

Leveraging Social, Mobile, Analytics & Cloud (SMAC) technologies to create a Business Value Proposition

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Abstract

The symbiotic integration of four technologies namely social media, mobile, analytics and cloud services (SMAC) has redefined the business strategy, research and practice in different ways and has attracted significant attention from academicians as well as practitioners. These disruptive technology trends have introduced unlimited opportunities for business by enhancing the end user experience, be it the external or internal customers. This paper discusses the use of Social, Mobile, Analytics and Cloud (SMAC) technologies in business that help the organizations innovate their business models and functions and create a sound value proposition.

Introduction

The adoption of internet, social media and Web 2.0 tools have redefined the business strategy, research and practice and has attracted significant attention from academicians as well as practitioners. The term SMAC (Social, Mobile, Analytics & Cloud), coined by Malcolm Frank of Cognizant in 2012, represents the symbiotic integration of four technologies namely social media, mobile, analytics and cloud services, that are driving business innovation in the present times (Alfouzan, 2015). It has also been referred to as “the 3rd platform” by IDC and the “Nexus of Forces” by Gartner. The convergence of these technologies creates a synergy that leads to a competitive advantage. Organizations are gradually realizing the need to harness the potential of SMAC. These disruptive technology trends have unleashed unlimited opportunities to manage business by enhancing the end user experience by maximizing convenience, connectivity and productivity, and that too, in real time. They help develop business solutions by leveraging public IT infrastructure that not only helps in reducing the cost of ownership but also in lesser time (Dewan and Jena, 2014). SMAC technologies help small organizations to be more flexible, responsive and competitive and bring them at par with large organizations by helping them handle the data load and design marketing plans (Bowden, 2014). SMAC is also going to be the backbone of any e-learning platform (Mahapatra, 2015). They help in bridging the digital divide and lower the barriers to entry. This becomes all the more relevant in the age of tech-savvy millennial generation. The use of SMAC has infiltrated into almost every aspect of business.

Individually, the proliferation and relevance social media, mobile, analytics and cloud computing for business has been mentioned below:

i. Social media

The evolution of social media has given rise to social media-led businesses and social commerce (Ben Yahiaa, Al-Neamab and Kerbache, 2018), and has made an impact in the different functional areas of an organization. It has helped in the creation of enterprise 2.0. Customers tend to do their shopping based on recommendations in their social network. It has also benefitted the organization in brand promoting brands, reaching out to new customers, building trust and thus impacting the bottom-line of the organization (Paniagua and Sapena, 2014). Organizations use social media as a platform for advertising the products through sponsored pages on Facebook, creating awareness through their corporate pages, connecting with the customers and analysing their behaviour as part of market research at a miniscule cost. Various organizations like Apple, LG etc. post useful videos about how to use their products. This helps address the customers' FAQs and they are also able to use their products effectively. Customers reviews on social media helps in getting a direct feedback regarding the product and services.

Even HR function is leveraging the power of social media for the purpose of recruitment, selection, training and engagement of current and potential employees. Social media like LinkedIn has helped the recruiters in build relationships, reaching out to the potential candidates, in employer branding, and in optimizing cost of recruitment. Organizations are using Enterprise Social Media (ESM) for internal communication and social interaction within an enterprise (Kane, 2015), knowledge sharing, to gain access to resources, and to get support or advice (Liu, Brass, Lu, & Chen, 2015). Employees are being encouraged to use Facebook and other social media for collaboration and knowledge sharing with peers (Bizzi, 2018). Facebook at Work is a new platform in this direction. By establishing social media platform for internal communication, companies can bring about a change in employee engagement, and knowledge management. Social media also blurs the boundary between the top leadership and the employees, thus reducing the power distance (Men, 2015). This is because social

media provide a two-way interactive and personal communication (Men and Tsai, 2013). On one side, it allows upward communication where the top leaders listen to their employees and at the same time they respond in a timely and personal manner. Current employees can share positive news about the organization and their testimonials which go a long way in establishing the positive image of the organization as a desirable place to work.

ii. Mobile

Mobile devices have been called a ‘potentially revolutionary devices’ by Fortunati (2002) because of their ‘any time, any place’ functionality. Progressive organizations are proactively investing in and shifting to a more mobile based functionality. Through mobile devices, the users can update their profiles and locations and get promotion-related information and deals. Speed and convenience are the main reason to apply through mobile device. Chatbots provide high customer engagement by indulging in conversation with the users. They bring responsiveness in customer handling by quickly attending to customer requests. Jobseekers are more likely to apply to jobs on their mobile devices if the process are simplified. Google has also decided to use mobile friendliness as a ranking criteria for its websites. These factors have compelled the organizations to offer mobile friendly job application option. However, organizations still need to offer mobile-friendly options to the potential and the current employees. Organizations are also using gamification techniques for recruitment, learning and development and engagement of employees. They are also using game based apps for engagement of their customers.

iii. Analytics

Big data comprises of a large, unstructured and many times unrelated datasets which are not only complex to analyze and process but also add value to the organization (Marr, 2015). Côrte-Real, Oliveira and Ruivo (2017) have attempted to explore conditions under which business data analytics can add business value to organizations. This is because now organizations can have an access to a large and a diverse set of information which can be analysed to get business insights (Brynjolfsson and Saunders, 2009) enabling improved business efficiency and effectiveness (Wamba et al, 2017). Social networking itself results in a large amount of data which gives an idea about trending topics, customers’ interest and preferences and their family demographics and may help to understand their attitudes and behaviours (Shah, Irani and Sharif, 2017). Analytics help in making intelligent predictions by analysing a huge amount of data generated and saved in customer databases. This data generated is used by analysts and marketers to analyse various marketing performance indicators like brand loyalty etc. (Misirlis and Vlachopoulou, 2018). Organizations which use business data analytics in their business operations tend to be ahead of their competitors in productivity and profitability. Recruitment is a frontrunner in the use of analytics in HR domain, followed by performance management, compensation, workforce planning and retention. For example, IBM has used predictive analytics to calculate the retention risks of key talent and notifies their managers so that they can be prevented from quitting.

iv. Cloud

Cloud computing has emerges as the latest technology platform which is bringing about a transformation in IT infrastructure (Iyer and Henderson, 2010). In cloud computing, the resources are located in virtualized, geographically distributed environment which can be accessible on demand using web-based technologies together with internet connectivity and pay per use as the business model (Buyya et al., 2011). It reduces the burden of a business in investing in a data warehouse by renting a cloud service provider to access data (Hassel, 2015), and minimizes maintenance work related to IT infrastructure (Khorshed, Ali, & Wasimi, 2012). Recently, big data is being used in conjunction with cloud for analytics purpose as software-as-a-service (SaaS) which is a low cost alternative (Wang, Kung and Byrd, 2018) to store, manage and retrieve employee related data. Cloud computing allows enormous easily accessible information that brings about effective communication between the management and employees. This is making CHROs replace old HR platforms with cloud-based ones to not only get better insights through analytics but also provides flexibility to change the scale of HR operations (Larkin, 2017).

Conclusion

According to Kane (2017), social media platforms are undergoing an evolutionary transformation to include mobility, analytics, cloud and other emerging technologies such as artificial intelligence, virtual reality and augmented reality to communicate and collaborate, which further influences the organization’s knowledge management. This makes SMAC technologies a potential research area and is receiving considerable attention from academia and practitioners. However, it has its cons as well. Organizations which are not able to leverage social media properly, by not handling customers’ concerns, by wrong handling of PR issues, by posting inappropriate content of social media,

may have to bear negative consequences. During the Covid19, social media and mobile applications have come as boon for organizations in connecting with customers as well as their employees. Platforms like Facebook and Instagram have harnessed the power of community to run their businesses. There is a tremendous scope in SMAC technologies to give competitive edge to the organization. With the emergence of artificial intelligence, machine learning, blockchain, 3-D printing etc., technologies are giving a new dimension to business models. Organizations need to upgrade themselves in technology, infrastructure and human capital to seek benefit of them.

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