

# Small Business Technology Trends by the Numbers

With a hybrid workforce, uncertain economic environment, and a host of new opportunities on the horizon, small businesses are watching costs while still finding avenues to grow. Technology and other key investments play an important role in supporting how companies thrive in today's business landscape.

Here's a closer look at the key trends driving small business technology in 2023 and beyond.

## WHILE BELTS TIGHTEN, I.T. INVESTMENTS REMAIN A TOP PRIORITY



Roughly half (**51%**) of organizations plan to increase IT budgets in 2023



Budgets are expected to grow **13%** YOY in 2023, with a median increase of **5%** at the company level



Leading companies that invest in technology during difficult times perform up to **5x** better than competitors

## TECHNOLOGY HELPS OVERCOME STAFFING CHALLENGES

**40%**

of small businesses are struggling to attract new employees

**21%**

are concerned about retaining current staff

**18%**

Managed services and outsourcing play a key role in cost management, comprising **18% of budgets**, which is an increase over 2020

## INVESTMENTS IN AUTOMATION IMPROVE EFFICIENCY

**84%**

of small business owners are investing in technologies to help future-proof and keep their businesses resilient

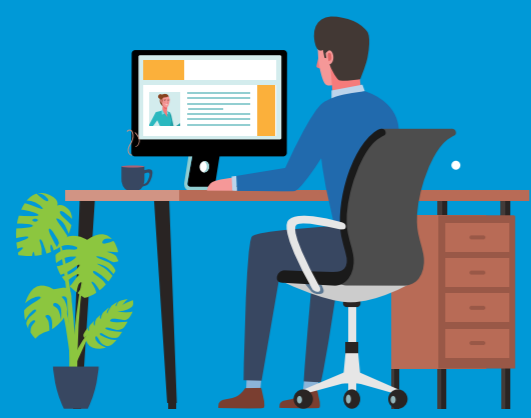
**53%**

Over half are focusing on automation and self-service technologies

**26%**

of companies have deployed AI technology, with numbers expected to rise dramatically in the next 12 months for AI productivity tools

## HYBRID WORKFORCE DRIVES TECHNOLOGY CHOICES



**37%** of workers looking for new opportunities are seeking remote or hybrid opportunities



Demand for employee monitoring software was **57%** higher in 2022 than in 2019



**60%** of executives expect to spend more on collaboration tools

## EMERGING TECHNOLOGIES OFFER PROMISING BUSINESS OUTCOMES

**41%**

of small businesses are investing in cloud computing

**32%**

of small businesses are investing in managed services and hosting

**41%**

of IT leaders say data analytics and AI skills are the most important skills they're seeking on teams

## GET STARTED WITH SMALL BUSINESS TECHNOLOGY

The right small business technology can keep your business growing throughout 2023. Contact Connection today to speak with a small business technology expert and discuss the right technology for your needs.