

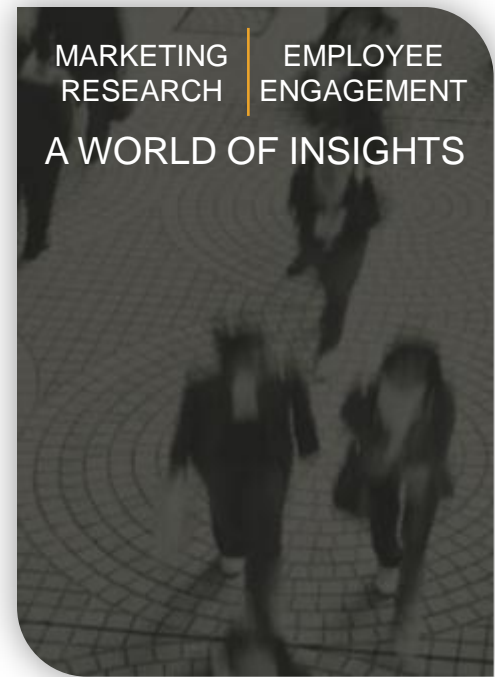
# SMEs: The Global Economy's Disruptive Middle

September 2013

MARKETING  
RESEARCH

EMPLOYEE  
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A WORLD OF INSIGHTS



# PROGRESS

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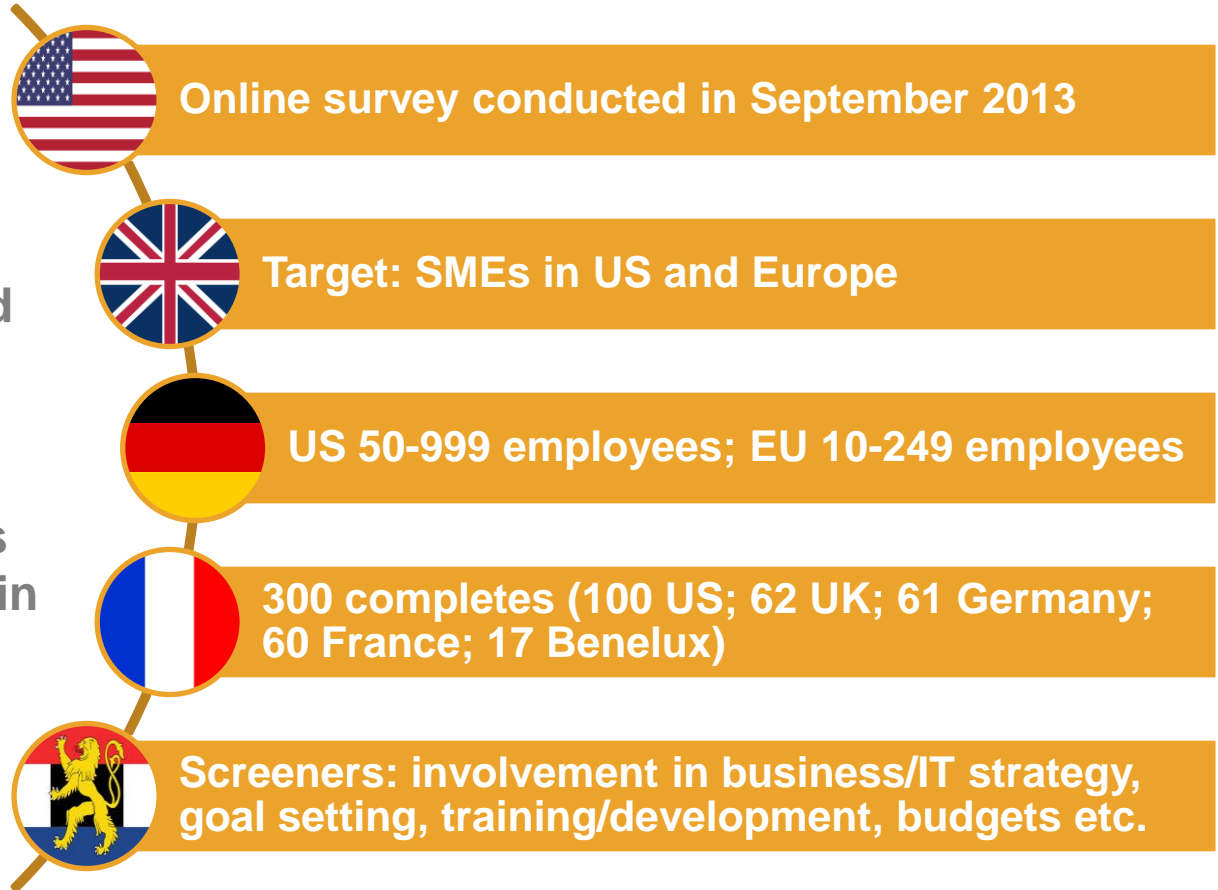


MOTOROLA



# METHODOLOGY & RESEARCH OBJECTIVES

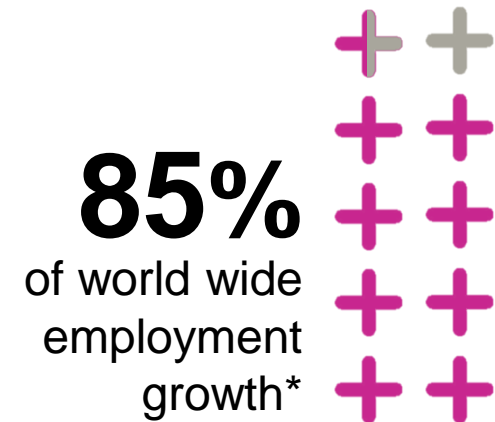
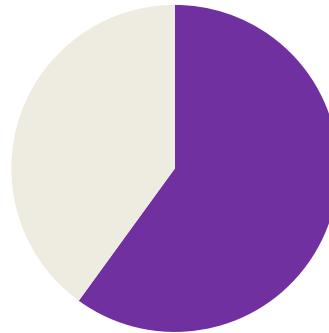
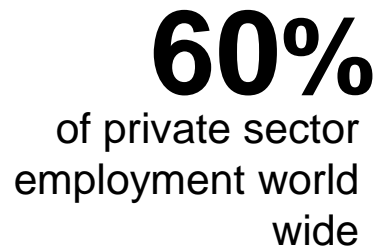
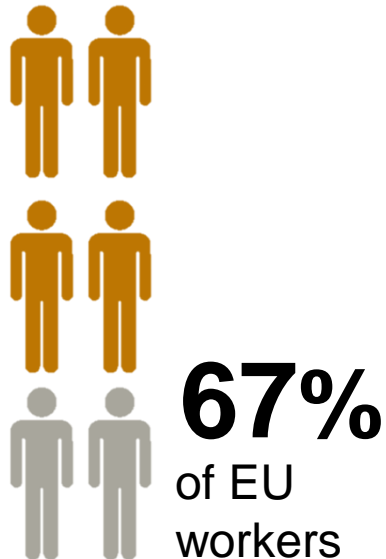
**Goal:** To better understand the business goals and challenges facing SMEs and to gain insight into the strategic initiatives SMEs are investing in to drive business growth.



# SMEs: Backbone of the Economy

## SMEs defined:

<250 employees in the EU  
<1,000 employees in the US



Sources: WorldBank; European Commission.  
\*Between 2002-2010

# SMEs are poised to drive economic growth with customer-centric approach.

## Retaining & Expanding Customer Base



## Cost Control/Containment



## Improving the customer experience through valued-added services



Question: "Using the scale provided below please rate each business outcome according to its importance to your business over the next 18 months."

% shown represents respondents who answered "important" (7, 8, 9 or 10 on a 1-10 scale)

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

# SMEs face enterprise challenges.

## Security Concerns

50% Global

60% US

46% EU



## Skills Shortage

49% Global

42% US

53% EU



## Infrastructure & Data Complexity

46% Global

59% US

40% EU

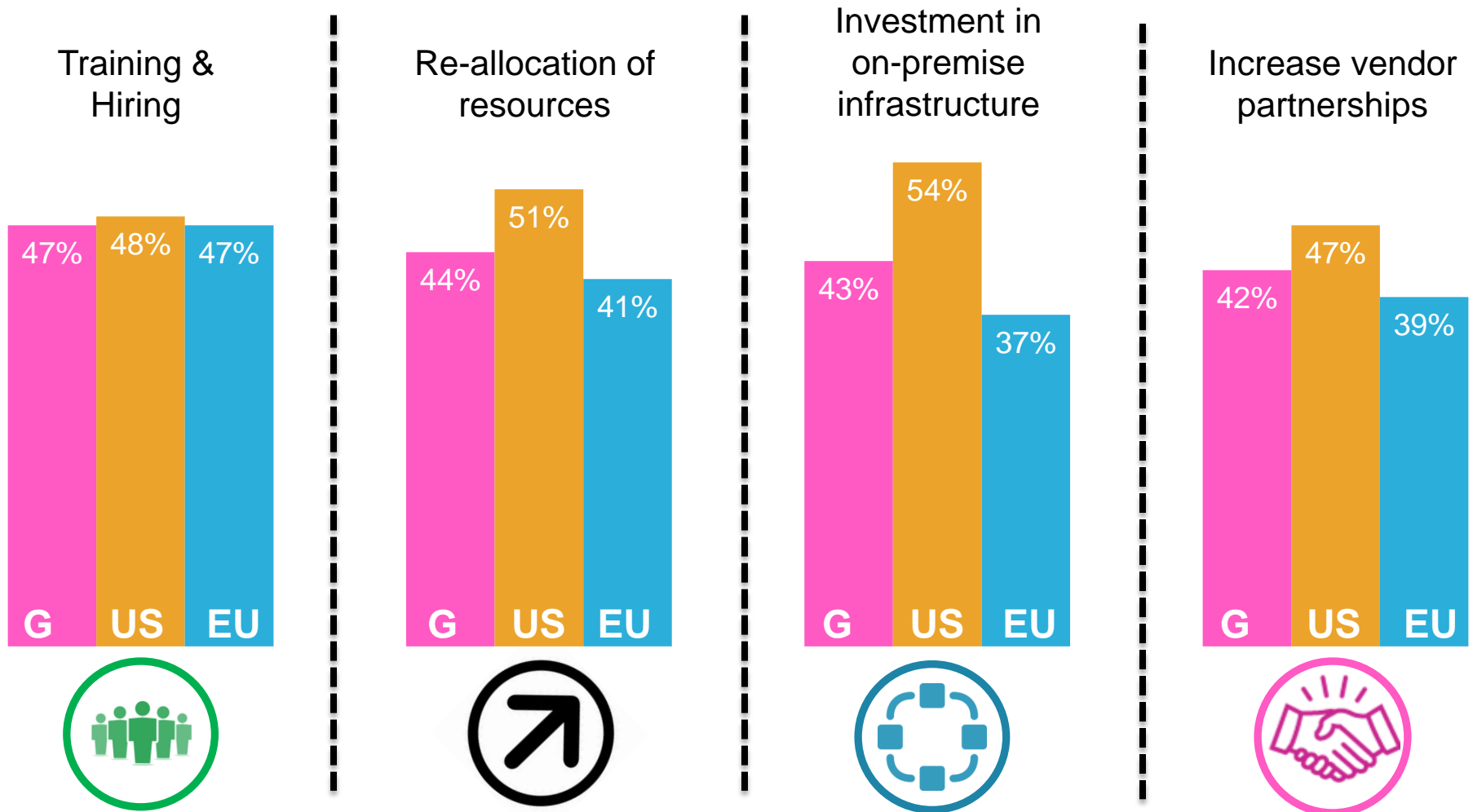


Question: "Using the scale provided below please rate the challenges your business faces in achieving growth."

% shown represents respondents who answered "significant challenge" (7, 8, 9 or 10 on a 1-10 scale)

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

# SMEs are making investments to drive long-term growth & sustainability.



Question: "Thinking about the types of challenges listed in the previous question, please rate the investment your company has/will be making to address these challenges over the next 18 months?"

% shown represents respondents who answered "significant investment" (7, 8, 9 or 10 on a 1-10 scale)

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

**SMEs are rolling out strategic initiatives to stay ahead of the competition.**

**SMEs expect their strategic initiatives to...**

**Global**

Move them  
significantly (26%) or somewhat (42%)  
ahead of their competition

**68%**

**US**

Move them  
significantly (23%) or somewhat (42%)  
ahead of their competition

**65%**

**EU**

Move them  
significantly (28%) or somewhat (42%)  
ahead of their competition

**69%**

*Question: “Do you expect the strategic initiatives your company is rolling out over the next 18 months will:”*

*% shown represents respondents who answered “Move you significantly ahead of your competition” or “Move you somewhat ahead of your competition”*

*Base: 300 respondents Globally; 100 US respondents; 200 EU respondents*



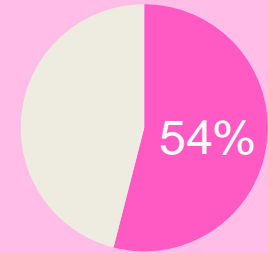
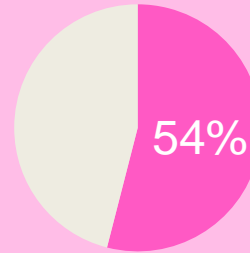
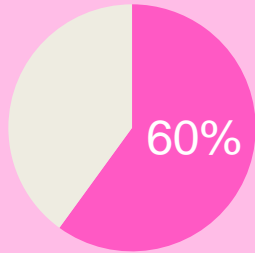
# SMEs strategic priorities reflect forward-thinking agenda.

Adjusting business models  
to meet customer demand

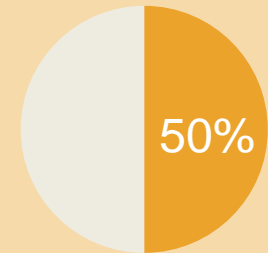
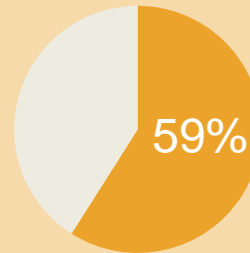
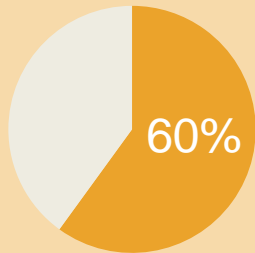
Deployment of new business  
applications to increase  
productivity

Development of  
strategic partnerships

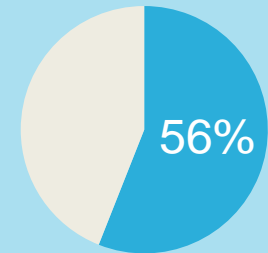
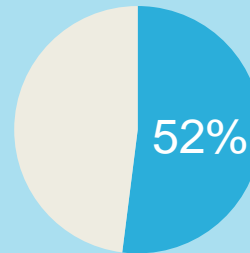
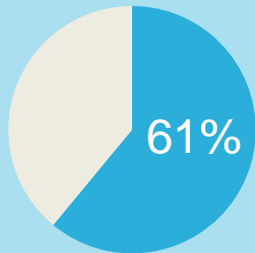
Global



US



EU



Question: "Over the next 18 months, what level of importance is your company placing on each of the following types of strategic initiatives as a means to achieving key business objectives?"

% shown represents respondents who answered "important" (7, 8, 9 or 10 on a 1-10 scale)

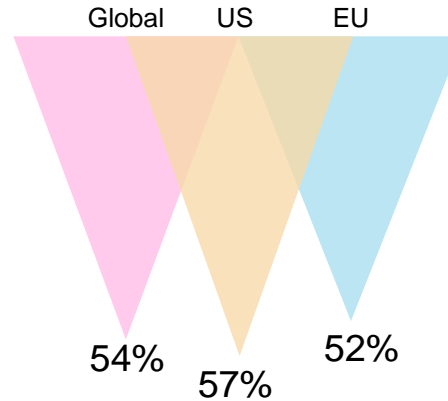
Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

# Revenue growth is a shared priority at SMEs in both the US and EU.

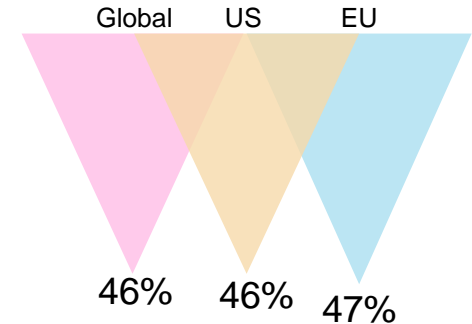
## Revenue Growth



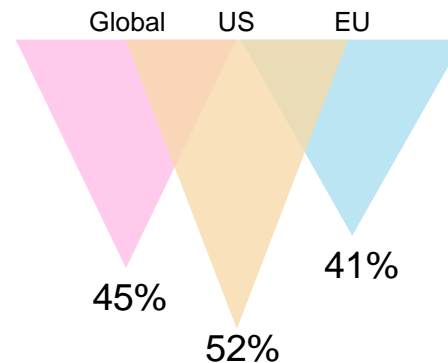
## Simplified business processes/reduced complexity



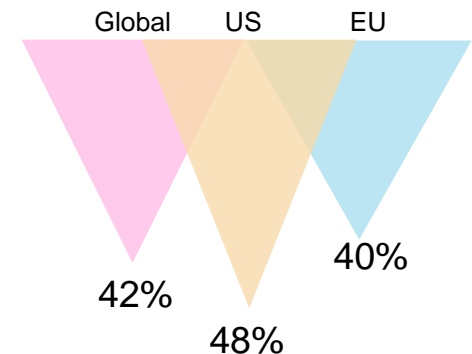
## Increased visibility



## Better utilization of data we collect



## Improved decision-making



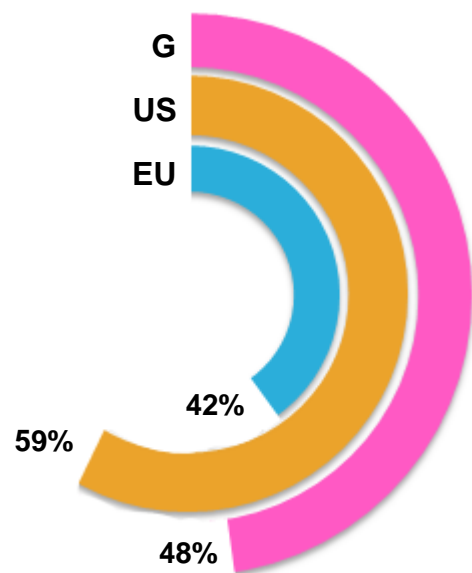
Question: "What benefits do you hope to realize from the strategic initiatives your company is rolling out over the next 18 months?"

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

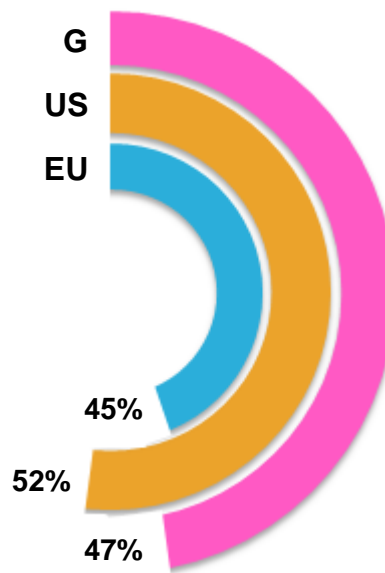
# SMEs are focusing on application initiatives that will create a more agile, responsive business environment.

## Key application initiatives for future growth:

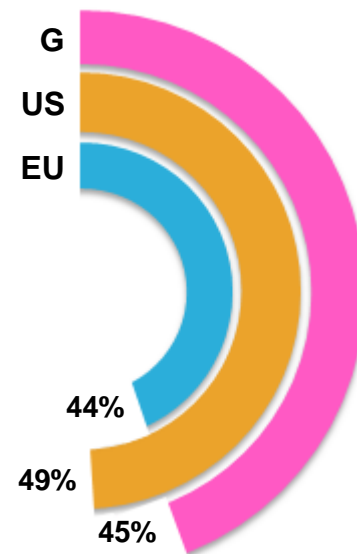
Ensuring security/compliance for key business applications



Increasing Collaboration between IT & business to build better business applications faster

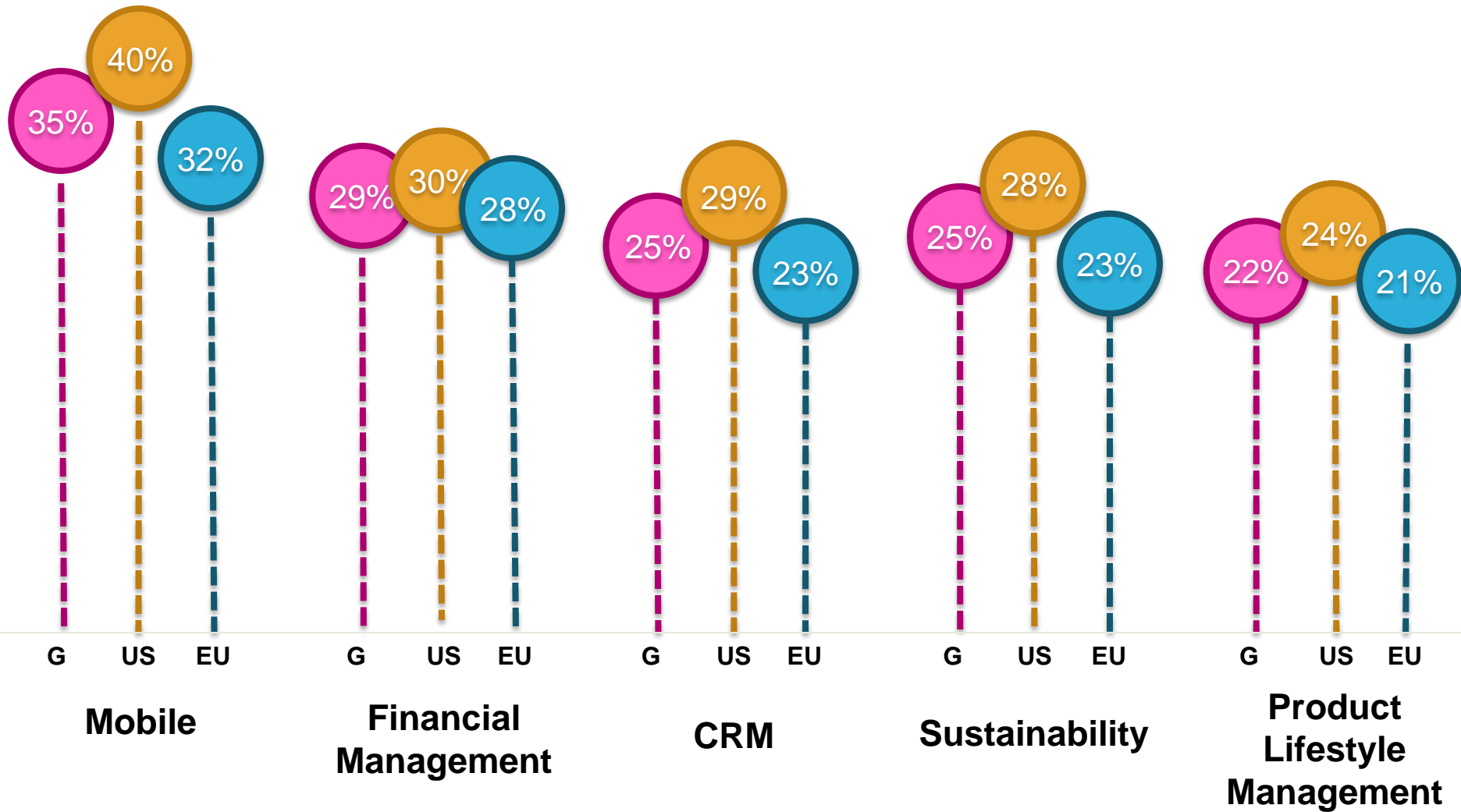


Leveraging your business expertise to create business apps that help drive innovation and growth



Question: "What level of importance is your company placing on each of the following application initiatives over the next 18 months?"  
Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

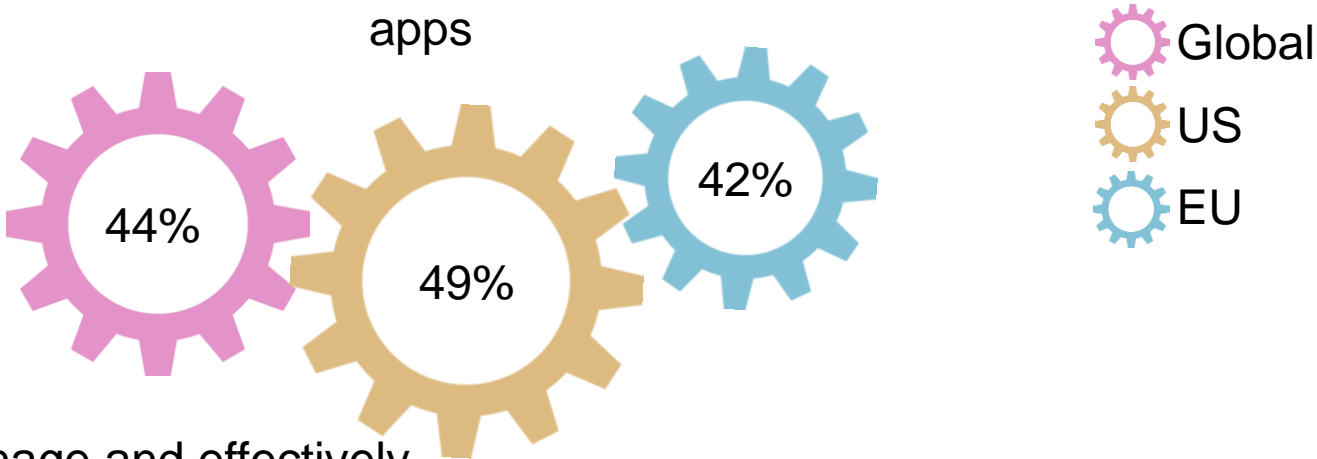
## SMEs are investing in a variety of application initiatives but Mobile tops the list reflecting customer-centric focus.



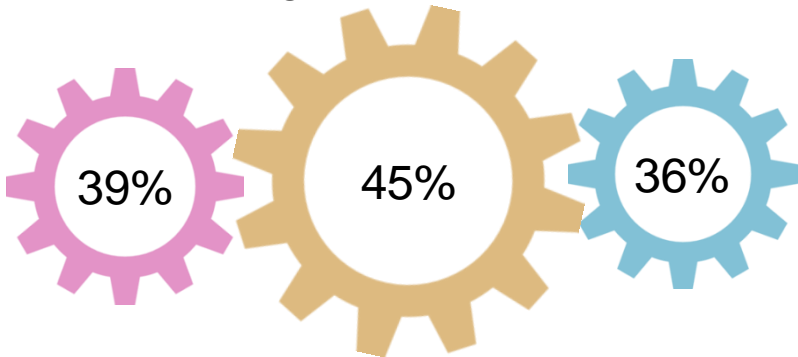
Question: “What application initiatives are on your company’s radar as priority projects for the next 18 months?”  
Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

# Limited budget, data complexity and skills shortage are the biggest roadblocks for effectively leveraging business applications.

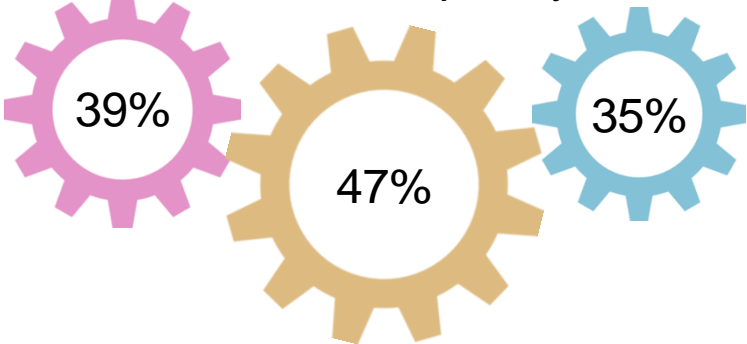
Limited budget to develop/implement apps



Skills shortage to manage and effectively leverage business apps



Data Complexity



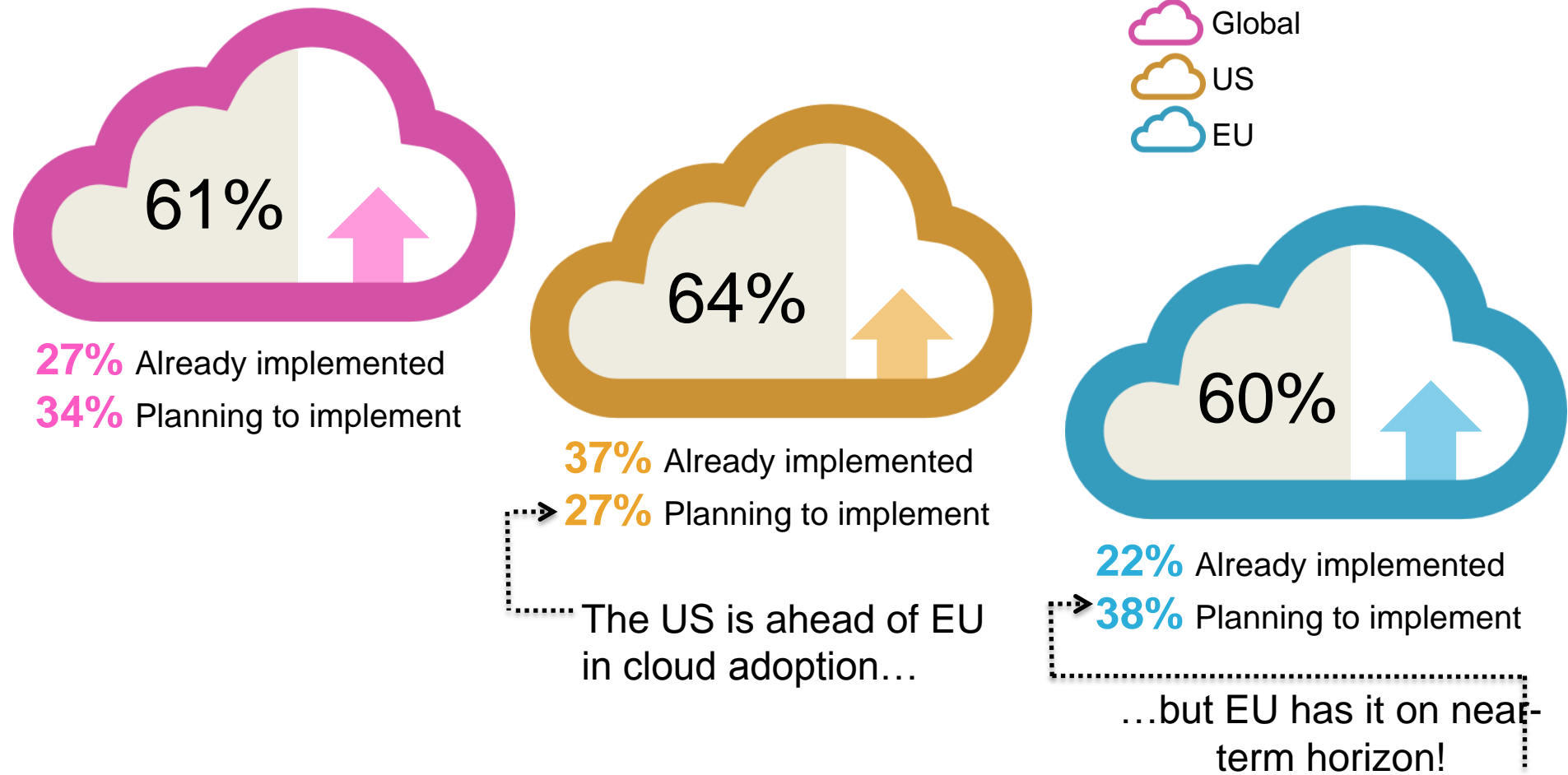
Question: "To what extent have the following issues/problems affected your company's use of business applications as a tool for achieving key business objectives?"

% shown represents respondents who answered "to a significant extent" (7, 8, 9 or 10 on a 1-10 scale)

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents



# About two-thirds of SMEs globally are already using or are planning to migrate to the cloud to assist with strategic initiatives.



Question: "What are your company's plans to migrate, or augment, your existing IT infrastructure and application workload to cloud infrastructure/services to assist in the implementation of these types of strategic initiatives?"

Base: 300 respondents Globally; 100 US respondents; 200 EU respondents

# SMEs: Poised to Drive Economic Growth

- SMEs are the backbone to local economic growth and stability.
- Despite continued economic volatility, SMEs are taking a customer-centric approach and investing for long-term growth.
- Top priorities: strategic initiatives that will move SMEs ahead of the competition and create more agile, responsive business environments.
- Obstacles facing SMEs on the path to growth are the same as those facing larger, enterprise organizations – driven by increases in data, devices, mobility.
- SMEs are relying on cloud-based services and applications to adjust quickly to customer needs, fuel expansion, and speed time to market.



# Questions?

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