# Calix

# How Broadband Service Providers Can Become the Catalyst for Small Business Growth

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Small businesses are the lifeblood of communities around the globe. There are more than 40 million small businesses in the United States, the United Kingdom, and Canada alone[i]. These are the companies that line our Main Streets, the mom-and-pop businesses that fuel our local economies. And while small businesses employ 80.4 million people[ii], they have long been an afterthought when it comes to broadband solutions[iii].

How can broadband service providers (BSPs) give small businesses the tailored productivity services that will help their companies flourish? With managed services.

## United States

**33.2 M**
small businesses employed
**61.6M**
people in 2023

## United Kingdom

**5.51M**
small businesses employed
**13.1M**
people in 2023

## Canada

**1.2M**
small businesses employed
**5.7M**
people in 2023

# The Missing Link: Finding the Right Productivity Solution To Support Small Business Growth

Small business owners face many challenges: recruiting and retaining employees, attracting new customers, managing cashflow, overcoming supply chain problems, and weathering ongoing economic turbulence, to name just a few. Ensuring they have the right productivity solutions in place to support their business growth is yet another issue small businesses must tackle.

Whether they operate a boutique, bar, auto repair shop, or real estate agency, small business owners don't want to worry about managing their network or dealing with IT. Like their larger enterprise counterparts, small businesses need always-on connectivity, support for business-critical applications, and robust cybersecurity to thrive in today's global economy. Unlike larger businesses, however, most small businesses can't afford sophisticated IT solutions and don't have dedicated IT staff to support them.

Small businesses also have many unique requirements. They need to manage transient staff, provide guest amenities like branded Wi-Fi service,

and optimize operational efficiency—again, with limited or no IT resources.

For small businesses, finding solutions to their IT challenges could be likened to fitting a square peg in a round hole. They have traditionally had two choices:

**1** **Make do with repackaged residential voice and data solutions that lack the features needed to support business operations; or**

**2** **Invest in complex and costly enterprise-grade solutions not suited for small businesses. There has never been a solution that is "just right" for small businesses' needs.**

Service providers therefore have a significant opportunity to bridge this gap for small businesses. They also have an opportunity to diversify into a lucrative market with managed service-based solutions for small business.

# Small Businesses Need More Than Connectivity—They Need Productivity

For every business, profitability is directly tied to productivity. For small businesses, this relationship is particularly critical—it can mean the difference between thriving or not even surviving. Research shows that business productivity is a top priority for small businesses in virtually every industry. This includes refining business processes, improving workforce productivity, and attracting and retaining new customers.

As such, small business owners are increasingly looking for IT solutions that will help them maximize their productivity and grow their businesses. Having reliable connectivity is just the starting point—small businesses need and deserve much more. In fact, small businesses have many of the same IT needs as larger companies for network access control, staff management, enhanced customer experiences, and robust network security, among others.

## Network Access Control

One of the most important capabilities is the ability to segment traffic and apply security policies to create dedicated networks for different personas, including the business owner, staff, customers or guests, and business systems such as point-of-sale (PoS) terminals. This gives every user appropriate access to the network resources and business systems they need to perform their role efficiently and drive higher productivity.

Controlled access also ensures that sensitive data and systems are secured against external—and even internal—threats. Further, network segmentation enables businesses to meet industry compliance standards, such as Payment Card Industry Data Security Standard (PCI DSS), a requirement for credit card transactions. Network access control ensures every user has appropriate access to the network resources and business systems they need to perform their role efficiently and drive higher productivity.

PCI Non-Compliance can result in penalties ranging from **$5,000** to **$100,000 per month** by the Credit Card Companies.

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## Simplified Staff Management

Many small businesses employ seasonal workers. Business owners need the ability to quickly and easily onboard new employees onto the staff network as well as remove them when their employment has ended. Additionally, business owners want insights into employee productivity to continuously improve operational efficiency.
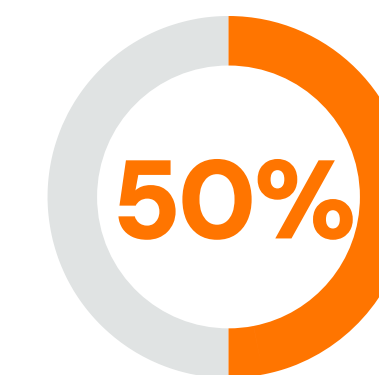
## Enhanced Customer Experiences

Consumers expect Wi-Fi connectivity at the businesses they frequent, whether they're at the coffee shop, hair salon, or car dealership. This isn't simply a consumer benefit. Sixty-two percent of small businesses said that customers stayed in-store longer if the establishment offered free Wi-Fi, with 50 percent reporting an increase in consumer spending. Small businesses in more rural parts of the country often act as places of community for residents of the town. BSPs can support business and community by offering safe, secure Wi-Fi that creates a great experience for both business and consumer.
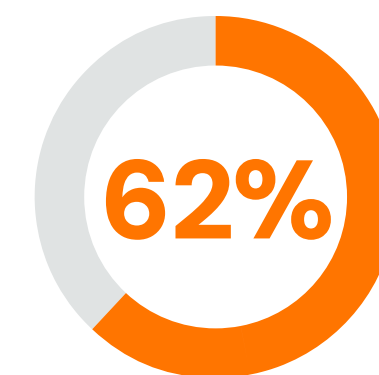
**62%** of small businesses said that customers stayed in-store longer if the establishment offered free Wi-Fi

**50%** reported an increase in consumer spending

To deliver this enhanced experience for customers, business owners need a solution that enables simple onboarding and allows for customized branding to build loyalty. Businesses also want a solution that will help them generate customer insights to help drive future marketing campaigns that deliver return on investment (ROI).

## Robust Network–Based Security

Due to their size, small businesses may not view themselves as being targets for cyberattacks. However, research shows the opposite: One study found that a record–high 73 percent of small and medium business owners experienced a data breach, cyberattack, or both in the previous 12 months[iv]. Then consider that 51 percent of small businesses have no cybersecurity measures in place[v]. Like larger companies, small businesses need robust network–based security to guard against malicious websites, viruses, and other intrusions. They want to protect critical business systems from cyberattacks that could cause costly downtime and impact business productivity. They want content filtering to ensure customers enjoy a safe Wi–Fi experience. Plus, they want to control employee access to specific applications to maximize employee productivity.

## Network Resilience

For small businesses, network outages can be catastrophic. Some estimates indicate that a single hour of downtime can cost small businesses more than $25,000[vi]. Businesses need to operate even if their fiber connectivity is interrupted. Critical capabilities like WAN and cellular failover ensure small businesses stay up and running—and productive—no matter what.

Small businesses serve a range of verticals, like hospitality, retail, professional services, and light manufacturing. Depending on the industry they're addressing, organizations may have further requirements such as the ability to manage additional line-of-business applications. Or they may want to drive brand loyalty programs via email or social media. While each business is unique, they share many of the same requirements for networking and business productivity.

*Hospitality*  *Retail*  *Professional Services*  *Light Manufacturing*
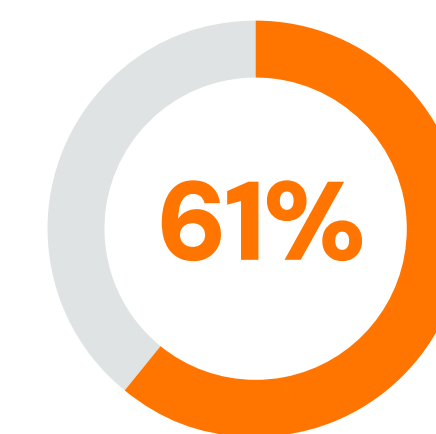


**61%** of small and medium-sized businesses were targets of cyberattacks in 2021

Only **51 percent** have cybersecurity measures in place.

# Unlocking the Potential of Underserved Small Businesses

Having served as trusted members of their communities for years—in some cases decades—local BSPs are uniquely positioned to catalyze small business growth. By leveraging their fiber network investment and economies of scale, BSPs can unlock the potential of underserved small businesses. And in doing so, BSPs can expand their own businesses by moving into a new market segment.

## Meeting the Unique Needs of Small Businesses With Calix SmartBiz

To help BSPs meet this significant market opportunity, Calix offers the Calix SmartBiz™ managed service. An all-in-one solution, SmartBiz brings together:

- Small business networking, security, and productivity software supported across Calix GigaSpire® BLAST™ and GigaPro® systems;
- Calix Cloud® for consistent customer support, unified operations, and targeted engagement; and
- The CommandWorx™ mobile app to give small business owners self-service capabilities.

> " What sets SmartBiz apart is its flexibility and seamless integration into any small business. From insurance companies and law offices to coffee shops and local farms, a diverse array of businesses are now benefiting from productivity tools that will save them time and money. With Calix, DirectLink is transforming our business model and our go-to-market strategy. We're excited by the enormous impact SmartBiz is already having on small businesses and our communities throughout Oregon."

**Derrick Mottern**
Chief Operating Officer
at DirectLink

DirectLink

With SmartBiz, BSPs can offer small businesses the robust capabilities long enjoyed by larger enterprises—but without the complexity and cost:

- Dedicated networks for business equipment, PoS devices, staff, and customers
- Mesh Wi-Fi controller
- Network security and content restrictions
- Staff connectivity management
- An intuitive mobile app allowing business owners to monitor and manage their network from anywhere
- A small business-branded customer Wi-Fi portal
- Network resilience to ensure critical systems stay connected
- Analytics and insights

In a single, comprehensive solution, SmartBiz integrates everything BSPs need so they can help small businesses—and their communities—thrive.

"When it comes to broadband, small businesses are often tied down to long-term, expensive enterprise packages or cheaper alternatives with little to no flexibility. SmartBiz addresses a gap in the broadband market, as businesses often have to compromise on speed over additional security or continuous connectivity that is critical for simple day-to-day tasks such as taking payments. We are proud to help enhance services for small businesses that are the lifeblood of Hull and the wider business community."

**Alex Yeung**
Co-founder of Connexin

connexin

Small businesses represent the very fabric of countries around the world—fueling local economies and helping communities flourish. Although small businesses have long been overlooked by the technology sector, BSPs finally have a purpose-built managed service that delivers reliable connectivity and, more importantly, provides the critical business productivity services that small businesses need to thrive. With the robust, comprehensive, and cost-effective SmartBiz managed service, BSPs can give small businesses many of the same capabilities their larger enterprise counterparts take for granted. And small businesses can focus on what they do best: running their businesses.

**Learn more about Calix SmartBiz. Visit the <u>SmartBiz</u> web page or schedule a <u>consult</u> with a Calix solution specialist.**

## Schedule a consult

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