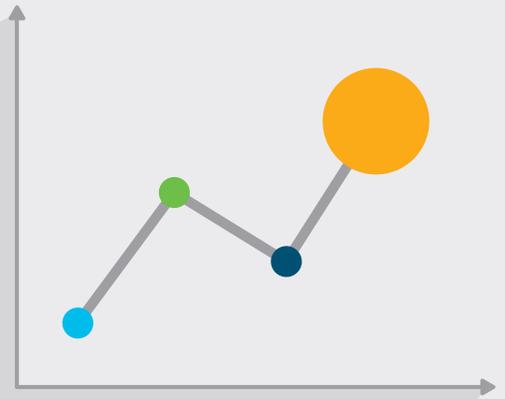


Building a Digital Foundation for Business Growth



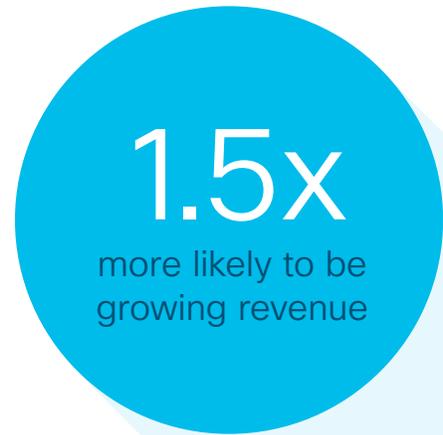
Many organizations—from SMBs to blue-chip companies and governments—have reaped the benefits of investing in a digital foundation for growth. Read on to find out how Cisco Start can help your small and medium-size business (SMB) build its digital foundation for growth.

In case you haven't heard, the Singapore government has a "magic sauce"—a long-term strategy to help the nation's 180,000 SMBs stay ahead of the competition: digital transformation. Tan Kiat How, chief executive of Singapore's Infocomm Media Development Authority (IMDA), the agency spearheading the digital effort, says, "We believe every business needs to be a digital business to remain relevant and thrive in the future economy."¹

Gleaning the business benefits of a digital foundation is not a privilege reserved for Singapore SMBs.

SMBs in Australia have also benefited. According to Deloitte,² Australian SMBs that have achieved advanced levels* of digital engagement, compared to SMBs that have “basic” digital engagement, are:

- 8 times more likely to be creating jobs
- 7 times more likely to be exporting
- 14 times more likely to be innovating
- Earning 1.4 times more revenue per employee
- Reaching a more diversified customer base



The Australia findings mirror a similar Deloitte study of the U.S. market,³ where digitally advanced small businesses:

- Earned 2 times as much revenue per employee (\$504,396 versus \$251,592)
- Were 3 times as likely to have exported
- Were almost 3 times as likely to be creating jobs
- Experienced revenue growth that was nearly 4 times as high
- Had employment growth that was more than 6 times as high
- Were more likely to innovate, had a more diversified national and international customer base, and experienced more customer inquiries



Another study by PWC⁴ confirms what the Deloitte numbers show: Digitization drives quantum leaps in performance.

The world's largest retailer, Walmart, exemplifies the Deloitte findings. In the 1980s, Walmart disrupted the retail industry by aggregating and mining data from their point-of-sales (POS) systems to get a more complete picture of customer buying behavior. It then used the information to manage inventory turnaround and to lower holding costs. Walmart has posted double-digit revenue growth in 14 of the past 20 years.⁵

Increasingly, customer data will be a key business asset and the cloud will be the default IT delivery platform. No SMB with a long-term business vision can avoid investing in a strong digital foundation. It empowers your SMB to have more efficient processes; achieve better engagement with customers, employees, and partners; and analyze business data for insights to improve strategic decisions. Which in turn leads to better business results. A strong digital foundation creates a powerful virtuous cycle for your business.



There are certainly challenges in building a digital foundation. Setting up a digital foundation involves many moving parts: securing senior management buy-in (may not be as easy, even if you are the owner and boss!); motivating staff to embrace a culture of constant innovation and risk taking; designing the user experience (UX) with a 360-degree “customer-first” mind-set; and having the right technology infrastructure (both hardware and software) and processes in place. And it involves long-term commitment and conviction based on a clear business strategy.



Yet, your SMB cannot ignore building a strong digital foundation, as the converse can be every SMB's nightmare. During a peak sales period, such as the Christmas season, your digital foundation has to support customer communication, fulfill online orders, refresh your web presence, track social media, operate mobile apps, activate online marketing tools, perform data analytics, facilitate online bookings and purchases through multiple channels, enable e-payments and use of third-party e-commerce platforms, and launch online advertising campaigns. If the foundation is not strong, it can unexpectedly fail you at a critical moment.

By all means, envisage going mobile for new interaction channels and greater productivity; invest in big data and analytics to improve decision making; and adopt cloud to drive agile, cost-efficient application delivery and extend reach. To realize all that, you need to build a strong network infrastructure⁶ that can support your digital transformation ambition.

Your Digital Foundation

Start by paying attention to the “nuts and bolts” that underpin your digital foundation: switches, routers, and access points that can work hard and perform well even at your business peak.

Don't make the mistake of thinking that any router or switch or access point will do, because when your digital business is firing on all cylinders, the quality of these components can make a critical difference to performance. Why?

Switches are a key component of many business networks. They connect multiple devices and send information (e.g., email) and allow access to shared resources in a smooth, efficient, and transparent manner.

Just as switches allow different devices on a network to communicate, routers allow different networks to communicate. A router also connects networked computers to the Internet, allowing multiple users to share a connection. A router also acts as a dispatcher and chooses the best route to transmit information.

An access point usually connects to a router via a wired network either as a standalone device or as an integral component of the router to allow a Wi-Fi device to connect to a wired network. Today, secure networking is a hygiene factor, which explains why quality routers, such as the Cisco® RV340W Dual WAN Gigabit Wireless-AC VPN router, provide high-speed Internet access with Internet security and firewall protection.

It is no exaggeration to say that the quality of these key components could be your digital foundation's weakest links.

Cisco Start has a full range of switches, routers, and access points to help your SMB build a strong foundation at each stage of your digital transformation.

The Cisco Integrated Services Routers (ISRs) for SMBs, e.g., the ISR 800 and ISR 4000 Series, are “super routers” that integrate the network services provided by multiple devices into a single platform. These routers also have the flexibility to add new services and/or expansion modules simply, at any time, via license activation. These routers provide a simpler network configuration and help reduce hardware, operation, and maintenance costs.

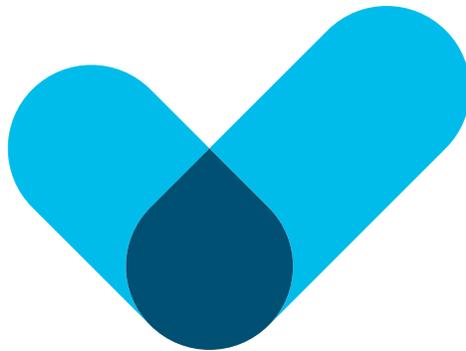


Then there are the Cisco Catalyst® switches, e.g., the Catalyst 2960-CX and 2960-L Series Switches, that incorporate Cisco IOS® Software, a high-performance network infrastructure software. Cisco IOS is used on most Cisco routers and current Cisco network switches. IOS is a package of routing, switching, internetworking, and telecommunications functions integrated into one multitasking operating system. Your SMB can easily activate the different IOS features via a software license.

Finally, the Cisco Wireless Access Protocol (WAP) access points combine business-class features with the reliability and performance needed for small-business networks. The Single Point Setup (SPS) feature makes deployment of multiple access points easy and cost-effective. The Cisco Small Business 100 Series Wireless Access Points are sleek and simple to configure to deliver the performance you need at an affordable price. The Cisco Small Business 300 Series Wireless Access Points give you gigabit speed for your mobile devices and come with a simple controllerless management to manage multiple access points. Then there are the top-of-range Cisco Small Business 500 Series Wireless Access Points that give your SMB exceptional performance and coverage for mobile devices and next-generation applications.

Talk to our Cisco Start representative today to find out how we can customize the building blocks of a digital foundation to meet your business needs today and into the future.

Let our Cisco Start experts be your solution partner as your SMB transforms digitally.



1. "SMEs Go Digital," IMDA, Nov. 28, 2017. <https://www.imda.gov.sg/industry-development/programmes-and-grants/small-and-medium-enterprises/smes-go-digital>

2. *Connected Small Businesses 2016*, Deloitte, commissioned by Google, 2016. <https://www2.deloitte.com/content/dam/Deloitte/au/Documents/Economics/deloitte-au-economics-connected-small-businesses-google-051016.pdf>

*Note: Deloitte defines the level of digitization of SMBs as follows:

- Basic: Only an email address and uses traditional methods of marketing (e.g., post, newspapers). No social media or website. Can be listed in an online directory but this is done by third party.
- Intermediate: Has website and online directory listing that they control. May also be listed on an online marketplace or third-party e-commerce platform (e.g., eBay). Some use of social media and basic online marketing (e.g., webpage ad banners).
- High: Has a mobile-responsive website that may also have e-commerce or booking capabilities. Extensive use of social media and higher-level online marketing methods, (e.g., SEO).
- Advanced: Uses data analytics to analyze information and inform decisions. Use of advanced online marketing tools (e.g., SEM, social media, and video advertising).

3. *Connected Small Businesses US*, Deloitte, commissioned by Google, 2017. <https://www2.deloitte.com/us/en/pages/technology-media-and-telecommunications/articles/connected-small-businesses.html>

4. *Industry 4.0: Building the Digital Enterprise*, PwC, 2016. <https://www.pwc.com/gx/en/industries/industries-4.0/landing-page/industry-4.0-building-your-digital-enterprise-april-2016.pdf>

5. *Perspectives on Digital Business*, McKinsey Center for Business Technology, January 2012.

6. "Network the 'Foundation' of Digital Transformation: Cisco," ZDNET, July 13, 2016. <http://www.zdnet.com/article/network-the-foundation-of-digital-transformation-cisco/>