

# Digitisation and tech are key for businesses to thrive in 2021



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8 Jan 2021

Businesses must urgently reposition themselves and reformat their business models after the economic and financial devastation wrought by Covid-19 in 2020. They can do this by taking advantage of the new normal if they have any hope of thriving in a post-pandemic reality.



Saurabh Kumar | image supplied

The outbreak of Covid-19 and the subsequent lockdowns across the globe, which severely impacted earnings and business operations, coincided with the financial year-end in February/March of 2020. This means that most businesses started their new financial year with a considerable deficit.

Yet, there is a hope of recovery on the horizon, as the imminent availability of a vaccine, which is currently in the developmental stage, is expected to herald the beginning of a countdown to the end of the pandemic. However, realistically, it is only towards the second quarter of 2021 that businesses are likely to see improved demand for goods and services, as well as the resumption of stalled projects.

That said, businesses cannot expect to operate as before and if they wish to create value for customers, business models will have to be rewritten and product portfolios reshaped. Now is the time to push and prepare for a post-Covid-19 world.

## Digitisation is key

With this in mind, companies have to realise that technology will be pivotal to surviving in the new normal, where a great emphasis will be placed on contactless travel and cashless payments solutions, for instance. In fact, all spheres of business – entertainment, education, food and healthcare, among others – will have to undergo some degree of digitisation in order to deliver the requisite customer experience (CX).

CX will become increasingly important for businesses that want to differentiate themselves from their competitors. Operational changes and the adoption of technology solutions for the supply chain and manufacturing sectors will be crucial. This will be especially relevant in the Small and Medium Enterprise (SME) space, where companies must look to Customer Relationship Management (CRM) tools and e-commerce solutions to differentiate themselves and become more efficient.

This is particularly pertinent in the South African context, where more than 90% of businesses are classified as SMEs. The irony is that while this sector contributes more than 40% of the country's Gross Domestic Product (GDP), 70% of companies in this space operate offline, or have no digital presence at all.

These are staggering numbers considering that the majority of South African workers are employed by this sector. For this reason, it is crucial for the country's SMEs to focus on digitising their enterprises and becoming more customer-focused as a post-pandemic reality looms.

## **Be first, be best**

However, it's not just about who will go digital. It's about who will go digital-first and who will do it better. If nothing else, 2020 has taught businesses the importance of fast-tracking digital transformation and ensuring that they need to engage the customer better than their competitors. Those that are not leveraging the relevant technologies already will not be ready to adopt a post-pandemic business model.

For most businesses, the conundrum might be where to begin. Fortunately, they do not have to do this alone. Onboarding the right technology partner will provide access to technology solutions and services that can boost cost-effectiveness, speed of rollout and the customisation of business objectives.

There is no one-size-fits-all approach to this. Each business has its own requirements, challenges and objectives, so it is important to get a partner that has experience in all these areas. The last thing a business wants is to adopt a solution that works for another business but not them. This could land the business in a heap of trouble when they should be getting ready to face the post-pandemic reality.

Lastly, companies should not neglect the people side of business. What worked in 2020 will no longer work in 2021. Now more than ever is the time for enterprises to focus on reskilling their employees and exposing them to new technologies so that they can face what lies ahead.

## **ABOUT SAURABH KUMAR**

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