



# What do your SMB customers really want from technology?

A summary of research into PC and software purchasing trends of SMB customers in Asia.

From Asia SMB Tech Insights Report (September 2019)  
By Techaisle and Microsoft



# What is the Asia SMB Tech Insights Report?



The result of an extensive, pan-Asia study conducted in September 2019 by Microsoft and Techaisle



Involved 2,000 respondents (IT and business decision makers) from across Asia



Focused on small and mid-size businesses (25 to 499 PCs)

## How can you use it?

- This report highlights some key trends with regards to how and why SMB customers purchase PCs and software, as well as some reasons why they don't upgrade
- Use the key insights to add value and depth to your sales conversations with SMBs
- Please feel free to use the data from this research in your marketing materials, provided you quote the source: *Techaisle and Microsoft, 2019, Asia SMB Tech Insights Report*







# Key take-outs from the Asia SMB Tech Insights Report:

Over **1/3** of SMBs are using old PCs (4+ years old)



Over **1/3** of SMBs are using old Windows operating systems



Over **1/2** of SMBs have no PC refresh policy (or aren't following it)



# Why do SMBs want to upgrade their technology?

The top reasons SMBs give for wanting to purchase new PCs and/or software differ slightly for line of business and IT teams, and include:

## Top business issues



- 1 Increasing business growth
- 2 Increasing profitability
- 3 Improving workforce productivity
- 4 Reducing operational costs
- 5 Improving effectiveness of sales and marketing

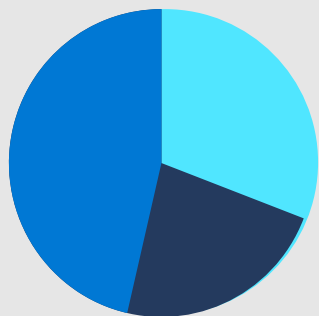
## Top IT priorities



- 1 Security solutions (cloud and mobility)
- 2 Cloud solutions
- 3 PCs (desktops and laptops)
- 4 Managed services
- 5 Analytics/business intelligence

# What's stopping them?

SMBs have ambition to digitise, are technology driven and recognise the importance of having a technology strategy, BUT their reality is different:



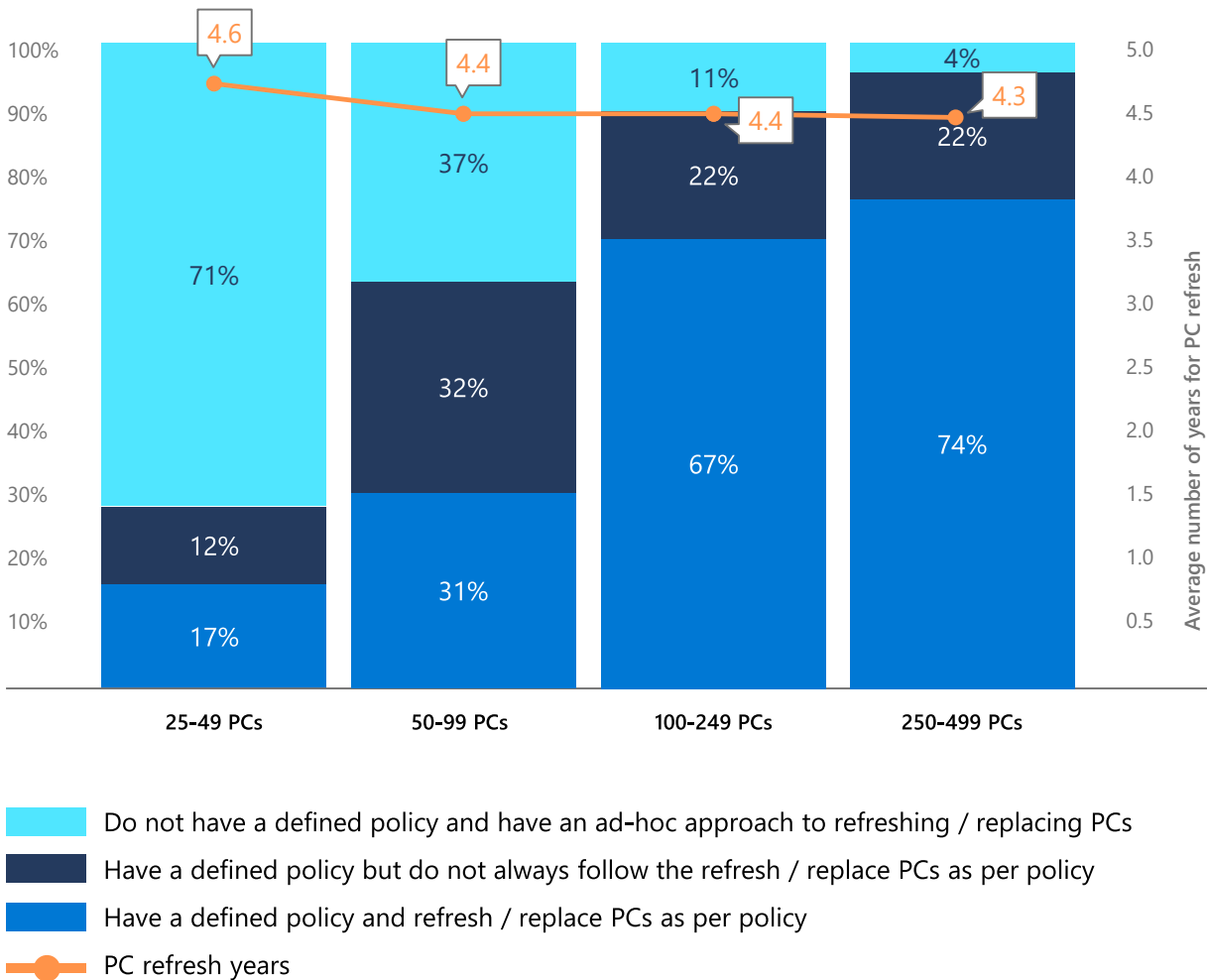
**32%** of SMBs have no PC refresh policy and take an ad-hoc approach to refreshing/replacing PCs

**22%** have a defined policy but do not always refresh their PCs as per this policy

**46%** have a defined policy and refresh/replace PCs as per policy

## Refresh cycle

Average length of refresh cycle in 2019 was 4.4 years, down 9.1% from 2018



# Specific reasons why SMBs aren't upgrading to a Modern PC with Windows 10:

## Myth

## Reality

48%

say: our existing software applications will be incompatible with a new operating system

**Windows 10** is most app-compatible version of Windows ever

38%

say: an upgrade will be too disruptive as we have no time for employee or IT training

87% say: new PCs reduce maintenance costs

82% say: new PCs make employees more productive

37%

say: there are no real advantages of Windows 10 over current versions of Windows

**Windows 10** offers many benefits: robust security, seamless integration, lower TCO and a positive user experience

**Microsoft's support** for Windows 7 will soon end, which means customers must upgrade or risk security issues

39%

say: they don't have the budget to replace old PCs

**Moving** to a Windows-as-a-Service (WaaS) and/or PC-as-a-Service (PaaS) model can save considerable time and money

**Cutting** IT workload and improving employee productivity also results in cost savings





# Key selling points for keeping PCs and software up to date

Sales conversations with SMBs around upgrading should focus on three key benefits:



## Cost efficiency

Reduction in overall maintenance fees, and greater overall manageability and efficiency



## Security

Improved protection against ever-evolving cyber-attacks, data theft and employee malfeasance



## Productivity

Modern, easy-to-manage technology means employees can be more productive from anywhere

# Specific selling points for cost efficiency:

## Selling point

## The facts



Upgrading PCs will cut maintenance costs

- PCs 4+ years old are **3x more likely** to need repairs
- **85% say:** managing is easier, improving IT efficiency



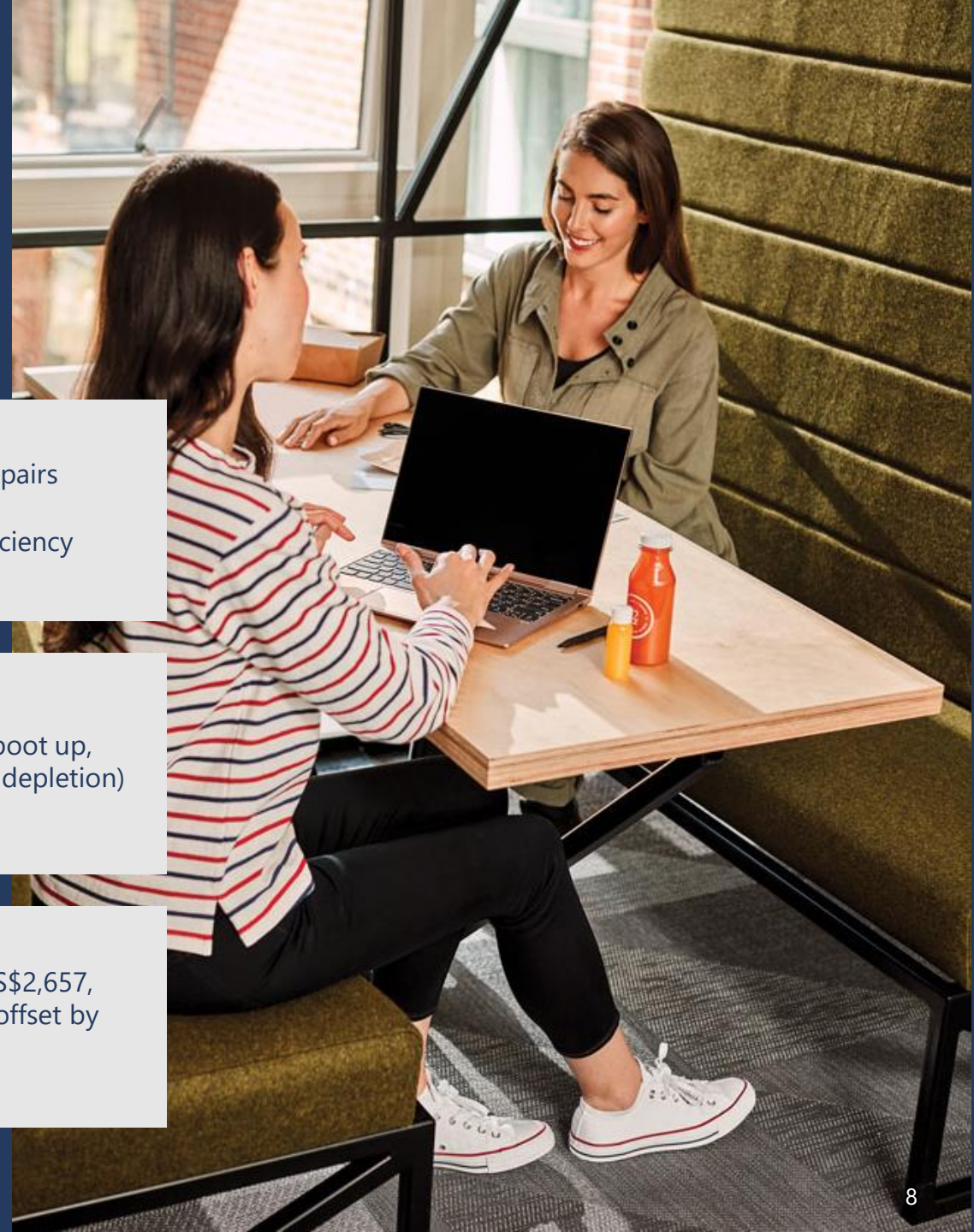
Upgrading PCs will reduce problems and downtime

- Older PCs have **2.5x more problems** (slow to boot up, application and disk drive crashes and battery depletion)



Not upgrading your PCs can affect business growth and productivity

- The total cost of owning a 4+ year old PC is US\$2,657, which is **3x of newer PCs** and the cost can be offset by replacing with two or more PCs





# Specific selling points for security:

## Selling point

## The facts



SMBs are vulnerable to cyber-attack

- More than **50% of all SMBs in APAC** experienced security breaches in past 12 month



SMBs with dated technology are *particularly* vulnerable

- Over **1/3 of PCs** have older versions of Windows (XP/Vista/7/8) and are more susceptible to threats
- **Windows 10**, however, delivers comprehensive, built-in and ongoing security protections that you can trust – including Windows Defender anti-virus, firewall and more



Security and data protection are top priorities and challenges for SMBs

- **42% of SMBs** find security features of new PCs attractive
- Over **25% of SMBs** consider PC security when buying machine



# Specific selling points for productivity:

## Selling point

## The facts



Old technology is costly

- An older PC can = **157 productive hours lost** – 3.2x that of a new PC



Employees are more productive and deliver better customer service when able to work remotely and flexibly

- Only **1/4 of the SMB** workforce is mobile
- **1/3 of SMBs** have specific mobility initiatives in place, but no overall strategy



Cloud adoption is ticket to achieving peak productivity

- **Cloud adoption is now 50%** within SMBs and predicted to double within 12 months





# Pathways to sale

When considering a technology purchase, SMBs are influenced by several factors, the top ones being:



Vendor websites (e.g. HP, Dell, Lenovo)



Social media (e.g. Facebook, Line, Kakao, Twitter)



IT News websites (e.g. Cnet, The Verge)



Physical retail salespeople



Peers and colleagues



Online search

To ensure maximum sales success, ensure your products and services are promoted and available via these channels.

# New trends: PC-as-a-Service and Front Line Workers

## PC-as-a-Service (PCaaS)

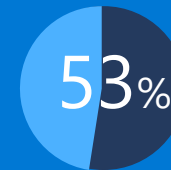
SMBs are increasingly interested in PCaaS driven by:

- 1 Option to acquire latest technology faster
- 2 Reduced IT support and procurement workload
- 3 Allows PCs to be refreshed faster
- 4 Move from CAPEX to OPEX frees up capital for other business investments
- 5 Predictable costs

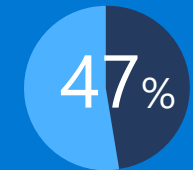
**BUT** want cloud solutions and managed services to be included.

## Meeting needs of Front Line Workers

Mobility initiatives are increasing:

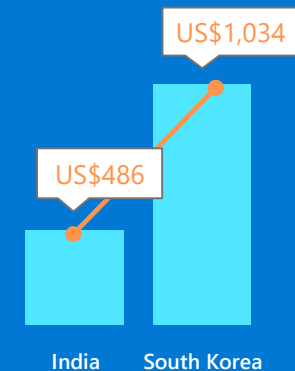


53% of SMBs have invested in mobile tech



For 47% of SMBs it is strategic

Acceptable price of a PC for a mobile employees varies from **US\$486** in India (lowest) to **US\$1,034** in South Korea (highest)





# Here's how to convert the opportunity:



**Understand** where your audience is today (current age of PCs, software)



**Probe** for main barriers (often perceptions of difficulty or relevance)



**Align** our solutions to their concerns (productivity, cost, security)



**Reassure** that we are easy to implement and purchase (Cloud, SaaS, PaaS)





Find out more

Access sales enablement  
and marketing assets here:  
[Device Partner Centre](#)



\*please note you need to be registered to the Device Partner Centre to access this link

Get in touch with  
your contact person at Microsoft