

Sage Construction and Real Estate Information technology trends



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Summary report—North
America construction

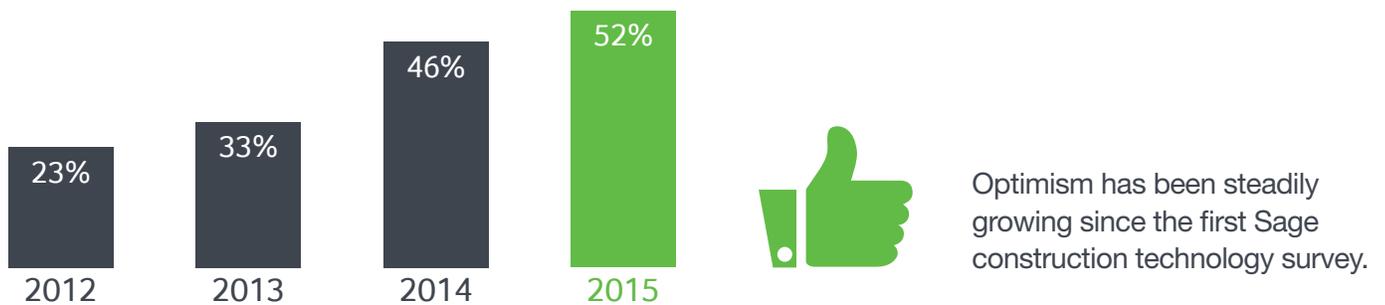




Introduction

Sage serves more than 6 million small and midsize organizations worldwide, regularly surveying them and other organizations for their opinions on a variety of business topics. This particular report includes highlights of a survey that examined information technology (IT) trends of North American construction companies in 2015.

More than half of the firms surveyed are optimistic about how the economy will impact their business in 2015.



Top six business issues

As the economy and optimism improves, construction firms are faced with more competition for skilled labor. This year, the shortage of labor was one of the top three issues—the first time since the survey was introduced in 2012.



Strategic IT investment

The recession caused many construction companies to reduce their IT spending. With still limited resources, construction firms are investing in IT where it will deliver the largest and quickest return. Top objectives include attracting new customers, improving communication and collaboration, and streamlining processes.

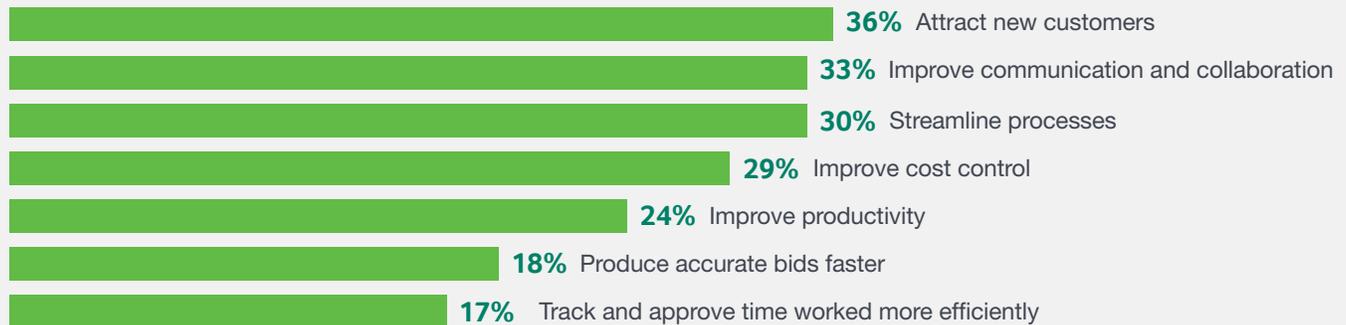


39%
Number of firms that do not have a dedicated IT person on staff



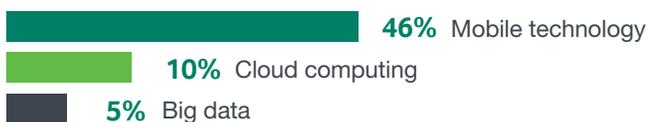
less than 1%
Percent of revenue two out of four firms spend on IT

Key reasons firms are investing in new technologies (including mobile):



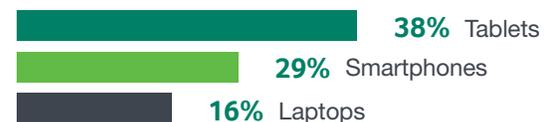
Most valuable IT solutions

Construction professionals rated the high importance of various IT solutions to their business. Although familiarity with cloud computing is growing, mobile technology still leads.



Device usage

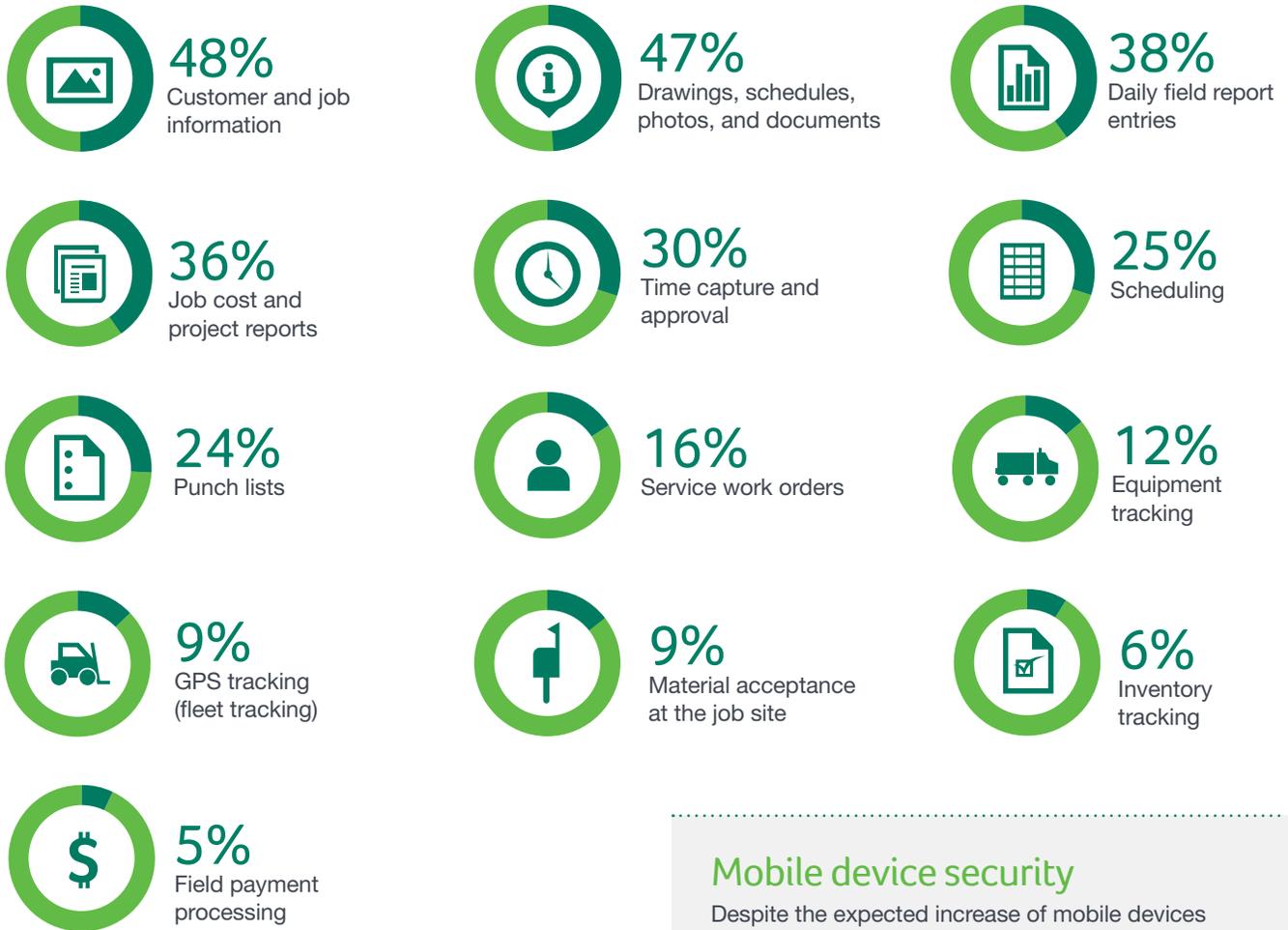
Recognizing the value mobile technology brings to their business, it's not surprising that contractors intend to add more tablets and smartphones, outpacing laptops.



Information access

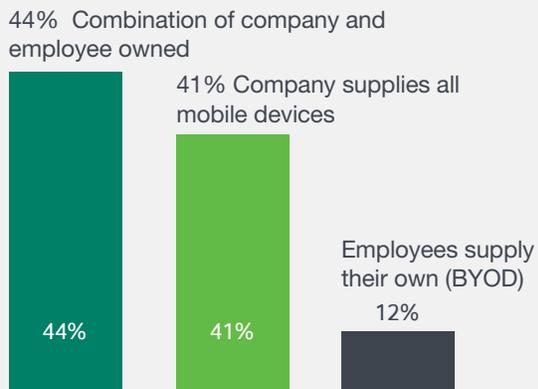
Construction professionals want to access and share a wide range of data with mobile technology. Most cite customer and job information, followed closely by drawings, schedules, photos, and documents.

How construction businesses plan to use mobile technology for information access and sharing:



Mobile device ownership

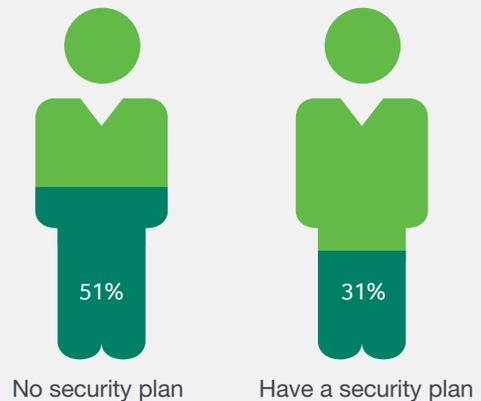
How mobile devices are allocated by construction firms:



Mobile device security

Despite the expected increase of mobile devices as IT solutions, many contractors do not have a mobile security plan in place. Because the rate of malicious software threats to mobile devices is also rapidly growing, this lack of security may need to be addressed soon.

Percentage of construction companies with mobile security plans:

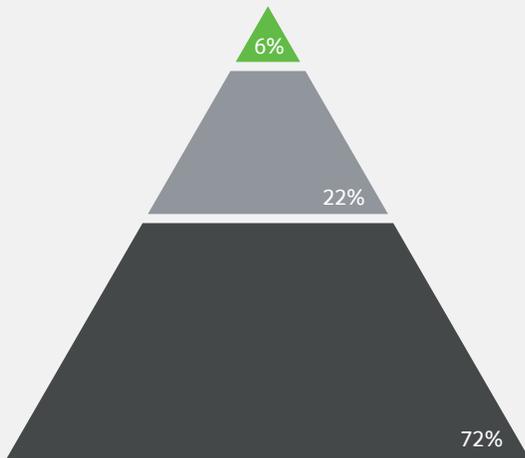
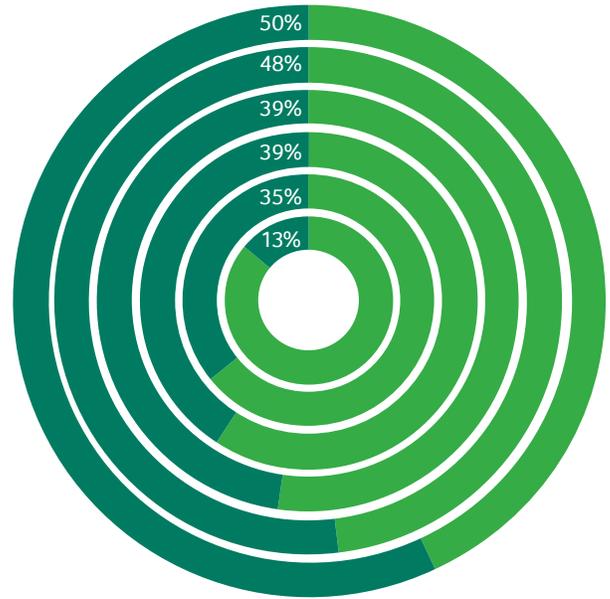


Business visibility technology

Additionally, construction professionals are expanding their use of business visibility technology as an efficient means to improve decision making and company performance. Standardized reporting, dashboards, and alerts/notifications of changes were rated most important.

Top benefits of business visibility technology:

- 50%** Standardized (or consolidated) reporting across the company
- 48%** Dashboards that track key performance indicators across the company
- 39%** Alerts and notifications when specific situations occur
- 39%** Access to reports through mobile devices
- 35%** Forecasting
- 13%** Online analytics



Big data

Big data is a relatively new term for most construction professionals, yet it promises to significantly improve how a construction company can forecast projects and predict what will impact their business in the future.

Construction professionals familiar with big data:

- 6%** Very familiar
- 22%** Somewhat familiar
- 72%** Not familiar

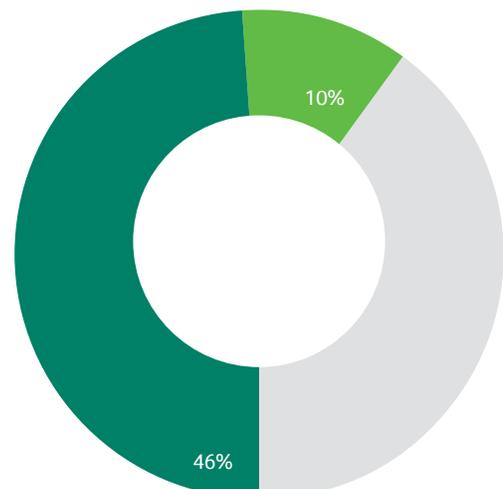
Obtaining new business

Competitive pressure is pushing contractors to use technology to bid faster and with greater accuracy. Relatively few, however, have yet adopted CRM software as a way to improve their marketing, sales and business development efforts.

Top two technologies contractors use to obtain new business:

- 46%** Estimating/bidding software
- 10%** CRM software

40% of contractors don't use technology to attract new business



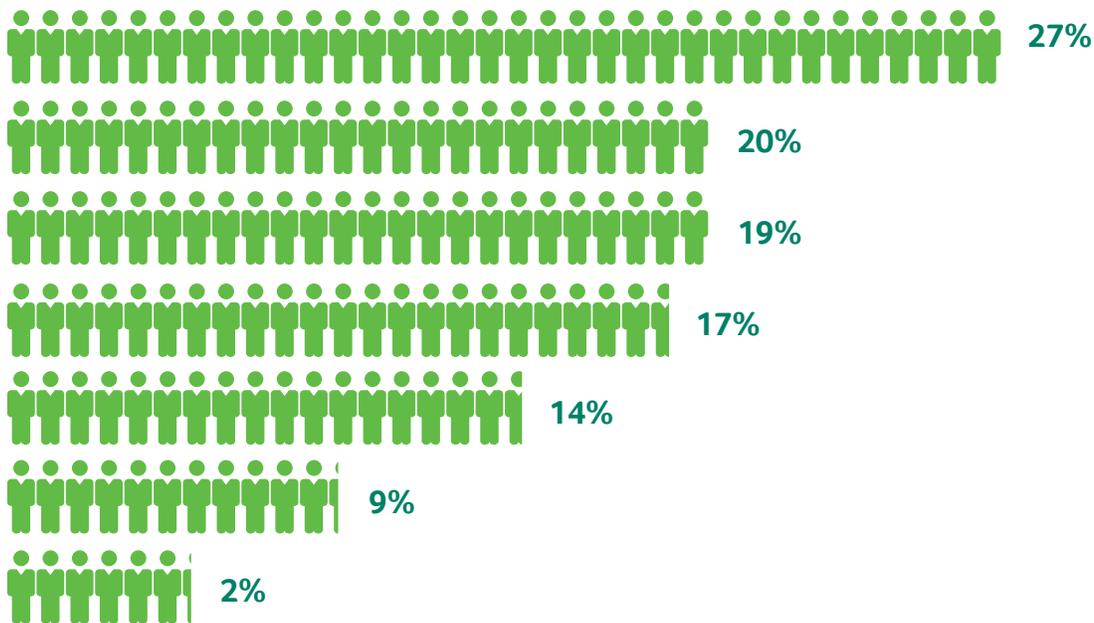
Social technology

While the use of social technology is growing in construction, its adoption is still relatively small. Many contractors are still unsure of the tangible benefits social technology brings to their company.

How construction companies use social technology:

- 27%** Marketing to attract new customers and stay in touch with current customers
- 20%** Stay abreast of industry news, trends, and upcoming events
- 19%** Communicate news, events, projects, and company milestones
- 17%** Develop new business by connecting with prospective clients
- 14%** Share knowledge with employees, company partners, and industry peers
- 9%** Track competitors, customers, and industry groups
- 2%** Collaborate on projects

60% don't use social technology



About the survey

The survey was conducted in 2015 among Sage customers in the U.S. and Canada who are construction businesses. A total of 645 people responded to the survey.