Chapter 2
Let´s Talk SMAC:
The Status of Business Today

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ABSTRACT

Social Mobile Analytics and Cloud – SMAC the new abbreviation that every business leader is thinking off. It is also part of everyone's lives these days. SMAC technologies are creating enormous opportunities across industries while the consumer willingly gives up personal information. Cloud technologies have made it possible to collect and store such large amounts of data. While each of these four technologies are able to enhance the business on its own, using these four technologies together as a stack has changed the way businesses are looking to maximize their customer base, enhance brand value and off course, increase company profit. For example, SMAC has forced businesses leaders to make analytics part of their marketing strategy and business operation as a whole.

INTRODUCTION

Social, mobile, analytics, and cloud (SMAC) is among the hottest developments in IT enterprise architecture. Its foremost goal is to get closer to the consumer by exploiting these four technologies (Shelton, 2013). There are three business units that are particularly suited for applying the principle of SMAC: business products, business processes, and business models (Chen et al., 2012). Use of all four SMAC principles to these business units goes beyond simply being competitive–these tools allow for a business to become a disruptive force in their respective market segment (Ackx, 2014).

Products become personalized through the application of social media (Dewan & Jena, 2014). When linked with a mobile platform, the architecture enables collection of who, what, where, when, and even why the product is being used - as opposed to the traditional transaction data normally available to non-SMAC products (i.e., who bought which product, from where and when as opposed to who used which product where, when, and why). The cloud is conceivably the most viable procedure through which to direct these types of data for further analytics. This analysis provides deeper insights that help steer the decisions of business leaders.

A product that is integrated with social, mobile, analytics, and cloud is also a product that provides a significantly improved customer experience that is more capable of self-service and is more in line with the times. Consumers expect a certain type of convenience and service therefore SMAC has gained such a position in business today. Business methods that are implemented in the cloud and on social platforms gain an efficiency with which it is hard to compete traditionally (Dewan & Jena, 2014). Social and cloud architecture enables the IT raw materials behind the process to be scaled out - that is, adding less expensive hardware, as opposed to scaling up, which means replacing hardware with larger, more high-priced specifications. This allows the business to outlay funds on an as-needed basis. The addition of mobile technologies facilitates collaboration and knowledge sharing from anywhere, anytime. Storing the data (and metadata) behind SMAC-enabled business processes facilitates an easier analysis that allows for data driven decision-making. Besides, a corporate method that is driven by SMAC is better situated to have its mundane tasks automated, and to be more agile and adaptable. Note that in this case, the customer to be closer to is in fact the employee. An enterprise can also base the model of an entire line of business on providing a SMAC technology infrastructure to others (Dewan & Jena, 2014). For example, a traditional software product can be reshaped and offered as a service product in the form of a platform. Interestingly, the best way to provide a SMAC infrastructure is through tools that are themselves SMAC-enabled. This will result in long term growth for the organization and reduce costs, streamline inefficiencies, and improve quality. In fact, even a divided industry can become unified and sustainable again through the utilization of these principles (Thecka, 2014). Ultimately, the SMAC places the small and medium enterprises at the same level with larger organizations.

The objective of this chapter is to provide an overview of SMAC. The importance of implementing SMAC in a business to remain competitive in the future will be emphasized. The different technologies will be introduced, and the benefits and opportunities of SMAC trends will be pointed out. The solution and recommendation, future research directions, and conclusion follow this section.

BACKGROUND

There has been a tremendous push from the U.S. government for schools, universities, businesses, and government agencies to focus on technology, innovation, and effective usage of data. In October 2014, former White House CIO Theresa Payton asked, "Will SMAC hit organizations in the face?" This question should be on the minds of any leader who handles data to meet the demands of his or her job, or for that sake any human being. SMAC is identified as the new set of building blocks for organizations looking ahead to take advantage of internal and external data resources. Theresa Payton warned that implementing SMAC is not a quick shift in mindset or simple investment of hardware and software. It takes time and effort to achieve each pillar of SMAC. Interestingly, the implementation boom of the chief data officer role in the past two years has correlated to how organizations listened to this question, realized they needed to react, and made the changes necessary to realize the benefits (Payton, 2014). One such organization that processes large amounts of data is the United States Government, and President Obama made this clear on June 17, 2014: at TechShop (TechShop is a vibrant, innovative community that provides access to instruction, tools, software and space to its members).

The federal government possesses incredible amounts of data ... Essentially, all the weather apps that you have on your phone are all based on data that the government collected. (Obama, 2014)

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