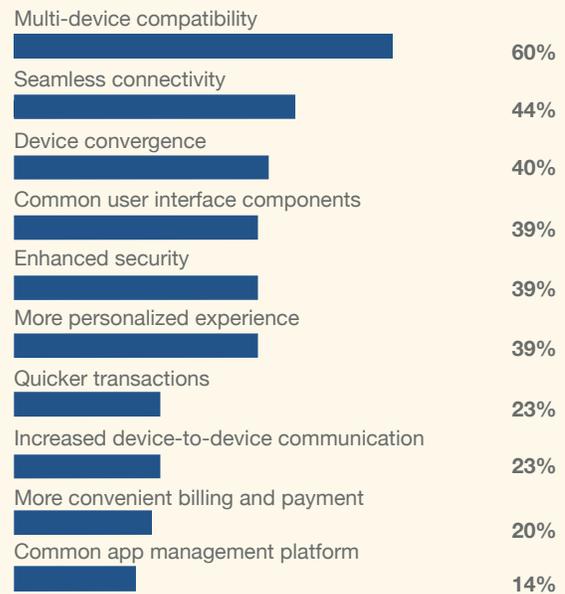
Areas of hyperconnectivity that aren't as important to Rasmussen Equipment and other companies in the construction industry include social network integration and enabling user workflow.

Fig 5. How do you envision your applications user experience changing in the future?

Note: Multiple responses allowed
 Base: 47 marketing respondents
 Data: UBM Tech survey of 238 insurance business technology and marketing professionals, May 2013



Base: 47 marketing respondents



Base: 118 IT respondents

Conclusion: Changing Relationships

According to our survey on the subject, hyperconnectivity is in the early stages as mobility continues to mature. As mobile device and application usage increase, the need to personalize users’ experiences and integrate them into larger workflows and processes — so they work seamlessly across desktop environments, tables, and smartphones as users change locations — is sure to increase and accelerate.

Device compatibility and improved mobile bandwidth (as well as costs) are important factors for the future of hyperconnectivity. Although mobile payments are slow in gaining traction, adoption is certain to increase over time as vendors continue to integrate with social media, where forms of mobile currency are gaining popularity,

especially as security concerns are ironed out.

Overall, marketing and IT managers surveyed believe that hyperconnectivity leads to new opportunities, improved customer relationships and increased efficiency. End-user experience and value is top of mind for both sets of respondents. When the goal is to increase customer satisfaction and improve relationships with existing customers through hyperconnectivity, both the companies and their users will win in the end. ■

References: <http://www.inc.com/karl-and-bill/its-cheaper-to-keep-em.html>, also “Industry Outlook 2013: CMOs Lead the Big Data Revolution”, <http://www.wipro.com/the-data-directive/docs/Wipro-analytics-CMOs-lead-the-data-revolution.pdf>