

# The Essential SMB Tech Investment Guide

How to Thrive in Today's Competitive Digital Economy

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# SMB LANDSCAPE

As a small to medium-sized business (SMB), being successful in today's hyper-connected and data driven world depends on investing in technologies that underpin your digital transformation strategy. However, compared to larger firms you face several challenges that include budget restraints, smaller IT teams and a digital skills deficit.

But that is not all. The recent global events mean you must now navigate a fast-evolving business landscape, and what the 'new normal' will look like is difficult to predict. As a result, you are assessing if your current and planned infrastructure is adequate – and if you have all the necessary tools and processes in place to recover, remain competitive and grow.

Digital Transformation is essential for SMBs to stay relevant, competitive, and improve revenue

# 2020 - 2021 IT BUDGET CONSIDERATIONS

As the world of business becomes increasingly digital, mobile, and always connected, ensuring technology is at the core of every business operation and customer interaction is a must have. So, how does this correlate with your technology strategy and budget?

**The top considerations for your IT spend in 2020 - 2021 should include:**

- Assessing and overhauling IT systems as part of your 'Technology Transformation' to improve efficiency and delivery in a digital economy.
- Deploying technology and tools that give you the business agility to quickly adapt to changing market conditions.
- Assuring business continuity in the face of ever-increasing security and external threats.
- Addressing the changing nature of the mobile workplace as you become more connected to customers, suppliers, and partners.
- Improving the customer experience to meet rising expectations.
- Overcome 'legacy inertia' by resolving the conflict between incumbent, legacy technology, and new technology adoption.
- Boosting operational efficiency and productivity.
- Becoming a more sustainable business.

One of the top 4 reasons for driving digital transformation is to improve the customer experience.

\*SOURCE: FORRESTER ANALYTICS, BUSINESS TECHNOGRAPHICS®  
GLOBAL BUSINESS AND TECHNOLOGY SERVICES SURVEY, 2019

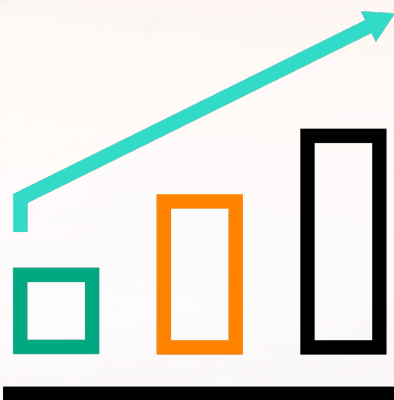
## Top technology investment drivers:

Reduce costs

Increase revenue

Improve operational efficiency

Improve IT capability to promote agility and innovation



Effective senior executives, business unit heads, and IT managers in small and midsize businesses worldwide will be looking to harness a wide range of transformative technology to support the digital transformation goals imperative to future SMBs.

\*SOURCE: IDC FUTUREScape: WORLDWIDE SMB 2020 PREDICTIONS, OCTOBER 2019, # US45587619

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# OVERCOME THE CHALLENGES HOLDING YOU BACK FROM TECHNOLOGY INVESTMENTS

Allocate technology investments to accelerate IT process improvements and automation.

Often, the most significant challenge that midmarket IT organizations can face is delivering IT services with small teams and limited budgets. Alongside IT budget limitations, SMBs can also be constrained by several factors:

- Cash flow
- Insufficient resources and skills
- Lack of strategic direction
- Legacy inertia

The good news is that these do not have to constrain your digital and technology transformation journey. Empowering your business with new technologies that make it possible to embrace new opportunities, need not be limited by what is available right now in your IT budget.

## How to achieve your transformation goals?

### 1. Fund the technology you need to continue your digital journey:

- To conserve your cash flow
- Get value from old assets
- Plan budgetary spend with predictive pricing models
- Stretch IT budget across strategic business priorities

**2. Invest in the systems you need to grow and become operationally efficient:**

- Access technology for unplanned peaks, events, or short-term projects
- Manage retired assets without any disruption to the business
- Avoid increased maintenance and operating costs
- Reduce demand on the IT team
- Increase employee productivity and workplace mobility
- Align technology usage to costs

**3. Gain a competitive edge and stay relevant in today's digital economy**

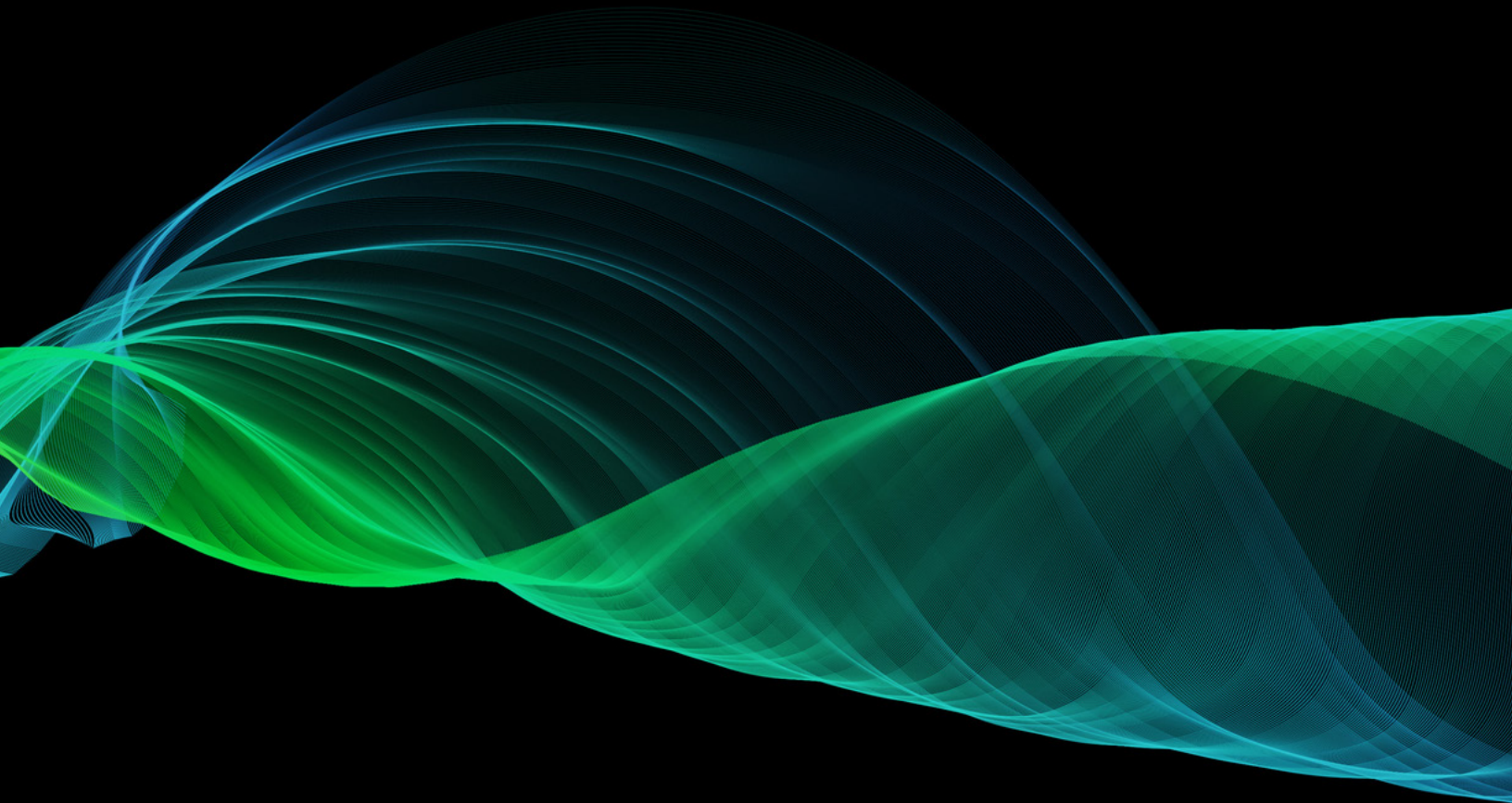
- Proactively prepare for innovation and expansion
- Deliver a seamless customer experience
- Mitigate risk associated with new investments and projects
- Practice responsible asset management as part of your sustainability goal
- Benefit from increased technology buying power
- Assess alternative channels to reduce costs, such as purchasing pre-owned IT

As SMBs recognize and champion the importance of digitization as part of business strategy the necessity to work more tightly with line-of-business leaders is crucial. SMBs need reliable and trusted partners to advise and augment staff in order to transform.

\* SOURCE: IDC FUTUREScape: WORLDWIDE SMB 2020 PREDICTIONS, OCTOBER 2019, # US45587619

# FINANCIAL SOLUTIONS FOR YOUR TRANSFORMATION

Using financial solutions helps you find new ways to plan for, acquire, consume, and adapt the technology systems that your business needs for business transformation.





### 1. **Unlock budget from existing legacy assets to accelerate your transformation**

If you have old IT equipment that is currently sitting idle, or will become redundant once you move to a new solution, why not use it to unlock the capital required to fund your digital transformation projects?

- HPE Financial Services can help you [manage the transition from old to new IT](#). Your legacy IT can be sent back to our renewal centres to be repurposed, or retired in a secure, compliant, and environmentally friendly way.
- When you trade-in your older equipment - whatever the brand - you can recover its cash value adding incremental budgets that fund your innovation projects with HPE solutions.

#### **Your business is able to:**

- Access residual value of old IT
- Monetize assets to extend budget to fund new projects
- Retire IT equipment in a secure and compliant way
- Support your sustainability goals

### 2. **Avoid upfront investment and pay per month for new technology by leveraging HPE Subscription**

It is now possible to consume IT infrastructure in much the same way as you subscribe to other services in both business and everyday life. All your IT needs, whether that is running key applications on-premises or in the cloud, can be consolidated into a predictable monthly subscription fee.

- You can choose from pre-selected products and services – if they are right for your business, along with support
- You have access to best-in-class compute, storage and networking hardware, software, accessories, and support
- You can take advantage of ‘subscribe, use, return and renew’ consumption models which means you are always using ‘up-to-date’ technology without the burden and maintenance costs of old IT.

#### **Your business benefits from:**

- Funding digital transformation without the downfalls of technology ownership or the risk of large cash investments Predictable costs, spread out over the year
- Predictable costs, spread out over the year
- Flexible expansion, just add more subscriptions
- No worries about what to do with old equipment
- Access to best-in-class, innovative technology

### **3. Reduce the risk of new IT project investment with HPE Adaptable Use Models – Mitigate Risk**

Transformation often begins with an experimental or pilot project – the success of which will be dependent on implementing new foundational IT technologies.

But how do you reduce the financial risks associated with such projects? In other words, find the most cost-effective way to efficiently bridge the gap from where you are - to where you want to get to?

- Pay monthly for new and pre-owned compute, storage, and networking data centre solutions
- Reduce the investment if expected results are not realised, or plans change using equipment return options, so you are not stuck with technology you do no longer need

#### **Your business benefits from:**

- No large upfront capital investment
- Flexibility to reduce investment if plans change
- Operations that can continue without disruption
- Options to return equipment

### **4. Flex your IT investment up and down as business demands with HPE Adaptable Use Models – Flex Down**

Your ability to deploy new, faster, and more agile IT infrastructure is an essential enabler of your digital transformation, but sometimes it is difficult to predict what your needs will be. Events unfold that may leave you with excess equipment or you experience an increase in demand with insufficient budget. You can acquire the IT you need for a monthly payment, and if you need to make an adjustment you usually have the option to return unwanted equipment.

#### **Your business benefits from:**

- Invest in new, innovative server platforms with greater financial ease
- Harness uncertainty and preserve cash flow
- Greater speed, flexibility, and more efficient use of resources
- Reduce risk of over-provisioning

### **5. Rent what you need only when you need it with HPE Rentals**

Short term equipment rental - over a period of 3-12 months is an ideal option to support a short-term projects, seasonal server and storage requirements, data centre moves or consolidations. This is also a practical solution when you undertake a planned migration to new technology and need equipment to fill a gap for a short period of time.

# POSITIONED FOR A SUCCESSFUL FUTURE

These forward-thinking investment strategies make it much easier and affordable for SMBs to access and use new, advanced technologies in a way that preserves cash flow. They provide a way to accelerate your digital journey – enabling you to be transformative, operationally more efficient and productive, and keep ahead of your competition.





**HPE Financial Services can help address your most pressing issues quickly and support your drive for digital transformation.**

**[Learn more.](#)**



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