SMEs and Business-to-Business Electronic Commerce - The APEC Experience

OECD Workshop on Business-to-Business Electronic Commerce

Presented by Daniel Friesen

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Importance of Electronic Commerce for APEC

- In November 1997 in Vancouver, APEC Leaders and Ministers:

  “recognized the importance of electronic commerce and accorded high priority to identifying ways to maximize its economic and social benefits for all APEC member economies”

- APEC working groups like Telecommunications Working Group and Electronic Commerce Task Force are examining legal, security, regulatory, trade and business aspects of electronic commerce
Importance of Small and Medium Enterprises* to Asia Pacific Economies

Throughout the Asia Pacific region:

- SMEs account for 95% of all enterprises
- SMEs employ up to 84% of the workforce
- SMEs contribute 30% to 60% of GDP
- SMEs account for 35% of exports from the APEC region

* For this study a Small and Medium Enterprise (SME) is a company with up to 500 full-time employees
Importance of Electronic Commerce for Asia Pacific SMEs

Electronic commerce can help SMEs to:

- Create new markets for SME products and services
- Enhance international competitiveness
- Build stronger relationships with large national firms and MNCs through business-to-business electronic commerce
- Enhance SME relationships with customers and suppliers through e-commerce linkages
SME Electronic Commerce Study

Study objectives are to assess:

- Uptake and future use of e-commerce by SMEs
- Who in the SME community uses e-commerce and for what functions
- SME perceptions of economies’ interventions to promote & support the adoption of e-commerce
- SME perceptions of security and legal issues
- Impediments to the use of e-commerce by SMEs
Expected Benefits of this Study

- To help SMEs understand the policy and business implications and opportunities for doing business electronically
- To guide Asia Pacific Economic Cooperation (APEC) in its electronic commerce policy and planning for SMEs
- To assist APEC governments to help the SMEs to develop electronic commerce capabilities
Three phases of the study:

**Phase 1**
- Refine analytical framework
- Select appropriate partners
- Design survey instruments

**Phase 2**
- Conduct expert interviews
- Implement multilingual survey
- Conduct focus groups

**Phase 3**
- Tabulate survey results
- Analyze the results
- Deliver final report

Presentation of the Final Report to TEL 20 in Lima, Peru

- September 1999

Survey Design
- January-February 1999

Survey Operation
- March-April 1999

Survey Results
- May-June 1999
Project Team Structure

Partner in Charge
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Ed Berryman (USA)
Grace Chopard (Australia)
Gordon Clarke (Australia)

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PwC Offices & E-Business Champions in APEC Economies

- AUSTRALIA - Gordon Clarke, Partner
- BRUNEI - Andrew Chapman, Partner
- INDONESIA - Richard Holder, Partner
- MALAYSIA - Rashdi Ghazalli, Partner
- NEW ZEALAND - Phil Parnell, Partner
- PHILIPPINES - Corazon de la Paz, Partner
- PNG - Christopher Burt, Partner
- SINGAPORE - Arvind Mathur, Director
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- CHILE - Guillermo Beauchat, Partner
- CANADA - Oliver Kent, Partner
- MEXICO - Jose Angel Pena, Partner
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- JAPAN - K. Matsushima, Partner
- KOREA - Joon Chang, Principal Consultant
- CHINESE TAIPEI - David Hoffman, Director
Survey Methodology

Multiple Lines of Evidence:

- **Multilingual Web survey** - the Web survey in nine languages was administered on the Internet and on paper in each economy.

- **Focus groups** - two or more focus groups were conducted with SMEs in each APEC economy.

- **Key informant interviews** - at least three interviews were conducted with key electronic commerce experts in each economy.

- **Workshops and seminars** - the APEC SME Electronic Commerce Study was presented at relevant regional and local meetings and events.
Multilingual Web Survey

Survey available on the Internet in nine scripts:

- English (official language of APEC) (4)
- Japanese (1)
- Chinese (Simplified Script) (2)
- Chinese (Traditional Script) (2)
- Spanish (3)
- Korean (1)
- Russian (1)
- Thai (1)
- French (1)
- The survey was also distributed on paper in all of these languages