

I D C E X E C U T I V E B R I E F

How Small Businesses Can Boost Mobile Worker Productivity with Advanced Wireless Technology

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Adapted from [Adoption of Mobile Technology in U.S. SMBs: Opportunity Update](#) by Raymond Boggs and Merle Sandler, IDC Presentation

Introduction

Mobile technology, particularly the voice and data coordination available in smartphones, represents an important potential resource to help small businesses become more efficient and extend their reach in an increasingly competitive world. This Executive Brief examines mobile technology adoption by small businesses and discusses the benefits of this technology, including mobile worker support. In addition, we describe the four steps to implement and support effective smartphone use.

The Need for Mobile Technology in Small Business

The changing business environment poses new challenges for every participant, but especially smaller companies. From globalization, to the pace of product development, to changing customer relationships, forces are at work that make it increasingly necessary for small firms to sharpen their business practices to stay competitive. Of course this is true for everyone, but the risk (and also the opportunity) can be greater for small companies, which may find they no longer have a lock on national, regional, or even local customers. The products and services that helped you build your business may no longer be sufficient given technology advances that help competitors and also raise performance expectations of customers.

Small businesses are under increasing pressure to grow revenue and minimize costs while keeping customers happy and satisfied. Some firms work to shorten sales cycles or reduce customer response times (which can translate into higher loyalty and more sales), while others look inward to improve technology use or asset management. Access to timely and accurate information is especially important to the growing number of mobile workers, especially those in field-based sales and support roles. Real-time information such as inventory status, pricing, new product information, and key customer data — such as records of previous orders, preferences, and collections history — can make all the difference to mobile worker effectiveness and company success.

Key Benefits of Mobile Technology Deployment

Mobile technology in general and handheld wireless communications capabilities in particular are key to a growing number of small businesses. While cell phones and notebook computers have empowered the first generation of mobile workers, smartphones are taking the game to the next level. Many small businesses are using cell phones for voice and laptops for data access, but there is a growing move to integrate these "islands" of technology into a single device, such as a smartphone. And with more of the business world moving to mixed voice and data networks, to say nothing of growing email use, multifunction mobile device adoption will continue to increase, especially in small businesses that are constantly looking for portable and affordable solutions.

Mobile technology can improve the flow of information back to company offices and support mobile workers while they engage prospects, customers, partners, and suppliers. Mobile technology allows a remote worker to become the equivalent of a one-person branch office, extending the reach of a small business while increasing efficiency. Think of the importance of email access, contact information, shared calendars, or simply Internet availability. These resources are often commonly available to staff in your company's main office, but are they also available to your remote workers? That's where wireless communications can contribute.

The good news is that the price of advanced wireless technology continues to decline, as does the price of wireless devices and also the voice and data services they deliver. IDC expects these costs will continue to drop, but the incentive to wait for even lower prices is offset by the immediate benefits that the latest mobile technology can deliver.

Streamlining the sales process is often where small businesses first benefit from wireless mobile technology. Workers can prepare for and make more calls to prospects in a given day, increasing their chances of making more sales. In addition, customer satisfaction can increase because workers can be more responsive to requests, potentially increasing add-on sales and strengthening customer loyalty. Receiving more timely support from company headquarters and access to account or product information can give mobile workers an advantage over competitors that might not be as responsive. Mobile technology can provide the flexibility to do business in creative and innovative ways, which is central to the thinking of successful small businesses.

Your staff can operate in innovative and maybe unanticipated ways once it is equipped with the appropriate technology. In addition to using smartphones for traditional purposes — communications and messaging — users can devise new ways to apply the technology in their hands. In a recent focus group, for example, IDC heard a realtor speak about using a smartphone to generate business. The person spotted a new house for sale while driving by, took a photo with the smartphone, emailed the picture to a prospective buyer, and then

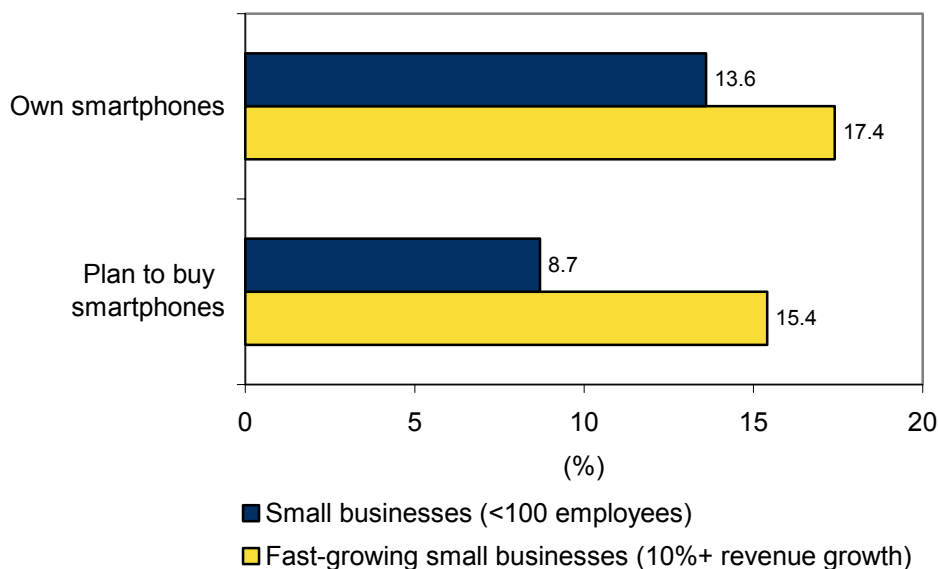
swapped information with a colleague so that an offer could be prepared in less than an hour. Shortening response time is at the heart of smartphone benefits.

Such stories spread quickly in an organization, encouraging further adoption and the spread of new, innovative applications. The resulting benefits of wireless mobile technology use can go beyond the initial cost justification as operating practices are refined to take advantage of new and successful approaches.

Positive employee experiences with smartphones naturally stimulate more use. According to IDC research, faster-growing small businesses are more likely to own smartphones. Small businesses that use smartphones also are twice as likely to buy more in the next 12 months (see Figure 1). They want to extend technology access to others in the organization. Typically, this is not a formal staged adoption process but rather an opportunistic move to extend smartphone benefits beyond the initial user constituency. Fast-growing companies are more likely than small firms in general to have benefited from smartphones, and they are more likely to buy more to expand the number of employees using these devices.

Figure 1

Use of Smartphones Among Small Businesses and Fast-Growing Small Businesses



Source: IDC, 2007

Critical Areas to Examine in Mobile Worker Support

As smartphone access increases in small businesses, it's important that these businesses coordinate the technology with existing hardware and software and determine how to leverage existing resources. This includes people and how ready they are to use technology. After all, no one wants to use new technology that doesn't work with the resources already in place. Three performance areas emerge as especially important, in terms of both the current technology environment and what could or should be added:

- **Security.** If data becomes available remotely, you must make sure that the right tools are in place for authentication and authorization so that only the right people have access. The good news is that current network products (servers you use for email, for example) are becoming more secure and resources to support remote workers are being integrated into the latest network solutions.
- **Software compatibility.** This is another area that needs to be examined. Software compatibility is essential for effective smartphone deployment. Are current applications, particularly messaging and data access/management, compatible with smartphone technology? Will your current email software work with new smartphones? Do other applications need to be updated or reformatted, and are there additional company benefits associated with upgrading that need to be considered?
- **Ongoing service and support costs.** Ongoing service and support costs — in addition to the initial acquisition costs — are critical. Monthly costs of integrated or separate voice and data plans for each mobile worker have given pause to a number of small businesses looking to add smartphones, especially as hardware costs have made the technology look increasingly appealing. As carrier competition has intensified, voice and data communications plans have become ever more affordable, especially when multiple capabilities are consolidated. Reviewing current communications services and comparing them with other competitor approaches can be very valuable for small businesses that are looking for the optimal package of services from different carriers. Of course, there is always the temptation to delay in anticipation of even lower prices, but that also means delaying the benefits of advanced technology, which can make a significant difference in a competitive market.

By reducing mobile worker time to access data or deliver messages, smartphone technology can be an effective "resource multiplier." A branch office, for example, can service more customers or more territory. Mobile technology can be part of a larger effort to push resources out to where they are needed, even as these resources — and the personnel and the information to support them — are managed centrally. Small businesses have always benefited by being flexible and mobile; smartphones help sustain those critical attributes even as companies grow.

Conclusion and Recommendations

As small businesses explore how best to use smartphones, four basic steps set the stage for success. They all relate to thinking through the best way to implement wireless mobile solutions for maximum benefit:

- **Look objectively at your technology environment.** Take a hard look at your voice and data communications. How is your company using them now? How are messages — both voice mail and email — handled? How can integrated voice and data help your mobile workers? Make sure your networks can handle remote traffic at current and expected volumes. How are your communications resources organized? How are remote connections to your network supported? Are they secure? What are your current methods for authentication and authorization of remote workers? Once these questions are answered, you'll need to step back and determine where the greatest weaknesses are. What needs to be improved to help your own efficiency?
- **Look objectively at your staff.** How are your people organized, and how are you empowering them, especially mobile and remote workers? Where are your employees headed and where should they be headed in terms of professional development and success? What are their capabilities, interests, and needs? Your workers are looking to do as good a job as possible, but not waste time hearing about technology that won't be immediately useful (especially your sales staff). Make sure the "active learners" have the help they need to get up and running quickly. This group will consist of core users who can help others get up to speed quickly as well. Of course, you'll likely find smartphones being used in ways you haven't considered. You'll want to have formal and informal ways of exchanging tips and techniques. Informal chats as well as written briefs can ensure that people have access to information in a format that will be most appropriate for each learner.
- **Listen to your customers, prospects, and suppliers.** These stakeholders will be happy to tell you where you can do better, though you may have to encourage some of them to be candid (and sometimes wish that others maybe weren't so candid). Make sure also to ask how your competition is doing. Ask about your areas of weaknesses and how sales and support are doing. You may be able to identify ways that technology can help improve your position. At an even more basic level, ask about your availability — the quality of your communications as well as the timeliness and effectiveness of your responses to questions and problems. How do your customers prefer to interact with you? While email and voicemail — or even online queries — might be fine for some, others might want to hear a live human voice (which could be essential to closing a sale). Technology may let you expand without having to add staff, but you'll have to make sure you continue to engage your customers in ways that they prefer.

- **Move effectively to invest in resources for coordinated support of remote workers.** This really is about smart investing in resources that will help your business achieve its goals. The key is to move quickly once the initial assessment is complete. You won't have all the answers, but putting in place the technology will provide the foundation of experience for long-term success. And, as noted earlier, don't be surprised if you see wireless mobile technology used in ways you didn't anticipate. Almost every new technology used by small businesses has delivered benefits that are quite different from (and often much greater than) those included in early ROI calculations.

Essentially, as a small business, you need to look strategically at mobile technology investment but implement tactically. Start with the most immediate need, the one with the most obvious payback, and build from there. Your adoption plan will likely need constant revision, but at least it will give you a place to start and measure progress. Sound planning, combined with flexibility in technology use, will ensure that investments in smartphones and related mobile support will pay off for your organization.

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