



Appendix—Full survey results

Technology in the mid-market—Closing the gap

A Deloitte Growth Enterprise Services report
November 2017

of the system. The system is designed to be used in a variety of environments, including:

- *Indoor environments:* The system is designed to be used in indoor environments, including:

• *Office environments:* The system is designed to be used in office environments, including:

- *Meeting rooms:* The system is designed to be used in meeting rooms, including:

• *Classrooms:* The system is designed to be used in classrooms, including:

- *Conferencing rooms:* The system is designed to be used in conferencing rooms, including:

• *Training rooms:* The system is designed to be used in training rooms, including:

- *Workshops:* The system is designed to be used in workshops, including:

• *Conferences:* The system is designed to be used in conferences, including:

- *Events:* The system is designed to be used in events, including:

• *Public spaces:* The system is designed to be used in public spaces, including:

- *Stadiums:* The system is designed to be used in stadiums, including:

• *Concert venues:* The system is designed to be used in concert venues, including:

- *Theaters:* The system is designed to be used in theaters, including:

• *Convention centers:* The system is designed to be used in convention centers, including:

- *Exhibition halls:* The system is designed to be used in exhibition halls, including:

• *Trade shows:* The system is designed to be used in trade shows, including:

- *Conventions:* The system is designed to be used in conventions, including:

• *Industry conferences:* The system is designed to be used in industry conferences, including:

- *Networking events:* The system is designed to be used in networking events, including:

• *Business meetings:* The system is designed to be used in business meetings, including:

- *Product demonstrations:* The system is designed to be used in product demonstrations, including:

• *Press conferences:* The system is designed to be used in press conferences, including:

- *Media events:* The system is designed to be used in media events, including:

• *Public relations events:* The system is designed to be used in public relations events, including:

- *Corporate events:* The system is designed to be used in corporate events, including:

• *Industry events:* The system is designed to be used in industry events, including:

- *Trade fairs:* The system is designed to be used in trade fairs, including:

• *Exhibitions:* The system is designed to be used in exhibitions, including:

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Technology in the mid-market

Closing the gap

From July 14 to July 24, 2017, a Deloitte survey of mid-market companies was conducted by OnResearch, a market research firm. The survey examined technology trends taking place in this market segment to determine the role that technology plays and how it influences business decisions.

The 500 survey respondents represented mid-market companies with annual revenues ranging from \$100 million to a little over \$1 billion. Half of the respondents were C-suite executives, while the remaining executives held other management roles. Seventy-nine percent of the respondents represented companies that are privately held, while the remainder were publicly-traded firms. Thirty-four percent of the respondents were from consumer and industrial products companies; 25 percent represented technology, media and telecommunications companies; the remainder were divided among energy and resources, financial services, life sciences and health care, and other industries.

The full survey results are included in a separate appendix; some percentages in the charts throughout this report may not add up to 100 percent due to rounding, or for questions where survey participants had the option to choose multiple responses.

The report based on these survey findings,
Technology in the mid-market—Closing the gap,
can be found on our website at
www.deloitte.com/us/mid-market-technology.

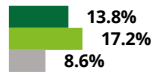
Business environment

Over the past 12 months, my company's revenue growth has been:

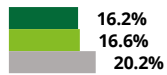
31% or higher



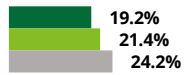
21% - 30%



16% - 20%



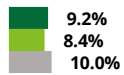
11% - 15%



5% - 10%



1% - 4%



0%



Negative 1% - 4%



Negative 5% - 9%



Negative 10% or lower



My company's business outlook over the next 12 months appears to be:

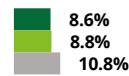
Highly optimistic



Cautiously optimistic



Neutral



Pessimistic

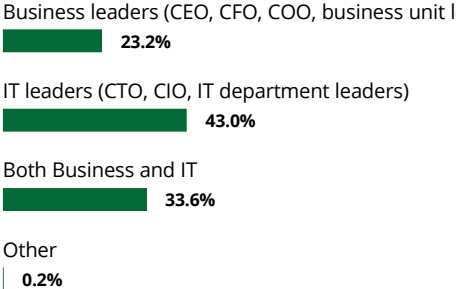


Highly pessimistic



Role and value of technology

Who leads the adoption of new and emerging technologies within your company?



How would you describe the role of executive leadership in your organization with regard to emerging and next-generation technologies (including cloud, mobile, and social)?

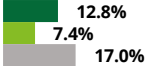
They are leading the charge



They are actively engaged



They are passive, but willing to be engaged



They have bigger fish to fry



They are actively obstructing change



Not applicable/don't know



- 2017
- 2016
- 2015

What do you expect will be the most significant impact of digital disruption on your organization in the next 12 months?

Enable new ways to interact with customers



Streamline or reduce operational cost



Help create new lines of services/business



Increase worker productivity



Improve business process alignment



Speed the pace of transactions and business interactions



Role and value of technology (cont.)

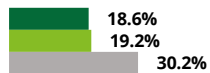
What is the biggest IT challenge faced by your organization? Select only one.

Information security

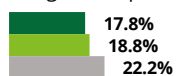


Response not offered in 2015.

Keeping up with new technology



Budget to implement new technology



Integrating with legacy systems



Response not offered in prior years.

Technical complexity



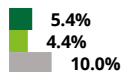
Response not offered in prior years.

Business partners investing at the same pace as our organization

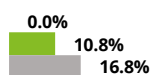


Response not offered in prior years.

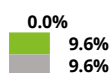
Not having the right talent/skill set



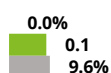
Tactical hurdles



Leadership support



Understanding ROI



Other



2017

2016

2015

Which of the following statements is true about your IT department's involvement with the end customer of your organization? Select all that apply.

Our IT department is focused on delivering seamless/integrated customer experiences



We are actively building technology platforms to better engage with customers



Our IT department is involved in designing of products and customer solutions



Our corporate strategy emphasizes customer acquisition, retention and loyalty



Gathering and analyzing customer data is a priority for the IT organization



Technology and Marketing departments have established joint processes and governance



Our IT department has no involvement with the end customer*



*Response not offered in 2015.

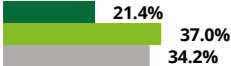
None of the above



Role and value of technology (cont.)

How would you describe the current state of IT governance within your organization?

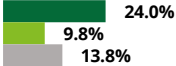
Mature with established processes



Building and developing IT governance and processes and structures



Investigating IT process and improvement, but no formal governance in place



Little to no formal IT processes, structures, or awareness



Don't know/Not sure

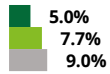


- 2017
- 2016
- 2015

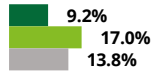
Technology spend

What is your company's current "spend" on technology?

We do not currently have a separate, identifiable spend



Our spend is negligible (< 1% of revenue)



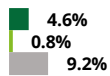
We spend between 1-5% of revenue on technology



Our spend is above 5% of revenue



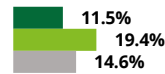
Don't know



■ 2017
■ 2016
■ 2015

Compared to last year, my company's current level of technology spend is:

Significantly higher



Higher



About the same



Lower



Significantly lower



■ 2017
■ 2016
■ 2015

Technology spend (cont.)

What areas were the focus of your company's information technology budget spend in the past 12 months? Select all that apply.

Implementation of new information security processes



Investing in hardware to mitigate security risks



Threat prevention (monitoring/ detection)



Investing in software to mitigate security risks



Educating employees about risks and adhering to security protocols



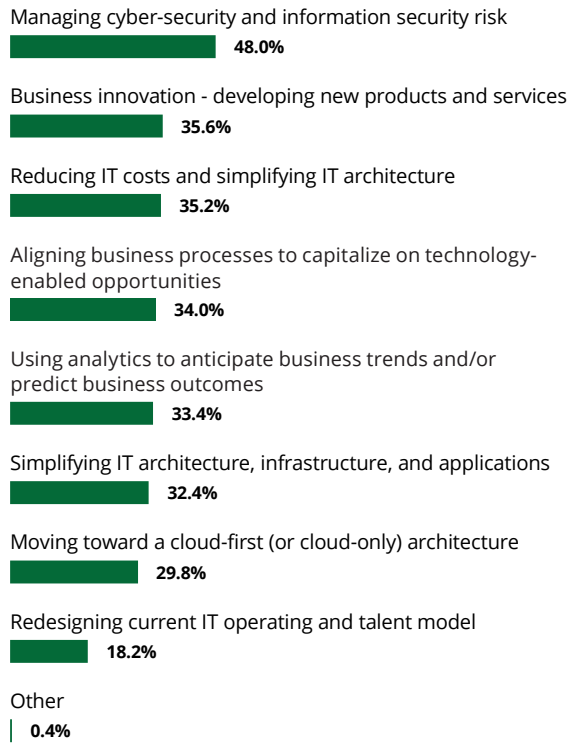
Hiring or contracting with cybersecurity specialists to address security risk



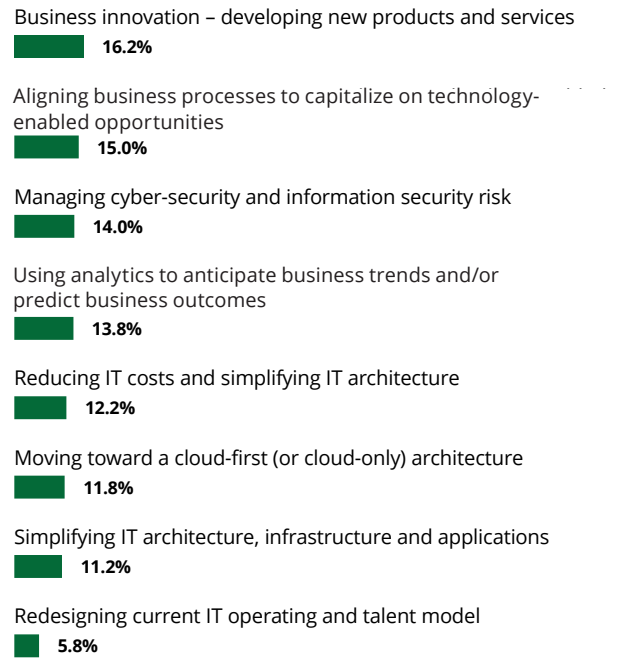
■ 2017
■ 2016

Technology trends

What will be your organization's top three technology priorities for the next 12 months? Select up to three.

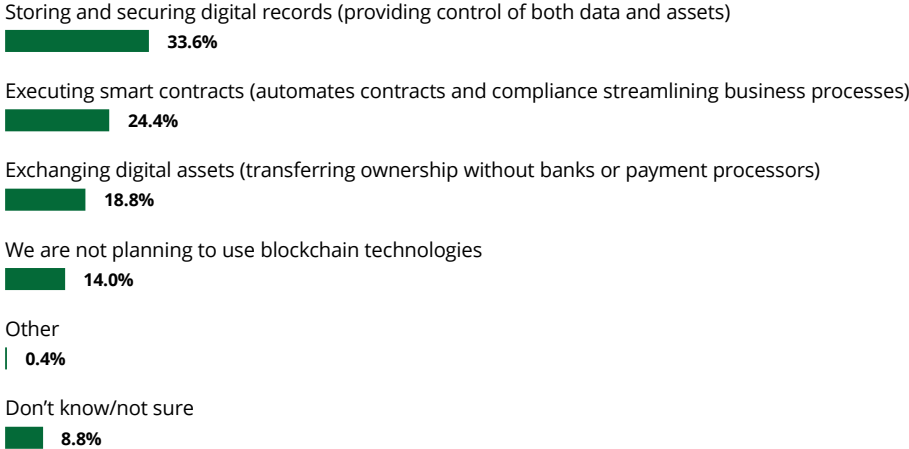


Given the rapid pace of change in technology architecture, which IT investment has the potential to produce the greatest benefit for your company?



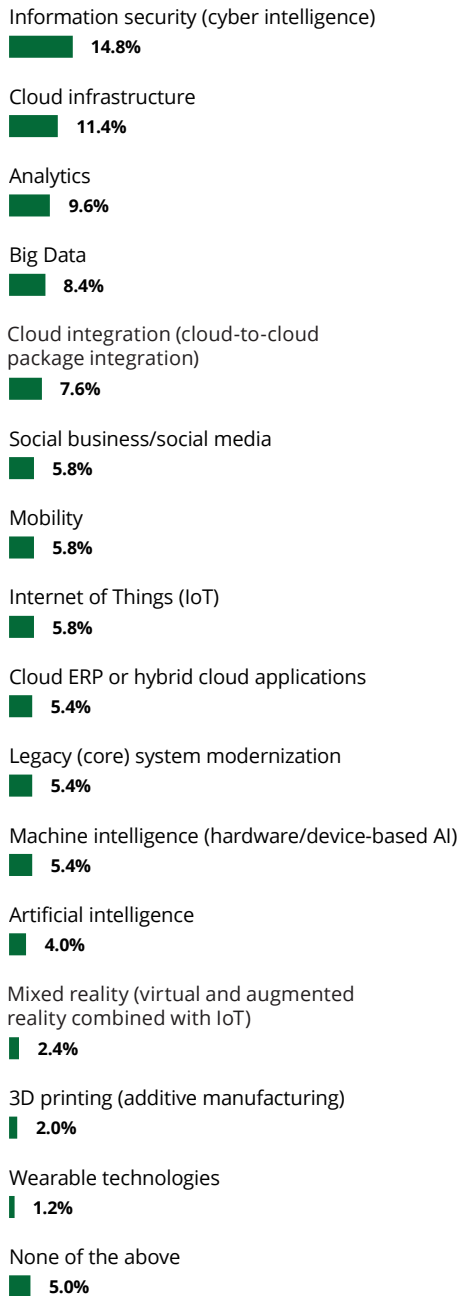
Technology trends (cont.)

Which response best describes your organization's plans to use blockchain?

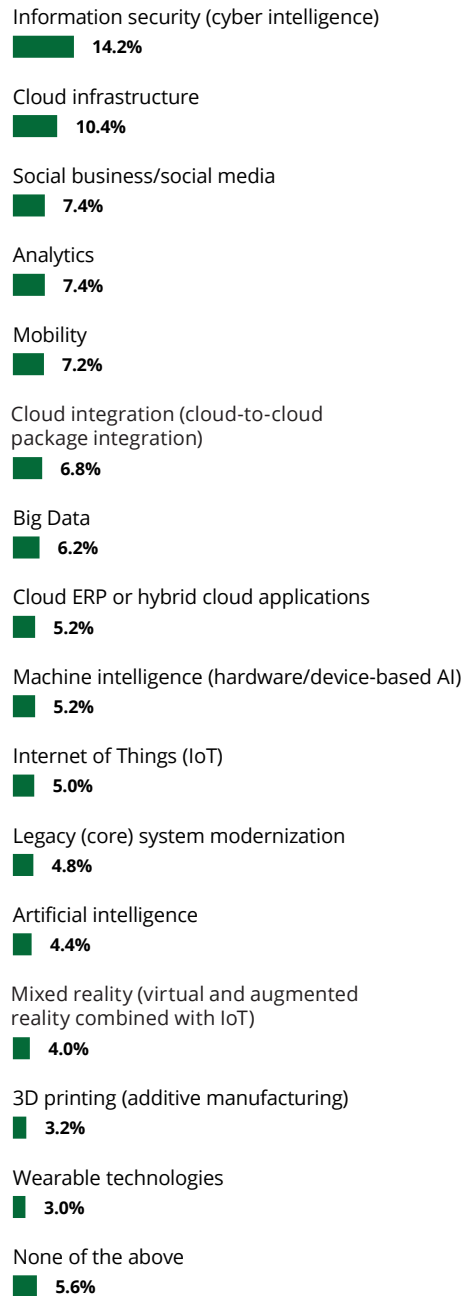


Technology trends (cont.)

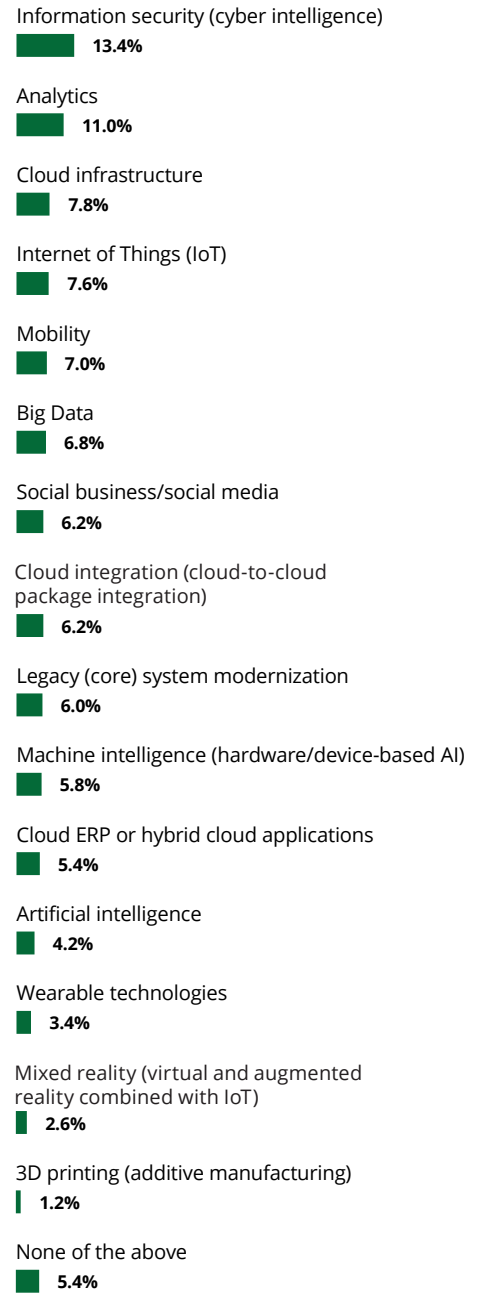
Which of the following technology-related trends had the most significant impact on your business in the past 12 months? (Top ranked responses shown.)



Which of the following technology-related trends will have the most significant impact on your business in the next 12 months? (Top ranked responses shown.)

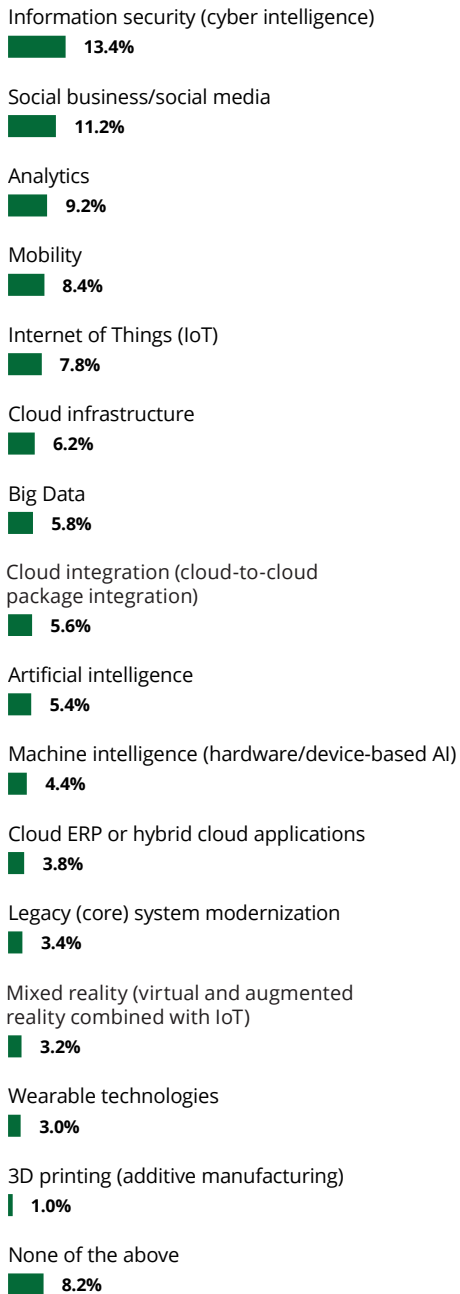


Which of the following technology-related trends currently have the most significant impact on your workforce? (Top ranked responses shown.)

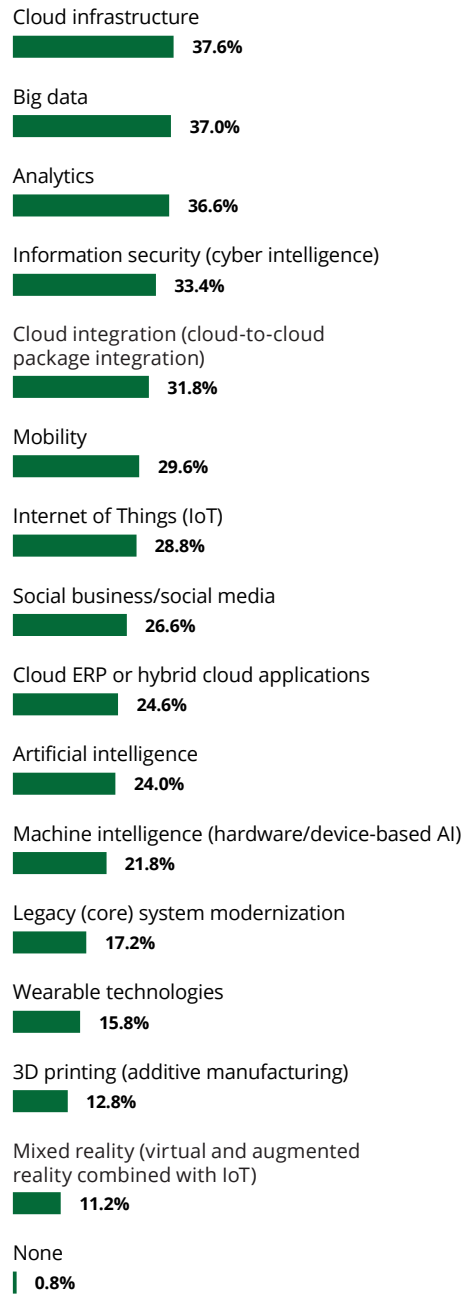


Technology trends (cont.)

Which of the following technology-related trends currently have the most significant impact on your customers? (Top ranked responses shown.)



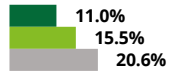
Which of the following technology-related trends have the potential to produce the greatest productivity gains for your organization? Select all that apply.



Cyber and information security

Of your company's technology spend, what percentage is tied to information security? Select only one.

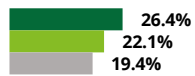
Our spend is negligible (< 1% of overall technology spend)



We spend between 1-5% of overall technology spend on information security



Our spend on information security is above 5% of overall technology spend



Don't know/Not sure



■ 2017
■ 2016
■ 2015

What are the data privacy and security risk issues of concern to your company? Select all that apply.

Phishing and targeted attacks*



Employee-introduced risk compromising data or infrastructure**



Migration to cloud



Integration with external systems (business partners, customers)



Internal access controls



Mobility



Cloud-to-cloud vendor package integration



Leveraging external cloud hosting providers (e.g., Amazon, MS, Google)



■ 2017
■ 2016
■ 2015

Cyber and information security (cont.)

How does your company mitigate information security risks? Select all that apply.

We encrypt sensitive information



We have a plan in place to manage internal informational security threats



We have a plan in place to manage external information security threats



We offer education and training on information security matters



We have governance structures and procedures in place concerning information security threats



We share threat information with law enforcement and industry peers to avoid risk isolation



Response not offered in prior years.

We do not currently have plans in place to mitigate information security risks



Other



Don't know/Not sure



- 2017
- 2016
- 2015

Augmented, virtual and mixed reality

Which term most closely describes your organization's current use of mixed reality (augmented or virtual reality combined with IoT)?

Mature – successful deployments in production



Building – in the deployment phase of an AR/VR solution



Experimenting – pilot projects started or being planned in AR/VR



Investigating – interested in the potential opportunities augmented or virtual reality offers



Waiting – no action taken yet



No action planned – not relevant to our business strategy



How is your company using mixed reality to support its business goals?

Employee training, education, and learning (e.g., working remotely, virtual meetings, recruiting, learning)



Operations (e.g., field technicians, warehouse workers using IoT-enabled apps tailored to their unique tasks, advanced machine operation)



Communication and collaboration (e.g., virtual meetings, simulated training environments)



Marketing and customer service (e.g., virtual demos, tours, product displays, virtual design walk-through)



Other



Cloud

What is the preferred architectural model/ approach for cloud within your business?

On-premises: systems, hardware and support staff at your physical location



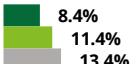
Hosted solutions: pre-built system run, located and operated at a fixed monthly fee



Hybrid: A mix of on-premises, off-premises solutions based on your application and business needs



Off-premises: systems applications run and managed in the cloud using Software as a Service (SaaS) approach



Don't know



- 2017
- 2016
- 2015

If your preference is off-premises, what are your goals?

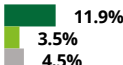
Increase flexibility to scale, acquire, divest



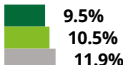
Reduce IT CapEx/OpEx costs



Readiness for IFRS



Quickly obtain SOX compliance



Don't know



- 2017
- 2016
- 2015

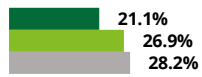
Cloud (cont.)

If you prefer a hybrid approach, what is most important to your company?

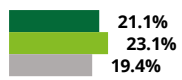
Ability to quickly adjust to a business need/change



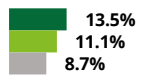
Ability to customize



Ability to have IT own your system



Greater control over disaster recovery



Other



Don't know



- 2017
- 2016
- 2015

Cloud (cont.)

For each of the following functions, please describe each function's relationship to the cloud.

Financials and Accounting



Enterprise Resource Planning (ERP)



Customer Relationship Management (CRM)



Human Resources



Enterprise Performance Management (ERM)



Manufacturing Resource Planning (MRP)



Supply Chain Management (SCM)



Knowledge Management System (KMS)



Sales Force Automation (SFA)



Data Warehouse/Analytics



- Mature: successful deployments
- Building: in the deployment phase of production
- Experimenting: pilot projects started or being planned
- Investigating: interested in the potential opportunities
- No action/Waiting
- No action/No need

Cloud (cont.)

What do you consider to be your top three challenges in using cloud-based services? (Top ranked responses shown.)

Confidence in information security



Ensuring data integrity and reliability



Cost

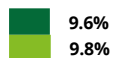


Lack of IT talent with appropriate skill sets

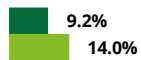


Response not offered in 2016.

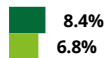
Cloud-to-cloud application integration



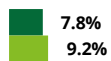
Complexity of integration with core systems



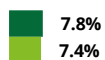
Business partner integration



Business processes and workflow management



Lack of maturity of cloud vendor solutions



Don't know/Not sure



■ 2017

■ 2016

Please rank your top three reasons to select cloud-based applications. (Top ranked responses shown.)

Improve speed of implementation (time to value)



Reduce concerns about data security



Reduce operational expenditure



Address growth needs-scaling, M&A activity, etc.



Reduce capital expenditure



Enable global expansion

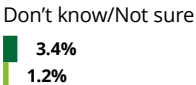
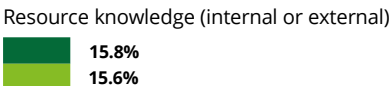
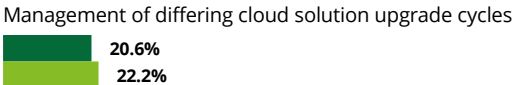
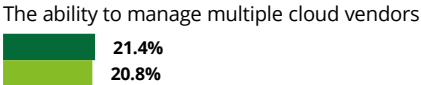


■ 2017

■ 2016

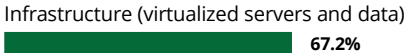
Cloud (cont.)

If you are using or considering more than one cloud-based application or package, what would you say is the greatest challenge?



- 2017
- 2016

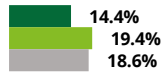
What items are being hosted in the cloud for your organization? Select all that apply.



Internet of Things

As growing numbers of devices are networked, internet-enabled and take action without human intervention, which term most closely describes your organization's current use of the "Internet of Things" (IoT)?

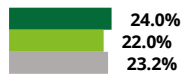
Mature — effective deployments



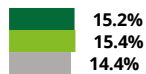
Building — in the deployment phase of production for Internet of Things



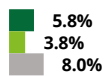
Experimenting — pilot projects started or being planned



Investigating — interested in the potential opportunities Internet of Things offers



Waiting — no action taken yet



No action planned — not relevant to our business strategy



- 2017
- 2016
- 2015

What type of device or sensor-aware products is your company deploying that can be linked to the "Internet of Things?"

Machine intelligence sensors (products that provide cognitive contextual monitoring and self-aware data capture)



Industrial devices (e.g., HVAC, environment sensors, chemical sensors, smart metering, logistics or supply chain tracking)



Wearable devices provided to employees for work or health tracking (e.g., health/activity sensors, trackers, or security devices like body cams, etc.)



Other



Social media

Which of the following is most important to your company with regard to the use of social platforms for your customer interactions?

Greater customer intimacy (e.g., sales responsiveness, connectivity)

 34.2%

Monitoring and addressing consumer feedback around product experience

 24.6%

Monitoring and addressing consumer feedback around brand

 22.4%

Delivery and reinforcement of marketing messages

 18.6%

Other

 0.2%

How does your organization manage its social media reputation?

We have teams that monitor messages about our brand (e.g., online mentions on social platforms, tracking social shares)

 48.2%

We engage internally through surveys, polls, contests, etc.

 37.8%

We evaluate online mentions on a case-by-case basis, but don't have a defined strategy

 34.4%

We use automated tools to monitor messages about our brand

 33.6%

We engage externally through surveys, polls, contests, etc.

 33.0%

We do not have a dedicated team that manages our social strategy

 15.8%

Other

 0.4%

Analytics

How is your company using data analytics? Select all that apply.

Increase accuracy in forecasting and reporting business results



Predictive client, customer, or business behavior analysis



Understanding internal operational patterns and behaviors



Exposing the value of data to make sound business decisions



Don't know/Not sure



We do not use data analytics



■ 2017
■ 2016

Which business areas are using or leveraging data analytics within your company? Select all that apply.

Sales/customer management



Marketing



Manufacturing



Finance/tax



Human resources



Other



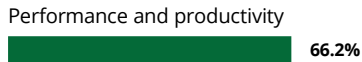
Don't know/not applicable



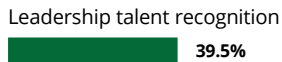
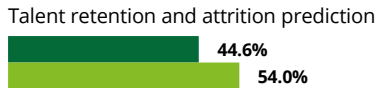
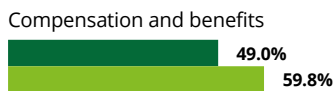
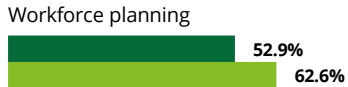
■ 2017
■ 2016
■ 2015

Analytics (cont.)

Within Human Resources, which are the areas where your company leverages data analytics? Select all that apply.



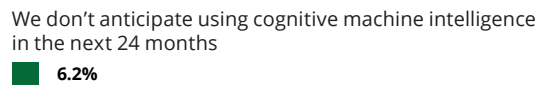
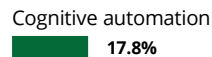
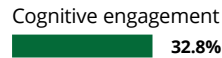
Response not offered in 2016.



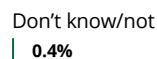
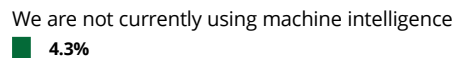
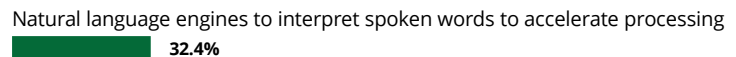
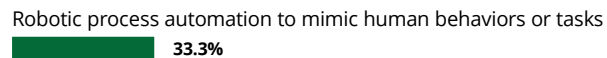
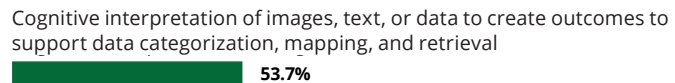
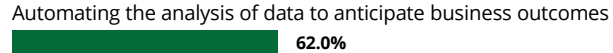
Response not offered in 2016.

- 2017
- 2016

Machine intelligence requires a new way of thinking about data analysis, more as a way to automate tasks and gain efficiencies. Which one of the following approaches could be most beneficial in your organization in the next 24 months?

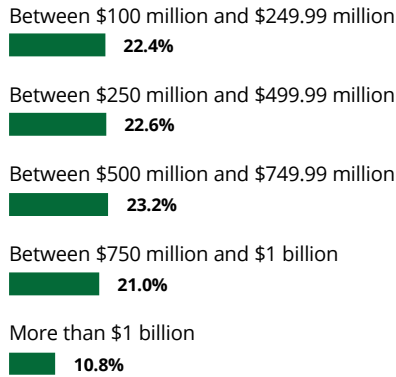


How is your company using machine intelligence?

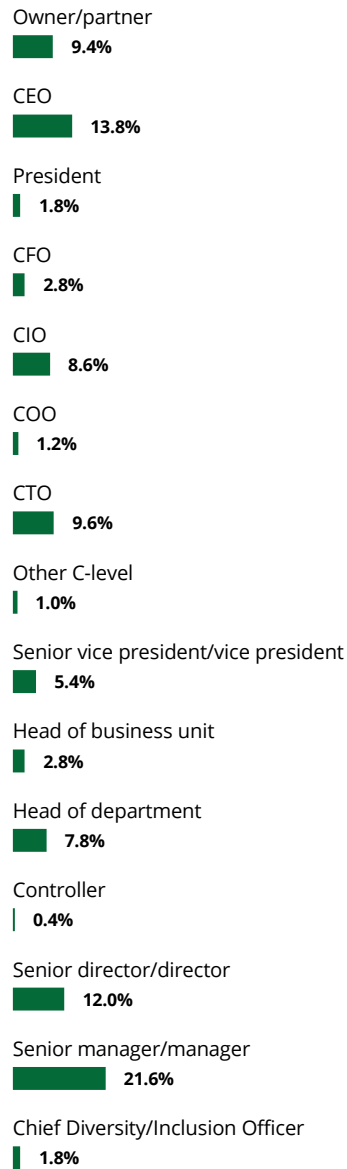


Survey respondent demographics

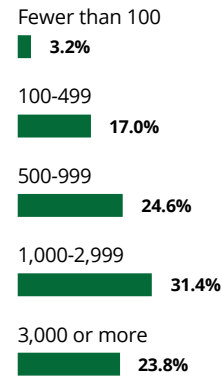
What was your company's 2016 annual revenue in U.S. dollars?



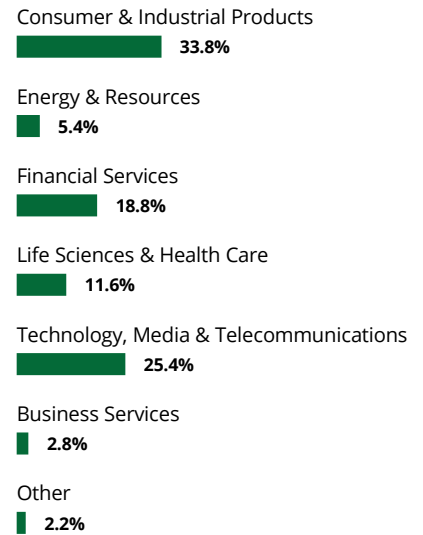
Which of the following best describes your title?



Approximately how many full-time staff are employed by your business?



In which sector does your company operate?



Survey respondent demographics (cont.)

Which of the following describes your level of knowledge regarding your organization's information technology?



- I am very knowledgeable about our information technology: 79.8%
- I am somewhat knowledgeable: 20.2%

Is your company private or public?



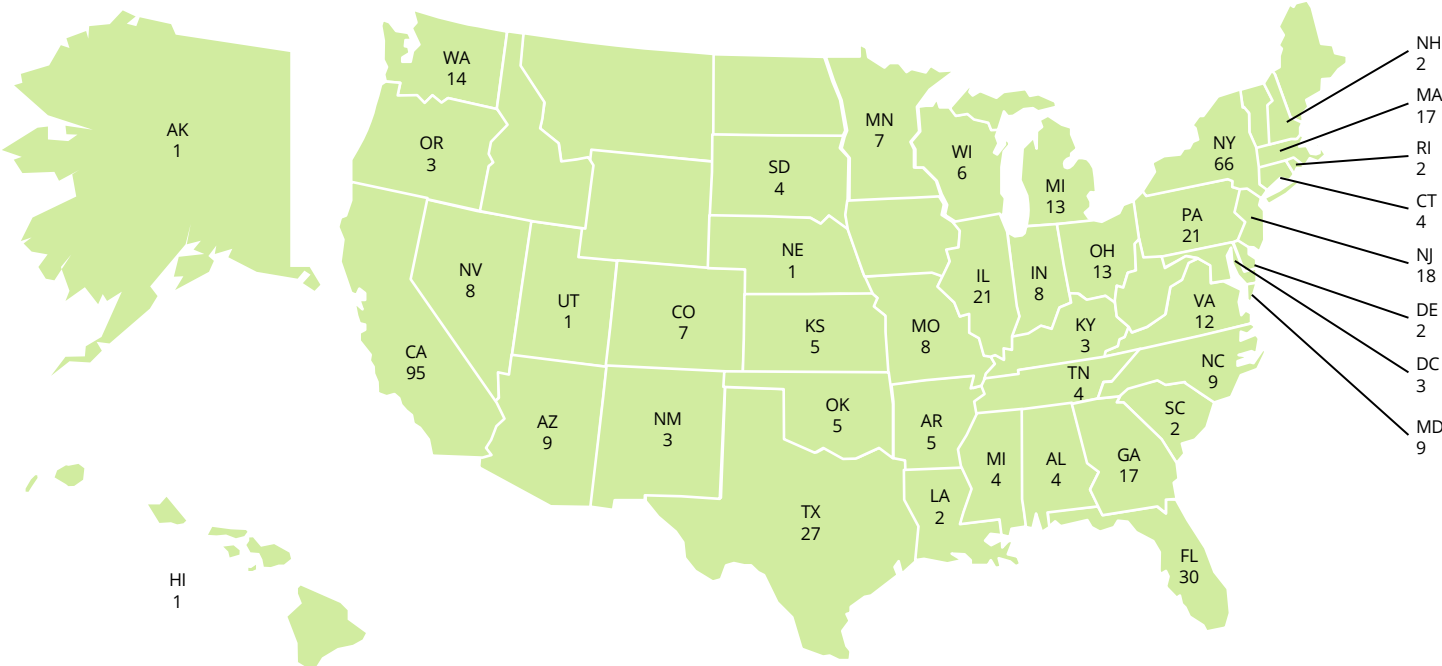
- Private: 78.8%
- Public: 21.2%

If private, which category best describes your company?



- Family-owned: 20.1%
- Closely held (excl. family-owned): 31.5%
- Private equity owned: 47.5%
- Other: 1.0%

In which state is your company's headquarters located? (Number of respondents shown.)



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Acknowledgment

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