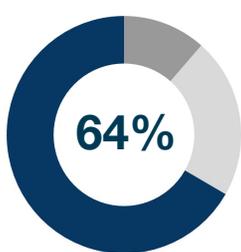


# 2017 SURVEY: MANUFACTURERS REALIZING STRATEGIC BENEFITS FROM CLOUD ADOPTION

In 2016, Propel conducted a survey at the Manufacturing Cloud Summit in Chicago to better understand how manufacturing companies were using enterprise cloud apps. One year later, our follow-up survey with over a hundred respondents found many similar responses to last year.

But 2017 revealed some major shifts with cloud adoption. The usage of cloud apps is now substantially higher, especially with Engineering and Operations. And survey respondents now feel that the cloud is paying off strategically with higher productivity and increased business agility.

## CLOUD ADOPTION EXPLODES



About 2/3 of survey respondents have been using cloud apps for over 5 years - a 2x increase from 2016. On the other hand, only 10% have been using the cloud for less than 2 years.

Approximately 1/2 of respondents used 5 or more enterprise cloud apps - double from 2016. The three most common apps are still Salesforce, Box and Amazon.



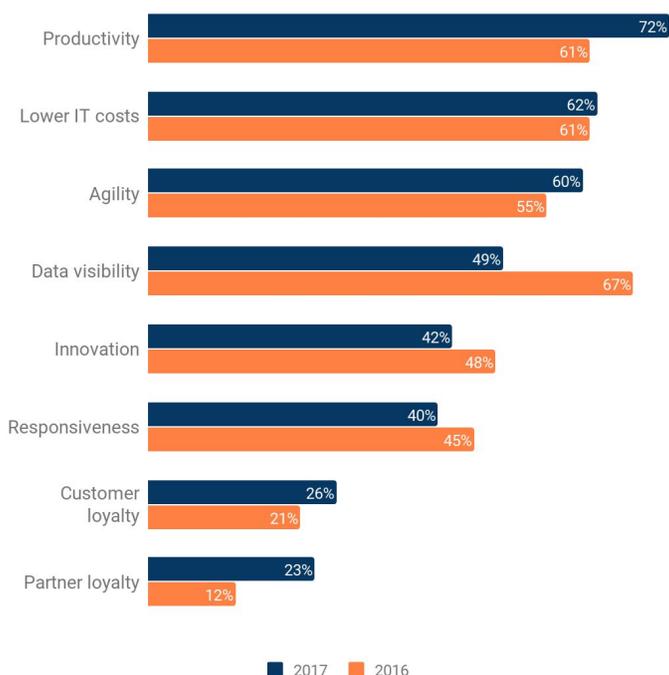
## ENGINEERING IS ON THE MOVE



Last year, only 1/4 of survey respondents said that their engineers were using enterprise cloud apps - among the lowest adoption across all departments. However, by 2017 adoption increased to almost 1/3.

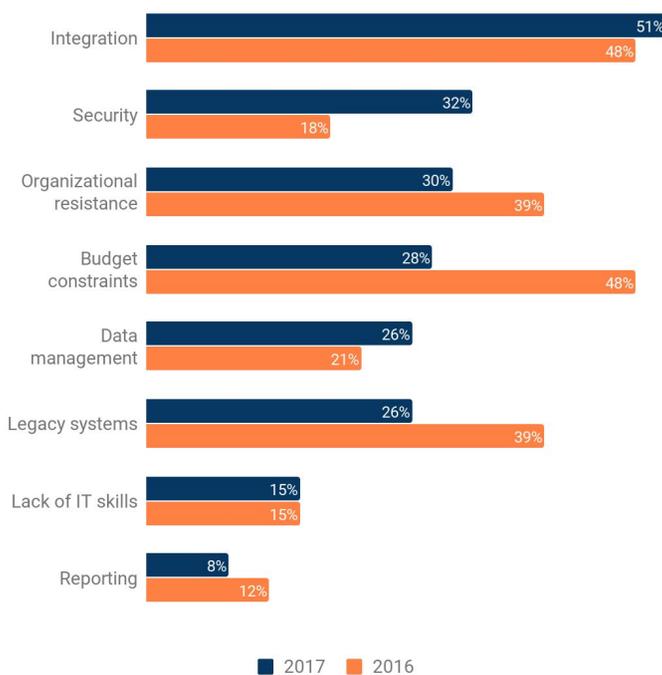
## CLOUD IS NOW MORE STRATEGIC

In 2016, basic benefits of better data visibility and lower IT costs were among the most compelling reasons to move to the cloud. Reducing IT costs was still important in 2017, but the more strategic benefits of higher productivity and business agility dramatically rose to be among the top cloud benefits.



## INTEGRATION IS #1 CONCERN

In 2017, integration remained the top challenge with cloud apps. Last year, survey respondents reported security as a low concern, but it rose significantly in 2017. On the other hand, organizational resistance, budgetary constraints and issues with legacy systems all dramatically dropped as major cloud challenges.



## TOP CLOUD RECOMMENDATIONS FOR 2017 AND BEYOND



**Focus on your customers.** Efficiency is important, but manufacturers now need to consider the entire customer experience. So identify the top business processes where the cloud can help you better engage with your customers.



**Use a modern cloud platform.** Select a cloud platform that can help everyone be productive. Make sure that it can easily integrate with both cloud and legacy systems, and that its infrastructure and application security are rock solid.



**Get everyone working together.** As more and more departments get on the cloud, think about how they can work together more effectively to help your customers. Also think about how to use the cloud to collaborate externally.



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