Technology Matters – Growth and Innovation in Disruptive Times

Peter Hajdu, General Director, Cisco South East Europe
We live in disruptive times
Need to improve competitiveness through innovation and investment

Need to scale export driven business

Need to build new employment opportunities
### Competitiveness and Technology go hand-in-hand

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<th>Country</th>
<th>Networking Readiness Index</th>
<th>Global Competitiveness</th>
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<td>Switzerland</td>
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<td>Bosnia Herzegovina</td>
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</table>

Most appealing technology trends and challenges in BiH

Strong fundaments exist in BiH, individuals are already capable and demanding:

- Quality of Math and Science education (36)
- Individuals using Internet (61)
- Mobile network coverage (43)

However business and government has to catch up to expectations:

- Importance of ICT in Govt vision (137)
- Govt prioritization of ICT (136)
- Govt success in ICT promotion (130)
- Impact of ICT on new services and products (122)
- Firm level technology absorption (118)
- University – industry cooperation on R&D (116)
- Capacity for Innovation (116)

Source: „The Global Information Technology Report 2010-2011, WEF (138 countries benchmarked)“
We in Cisco believe in Networked Economy

**Information Economy**

- Value created by processing data
- Access to information
- Static business models
- Individuals and processes
- Specific points of value creation
- Innovation or operational excellence

**Networked Economy**

- Value created by providing relevance
- Access to expertise
- Dynamic business model innovation
- Communities and relationships
- Democratization of value creation
- Innovation and operational excellence

**Areas of Impact**

- Society
- Business
- Technology
Impact on Society
I can’t imagine my life without...

- My Mobile Device: 97%
- The Internet: 84%
- A Car: 64%
- My Current Partner: 43%

14 – 29 year old population

Source: BITKOM - Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V. 2010
Impact on Business and Economy

Internet Matters... a lot

3.4%  
Internet accounts for 3.4% of GDP, in some countries like UK or Sweden +6%

21%  
Internet also accounted for 21% of GDP growth in the last 5 years

2.6 jobs  
Internet created 2.6 jobs for every 1 lost

75%  
75% of Internet impact arises from traditional industries

2x  
Small and Medium Businesses using extensive web technology grow and export 2x as much as others

Impact on Technology
Major technology trends emerging

Macro Trends Technology

CLOUD

VIDEO

MOBILITY
Impact on Technology
Explosion of Mobile devices

2003
1/10
of a Device per Person on Earth
500 Million

2010
1.8
Devices per Person on Earth
12.5 Billion

2020
6.5
Devices per Person on Earth
50 Billion

Cisco IBSG Research
Impact on Technology

Video in the post PC era

From 2011 to 2016 mobile video traffic will grow 32-fold, a CAGR of 101%.

Video will quadruple all IP traffic by 2014.

70% of the region's mobile data traffic will be Video in 2016.
Impact on Technology
World of many clouds

- By 2012 Enterprise Class Cloud will be used by 70% of Enterprises
- 78% of Enterprises with private Cloud Strategy by 2014
- By 2014 50% of Compute Power will be Cloud
- In 2016 Cloud applications will account for 69% of total mobile data traffic, compared to 36% at the end of 2011

Source: CIO Magazine, Gartner, Cisco VNI Study Feb 2012
We are one of the best... Because we invest
Key take aways

Post-PC the most Network-centric IT ever.
Adapt early to the change ahead

Cisco is the network.
And the network is the platform on which innovation is built.

Partnering is hard wired into Cisco culture

Together we can be the winning team.
And we can build the networked, knowledge based economy here in Bosnia and Herzegovina
Thank you.