

# SMALL BUSINESS TECHNOLOGY TRENDS 2015: THE GREAT EQUALIZER

Smart investments in IT enable businesses to boost profits and compete with larger rivals.

## Executive Summary

Small businesses often compete against large, potentially multinational corporations that enjoy numerous advantages. Technology is a critical tool for closing this gap. Indeed, technology can be a great equalizer for small businesses.

For starters, it can eliminate barriers to entry, revolutionize operations, reduce costs and bring businesses closer to their customers – helping small businesses stay competitive even against global giants. The trick for them is to make smart, targeted investments that yield maximum impact while placing the lightest demand on their limited financial and human resources.

Several trends involving technology can offer small businesses significant help, such as mobile devices and cloud computing. Businesses also are finding that as they manage the unprecedented growth of data created and captured by their IT systems, they also have an opportunity to capitalize on the value of this data. And as they consider how to deploy these technologies, businesses must make sure to pay close attention to security as well.

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**TREND #1:****Making the Most of Mobility**

Mobile technologies, such as smartphones and tablets, can deliver great value to small businesses, helping them to connect with both customers and back-office systems. Indeed, a [survey conducted by AT&T and the Small Business & Entrepreneurship Council](#) found that mobile technologies are saving U.S. small businesses more than \$65 billion a year.

Among the many opportunities that mobility offers for small businesses:

- **Mobile Point-of-Sale (mPOS):** Typically, an mPOS solution wirelessly connects a mobile device such as a tablet with back-office systems and applications. As a supplement to traditional cash registers, tablet-based mPOS solutions enable sales staff to stay closer to customers during their shopping experiences and access information about products and customer accounts from anywhere in the store.

An mPOS system can be used to carry out a variety of processes for small businesses. These include line-busting, order-taking and upselling transactions and management functions. The result is better service and greater sales productivity.

- **Side-by-Side Selling:** For contracting, insurance, auto dealerships and other businesses that involve pre-sales engagement with customers, mobile devices and apps can offer a powerful interactive alternative to traditional brochures. On-screen apps can help customers visualize customized proposals, review alternative pricing proposals and more — in their homes, in the office or at a business lunch.
- **Field Service:** Mobile devices can significantly improve the quality of field service and the productivity of field staff by enabling them to check inventories, place orders, get customer signatures and log completed work. Plus, by capturing activities in the field digitally, well-designed mobile systems can enhance back-office operations and eliminate time-consuming paper work.
- **Shop and Warehouse Management:** Paper-based processes for tracking warehouse inventory, running repair shops and performing other tasks away from a desk can be inefficient and are prone to error. Mobile devices eliminate the need to enter data twice — once on paper and then again into a database. Mobile devices can also be combined with radio frequency ID tags, optically scannable Universal Product Codes (UPCs) or other types of technology to make processes faster and more accurate.

To make the most of mobility, small business owners have to consider a variety of issues. One is, what is the right type of device for the job? This is typically determined by attributes such as form factor (smartphone, phablet — a device that is between the size of a phone and a tablet); cost; input devices (a stylus or keyboard); and operating system (Apple iOS, Google Android or Microsoft Windows).

Another issue involves mobile applications. In some cases, a business can use commercial software offerings. In others, it may be necessary to develop custom apps. And both may have to be integrated with existing business systems.

Networking is still another issue. A standard wireless carrier contract may be sufficient to meet business needs. However, in environments such as stores and warehouses, stand-alone wireless access points may be required.

**TREND #2:****Capitalizing on the Cloud**

Microsoft recently surveyed 500 small businesses and found that while 86 percent of small business owners acknowledge that technology is critical to their success, only 30 percent are taking advantage of the cloud.

That's a shame. The cloud — that is, the storage, management and processing of data on remote servers hosted on the Internet, rather than on personal computers or local servers — offers a number of powerful advantages for small businesses seeking to get the biggest bang for their technology buck. These include:

- **Budget Stability:** Most small businesses don't have a lot of spare capital to invest in IT infrastructure. So one of the most attractive aspects of the cloud is its pay-as-you-go model. This gives small businesses on-demand access to the computing power, applications and other capabilities they need — rather than requiring them to build it (and pay for it) themselves from scratch.
- **Better Value:** In addition to letting small businesses avoid large capital outlays, the cloud provides better value for every dollar of operational expenditures. That's because cloud providers enjoy economies of scale far above those of individual small businesses. Plus, because cloud providers can afford to invest heavily in technical expertise, they can deliver durable IT services.
- **Anytime/Anywhere Productivity:** With a cloud-based solution such as the increasingly popular Microsoft Office 365, documents and data are available wherever users are. This eliminates lost productivity and project delays that inevitably occur when someone forgets to move a file to a notebook computer or is asked an unexpected question after hours.
- **Scalable Capacity:** It's always difficult to know how much business needs will expand or contract. With cloud services, small businesses can quickly increase or decrease their IT capacity as appropriate — so they can avoid getting caught with insufficient capacity to keep up with demand and the converse: getting stuck paying for capacity they don't need.
- **Better Use of Staff:** In-house ownership of IT resources can place major demands on staff members. A small business's employees have to monitor hardware, update software and constantly recalibrate capacity to match demand. With the cloud, all those headaches are offloaded — leaving staff members to focus

their energies on challenges that can help the business meet its strategic goals.

Of course, small business owners have to be smart about which cloud providers they choose. Costs, service levels and adaptability to future needs vary significantly. But cloud adoption is nonetheless one of the smartest moves a small business can make to maximize the return it gets on investments in technology.

Small businesses can take advantage of a variety of cloud services. Microsoft offers numerous software products via the cloud, including Office 365 productivity applications, SharePoint collaboration and Lync communications solutions. Other popular cloud services for small businesses include the Box collaboration platform, Adobe Creative Cloud and Citrix ShareFile.

### TREND #3: Data Domination



In today's digital economy, information about customers, finances or products is an essential asset for any business. Small business owners must give as much attention to the management of their data as they do to the management of their people, their inventory or their cash. A recent [Gartner study](#), which found that 73 percent of businesses have invested or plan to invest in Big Data in the next 24 months, suggests that this issue is being taken seriously.

Key issues to consider:

- **Explosive Data Growth:** Business data is growing at an annual rate of as much as 40 percent or more, according to numerous studies. Small businesses must add sufficient storage capacity to address this growth, while ensuring that users can quickly find specific "needles" of information in these growing "haystacks" of storage. Small business owners should consider investing in technologies that streamline data access, such as solid-state drives (SSD) and search tools.
- **Disaster Recovery/Business Continuity:** Every small business must ensure that it can keep operating in the event of a disaster. This means that data, applications and some kind of alternative IT infrastructure must be available at another location for activation at a moment's notice. Businesses that take care of this responsibility are likely to have an advantage; a [survey conducted by the Disaster](#)

# 44 zettabytes

The amount of data created around the world by 2020, a tenfold increase from 4.4ZB in 2013 (a zettabyte equals a trillion gigabytes)

SOURCE: IDC

[Recovery Preparedness Council](#) found that nearly three in four companies are failing in terms of disaster readiness.

- **Legal and Regulatory Compliance:** Small businesses must comply with a variety of regulatory mandates regarding data retention. They need to automate retention to comply with those mandates and to demonstrate due diligence to regulatory auditors. Small businesses must also be prepared to respond to e-discovery requests from both government agencies and litigants.
- **Analytics/Business Intelligence:** Businesses can derive highly valuable insights from their data through the use of sophisticated analytical tools. These insights can include everything from emerging trends in customer spending habits to billing anomalies. Of course, most small businesses can't afford to hire a full-time data scientist to design these analytics. But new cloud-based analytics services have put advanced business intelligence (BI) within greater reach. BI solutions from vendors such as Microsoft, IBM and Oracle can help small businesses improve productivity, lower costs and gain insights into operating more efficiently and effectively.

Small business owners should also keep their eyes on trends such as the Internet of Things (IoT), in which everyday objects such as refrigerators, watches, cars, cash registers, clipboards and factory floors are connected to the Internet. Opportunities are emerging for small businesses to create new products and services that leverage the wealth of data created by the IoT.

### TREND #4: Getting Serious About Cybersecurity



According to Intel, cybercrime costs businesses and individuals more than \$400 billion worldwide annually. The numerous security breaches experienced by major retailers, banks and others underscore how vulnerable companies are.

Small business owners have to take these dangers seriously – or risk becoming victims of cybercrime. The consequences can include interruption of business operations, loss or theft of valuable data, lawsuits from customers or banks whose information was not adequately protected and reputational damage that can be irreparable. Companies in businesses such as healthcare also face the risk of fines and sanctions imposed by regulatory agencies that audit their security measures.

Key cybersecurity technologies that small businesses should consider include:

- **Perimeter defense**, such as firewalls that can prevent malicious intrusions into a company's network
- **Endpoint security** for both desktops and mobile devices to prevent their unauthorized use. This should include remote memory wipe capabilities for mobile devices. In some cases, it may be appropriate to use biometrics to validate user identities.
- **Data encryption** to make stolen information useless

- **Identity and access management controls** that limit employees' access to resources based on their responsibilities. This is especially important given that about one-third of cybercrime is committed by insiders, such as terminated employees whose access rights are not promptly deactivated.
- **Anti-malware** for neutralizing viruses and malicious code that can undermine the performance of critical systems and even allow hackers to hijack a company's computers to launch attacks on others

Technology alone, however, is not enough to keep a company safe from cybercrime. Security technologies have to be constantly and consistently monitored so that they help thwart illegitimate access to IT resources while not interfering with legitimate access.

Human carelessness can be the weakest link in the security chain, so good cybersecurity requires user education. Hackers commonly use exploits known as "social engineering" — taking advantage of users' mistakes to click on a malicious link or executable file — to get users to compromise systems, passwords and devices. A company that doesn't take adequate measures to avoid these exploits is as vulnerable as a company that doesn't have a firewall.

## CDW: A Small Business Partner That Gets IT

Mobility, the cloud, data management and cybersecurity are just four of the IT-related issues small businesses must address to thrive in an increasingly technology-centric world.

As they address the many demands on them, small businesses should strongly consider working with a trusted partner such as CDW, which offers expertise across multiple technology disciplines. CDW delivers the products and professional services required to properly deploy best-in-class technologies, and provides the support and management necessary to ensure the ongoing reliability, performance and security of a small business's computing environment. Like a good cop on the beat, a trusted security partner can help keep your data and systems safe.

**To learn more about CDW's Big Ideas for Small Business, contact your CDW account manager, call 800.800.4239 or visit [CDW.com/SmallBusiness](http://CDW.com/SmallBusiness).**

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