

Five expert practices to manage digital spend

Navigating your business through a crisis



How to manage your business's digital spend during the COVID-19 crisis.

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Topics Covered

Often when a slowdown happens, businesses begin to cut back in various areas, including their digital spend.

To help put you on the right track and ensure you don't negatively impact your business, we've put together some recommendations that might be of assistance.



Immediate Cost Savings



Infrastructure



Data Analytics



Automations



Digital Advertising

Immediate Cost-savings

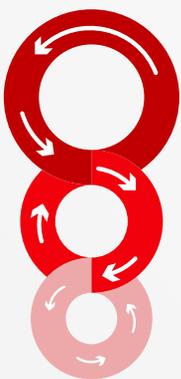


Licensing

Our research has found that, on average, companies overspend on their licensing by 25%. To put this in perspective, if your business has 50 staff at the highest Microsoft license (E5), you're paying RRP \$30,420 p/a. By reviewing your license needs and usage, you could identify that half your staff only need a lower level licence, saving you \$11,910 p/a. We recommend you take the time to go through all your licensing expenses to identify where cost-savings can be found.

Core Systems

Core systems such as ERPs, CRM or finance systems are vital to a business's operations. While changing these core systems can be challenging, working with the wrong solution will have a negative impact on your business costing you time and money. Regularly reviewing the systems used in your business to ensure they meet your needs and are performing as expected is vital.



There are numerous systems available at various price points. We recommend that you spend some time looking at alternatives on the market then put a bit of pressure on your suppliers based on your findings. If you're close to the end of your contract, this is a great opportunity for you to request a new deal and encourage them to keep your business. If you're not towards the end of your contract, get in touch and ask them if they're willing to re-negotiate a new discounted plan over a longer contract period or alternative terms.

Another recommendation is to consider the application of custom software development for your business. Developing bespoke software (e.g. a custom Dynamics365 CRM) for internal use has many benefits and can provide your business with tailored capability. In recent weeks, the Government has put forward stimulus packages that focus around asset write-off and may be of value to you. There are several links located within the resources below, however, we recommend you discuss with your accountant what options you have.

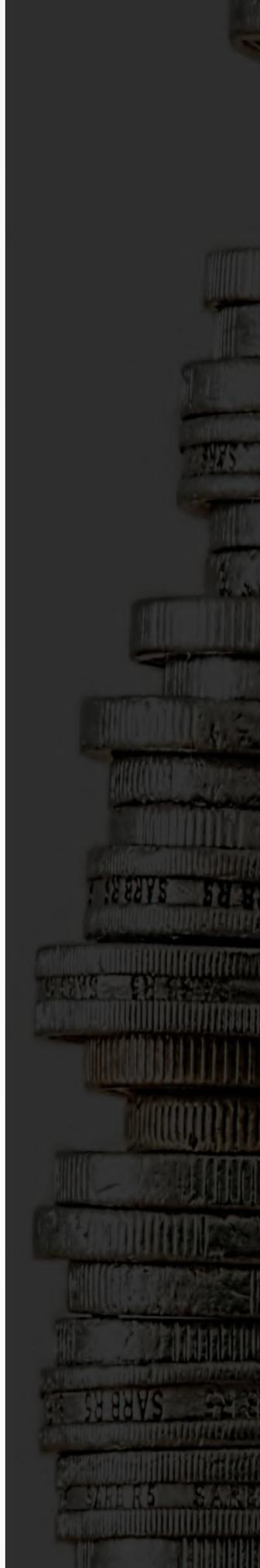
Immediate Cost-savings



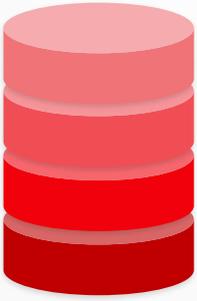
Communications

We've found another big cost for most businesses is your telecommunication plans. Like licensing, taking the time to review your plans and whether or not they are providing value for money can make a significant difference to your expenses. If you're going to stay with your provider, review your plans to see whether you can transition to cheaper alternatives.

If your current usage is matched by existing plans, every telecommunications provider has a team dedicated to maintaining clients through offering monthly discounts, simply make the call and discuss your options. If you are open to changing providers, review your options and make the change. You should also consider alternatives to all-inclusive plans, as the 'Bring Your Own Phone' (BYO) plans can offer significant discounts and added flexibility.



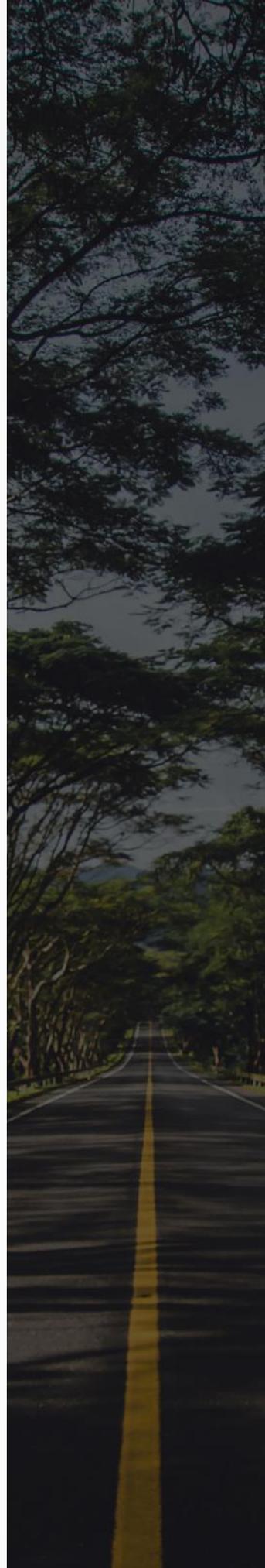
Infrastructure Management



Data Storage

It's easy for a business to lose track of investment in data storage including on-premise servers, cloud solutions or hybrid approaches. On-premise servers can have hidden and unforeseen costs in terms of maintenance, electricity, support and replacement. You must also consider the cost of the server failing and the impact this would have on your business.

Late last year we saved a leading Australian firm six figures by migrating them from on-premise servers to cloud solutions. If you have on-premise servers or your data is being hosted through various providers (AWS, Google, Azure), aggregate your data as soon as you can to one provider and consolidate your spend capabilities. This will also help you in the long run with data analytics.



Infrastructure Management

Workplace Collaboration

With the current 'Work from Home' movement, having the right infrastructure in place to support your team is essential. We've found that some businesses are paying for multiple tools that serve the same or similar purposes including platforms such as Teams, Zoom, Slack, Trello, DropBox, DocuSign, Intercom, WebEx, GoToMeeting and more. While these are all good tools, paying for overlapping functionality is unnecessary and can quickly become expensive.



Start by identifying the functionality that is regularly used and liked by your team. From there, identify the tools that provide that functionality and consider dropping tools that aren't preferred within your organisation. For communication, collaboration, planning and file storage in one, consider Microsoft Office365 E1 licenses which include Teams, Planner, To-Do and SharePoint. This combination will satisfy the needs of most organisations when working from home. These licenses would eliminate the additional cost of Dropbox, Trello or Zoom and include other Office365 features to keep your team functioning successfully.

Over the past few weeks, video conferencing has become the primary means of communication for many companies. With increased demand, video conferencing platforms are struggling to keep up and video quality is degrading as more people join causing frustrating connection problems. When you and your staff go back into the office, your clients will have an expectation of how corporate video conferencing should work. We recommend you invest in proper hardware to ensure the best performance for your video conferencing system. Yealink HP and Polycom are three brands to consider when evaluating your options. The current adoption to video conferencing will continue when business picks up and you should ensure your company has the right hardware.

Data Analytics

Internal Data Collection

We are currently being overwhelmed with data from the media, the government and many other sources. Businesses are having to make rapid decisions based on this information to continue functioning at a high standard. While there are many external sources of data there are also internal sources of data that you could be using at this time to make data-driven decisions that will provide the best outcome for your business.

If you don't know how to do this effectively, hire a data analyst to investigate your data and unlock its true value. New questions will be found, and answers will be provided. This will enable you to gather real-time insights into your business for swift and confident decisions.

There are a number of ways that analysing your data more effectively can cut costs. Customer data could be used to define in-depth market segmentations allowing your team to develop targeted marketing strategies to convert more business. Alternatively, forecasting models could be created that predict the impact of one or more decisions to better inform your business strategy. Actively engaging with your organisation's data will help you understand how your business is functioning and identify new and innovative ways for your business to grow.



Data Analytics

Reporting

Many businesses waste days every month manually inputting data into multiple systems across the business to build essential reports. We recommend introducing automation into data entry and reporting to reduce time invested by your staff, decrease human error and provide content rich reports that are accessible and instantly available.

If you don't have access to easy to interpret and automated reports about your key business functions, decision making will be harder and you will be missing out on valuable insights that could ease decision fatigue. We recommend that businesses aggregate data from different sources in the to aggregate data from different sources to enable automated reporting to enable automated reporting that captures information about the business as a whole as specific departments or functional elements. This includes data from your CRM, finance and accounting (e.g. XERO), marketing, HR, POS or other core systems. Most of these systems have an API that will allow you to extract the data and build it into reports using business intelligence tools such as Power BI. You can then combine information about customers with marketing data or use internal HR data and combine that with company financials to make informed decisions about your business.

In terms of cost savings, automating reports that were previously built manually consuming hours if not days of staff time every month will free up your employees to work on other tasks and become more productive saving time and money. In addition, the insights provided by accessing and visualising your company data could allow your business to continue running in these challenging times. It will also help you develop a targeted strategy around business operations in the coming months.

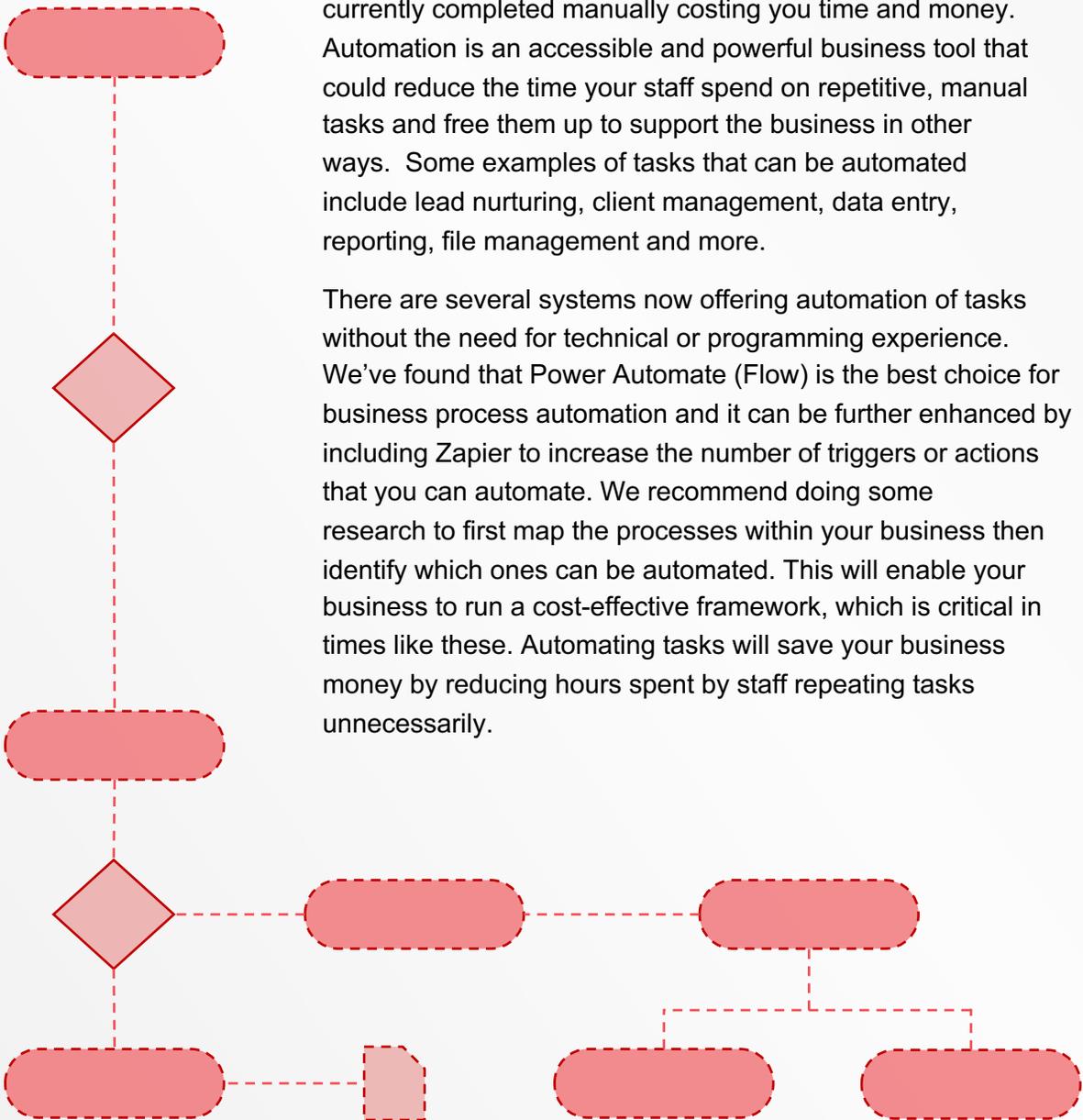
Specifically, consider whether your data can answer questions that are relevant to your business. For example, is your marketing team using your consumer data for market segmentation and more targeted advertising? How is your sales team using data to identify new opportunities or improve conversion rates? Are you monitoring productivity data to ensure you're getting the most out of your staff? If you're struggling to answer these questions, give us a call. We can help.

Automations

Automations

Many businesses have a number of processes or tasks that are currently completed manually costing you time and money. Automation is an accessible and powerful business tool that could reduce the time your staff spend on repetitive, manual tasks and free them up to support the business in other ways. Some examples of tasks that can be automated include lead nurturing, client management, data entry, reporting, file management and more.

There are several systems now offering automation of tasks without the need for technical or programming experience. We've found that Power Automate (Flow) is the best choice for business process automation and it can be further enhanced by including Zapier to increase the number of triggers or actions that you can automate. We recommend doing some research to first map the processes within your business then identify which ones can be automated. This will enable your business to run a cost-effective framework, which is critical in times like these. Automating tasks will save your business money by reducing hours spent by staff repeating tasks unnecessarily.



Digital Advertising

Digital Advertising

Monitoring performance of digital advertising in terms of website traffic, leads and conversions is essential to ensure that you are spending money wisely and getting tangible results from your marketing campaigns. We recommend that you use available business data to develop targeted marketing strategies in these uncertain times to support your business and take advantage of affordable advertising space. If you are working with a marketing agency, make sure they're providing you with detailed reports of spend and resulting conversions to ensure digital advertising is improving your business.



As you review your digital advertising, we recommend considering these questions:

- Are you using a platform that schedules your social media posts? How much are you paying? Are there cheaper alternatives? Does your CRM do this free?
- How much value are you getting out of your marketing agency? Are they getting you results? Are they giving you the attention you need? How much are you paying for management fees? Are you worried to leave them because you don't know where else to go?
- How much are you spending on SEO, Display Ads, Facebook, Instagram or LinkedIn? Are your campaigns targeted according to the data you've collecting from the rest of your business? Do you have a defined marketing strategy?
- Are you using specific content to target various market segments?

By defining a clear strategy, you can focus your budget on the areas where it will have the most impact and reduce spend on campaigns that are not currently performing well.

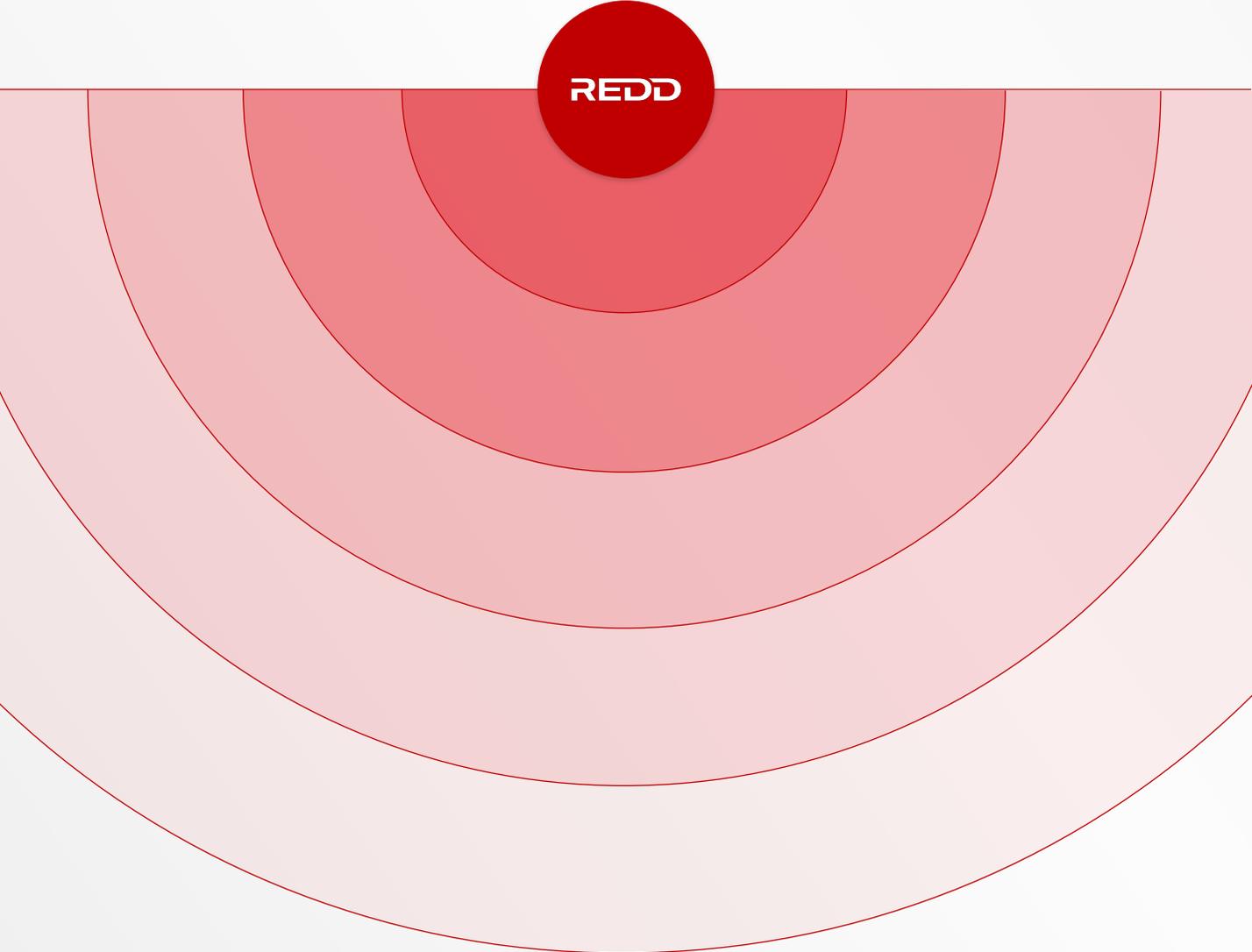
Conclusion

Implementing these recommendations will support your business during tough times but also help you operate more effectively during the good times. We have found these focus areas to be key when working with our clients to transform their businesses and reduce unnecessary spend. If you're unsure how to tackle the above recommendations, contact us, we're here to help you and your business.

We find that businesses struggle when it comes to technology, so our role is to act as business translators to bridge the knowledge gap and provide tailored technology solutions that make a difference. Our objective is to help your business not only survive these tough times ahead but thrive by leveraging the power of technology.



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Resources

Optimising Office365 Licensees:

Automated Microsoft license cost-saving: www.o365optimizer.com

In-house software:

For more information about software development pools, instant asset write-off and the Governments stimulus injection, please speak with your accountant to ensure your business is eligible.

- <https://www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/Simpler-depreciation-for-small-business/Instant-asset-write-off/>
- https://www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/In-detail/Depreciating-assets/Simplified-depreciation---rules-and-calculations/?page=2#Excluded_assets
- <https://www.ato.gov.au/business/depreciation-and-capital-expenses-and-allowances/in-detail/depreciating-assets/in-house-software/>



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