Presentation results of ICT survey in Latvia

LogOn Baltic Workshop meeting

October 25th 2007, Riga

Jurijs Roliks
Project Manager
Transport and Telecommunications Institute
Content of the ICT Survey

Contact and background information

*Respondent’s position, contact e-mail*
*Company: name, region, legal form, size, industry sector*
*Turnover*
USE of ICT systems

Use of PC, workstations, terminals
Use of IT technology
Data security
USE of Internet

*Internet*: type of connection, purpose of use

*Interaction with government authorities*

*Website*: existence, features
E-commerce / E-business

*Purchase, Sales, Payments*

*Integration of business processes with suppliers/customers*

*Motivation for the use of E-commerce / E-business*
Barriers on the use of ICT

Barriers on the use of Internet

Barriers on the use of E-commerce

Barriers on the use of ICT in general
Company industry sector
Automotive industry
Manufacturing of textiles and textile products
Financing / Banking / Insurance
Publishing and printing
Manufacturing of electrical and optical equipment
Manufacturing of basic metals and fabricated metal products
Manufacturing of pulp, paper, and paper products
Manufacturing of wood and wood products
Manufacturing of chemicals, chemical products, and man-made fibres
Manufacturing of food products and tobacco
Wholesale Trade
Retail Trade
Government, Public Administration
Energy Supply
Construction
Transport, Distribution, and Logistics
Health and Human Services
Tourism and Leisure Industry
ICT / Telecommunication
Maritime Industry
Other
Areas of business where companies are using ICT

- Manufacturing: 16
- Trading: 32
- Logistics service providers: 10
- Other: 50

Project part-financed by the European Union (European Regional Development Fund) within the BSR INTERREG III B Neighbourhood Programme
Fields of business where ICT is used the most

*Manufacturing*
*Trading*
*Other*

The reason is the that question 3 in questionnaire is incomplete: not all popular kinds of manufacture are specified and also the greater part of the manufacturing companies has got in section "Others"
ICT-costs expenses as a percentage of company turnover

- IT personnel
- Software
- Hardware

Legend:
- 0 %
- 0-2,5%
- 2,5-5%
- 5-7,5%
- 7,5-10%
- >10%
ICT-costs expected development the next 3 years

<table>
<thead>
<tr>
<th></th>
<th>Decrease</th>
<th>Remain constant</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware</td>
<td>1</td>
<td>49</td>
<td>58</td>
</tr>
<tr>
<td>Software</td>
<td>1</td>
<td>12</td>
<td>94</td>
</tr>
<tr>
<td>IT personnel</td>
<td>8</td>
<td>47</td>
<td>52</td>
</tr>
</tbody>
</table>
Costs assumed to increase the most

*Software*

Because the software represents the intellectual property being the copyright object protected by the law and very costly estimated
 Costs assumed to decrease the most

 *IT personal*

Because qualified ICT personnel is very expensive and to get it in circumstances of "headhunting" becomes more difficult every year
Companies` views on the E-commerce importance

- It helps a company to reach new suppliers
- It gives our company a competitive advantage
- It helps our company to improve the customer service quality
- It helps a company to reach new customers
- It helps to simplify transactions
- It has a major impact on our profitability

Disagree | Neither disagree nor agree | Agree
The statement the companies most agree with

*It helps a company to reach new customer*

*It helps to simplify transactions*

*It helps a company to reach new suppliers*
The statement the companies most disagree with

*It gives our company a competitive advantage*

*It has a major impact on our profitability*

*It helps our company to improve the customer service quality*
Conclusion 1: 
*Use of ICT systems give the low costs: 2.5 % of the company turnover*

Conclusion 2: 
*Latvian enterprises has a great number of the owned Internet-sites and their functional completeness*

Conclusion 3: 
*Use of ICT systems give high level of communication on all contacts levels, simplicity of transactions and support in finding new clients and suppliers*
Recommendations for further use of the Internet, e-commerce, and ICT:

- extending the fields of activity of the enterprises using ICT systems
- increasing interaction of the enterprises with the governmental authorities by means of the Internet
- prompt introduction of e-commerce and e-business, and increase of the amount of trade or business implementation by electronic means with clients and suppliers
- changing the prevailing negative opinion about the opportunities of e-commerce and e-business
Thank you for your attention!
Contact

Jurijs Rošiks
Transport and Telecommunication Institute
E-mail: rolık@tsi.lv
www.tsi.lv

LogOn Baltic Project Office
Turku School of Economics
Rehtorinpellonkatu 3
FI–20500 TURKU
FINLAND

www.logonbaltic.info

DISCLAIMER
This publication has been produced with the assistance of the European Union. The contents of this publication is the sole responsibility of the presenter and can under no circumstances be regarded as reflecting the position of the European Union.

The content of this publication reflects the author’s views. The Investitionsbank Schleswig Holstein is not liable for any use that may be made of the information contained herein.