



European Commission

*Directorate General
Enterprise and Industry*

e-Business Trends and Challenges in Europe

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Paris, June 4th, 2008



Objectives e-Business Watch



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Study and assess

Impact of ICT



Individual enterprises

Selected industries



EU economy

Highlight

Barriers for ICT uptake



e-Business adoption

Effective use of ICT



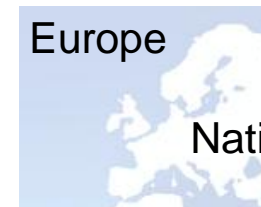
Interoperability constraints



Identify and discuss

Public policy challenges

Europe



National



e-Business Trends in Europe



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In a knowledge society...

... Europe's economic prosperity is determined significantly by ICT adoption and use



- Ø e-Business use is growing in Europe
- Ø Growth is uneven across sectors
- Ø Growth is strongest in large companies

ICT effects



Impact of ICT

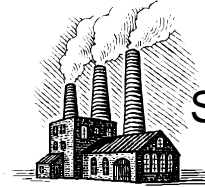


Individual enterprises

- Ø **Cost** - Mercator (Slovenia): e-commerce reduced procurement costs by 11%
- Ø **Efficiency** - Michelin (Germany): Digital personnel records resulted in significant efficiency gains for example from integrated archiving
- Ø **Competitiveness** - CFR Calatori (Romania): increased competitiveness and productivity through business process re-engineering from e-ticketing/e-reservation
- Ø **Process innovation** - Probos (Portugal): number of new customers has increased by about 8% since the introduction of a new system for CRM solution

ICT effects

Impact of ICT



Selected industries

- Ø **Retail:** ICT capital investments alone are insufficient to significantly increase labour productivity growth, organisational changes and workforce training are also necessary
- Ø **Chemicals, rubber and plastics:** more than 70% of firms confirm that new processes are enabled by ICT
- Ø **Steel:** 54% of firms report that ICT affect competition within the sector
- Ø **Furniture:** close relationships between business partners facilitate investments in specific e-business technologies
- Ø **Transport & logistics:** ICT-enabled innovation activity is positively related to turnover growth

Impact of ICT



EU economy

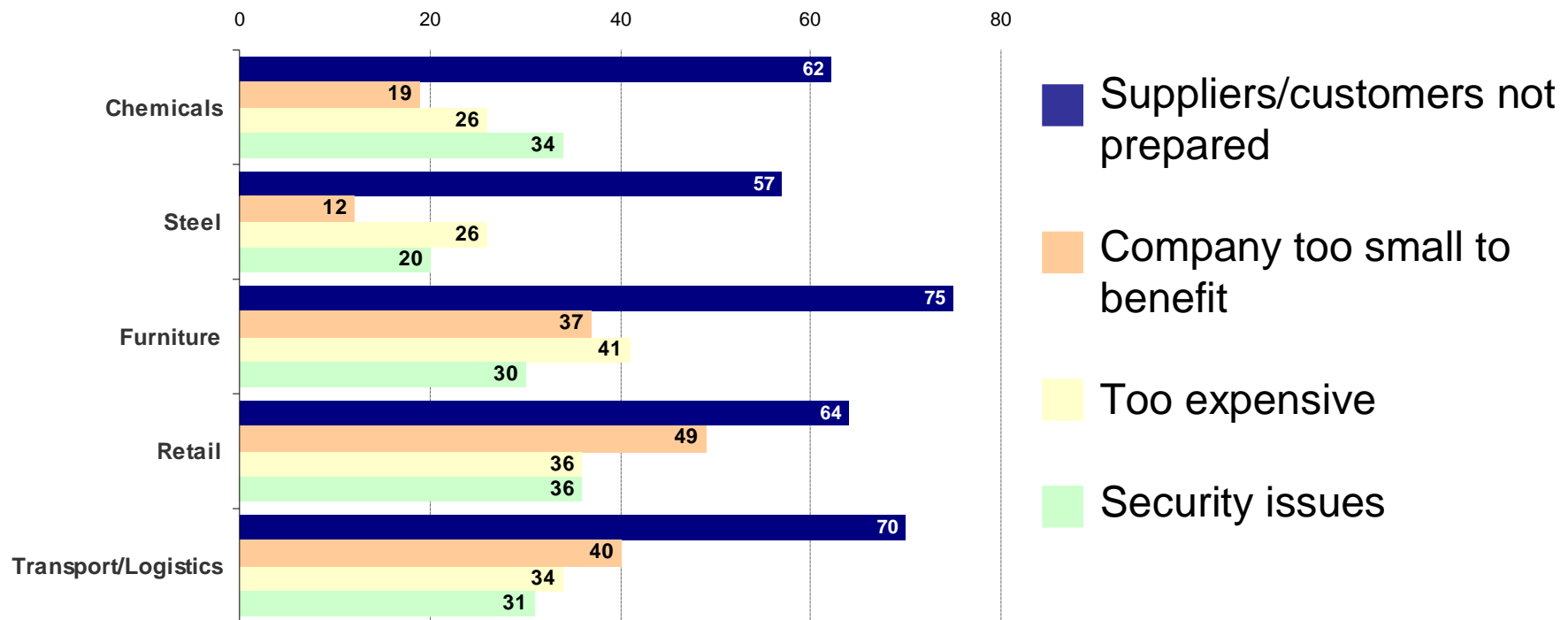
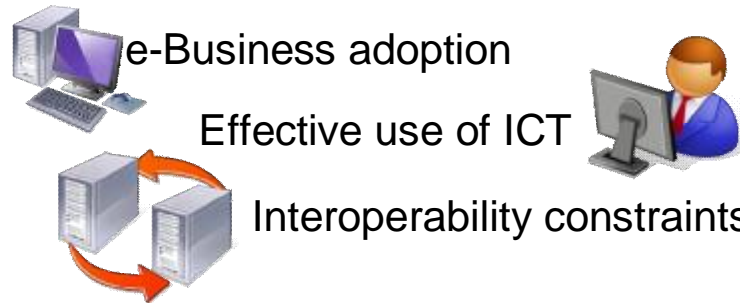
Percentage of ICT-enabled product / process innovations

ICT play a **crucial role** to support process innovation

Differences are more pronounced for product innovation, obviously depending on the nature of the goods and services produced

Sector	Product innovation: % ICT-linked		Process innovation: % ICT-linked		Year of survey*
Manufacturing					
Chemical, rubber, plastics	36%	~ ~	73%	~ ~ ~	2007
Food	15%	~	62%	~ ~ ~	2006
Pulp and paper	34%	~ ~	59%	~ ~ ~	2006
ICT manufacturing	54%	~ ~ ~	70%	~ ~ ~	2006
Steel	48%	~ ~	64%	~ ~ ~	2007
Furniture	44%	~ ~	67%	~ ~ ~	2007
Automotive	21%	~	86%	~ ~ ~ ~	2005
Pharmaceutical	18%	~	72%	~ ~ ~	2005
Machinery & equipment	25%	~	66%	~ ~ ~	2005
Publishing	65%	~ ~ ~	83%	~ ~ ~ ~	2005
Retail and services					
Retail	70%	~ ~ ~	81%	~ ~ ~ ~	2007
Transport and logistics	76%	~ ~ ~ ~	75%	~ ~ ~	2007
Telecommunications	86%	~ ~ ~ ~	92%	~ ~ ~ ~	2006

Barriers



Source: e-Business Watch Sector Surveys



Policy challenges



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In a knowledge society...

... Europe's economic prosperity is governed significantly by ICT adoption and use



- Ø Knowledge society needs encouragement
- Ø Foster e-business uptake among SMEs
- Ø Support development of e-standards and promote interoperability of ICT systems
- Ø Address emerging skills gap (lack of ICT and e-business professionals)



Intellectual property rights



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What about ICT- SMEs?

IPR Awareness and use?
Effects on competitiveness
and innovation?



Further information:

<http://www.ebusiness-watch.org>

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