

AN IDC INFOBITE



DIGITAL FITNESS FOR START-UPS AND SMBS

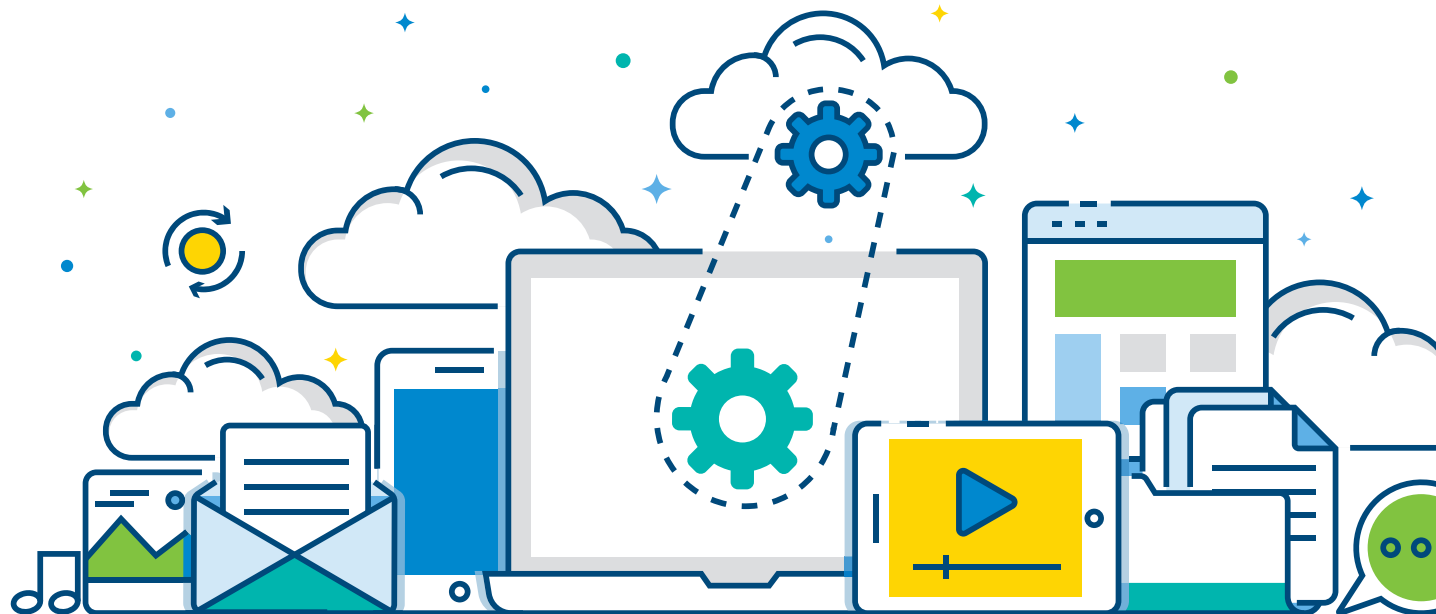
How Cloud Enables and Accelerates Start-Up and SMB Success

September 2019

Authors

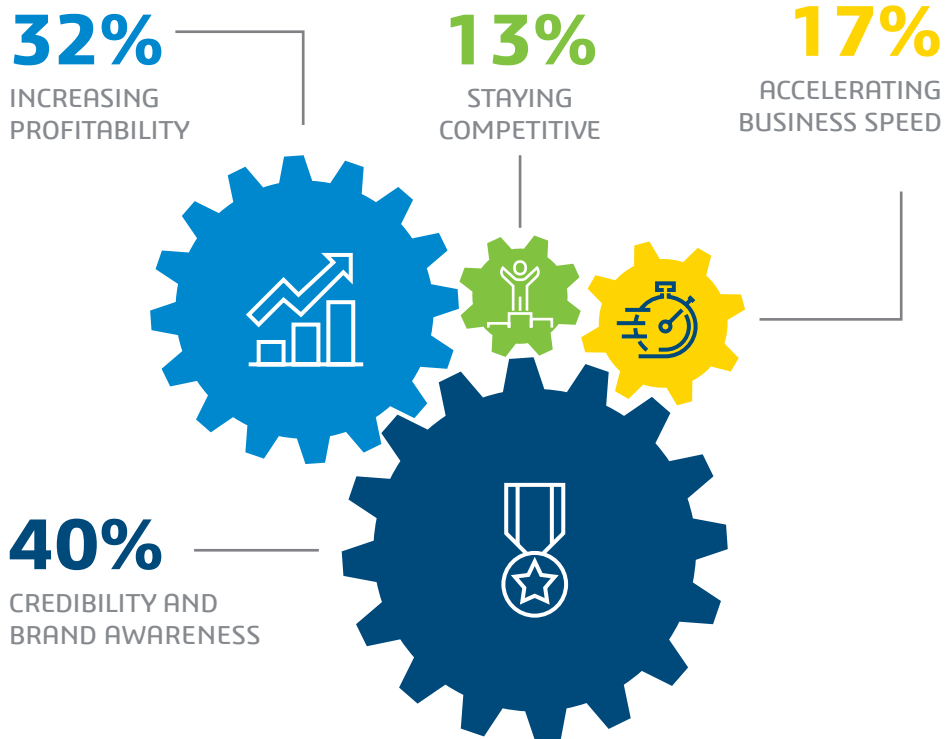
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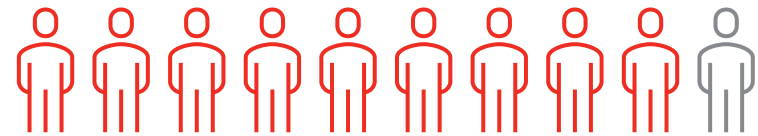


START-UPS AND SMBS NEED ENTERPRISE-GRADE TOOLS

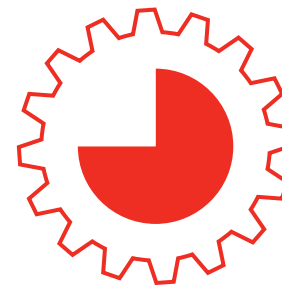
Start-ups face major challenges to succeed in the competitive design and engineering marketplace.



Start-ups and SMBs experience significant variation in business and sales patterns, as well as changing staffing levels. A third admitted that dealing with varying staffing levels was difficult or very difficult.



9 IN 10 have difficulty coping with dynamic business patterns.



THREE-QUARTERS

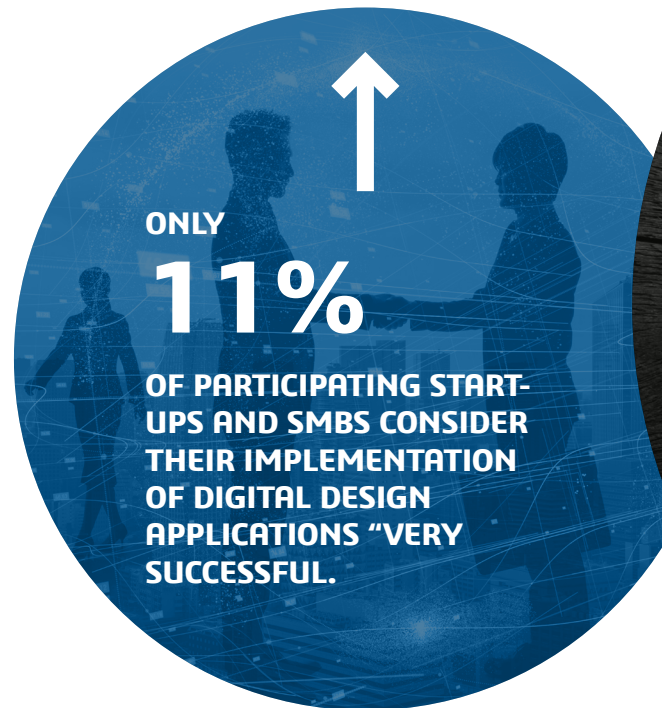
have trouble coping with variable staffing levels.

SMBS AND START-UPS HAVE THE POTENTIAL TO DISRUPT ESTABLISHED MARKETS AND BUSINESS MODELS, THANKS TO THEIR NIMBLE SPIRIT, FRESH CAPITAL, MILLENNIAL WORKFORCE, AND WILLINGNESS TO EXPERIMENT. BUT THESE CHALLENGES – UNLESS ADDRESSED – CAN LIMIT THEIR POTENTIAL TO GROW AND COMPETE.

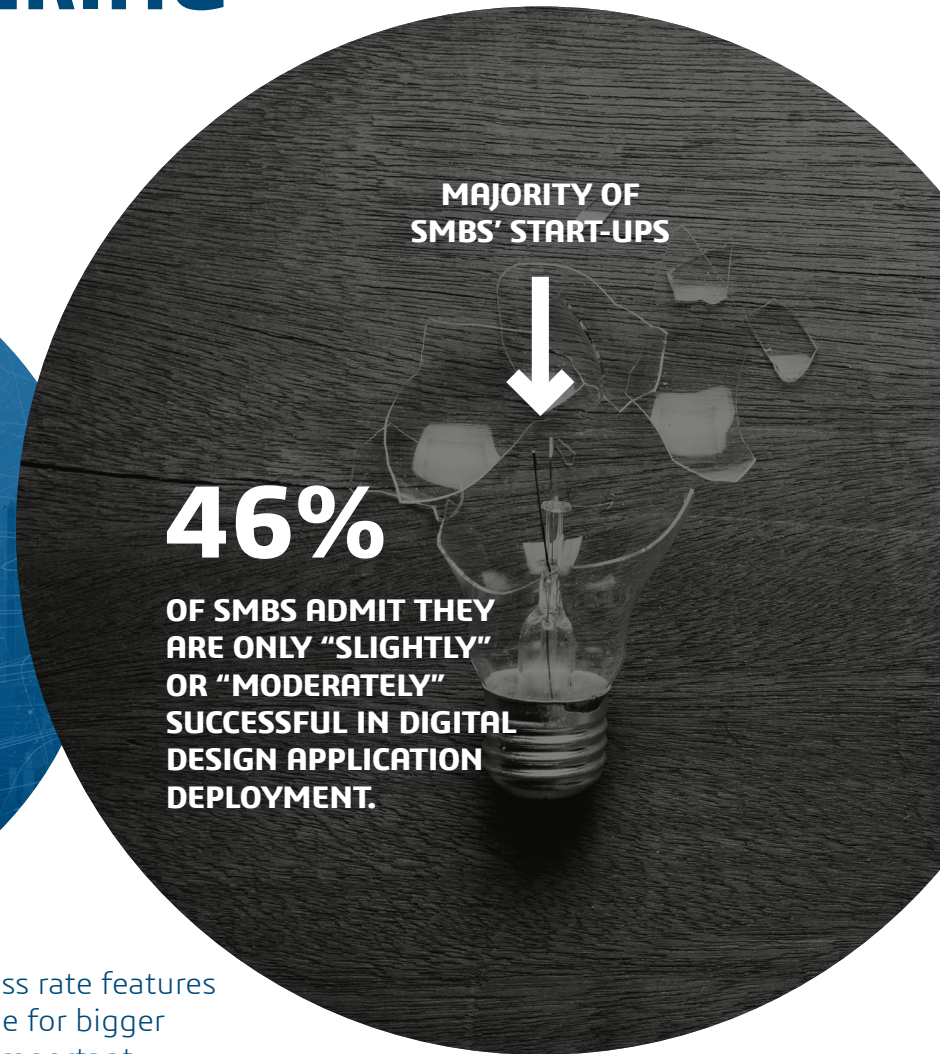
DIGITAL TOOLS AND ENGINEERING APPLICATIONS

Digital design and engineering tools enable global collaboration around projects and help to attract and retain talent. Design and engineering teams engage in experimenting, conceptualizing, designing, and modeling application blueprints using computer-aided design and computer-aided engineering tools to enhance collaborative product data management, production planning, and manufacturing — giving start-ups and SMBs a competitive edge. Start-ups and SMBs we surveyed use digital design applications (CAD, CAM, CAE, etc.) with 20% using these for almost all or for a high portion (>50%) of their workforce. The user experience that design teams get from using these modern digital design tools can help start-ups and SMBs to motivate staff, boost productivity, and encourage innovation.

SUCCESSFUL START-UPS



MAJORITY OF SMBs' START-UPS

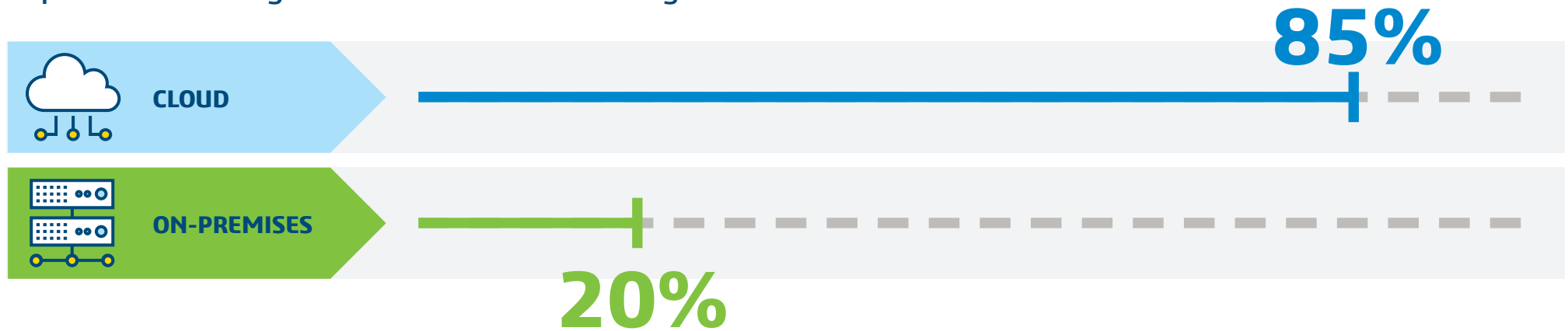


Start-ups using cloud-based digital design apps for most of their business rate features such as subscription-based pricing (**51%**), access to feature sets available for bigger organizations (**43%**), and online data storage (**54%**) as very important/important.

THERE'S A WIDENING GAP BETWEEN SKILLED DESIGN ENGINEERS IN A BUSINESS VS THE ASPIRATIONS OF THAT BUSINESS AROUND APPLICATION MODELING AND DESIGN-LED SERVICES SUCH AS SIMULATIONS, ENGINEERING, AND IT CAPABILITIES TO SUPPORT CUSTOM SOLUTIONS.

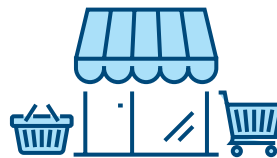
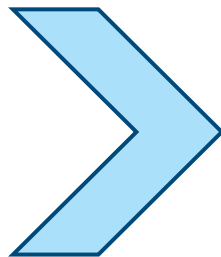
DIGITAL ENGINEERING AND DESIGN START-UPS AND SMBS MOVE TO CLOUD FOR ACCELERATED GROWTH

Expected revenue growth in the current fiscal year



66%

OF DIGITAL DESIGN AND
ENGINEERING COMPANIES
ADOPT A CLOUD-FIRST OR
CLOUD-ALSO STRATEGY



RETAIL



TRANSPORTATION



MEDICAL DEVICES

COMPANIES IN KEY VERTICAL MARKETS RELY ON CLOUD SERVICES TO PROFITABLY DELIVER COMPETITIVE SOLUTIONS

SUCCESS FACTORS FOR DIGITAL ENGINEERING DESIGN START-UPS AND SMBS IN CLOUD



Successful digital engineering start-ups invest in turnkey solutions spanning the complete cloud stack including managed or hosted services. Those continuously innovating require access to capabilities and features only available in the cloud.

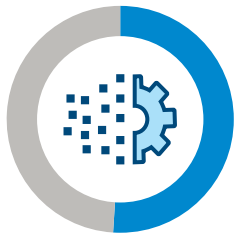


SMB engineering design firms accelerate growth by adopting a cloud-also or cloud-first posture.



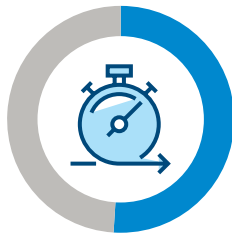
Collaboration with partners helps to drive continuous innovation to stay in step with the velocity of change in the digital economy.

For each area of IT, indicate how you plan to increase or decrease your spending



51%

MODERNIZATION AND TRANSFORMATION



51%

GREATER IT AGILITY AND EXECUTION SPEED



43%

NEED FUNCTIONALITY ONLY AVAILABLE IN CLOUD

Cloud delivers significant performance benefits to SMB digital engineering and design firms:

- Enterprise-grade security to establish customer confidence and digital trust
- Faster access to new features to innovative high-value services faster
- Massive scalability and global reach to broaden the total addressable market
- Enterprise-grade resiliency for guaranteed SLAs, customer satisfaction, and risk mitigation
- Subscription-based pricing to suit opex business models
- Access anytime and anywhere, and from any device, transforms the SMB into a global provider of digital engineering and design services

YOUR DIGITAL FITNESS ASSESSMENT

- What does digital fitness for start-ups and SMBs look like? What can we learn from the fastest-growing companies?
- How is digital fitness tied to success?
- The first step on the journey is to find out where you stand and where you need to go from here. Which steps do you need to consider?
- Take the tool test — [URL_LINK](#) to take user to interactive tool

