

# Digital Economy and Society Index<sup>1</sup> 2016<sup>2</sup>

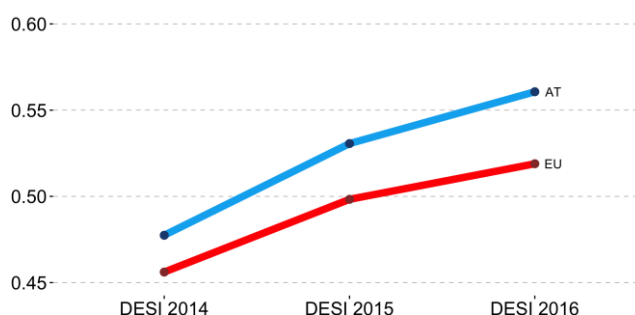
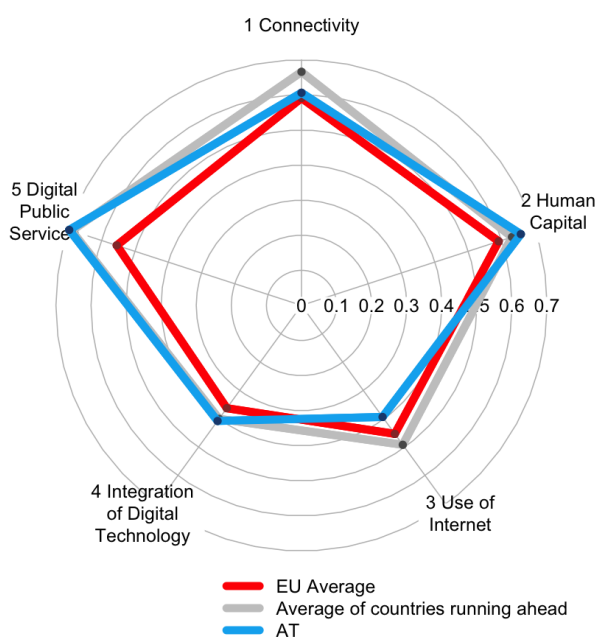
## Country Profile

### Austria

In DESI 2016, Austria has an overall score<sup>3</sup> of **0.56** and ranks **12<sup>th</sup>** out of the 28 EU Member States, one place up from DESI 2015. Austrians benefit from affordable internet and a relatively high availability of high-speed internet. Digital technologies are relatively well exploited by businesses, individuals and public institutions: Over 60% of internet users bank and shop online and 98% of the administrative steps related to major life events can be completed online. Further progress can be made when it comes to online commerce by SMEs (only 14% of SMEs sell online).

Austria's DESI score is above the EU average and the country developed faster than the EU over the last year, which places it in the running ahead cluster of countries.<sup>4</sup> It performs below average when compared to other countries in this cluster.

	Austria rank	Austria score	Cluster score	EU score
<b>DESI 2016</b>	<b>12</b>	<b>0.56</b>	<b>0.58</b>	<b>0.52</b>
DESI 2015	13	0.53 <sup>5</sup>	0.57	0.5



<sup>1</sup> The Digital Economy and Society Index (DESI) is a composite index developed by the European Commission (DG CNECT) to assess the development of EU countries towards a digital economy and society. It aggregates a set of relevant indicators structured around 5 dimensions: Connectivity, Human Capital, Use of Internet, Integration of Digital Technology and Digital Public Services. For more information about the DESI please refer to <http://ec.europa.eu/digital-agenda/en/digital-agenda-scoreboard>

<sup>2</sup> The DESI 2016 is constructed from indicators referring mostly to the calendar year 2015 (except when data is not available for that calendar year, in which case the latest prior data was used).

<sup>3</sup> DESI scores range from 0 to 1, the higher the score the better the country performance.

<sup>4</sup> In the DESI 2016, Austria is part of the running ahead cluster of countries: countries who score above the EU average and whose score grew faster than that of the EU as a whole (in comparison to the DESI 2015). Other running ahead countries are Germany, Estonia, Malta, the Netherlands and Portugal.

<sup>5</sup> The DESI 2015 was re-calculated for all countries to reflect updates and corrections to the underlying indicator data (which took place between May 2015 and January 2016). As such, country scores and rankings may have changed from the previous publication. For further information please consult the DESI methodological note.

# 1 Connectivity

1 Connectivity	Austria		Cluster score	EU score
	rank	score		
<b>DESI 2016</b>	<b>14</b>	<b>0.61</b>	<b>0.67</b>	<b>0.59</b>
DESI 2015	12	0.6	0.6	0.57

With an average overall Connectivity score of 0.61, Austria ranks 14<sup>th</sup> among EU countries, falling two places as compared to 2015.

	Austria				EU DESI 2016 value	
	DESI 2016 value		rank	DESI 2015 value		rank
<b>1a1 Fixed BB Coverage</b> % households	99% (June 2015)	→	11	99% (December 2014)	10	97% (June 2015)
<b>1a2 Fixed BB Take-up</b> % households	65% (2015)	↑	19	64% (2014)	17	72% (2015)
<b>1b1 Mobile BB Take-up</b> Subscribers per 100 people	67 (June 2015)	→	16	67 (December 2014)	12	75 (June 2015)
<b>1b2 Spectrum</b> % of the target for spectrum to be harmonised at EU level	73% (December 2015)	↓	11	76% (December 2014)	12	69% (December 2015)
<b>1c1 NGA Coverage</b> % households, out of all households	89% (June 2015)	↑	10	88% (December 2014)	10	71% (June 2015)
<b>1c2 Subscriptions to Fast BB</b> % of subscriptions >= 30Mbps, out of fixed BB subscriptions	21% (June 2015)	↑	23	20% (December 2014)	22	30% (June 2015)
<b>1d1 Fixed BB Price</b> % individual gross income spent for the cheapest standalone Fixed Broadband subscription (lower values are better)	0.85% (Access cost: 2015; Income: 2014)	↑	3	0.88% (Access cost: 2014; Income: 2014)	4	1.3% (Access cost: 2015; Income: 2014)

Broadband is more affordable in Austria than in most other EU countries (on average, Austrians only need to spend 0.85% of their income to get a broadband connection as opposed to the 1.3% EU average). Fixed broadband is available to 99% of households as compared to the 97% EU average. 89% of all households in Austria are now connected to an NGA infrastructure allowing access to a high-speed broadband connection (vs 71% in the EU). However, Austria still lags behind the EU average when it comes to rural NGA coverage: only 21% of rural households have access to NGA vs the EU average of 28%<sup>6</sup>. This is not surprising considering the challenges posed by Austria's mountainous

<sup>6</sup> Data from mid-2015

topography. As of late 2015 Austria is implementing an ambitious funding scheme to increase NGA coverage. The aim of Austria's current Broadband Strategy is to achieve an almost universal ultra-high speed internet access by 2020<sup>7</sup>.

Despite lower prices and almost ubiquitous basic broadband coverage, the uptake of both fixed and mobile broadband connections is below the EU average. This notwithstanding, 81% of households in Austria hold at least one type of broadband connection (fixed, mobile or both), which largely corresponds to the EU average (80%).<sup>8</sup> The take-up of high-speed broadband seems to be particularly low in Austria: only 21% of fixed broadband subscriptions are for high-speed broadband as opposed to a 30% EU average. Furthermore, Austria does not seem to be catching up: since the end of 2013, the take up of high-speed services increased by 5 percentage points as compared to the EU average of 9 percentage points<sup>9</sup>.

## 2. Human Capital

2 Human Capital	Austria		Cluster	EU
	rank	score	score	score
<b>DESI 2016</b>	<b>8</b>	<b>0.66</b>	<b>0.63</b>	<b>0.59</b>
DESI 2015	14	0.61	0.72	0.58

With an above-average Human Capital score of 0.66, Austria ranks 8th among EU countries and is also above average within the running ahead cluster.

	Austria				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>2a1 Internet Users</b> % individuals (aged 16-74)	81% (2015) ↑	11	77% (2014)	11	76% (2015)
<b>2a2 Basic Digital Skills</b> % individuals (aged 16-74)	64% (2015)	9	n.a.	-	55% (2015)
<b>2b1 ICT Specialists</b> % employed individuals	3.8% (2014)	15	3.8% (2013)	15	3.7% (2014)
<b>2b2 STEM Graduates</b> Graduates in STEM per 1000 individuals (aged 20 to 29)	22 (2013) ↑	3	16 (2012)	14	18 (2013)

The digital skills of the wider population are above the EU average: 81% of Austrians aged between 16 and 74 use the Internet. Around 64% of Austrians aged between 16 and 74 have at least basic digital skills, well above the EU average of 55%.

<sup>7</sup> <http://www.bmvit.gv.at/telekommunikation/breitbandstrategie/foerderungen/bba2020/index.html>

<sup>8</sup> [http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={"indicator-group":"broadband","indicator":"h\\_broad","breakdown":"HH\\_total","unit-measure":"pc\\_hh","ref-area":\["AT","EU27"\]}](http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={)

<sup>9</sup> [http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={"indicator-group":"bbquality","indicator":"bb\\_speed30","breakdown":"TOTAL\\_FBB","unit-measure":"pc\\_lines","ref-area":\["AT","EU27"\]}](http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={)

When it comes to the share of ICT specialists in the workforce, Austria is average.

In 2013 Austria ranked in the top three considering the number of graduates holding a degree in science, technology, engineering and mathematics (STEM), which bodes well for the future: once they enter the workforce, STEM graduates are important drivers of the use of digital technology in research and in the economy, including of the most cutting-edge digital technologies.

## 3 Use of Internet

3 Use of Internet	Austria		Cluster	EU
	rank	score	score	score
DESI 2016	25	0.39	0.47	0.45
DESI 2015	24	0.38	0.47	0.43

When it comes to some of the more common uses of the Internet by private individuals, Austria ranks only 25<sup>th</sup> among EU countries. This is surprising considering that Austrians have digital skills above the European average with a widely available and affordable Internet. Austrians are therefore in a good position to exploit the Internet for a variety of uses.

	Austria				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>3a1 News</b> % individuals who used Internet in the last 3 months (aged 16-74)	67% (2015) →	21	67% (2014)	21	68% (2015)
<b>3a2 Music, Videos and Games</b> % individuals who used Internet in the last 3 months (aged 16-74)	42% (2014)	24	42% (2014)	24	49% (2014)
<b>3a3 Video on Demand</b> % households that have a TV	20% (2014)	18	20% (2014)	18	41% (2014)
<b>3b1 Video Calls</b> % individuals who used Internet in the last 3 months (aged 16-74)	31% (2015) ↑	24	29% (2014)	27	37% (2015)
<b>3b2 Social Networks</b> % individuals who used Internet in the last 3 months (aged 16-74)	54% (2015) ↓	25	55% (2014)	25	63% (2015)
<b>3c1 Banking</b> % individuals who used Internet in the last 3 months (aged 16-74)	61% (2015) ↑	14	59% (2014)	14	57% (2015)
<b>3c2 Shopping</b> % individuals who used Internet in the last year (aged 16-74)	68% (2015) ↑	9	65% (2014)	9	65% (2015)

Austrians score above European averages when it comes to the more practical uses of the Internet, e.g. internet banking (61%) and online shopping (68%). Austrians are also among the most active cross border shoppers in Europe<sup>10</sup>. This indicates a general trust in online services.

However, Austrians seem to make less use of the Internet for classical entertainment purposes (music, videos, games, TV) and make much less video calls. This may be due to lifestyle preferences or also to technological constraints, like insufficient bandwidth.

<sup>10</sup> [http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={"indicator-group":"ecommerce","indicator":"i\\_bfeu","breakdown":"IND\\_TOTAL","unit-measure":"pc\\_ind","ref-area":\["AT","BE","BG","HR","CY","CZ","DK","EE","EU27","MK","FI","FR","DE","EL","HU","IS","IE","IT","LV","LT","LU","MT","ME","NL","NO","PL","PT","RO","RS","SK","SI","ES","SE","TR","UK"\]}](http://digital-agenda-data.eu/charts/see-the-evolution-of-an-indicator-and-compare-countries#chart={)

## 4 Integration of Digital Technology

4 Integration of Digital Technology	Austria		Cluster	EU
	rank	score	score	score
<b>DESI 2016</b>	<b>10</b>	<b>0.41</b>	<b>0.4</b>	<b>0.36</b>
DESI 2015	13	0.37	0.37	0.33

Businesses in Austria increasingly make use of digital technologies. Austria ranks above the EU average, and also above its cluster average. Whilst integration of digital technologies by businesses seems to be in line with or above the EU average, there is scope for improvement in specific areas, especially for small and medium sized enterprises.

	Austria				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>4a1 Electronic Information Sharing</b> % enterprises (no financial sector, 10+ employees)	41% (2015) ↑	8	45% (2014)	2	36% (2015)
<b>4a2 RFID</b> % enterprises (no financial sector, 10+ employees)	5.6% (2014)	7	5.6% (2014)	7	3.8% (2014)
<b>4a3 Social Media</b> % enterprises (no financial sector, 10+ employees)	16% (2015) ↑	14	15% (2014)	15	18% (2015)
<b>4a4 eInvoices</b> % enterprises (no financial sector, 10+ employees)	25% (2015) ↑	1	11% (2014)	11	n.a.
<b>4a5 Cloud</b> % enterprises (no financial sector, 10+ employees)	n.a.	-	6.1% (2014)	22	n.a.
<b>4b1 SMEs Selling Online</b> % SMEs (no financial sector, 10+ employees)	14% (2015) ↑	17	12% (2014)	16	16% (2015)
<b>4b2 eCommerce Turnover</b> % turnover of SMEs (no financial sector, 10-249 employees)	8% (2015) ↑	16	7.1% (2014)	17	9.4% (2015)
<b>4b3 Selling Online Cross-border</b> % SMEs (no financial sector, 10+ employees)	10% (2015) →	6	9.7% (2013)	8	7.5% (2015)

The integration of digital technologies can improve the performance of an enterprise in many ways. It can improve productivity and can help companies to reach more customers and to serve them better. Businesses in Austria are ahead of the EU average in some specific uses of digital technology. For example, Austrian companies are the leading users of e-invoicing in Europe. The number of enterprises using e-invoicing has more than doubled in one year. In this context it is worth mentioning that the use of structured e-Invoicing to the public sector is required since 1 January 2014.

SMEs in Austria seem to struggle somewhat to exploit the full advantage of online commerce, which would give them the opportunity to reach more consumers directly, taking into account Austrian consumers' propensity to engage in eCommerce (see previous section). The number of SMEs selling online is still lower than the EU average, notwithstanding a modest year-on-year growth of 2%. However one of the most digitised

sectors in Austria is tourism, where Austrian SMEs are very active in selling to consumers in other countries and raising the average of cross-border trade relative to other European countries (10% of SMEs engaged in online cross-border sales vs the EU average of 7.5%). In conclusion, Austrian SMEs do not have a strong propensity to sell online, but those who do, are ready to do go cross-border too.

## 5 Digital Public Services

5 Digital Public Services	Austria		Cluster	EU
	rank	score	score	score
<b>DESI 2016</b>	<b>6</b>	<b>0.7</b>	<b>0.69</b>	<b>0.55</b>
DESI 2015	9	0.65	0.66	0.54

Austria scores well for the use of digital technologies in public services as compared to the EU average, ranking 6 overall.

	Austria				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
<b>5a1 eGovernment Users</b> % individuals returning filled forms, out of Internet users in the last year (aged 16-74)	37% (2015)	13	36% (2014)	15	32% (2015)
<b>5a2 Pre-filled Forms</b> Score (0 to 100)	62 (2015)	12	52 (2014)	13	49 (2015)
<b>5a3 Online Service Completion</b> Score (0 to 100)	98 (2015)	2	90 (2014)	6	81 (2015)
<b>5a4 Open Data</b> Score (0 to 700)	500 (2015)	5	500 (2014)	5	351 (2015)

The digitalisation of public services has a huge potential as it saves cost, time and effort for users and providers alike. Austria seems to have recognised this potential and is above average for general indicators for the use of online services. It even shows significant year-on-year improvement, e.g. when it comes to Online Service Completion.