E-Commerce and European SMEs

From

The integration of SMEs in digital value chains

Towards

Digital Entrepreneurship

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Key enabling technologies and Digital Economy
Smart use of ICT matters

- ICT is key enabler of competitiveness, innovation and growth
- By 2016, the Digital Economy will reach 3.2 trillion Euros, with an 8% annual growth rate
- More than 75% of the value added is in traditional industries
- SMEs grow two-three faster when they embrace digital means
- Digitally-connected SMEs have 22% higher revenue
- ICT creates jobs: 1.5m additional jobs would be created in the EU Internet Economy, if the entire EU mirrors the performance of US or Sweden
- It's just the beginning: we are only at 1% of our potential connectivity
In every sector there is real progress, but none has yet reached the stage of being truly digitised. Even the most forward-looking companies have not yet reached the stage of being truly digitised. Moreover, industry sectors in Central and Northern Europe are in general more advanced in terms of digitisation.
Only **1.7% of EU enterprises take full profit of the digital opportunities.**

Those are companies that stay ahead of mainstream IT adoption, and **employ new technology advances** (big data, cloud computing, mobile and social solutions) to improve efficiency, connect with new customers and markets, and compete with much larger players.

*Source: IDC 2013*
Smart use of ICT and participation of SMEs in digital value chains: Objectives

- **modernise** industrial value chains harnessing ICT
- **connect** better SMEs to larger business partners
- enable SMEs to become **international business partners**;
- **catalyse** an innovative, seamless, digital business environment

- **In the fashion industry** ([http://www.ebiz-tcf.eu](http://www.ebiz-tcf.eu))
- **In the transport and logistics sector** – **DiSCwise** ([http://www.discwise.eu/](http://www.discwise.eu/))
- **In the automotive industry** - **Auto-Gration** ([http://www.auto-gration.eu/](http://www.auto-gration.eu/))
- **TOURISMSlink** ([http://www.tourismlink.eu/](http://www.tourismlink.eu/))
- **eFoodchain** ([http://www.efoodchain.eu/](http://www.efoodchain.eu/))
- **Connect and construct** ([http://www.connectandconstruct.eu/](http://www.connectandconstruct.eu/))
Actions and results

- A budget of €10mn of the CIP programme, touching over 20,000 SMEs.
- The added value lies in the creation of new business models that can have a major impact in the real market.

Results

- **Easier entry to the market:** SMEs get connected in less than one day with low-cost, easy to use, interoperable solutions.
- **80% cut of** manual data entry, fewer errors, lower operational costs.
- **60-80% reduction** in telephone and fax inquiries for stock availability.
- **30% increase** in staff productivity.
- **Business agility:** immediate information on products and their availability help to select best suppliers and respond to customer needs.
- **Wider market opportunities:** source from a larger network of suppliers, find new customers in new locations in Europe and beyond.
Regional leverage

- **Follow-up strategy** on how to leverage visibility and uptake of the results of the EU initiative “Smart use of ICT and the integration of SMEs in digital value chains”;

- **Guide “Boosting smart use of ICT by SMEs: Developing and implementing concrete, hands-on support initiatives”**, addressed to regional and national authorities

- **Effective networking with regional authorities and stakeholders** to foster the full exploitation of the Structural and Innovation Funds
Digital entrepreneurship embraces all new ventures and the transformation of existing businesses that drive economic and/or social value by creating and using novel digital technologies.

Digital enterprises are characterised by a high intensity of utilisation of novel digital technologies (particularly social, big data, mobile and cloud solutions) to improve business operations, invent new business models and engage with customers and stakeholders.

They create the jobs and growth opportunities of the future.
To accelerate the transformation of the European business landscape and create new business opportunities, notably for SMEs, through the development and smart use of novel digital technologies in order to increase growth and create employment.

**PILLAR I**
Digital transformation, innovation and commercialisation
- Support all businesses to embrace digital technologies and transform the way goods are made and delivered.
- Foster innovation by promoting the visibility of digital technologies and commercialisation of new digital services and ideas.
- Encourage the start-up and up-scaling of digitised enterprises and new innovative businesses.

**PILLAR II**
Boost the Digital Single Market
- Improve the ease of doing digital business to facilitate entry to markets and stimulate demand and the supply of digital technologies.
- Develop and enhance ICT infrastructure, trusted electronic payment systems, trustmarks and trademark registration systems to boost the use, ease of access and trust in digital markets.

**PILLAR III**
Ease of access to finance and enhancement of digital investments
- Enhanced access to finance will assist the creation, survival and growth of digital entrepreneurs.
- Traditional and innovative forms of lending should be developed to support entrepreneurs.
- Fiscal and tax frameworks should be enhanced to enable all businesses to embrace digital technologies.

**PILLAR IV**
ICT and e-skills education and training
- A supportive education system that focuses on ICT and e-skills will strengthen the digital entrepreneurial environment.
- Increase the mobility, quantity and quality of high-end, multi-disciplinary digital skills and entrepreneurial talent.

**PILLAR V**
Digital entrepreneurial culture
- A supportive entrepreneurial culture is fundamental to the development of digital entrepreneurs.
- Enhancing the digital entrepreneurial culture will improve the image of digital entrepreneurs and promote their role in society.
Vision and Actions

Governance

✓ **Strategic Policy Forum** to reinforce the dialogue among industry, science, and politics
✓ IS working group among relevant DGs to coordinate EU action

Actions

✓ **Digital Entrepreneurship Monitor** and annual scoreboard
✓ **Raising awareness**, best practices and the creation of a European **eMentoring ecosystem**
✓ Strengthening competences and **e-leadership skills**
Thank you for your attention!

For more information

On smart use of ICT by SMEs:

On Digital Entrepreneurship:

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