

Digital Transformation: More Important Now Than Ever

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Introductions



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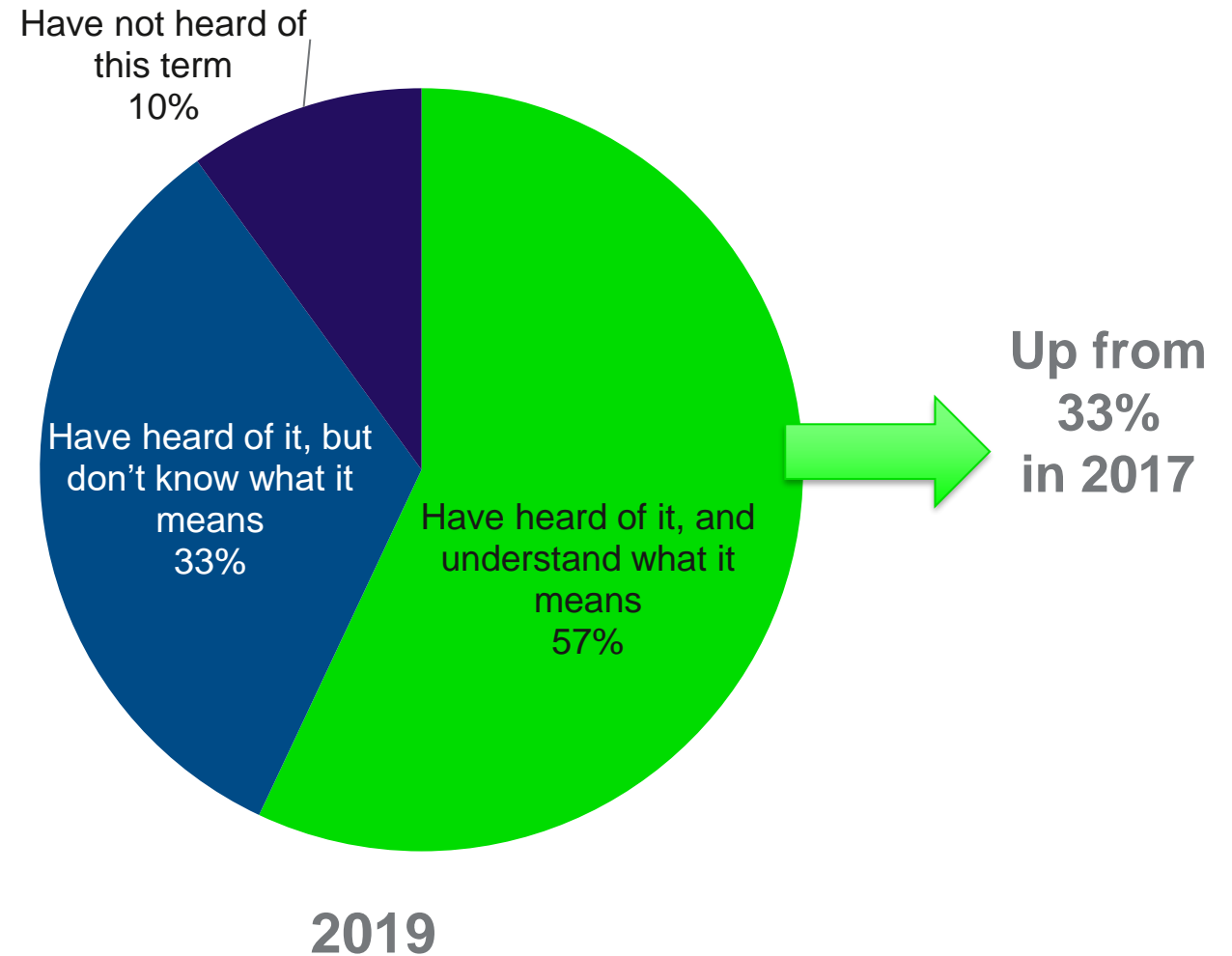
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- What is Digital Transformation, and What's Driving It?
- Digital Transformation for SMBs
- 5 Tips to Getting Started on Digital Transformation
- Sage: Helping SMBs make the transition to a Digital World
- Summary

What Does Digital Transformation Mean?

Digital transformation: how businesses use digital technologies to create new and/or modify existing business processes, practices, models, culture and customer experiences to meet changing business and market requirements.



Source: SMB Group 2019 SMB Digital Transformation Study, © SMB Group

What's Driving Digital Transformation?

The Fourth Industrial Revolution



1st
industrial
revolution
Steam



2nd
industrial
revolution
Electricity



3rd
industrial
revolution
Computing



4th
Information
and
Intelligence

COVID-19 Accelerates Change—Fueling the Need for Digital Transformation



64%

of SMBs expected revenues to rise in the next 12 months (August 2019)

75%

of SMBs report COVID-19 is negatively affecting their businesses (March 2020)

49%

of SMBs expect the impact of COVID-19 on their businesses to worsen in the next 6 months (March 2020)

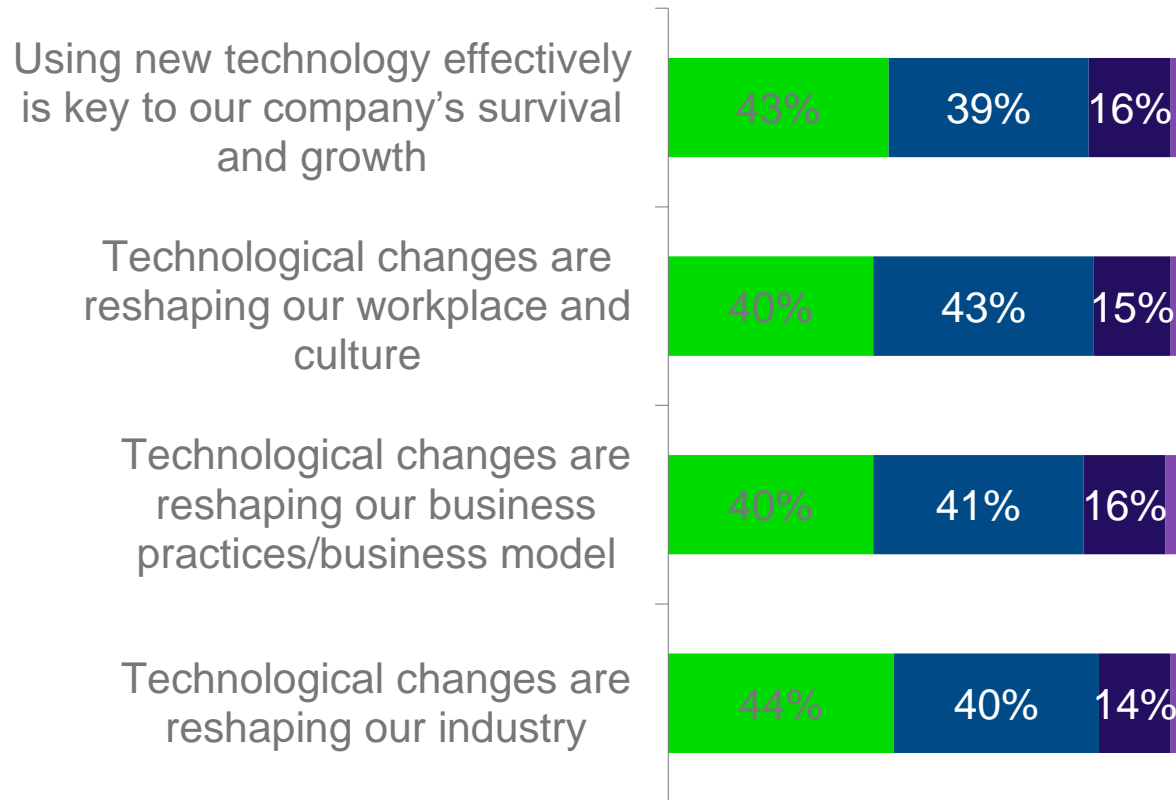
- “Tele-everything”
 - Work from home
 - Tele-medicine
 - Online education
 - Employee onboarding
 - Meetings and events
- No-touch transactions
- Supply chain and globalization
- Sales channels
- Essential workers

Digital Transformation for SMBs

SMBs Understand that Technology is Key to Business Success



■ Strongly agree ■ Agree ■ Neutral ■ Disagree ■ Strongly disagree



Do you agree or disagree with the following statements?

Most important business app capabilities for the future:

- Analytics, reporting and dashboarding
- Application integration
- Native mobile capabilities
- Contextual help in the application
- Artificial intelligence
- Natural language interface/voice assistant

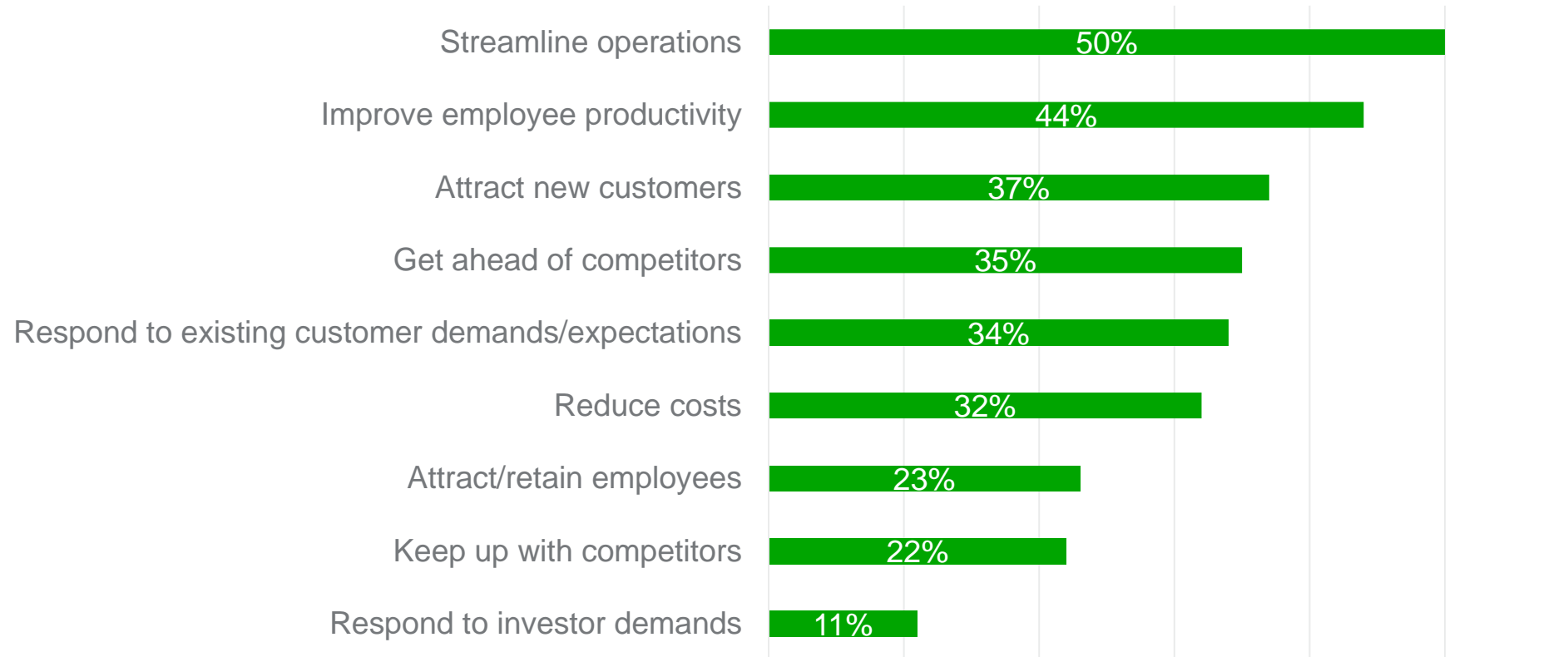
Source: SMB Group 2019 SMB Digital Transformation Study, © SMB Group

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Top Drivers For Digital Transformation



What do you view as the top three drivers for your company to invest in technology to support your business?

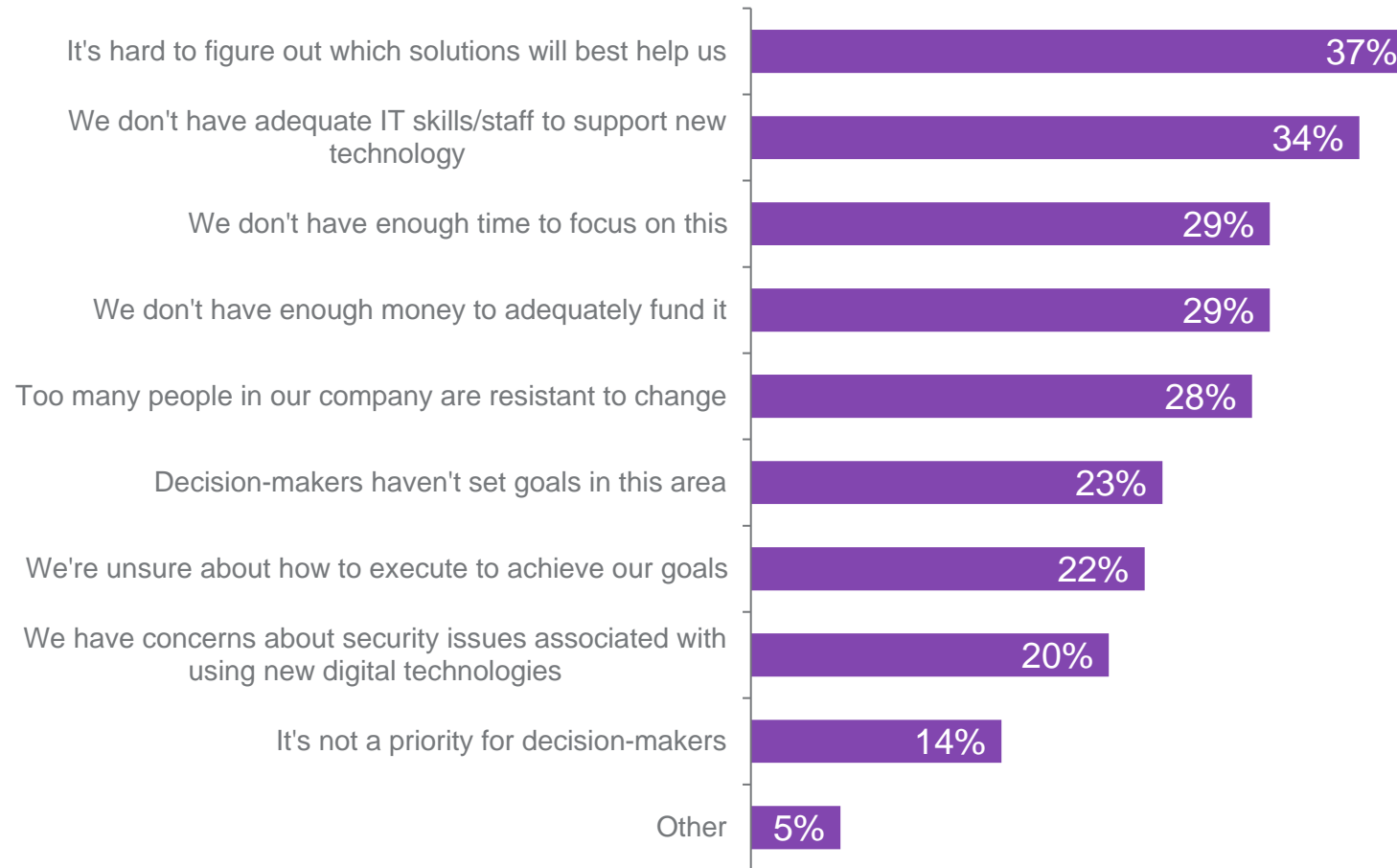


Source: SMB Group 2019 SMB Digital Transformation Study, © SMB Group

Digital Transformation Challenges



What are the top three challenges to digital transformation in your business?



Source: SMB Group 2019 SMB Digital Transformation Study, © SMB Group

19%

*strongly agree that:
“Our company has
a well-defined digital
business strategy”*

24%

*strongly agree that:
“Our company has
a well-defined digital
business strategy”*

But You Need To Get Started!

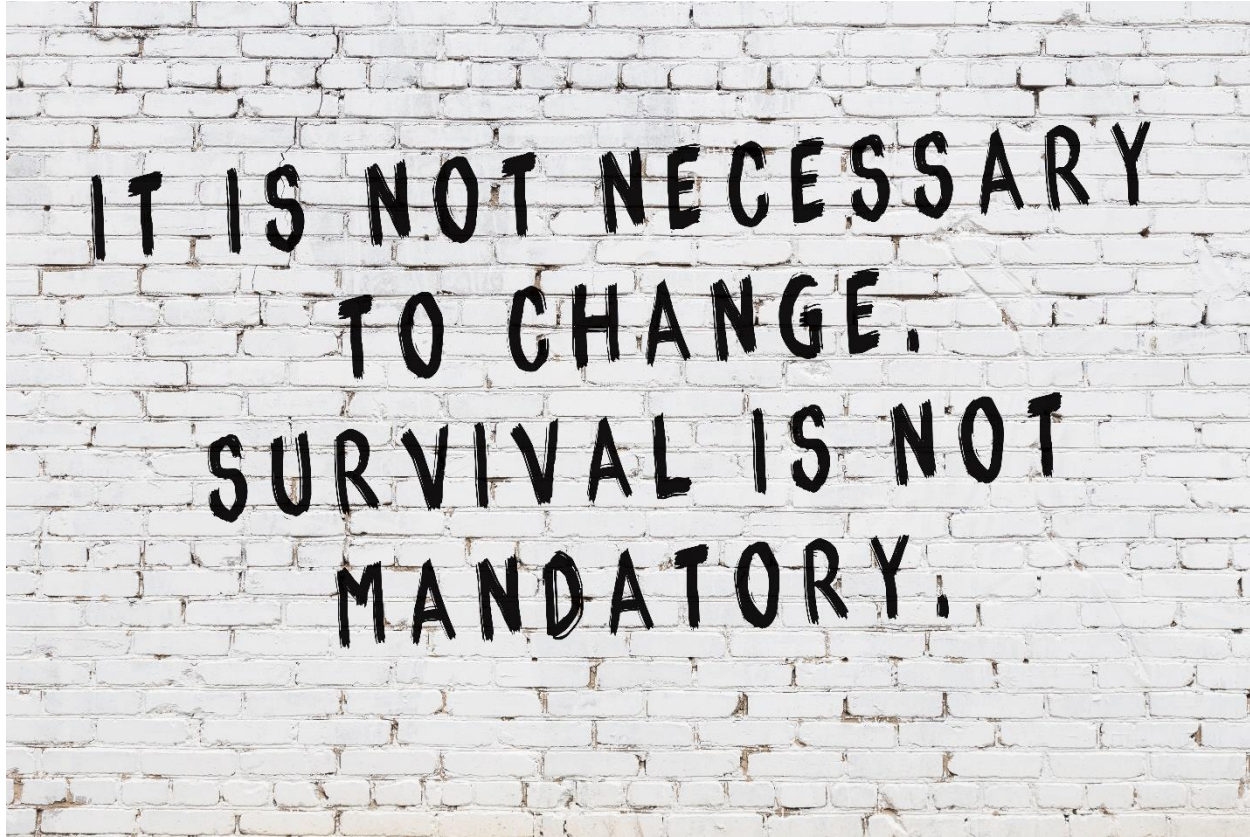


Source: SMB Group 2019 SMB Digital Transformation Study

Getting Started on Digital Transformation

1. Can you afford to continue with business as usual?

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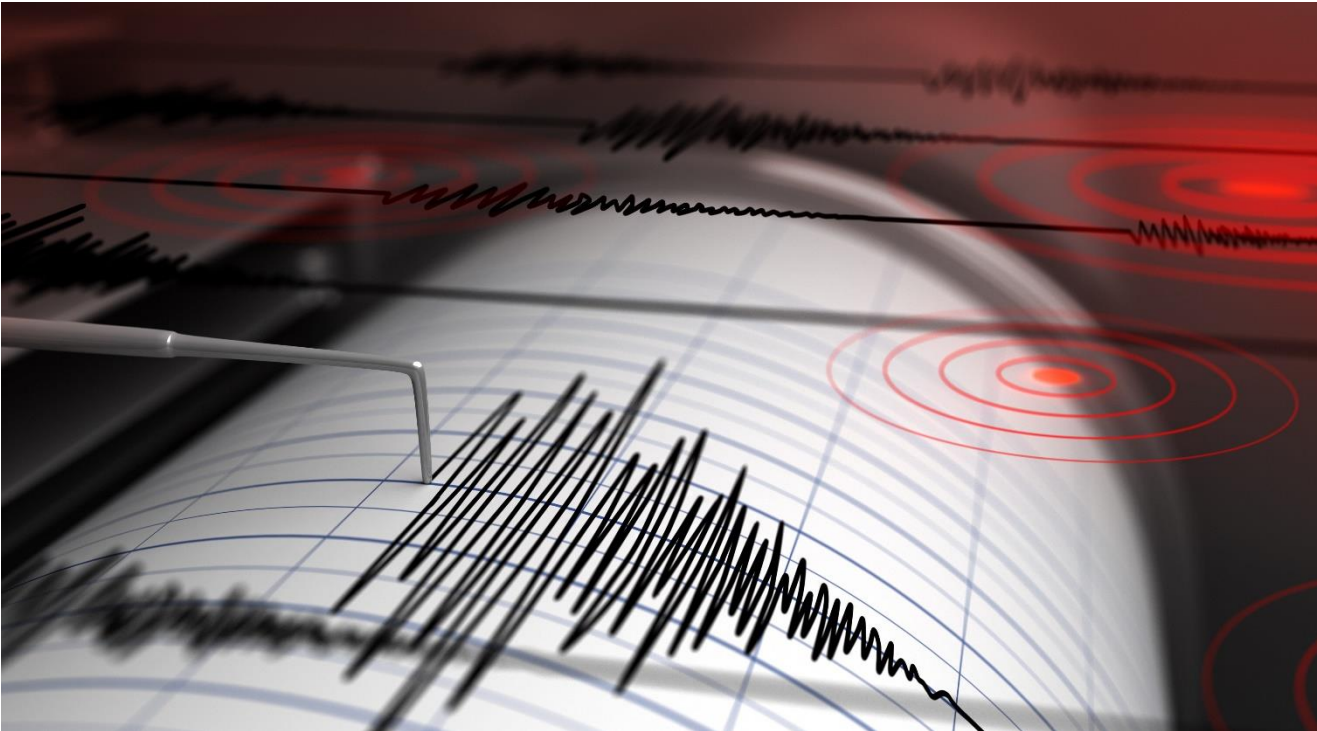


What is the cost to your business if you don't adapt?

2. How is the ground shifting around your business?

What's Changing?

- Industry business models
- Competition
- Customers
- Business performance
- Channels
- Technology
- Regulatory environment



3. Get everyone involved

Create a shared vision

- Get input early—from decision-makers, employees and vendors, partners
- Develop metrics for success
- Focus on ease of use and must-haves vs. feature bloat
- Don't forget your customers!



4. Take a digital first, data-driven approach



Focus on growth, not grind

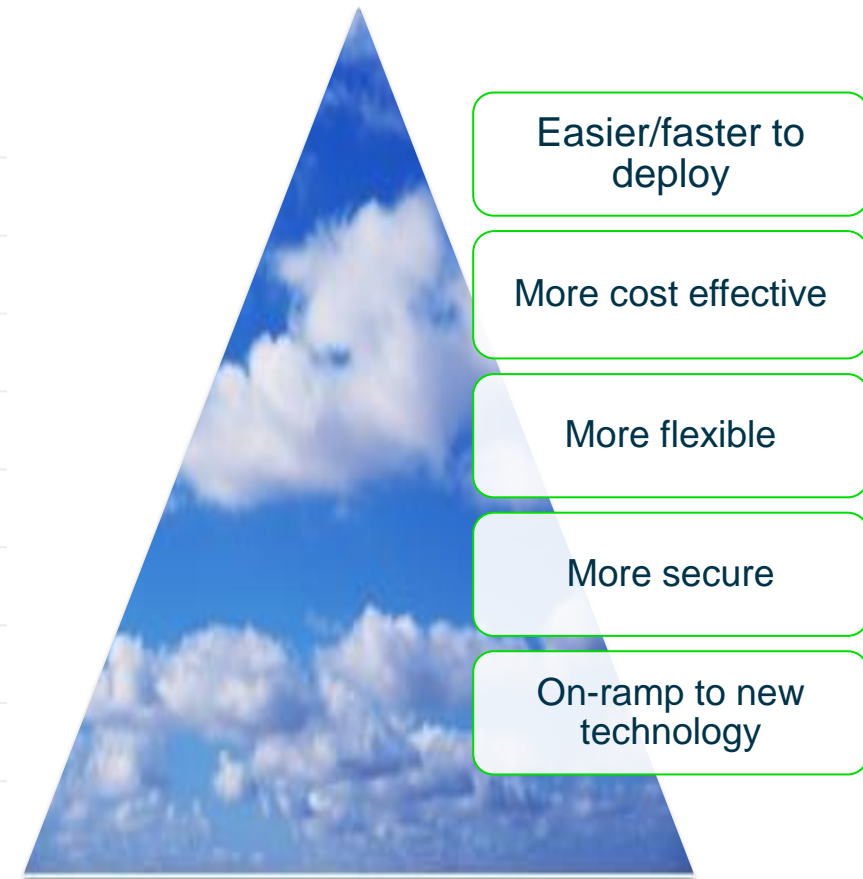
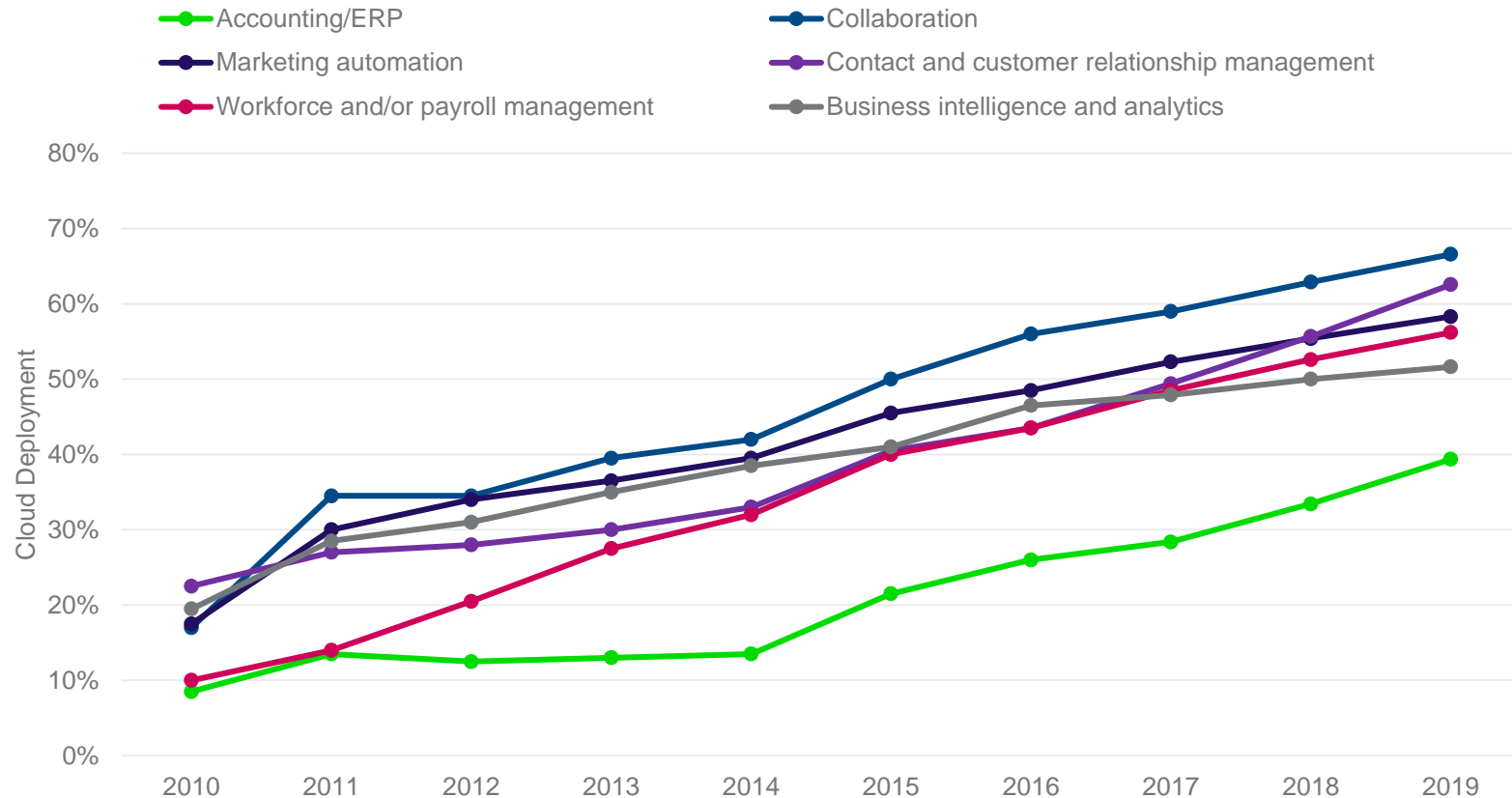
- Rethink/replace/add applications to modernize the business
- Streamline business processes and workflows
- Automate and integrate repetitive tasks

Use data to bring the business into focus

- Tap deeper into transactional, operational and behavioral data more effectively
- Identify opportunities and threats
- Make better decisions

Stay agile! Iterate and improve to **keep pace with change**

5. Start with cloud solutions to speed innovation



Source: SMB Group 2019 Digital Transformation Study

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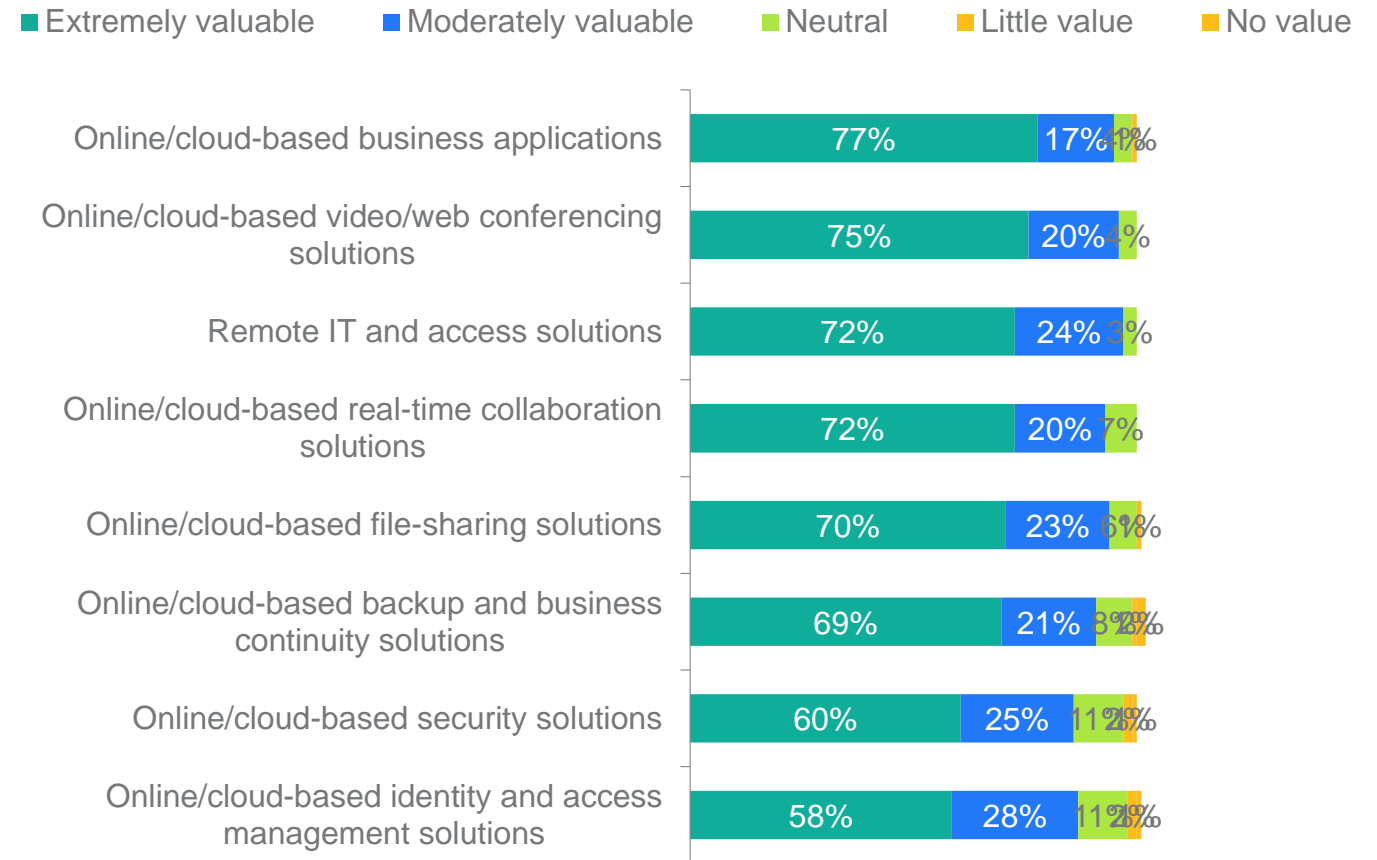
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Online Solutions Help Sustain SMB Operations



- SMBs were already using many cloud solutions prior to the pandemic
- A large majority of SMBs see all of these solutions as extremely valuable
- Most valuable cloud solutions:
 - Business applications
 - Web/video conferencing solutions
 - Remote IT and access solutions
 - Real-time collaboration

How valuable have the following been in sustaining your business during the Covid-19 crisis?



Source: SMB Group 2020 Impact of COVID-19 on SMBs Study

Sage: Helping SMBs make the transition to a Digital World

Helping our customers to perform at their best



**Ready to seize advantage
of change and growth**

**On top of costs and
sources of productivity**

**Armed with insightful
data dashboards for agile
decision-making**

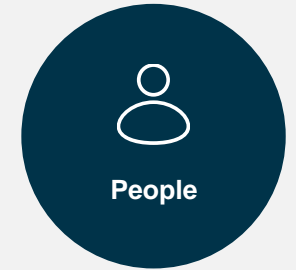
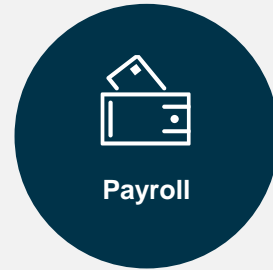
**With manual tasks and
compliance automated
removing inefficiency and risk**



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Business Cloud



Cloud



Cloud Connected



UNIFIED SERVICES

Payments & Banking

Compliance Framework

Single sign-on & User Management

Seamless Integration & Migration



ROBUST MARKETPLACE

1000+ ISV Partners

Microsoft

Avalara

AutoEntry

TANGERINE
SOFTWARE
MAKING BUSINESSES BETTER

ZAP

Datalinx
COMPUTER SYSTEMS

APIs

Sage Developer Portal



STRATEGIC PARTNERSHIPS

Microsoft

salesforce

aws



pwc



Deloitte.

Intacct: The Only Solution To Do It All

sage



Summary

Summary



Digital transformation is not just a buzzword—
businesses need to adapt to meet new market realities

Data drives digital transformation

Change is hard—but necessary for survival

Take advantage of modern, cloud-based solutions to
speed transformation

Take a digital first, data-driven approach

**Sage: Helping SMBs make the transition to a
Digital World**

An abstract background graphic featuring a dark blue, textured surface with a pattern of light blue, wavy, diagonal lines and small, dark blue dots, resembling a stylized landscape or a close-up of a material.

Thank You For Listening In on Today's Webcast