

TNS Financial Insights

Small Business: Top 10 Trends for 2013



2013 Small Business Trends

Our annual list of the Top 10 Small Business Trends incorporates some new predictions this year, while holding true to many familiar developments which remain at center stage and growing in focus.

With technology evolving faster than ever, few companies have remained untouched by the range of innovation that is changing the way they function and conduct business. Expect small businesses to begin a transformation that includes how they align operations, drive sales, make purchases and support customers. While another leading trend is the continued movement towards mobile and online solutions, with an increased emphasis on data security.

Understanding these current trends can enhance financial institutions' ability to better manage their customer relationships and stay in step with the competition. The following is a list of the most influential trends to consider when managing small business relationships, beginning with our top five.

Top 5

1

Mobile Reliance

More small businesses are capitalizing on the emerging importance of mobile payments and localized capabilities to improve commerce and interaction. Additionally, the increasingly mobile work force is making the workplace more flexible and productive.

2

Social Media

In 2013, look for small businesses to use social media as a strategic marketing channel. Personalized and geo-targeted content will play heavily into marketing efforts via sharing, sponsors, curation, branding, gamification and aggregation.

3

Digital Security

The shift to a more integrated, online-social-mobile-cloud environment will drive small businesses to prioritize the management of data security, privacy and intellectual property across platforms.

4

Cloud Computing

Small businesses will look to explore ways to squeeze greater productivity out of limited resources. Looking ahead, expect cloud based solutions - particularly private and hybrid clouds - to surge as an economic game changer for small businesses.

5

Health Care

As small businesses brace for new mandates – particularly those with 50+ employees – the coming year will be focused on planning for the new and, decidedly more costly, process.

Our next 5

6

Lending Options – Traditional vs. Alternative

Traditional credit terms are easing, but rigorous conditions still exist for standard factors such as credit scores and assets. The number of alternative funding options will grow aggressively – many of which will offer dynamic lending models built on non-traditional risk factors.

7

Evolving Payment Ecosystem

The payments industry is exploding. Mobile wallets are widely expected to drive more online purchases in 2013, especially when combined with loyalty rewards. Square, Passbook, ISIS, and Google Wallet are a few of the platforms predicted to grow in number and with third party partnerships.

8

Tablets

In 2012, one-quarter of small businesses and one-fifth of consumers owned a tablet. The new generation of tablets and mini-tablets will prompt small businesses to utilize enriched design layouts that create mobile friendly web sites and shape content to fit device size.

9

Context-driven Marketing

In a new era of personal branded content businesses will look for new ways to leverage predictive analytics that provide better ROI and set the course for influencing data-powered customer and prospect interactions.

10

Crowd funding

The number of crowd funding podiums will increase in 2013 along with the amount of available funds. Small businesses, for their part, will need a well-framed strategy to increase their odds for funding.

Other Notable Trends Worth

Customer Power:

Through reviews, comments and referrals – incited or not -- customers have the power to either reinforce the reputation of a company or produce damage. In the coming year, small businesses are likely to place greater emphasis on building an online, social reputation with protocols to help preempt negative fuss and react to positive, crowd-catching recommendations.

Big Data:

The hype surrounding "Big Data" has yet to fully move into reality for small businesses. But, look for more online tools and technology resources to help businesses filter and mine valuable data which enhances productivity and insight.

Multi-channel Banking:

With a host of access options growing each year, small businesses want to use whichever banking channel is convenient or preferred at any given time. In 2013, financial institutions will be tasked to step up their game in developing interlinked platforms that seamlessly deliver secure, positive customer

Segment-Based Strategy an Integrated, Fundamental Approach:

While segmentation is a consistent and long held application, it continues to make our list as an important focus. With a rising number of technical hubs and platforms, small businesses must be mindful of how, when and where customers are relating.

Collaboration Tools will Become More Mainstream:

Collaboration is everywhere we look, thanks to an evolving environment of connectivity and wired forces. Collaboration and connectivity will become more embedded, allowing small businesses to leap ahead exponentially, taking full advantage of the wider customer reach as well as operational extensions coming from satellite locations.

For Additional Information on TNS's 2013 Small Business Program, please contact:

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