

Mission Critical

No gain without brains

It's the people — not the systems — behind the latest technology that make it work for you

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Technology plays an enormous role in levelling the playing field for small business, but the gap between expectations and reality can be frustrating.

When Mary Aitken, founder and managing director of Verity, a private club for women in Toronto, made an ambitious leap into technology for her business, she met with sticker shock and delays. In addition to the custom website integrating the club, its restaurant and spa, Ms. Aitken wanted a private social and business networking platform for members — a virtual club as well as a physical club — where women could connect any time.

"There was definitely a gap between what we expected and what we got," says Ms. Aitken, who is about to launch a second, more user-friendly generation of the members' website. "We paid 50 per cent more than the cost that was quoted to us by our Web company, and we're not done yet. [The cost is now north of \$100,000.] Plus it took much longer — from January to the end of the summer — before the system was running effectively."

While Ms. Aitken says word of mouth has been the most effective method of expanding her business, a lot of that word of mouth is now online, through e-mail and Facebook. The club's new private website will make spreading the word even easier.

"We're not a bunch of Luddites," she says.

"There's a role for technology in growing the business, but it's hard to track and measure. Our 'news and buzz' [website section] is working for us because members mention it all the time, and Ecclesiastes 3 — the newsletter for the club's restaurant, George, on what's local and seasonal to eat — gets forwarded to a lot of people."

Jen Evans, president of Sequentia, a Toronto-based communications agency that helps companies cultivate new customers, says Ms. Aitken is doing the right thing by creating content that people are going to pass along to others.

"What works really well is packaging and pitching content in such a way that it can be shared very easily, whether through social media or e-mail, which is one of the most powerful of all vehicles that we've seen," Ms. Evans says. "Technology is allowing small business to do much bigger things than 15 or 20 years ago."

It helps to give your investment in technology some time and patience, according to Mark Binns, co-founder and a managing partner at Torque Customer Strategy in Toronto, who says you have to work at it a little and get to understand it before it really pays off. Having the right people in place is also key. "You can buy a server, but it's not going to do anything for you until you have someone who can use that server and get the most out of it," he says. "The return is dramatically different, depending on the people and their skills to use the technology to get results."

Jean-Jerome Baudry, founder of Baudry Cybernomics Corp., agrees. "A system for IT is the person and the equipment, not just the equipment." He recommends getting professional advice early to find the right technology for your business.

"Consultants really early can make a big difference," Ms. Evans says. "If you know that you don't know, then it's a good idea to make the investment because the last thing you want to do is try something on the advice of a friend or colleague that's not the right solution for your firm."

While Ms. Aitken's experience sounds negative, she says that people simply have to be realistic in choosing a system and in implementing it. "We haven't gotten to the bottom of all the opportunities that technology offers us," says Ms. Aitken, who's recently discovered Twitter, an instant-messaging-style network that mimics word of mouth. "You've got to make time for new things."

MARKETING MADE CHEAP

One of the big potential benefits of social media is that it lowers the barriers for marketing, allowing smaller businesses to reach out to people in cost-effective ways. Twitter, Facebook Platform and LinkedIn are some of the favourites.

TWITTER: A free, real-time, short-messaging service that allows registered users to connect with a circle of friends or followers on a private level, or broadcast mini-messages on the Twitter public network. Texts are restricted to a maximum of 140 characters. It has more than two million members.

Pros: The bite-sized snippets can market business services or give product information and news updates. Companies can get instant client feedback with mini-surveys, or use Twitter to listen for and respond to customer complaints.

Cons: Encourages trivia, such as discussing what you had for lunch. Overuse can lead to connection overload for busy people. Occasional outages occur owing to traffic overloads. Once posted, you can delete, but not edit, messages you've already sent.

LINKEDIN: An online network of professionals who post their profiles to make business connections. Users increase contacts by inviting your contacts to join; they add their contacts, and so on. Free or by paid account. It has more than 25 million registered users worldwide.

Pros: The network can help you find potential clients and service providers, secure access to industry experts, make new connections and advertise jobs to select candidates.

Cons: Users need a paid account (from \$20 to \$200 monthly) to get access to people outside their own network. There are some restrictions on connections, invitations and groups.

FACEBOOK: The granddaddy of social media sites has some business tools. Since 2007, Facebook Platform /, a new development platform,/ enables companies to integrate with the Facebook website and connect with customers much the same way users do with friends. Or they can advertise on Facebook, which has more than 100 million active members worldwide; there are 400,000 developers and entrepreneurs on Facebook Platform.

Pros: Ads can reach millions. Companies can use Facebook Platform to create social applications to allow users to interact with a business in a friendly way. To share information, profile your company as a great place to work or to scout and screen for prospective employees.

Cons: Privacy is a big issue. Facebook was originally designed for social communication, not commercial use. Advertising is often viewed as intrusive. Members can restrict information to friends only. Companies may bar access in the workplace, where it is seen as a time-waster.

Expert Panel



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