



## Five reasons why digitalization is a salvation for small and medium enterprises

In the years of the pandemic, the accelerated transition to digital sales channels has enabled many companies to achieve good business results and prosper despite unfavorable circumstances. However, some entrepreneurs are distrustful of novelties, prefer traditional methods, or do not have enough internal experts to undertake such an application of innovative business tools. Although adapting business models is a challenging process, turning to the digital arena undoubtedly enables growth. The most common reasons for this are:



**Attracting new customers** - For any company that wants to operate successfully, it is important to understand and adapt to consumer requirements and listen to changes in the market. By moving the business towards the digital sphere, companies are showing interest in the needs of customers and building a loyal base, but they are also attracting new categories, which means maximizing profits.



**Cooperation with international companies** - Companies that aspire to cooperate with the foreign market and thus increase profits, cannot take this step without digitalization. The transformation significantly modernizes the procedures, and is a prerequisite for cooperation with world-renowned partners.



**New products and services** - Improvements brought by modern tools increase the efficiency of the entire company. In addition, modernization of the work process provides motivation to employees, opens space for innovation and contributes to the development of new products and services.



**Data-Based Decision Making** - Businesses that make the digital transformation can easily access data that indicates current consumer preferences, analyze it, and adjust their business strategies accordingly. New technologies provide insights into customer behavior that are valuable to any retailer.



**Better cooperation within the sector** - Digitalization offers the acceleration of basic business procedures and automation of key areas, which contributes to the harmonization of work and better cooperation of different sectors within the company. Numerous companies that have already undergone the transformation point out the efficiency and better exchange of information between departments as the main advantage of the new way of doing business.

Payment trends during the pandemic have completely transformed trade and accelerated the process of digitalization of small and medium-sized businesses around the world - changes in business models that usually require years of work have occurred in just a few months. At the same time, research shows that the increased propensity of consumers to digital tools will continue even after the pandemic subsides. It is important for companies from Serbia to keep up with global companies and prepare their business for the implementation of innovative ways of buying and paying.

