

The SMB Advantage

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A greater portion of small and midsize businesses are increasingly relying on technology as a way to differentiate their organizations compared with years past, according to an exclusive VARBusiness survey of 400 SMB end users (see our Aug. 19 issue for full results). Current economic conditions have triggered 27 percent of those respondents to accelerate IT projects with a defined, six-month ROI, and 28 percent to step up smaller projects. In addition, 38 percent of SMBs plan to spend all or part of their technology budgets via VARs, IT suppliers or distributors this year, according to our research.

Outside findings are promising, as well. A majority of solution providers selling into SMB markets are optimistic both their operating margins and customers' IT investments will improve in the next three months, according to a recent ASCII Group survey of 100 independent business resellers, integrators and IT consultants. Because the sector has grown so competitive, the time may be ripe for replacing aging computer equipment. In fact, approximately one-quarter of ASCII Group respondents expect their short-term revenue to surpass expectations most in the following areas: hardware platforms, security and privacy technologies, voice-and-data networking, and white-box systems.

Adding to the vigor, almost three in 10 SMB resellers expect to increase their staffing plans for the balance of 2002, and nearly half report the utilization rate of their employees is more than 50 percent, according to the ASCII Group research. Also of note, 58 percent of solution providers expect their firm's employee utilization rate to improve in the next three months.

To get on board, you'll need to get your message out to the right people: the SMB firms that are most likely to buy from you. You'll need to leverage your strengths by answering customer needs for fast, secure accessibility, and you'll need to turn recommendations into action, actions that have a measurable, positive effect on the bottom line. Let me know how you're doing at bmarkowi@cmp.com.