

# Getting Connected - Why aren't SMEs buying?

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# CCI e-business programmes

- 58 chambers, 13,000 businesses
- E-business programme since 1998
- Conferences/Seminars
- Modular training programme
- Annual Survey
- DigiCouncil



# Take-up potential

- 90% of SMEs have a PC
- 85% of SMEs have internet (stable)
- TSG minimum 66,000
- TSG market research 105,000  
(60% SME market at current prices)



# Current Base (Jun 02-Mar 03)

• DSL	3,850
• Cable modems	3,000
• Fixed wireless	5,000
• TOTAL	11,850



# Conditional approach (TSG)

- Adequate skill/familiarity
- Available access
- A positive value proposition

## ADD

- Confidence
- Marketing



# Skills/Familiarity

- Uses (InfoSoc)
  - Communications/e-mail (76%)
  - File/document transfer (45%)
  - E-commerce (42%)
- Engagement (CCI)
  - Information seminars 2,500
  - Action Plans 1,600
  - Formal training 1,000



# Available access

- 22,000 leased lines at present (90% dial-up/voice only)
- 46,300 basic ISDN subscribers
- Eircom estimates 1 million lines capable of accessing DSL by end 2003
- BUT
- Quality and Access still problematic



# Value Barriers

- Cost of specialist technical skills (46%)
- Security (41%)
- Legal/regulatory (32%)
- Lack of broadband (40%)
- Price - flat rate no benefit (39%)
- Costs
- Productivity (?)





# Value Benefits

- Information/communications
- On-line banking 55% -> 65%
- On-line purchasing 46% - 64%
- On-line receipt of orders 40%
- Public services (ROS, CRO..)
- Internationalisation



# Confidence issues

- Regulatory effectiveness eg delayed launch
- Lack of choice (mode/provider) (46%)
- Return on investment
- Over-promised/under-delivered
- Psychological dimension
- Social/community dimension



# Marketing to SMEs

- Real benefits
  - Cut costs/increase sales
  - Procurement
  - Public Data Warehousing
- Trust/Confidence Issues
  - Marketing/suppliers
  - Commercial networks
- Marketing subsidies agenda

