

# Expanding ICT SMEs and Ecosystem Collaboration for Digital Competitiveness and Economic Inclusion

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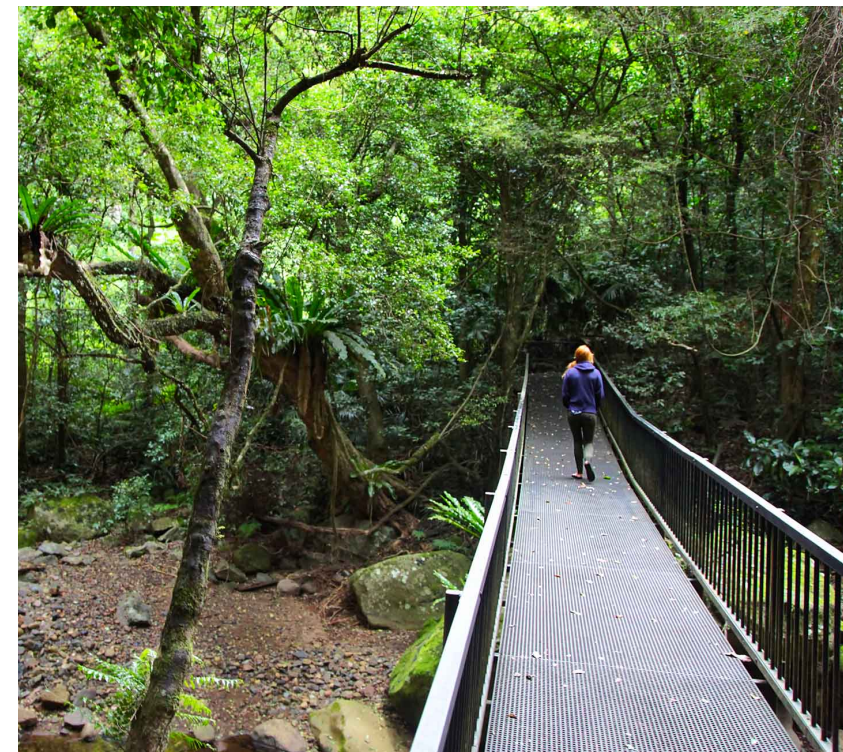
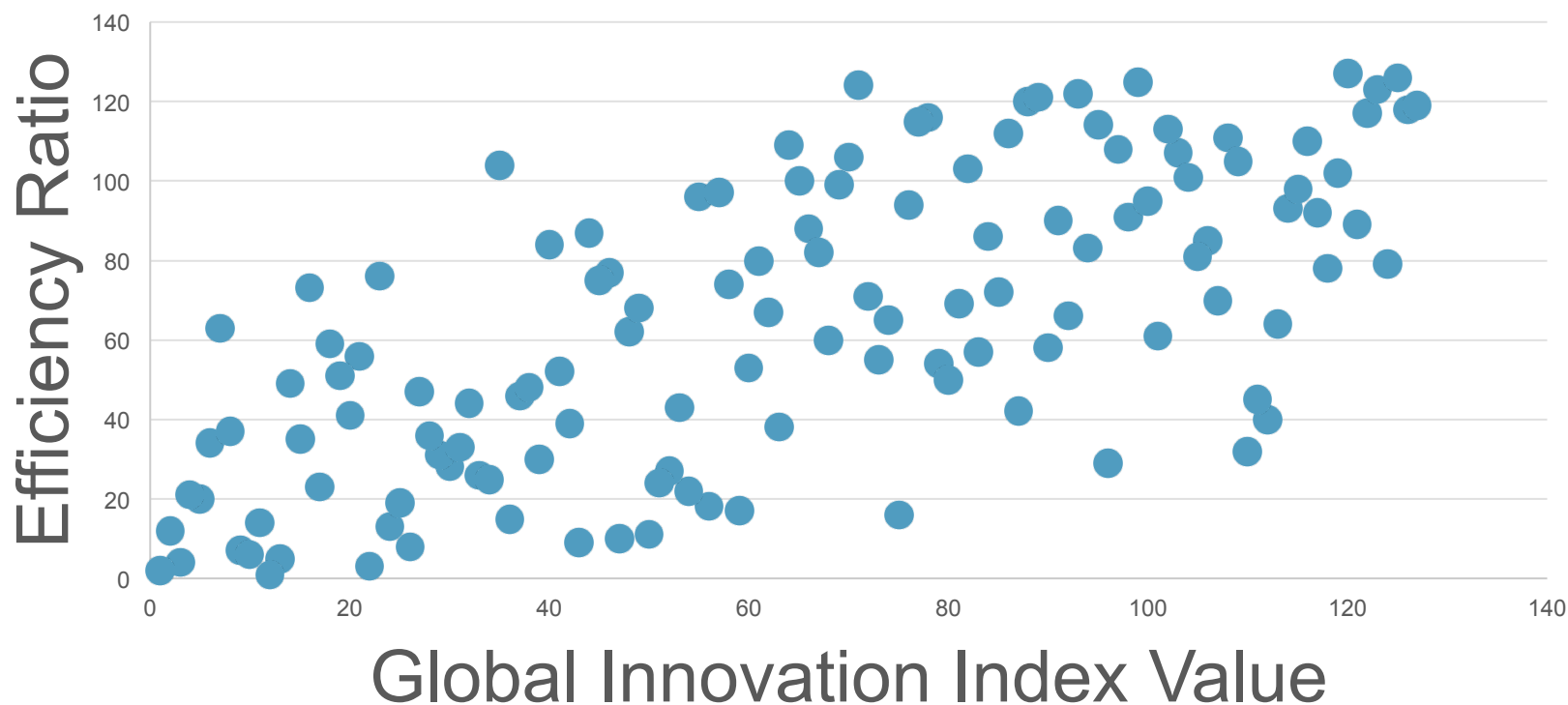
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# Background

- EUR5 Entrepreneurship, Innovation and Youth
- WTDC 2014, Output 2.3
- ITU-D Innovation Country Reviews and Regional Activities
- ITU-D Innovation Toolkit “Bridging the Innovation Divide”
- SDG 9

# Linear to Ecosystem Thinking

Overall Global Innovation Index vs  
Efficiency Ratios



# Interdependent Relationships

## Public Sector

"We need to promote job creation & innovate our Government services!"

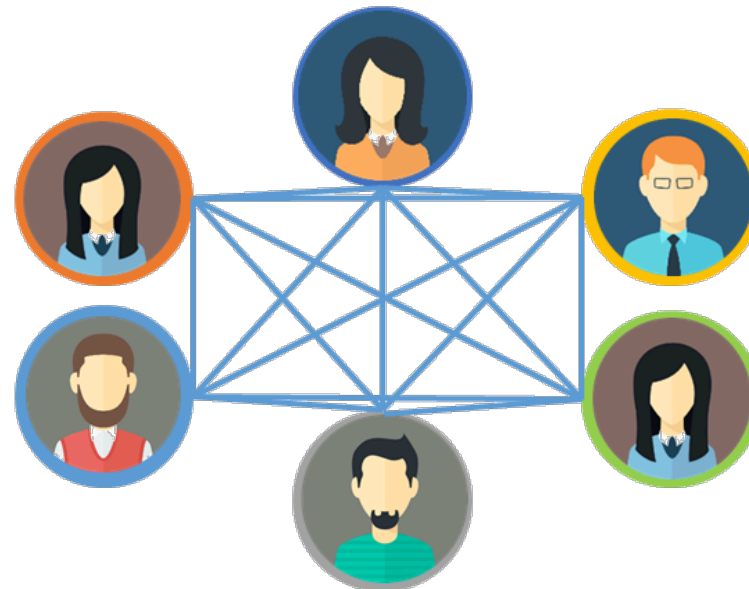
## Entrepreneurs

"We need room to take risks  
+ Our government does not listen to us"

## Academia

"We need to prepare our students to be entrepreneurs"

"A lot of our innovations don't reach the market"



## Entrepreneurial Support Networks

"These entrepreneurs are not business thinkers!"

"We need global ecosystem linkages!"

## Private Sector

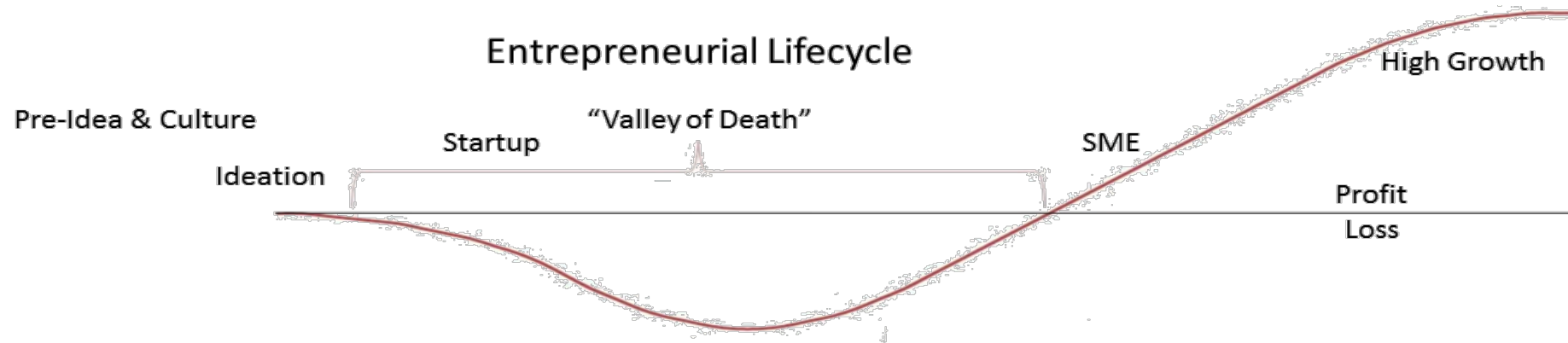
"We need support to scale and go global."

"We need new ideas, demand, and growth"

## Finance

"We need to find the next Google!"

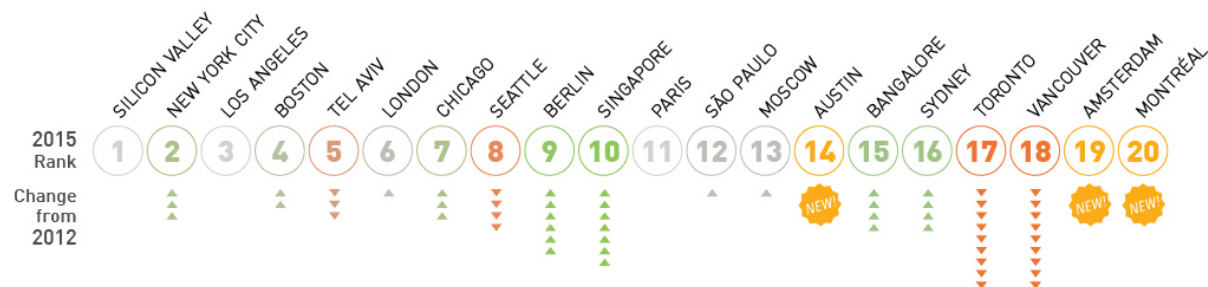
"Government needs to facilitate an institutional framework"



Entrepreneurship Phase	Pre-Idea	Ideation	Startup	The "Valley of Death"	SME
<b>Entrepreneurs</b>	Entrepreneurial interest	Problem discovery	Develop business models	Build collaboration	Expand & exit
<b>Finance</b>	Research funding	Seed funding	Angel investment	Venture capital	Business finance, equity & loans
<b>Entrepreneurial Support</b>	Gatherings & events	Hackathons & competitions	Coworking & soft infrastructure	Incubators & accelerators	Business associations & networks
<b>Private Sector</b>	Success stories	R&D programs	Internal incubator	B2B services	Skill training programs
<b>Academia</b>	Entrepreneurial inspiration	Basic research	Spin off facilitation	Skill training for entrepreneurs	Develop human capital
<b>Public Sector</b>	Vision & strategy	IP & R&D support	Public procurement	Tax support	Trade & finance policy



# Ongoing need for management



## Canada's Tech Chill

Waterloo drops out of the top 20, Vancouver and Toronto fall

## Berlin is Building

Rocket Internet and Zalando IPOs helped propel Berlin up in the rankings

## Tel Aviv

Tel Aviv fell 3 spots, but is still the #1 ecosystem outside of the US with successes like Wix, which raised \$127m in 2013

## Movin' On Up

New York jumps up to 2nd overall in the ranking, and takes first place in the "Market Reach" category

## California Still Reigns Supreme

Silicon Valley still number one in 4-out-of-5 categories

## Asian Tiger

Singapore leapfrogs 7 cities to make Top 10, but still needs better access to talent.

## NOTE

China, Taiwan, Japan, and South Korea not included for now



# Collaboration



- Policy experimentation
- User centric
- Common language
- Private sector led
- Efficient resource utilization
- Skin in the game
- Focus on good practices
- Replicable
- Sustainable and predictable

## ITU INNOVATION

COLLABORATIVE PROCESS  
& INTERVENTIONS:

DATA COLLECTION  
& QUANT. SURVEY

INTERVIEWS,  
RESEARCH &  
INITIAL FINDINGS

FOLLOW UP  
& FINAL DRAFT

MONITORING & EVALUATION (INCL QUANT. SURVEY)

NEEDS ASSESSMENT  
& AGENDA SETTING  
1

VALIDATION &  
PROJECT DEVL'T  
2

LAUNCH OF  
REPORT  
3

IMPLEMENTATION PROCESS

ECOSYSTEM

ENTREPRENEURS

FINANCE

ENTREPRENEURIAL SUPPORT

PUBLIC SECTOR

ACADEMIA

PRIVATE SECTOR

STRONGER COLLABORATION  
WITHIN ICT-CENTRIC  
INNOVATION ECOSYSTEM

HARMONIZED  
INNOVATION POLICY

IMPROVED  
INNOVATION  
CAPACITY



# Tech Startups

Tech start-ups create new jobs through:

- direct employment
- creation of platforms that reduce or eliminate barriers to market access
- disruption of traditional sectors



# Tech Startups

Start-ups can scale

- organically
- through acquisitions or
- through collaboration



# Scaling through collaboration

In private sector, collaborative strategies are most interesting as they allow start-up partner to profit from the resources and backbone of the large corporate partner.

Corporate partners benefit from start-up's ideas/concepts, possibilities to test ideas quickly and outside complex structures, access to technology, rapid prototyping as well as its entrepreneurial spirit and culture.

These collaborations enable the scaling of innovative ventures to the benefit of all parties concerned.

# Open innovation processes are necessary

- Currently, too many innovation processes remain contained within companies and fail to relevantly involve potential users – creating a “closed world of development” with a lack of market awareness.
- Firms will need to shift innovation practices towards more open models.
- Businesses can learn a lot from emerging country experiences and many may be interested in increasing their ‘openness to the world’ by exploring new markets, assessing risk and understanding user preferences before engaging in actual development projects.



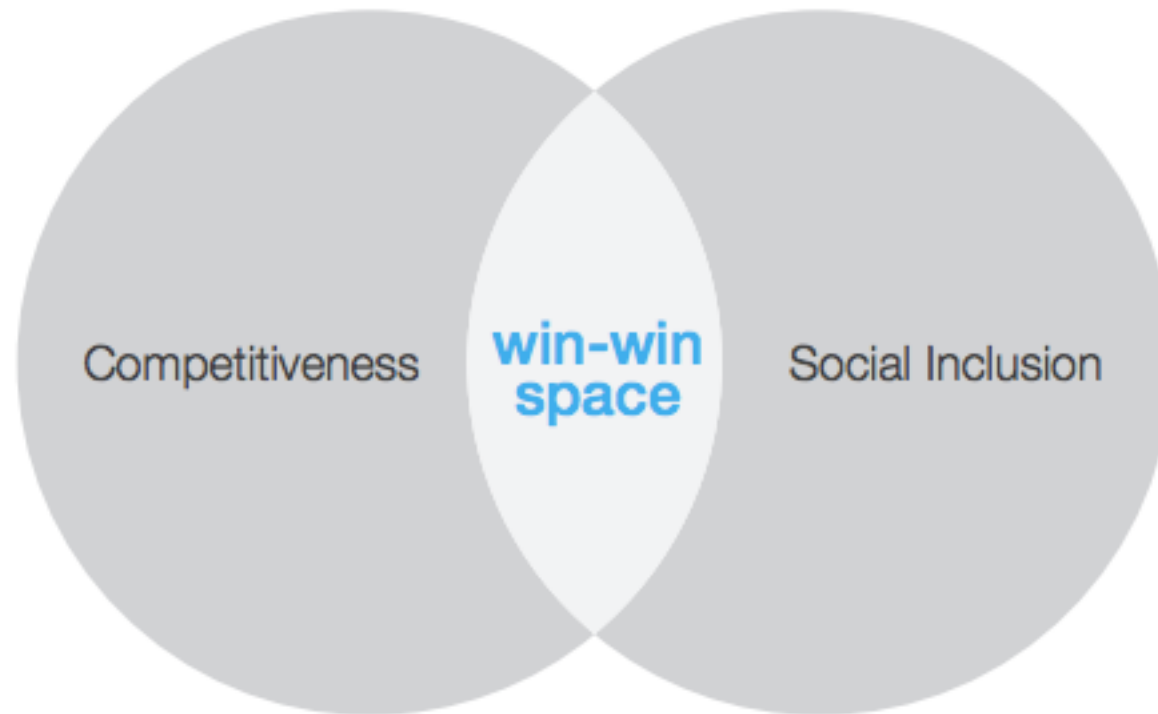
# Innovation emerging in unconventional ways

- Co-creation
- Open innovation ecosystem
- Opening data allows for co-creation and co-design
- Internal crowdsourcing
- Intrapreneurship

# Cities as labs for innovators

- Cities serve as platforms for innovation, seeking the active involvement of the entrepreneurial community, and as laboratories for innovators to test their solutions.
- These ecosystems are attached to local problems, the innovations and businesses they create directly apply to the local reality, providing a competitive edge at the start and solving local problems at the same time.
- Cities can provide resources, such as open data, thereby creating local challenges.

# The need to link competitiveness and inclusion





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**Thank you.**  
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