

Irish Business Mindset Survey Report

How Irish SMEs Invest in Tech

Winter // 2016



The first iPhone launched less than 10 years ago. Think about that.

We're evolving rapidly as digitally empowered consumers and business people.

Small and medium enterprises (SMEs) are no different. Whether you run a five-person service, own a retail store or manage IT infrastructure at a manufacturing operation or hotel chain, you can't escape technology's impact on your business. Your customers and employees have tech-driven expectations – how you meet those expectations can make or break you.

Most businesses on this planet – Ireland included – are SMEs. According to the Central Statistics Office there are 237,753 active SMEs in Ireland.

- 1 We wanted to understand how and why they are prioritising investments in technology. So, we surveyed SME business customers of Three Ireland representing a broad range of job functions, business sizes and industry segments.
- 2 Here, we have a look at those responses and try to get under the bonnet to unravel the meaning behind them.



It's time to stop sweating the assets.

If you're like most Irish SMEs, you're at least feeling cautiously optimistic.

That's a good thing! You may now finally have budget to invest in the areas of your business that have been in need of attention for some time.

Of course, like many business, operations and IT leaders, you may realise that significant investment is required—that you've clung on, with fingers crossed, to out-of-date technologies for far too long.

The good news? New—particularly cloud-based—solutions provide easier entry and are much more future-proof than previous technologies. They're more affordable and allow you to scale up or down as business conditions require. Plus, upgrading technology can vastly improve both the customer and employee experience, helping you achieve your business objectives.



How can you make things better?

Businesses across Ireland are investing again, in IT and in people.

In training technology to help employees better serve customers and in infrastructure to support operations. A combination which improves, not only the customer experience, but all aspects of how employees work.

Millennials, as we know, have arrived, and they've got expectations. It's not just them—the world now behaves differently. Proactive businesses are seeking ways to make the work environment more flexible and tech-enabled. They're looking to data analytics in order to better engage their audiences. They're evaluating their communications infrastructure, mobile solutions and mobility in general.

70%
of Irish SMEs claim
to be more proactive
than their peers

New Meaning to “Going On Tour”

Imagine you're shopping for a car. You spot the perfect car online and tweet your local car dealer. Next thing, a salesperson sends you a video chat, walks you to the forecourt for a virtual tour and answers any questions. That's a huge time save. And the salesperson has already begun earning your trust through personal interaction. How's that for proactive possibilities!



Technology is at the heart of business.



To be fair, technology, due to the expense and effort, has always been a central business priority. It was a major investment you simply hoped would work. Now, though, cloud technologies are more approachable.

The tech-forward 60% mentioned above realise they can try different solutions with relative ease at low risk. Initial investment is less and now counts toward operating costs. The ability to scale up or down takes the pain out of growing and the bite out of future recessions.

Meanwhile, 40% remain hesitant. They invest only when necessary and, therefore, flirt with the risks of falling behind—compliance issues, downtime and missing out on employees.



Behaviour Modification

As consumer communications change, so they must for business. SMS, once for texts and personal use only, now incorporates all media and is one of the most effective ways to reach customers. If customer communication is at the heart of your business, consider upgrading your CRM and IT to take fuller advantage of such channels.



The cloud is changing the game.

Granted, 70% are mainly using cloud for what you might expect: file storage and sharing from the big players like Box, DropBox and OneDrive. However, others are using cloud in ways that truly elevate their business.



Attendant-less Stations

Fairly straightforward commodity, petrol. But take away the people behind the till and you've got to replace a lot of functionality. Attendant-less stations integrate cloud technology and CCTV to approve payments, establish age checks and even make sure no one is smoking at the pump before releasing fuel. It's all very sophisticated in the background, yet the customer, meanwhile, experiences very convenient service that gets them back on the road as quickly as possible.

Self-service Expectations

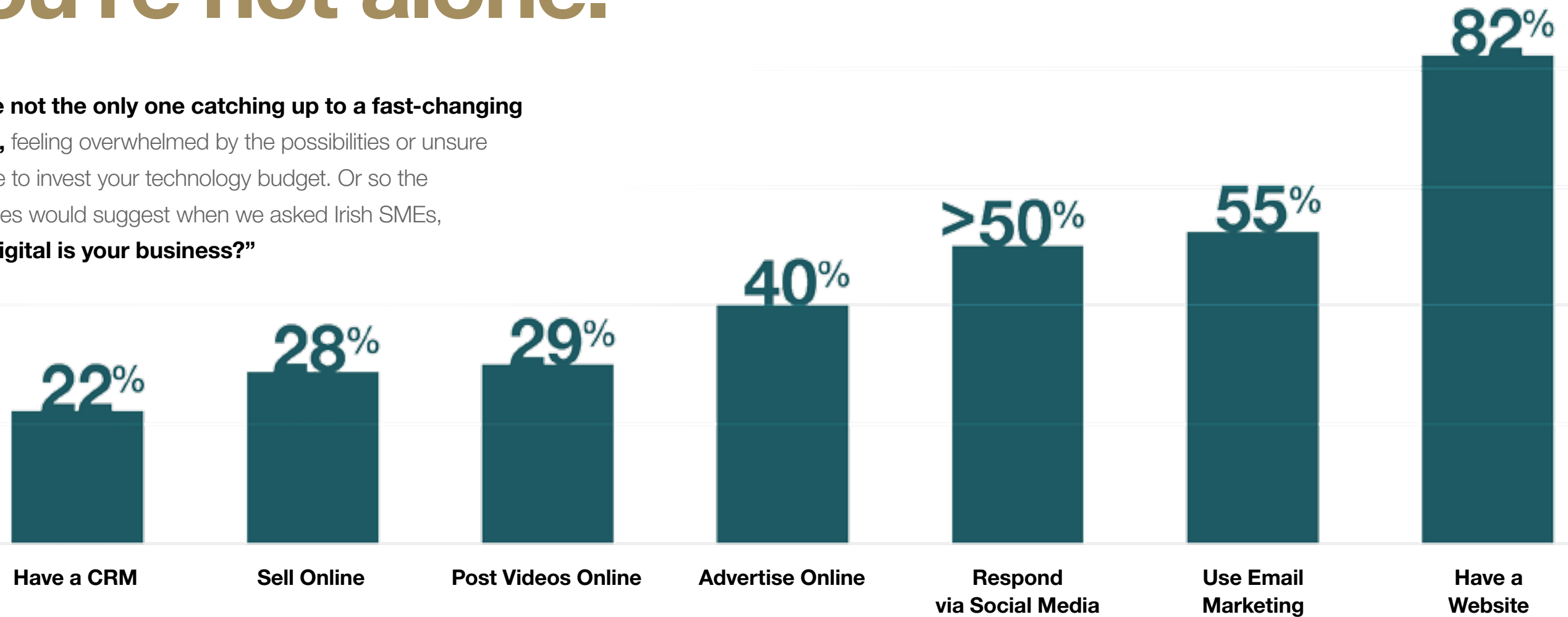
A legacy of manual processes still exists in many businesses, despite their necessity being long out of date. Even healthcare, an industry naturally hesitant to change, is beginning to adopt digital physician interaction and automated appointment setting. Online retailers led the charge on this front, but forward thinking SMEs of all sizes are investing in internet-based scheduling technology so they can be sensitive—and responsive—to the anywhere anytime expectations of today's customers.



Feeling behind? You're not alone.

State of Digital Maturity of Irish SMEs

You are not the only one catching up to a fast-changing market, feeling overwhelmed by the possibilities or unsure of where to invest your technology budget. Or so the responses would suggest when we asked Irish SMEs, "how digital is your business?"



Upward trends.

No question. Mobile communications are indispensable to consumers and businesses, and when it comes to investment in business phones or phone systems, the top three criteria were not a surprise:

- 1 Reduce cost**
- 2 Increase productivity/efficiency**
- 3 Reduce risk**

As we look ahead to 2017 and beyond, one especially important trend to pay attention to is the rising focus on customer relationship management (CRM) built to accommodate the always-on, social media, D-I-Y customer. Businesses of all sizes will benefit from cloud-based CRMs that integrate customer-behaviour tracking to facilitate decisions for business growth and product improvement.

22%
of Irish SMEs use a CRM system—expect this to change drastically

Digital Diviner for Watering Holes

St. Mel's micro-brewery is on Facebook and Twitter every day monitoring commentary about new, trending bars and pubs. Why? To find where they should distribute their beer. All while they're answering questions, engaging directly with customers and otherwise building brand affinity. It's easy to see how a CRM that is tailored to how they manage their business would become a powerful tool for marketing and for developing future business strategy.



Investment priorities for the year ahead.

50%
of Irish SMEs are investing in marketing and sales programs

While the top investment priority (marketing and sales programs) is directly associated with driving revenue and growth, other priorities are strong indicators of technology's continued role in business.

For example, 40% of Irish SMEs say that better collaboration with customers, employees and partners is of high importance. Nearly the same percentage claim that operations systems and infrastructure improvements are a top priority.

Ultimately, what does this demonstrate? That technology will continue to power business growth and improve customer experiences.

Digital Hand with a White-Glove Feel

Location-based targeting is here, and many retail stores are adopting it. Retailers provide free Wi-Fi services that utilise locator beacons, then leverage consumer-behaviour data to serve up real-time offers that motivate shoppers to become buyers.



Conclusions.

As the Irish business mindset embraces growth and new opportunities, it's clear that SMEs believe technology is more important than ever. The basis for investment is decidedly shifting towards strategic, forward thinking rather than reactionary tactics aimed at maintaining a bare minimum.

At the same time, the market is moving faster than businesses can keep up. Many SMEs see the advantage of investing in growth-focused technology but are unsure how to best evaluate or move forward. The steps they take will impact customer experience, employee experience and their business' ability to compete, adapt and grow. Stakes are high and the time seems to be now.

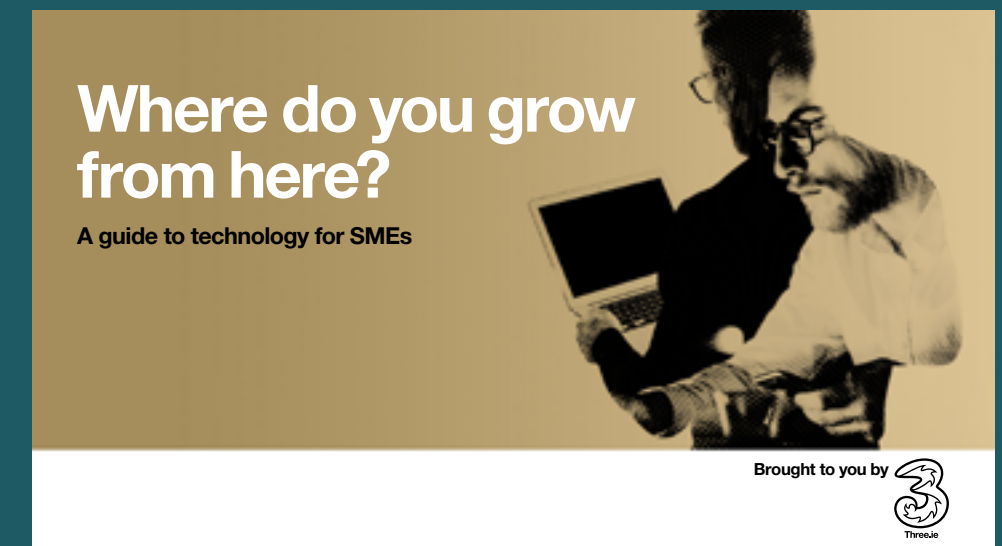
More helpful resources

- 1 Keep reading: [Explore the Three Business Blog](#)
- 2 Talk to an SME technology expert. [Schedule a free consultation with Three](#) or call **1 800 200 017**
- 3 Explore [Three Solutions](#)

1. Irish Small and Medium Enterprises Association (ISME) 2. Three Business, Irish Business Mindset Survey.

Guide to Technology for Growth

Looking for guidance on evaluating and planning for new technology investments? Download and read **Where do you grow from here? A guide to technology for SMEs.**



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