Small Business imperatives for the digital age
Salesforce
2018
Contents

Executive summary .......................... 1
1. Changing perspectives ................. 2
  1.1 Key objectives of businesses ....... 3
  1.2 How can technology assist? ....... 3
  1.3 Threats to SMBs ................ 4
2. Finding, winning, keeping ............... 5
  2.1 Effectiveness of sales and marketing .. 6
3. Why invest in digital technology? ....... 7
4. What's holding you back? .............. 9
5. When is the best time to invest in CRM? 11
  5.1 Starting digital ................ 12
  5.2 Introducing CRM software later in the journey 12
Appendix A About this study ............. 14
Appendix B Economic Modelling .......... 15
Appendix C Categorising SMB sales and marketing activities 17
Limitation of our work .................. 18
References ................................ 18
Small business imperatives in the digital age

Top 3 objectives identified by Australian and New Zealand SMBs

- 49% Work/life balance for owner and staff
- 40% Growth in sales
- 40% Improving profit margin

SMBs can take greater advantage of digital tools

- 78% could personalise their marketing content
- 75% could make use of digital tools to acquire new customers

Businesses with Customer Relationship Management (CRM) software earn 28% more revenue than businesses using paper, spreadsheet or no system

Businesses with effective sales & marketing activities increased their chance of revenue growth from 33% to 51% – an 18 percentage point increase

94% of businesses that upgrade to a CRM system experience benefits
Executive summary

Whether a small-to-medium-sized business (SMB) has just started out or been in the family for generations, sales and marketing is critical for business success. Effective sales and marketing are the tools to maintain or grow a SMB’s customer base. Deloitte Access Economics’ modelling suggests that businesses with effective sales and marketing activities increased their chance of achieving revenue growth over the past 12 months from about 33% to 51%, representing an 18-percentage point increase.

For many SMBs, there are still opportunities to improve their sales and marketing activities. Two thirds of businesses report that their sales and marketing activities enable them to achieve their business goals, but only 22% of businesses personalise their marketing content and only 25% are using digital tools to acquire new customers representing additional avenues for future business growth.

More generally, Customer Relationship Management (CRM) software enables businesses to engage and monitor their interactions with customers more effectively. Yet only 30% of businesses have CRM software. Our modelling of SMBs that have CRM suggests that these SMBs earn 28% more revenue, on average, than those businesses using spreadsheets, paper or no system.

Importantly, it doesn’t matter whether the CRM system is introduced at the start of business operations or later. We did not find evidence of a difference in average revenue between these two groups. A more important factor is whether the CRM is used effectively and digital tools like CRM system form part of the business’ overall growth strategy. In fact, 94% of SMBs that have invested in CRM systems experienced some form of benefits.

Deloitte Access Economics

30%

28%

Only 30% of businesses have a CRM system...

... and these businesses earn 28% more revenue on average.
1. Changing perspectives

Business objectives are the building blocks for growth and development. They shape the direction of the business, inform strategy and decision making. However, these objectives do not necessarily remain the same over time.

Deloitte Access Economics’ 2018 survey of small to medium sized business (SMB) owners found they had a wide range of key objectives for their business (see Figure 1.1). Maintaining a work/life balance for owners and employees is in the top 3 objectives for the nearly half of all SMBs. This finding is supported by other research from Suncorp (2017), which found work/life balance is a key reason for starting a business. Meanwhile, the relatively small proportion (3%) of owners who view expanding overseas as an objective reveals the local focus of the surveyed SMBs.

Our survey also found that SMBs and their owners change their goals and perspectives over time. We considered SMBs at the following stages of their journey:

- **Younger businesses**: less than 3 years in operation;
- **Established businesses**: more than 3 years and up to 10 years in operation; and
- **Mature businesses**: more than 10 years in operation.

**Key finding**

Younger businesses are more interested in growing their sales but as a business matures, they generally become more focused in achieving a work/life balance and refining their business processes.

**SMBs today**

With about 2.6 million SMBs in Australia and New Zealand, these businesses represent an important source of economic output and employment. This report explores the perspectives of Australian and New Zealand SMBs – across different industries, years in operation, and with varying objectives. The research considers how differences in SMBs affects their decision making about the use of digital tools in sales and marketing.

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Figure 1.1: Key objectives or measures of success for SMBs

![Figure 1.1: Key objectives or measures of success for SMBs](source)

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017
1.1 Key objectives of businesses

Businesses of different ages have different priorities. In the early years of a business, owners rightly have a key focus on growth in sales. Our survey found that owners of younger SMBs ranked growth in sales as one of their most important objectives, with 17% ranking this objective amongst their top 3. In comparison, this reason was only in the top three objectives for 10% of businesses in operation for more than 10 years, far from being one of their top three objectives overall.

As businesses mature, the average business owner shifts their focus from growth in sales to achieving a work/life balance, which was the most common top 3 ranked objective for established and mature SMB owners. This suggests that when the business has overcome initial challenges and proved itself as a viable operation in the market, business owners may look to maintain, rather than grow, their operations. At this stage, they may seek to reduce their hours and direct involvement, potentially delegating responsibility to others in the business. Owners of more mature SMBs also place greater focus on improving profit margins and acquiring new customers in order to replace any attrition in the customer base.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Younger businesses (less than 3 years)</th>
<th>Established businesses (3-10 years)</th>
<th>Mature businesses (over 10 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Growth in sales</td>
<td>Work/life balance</td>
<td>Work/life balance</td>
</tr>
<tr>
<td>2</td>
<td>Work/life balance</td>
<td>Growth in sales</td>
<td>Improving profit margin</td>
</tr>
<tr>
<td>3</td>
<td>Improving profit margin</td>
<td>Improving profit margin</td>
<td>Acquiring new customers</td>
</tr>
</tbody>
</table>

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017

1.2 How can technology assist?

Across all businesses, retaining customers was the most cited top 3 method to achieve future business growth. While younger businesses were also focused on improving market awareness, the older businesses were looking for more efficient business practices to achieve growth, showing signs of more developed processes.

Digital technology provides SMBs the capability to achieve these methods of future growth. Strategic use of social media or continuing interactions with past customers can support businesses expand their market reach. Meanwhile, Customer Relationship Management (CRM) software can automate interactions with minimal manual input from team members. Chapter 4 explores the benefits of this technology in further detail.
1.3 Threats to SMBs

As the goals of SMBs owners change over time, so do their perceived threats. Local competition and changing customer expectations are considered to be key threats across businesses of different ages. Younger businesses are also more wary of online competition, with 18% ranking it in their top three threats. This perceived threat may be a result of younger businesses emerging in a more digital age, where an increasing number of businesses are providing products and services from more diverse locations. In contrast, only 7% of businesses in operation for more than 10 years rated online competition as one of their top three threats.

As a business matures, efficiency and agility become more important with two of the biggest threats seen as changing customer expectations and changing customer tastes. These threats indicate that the business’ products or service as well as delivery model and customer service need to be particularly responsive to any emerging customer trends. For mature businesses, they have established their good in the market but may be more affected by the economic climate.

These threats can be perceived or mitigated through digital technology. For instance, analysing customer data can pick up on changing expenditure trends while social media can create a dialogue with customers so that SMB owners can remain abreast of any qualitative changes in their tastes.

### Table 1.2: Methods to achieve growth by length of operation

<table>
<thead>
<tr>
<th>Rank</th>
<th>Younger businesses (less than 3 years)</th>
<th>Established businesses (3-10 years)</th>
<th>Mature businesses (over 10 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Retaining your customers</td>
<td>Retaining your customers</td>
<td>Retaining your customers</td>
</tr>
<tr>
<td>2</td>
<td>Improving market awareness</td>
<td>Improving market awareness</td>
<td>Being more efficient with business processes</td>
</tr>
<tr>
<td>3</td>
<td>Increasing the amount each customer spends</td>
<td>Being more efficient in your business processes</td>
<td>Increasing the amount each customer spends</td>
</tr>
</tbody>
</table>

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017

### Table 1.3: Threats to SMBs by length of operation

<table>
<thead>
<tr>
<th>Rank</th>
<th>Younger businesses (less than 3 years)</th>
<th>Established businesses (3-10 years)</th>
<th>Mature businesses (over 10 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Local competition</td>
<td>Local competition</td>
<td>Local competition</td>
</tr>
<tr>
<td>2</td>
<td>Online competition</td>
<td>Changing customer tastes</td>
<td>Economic climate</td>
</tr>
<tr>
<td>3</td>
<td>Changing customer expectations</td>
<td>Changing customer expectations</td>
<td>Changing customer expectations</td>
</tr>
</tbody>
</table>

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017

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**Ask the question**

How have your key business goals changed over time? How can digital sales and marketing help you achieve these goals?
2. Finding, winning, keeping

Digital technology can be a powerful enabling tool for a business to achieve their business goals. Our modelling finds that businesses with effective sales and marketing increased their chance of revenue growth in past 12 months from 33% to 51%, an increase of 18 percentage points (further details regarding the modelling can be found in Appendix B). Yet only two thirds of surveyed businesses considered themselves to have effective sales and marketing. This suggests there is room for improvement for many SMBs.

Figure 2.1 shows that nearly half of SMBs report a detailed knowledge of customers (details about the criteria for this specific levels for each category are included in Appendix C). This knowledge about customers is a powerful resource for SMBs – if they have the tools to make use of that knowledge.

Yet it appears this knowledge is not translating to use of the following marketing activities:

• **Brand awareness on social media.** With the ease and low cost of social media, it is surprising that less than 30% regularly use social media to target consumers. In New Zealand this rate is lower than Australian counterparts. For instance, a survey of 1,000 New Zealand SMBs found only a quarter have a social media presence (MYOB 2014).

• **Personalised marketing.** While younger businesses are leading the way in terms of personalised marketing, less than 40% were able to communicate with potential customers based on previous interactions, purchases or demographics. This percentage is smaller for more mature businesses – most likely indicating limitations of legacy systems (such as spreadsheets or paper-based records of customer interactions). This means many businesses are missing out, as personalised messages can provide substantial dividends. Research shows that in some industries more than 50% of consumers want more personalised goods and services, and these customers are willing to pay a 20% premium for this personalisation (Deloitte 2017).

• **Measuring Return on Investment (ROI).** SMBs are unable to measure the effectiveness of their sales and marketing. Only 29% of SMBs can determine the specific ROI on marketing investments while 42% don’t know the ROI for their investments or assume that marketing is worth the investment.

This percentage is smaller for more mature businesses – most likely indicating limitations of legacy systems (such as spreadsheets or paper-based records of customer interactions). This means many businesses are missing out, as personalised messages can provide substantial dividends. Research shows that in some industries more than 50% of consumers want more personalised goods and services, and these customers are willing to pay a 20% premium for this personalisation (Deloitte 2017).

**Key finding**

SMBs with larger number of employees tend to use more sophisticated tools. For instance, half of medium sized businesses analyse customer data while only 15% of businesses with less than 5 employees do so. This may reflect a larger pool of talented employees that medium sized businesses draw on.
2.1 Effectiveness of sales and marketing

An important consideration for SMBs is the effectiveness of their sales and marketing activities at achieving certain goals. Figure 2.2 shows that 68% and 59% of businesses believe that their current activities are effective at retaining and expanding their customer base. As this is a key source of growth for relatively younger businesses, this finding suggests many SMBs are able to achieve their goals when establishing their business.

Figure 2.2 shows that more than half of SMBs report that their marketing activities are effective at increasing their sales per customer (54%) and lowering their costs (50%). Yet this represents an opportunity for many other SMBs to improve the capabilities of their sales and marketing activities, as our survey found that these goals will become more critical as the business matures.

Figure 2.2: Effectiveness of current sales and marketing activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are effective at lowering my costs</td>
<td>50%</td>
</tr>
<tr>
<td>Are able to increase my sales per customer</td>
<td>54%</td>
</tr>
<tr>
<td>Are effective at expanding my customer base</td>
<td>59%</td>
</tr>
<tr>
<td>Are effective at retaining my customer base</td>
<td>68%</td>
</tr>
</tbody>
</table>

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017

Ask the question

One third of surveyed SMBs believed their sales and marketing were not effective at achieving their business goals. What investments are required to help achieve your key business objectives?
3. Why invest in digital technology?

Digital technology can have substantial benefits which align with a SMB’s key business goals. Figure 3.1 shows that nearly half of surveyed SMBs find that digital tools assist with finding new customers and a third find that it can increase revenue. More than a quarter benefit from digital technology by meeting customer demands or increasing efficiency.

**Key finding**
Younger small businesses ranked finding new customers as the main benefit of digital technology. Meanwhile, established and mature businesses more frequently ranked improving their business’s efficiency or providing a better service or product as the main benefit of technology.

![Figure 3.1: Benefits of digital technologies](image)

**Source:** Deloitte Access Economics & Stancombe Research and Planning, 2017

Customer Relationship Management (CRM) software is one digital technology used to manage customer interactions and potential new sales. CRM allows businesses to record and analyse sales and marketing and customer service information, particularly in areas of personalised marketing and measuring ROI. As such, it can be useful for expanding a business’ customer base and providing relevant and targeted information to customers.

There is a significant financial benefit from using CRM software. **Our modelling suggests businesses using CRM software have 28% higher revenue** than those using spreadsheets, paper based records or not having a system for recording or analysing customer interactions. This analysis controls for years in operation, number of employees and the industry the business was operating within. Further details can be found in Appendix B.

Yet the majority of SMBs (70%) are still using basic methods of recording and analysing customer interactions (see Figure 3.2). Over half of businesses reported using paper or spreadsheet based systems. Even more concerning are the 14% of businesses reporting having no system to record or analyse customer interactions.
Other research forecasts that CRM software, content related services and communication software will play significant roles in driving the total Australian business technology expenditure of $85 billion in 2018 (Gartner 2017). However, this figure includes the expenditure from all businesses and if SMBs do not keep pace, they risk falling behind their larger counterparts.

Figure 3.2: Systems for recording and analysing customer interactions

Ask the question
What are the key benefits of digital technology for your business? Could CRM assist in your operations?

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017
4. What’s holding you back?

With substantial benefits gained from using CRM software and other technology it’s important to understand what is preventing businesses using these tools. Sometimes, it can be SMB owners themselves. SMBs still using basic systems or no system are most likely to report that their existing system of managing and analysing customer interactions is good enough (as seen in Figure 4.1).

This has decreased substantially from last years’ survey, in which 59% of businesses cited this reason for not upgrading. So while SMBs are becoming more aware of the benefits of CRM, a significant number are yet to be convinced or feel their business isn’t ready to upgrade yet.

Figure 4.1: Reasons businesses do not use CRM software

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017
The next biggest limitation for businesses in using CRM is expense, cited by nearly a third of SMBs. While CRM software costs more than paper or spreadsheet systems, the modelling results suggest that the investment can result in a significant increase in business revenue.

Yet 94% of businesses that have upgraded to CRM software report an improvement from their previous system. This suggests that the investment in CRM should be carefully considered by those businesses sceptical of benefits or wary of the cost of investing in CRM software (see Figure 4.2).

**Ask the question**

What is stopping you from investing in your business? Has this reason changed over time?

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**Source:** Deloitte Access Economics & Stancombe Research and Planning, 2017
5. When is the best time to invest in CRM?

Should an SMB invest at the start of their business journey or when they have a larger customer base or more financial resources?

Our modelling compared those businesses that introduced CRM software at the start of their operations to those that introduced it later in their journey and **did not find any significant difference in their average revenue** (further details regarding the modelling can be found in Appendix B). This means that late adopters have not missed opportunities presented by upgrading their systems.

Other studies suggest that businesses benefit more from adopting technology when it forms a core part of their strategy for expansion rather than using technology to solve particular issues. For instance, CRM software can be used to share important customer information to all employees rather than relying on the owner or a few key staff members (Nguyen and Waring 2013). This can be a more important factor for successful technological investment rather than when a business decides to upgrade.

### Benefits to early technology adopters

There can still be significant benefits for business from being early adopters of new technology more generally. For Australian SMBs, research by Deloitte Access Economics (2017) found that relative to those less digitally engaged, digitally advanced business were:

- 50% more likely to be growing revenue; and
- Earn 60% more revenue per employee.

In addition, IT services provider Cognizant found in its 2015 report *The work ahead: mastering the digital economy*, that the gap between the technological leaders compared to laggards totalled $692 million in revenue. This is partly because the longer the business is using technology, the more benefits it receives, which allows the business to pay for the initial investment and generate more benefits.
5.1 Starting digital
More than one in five businesses that started off with CRM software did so mainly due to the expectation of future growth in their business (see Figure 5.1). For these businesses, digital tools are an enabler for growth right from the start.

5.2 Introducing CRM software later in the journey
For businesses that introduced CRM software later in their business journey, over a quarter introduced CRM software to manage and analyse existing customer interactions (see Figure 5.2). This suggests these SMBs wait until the investment is required. Meanwhile, the SMBs that invested in CRM software to the build future capacity to expand was cited by one in five respondents.

Figure 5.1: Reason businesses chose to start their business with CRM

- Expectation of growth: 21%
- Personal preference for using digital technology: 17%
- Advice from an external business advisor: 17%
- Industry requirement: 16%
- Advice from other business owners, an employee/manager or family/friends: 16%
- Strategic reason: 12%
- Other: 1%

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017

Figure 5.2: Reason businesses introduce CRM software during their business journey

- The business needed to manage and analyse customer interactions: 27%
- To build capacity to expand the business: 19%
- Strategic reasons: 14%
- Introduced to keep up with competitors: 13%
- Advice from an external adviser: 12%
- Advice from other business owners, an employee/manager or family/friends: 9%
- Other: 6%

Source: Deloitte Access Economics & Stancombe Research and Planning, 2017
For the immediate factors that facilitated the upgrade to CRM software there was almost equal division between having adequate time, skills and financial resources to invest in the technology (see Figure 5.3). This suggests that obstacles or barriers often impede the upgrade to CRM software beyond the perceived benefits. Once these obstacles are overcome, businesses can look to trialling the technology for later adoption or refining to suit the business needs. For those businesses that did trial the CRM software or committed to upgrading their system, 94% experienced an improvement from their previous system.

**Figure 5.3: Factors facilitating the upgrade to CRM software**

- The business has the time to invest in upgrading systems: 26%
- Owner/staff developed skills to use CRM: 25%
- The business has financial resources to invest in upgrading: 24%
- In response to problem/issue/constraint: 16%
- Don’t know: 5%
- Other: 5%

**Source:** Deloitte Access Economics & Stancombe Research and Planning, 2017

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**Ask the question**

What resources – whether they be time, skills or financial – would you need to invest in CRM software?
Appendix A – About this study

This report explores the diversity of business journeys available and taken by SMBs in Australia and New Zealand. It marks the fourth edition in a regular series of reports commissioned by Salesforce to better understand the context of SMB owners.

In order to produce fresh insights, a bespoke survey was fielded by Stancombe. 548 SMBs (defined as having less than 100 employees) in Australia and New Zealand responded to the survey. The questions were designed to develop an understanding of the owners’ experiences and motivations when making decisions about digital investments in their sales and marketing capabilities.

This data collected from the survey provided:
• perspectives from SMB owners themselves;
• comparisons to previous years’ surveys; and
• data to be used for econometric modelling.

This report finds that SMB owners face a variety of challenges depending on their circumstances. Many SMBs are realising their current sales and marketing capabilities are not sufficient to overcome these threats and achieve their business goals. A decision not to invest may leave a SMB falling behind.
Appendix B – Economic Modelling

**CRM systems and revenue growth**

Econometric modelling was used to quantify the relationship between SMB use of CRM software and revenue. The model involved creating a binary variable to categorise businesses based on their methods for recording and analysing customer interactions. The binary variable categorised the sample into businesses reporting using no system, paper based or spreadsheet systems; or CRM software.

**The economic model**

Data cleaning was undertaken for the 548 SMBs survey responses used for the modelling. This involved removal of those who reported not knowing their revenue figures and using mid points for revenue categories when respondents failed to report their exact revenue amount. Removing these observations did not significantly affect the reported results.

The model used controls for:

- employee numbers to account for the size of operation;
- years in operation were used as a proxy of business maturity; and
- the industry that the business operated in.

Both employees and years in operation controls had positive co-efficients as expected and were statistically significant. The log of the current revenue was used as the dependent variable.

Having no system or using a paper or spreadsheet based system was used as the base scenario. The coefficient for CRM use was positive as expected and statistically significant at a 1% significance level. Models separating CRM software into those systems accessible only from the business and those accessible anywhere led to statistically insignificant variables.

**Causality**

It is important to note the general issue of causality. It is possible that higher levels of revenue growth drives more digital investment in CRM software if strongly performing SMBs had more time or resources to undertake digital investment rather than vice versa. This effect is mitigated by controls such as employee size and years in operation, yet there is likely to remain some correlation between more successful businesses so that the estimated revenue difference between having CRM software or not may be smaller than estimated. However, our previous research into SMBs and digital tools suggests that digital engagement through CRM software does substantially boost revenue.
Starting businesses with CRM compared to upgrading
Further modelling was undertaken to determine if there was a difference in revenue between starting a business with CRM software or if the business upgraded to CRM software later. This led to a sample of 158 businesses.

The model used controls for:
• employee numbers to account for the size of operation;
• years in operation were used as a sign of business maturity; and
• the industry that the business operated in.

A binary variable was used to measure the effect of when the CRM software was introduced in the business. Those starting with CRM systems were used as the base case. The co-efficient was small and negative, however it was statistically insignificant at the 30% level.

This result suggests there is insufficient evidence to reject that businesses starting with CRM have different revenue, on average, than those upgrading their CRM system.

Effective sales and marketing activity on revenue growth
Modelling was undertaken to determine if effective sales and marketing would increase the likelihood of revenue growth. The evaluation of the businesses’ sales and marketing activities was self-assessed which may lead to bias. However, this was preferred to an objective criteria of current capabilities as these may not be suitable for all businesses in various industries.

Probit regression framework
Probit regression, also called a probit model, is used to model a binary outcome variable. For example, the outcome of revenue growth over the previous year can be categorised as achieving revenue growth or declining or no change in revenue.

Having defined the outcome variable as binary, we then model the conditional probability of a “successful” outcome. For the purposes of this report, the outcome variable was revenue growth and the predictor variable was the effectiveness of sales and marketing activities.

The controls for the model included:
• employee numbers to account for the size of operation;
• years in operation were used as a sign of business maturity; and
• the industry that the business operated in.

The regression coefficients were evaluated at the means of the predictor variables and the regression coefficients. The average partial effects was also used to determine the marginal effects and these were similar to the estimate at the means.
Appendix C – Categorising SMB sales and marketing activities

Surveyed SMBs were asked about their current sales and marketing activities. For each category respondents could select one of three options about their usage. Although not specifically labelled, these options represented a spectrum of increasing usage and sophistication for each category that could be designated low, medium high. The specific criteria for each category are presented in the table below. For each category, the respondent could also select a “Don’t know/not applicable” option.

Table B.1 Criteria for categorising surveyed SMBs’ current sales and marketing activities

<table>
<thead>
<tr>
<th>Category</th>
<th>High use and/or sophistication</th>
<th>Medium use and/or sophistication</th>
<th>Low use and/or sophistication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge of customers</td>
<td>Can effectively target customers and sales based on previous interactions</td>
<td>Can usually differentiate between new and repeat customers</td>
<td>Can’t identify which staff member had the last interaction with a customer or prospect</td>
</tr>
<tr>
<td>Brand awareness on social media</td>
<td>Regularly use social media to engage customers</td>
<td>Occasionally broadcast sales promotions on social channels</td>
<td>Rarely use social media</td>
</tr>
<tr>
<td>Personalised Marketing</td>
<td>Message content based on previous interactions, purchases or demographics</td>
<td>Every communication is personally addressed and unique by customer segmentation</td>
<td>Communications are sent but it’s too hard to personalise so we keep them more general</td>
</tr>
<tr>
<td>Measuring Return on Investment (ROI)</td>
<td>Can determine the most effective marketing channels and content</td>
<td>Confident that marketing is working, but difficult to identify which tactics deliver ROI</td>
<td>Assume that marketing is worth the investment</td>
</tr>
<tr>
<td>Timely Forecasts</td>
<td>Accurate visibility into current and/or next month’s revenue within minutes/hours</td>
<td>Accurate visibility into current and/or next month’s revenue within days/weeks</td>
<td>Not confident in accuracy of revenue forecast regardless of time spent</td>
</tr>
<tr>
<td>New Customer Acquisition Methods</td>
<td>Primarily using digital tools to target new customers</td>
<td>Heavy reliance on customer retention and word of mouth</td>
<td>Dedicated to face to face customer interactions prior to acquisition</td>
</tr>
<tr>
<td>Insights and Data</td>
<td>Detailed analysis of customer data</td>
<td>Some analysis of customer data</td>
<td>Not analysing customer data</td>
</tr>
<tr>
<td>Use of Artificial Intelligence</td>
<td>Currently use artificial intelligence in several business functions (e.g. predictive analytics, automatic recommendations for related products, suggested upgrades based on previous patterns of purchase)</td>
<td>Trialled use of artificial intelligence in one aspect of the business operation</td>
<td>Not currently using any artificial intelligence system in business operations</td>
</tr>
</tbody>
</table>
References


Limitation of our work

General use restriction
This report is prepared solely for the use of SFDC Australia. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. The report has been prepared for the purpose of generating economic insights for Australian and New Zealand SMBs, particularly in terms of digital tool decision making. You should not refer to or use our name or the advice for any other purpose.