



BETTER POLICIES FOR BETTER LIVES

Leveraging the Internet for growth

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The views expressed in this presentation are those of the author and do not necessarily reflect the opinions of the OECD or its Membership.

The Internet and the ICT sector

The Internet's second wave



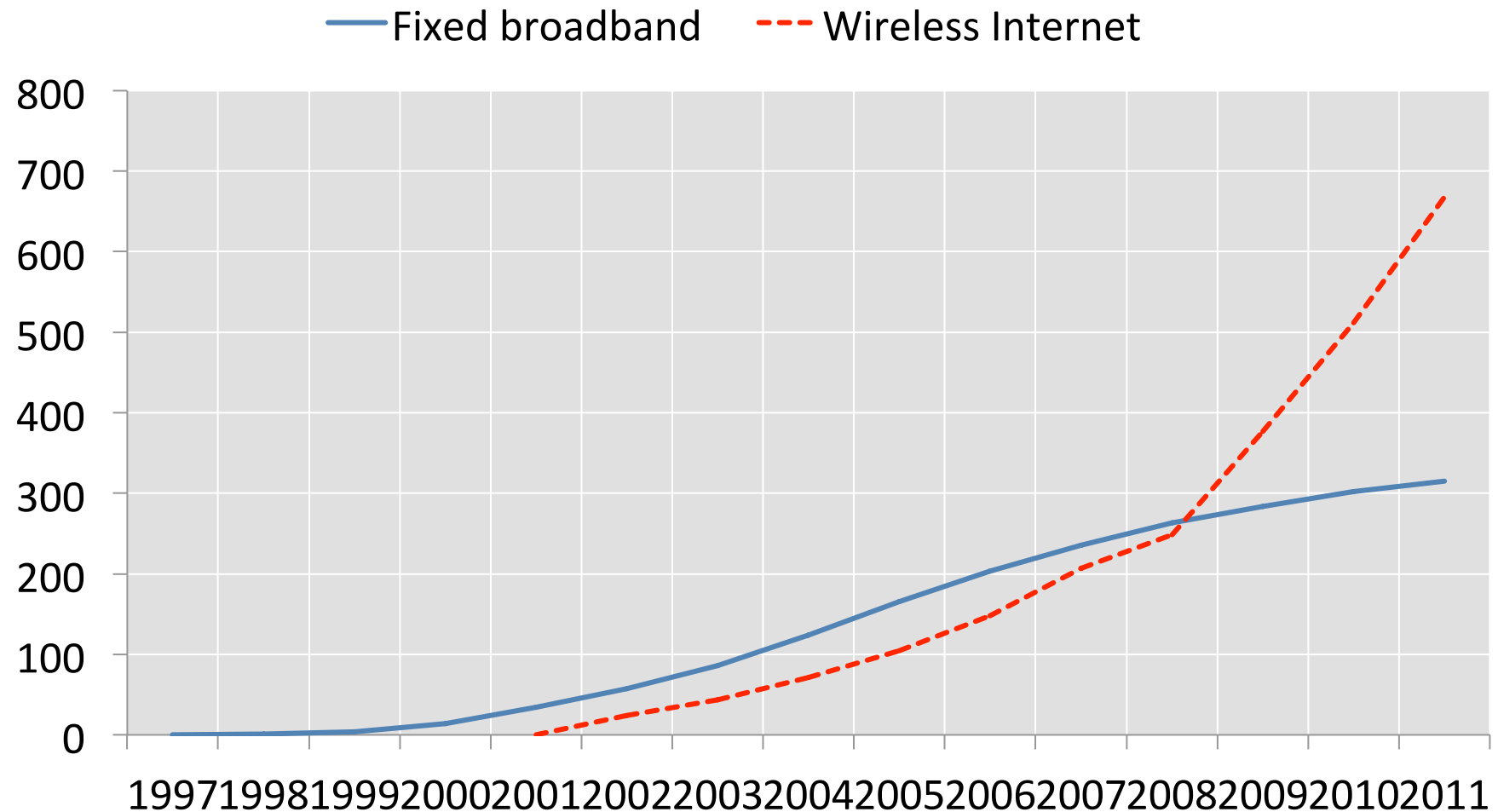
Internet
(Wave1)



Internet
(Wave 2)



Wireless Internet overtaking fixed



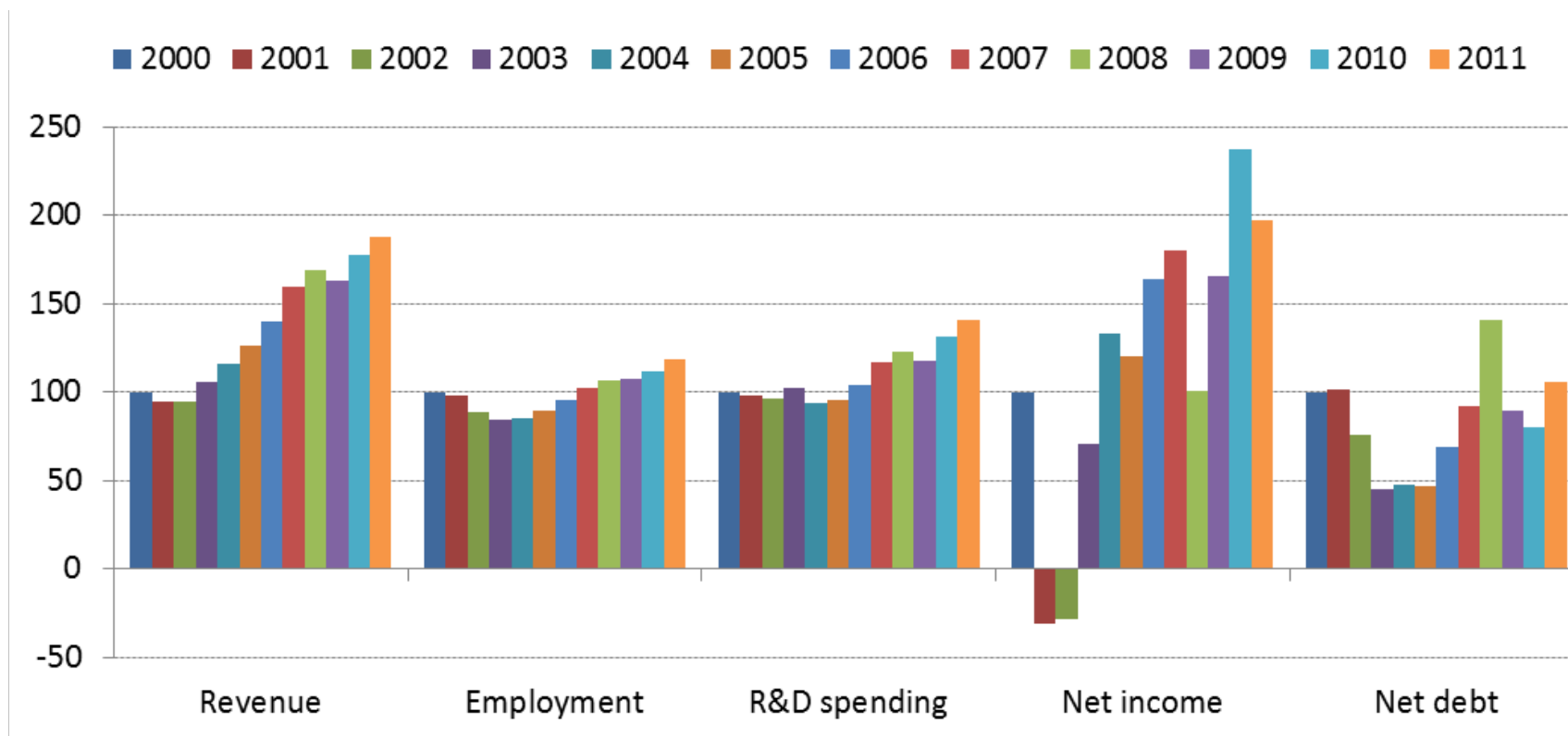


The Internet and the crisis:

What crisis?

Top 250 ICT firms (2000-2011)


Average number of employees and current USD, index 2000 = 100 ¹



Note: Based on averages for those firms reporting.

1. Data for 2000 to 2004 are based on the panel of 250 firms of the ITO 2008. Values for 2009 have been estimated based on firms' interim reports in 2009.

Source: OECD, Information Technology database, compiled from annual reports, SEC filings and market financials.



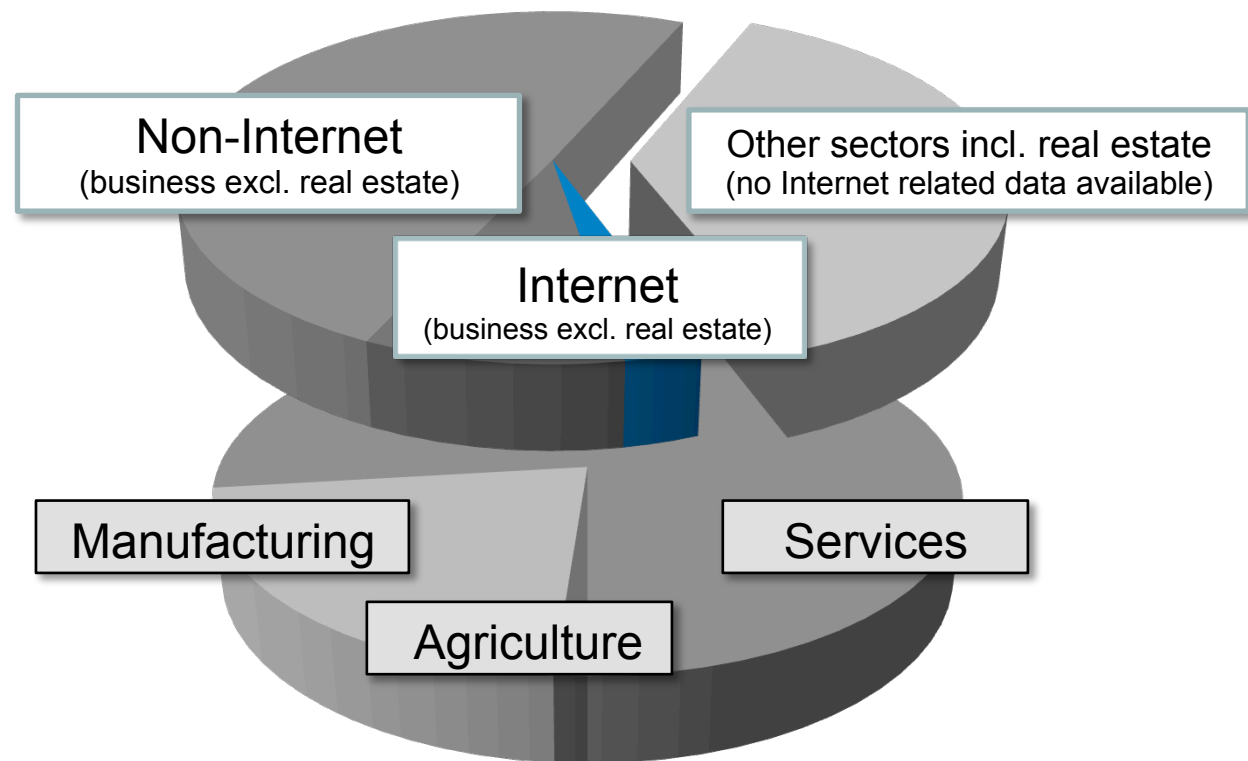
Understanding the economic impact of the Internet with official statistical data

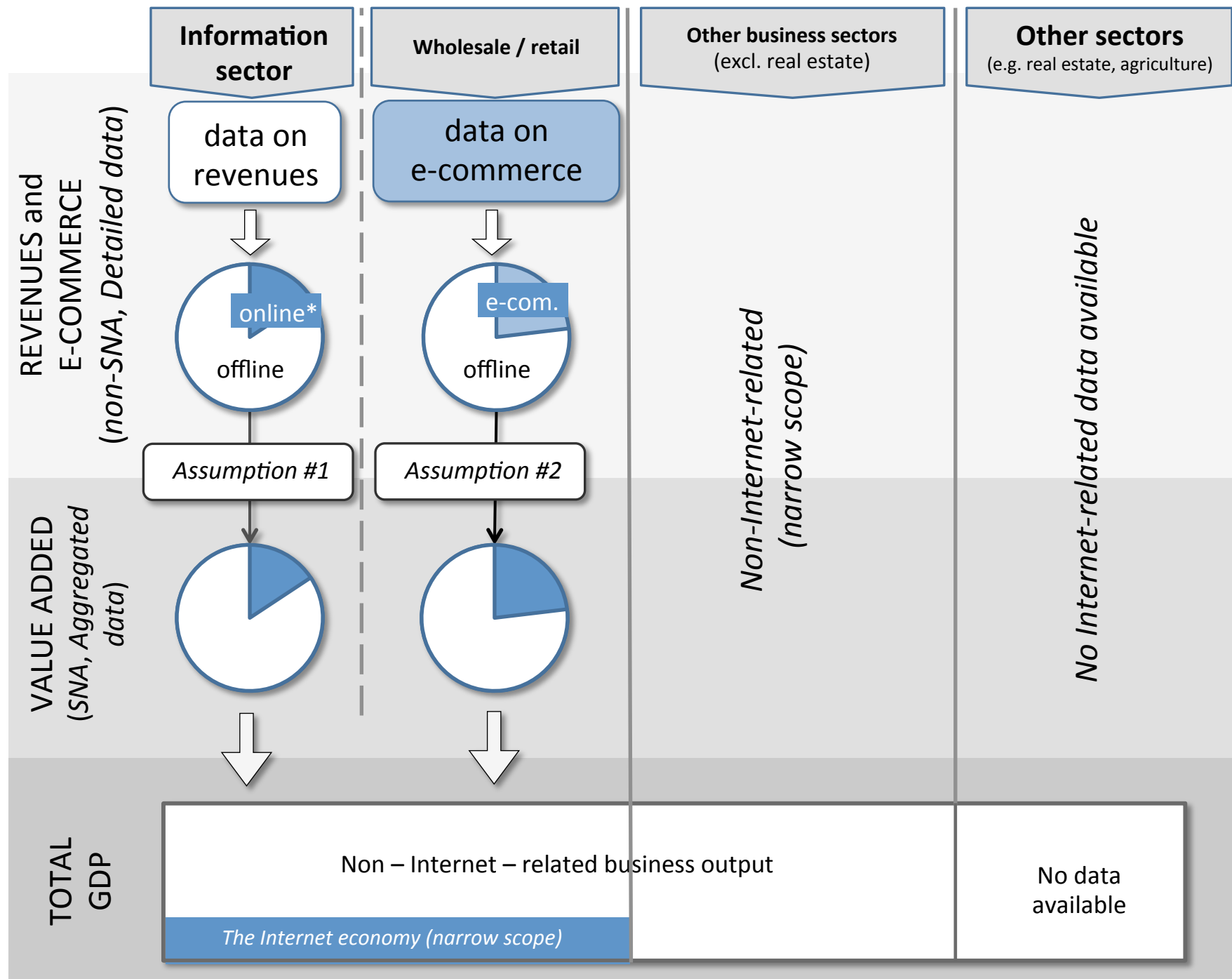
Broadband: General purpose technology

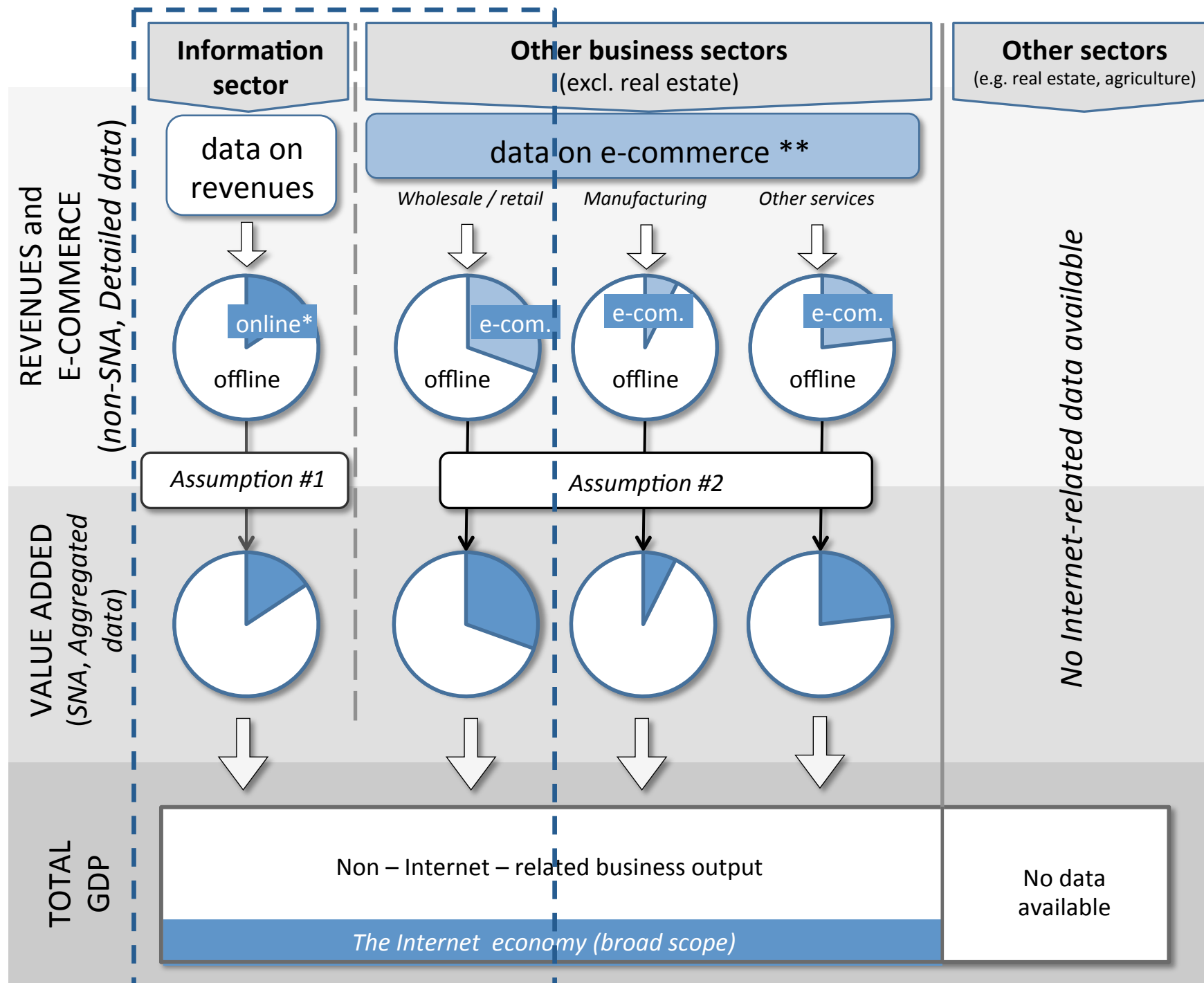


Size of the US Internet economy

At least 3% (narrow scope) and up to 13% (broad scope) of the United States' business sector value added could be attributed to Internet-related activities in 2010.





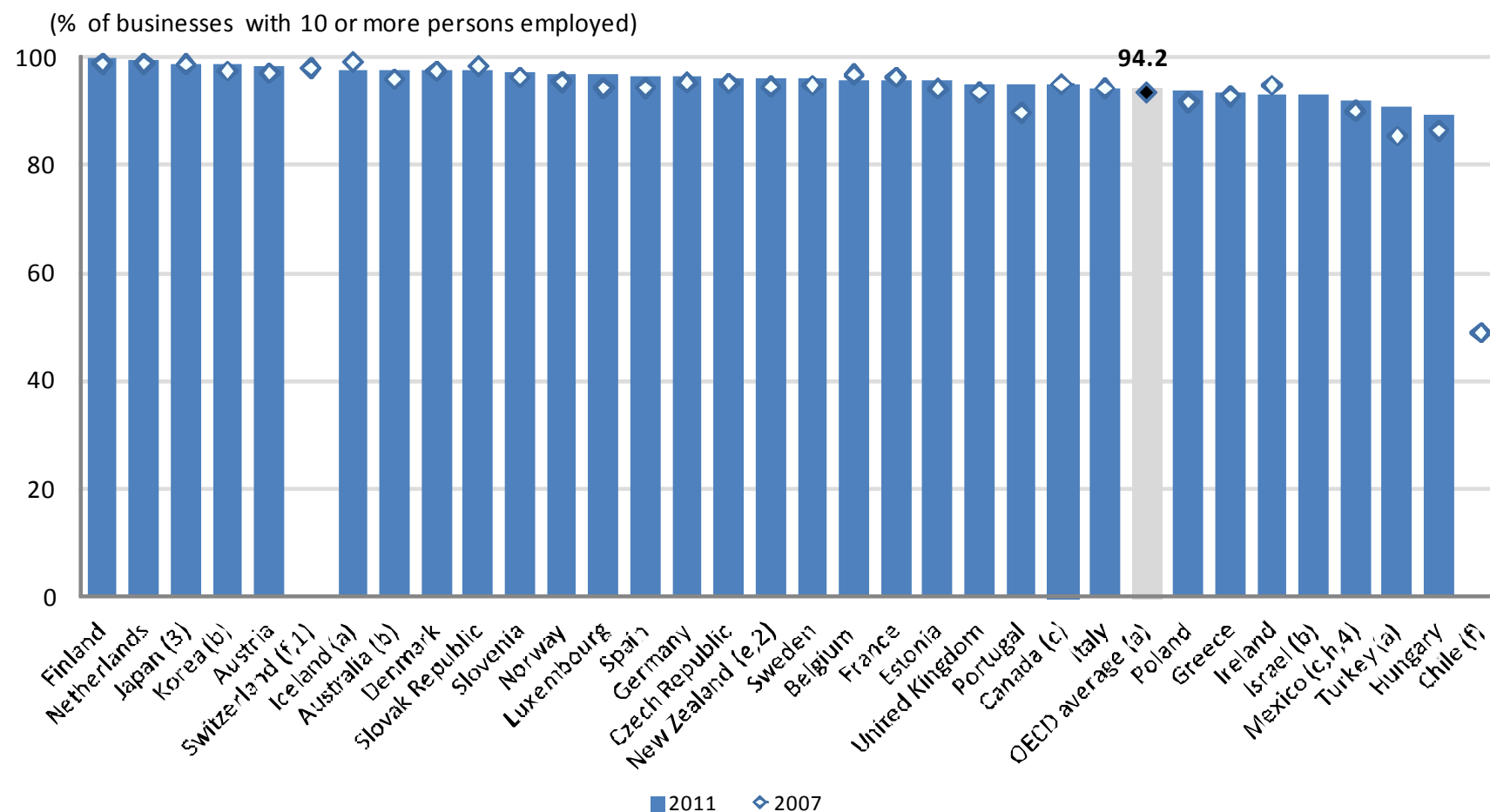




Leveraging the Internet for growth

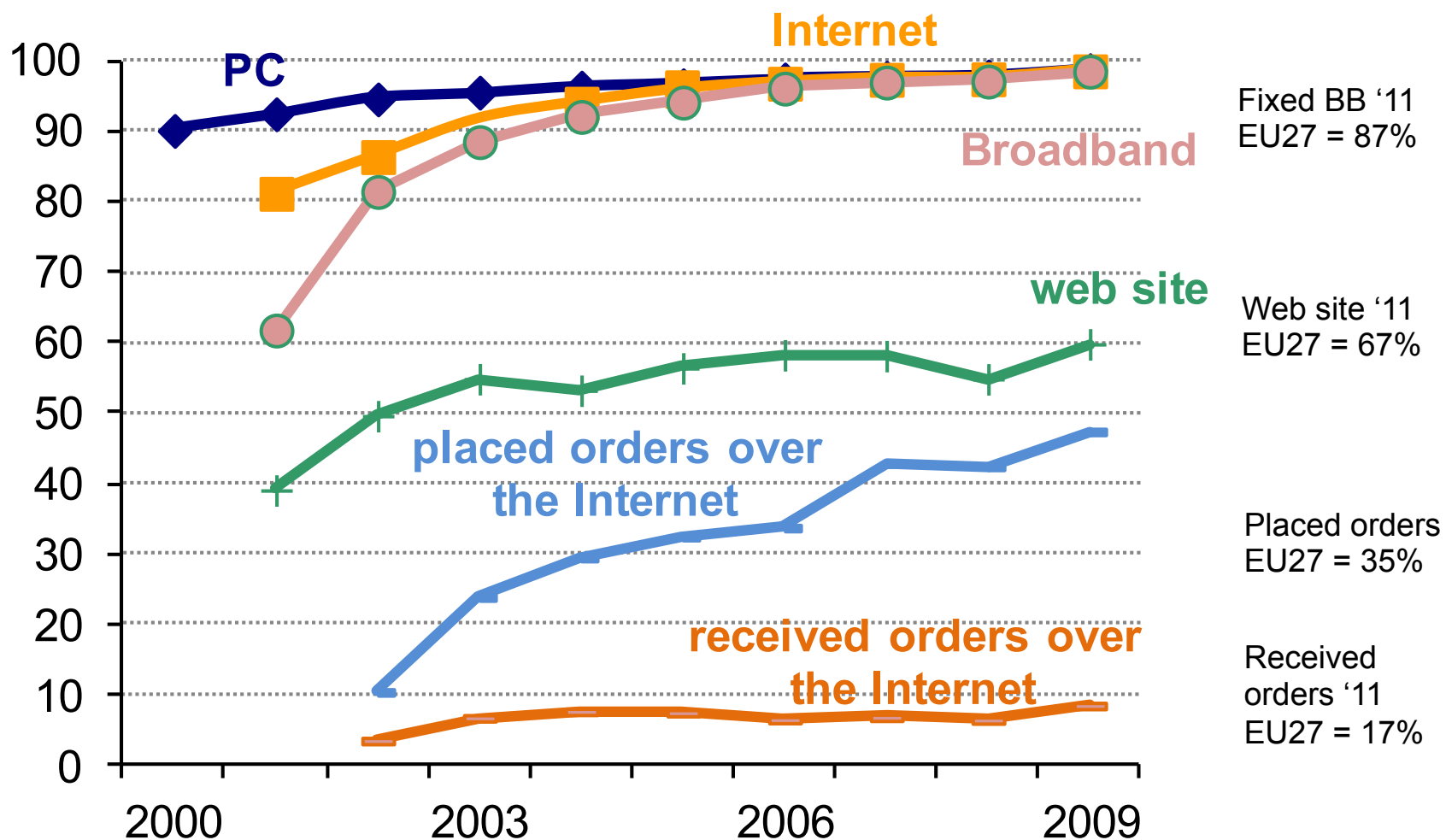
Businesses using the Internet

2010



Korea: How firms use the Internet

% of businesses with... / who ...



Pair SMEs with consultant services

Vision and
implementation
skills are more
important than
grants and
financial
assistance



Canada's approach

DTAPP: Advisory Services & Financial Assistance

- **Participants will work one-on-one with NRC-IRAP advisors to:**
 - Assess business needs and goals
 - Determine which digital technology is best suited to meet those needs
 - Develop a plan to integrate the technology
 - Assist with integrating it into their operations
- **Financial contributions will be provided to eligible firms**
 - Not all program participants will receive funding, advice is free
 - Contributions can be used to undertake process and business model changes such as adapting the technology to their enterprise, training staff and changing workflow dynamics
- **Financial contributions will not cover hardware or software purchases**

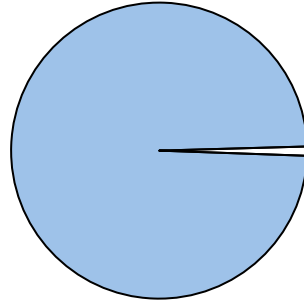




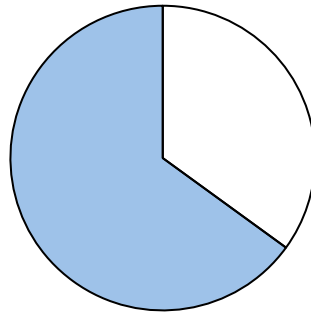
The Internet is changing business

Role of SMEs in the economy

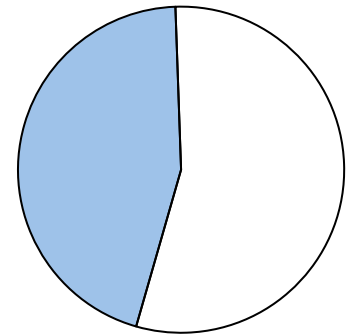
99% of all
businesses



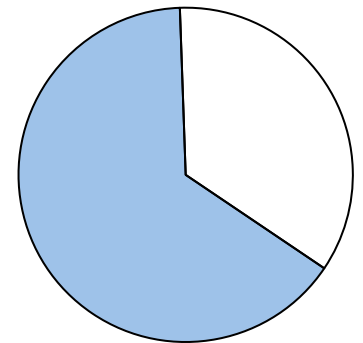
60-75% of
employment



40-50% of
industrial
value added



60-70% of
services
value added



The junkyard



Internet → Micro-nationals

Available site languages:

Čeština
Deutsch
English
Français
Polski
Lietuvių
Română

A screenshot of the Auto-Pièce Burguière website. The browser address bar shows 'www.apbfrance.com/?lang=en'. The website has a red header with the company name and a navigation menu. The main content area is white and features a welcome message, opening hours, and links to 'Used vehicles', 'Damaged vehicles', and 'Car parts'. Below this, there are two columns: 'Espalion' and 'Rodez', each with an aerial photo of a car lot and a list of services offered.

apbfrance.com - Auto-pièce B...

www.apbfrance.com/?lang=en

Go to content | Go to menu

Čeština | Deutsch | English | Français | Polski | Lietuvių | Română

Auto-Pièce Burguière

www.apbfrance.com

Home | Vehicles | Car parts demand | Access | Contact | Help

Welcome to Auto-Pièce Burguière's website

Open from Monday to Saturday

[Used vehicles](#) [Damaged vehicles](#) [Car parts](#)

Espalion

Buying - Selling - Damaged and used vehicles
Tourism - Utility - 4x4 - Microcars
Motorcycles - Moped - Misc.
Used car parts
All Makes
Metropolitan France Delivery

Rodez

Buying - Selling - Used vehicles
Tourism - Utility - 4x4 - Misc.
All Makes

Order fulfilment: Amazon

You sell it. We ship it.



Step 1: You send your products to Amazon.

You send your new or used products to Amazon's fulfillment centers.



Step 2: Amazon stores your products.

Amazon catalogs and stores your products in our ready-to-ship inventory.



Step 3: Customers order your products.

Amazon fulfills orders placed directly on Amazon.com or fulfillment requests you submit for sales not on Amazon. When listed on Amazon.com:



Step 4: Amazon picks and packs your products

Fulfillment by Amazon picks your products from inventory and packages them.



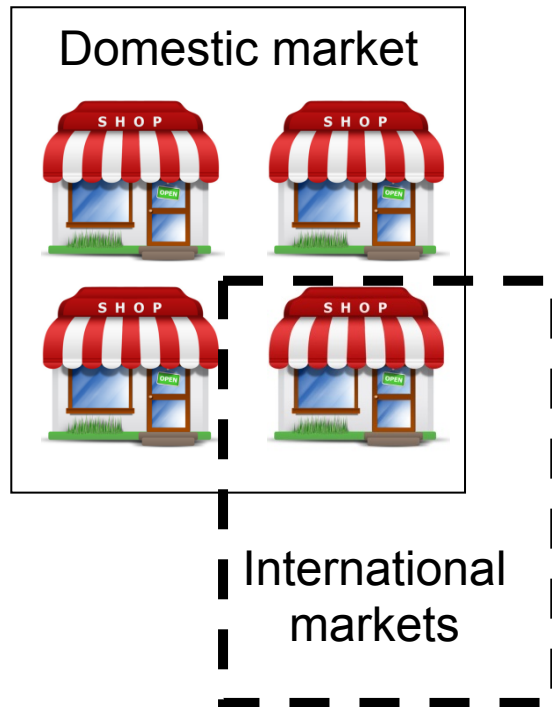
Step 5: Amazon ships your products.

Amazon ships the products to your customers from our network of fulfillment centers.

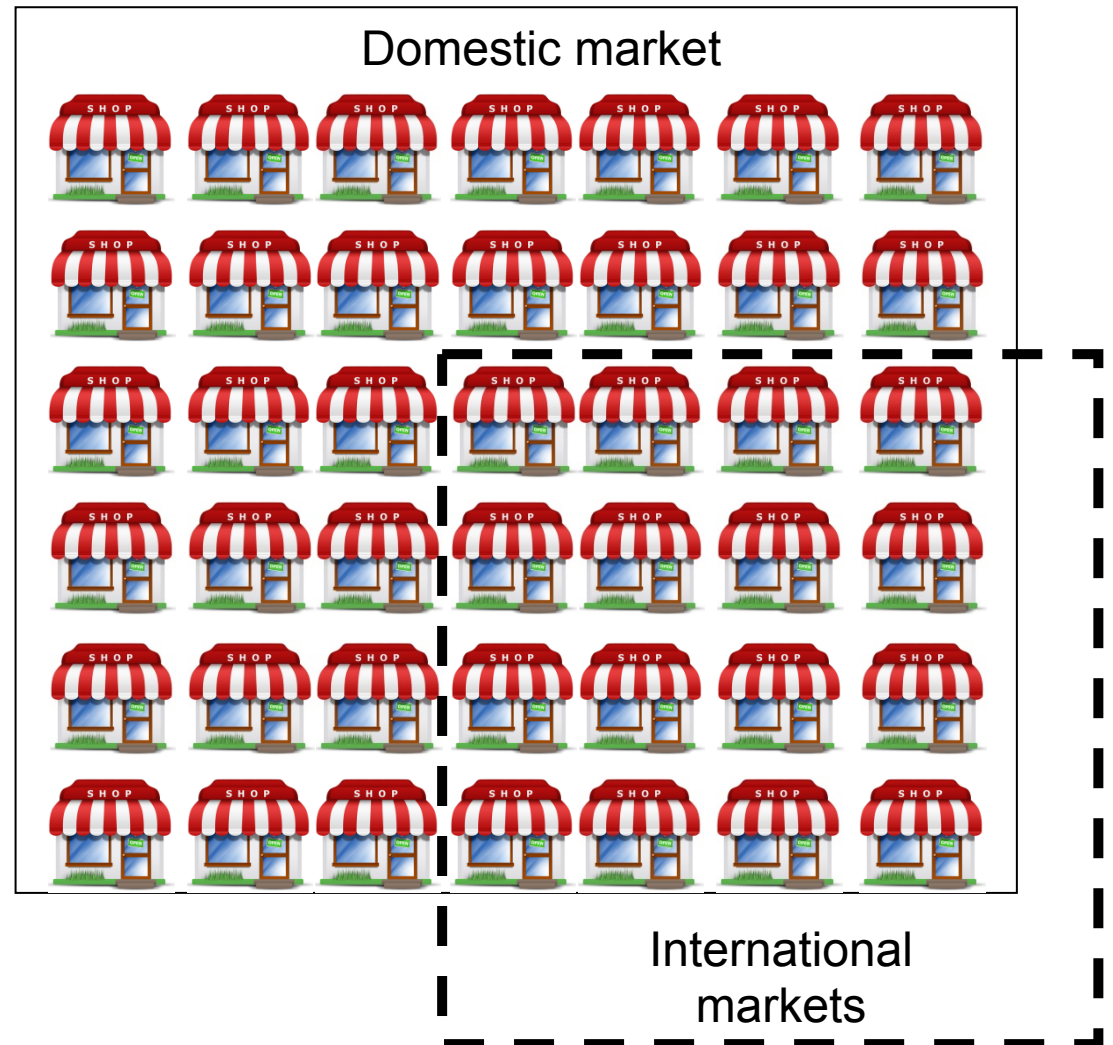
2 million sellers on the platform every day. Comparable storefronts would be the size of Manhattan Island.

Internet supporting SMEs

Before

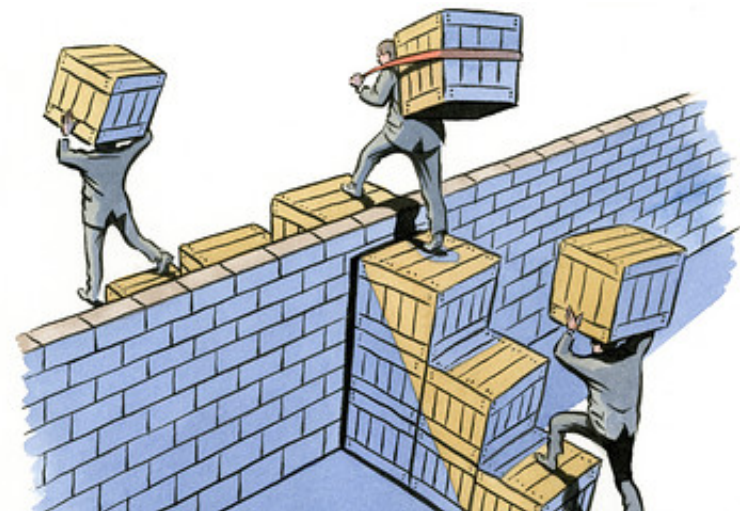


Now



SMEs: Traditional barriers remain

- Lack of expertise in international trade
- Collective action problem (to influence laws)
- High costs of customs administration
- Restrictive foreign standards (health, safety, tech)
- Asymmetric certification requirements
- Inflexible labour markets
- Severe bankruptcy laws
- Tariff escalation
- National security barriers



Greek barriers to Internet SMEs



Fotis Antonopoulos

The New York Times


A Tale of Greek Enterprise and Olive Oil, Smothered in Red Tape

By SUZANNE DALEY

Published: March 18, 2012

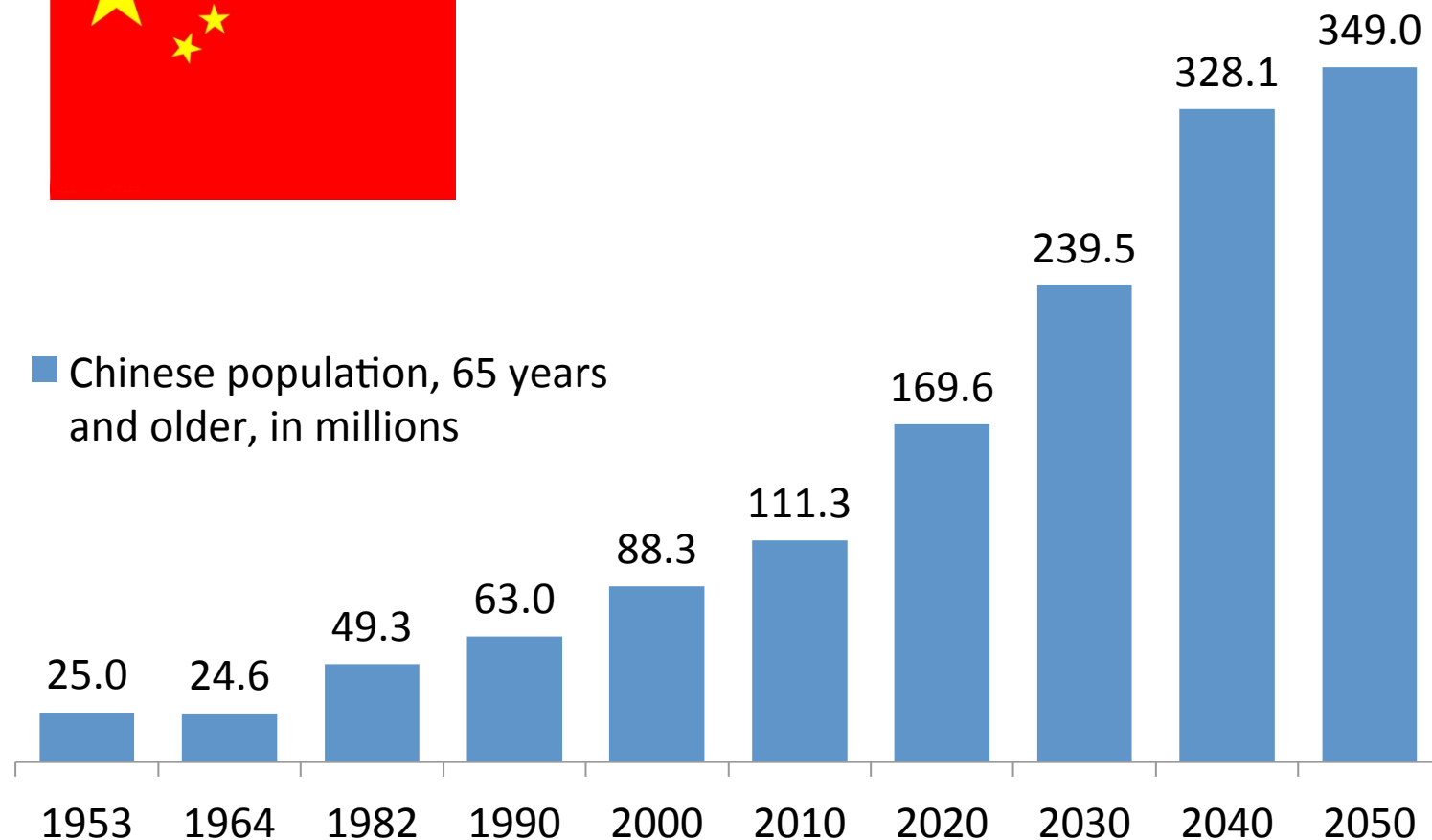
- A successful web designer. Wanted to start OliveShop.com
- 10 months to get permissions/forms signed and stamped.
- Prove up-to-date on his pension
- Chest x-rays and stool samples
- Banks insisted that company privacy and marketing policies were written only in Greek on the site to accept credit cards (even though selling abroad). Instead went with Paypal and set it up in 10 minutes.
- Didn't pay the "speed tax"
- Getting permits meant taking turns standing in line for one week

<http://www.nytimes.com/2012/03/19/world/europe/in-greece-business-rules-can-puzzle-entrepreneurs.html>



Need to prepare now for big challenges

The looming ageing crisis





Thank you

Payments

PayPal



Brain**tree**

Google Payments

In-Store »

Online »



serveSM



Financing: Kickstarter.com

KICKSTARTER

Discover
great projects

Start
your project



BLOG HELP SIGN UP LOG IN

Pebble: E-Paper Watch for iPhone and Android

A Product Design project in Palo Alto, CA by Pebble Technology · [send message](#)

PROJECT HOME

UPDATES

5

BACKERS

24,367

COMMENTS

1,732

★ REMIND ME



43690 likes. Sign Up to see what your friends like.



<http://kck.st/HumIV5>

ABOUT THIS PROJECT

↑ Check out the video ↑

24,367

BACKERS

\$3,491,051

PLEDGED OF \$100,000 GOAL

31

DAYS TO GO

THIS PROJECT WILL BE FUNDED ON FRIDAY
MAY 18, 11:00PM EDT.

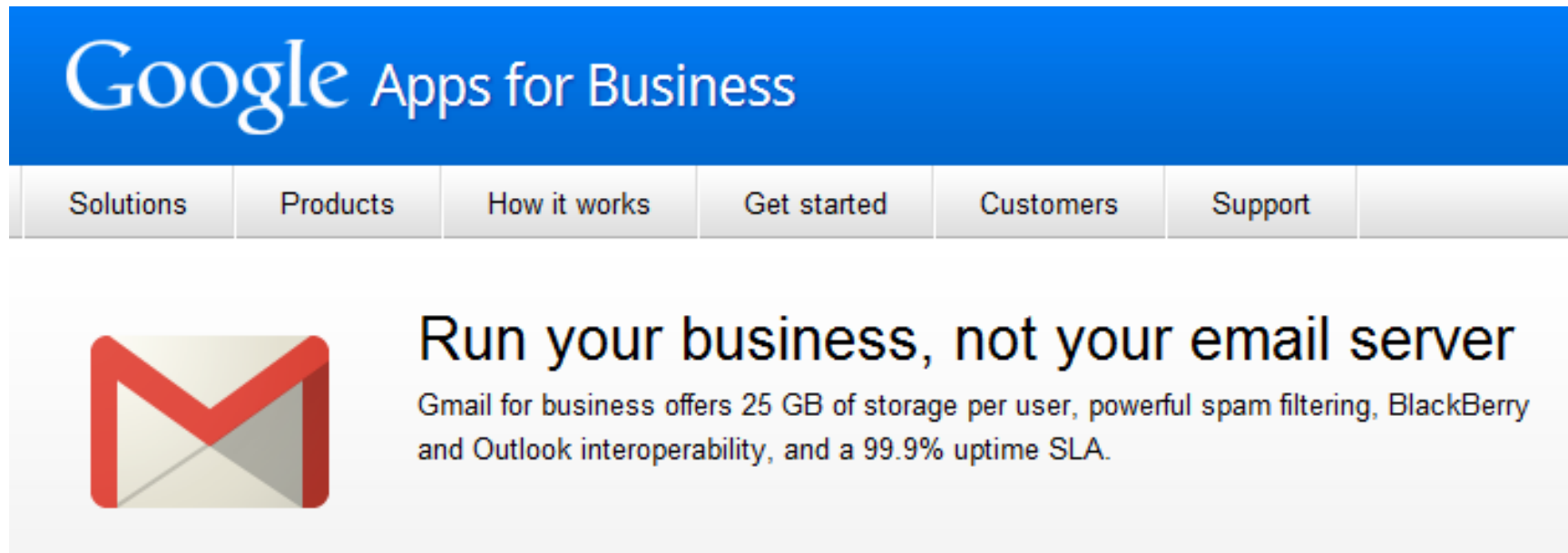
BACK THIS PROJECT
\$1 MINIMUM PLEDGE

PLEDGE \$99 OR MORE

200 BACKERS SOLD OUT (0 of 200 remaining)

EARLY BIRDS Help us get started! One Jet Black Pebble watch. This watch will retail for more than \$150. Free shipping to USA. (Add \$10 for shipping to Canada, \$15 for international shipping.)


Technical outsourcing: Cloud



The screenshot shows the Google Apps for Business website. At the top is a blue header with the text "Google Apps for Business" in white. Below the header is a navigation bar with seven buttons: "Solutions", "Products", "How it works", "Get started", "Customers", "Support", and an empty button. The main content area features a large red and white envelope icon on the left. To the right of the icon, the text reads "Run your business, not your email server". Below this, a paragraph states: "Gmail for business offers 25 GB of storage per user, powerful spam filtering, BlackBerry and Outlook interoperability, and a 99.9% uptime SLA."

Google Apps for Business

Solutions Products How it works Get started Customers Support

 Run your business, not your email server

Gmail for business offers 25 GB of storage per user, powerful spam filtering, BlackBerry and Outlook interoperability, and a 99.9% uptime SLA.



Unemployment – Who is hit?

