

COMCAST
BUSINESS

CONNECTIONS

TO GROWTH

TECHNOLOGY AS A COMPETITIVE EDGE



CONNECTION TO GROWTH SERIES: GUIDE 1

TECHNOLOGY AS A COMPETITIVE EDGE

Finding the right solutions for your business gives you the opportunity to achieve scale and optimize growth

Introduction: Combining Velocity, Agility, and Productivity

Just 20 years ago, large, multinational corporations and small and medium-sized businesses operated in what might as well have been different universes. The markets, customers, and resources available to the dominant players in any industry were all but closed off to small companies, which had to content themselves with what was accessible within their space.

Technology has shattered the barriers that prevented those small companies from competing head-to-head with the giants in their industries. “Technology has become the equalizer that allows competition to exist in a realm which heretofore did not exist, and therefore opens up new fields of potential conquest,” says Jared Freedman, CEO of Code4Software. “And new fields typically go to the quickest, not the biggest.”

Even the definition of “quickest” has changed. In today’s business climate, velocity denotes not only the ability to speed a product or service to market, but also the agility necessary to respond to changing market demands, including the emergence of new competitors. “If you establish a product or a market with a new product and you’re even moderately successful, you will soon be joined by all of your competitors,” he notes. “Your success itself will generate its own competition, and you’re going to have to be more nimble and more responsive to the market through the application of



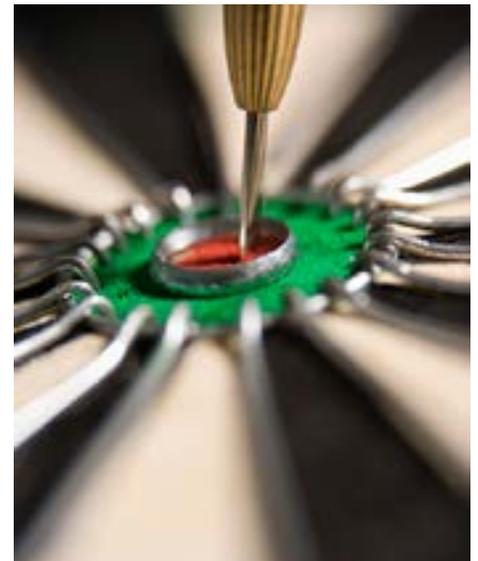
technology or refinements to technology that you already created in order to stave off that competition.”

That’s good news for small business owners, who embody the new brand of velocity and agility and, as a result, can carry the competitive advantage. But to realize their market potential in this new landscape, small and midsize companies must harness the technological tools that give them the power to level the playing field. And with the opportunities that technology presents come new challenges for business owners to evaluate the myriad solutions available to them, and integrate those products and services into their strategies for productivity, profitability, and sustained growth.

Start with the Targets, not the Technology

To optimize technology’s capacity to help you guide smart innovation, achieve scale, and sustain a competitive edge, begin not with the solutions available on the market, but with your company’s objectives and challenges. Rob Atkinson, president of the Information Technology and Innovation Foundation, notes that your technology purchases should be aligned with one of three business goals: reducing costs (or improving efficiencies), improving the customer experience, or innovating in a manner that allows you to sell new customer offerings. “So one is really about productivity, the second is about quality, and the third is about innovation,” he says. “I think small businesses need to look at how they’re doing in each of those areas, and try to understand how technology can help with each one of those three challenges.”

That perspective makes it easier to do a critical evaluation of the technology and its ability to help reach your goals. (See the “Finding Technology That Serves Your Business Goals” checklist, page 4.) Are you looking for opportunities to reduce operating costs? To increase efficiencies in new product development and hasten time to market? To deepen your penetration of vertical markets or expand to new industries or



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geographic regions? To strengthen your performance in customer service? Or are your goals focused on internal targets such as streamlining administration and enabling greater collaboration within teams and across your organization?

As you weigh a technology's ability to help you meet these goals, think in terms not just of its contribution to the bottom line, but also its level of scalability, ease of use, and perhaps even compatibility with your culture. "You begin with



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business priorities and evaluate every technology tool in light of those priorities," says Stephanie Heacox, a user experience and Web product management executive who this year founded Shareagenarians.com, an online home share service for seniors.

With that dual background in technology and entrepreneurship, she operates by four rules:

Know yourself. "Are you a hands-on geeky type, willing to spend time to gain a more detailed or in-depth understanding of your technology options? If not, find someone you can trust who is—and even if you are, is this the best use of your time?"

Know your users. "Who will use the technology—internal users or customers? Regardless, make sure that you engage those users in the decision process wherever possible. Do not assume that you understand their needs without asking."

Know your business. "What are the key metrics that illustrate how your business is doing? How can you quantify those metrics? How can you capture them? Can you automate that? (This should be a key factor in tech decisions.) What are your baseline numbers? What are the most useful timeframes to monitor those numbers?"

Know everybody else's business. "You need to understand where your industry is going. What do you need to maintain a competitive edge? Can you discern between real trends and flashes in the pan? The challenge is keeping up to date on both your industry and new tech developments that affect your business, with a minimum of effort." Heacox recommends enlisting

the aid of “trusted interpreters” (whether employees, consultants, or outsourced service providers) to assist with this so the task doesn’t consume time that you need to devote to the company’s mission and profitability. Here, as in most areas of your business, it’s essential to seek perspectives other than your own, and welcome dissenting opinions that allow you to test your assumptions and create the strongest strategy for development, expansion, and growth.



Strengthening Perceptions and Profitability

“Businesses are businesses because they need to generate a profit,” Freedman says. “That’s what it always boils down to: Is this going to help me make more money?”

To that end, you also need to account for the impact of any cyclical in your use of technology. An online retailer, for example, may see a spike in order submissions in the hour before the cut-off time for same-day order processing. “As the entrepreneur, you have to account for what is the most important time, or when you will be using the internet the most. When will your bandwidth needs be the greatest? As you grow your business, obviously your bandwidth requirements increase,” says John Gasowski, Comcast’s senior

CHECKLIST

FINDING TECHNOLOGY THAT SERVES YOUR BUSINESS GOALS

The hottest technology isn’t the app with the best bells and whistles. It’s the tool that helps you to achieve your business goals and deliver the most impressive performance. To identify your options and their ability to contribute to your profitability and growth, put technology to the test by asking if the purchase you’re considering will:

- Help you do something that you already do, but better, cheaper, faster
- Create an opportunity to do something new that might previously have been out of reach
- Provide a competitive advantage or enable you to maintain parity with your competitors
- Integrate with your existing or planned technologies
- Capture useful metrics and deliver them in a usable format

Give you the opportunity to ease your way into a new technology and seamlessly scale up over time, (for example, by way of a free trial, intro rates, per-use charges to begin with, and economy of scale as you grow)

Allow you, if necessary, to scale down

director and product manager for business internet.”

Given today’s customer expectations, slow internet speeds are no longer merely an inconvenience, he notes. They have the potential to kill sales and even businesses by positioning your company as unprepared to deliver consistently high performance.

“For entrepreneurs in particular, as the business grows, it’s essential that they don’t appear small to customers and prospects. Perhaps you’re trying to send large files and it’s taking forever to transmit. Or maybe you’re videoconferencing with a prospect and, due to a slow internet speed, you’re experiencing all the classic video quality issues. The result is that you appear small to the prospect. If a larger company has better, more reliable bandwidth, that says a lot to the prospect about who’s going to deliver the better service.”

That awareness of perceptions of your company and other businesses in your industry or market space can also point you in the direction of technology solutions that can strengthen your positioning, Freedman notes. He suggests taking a look

TECHNOLOGY AND THE CUSTOMER QUOTIENT

Customer retention, repeat business, and new client acquisition are key indicators of your company’s capacity to achieve sustainable growth, so your technology acquisitions should support those goals. How can you assess customers’ and prospects’ response to your company’s technology implementations?

“While you don’t want to overwhelm your customers with questions, there are some common touch points you may be able to leverage to better understand their behavior and motivation,” Stephanie Heacox says. “During acquisition, make sure to ask—and document—how you acquired that customer.” As many companies fail to take that step, she notes, simply adopting the practice can create a competitive advantage for your company. The more specific the question, the more useful the response, so look for ways to identify the impact and perceived benefits. For example, you could ask whether ease of selection and ordering was a factor in the customer’s purchase decision.

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Customer input provides additional critical competitive information, so be sure to document every support interaction and categorize it for easy retrieval of metrics. In addition, Heacox advises that you create a workflow that moves feedback to the appropriate party so that problems and suggestions can be addressed promptly and, as appropriate, reflected in new product development, product enhancements, process improvements, or website support.

Remember that whatever your industry, responsiveness is a key differentiator—and too often, companies adopt automated technologies that sacrifice customer interaction in the name of efficiency. By soliciting feedback and maintaining open communication, you can integrate your technological upgrades into your overall strategy for building the relationships on which your continued growth depends.

at companies that own a greater share of the market than you do and identifying the areas in which their performance excels. They're doing something better than you are. Figure out what that is, and you'll know what you need to improve in your own business to grab some of that market share.

"That's where technology comes into play. You start looking at specific solutions that are geared toward the problem at hand," he says. "Therefore, you're not walking around with a hammer looking for nails. You're looking through your toolbox and looking for the right tools for the job."

From Innovation to Insight and Impact

With time in short supply and often no technology expert on staff, small business owners can find it challenging to prioritize the process of researching and launching these solutions. But just as technology has made it easier for small companies to credibly challenge their larger competitors, it also has simplified the implementation process, Atkinson says.

"In the old days, if you wanted

ASSESSING AND OPTIMIZING YOUR VENDORS' VALUE

As your company grows, its objectives mature, and its technology needs change, vendors can be powerful partners in your continued success. With that in mind, you want to seek vendors who demonstrate a commitment to collaboration with you during and after the sale.

Before you buy, look for case studies or examples of how the vendor has incorporated user feedback into technology advances and improvements. Is there a support blog or forum? How quickly does a vendor representative respond to new questions? If you see questions that have gone unanswered for an extended time, that's a red flag.

Similarly, once you've made your purchase, track how often the vendor seeks your feedback and what kind of response you get when you request support or offer input. When you contact the support team, pay attention to the level of knowledge displayed by your initial contact (or, conversely, the number of times it's necessary to escalate your support request to a supervisor).

Look not only for expertise in the vendor's technology, but also for a baseline understanding of how a business in your industry uses and interacts with the product. In fact, says Jared Freedman, your technology vendors should be familiar enough with your business development roadmap to have some sense of how soon you're likely to outgrow the existing technology and to be able to present a plan for scaling the solution to your evolving needs.

"Ostensibly, they're the technology expert, and you're your business expert. The two of you together should come up with this technology roadmap," he says. "If your vendors are not coming to you with proactive offers of application technology as it directly applies to the business, or asking for meetings looking to draw out where your business goals are and how they can apply technology to increase the likelihood of attaining those goals, then you should be looking for another vendor."

to use an application or software program to do something in your company, you had to buy a copy of it, put it on your machine, figure it out, and determine what the updates of it might be,” he says. “Nowadays, there are a lot of companies out there thinking about getting a solution for your problem in your company, and it’s cloud-based, easy to use, and automatically updated. You don’t have to worry about being a computer guru and figuring out how to get it on your server and tweaking it. It’s just there.” And that leaves you with more time to work on your business goals and position your company, supported by technology, to capture a growing share of the market and achieve its long-term performance targets.

