Impact of Digital Strategy in Business for Small and Medium Enterprises in Developing Countries

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ABSTRACT

With the development of the business in the world today all the ways of production and of running and managing business have been changing all the time. All business owners and managers keep looking for the best methods and strategies which can help improve and develop their business and get better results and better revenues. With the development of the digital world or information technology they try to use and implement the suitable digital strategies that can make managing business easier and better. Big data and how to build data as a strategic asset or in other words strategic digital data management may be considered as one of the most interesting methods using information technology in business today. This strategic method is in fact a digital method in which managers or experts use the best software programs that help dealing with the data in the enterprise to make it easy to use and more secure and safe. It is a strategy that implies the use of the new programs and methods to deal with the data and the information in all kinds of enterprises.

KEYWORDS: Digital Strategy, Small and Medium Enterprises, developing countries.

1. INTRODUCTION

The term digital, refer to the use of computer for retrieving, transmitting and manipulating of data or any information in the business entity. The term digital is used as almost synonyms of computers and the computer network. Along with it, it also have use of television and the telephones. In the current time, most of the business activities and products and services are linked with the digital (information technology) which includes the computer software, hardware, electronics, internet and E-commerce as well. The use of digital has brought a great change in conduction of business and the performance of organization as it has increased their efficiency and effectiveness (Bynum et al, 2008). There are many digital (information technology) strategies used by businesses, which included the digital advertisement, digital communication, digital records and digital stores. All of these are important in their own fields accordingly. Through digital advertisement, the business use digital (information technology) to interact with the potential and loyal customers of the company and keeps a permanent contact with them. The digital records provide a systemic way to keep and maintain the data of all the customers and suppliers or nay other individual link with organization. The digital stores are maintained by the computer systems to operate and manage the activities of warehouse or any stores.

1.1 Digital Communication Strategy

The term digital communication refers to transfer, sent or receive the communication by encoding them

digitally to the recipients. It became almost impossible for the organizations to working without effective use of digital (information technology). The reason for choosing the digital Customer Database strategy is that it would give the whole picture interaction within the organization and outside the organization. As compare to old times, the communication has become much easier by using these digital (information technology). The organization also uses other digital (information technology) but the digital communications plays an important role in the success of Organization business. Moreover, the people are now days using the digital devices more than before which makes it easy for the organization to use the digital (information technology) in its business strategies to communicate inside and outside of the organization (Gitta et al, 2011).

1.2 Digital communication and Performance standards

The digital communication definitely improves the performance and processes of the organizations. Through the digital (information technology), the Organization identified its business goals successfully by demonstrating the innovation, brand awareness, by increasing lead volume and by improving the value of shareholders. Moreover, through digital communication, it become easy for the organization to understand the problem thoroughly and manage it by implementing the effective solution. Through the effective digital communication, the Organization can communicate in the situation of crises and can enter into a new market by implementing effective communication in that place.

In addition, the organization prefer to use the digital communication strategy, which is "to make/build the audience engagement around the old/new products and services through utilization of digital (information technology) and increase the sales and revenue of organization. The digital communication is used to confirm that the overall business strategy is being implements in the organization and the new customers are been communicated to get the new products and services of the organization. The digital communication is also useful to interact with the target audience and makes the things going smoothly to them. In addition, the digital communication has improved the performance of employees (Gleick, James, 2008). By using the digital communication, the employees can communicate with in organization and outside the organization with the other employees and the customers.

2.Back Ground of Digital (Information technology)

The background the digital (information technology) is linked with the old times but the actual progress was made in this area in the middle of 19th century with the invention of telegraph and analytical engine. A great invention in the digital (information technology) was invention of personal computers. By the use of digital (information technology), the organization and the individuals started to convert the analog data into digital format. By using this, it became possible to have copies of the original documents. In 1947, the digital transmitters were invented which leads towards the use of computers in the military bases, universities and businesses. In the late 1970, the Intel developed the computer and the first digital message was sent to ARPANET in 1969 (Pardede and Eric, 2009). Later on, many companies has invented the computer systems and other programs to promote the use of digital (information technology) and its useful advantages.

2.1 Advantages of digital (Information Technology)

There are many useful advantages of digital (information technology) to the businesses. It enhances the "Social connectivity" of business with its potential and loyal customers. In addition, the organization can interact easily with the people when and where necessary/. Through the digital (information technology), the "Communication Speed" has increased significantly I the recent years which enhanced the business activities. The organization can manage and utilize the data within seconds and can manipulate as well as per the requirement. The digital (information technology) has encouraged the "Versatile Working". People and employee now can work through different channels and ways event they can work at their home. Moreover, the digital (information technology) promotes "Automation" in the businesses (Han et al, 2011). The automatic machines can operate themselves even without help of human.

The digital (information technology) has improved the information storage. Now the organization can save huge amount of data easily and can get access within no

time. The amount of data can be in nay format including the videos, email, and audio messages and in many more shapes. Moreover, the digital (information technology) has improved the duplication of original documents and information. With passage of time, the digital (information technology) has become a "Low cost" option for the organization to keep and utilize the data as their requirement. The digital (information technology) has also introduced great source of entertainment for the people by providing social media and games.

2.2Disadvantage of Digital (Information Technology)

Along with many advantages, there are also some disadvantages of digital (information technology). There is always a risk of security issues linked with digital (information technology) as any other in case of a small mistake can obtain the data. A small breach in the security of the data can give a huge loss for the organization. In addition, the advancement of digital (information technology) has also increased the criminal and terrorism activities throughout the world (Proctor and Scott, 2011). The criminals utilize the digital (information technology) to generate and execute their plans. In addition, it is not easy to operate the digital (information technology) all the time as some systems are complex in nature and cannot be operate easily. In the social side, digital (information technology) has increased the social disconnection in between the people pf society. Now the people use digital (information technology) to interaction rather than to meet in person. Digital (information technology)has also become like an addiction for the people, as they cannot live without the use of digital communication.

2.3 Impact of digital (information technology) in organizations

The digital (information technology) has played an important role for the SME's and the organization in both developed and developing countries throughout the world. The developed countries using the digital (information technology) to carry out their business activates and the developing countries are now improving themselves to compete with the developed countries by using the digital (information technology). The developing countries are now investing huge amount of investment for the digital (information technology) to make their countries competent and

more advance along with developed countries (Ralston et al, 2000).The digital (information technology) has nourished, developed, digitalized and increased the effectiveness of businesses and lives of individuals in both developing and developed countries.

3.Discussion Section

3.1 Comparison in between old strategies and new digital (information technology)

There is a great impact on the business as well as normal routine of life of people as due to the digital (Information Technology). Specifically, in term of database strategy, the old strategies were not as much effective as digital (Information Technology). Through old strategies, the customer database were maintained by maintaining the manual registers and through maintaining the record books. These strategies were taking too much time and there was chance of mistakes in them. People tends to maintain huge books and there was difficulty to find what they want to as it required physical checking.

The problems of old strategies have been removed by digital (Information Technology) by providing the solutions to all of them. The digital customer database is now easy to maintain. There is no time required to check and inspect the customer's data. There is easier to records and update the records of customers and no need to have huge amount of records in the form of registers. In addition, it allows and facilitate the customer's data in more summarized form and easy to use for further manipulation. In sum, the digital (Information Technology) has brought effective changes and progress as compare to old strategies (Van et al, 2011).

3.2 Functions of digital customer database strategy

To implement the customer database strategy, the customer database software is required. In addition, there is requirement of Microsoft excel to be used along with the software. To implement this digital (Information Technology) strategy, it requires computers and a central hub control by the computer experts. All the employees of organizations have a computer set which is further connected with the printer and scanner along with them. These computers are connected with the central hub of organization where the specialists maintain the actual record.

The software facility to enter the data and other belonging of customers like the their contact details, their resident details and other personal detail. The employees through their computers, which are connected with the main hub, send these details to the main hub. This strategy makes it easy to save and update the customer's data. In case of requirement, anything, by inserting the name of customers, all his/her relevant details can be obtained. This strategy works faster and accurate as there is less danger of loss of data and the secrecy is well maintained by providing the excess through passwords of computers (Wright and Michael, 2011). The main hardware equipment for this strategy are the computer system including CPU, Monitor, key board mouse, the Printer, scanner, internet and the Main server (Hub). Whereas, the customer database software is used to maintain the data.

The key functions of monitor is to display the screen and the overall working which is doing by the individual. The keyboard is using to insert the information/data to the system as per the requirements. The CPU is used to process the data and transform it to useful information, which is required by the users. The scanners are useful to scan the documents and printer are attached to take out any print of the result showing on the screen. The CPU is attached with the main server to send and receive the information I between both computers. The customer database software is installed in the CPU of computer to work on them.

4.Recommendation

There are many computing environment, which are using for digital (Information Technology) in the organizations including the personal computing environment, time sharing computing environment, client-server computing environment, distributed computing environment and cloud computing environment. Out of all, the client-server computing environment is safe and effective to maintain and implement the customer database strategy. By this, the clients which are attached with the servers, request a resource which is been provided by the server (main hub). In this, the server may be connected with more than one clients at same time but the client can contact with one server at one time. This type of computing system is safe as the information is remain in between

the client and server computer. In case, the information is lost in client computers, it can be obtained back from the server computer. These systems are also highly secure as the employees of the organization who are authorize to operate them operate these computing systems.

It is very important to use the technology systems to enhance the customers' business. There are many technology systems, which are used for this purpose. The customer interactions is always remain critical for the businesses. For this purposes, the business use technology systems to enhance their interaction with the customers. By using these systems, the customers are treated effectively and the workforce effectiveness can be increased to treat the customers with more level of satisfaction. The "Computer telephony Integration CTI" is a technological system, which facilitate the interaction in between the computer system and the telephones. For the better results, the call centers use CTI to improve the customer services and the quality of services. Moreover, the "Interactive Voice Response" is another technological system, which is used to deliver the desired information needed by the caller without any person. I does not need human being to attend and answer the call. The "Call recording systems" are useful to get and record all the information, which is gained during the call from the customers. By this system, when a customer call and provide his data, the software automatically obtained and safe all the information. The "CMS" and "CRM" are useful to get the 360-customer information. These systems are useful to identify the customers to whom the calls are to be made. The smart phones are also useful to deal with the customers and to obtain different advantages.

5.Report Summary

5.1 Role of Digital Customer database strategy for Oman's Economy

The digital customer's database strategy play a vital role in the economy of Oman. Many of government agencies, law agencies, and other institutes use this digital strategy to keep record of all the people living inside the Oman. By using this strategy, the organizations are eligible and comfortable to get excess to any civilian inside the country. Moreover, the data of personnel is used to implement the various systems in

the country. The business organizations tends to use this strategy to keep the record of their customers to create long-term relationships with them for fruitful long future. In addition, the organizations use this data to accumulate the sales, revenues and other purposes along with the customers. Organization use this data to get attach with the customers to provide them latest information and other facilities. Almost all businesses are now maintain their customer's data through digital strategy. By this, it become easy to forecast the trends in the business and in the economy for upcoming years.

5.2 Effect of Digital Customer database strategy on Omani Society

The digital strategy also put great influence on the Omani Society. Through the digital database system, the people in the society keep the records of other people with them by using the digital systems and smart phones. It become easy for the people to keep reminds the relevant information and necessary data for the personnel to whom they know very well. For the people who are running the business, the digital database system provides them easiness to doing their business and to keep record of main things in the business. in this time, all the nation of Oman and its people are addicted with the digital devices and products and use various applications and soft ware to make their lives easier than before. By interacting with the people through digital strategy definitely give an extra edge to the personnel for their individual life as well as commercial life.

5.3 Conclusion

In this whole report, the digital (Information technology) and its effect on the business were discussed by comparing the digital database strategy along other strategies. the report showed that the digital information technology has put a great effect on the efficiency of business as compare to old times when the old strategies were used for data and information. In addition, the organization with the help of digital (information technology) exercise many practices including the management of communication, customer interactions and the customer database which gives them extra edge over other competitors.

The digital (information technology) has become as essential part of life as many of necessary operations of life are impossible to perform effectively without digital (information technology). It should also be noted that the digital (information technology) also has some negative aspects as the threat of loss of data or data misappropriation etc. it is much necessary to use the most affective digital strategy for the business to get the desired results.

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