

Small businesses have the same ICT motivations as large enterprises

Research released by Damovo UK shows that small companies rely on consultancy services to help cope with increasingly complex ICT challenges.

Damovo UK, the enterprise ICT provider, today released independent research into the key drivers behind ICT infrastructure design in small and medium sized businesses (SMBs). In the current economic climate, cost reduction is frequently cited as the primary driving factor for businesses to upgrade ICT technologies. But the research shows that above all other factors, SMBs treat operational efficiency as the key motivation, with 76% of respondents making it a high priority. Cost reduction, said by 62% to be a significant consideration, was the next most valued factor. This suggests that recent findings from industry analyst Gartner, indicating that Enterprise ICT upgrades are driven more by operational efficiency than by cost cutting, are also relevant to the SMB market.

As companies grow, it is often the case that they look to invest in more complex ICT technologies – expanding their infrastructure with wide area networks, business applications such as customer relationship management tools and converged communications including IP telephony. This can represent a big strategic decision for IT managers with shrinking budgets, and it is therefore unsurprising that 70% of SMBs rated cost of implementation as an important concern when planning ICT upgrades. Tom Gutteridge, Head of Business Development at Damovo UK commented “Our experience in working with small-to-medium sized businesses shows that the medium-sized companies are typically more likely to benefit from the economies of scale that enable new ICT technologies to be introduced, whilst small companies are often left without the capacity to enhance their infrastructure.”

Cost is not the only limiting factor to SMBs making these ICT improvements; 66% of medium sized enterprises rated convenience of implementation as key within their design. This need for simplification is also evident after the point of installation, as sophisticated infrastructures prove a greater challenge to manage. Consequently, medium-sized businesses frequently make use of external consultants to support in-house staff, and two thirds required external consultants to maintain their

infrastructure. Many of these see the consolidation of existing supplier and consultancy services as a strategy for improving their ICT. Almost half (47%) of medium-sized companies strongly agreed that a single supplier could provide a more convenient and cost effective alternative to infrastructure management, with a further third were open to the prospect. Tom Gutteridge concluded that “As ICT infrastructures become more complex, not only for medium sized companies but also for their smaller counterparts, the survey responses suggest this single supplier model will become more commonplace.”

-ENDS-

About Damovo UK

Part of Damovo Group Ltd, Damovo UK is a leading provider of technology and service solutions in the enterprise Information Communication Technology (ICT) arena.

Damovo has 30 years' experience in delivering and supporting complex communication networks and integrated business applications. The company has long-standing relationships with leading technology vendors in the market, such as Ericsson, Cisco Systems, Microsoft and Mitel. This heritage enables Damovo to provide organisations with the best communications solution for their requirements, through formal needs assessment, design, implementation, support and training.

Damovo has more than 600 UK clients, spanning 5,000 sites across both public and private sectors. These include, AEA Technology, Barclays Capital, British Airport Authority, City of York Council, Electrolux, Bournemouth University, Network Rail, Nuffield Hospitals, Nutricia, St Mary's NHS Trust and Transport for London.

For further information please contact:

Lucia Barbato, Catalysis
lucia.barbato@catalysis.co.uk
Tel: 020 7107 2480