

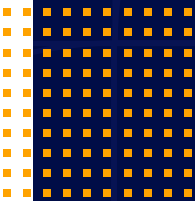
bugsnag

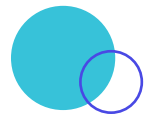


2020

# The Rise of B2B Mobile Apps

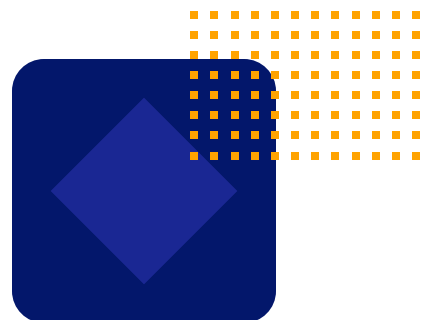
Why global organizations are turning to B2B apps  
to power business and arm employees for success





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# The State of B2B apps



Business-to-business (B2B) applications are now a hot commodity in the workplace. After years of being dwarfed by their business-to-consumer (B2C) counterparts, B2B app adoption started to surge in 2018 and continues to demonstrate impressive growth with no signs of slowing. In fact, the demand for B2B apps is expected to drive the market to \$140 billion by 2023.<sup>01</sup> This projected growth is supported by a global mobile workforce that will increase to 1.88 billion during the same period.

Several factors explain the recent uptick in B2B app adoption. First and foremost is the prevalence of mobile devices and the way consumers manage their personal lives on smartphones. With a workplace that is increasingly filled with “digital generation” employees and tech-savvy workers, it’s no surprise that 70% of all B2B queries are expected to be on a smartphone by 2020.<sup>02</sup>

In addition, a widespread need exists for organizations to streamline their business functions, support global operations, simplify communications, and increase employee productivity. Companies recognize the value of providing mobile and web applications in order to keep pace with the speed of business and compete in an increasingly global economy.

B2B apps offer the opportunity to modernize operations without significant training. Employees and customers already know how to use apps for their personal productivity and communications, so the learning curve is minimal or non-existent. Organizations are also realizing that real-time data collected from B2B apps can be leveraged to improve business operations, especially when linked to existing databases and systems. B2B apps represent another powerful way to discover data-driven insights about clients, partners, and employees.

This report is designed to illuminate the current state of B2B apps, highlight the value-add they can provide to organizations, and examine what makes them successful. As software vendors scramble to develop new B2B apps in response to a burgeoning market, success hinges on creating a user-friendly app that is thoroughly tested and delivers consistent value to businesses.



# Apps continue to dominate the digital landscape

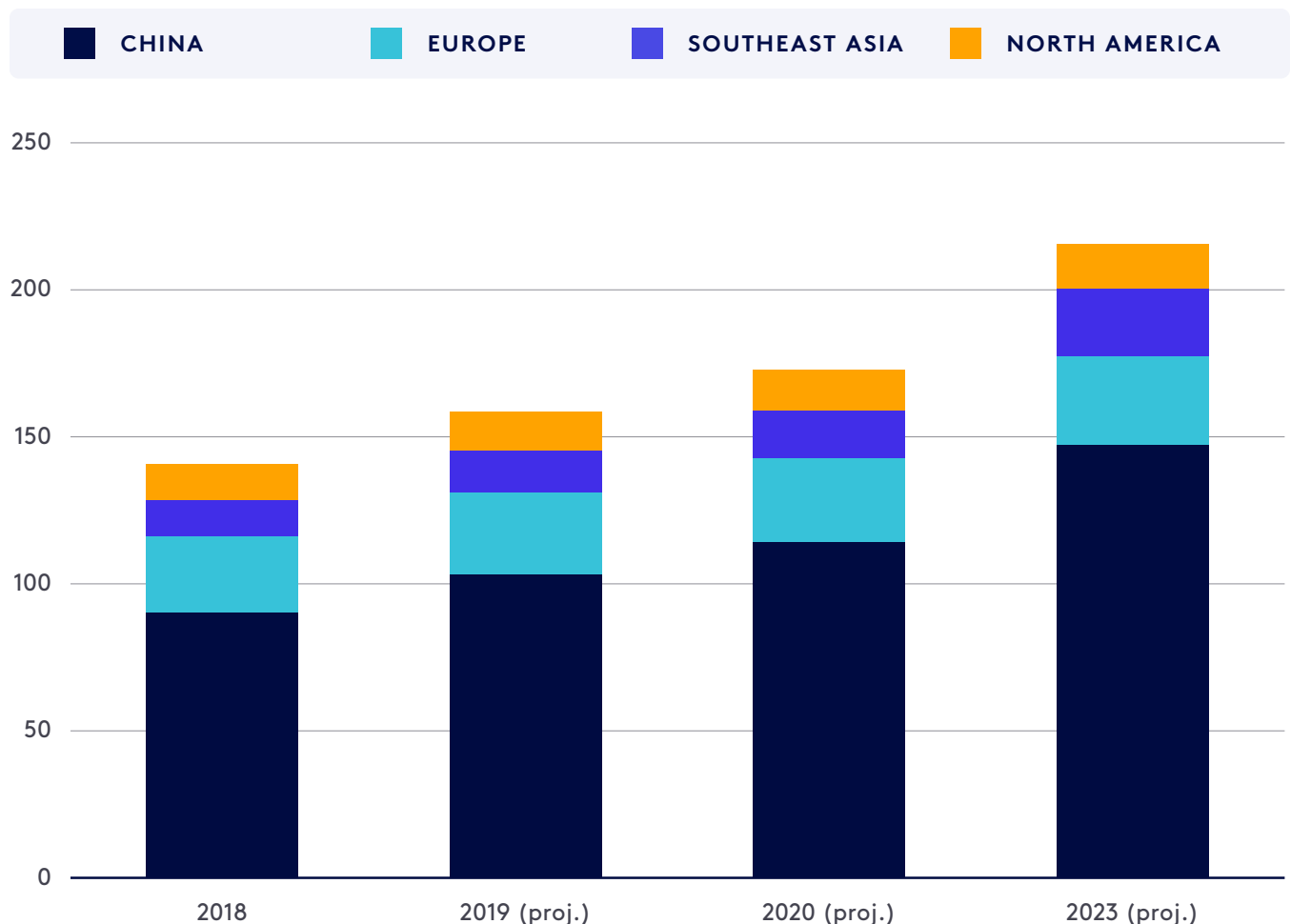
Globally, all types of apps are being added, downloaded, and used at exorbitant rates and are projected to maintain a strong trajectory into the future.

Between 2016 and 2018, total app usage increased 50% to ~1,350 billion hours.

## TOTAL APPS ADDED<sup>03</sup>

APP STORE	(MAR-MAY 2019) NUMBER OF APPS ADDED	(AS OF MAY 2019) NUMBER OF APPS
iOS App Store	35,000-42,000	2.2 million
Google Play Store	132,000-142,000	2.6 million

## TOTAL APPS DOWNLOADED (IN BILLIONS)<sup>04</sup>



# How B2B and B2C apps compare

Historically, B2B apps are rarely seen in Top 20 lists in the Google Play or iOS App Stores. The featured apps tend to be B2C apps due to the sheer number of consumers who download them, as well as the rapid rate of new development in this space. What's been hidden from view for the last couple years is the rising popularity of B2B apps.

Compared side-by-side, it's interesting to note the differences between the two app types, as well as the advantages and challenges of developing each.

	B2C APPS	B2B APPS
Key for Profit	<ul style="list-style-type: none"><li>• High user adoption</li></ul>	<ul style="list-style-type: none"><li>• Customer loyalty</li></ul>
Primary Measurements of Success	<ul style="list-style-type: none"><li>• Lower prices than other apps</li><li>• Continuous new features</li></ul>	<ul style="list-style-type: none"><li>• Optimized experience</li><li>• Added business value</li></ul>
Upside	<ul style="list-style-type: none"><li>• Low barriers to entry</li><li>• Lower standards for initial user download</li></ul>	<ul style="list-style-type: none"><li>• More frequent purchases at higher volumes</li><li>• Mandated usage for organizational-level adoption</li></ul>
Downsides	<ul style="list-style-type: none"><li>• High customer churn</li><li>• Must achieve traction quickly or face significant risk of being net-negative</li></ul>	<ul style="list-style-type: none"><li>• Must win customers and gain early evangelists</li><li>• Higher standards to prove business value</li></ul>

# How B2B apps are used

B2B apps commonly serve as a tool that are designed to deliver the same (or similar) capabilities of web or browser-based apps. They are used primarily for four business objectives:

## 1. Commerce

To sell a product or service to a customer that is a business, with capabilities such as purchasing, renewals, and payment method updates included.



**Caterpillar (equipment management):** Enables dealers and customers to track and monitor machines and service needs.



**Salesforce Mobile (CRM):** Delivers all customer relationship management functionality for salespeople in the field.

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## 2. External coordination

For business functions such as communication and project management with partners and third-party vendors.



**Docusign (document signing):** Enables document uploading and electronic signatures.



**WebEx (online meetings):** Provides digital video or audio meetings.

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## 3. Internal management

To streamline team-based work management and communications for functions such as payroll, HR, and project management.



**Asana (project management):** Helps teams organize, manage, and track their work.



**Slack (communication):** Delivers communication, sharing, and workflow tracking platform for teams and companies.

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## 4. Employee facilitation

To enable employees to perform on the job by providing tools for training, task management, document sharing, real-time communications, etc.



**Evernote (notes):** Provides a note-taking app with sharing capabilities.



**Google Drive (files):** Delivers synced videos, photos, and documents to any device.

# Growth in the average number of B2B apps at work

According to a recent analysis, global organizations across all industries are deploying software apps at incredible rates, with almost 10% of enterprise companies adopting more than 200 apps.<sup>05</sup>

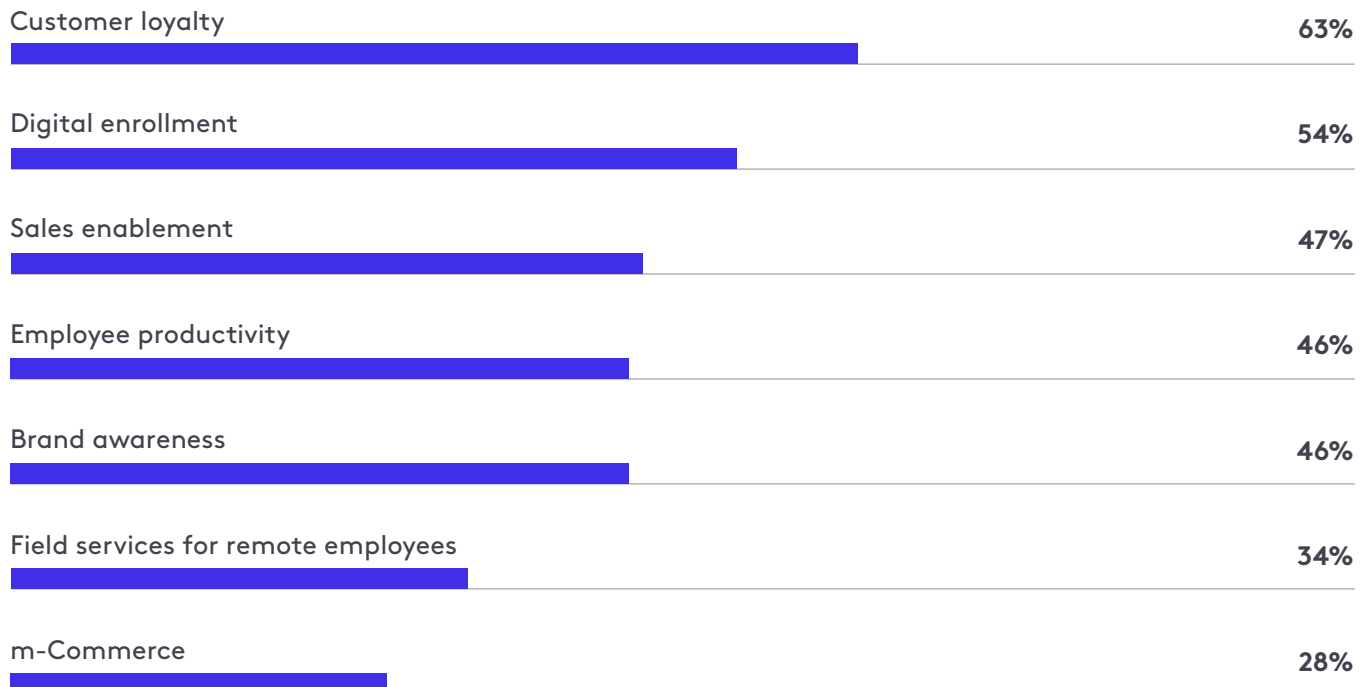
## AVERAGE NUMBER OF APPS

YEAR	ENTERPRISE	SMALL / MID-SIZED
2016	105	65
2017	120	68
2018	129	73

# Why B2B mobile apps are built or selected

78% of B2B e-commerce companies believe that B2B mobile apps are the future, and approximately 65% of companies have a mobile app already. Adobe surveyed IT decision-makers and discovered some of the primary use cases for B2B mobile apps.<sup>06</sup>

## PRIMARY B2B USE CASES





# Where B2B apps are downloaded

B2B apps are sprouting up in numerous places, but these three locations represent the most likely ways to discover and adopt new B2B apps.



## Consumer App Stores

- Discoverable and available for download alongside B2C apps in the major app stores, including:
  - Apple App Store
  - Google Play
  - Amazon Store
  - Microsoft Store



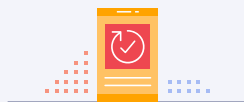
## Gated Apps

- Usually purchased directly from a B2B organization through their website or sales team
- Represents a common scenario for enterprise apps, which are designed exclusively for in-house usage with roles, permissions, and branding that match the organization
- Downloads are strictly limited, which means it is either downloadable from a company's website or through a gateway that requires a login



## SaaS App Stores or Marketplaces<sup>07</sup>

- New trend where category leaders develop B2B software app stores
- Range in sophistication from directories of third-party apps to sophisticated platforms with protocols for inclusion, search capabilities, and integrations
- Generally target SMB and mid-market segments
- Category examples include:
  - Salesforce's AppExchange (sales)
  - Hubspot Marketplace (marketing)
  - Slack App Directory (internal communication)
  - Zendesk Marketplace (customer support)
  - Zuora Connect (payments)



### RETURNS 2X FASTER TO APP

Within 30 days, B2B purchasers return 2x faster to a mobile app than to a mobile website.



### 27% MORE MONEY SPENT IN APP

27% more money is spent per session in a mobile app over a mobile website.<sup>08</sup>



# What customers want from their B2B apps

B2B customers and prospects are consumers themselves and therefore expect high-quality engagement. If a B2B app provides a personalized and optimized customer experience, customers are more likely to be loyal to that brand and make repeat purchases—similar to the behavior of consumers.



## B2B CUSTOMER-DESIRED APP ATTRIBUTES



# Results from strong B2B app customer experiences

For organizations that focus on a personalized and optimized app experience, the business outcomes demonstrate the value of the investment.

**>90%** of buyers are more likely to buy again from a vendor with an outstanding mobile experience<sup>14</sup>

**70%** of organizations are working to provide better personalization<sup>15</sup>

**48%** of B2B customers purchase from competitors when they are disappointed in a company's digital experience<sup>16</sup>

**40%** of revenue influenced significantly by implementation of mobile best practices<sup>17</sup>

**20%** of customer's time is saved through optimized checkout (i.e. no long forms), which improves conversion and yields a 300% improvement over mobile websites<sup>18</sup>

## What employees want from B2B apps

A recent survey found that knowledge workers look for certain traits in their work apps. The most important attribute is to have minimal bugs and app issues, which is twice as important as anything else.<sup>19</sup>

### B2B EMPLOYEE-DESIRED APP ATTRIBUTES



## B2B mobile app usage also demonstrates a positive impact on employee outcomes

On average, 5.2 mobile business apps are accessed daily by employees, and those numbers are anticipated to rise as organizations adopt more B2B apps.<sup>20</sup> The results demonstrate why it's a smart investment to arm employees with apps.

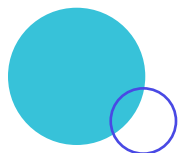
**47%** of internal communication improves

**35%** ROI when companies invest in mobile work apps

**34%** of work productivity is improved

**23%** increase in employee satisfaction

**21%** increase in employee loyalty



## Match workplace expectations

B2B apps offer companies numerous ways to impress customers, improve operations, and empower employees. However, it's important to remember that consumer expectations may drive the app experience, but it's business expectations that drive adoption and continued use of a B2B app.

Organizations have high standards for stability and reliability, and software errors and crashes are simply unacceptable. That's why it's crucial to deliver B2B apps that are tested thoroughly, perform consistently, and are monitored constantly to ensure that every customer, partner, or employee experience delivers on workplace expectations.

There's no question that the B2B app future is bright, but it's the B2B app providers who deliver stable app experiences at work who will continue to shine.



For managing thousands of truck drivers who transport goods nationwide, J.B. Hunt uses Bugsnag to monitor errors and maintain the stability of multiple mobile applications, which are used for navigating pickups, scheduling drives, and tracking hours.



A fast-growing internal messaging app, Slack uses Bugsnag to manage the stability of their Android application, which enables global businesses to organize the way they communicate within teams, within the organization, and with external vendors and clients.



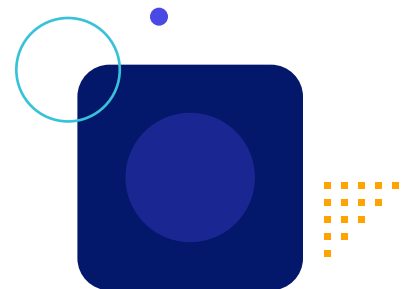
This popular commercial payments platform uses Bugsnag to catch custom error data from the Square application across Android devices, allowing businesses of all sizes to manage transactions with ease and speed.

# Bugsnag

Bugsnag is a pioneer in application stability management. We make error monitoring actionable and help enterprises and small businesses stabilize, prioritize, and fix bugs. As a full stack solution, we are recognized for our best-in-class support for mobile applications. Bugsnag empowers software development, client observability, and release management teams to make data-driven decisions on when to build features versus fix bugs. Organizations experience significant ROI due to faster innovation led by developer efficiencies and improved customer experiences.

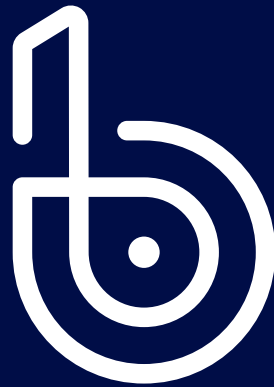
Bugsnag groups issues by root-cause, sorts by business impact, and displays alongside rich diagnostic data, which enables teams to reproduce and fix each bug. A release health dashboard and software stability score help our customers detect broken releases immediately, know when to promote builds from beta to production, and set company-wide stability targets.

We process over a billion crash reports every day from applications worldwide and over 5,000 industry leading brands, including Airbnb, Slack, Pinterest, Lyft, Yelp, and Pandora, use Bugsnag as their daily dashboard. Based in San Francisco, Bugsnag is backed by GV (Google Ventures), Benchmark Capital, and Matrix Partners.



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**Balance agility with stability.**