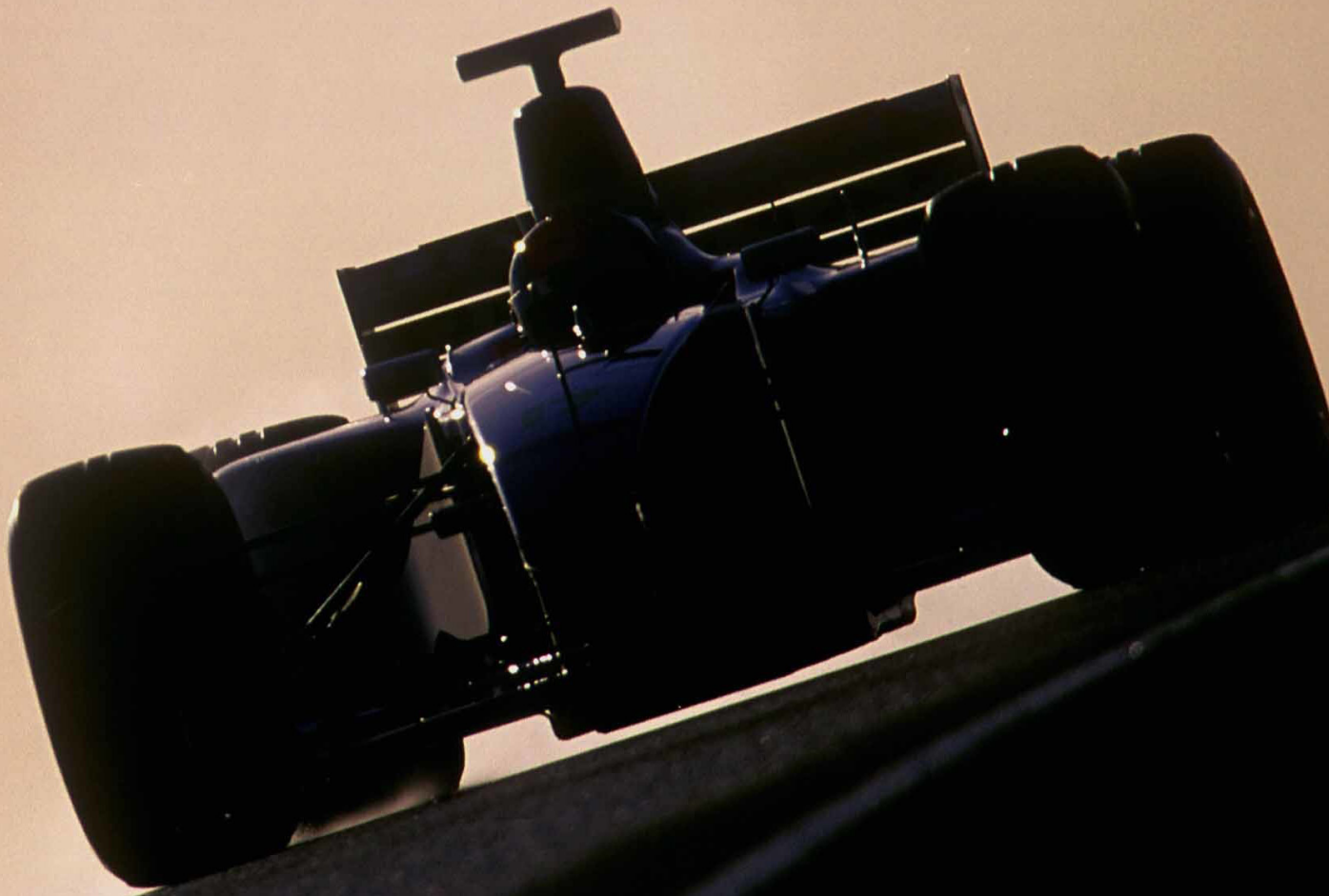


Staying Competitive in the Digital Age

Why the cloud is now a key driver for business success



Facing up to today's competitive SME landscape

The changes brought about by the digital revolution are both fundamental and unavoidable. For small and medium-sized businesses in particular, today's landscape is characterised by:

- New market dynamics
- A dramatic change in what it takes to remain competitive

Change not only introduces unfamiliar challenges, but also creates exciting opportunities.

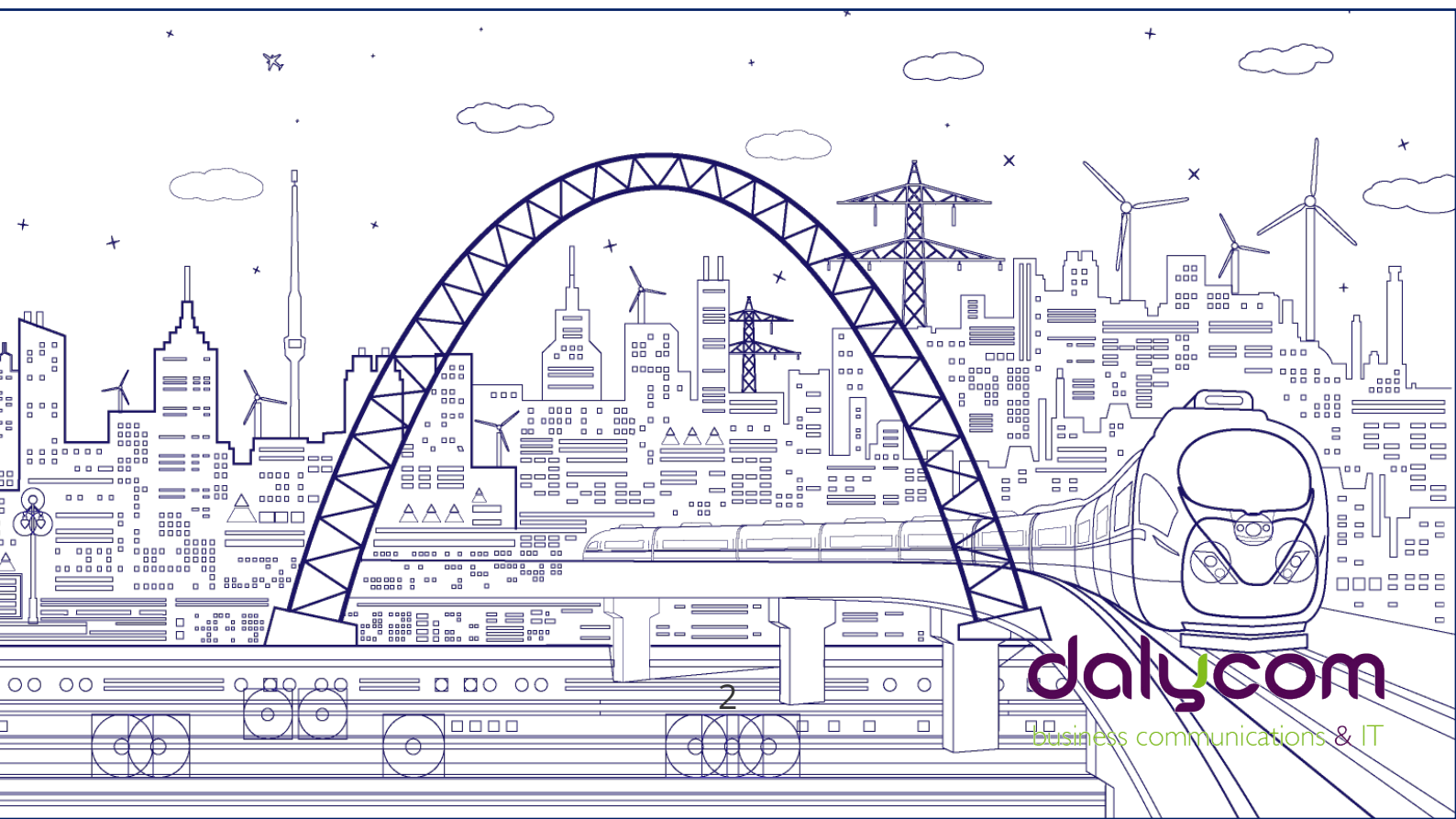
This guide evaluates the role of cloud computing in helping SMEs grasp these opportunities to stay competitive in our increasingly digital world.



See inside to discover:

- Why standing still isn't an option
- How embracing digital technology can help create and sustain competitive advantage
- How current IT infrastructure may be holding you back
- The competitive advantages that the cloud offers you

Helping you gain an edge in a changing world



Staying sharp means embracing change

Digital technology is impacting your customers, competitors and routes to market.

Your customers now rely more than ever on digital channels to discover, research, experience and buy the services they need – and they expect 24/7 access.

Businesses now use digital technology to improve speed to market, increase efficiency and enable greater innovation.

Embracing these dynamics is crucial – standing still risks your ability to compete, thrive and even survive.

Appreciating your digitally-driven customers

Researching products on their smartphones. Paying for those products using contactless transactions. Accessing customer support via online services. Buyer behaviours are increasingly driven by digital technology.

Your customers and prospects rely heavily on social media for peer referrals and product reviews when evaluating potential purchases. More than 50% of B2B buyers research their purchases online, with 75% preferring the convenience of buying online.¹

Customers' expectations have increased accordingly – they demand products with apps attached, support that is available 24x7 and services that are personalised to their individual needs.



Over 50%

B2B buyers who research purchases online ¹

75%

B2B buyers who prefer the convenience of buying online ¹

60

The forecast number of connected devices owned by a person living in country with the mobile phone and internet usage by 2020 ²

¹ The Digital Business Imperative, Forrester, December 2017

² Salesforce UK, 2016



50%

UK business leaders who fear that their industries face significant digital disruption within the next two years ³

44%

UK business leaders who believe that their existing business models will cease to exist within five years ³

64%

UK SMEs who report facing competition from new digital players in their space ⁴

³ Digital Transformation: The Age of Innocence, Inertia or Innovation, Microsoft, 2016

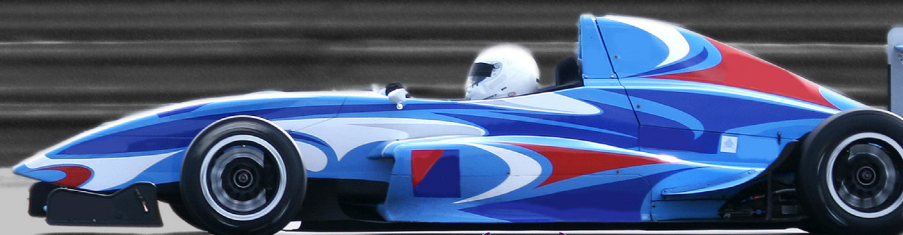
⁴ Exact Cloud Barometer, 2016

Facing up to your digitally-driven competitors

Disruptive new competitors are challenging existing business models and engaging customers in new ways. Over the last 20 years, numerous seemingly solid businesses have disappeared because they didn't react quickly enough to new forms of competition (high-profile examples include Blockbuster and Kodak and HMV).

New market entrants are utilising digital technologies to gain significant market share within just a few years.

But it's not just start-ups that pose threats. Many of your existing competitors will be utilising digital technologies to gain a competitive advantage. Employing RFID technology to increase the efficiency of logistics operations. Using online portals to improve customer service. Applying analytics to identify the marketing promotions that generate the best results. Forward-thinking companies are embracing digital technology to improve competitiveness in numerous ways.



How embracing digital technology can sharpen your edge

Boosting your efficiency. Increasing your responsiveness. Strengthening your connections to your customers. Smarter use of technology can significantly sharpen your competitive advantage.

What's more, the digital economy enables you to compete on equal terms with much larger organisations. Size is now considerably less important than having good ideas and an agile approach.

The business benefits on offer

The advantages you should be gaining from digital technology include:

Faster response to opportunities

Tomorrow is too late for today's customers. Digital technology enables you to respond to new opportunities in weeks or days, not the months or years of yesterday. Better sharing of information leads to faster decision making. Easier concept testing and rapid adaptations enable rapid response to customer feedback. It all adds up to a major acceleration in the design, build and launch of new products and services.

43%

UK SMEs who believe that active participation in the digital economy is critical to their survival ⁵

5 Thriving in the Digital Economy, SAP/ IDC, 2016



New revenue streams

The digital revolution has made it easier for smaller businesses to access new markets and pursue new opportunities. You can now target a new region or a new country without having to invest in new offices or on-the-ground resources – a well-designed website is all you need.

Collaborating with other businesses to develop and launch new services, or responding to a specific business opportunity, is also much easier.

New sources of data from digital channels enable you to gain real insight into customers' buying preferences and behaviours. So you can better tailor your products and services to customer needs and preferences.



Reduced costs

From operations through to customer service, digital technology can cut your costs.

For example, real-time logistics are having a huge impact on costs and profitability in sectors ranging from manufacturing to groceries. Real-time and on-demand ordering can cut your operating costs and increase your capital expenditure control. By removing demands on support resources, digital communication channels and online portals can significantly reduce your costs for customer service delivery.



Is your IT putting benefits out of reach?

If you're operating with outdated and inflexible IT systems, you could find yourself sidelined by digital revolution.

Expensive to run, unable to scale and prone to failing, legacy infrastructures can cripple your ability to compete. They seriously hamper your capability for developing new applications and services, for collaborating with partners, and for utilising the latest technologies to improve productivity.

The challenges of living in the past

The traditional approach has been to buy your own servers and kit (such as networking equipment and back-up power supplies), then have them installed and managed – either on your own premises or in an off-site data centre. Here's why it's a broken model.

Technology obsolescence

Many companies are now stuck with ageing infrastructure that they can't afford to write off, but which is unable to support new applications and new content types.

Lack of flexibility

Standard IT systems have often been designed to support a specific task and can't easily be adapted to

support the launch of new services in response to changing customer requirements.

High purchase and maintenance costs

Buying new infrastructure or upgrading existing systems typically involves a significant upfront cost. Plus, on-premise systems are often expensive to manage and maintain – particularly as they age.



Inability to scale

Existing systems often have a finite limit – either in computing power, storage capacity or both – and can't easily scale to meet new demands.

High admin overheads

Managing your own in-house infrastructure often involves a considerable administrative burden with high overheads and prevents IT staff from offering the support and development that add real value to your business.

Increasing failures

Businesses often end up running servers past their recommended lifespan to avoid replacement costs. The result is increasing system failure.

Fractured operations

Traditional system constraints force many businesses to deploy additional servers and storage to support new applications. This leads to information siloes and an inability to achieve a joined-up view of the business and its customers.

From enabler to disabler

Your IT can become a bottleneck and a serious constraint on the business



Transforming your IT with cloud infrastructure

The emergence of cloud services frees you from the limitations of running your own IT infrastructure.

The new model for business IT

The Cloud gives you the ability to access on-demand processes, data storage and other IT resources via the Internet. Unlike the traditional IT model that requires you to buy and manage your own servers, the cloud model means that you only pay for what you actually need.

88%

The current overall cloud adoption rate in the UK ⁶

67%

The users expecting to increase their adoption of cloud services over the coming year ⁶

⁶ Cloud Industry Forum, 2017

The business case for cloud computing

More flexibility

IT resources can quickly scale up and down to reflect changing business demands, meaning you can focus your efforts on business growth without worrying whether your IT will be able to keep pace.

Open to every new opportunity

New infrastructure can be added in minutes, giving you a platform that matches the speed of digital innovation. From disabler to enabler, your IT system now enables you to capitalise on new opportunities.

Lower prices

Cloud computing platforms aggregate usage from hundreds of thousands of users, enabling massive economies of scale that translate into more competitive pricing. The savings can then be utilised on other strategic initiatives in your business.

Better resilience

With in-house infrastructure, if a server fails, you probably lose access to your applications and/or your data. But with the best cloud platforms, resilience is built in to protect you from equipment failures.

No capital expenditure

Cloud computing platforms operate on a 'right-sized' rental basis, eliminating the need for hefty capital investments in IT hardware and software.

Lower total cost of ownership

With no maintenance charges, no facilities costs, no power and cooling charges and no need to over-provision capacity to allow for unexpected growth, cloud computing lowers the total costs of ownership for your IT infrastructure.

More value from IT staff

Because the cloud platform provider takes responsibility for managing the core infrastructure, including the physical servers, data storage and underlying connectivity, your IT resources are freed up to focus on value-add activities that help you capitalise further on the opportunities of the digital age.

Why choose us for Cloud services?

Our Cloud based services equip you with the ability to compete and gain advantage in today's digital economy – enabling you to respond better to your customers' needs and drive your business growth.

Overcoming reservations

Despite widespread acceptance that the cloud offers significant benefits to organisations of all shapes and sizes, SMEs have been slower than large enterprises to take advantage.

Many SMEs have been held back by a lack of in-house knowledge and skills, as well as concerns about the risks and complexity of transitioning applications and data to the cloud.

Which is where we come in. Our Cloud services have been specifically designed to meet the needs of SMEs. We provide you with a low risk, low hassle transition to the cloud.



BENEFITS

The key benefits of working with us

- Upfront audit to help you understand your current server environment in order to optimise your move to the cloud
- Easy provisioning, with support available to guide you through the process
- Fully-managed ongoing service, with proactive monitoring of your platform
- Built on the world's largest and most reliable public cloud platform – Amazon Web Services
- Full support available to help you migrate your applications and data
- Minimal upfront capex required with a flexible, no commitment rental basis