# SME DATA SURVEY RESULTS

2019

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In 2019, Data³ ran a survey asking SMEs how they use data in their business. We work with many SMEs and often see them facing the same issues or barriers when it comes to using data. We wanted to check if these were things SMEs, across the board, were dealing with.

Here's what we found out .

33%	12%	31%	10%	2%	12%
0-4	5-9	10-49	50-99	100-249	250+

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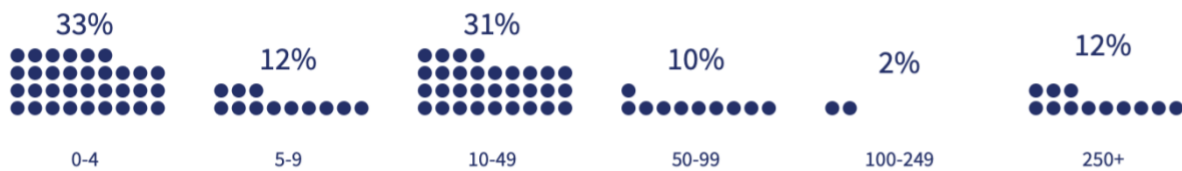
ALL COMPANIES HAVE DATA

In fact, most of our respondents had multiple sources of data at their disposal. But the most common type of data recognised by our respondents was Pricing and Financials, which makes sense – when running a business, you need to keep track of how you're doing.

External data doesn't seem to be something many businesses use or consider, but we're not sure why. Could it be that businesses don't know what data there is out there to help them? Or how to use it? Perhaps it relates back to time pressures too – they already have enough to deal with. The other sources of data people mentioned were personal data – about themselves, their employees or their customers.

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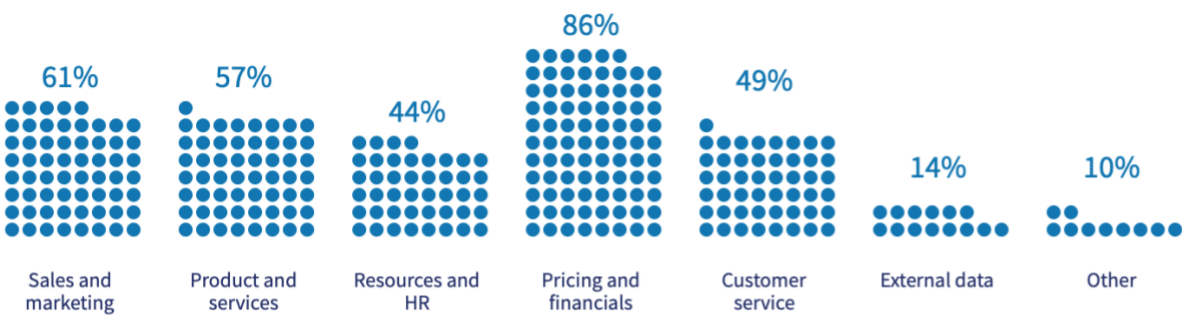
WITH ALL THAT DATA AT HAND, HOW MANY ARE ACTUALLY USING IT?

88% told us they use their data to help them make business decisions. But a fifth (20%) only analyse their data every few months.

The majority (60%) cited time as the top reason for not analysing their data more often, while 40% said they didn't have the right skills. This supports what we've seen when working with SMEs - they face many time pressures and often don't feel they have the know-how to make the most of their data.

4%
Hourly

8%
Daily

31%
Monthly

24%
Weekly

20%
Every few months

12%
Never

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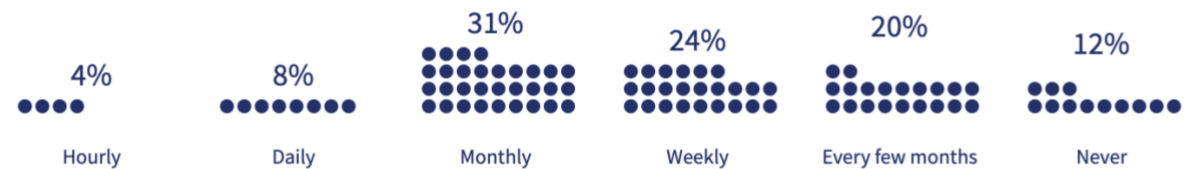
WHAT ABOUT THOSE THAT DON'T USE IT?

The charts shows the small portion of our respondents (20%) who said they never analyse their data, the main reason being they didn't think they had enough. Some also felt they didn't need to - they can make decisions without it.

Of these, most were companies with fewer than 10 employees, most weren't sure what the impact of using data could have on profit and most don't plan to invest in data.

67%

We don't hold enough data

17%

Our data isn't clean or reliable enough

33%

We don't need to - we can make decisions without it

17%

We don't have time

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SO, WHO'S DOING THE DATA ANALYSIS?

Just under half of our respondents, told us they have someone that looks at data as part of their job, but that person isn't a data expert.

Those that answered 'Other' told us they did the data analysis themselves, with one person saying it was part of the Directors' roles.

We hypothesised that those with dedicated data experts or teams would be working in bigger businesses. Were we right...?

48%

Non-expert who looks at data as part of their job

10%

Data analyst

21%

In-house data team

4%

Agency/specialist outside of our company

17%

Other

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IS IT THE BIGGER BUSINESSES THAT HAVE DEDICATED DATA EXPERTS OR TEAMS?

This wasn't always the case, but those from smaller companies were more likely to say they did the analysis themselves or outsourced the task to an agency or specialist.

The majority of those analysing their data weekly, daily or even hourly said they think using data can increase profit, with over half saying it can increase profit significantly (over 10%). These companies are bought into the idea of using data and think (or perhaps have seen) the impact it can have. When we've worked with SMEs we have seen them able to increase their profit by at least 10%.

	Non-expert who looks at data as part of their job	Data analyst	In-house data team	Agency/specialist outside of our company	Other
0-4	6%	2%	2%	2%	15%
5-9	8%			2%	
10-49	20%	2%	11%		2%
50-99	8%	4%			
100-249	2%	2%	2%		
250+	4%		6%		

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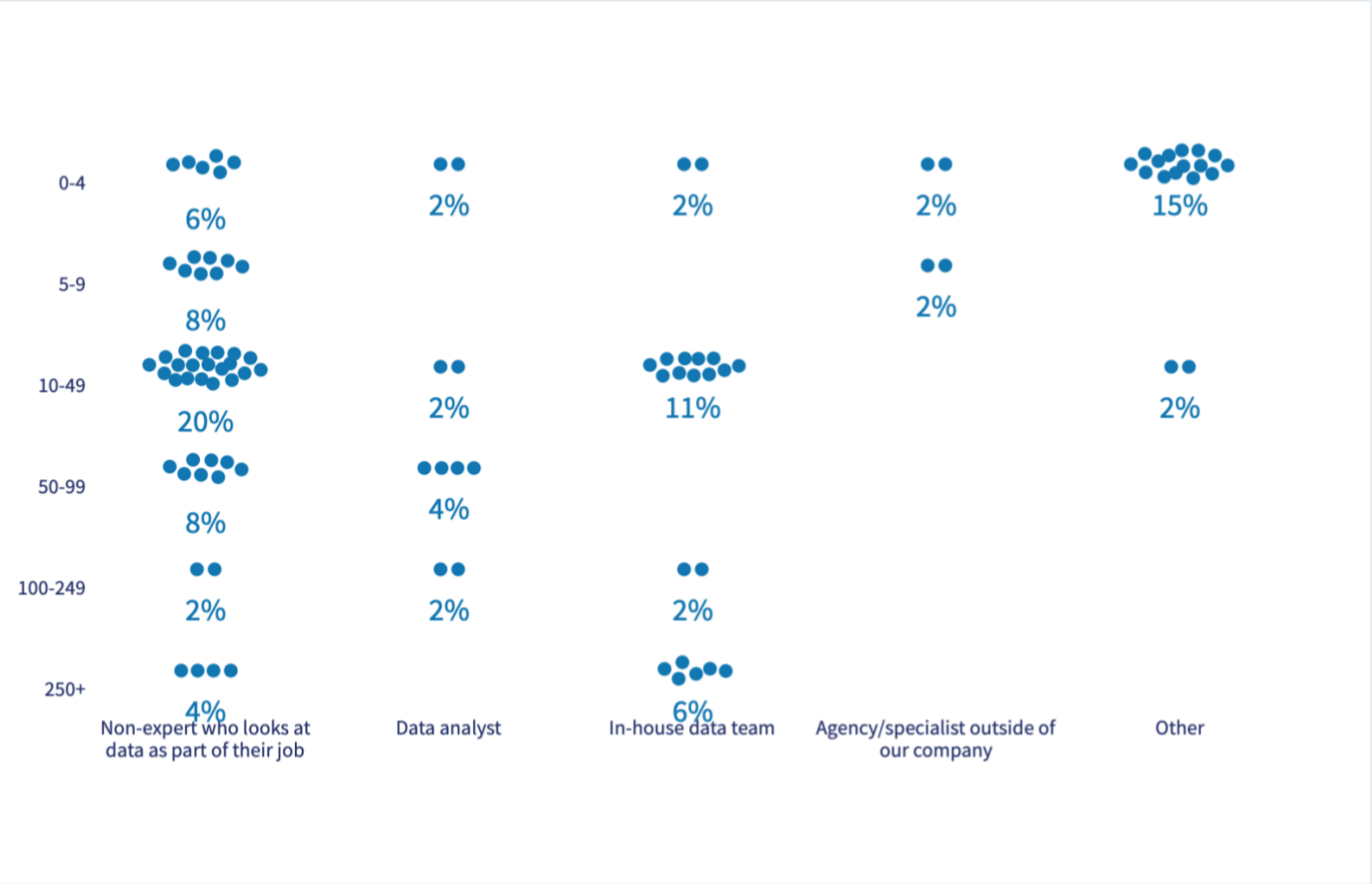
WHAT ARE THEY USING THEIR DATA FOR?

Anticipating sales, monitoring financial activity,develeoping products/services and planning/reviewing marketing activity are the top reasons SMEs analyse their data. These types of data tend to be easier to keep track of and analyse. Interestingly, less than a third analyse data to keep track of customer satisfaction and service levels.

Other reasons companies analyse their data include keeping track of seasonal patterns, and to improve processes and measure engagement.

67%	63%	53%	35%	42%	28%	5%
Anticipate sales	Plan and review marketing activity	Develop products and services	Plan resources and HR	Monitor financial results	Check customer satisfaction and service levels	Other

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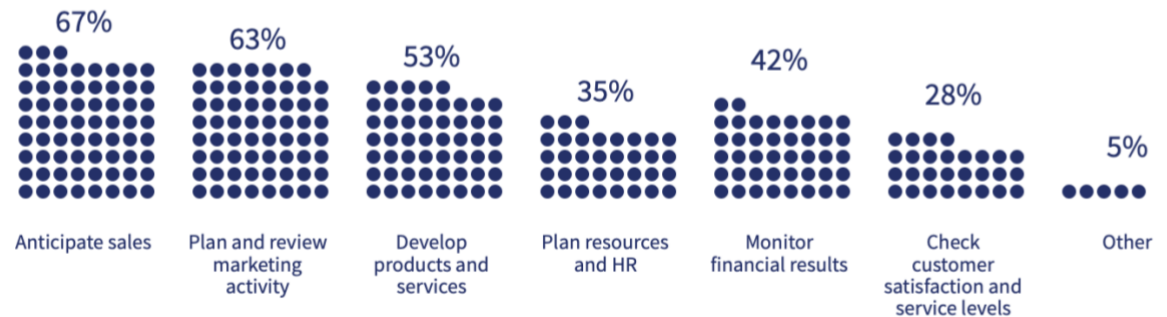
IS ANALYSING AND USING DATA WORTH THE EFFORT?

Most respondents think analysing and using data can help increase profit and 39% think it can improve it significantly.

Only 4% did not think it would have any impact on profit. 12% were unsure, telling us they had no idea what kind of impact it could have.

Most respondents that are analysing their data regularly think it can have an impact (and a significant one) on their profit, whereas those that don't analyse it, are unsure or don't think it would have any impact.

We believe that businesses will analyse and use their data when they see the evidence that it's worthwhile.

39%	33%	12%	12%	4%
Improve profit significantly (by more than 10%)	Increase profit, but I'm not sure by how much	I have no idea	Improve profit a small amount (1-10%)	No impact on profit

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WHAT'S THE BIGGEST CHALLENGE YOUR COMPANY FACES WHEN IT COMES TO USING DATA?

98% of our respondents shared their data challenges.

The themes were:

Challenge	%	Examples
Security, consent and ethics	16%	Making sure data is continuously safe and compliant with all regulations, GDPR regulations, Data storage rules, Privacy issues
Having the 'right' data - enough of it, the quality and accuracy	16%	Having enough data to do proper analysis, Volumes of customers required for useful predictive analytics, Not knowing what we have
Handling data – the amount, orderliness and frequency of changes	33%	Collecting customer satisfaction data when most transactions are in cash and last only a few seconds, Accurately gathering and maintaining the data., Volume and veracity
Time, or lack thereof	18%	Time and effort to do the analysis and reporting v day to day operational demands, We're a victim of our own success at the moment, it's difficult to look up and even think about it, Deciding what is relevant and worth investing time in
Know-how – having the right skills and knowing how to best use data	32%	Creating more complex trends and comparatives, Knowing what we can/should be doing with the data - its purpose, Time to understand it, frustration with interpreting it
Getting buy-in from business leaders and colleagues – creating the right mindset	8%	Consolidation and communication of trends and statistics to ensure business leaders can respond and inform strategy, Determining ROI
Being able to react to what the data is telling you	12%	Focusing on why, instead of what and pivoting quickly enough, Striking the right balance between measurement, analysis and taking decisions, Implementing changes to affect future data, Capacity to analyse and apply learnings

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WHAT ABOUT THE FUTURE?

Data systems are where 41% of businesses plan to invest over the next 5 years. We're seeing increasing usage of Microsoft Power BI and Tableau.
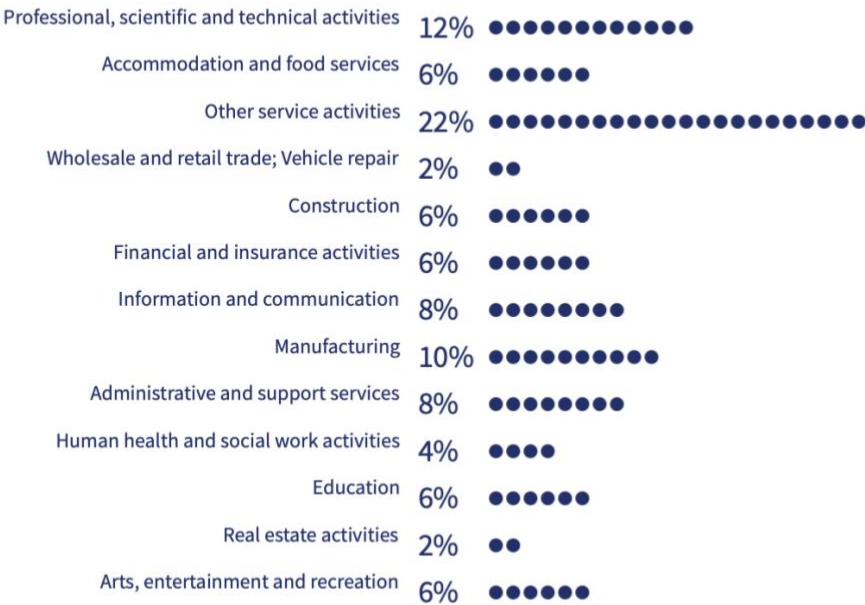
41% don't plan to invest in data at all.

The majority of these are those that analyse their data monthly or less (or never), suggesting it's not a top priority – whether that's due to not seeing the benefit, or not having the time/skills.

8%
We plan to recruit in-house data analysts/experts

41%
We'll invest in new data systems

6%
We'll choose a data agency to support us

41%
We don't plan to invest in data

14%
Other

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WHAT INDUSTRY?

Respondents were from a wide range of industries.

Industry	%
Professional, scientific and technical activities	12%
Accommodation and food services	6%
Other service activities	22%
Wholesale and retail trade; Vehicle repair	2%
Construction	6%
Financial and insurance activities	6%
Information and communication	8%
Manufacturing	10%
Administrative and support services	8%
Human health and social work activities	4%
Education	6%
Real estate activities	2%
Arts, entertainment and recreation	6%

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WHAT REGION?

The majority were from South West England.

We didn't have any respondents from the North East or West of England, Scotland, Wales or Northern Ireland.

69%
South West

12%
South East

8%
London

4%
East Midlands

2%
East of England

2%
West Midlands

2%
Yorkshire and the Humber

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