

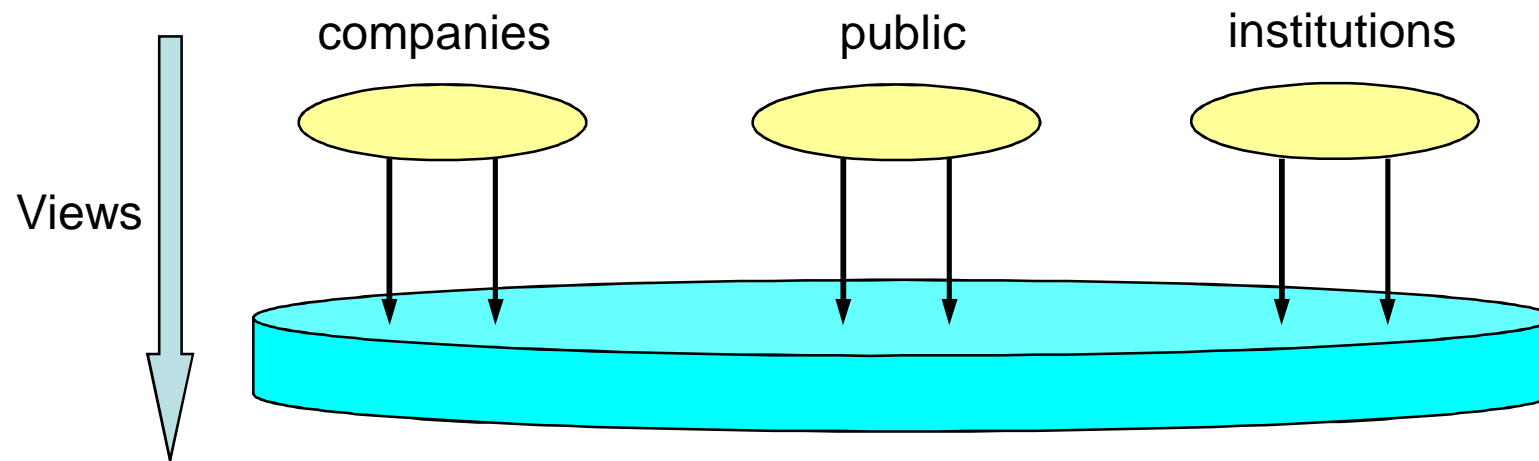
Key findings on ICT usage of LogOn Baltic

Prof. Gunnar Prause
Wismar University
St. Petersburg, 28. November 2008



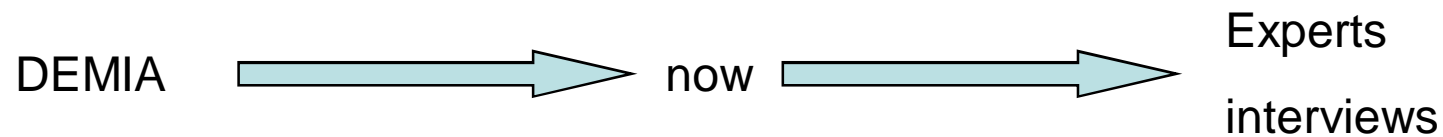
DEMAND SIDE = VIEWS & VISIONS

The regional players are using the logistic & ICT services and infrastructure



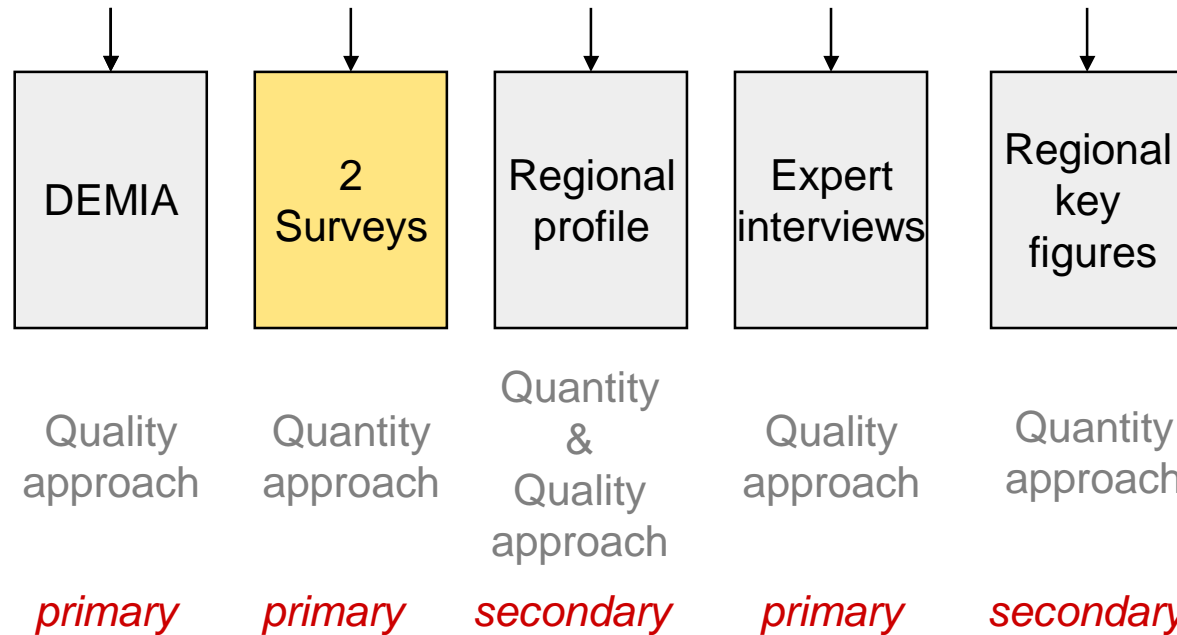
The region is offering Logistics & ICT services and infrastructure

SUPPLY SIDE = ACTUAL SITUATION





Activities



The ICT Survey – objective, target group and characteristics

Goal

- Within each region: describe the existing ICT infrastructure and services and contrast these results with the actual demands
- Within the BSR: compare the results among the different regions

Target group

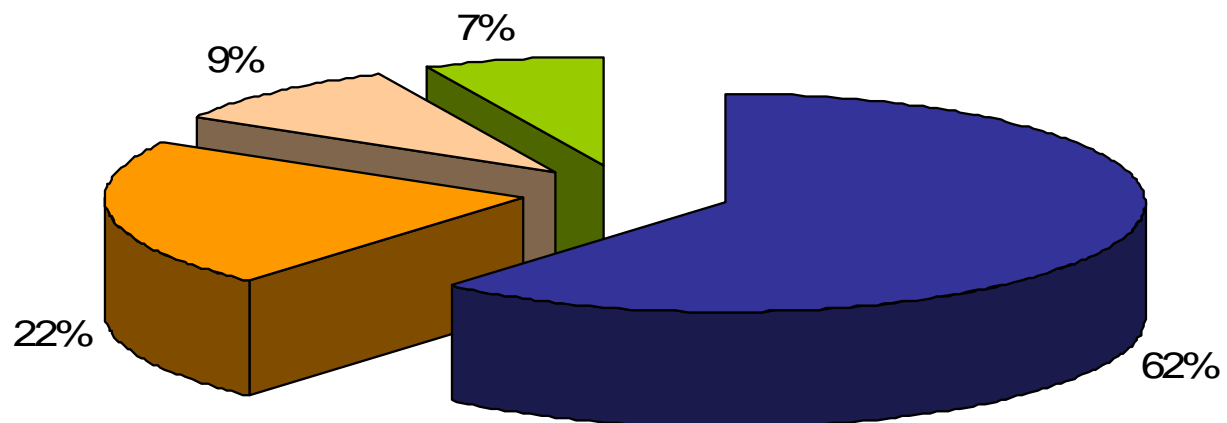
- whole population of companies in the region, with special focus on SME's

Characteristics

- web-based survey
- the same survey in all of the regions (additional: e-mail, phone, interviews)
- translated into local languages
- no open questions → to make it comparable
- > 1,100 responses throughout the BSR



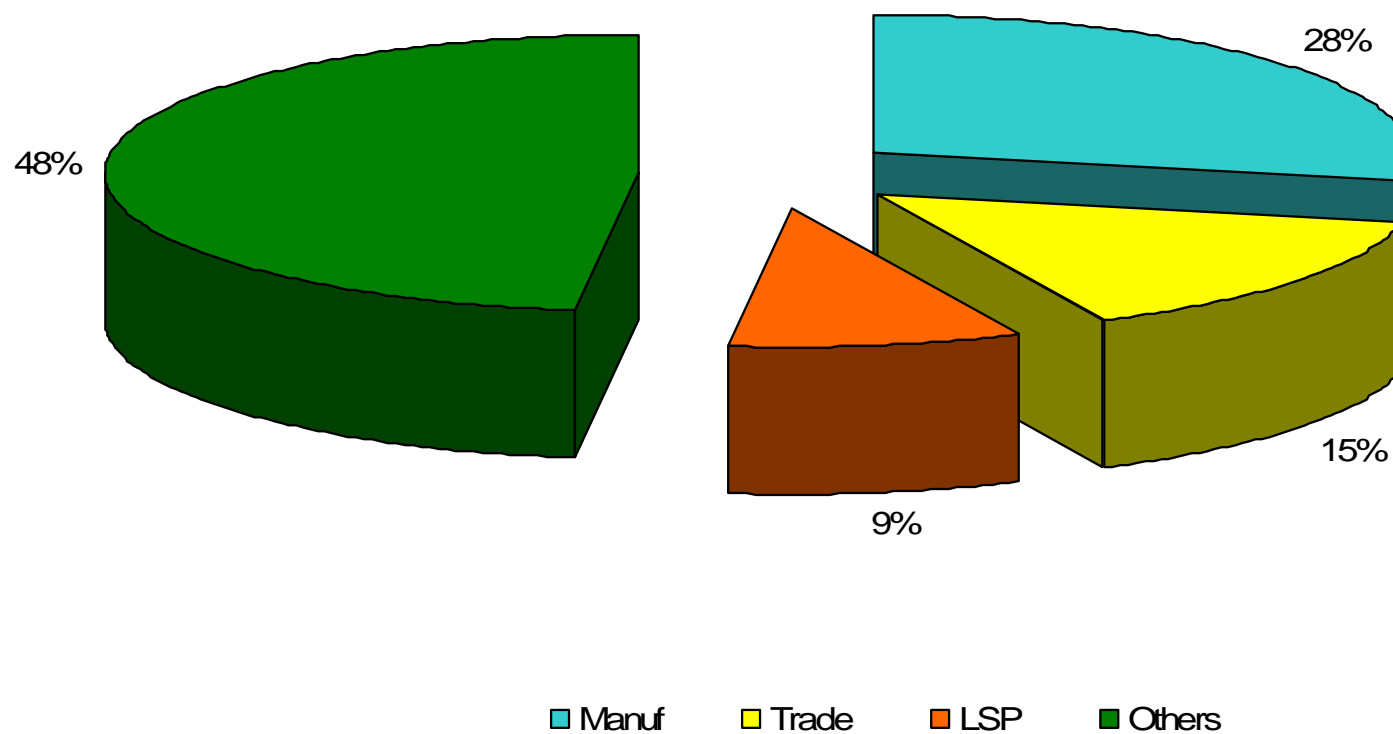
Distribution of companies by size



■ Micro ■ Small ■ Medium ■ Large

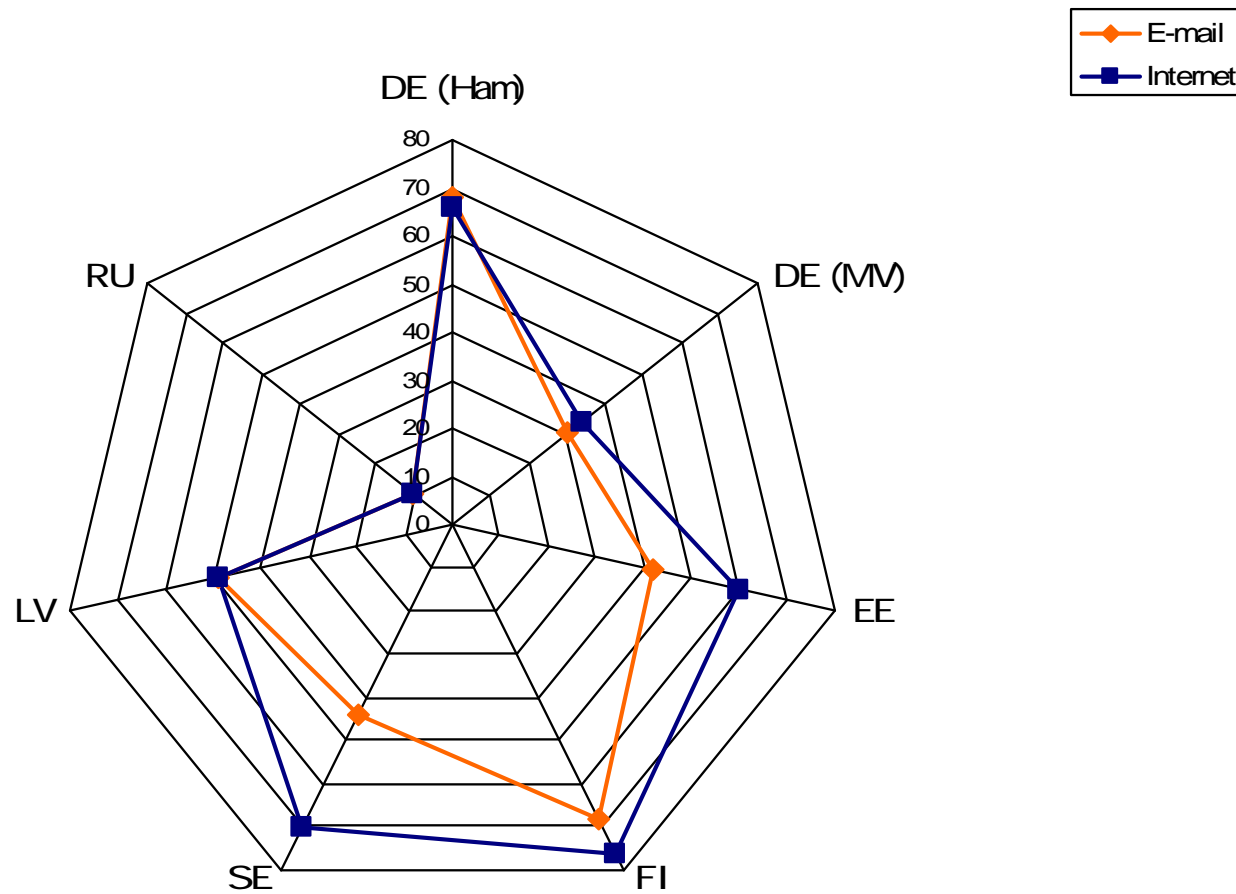


Distribution of companies by industry





Usage rates: e-mail & Internet (> 75%)





Use of ICT in business areas

ICT is used in a different degree in various business areas. The two areas where ICT is implemented the most as a support of the daily activities are:

Accountancy

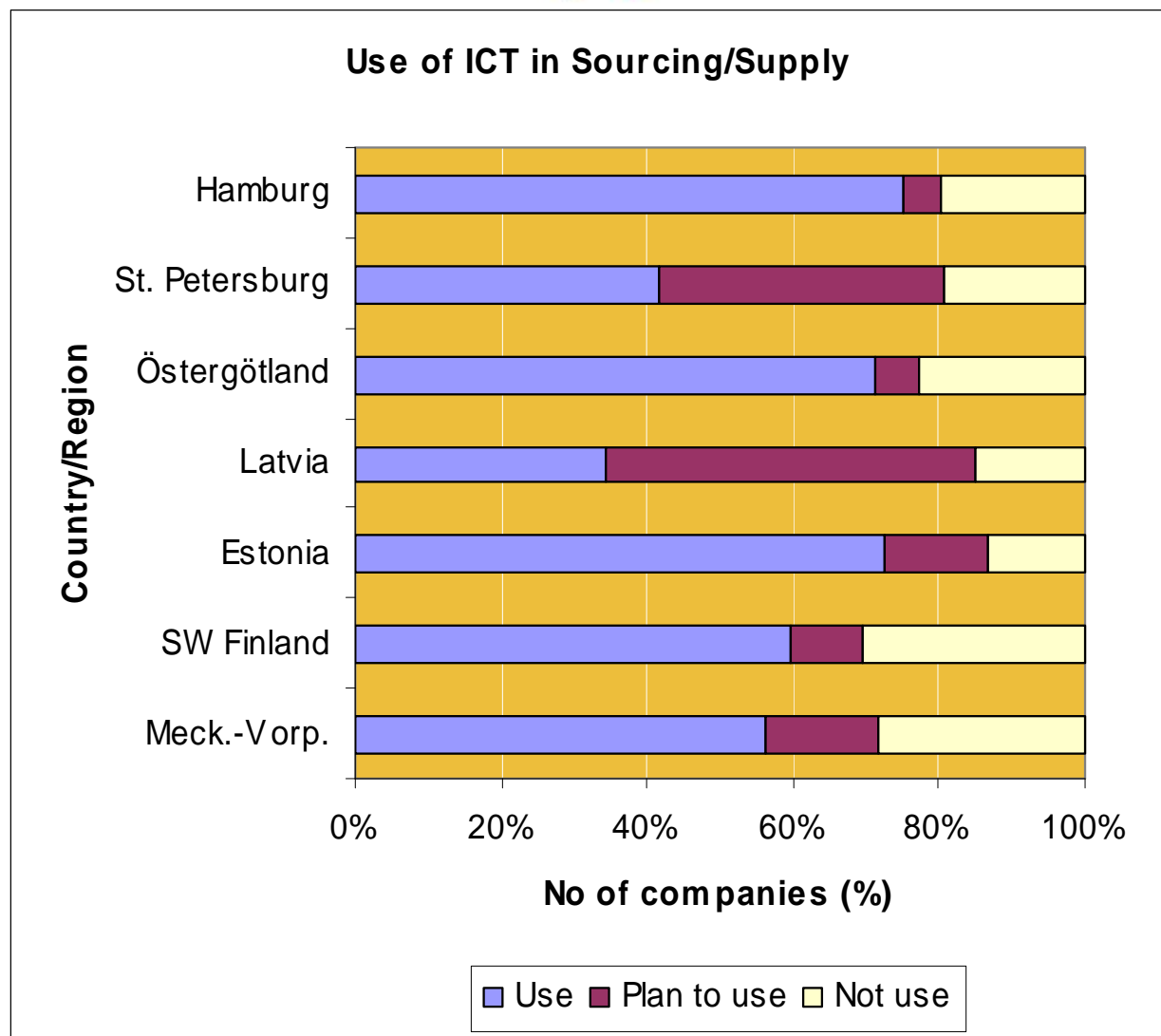
- different software tools enabling quick and easy access to information
- indispensable for managing and monitoring tax information

Marketing & Sales

- improves presence of company worldwide
- unexpensive and with a wide coverage

Sourcing & Supply-Chain-Management

- Regional differences in the BSR



ICT expenses

- ❖ Similar distribution for the 3 types of expenses
 - ❖ Modal values for all types of expenses were $< 2,5 \%$
- ❖ Software expenses are expected to increase the most
- ❖ Basic IT knowledge is nowadays common in the newer generations
 - big number of people can handle simple IT issues,
but specialist are needed for more complex issues

ICT expenses (hardware)

	0%	< 2,49%	2,5 – 4,9%	5 – 7,49%	7,5 – 10%	> 10%
Estonia	3	68	15	3	1	3
Hamburg	4	53	17	5	2	3
Meck.-Pom.	11	46	23	5	10	3
Russia	0	86	10	3	0	1
Sweden	3	74	11	1	1	1
Finland	9	57	15	7	5	5
Latvia	1	55	33	7	1	2

ICT expenses (software)

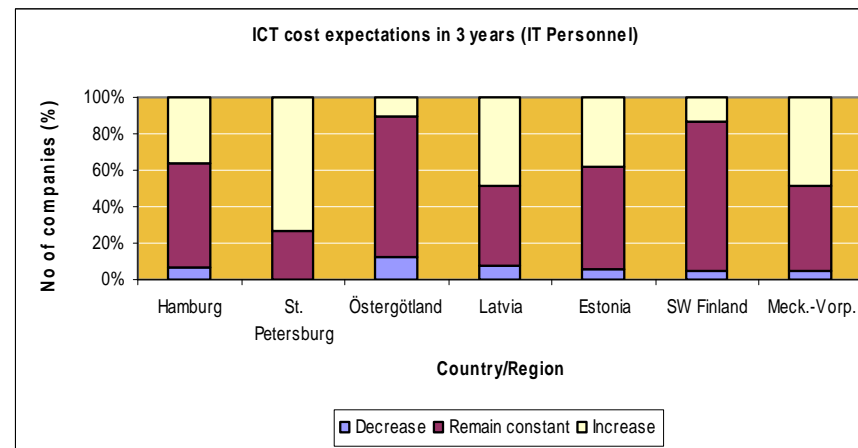
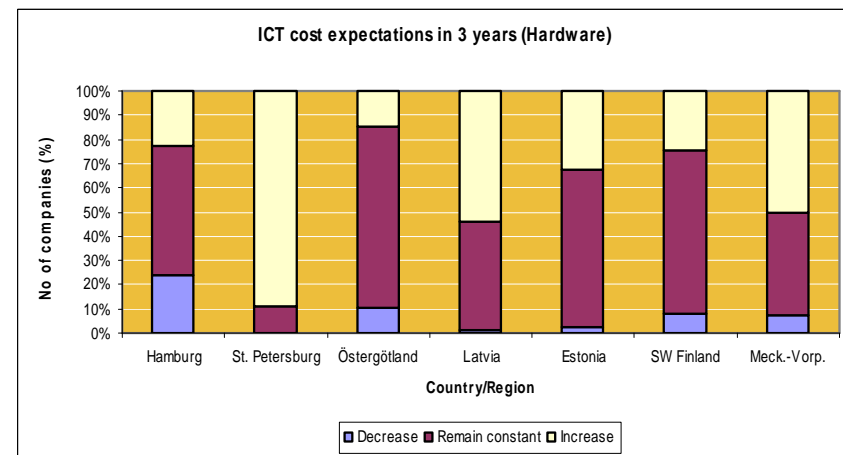
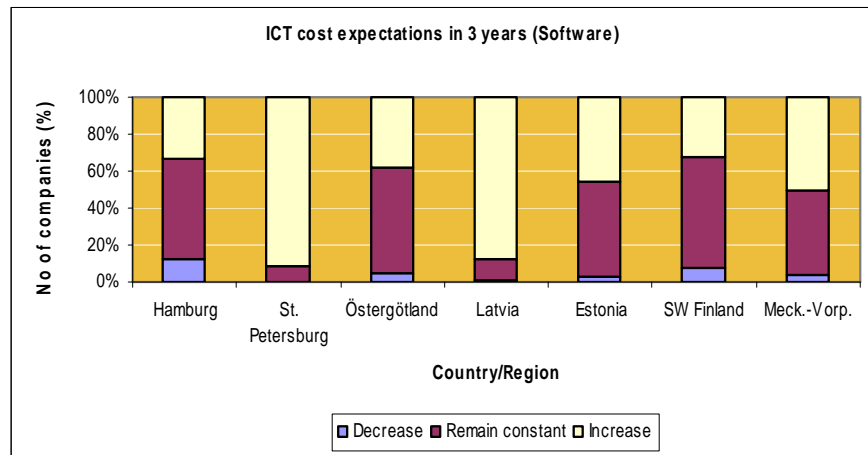
	0%	< 2,49%	2,5 – 4,9%	5 – 7,49%	7,5 – 10%	> 10%
Estonia	3	71	8	6	3	3
Hamburg	8	45	18	4	2	4
Meck.-Pom.	8	58	16	4	10	3
Russia	1	80	16	3	0	1
Sweden	1	69	15	3	4	1
Finland	15	52	13	6	4	5
Latvia	2	25	38	23	9	2

ICT expenses (personnel)

	0%	< 2,49%	2,5 – 4,9%	5 – 7,49%	7,5 – 10%	> 10%
Estonia	23	44	6	2	1	4
Hamburg	13	38	15	4	1	5
Meck.-Pom.	25	32	17	3	11	8
Russia	8	80	6	2	0	3
Sweden	18	59	10	0	1	3
Finland	44	27	5	3	1	6
Latvia	22	58	13	3	1	2



Development of ICT expenses in next 3 years



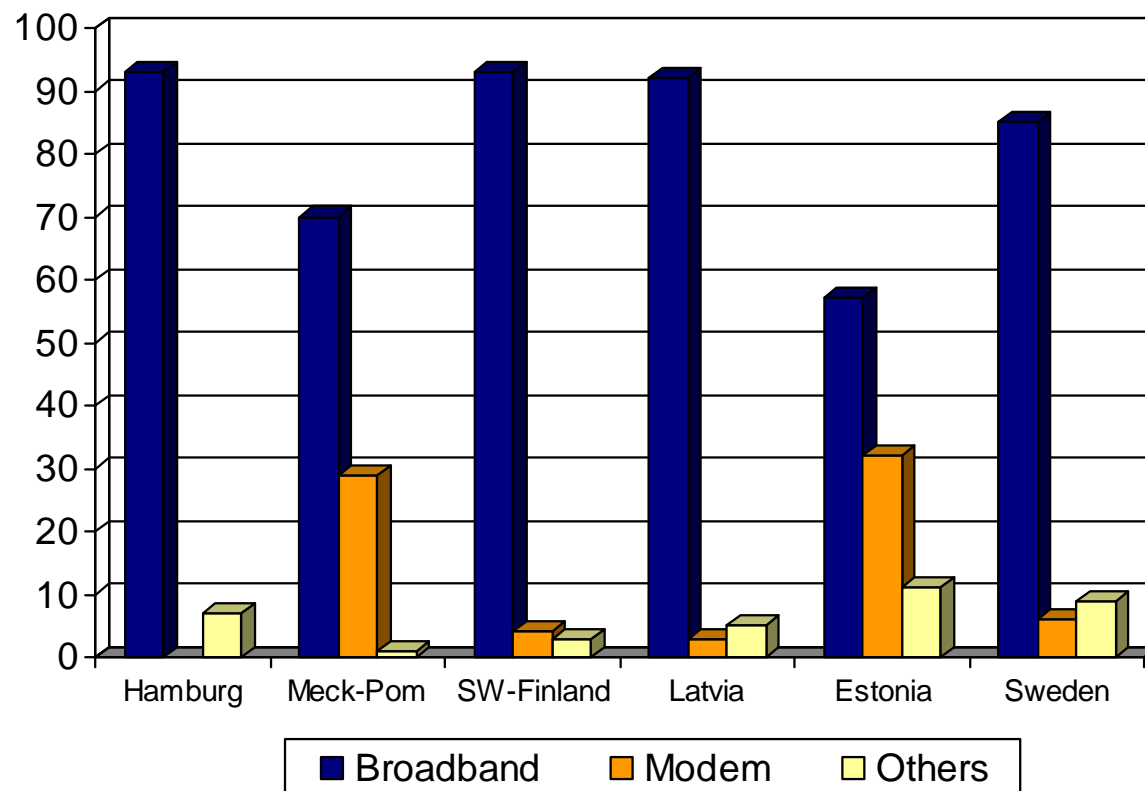


Regional use of Internet & E-Commerce

- Internet access mainly via broadband connection
coverage problems in rural areas (Modem)
- high usage of company web sides
- But: still high importance of personal contacts
- High acceptance that e-commerce gives competitive advantage
- But: None of the surveyed companies handles more than 60 %
of their business electronically.

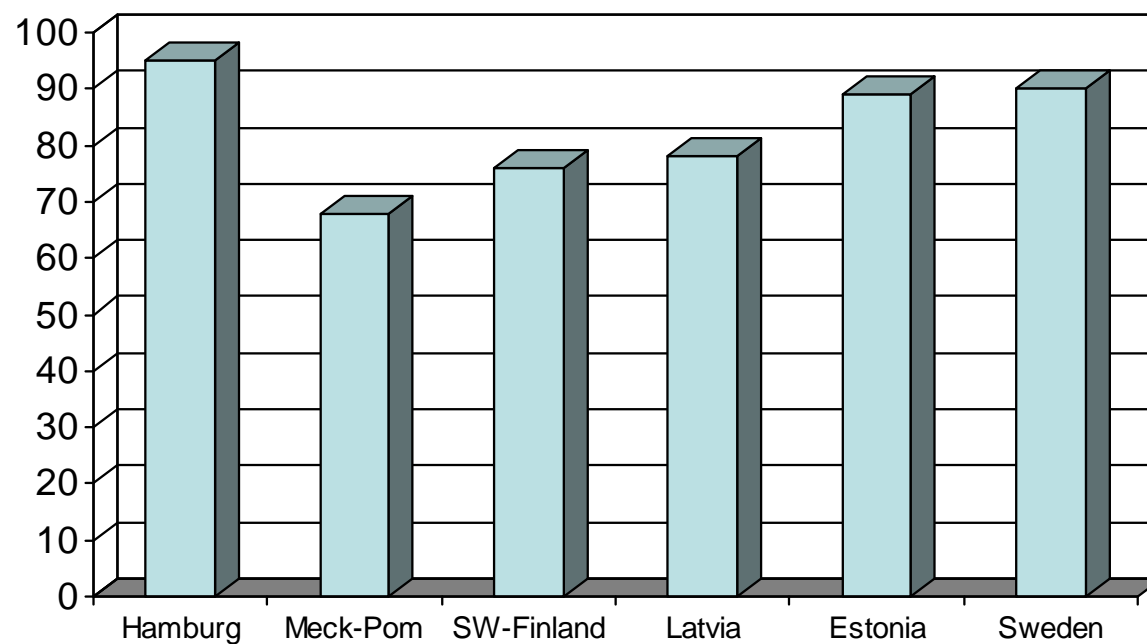


Types of Internet connection

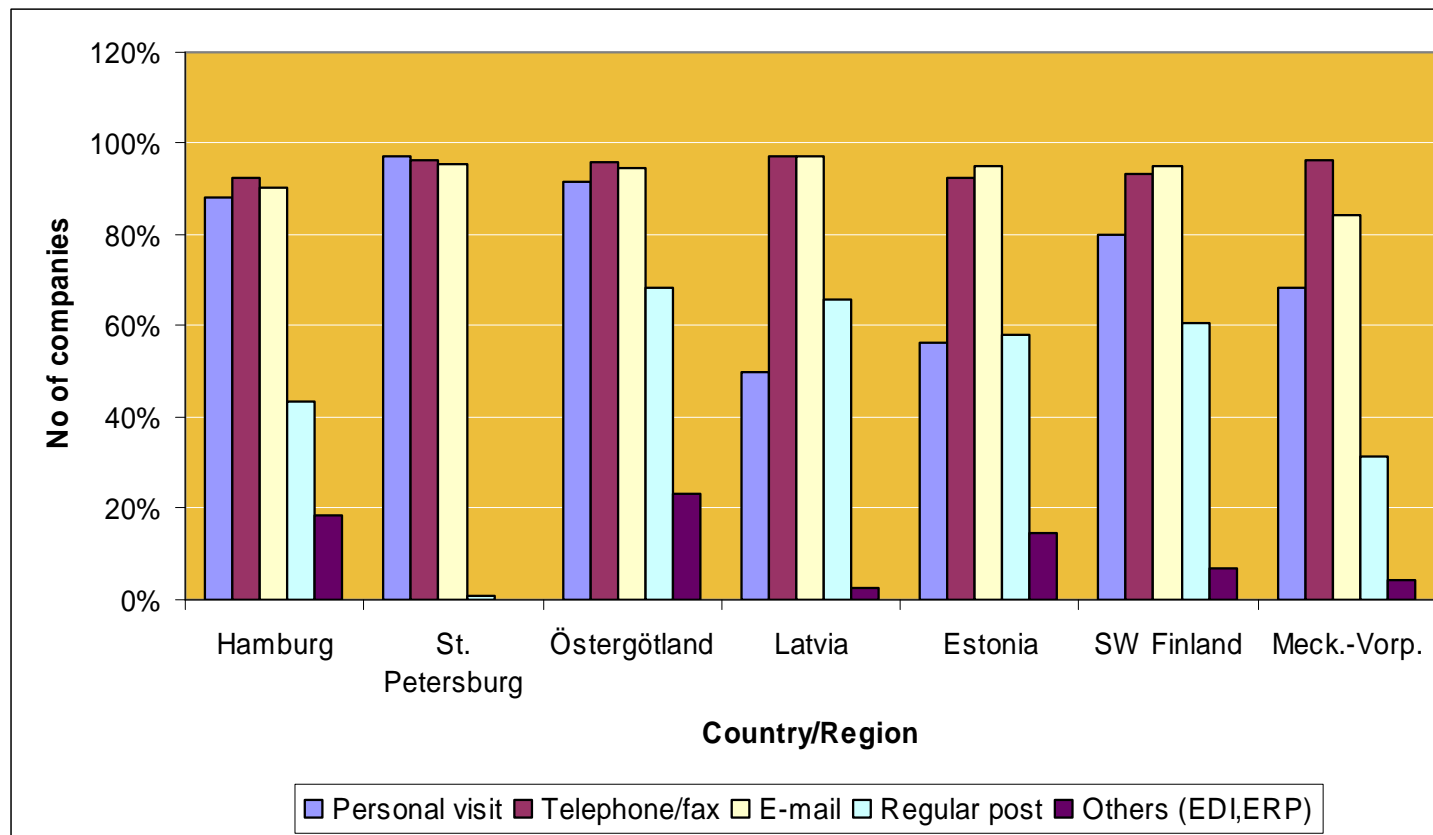


Companies with website

Websites

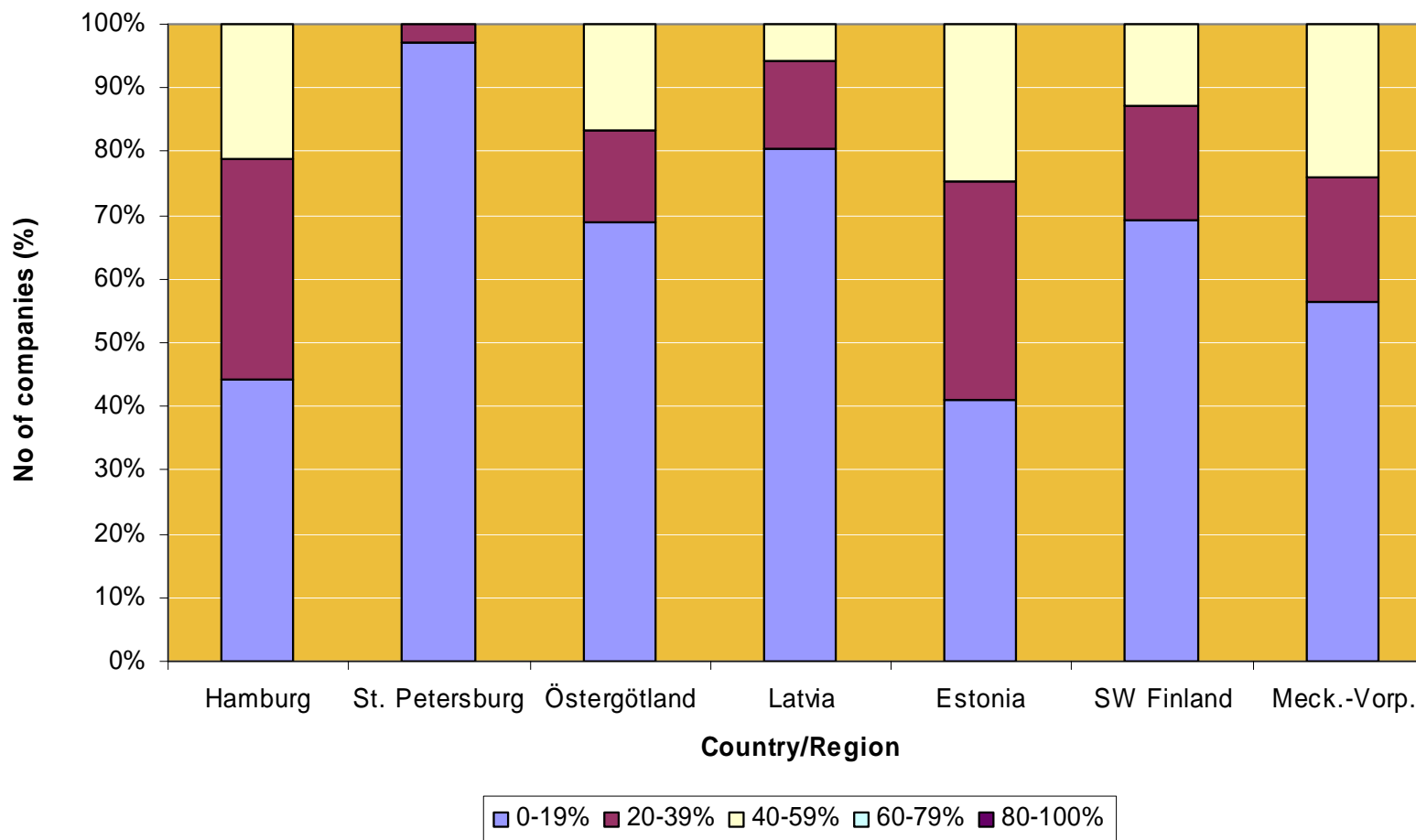


Ways of communicating regularly with customers and suppliers





Development of e-commerce with customers



Use of Internet to interact with public authorities and government organisations

Internet is mostly used for:

- Obtaining general information (opening hours, contact persons, requirements for certain formalities, etc.)
- Downloading/requesting forms (tax return forms, regulations, licenses)
- Completing forms online
- Making online payments

Conclusions

The survey revealed following concerns and needs:

- Lack of qualified ICT personnel
- Weak development of e-commerce do to the low awareness of its increasing importance
- Concerns about security issues
- Shortage of e-Government services

Contact

- **Prof. Gunnar Prause**
- E-mail: gunnar.prause@hs-wismar.de
- Phone: +49 3841 753297
- Mobile: +49 178 2804882

- **Mr. Eric Kron**
- E-mail: eric.kron@hs-wismar.de
- Phone: +49 3841 753801

- **Mr. Anatoli Beifert**
- E-mail: a.beifert@hs-wismar.de
- Phone: +49 3841 753634
- Mobile: +49 178 2805277

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.

