

Technology Gets a Leg up Among SMEs

Written by Faiz Askari, Editor-Technology, Small Enterprise India.com
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Today, business dynamics has taken a sea change. There has been a big mindshare change among various businesses verticals especially the small sized business. The SMB segment which is registering growth, sustaining in the international markets and fighting with the global recession blues, is at the same time showing a considerable technology uptake shift, technology delivery shift and an overall perspective shift.

India has projected itself as a powerful emerging economy at the international technology landscape. Thanks to the growth of small and medium business. Now it reached to a level where, industry experts call Indian SMBs as a 'smart patrons of technology'.

According to leading analyst firm AMI Partners - small and midsize businesses (SMBs) employ 90 percent of the world's workforce and account for more than 50 percent of GDP worldwide.

Approximately 4 million SMBs in India represent 99 percent of businesses and are responsible for generating 50 percent of the GDP in the country. A significant percentage of these SMBs are concentrated in upcountry India.

Being an important multi national organisation of the IT industry, Microsoft believes that a large part of this ready market is under serviced and has therefore taken several comprehensive steps to address this. Microsoft India is now present in 16 cities across the country through which it reaches out to over 200 cities. The sub distributor level will further strengthen the access of Microsoft solutions for the network of Microsoft partners which in turn will percolate to the SMBs.

Attracting SMBs

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“I see a great action in technology adoption among Indian SMBs. The interesting part is these people are well articulated about what they are looking at to achieve,” says Rajeev Mittal, Group Director, Small and Medium Enterprise, Microsoft India.

As part of its commitment to offer SMBs better access to IT solutions, Microsoft India recently announced the expansion of its distributor network basically to reach out to the untapped SMB organisations of the country. This 40 member strong network will function across 33 cities in India and the core focus of this entire initiative is to tap the small businesses. Operating on a hub and spoke model, this has the capacity to support over 1800 – 3500 additional business partners.

“This announcement offers the large and vibrant product delivery ecosystem in the country to be able to transact Microsoft products. This would really help us service our small sized customers in a better way and also improve the Microsoft footprint in the country,” says Mittal of Microsoft India “The economic downturn has also brought in an additional problem of increasing credit crunch. With the new model, partners can look to support from the sub-distributors for help with understanding Microsoft policies and products, supply, as well as credit.”

Demanding Technologies

The economic crisis world over has hit the small businesses in India as well. The positive aspect is that SMBs are looking at newer techniques and technologies to enhance their profitability and to fight the recession. A New Delhi based garment exporter Chand Dasaani owner of D Group International have shared his views on how he is looking at the situation of economic meltdown. He says, “It is needless to say that time is tough in many terms. As a side effect of this global crisis usually SMBs like us use cost cutting as a tool to sustain in the market. In that front technology has a decent role to play and we acknowledge that. In the garment industry, technology has been a forerunner as we deal with international buyers. Sometimes compliance and sometimes it is the demand that made us adopt cutting edge computing needs in our day to day business activity. Now we see this trend moving forward as we do have technology solutions that are cost effective and catering to our needs.”

Like Mr. Dasaani, there are many such examples from the small businesses. Prakash Pradhan, IT head of Delhi based Jagsonpal Pharma said, “We are a growing company. We fall under high pressure to support our marketing, sales staff with all best available IT tools and technologies. We are continuously gearing up our technology infrastructure to sustain our business growth. We are evaluating our technology landscape to help improve our support to the marketing staff. Whether company’s medical representative visiting a doctor in a remote geographical location, invoicing from depots to stockists at distant locations, calculation of sales revenue depot-wise,

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tracking of samples MR wise, expiry of products at depot etc, all the operations are unthinkable without the help of IT department. EDP department of earlier years have been transformed to IT & systems department.”

Building the IT roadmap of the organisation in which deployment of ERP shall be the priority, Pradhan also added, “Following few important solutions like CRM, VOIP & BI will be deployed at our infrastructure & our journey is to make a dashboard to streamline each & every process from bottom-line.”

SMBs of India are no different from any other developing nation’s SMBs but the challenges are undoubtedly unique. So, they want that level of understanding from the technology vendors, they also want to get proper and exclusive attention on their requirements. Whosoever, focuses on their issues gets an edge on this exponentially prospective market. Be it, Dell, IBM, Oracle, HP, Xerox and Microsoft all understand this aspect. Hence the competition of delivering technology to this segment is on a high, time will tell us who will emerge as a trusted vendor for the colourful SMBs of India.