



DIGITALISATION: FROM GLOBAL TO COMPANY LEVEL

AECM ANNUAL SEMINAR
‘THE TWIN TRANSITION TOWARDS A GREEN AND DIGITAL ECONOMY’

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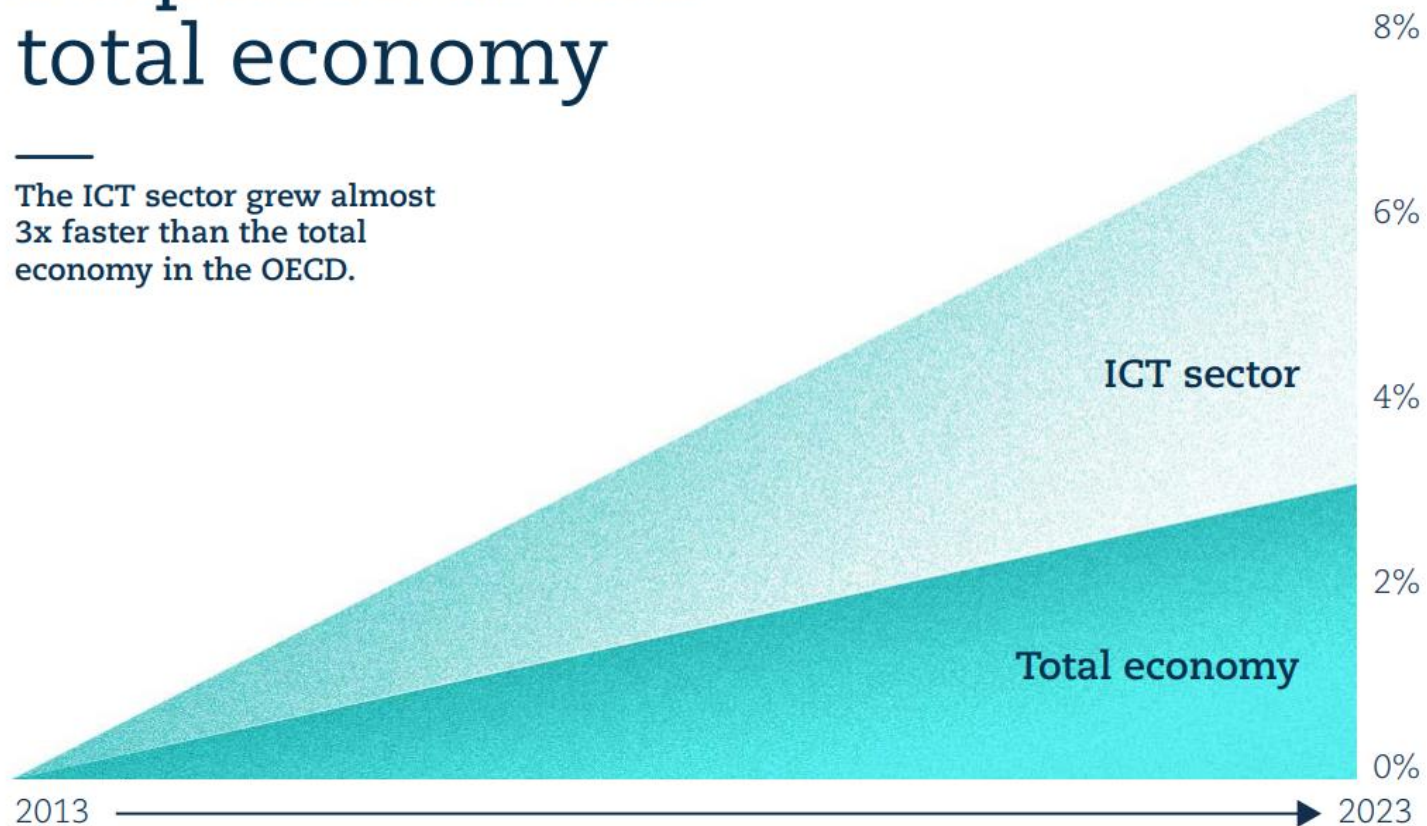
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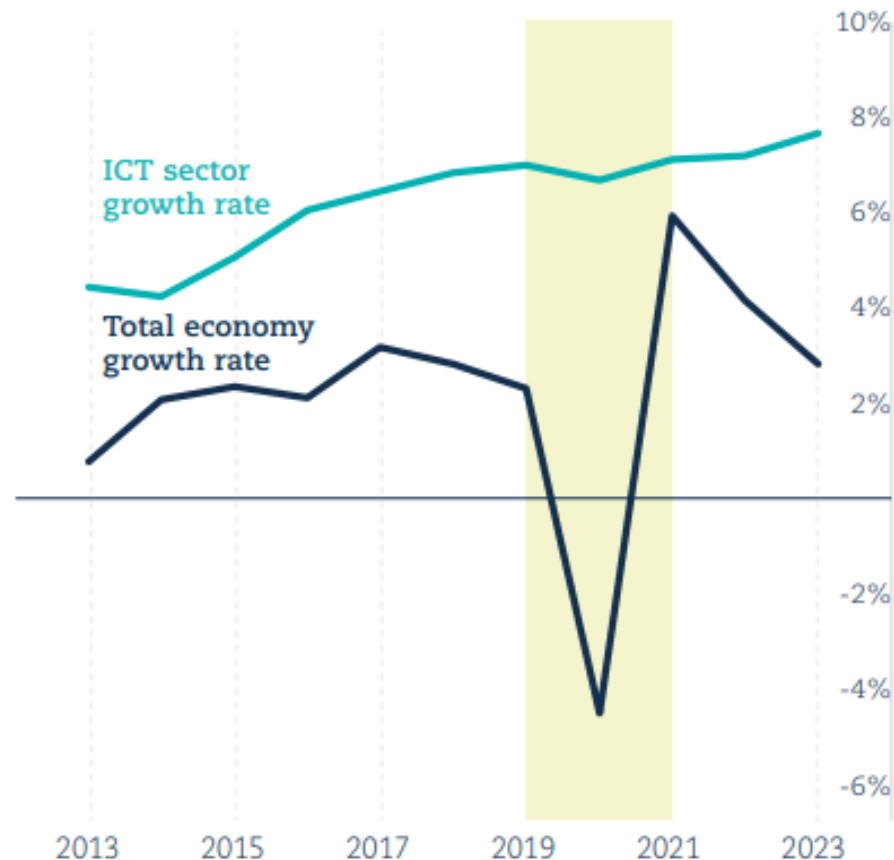
The digital economy is racing ahead

ICT sector growth outperforms the total economy

The ICT sector grew almost 3x faster than the total economy in the OECD.



The ICT sector shrugged off the COVID-19 pandemic, in contrast to the broader economy.



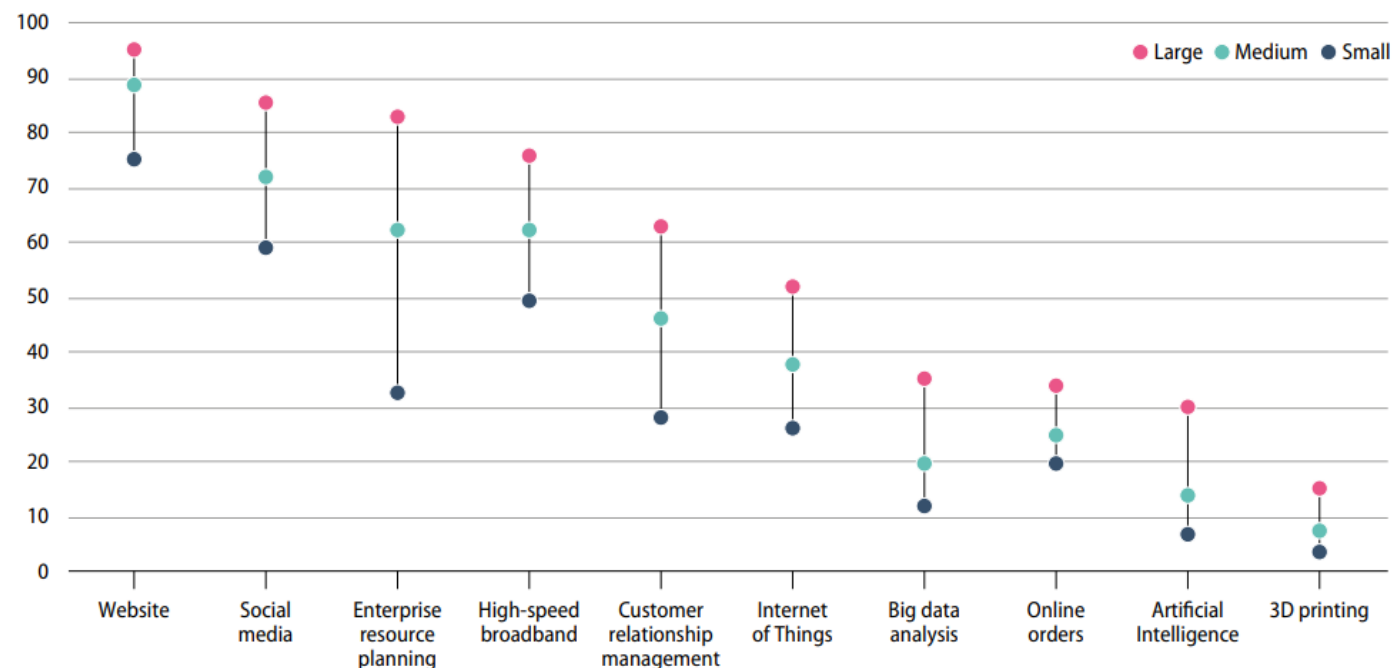
Source: OECD Digital Economy Outlook 2024 (Volume 1)



SME digitalisation accelerated in response to the pandemic but gaps in digital adoption remain across technologies

- **30%-60% of SMEs** increased their use of digital tech during the pandemic crisis.
- **Changes are poised to last** and **open up opportunities** to innovate, increase productivity and reach new markets
- But the transition is not yet complete, with **widening divides** within the SME population
- There are **threats** emerging (e.g. digital security)

SME gap in digital adoption



Note: OECD average of enterprises using respective digital technologies, 2021 or latest year available.

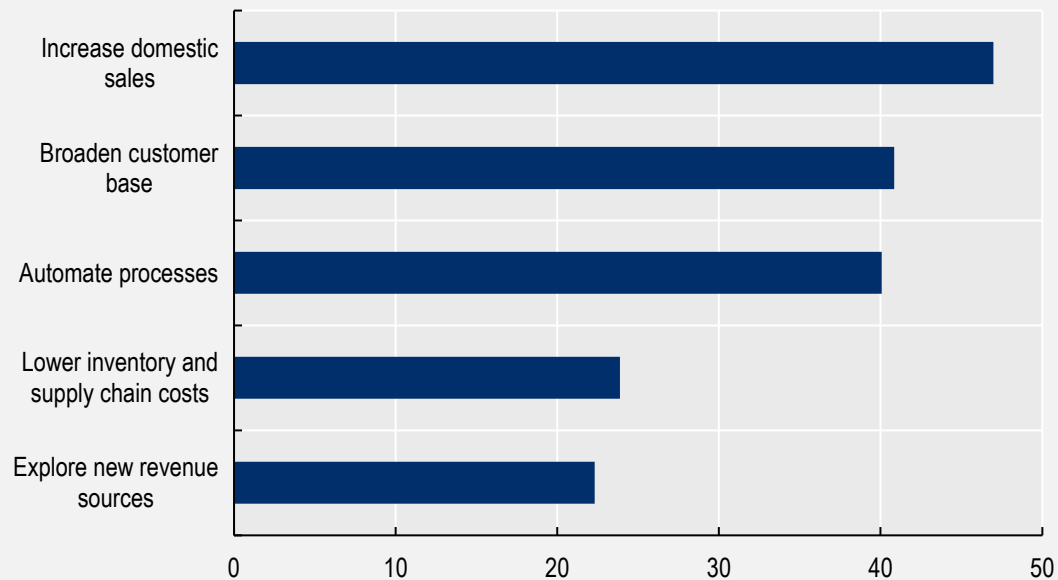
Source: OECD ICT Access and Usage by Business Database



The revenue potential of digital tools and the value of data for business decisions are widely acknowledged....

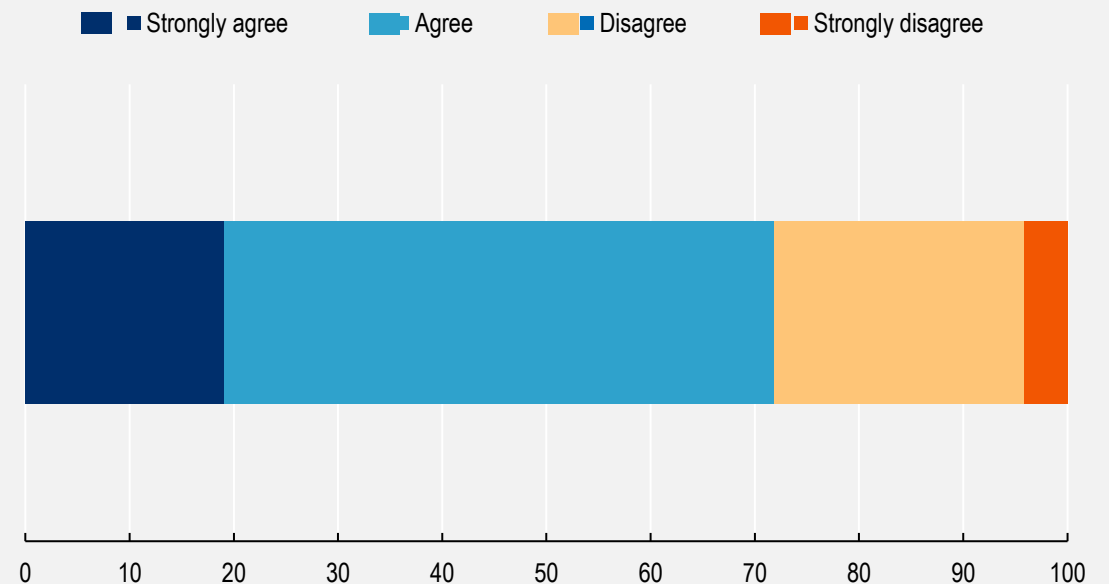
Main objectives of digital tool adoption by respondents

As percentage of responses, multiple choice allowed



Businesses using data for decision making

As an average percentage of responses from the surveyed geographies



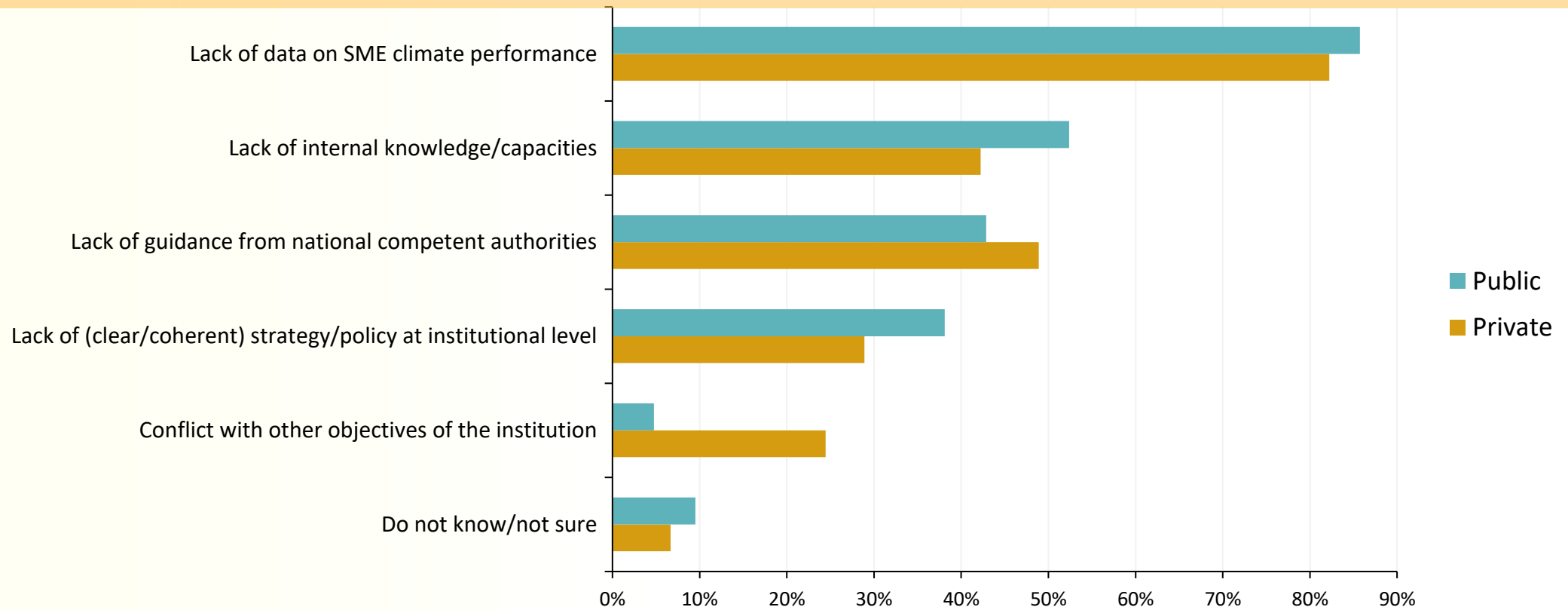
Source: OECD D4SME Survey 2023



... but challenges in accessing, using and protecting data slow down **SME transitions**

ESG requirements trickling down to SMEs, in the form of data and reporting

Key challenges faced by financial institutions for integrating climate change considerations in financing/investment decisions regarding SME clients (% of respondents, multiple answers possible)



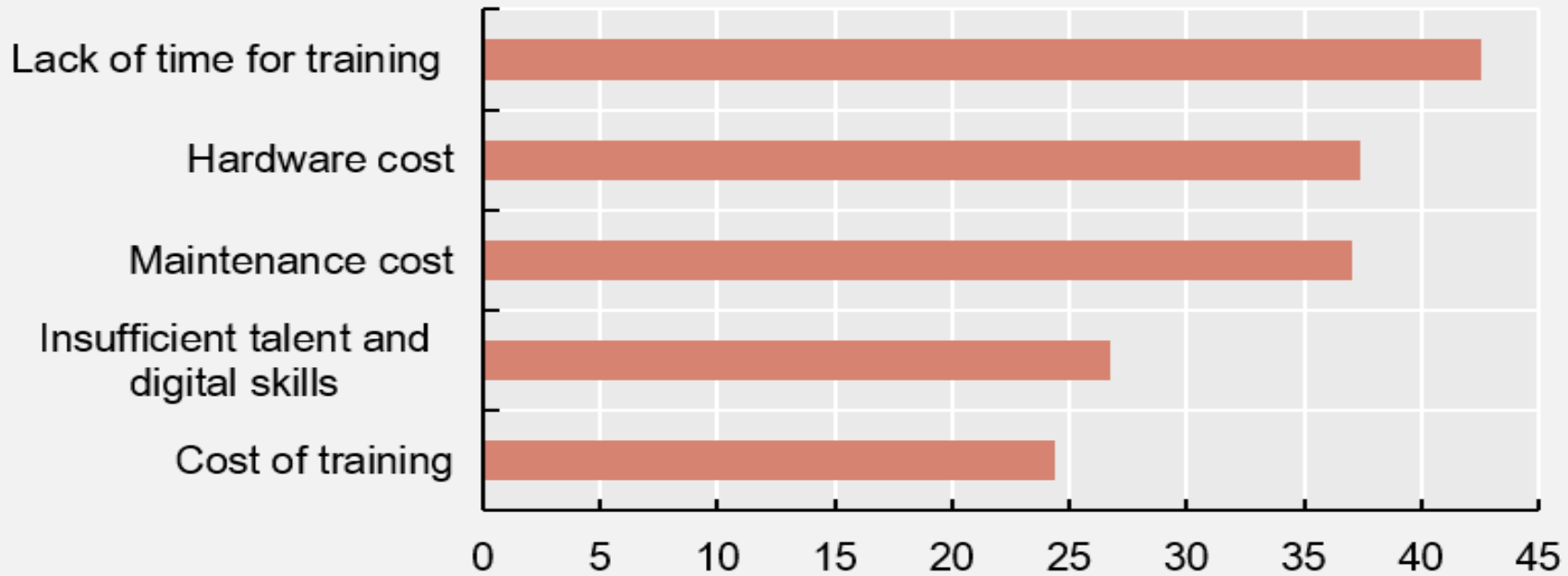
Source: *Financing SMEs for Sustainability - Financial institution strategies and approaches, 2023.*



Lack of skills is a major hurdle to more and better digital uptake

Main reasons for not being satisfied with level of digitalisation

As a percentage of responses by unsatisfied businesses, multiple choice allowed



Source: OECD D4SME Survey 2023



While the supply of digital solutions expands, structural weaknesses in SME demand remain

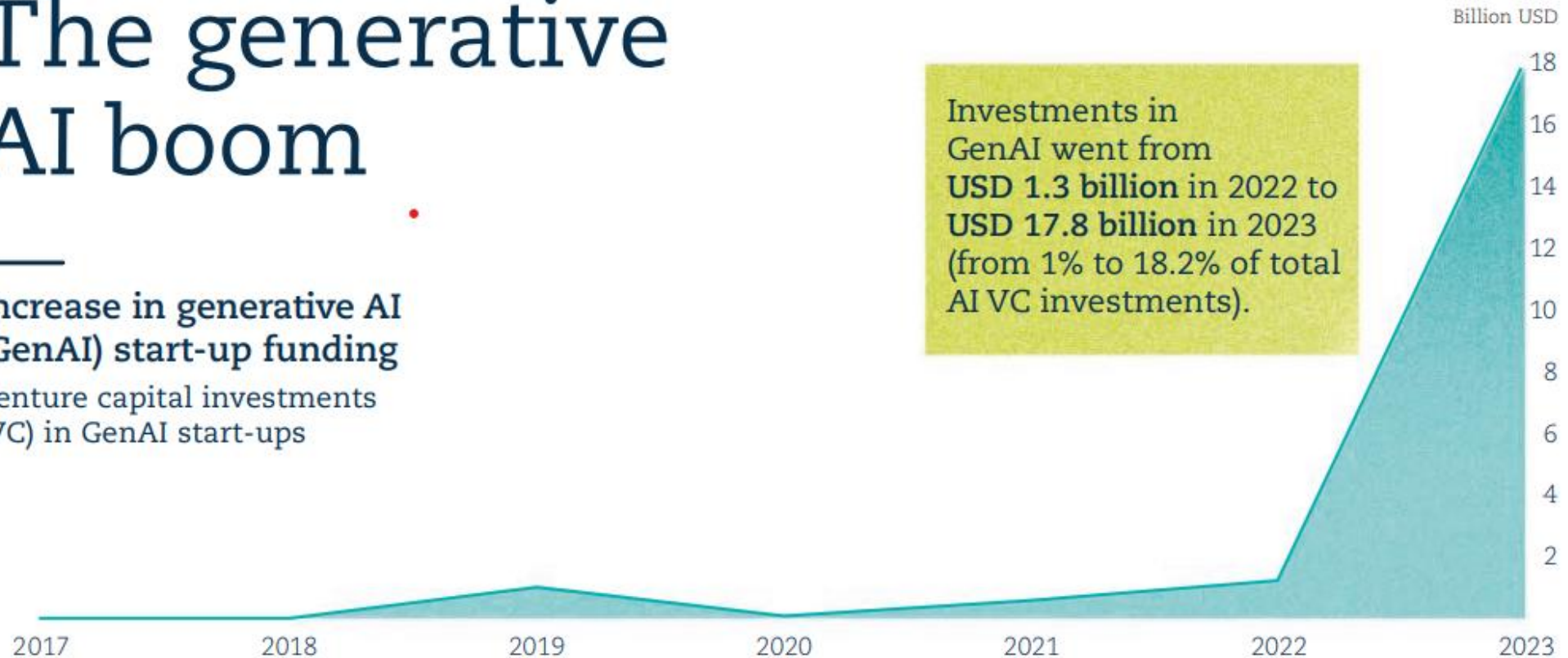
- **Lack of awareness**
 - Relate digital adoption to business needs and long-term strategies
- **Lack of digital culture, organisational and technical competences**
 - Capacity to plan, absorb, adapt and innovate
- **Risk aversion and lack of trust**
 - Data security



Generative AI promises unprecedented benefits... and raises new threats

The generative AI boom

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Increase in generative AI (GenAI) start-up funding
Venture capital investments (VC) in GenAI start-ups



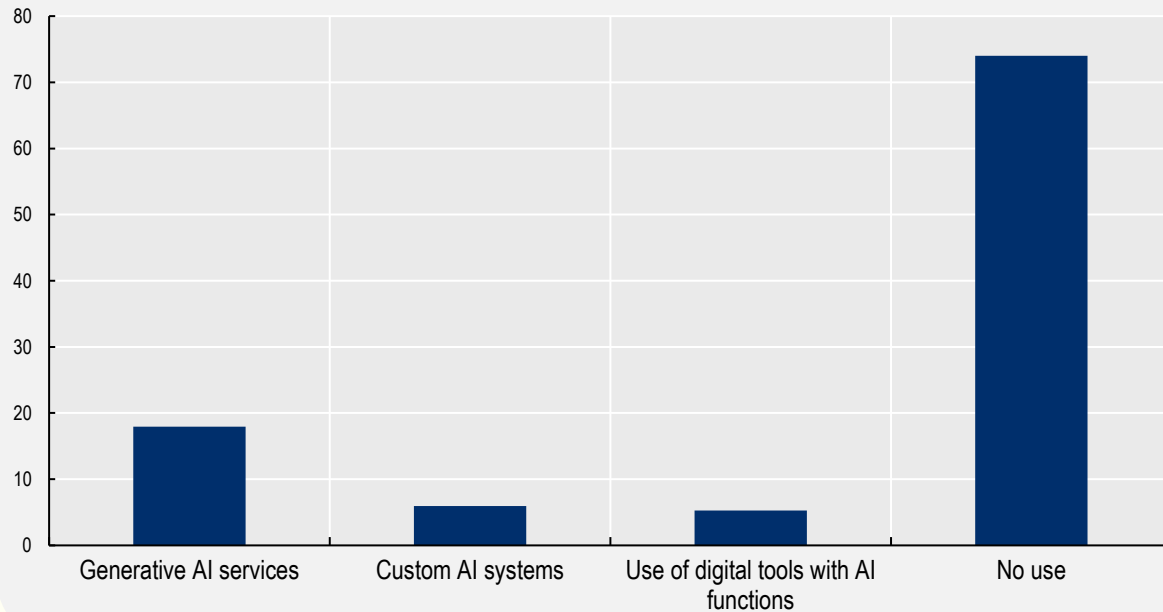
Source: OECD Digital Economy Outlook 2024 (Volume 1)



Take up of AI tools remains low but generative AI has bolstered the active use of AI by SMEs

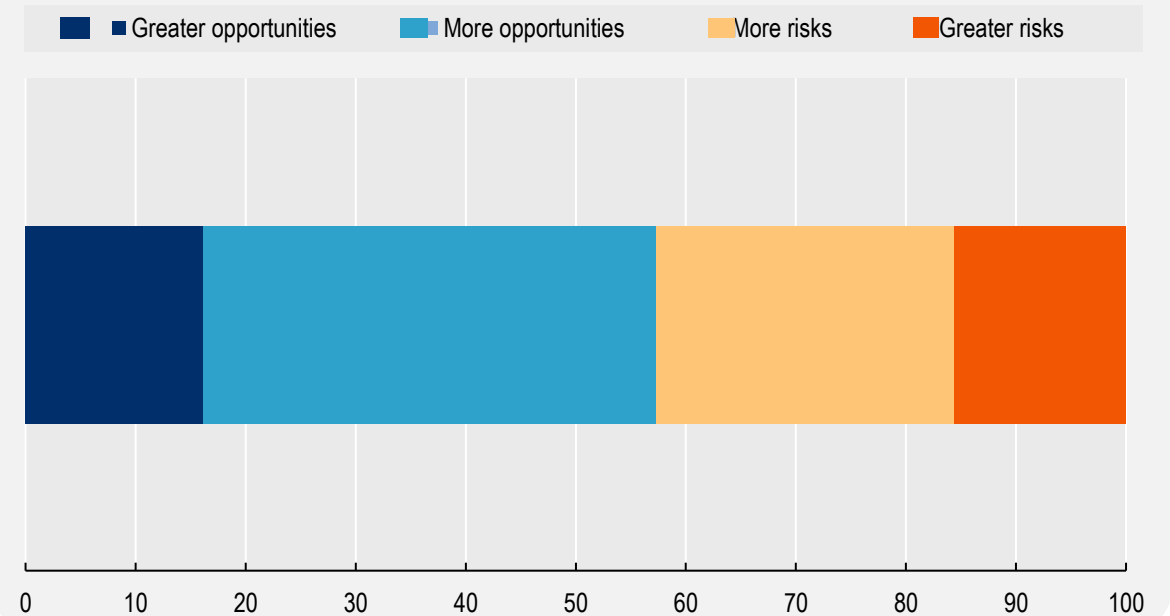
Use and applications of AI by respondent businesses

As percentage of responses, multiple choice allowed



Perception of generative AI by respondent businesses

As an average perception of responses from the surveyed geographies



Source: OECD D4SME Survey 2023

Thank you

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