



ICT access and use by small & medium-sized enterprises (SMEs) in Sri Lanka

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LIRNEasia: a pro-poor, pro-market Asia Pacific think tank; focus on infrastructure policy and regulation



Our Mission:

“Catalyzing policy change through research to improve people’s lives in the emerging Asia Pacific by facilitating their use of hard and soft infrastructures through the use of knowledge, information and technology”

What we do: digital ++

- “Old fashioned telecom sector stuff”: Evidence based inputs into ICT Sector reforms
 - E.g. India Universal Service Policy, Myanmar Telecom Law, Bangladesh telecom license renewal, Indonesia in-country back-haul pricing, S and S East Asia Broadband quality measurement, assessments of the telecom regulatory environmentsetc.
- Digital rights: what works in our context?
 - How do we ensure a equitable, human rights-enabling, safe Internet for users in the region?
 - E.g.: how do users in Myanmar deal with online harassment, privacy and security issues?
- ICTs for development, ICTs in non-ICT sectors
 - Agriculture: does more market price/other information through mobiles help agriculture markets work better and give farmers farmers better livelihoods?
 - Disaster Risk Reduction: models for ICT-based early warning systems for natural disasters in Maldives, Sri Lanka
- Other infrastructure: Roads, electricity, health, etc. Often using big data analytics
 - Historical, pseudonymized CDRs from multiple telcos
 - Where will disease spread? Where are traffic congestions spots? Where do people live? Which are commercial areas of a city (vs residential areas)? Proxies for credit ratings for individuals.

AfterAccess: Nationally representative surveys of ICT access and use by households & individuals aged 15-65 across Global South

- Rigorous sampling method, comparable across countries
- Predominantly common questionnaire with local customization
 - Structured, closed-ended responses administered face-to-face using mobile devices
 - User-based (rather than subscription-based) data allowing for disaggregation by urban-rural, gender, SEC, age, etc.
- 3 partners conducting the research: LIRNEasia (in Asia), Research ICT Africa (RIA, in Africa), DIRSI (in Latin America)
- Funded by IDRC (Canada), SIDA (Sweden), the Ford Foundation
- Sri Lanka fieldwork – Nielsen Lanka private limited (selected through a competitive bidding process)

AfterAccess: Nationally representative surveys of ICT access and use by small and medium sized enterprises in Sri Lanka

Economic Census 2013/14 conducted by the Department of census and statistics of Sri Lanka estimate

 **71,126** small sized enterprises

 **10,405** medium sized enterprises

under **Industry and construction**, **Trade** and **Services** sectors

AfterAccess survey cover these three sectors

* The agriculture sector was not covered in the survey

AfterAccess survey used number of employees to classify small and medium sized enterprises

Out of the three variables namely; number of persons engaged, turnover, and assets; initially identified to define SMEs, listing data, collected at the Economic Census, exhibited that the number of persons engaged to be the most reliable and consistent variable in defining SMEs.

Source: Non-agricultural Economic Activities In Sri Lanka. Economic Census 2013/2014. Department of Census and Statistics Sri Lanka

Business sector	SME classification	No of employees
Manufacturing	Small	5-24
	Medium	25-199
Trade	Small	4-14
	Medium	15-34
Services	Small	5-15
	Medium	16-74

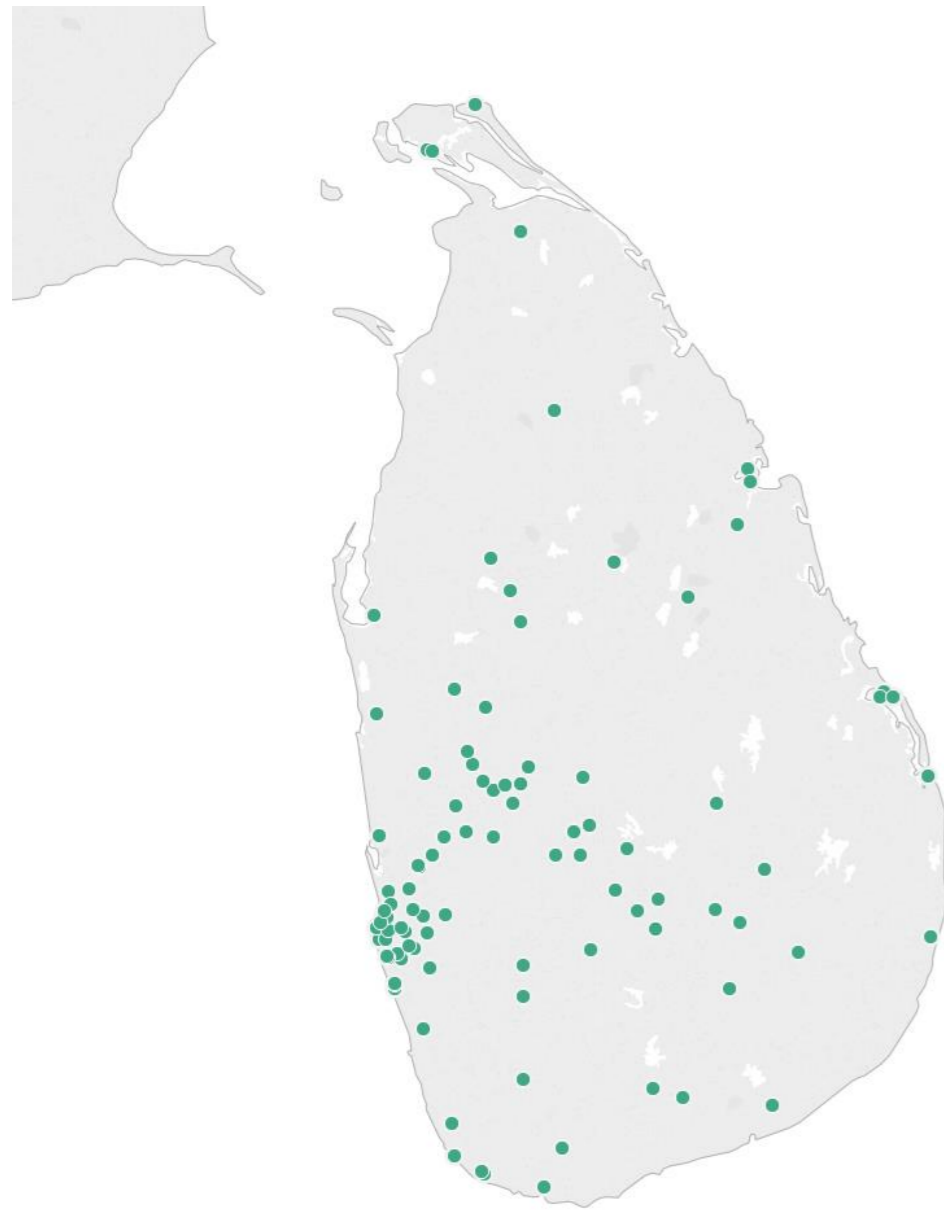
Medium
15 to 34
35 and above
1 to 4
5 to 15
16 to 74
75 and above
Large

The ISIC codes were used to identify the business sector

The International Standard Industrial Classification of All Economic Activities (ISIC) is the international reference classification of productive activities

A	-	Agriculture, hunting and forestry	P	-	Activities of private households as employers and undifferentiated production activities of private households
B	-	Fishing			
C	-	Mining and quarrying	Q	-	Extra-territorial organizations and bodies
D	-	Manufacturing	K	-	Real estate, renting and business activities
E	-	Electricity, gas and water supply	L	-	Public administration and defense; compulsory social security
F	-	Construction	M	-	Education
G	-	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal & household goods	N	-	Health and social work
H	-	Hotels and restaurants	O	-	Other community, social and personal service activities
I	-	Transport, storage and communications	P	-	Activities of private households as employers and undifferentiated production activities of private households
J	-	Financial intermediation	Q	-	Extra-territorial organizations and bodies
K	-	Real estate, renting and business activities			
L	-	Public administration and defense; compulsory social security			
M	-	Education			
N	-	Health and social work			
O	-	Other community, social and personal service activities			

Sri Lanka sample representative of small and medium sized enterprises in Sri Lanka (95% Confidence Interval; +/-9.8% margin of error)



400 small and medium sized enterprises in 100 GNs

Sample designed to be representative of small and medium sized enterprises at National level with +/- 9.8% margin of error.

The cross analysis at below mentioned levels have a higher margin of error:

- Urban-rural level
- Enterprise type
- Enterprise size level

The sample is **not** designed to represent;

- Province level
- District
- Other levels

**Fieldwork time period
December 2018 – January 2019**

Sample GPS locations recorded by CAPI device at time of survey

100 GN divisions covering
All Provinces
Fieldwork time period : December 3 – January 21 (2018-2019)

Split the sample frame into urban and rural PSUs (Grama Niladhari divisions)



Random selection of required number of PSUs urban (40) and rural (60) using PPS*



PSUs with > 250 households segmented, and 1 segment randomly selected for listing of households and enterprises

Stage 1:

Stratified random sampling of the primary sample units (PSUs) with probability proportionate to size (PPS) sampling

* Additional 17 urban PSUs were selected due to lack of eligible enterprises and refusals

Obtaining PSU information (boundaries, households, etc.) from key informants



KI Interviews

Mapping & segmentation

Stage 2:

Mapping and listing of selected PSUs



Figure 2: Listing of enterprises

Segmentation maps

Listing of households and enterprises



Listing

- Mapping of randomly selected village with the help of the key informants

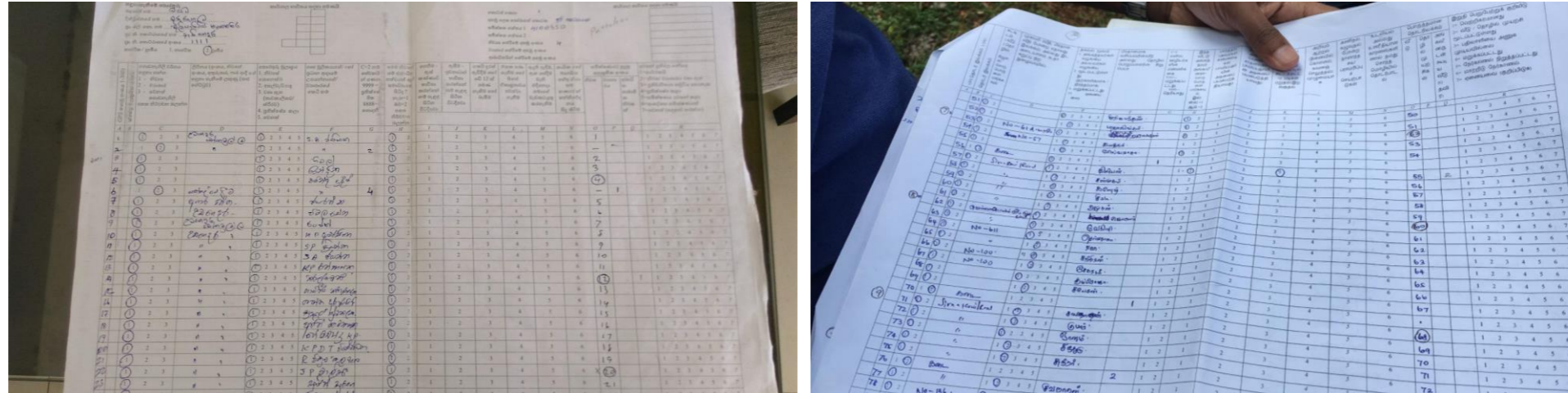
- Segmentation villages where the number of households exceeding 250

- List of structures of the entire segment identifying the eligible households and enterprises

Stage 3:

Random selection of households conducted systematic random sampling using the household and enterprise lists collected during the listing

Random selection of listed households and enterprises



Random HH & Enterprise selection

- Random selection of 20-25 households for the main survey
- Random selection of 4 enterprises for the survey

Interviews conducted on mobile devices

Stage 4:



Enterprise interview (with enterprise owner or manager)



- Listing all the household members in the household roster
- Randomly selecting one member from age 15-65 from the list
- Selecting the owner or the manager of the enterprise for the main survey

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ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP
OWNER AND MANAGER
REGISTRATION
NUMBER OF YEARS IN BUSINESS
STARTUP CAPITAL
ELECTRICITY
ENTERPRISE FINANCE

1

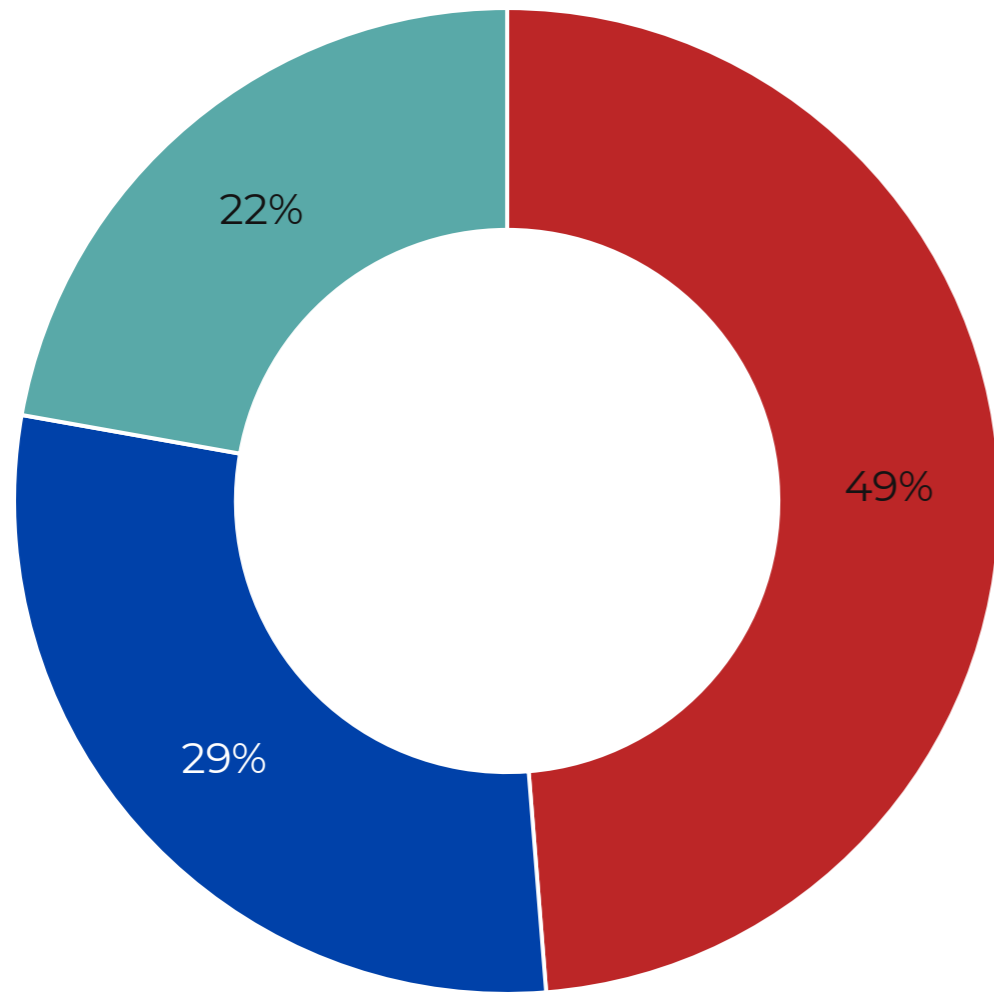
ENTERPRISE CHARACTERISTICS

- > ENTERPRISE TYPE AND EMPLOYEES
- OWNERSHIP
- OWNER AND MANAGER
- REGISTRATION
- NUMBER OF YEARS IN BUSINESS
- STARTUP CAPITAL
- ELECTRICITY
- ENTERPRISE FINANCE

More manufacture sector and many have small number of employees

Enterprise sector (% of all enterprises)

■ Manufacturing ■ Services ■ Trade

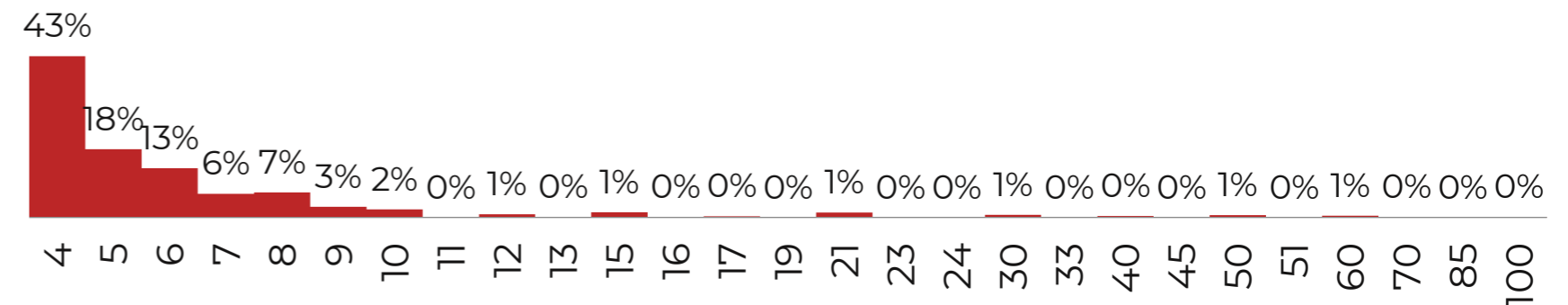


580K

People employed*

Number of employees (% of aged 15-65 mobile phone owners)

■ % of enterprises

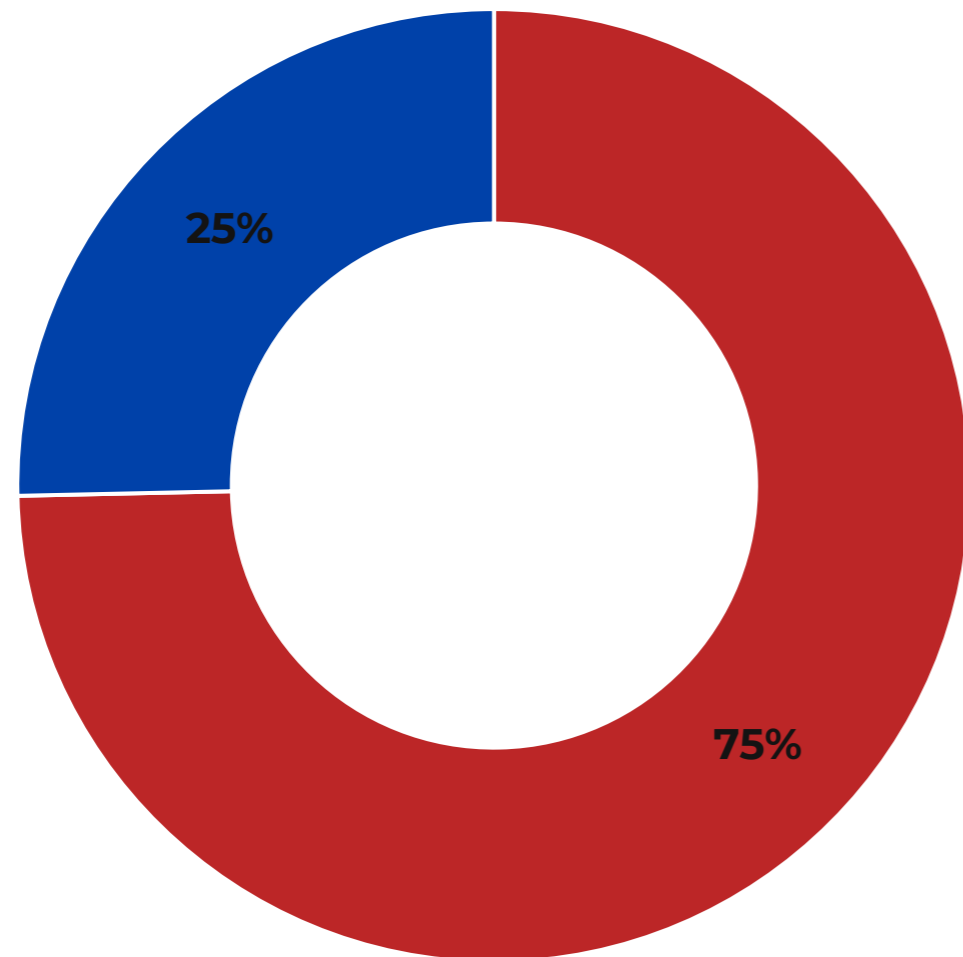


* Including part-time and unpaid family workers

Only 1/4th of the employees are women; Less than what labour force survey reports

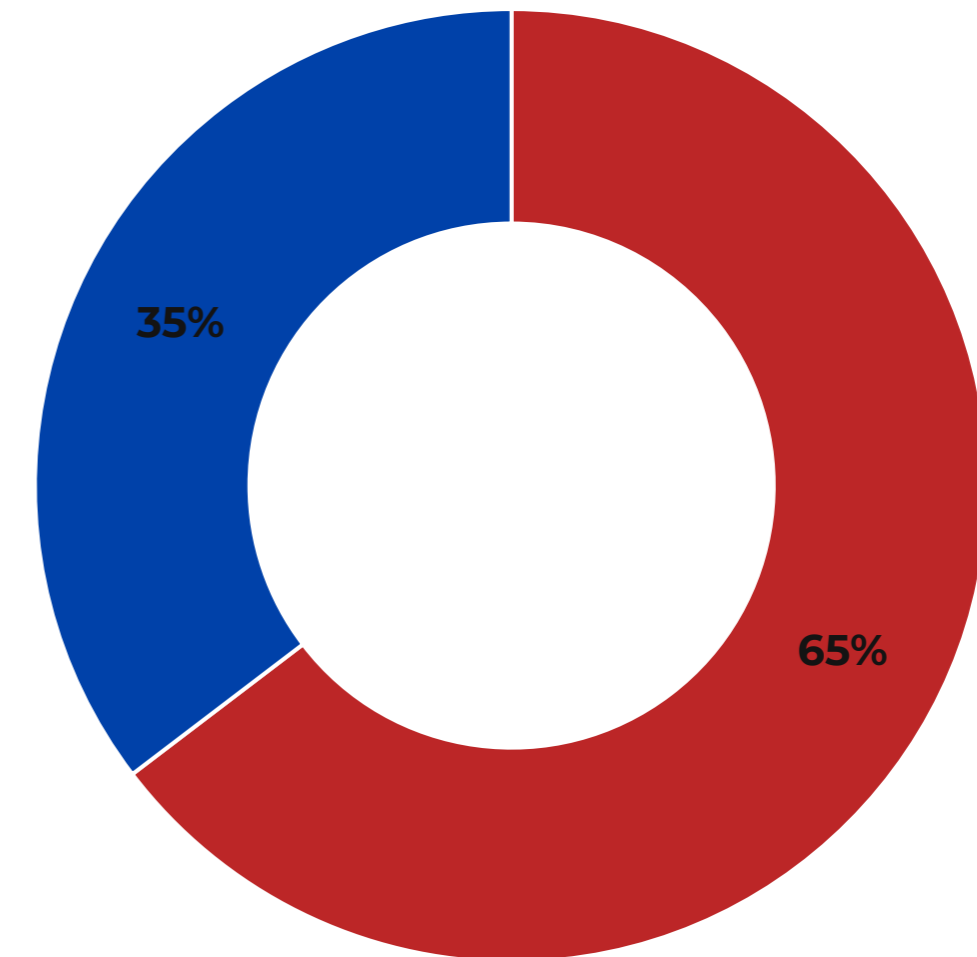
Gender composition of the employees (% of all enterprises)

■ Male ■ Female



Gender composition of Sri Lanka labour force*

■ Male ■ Female



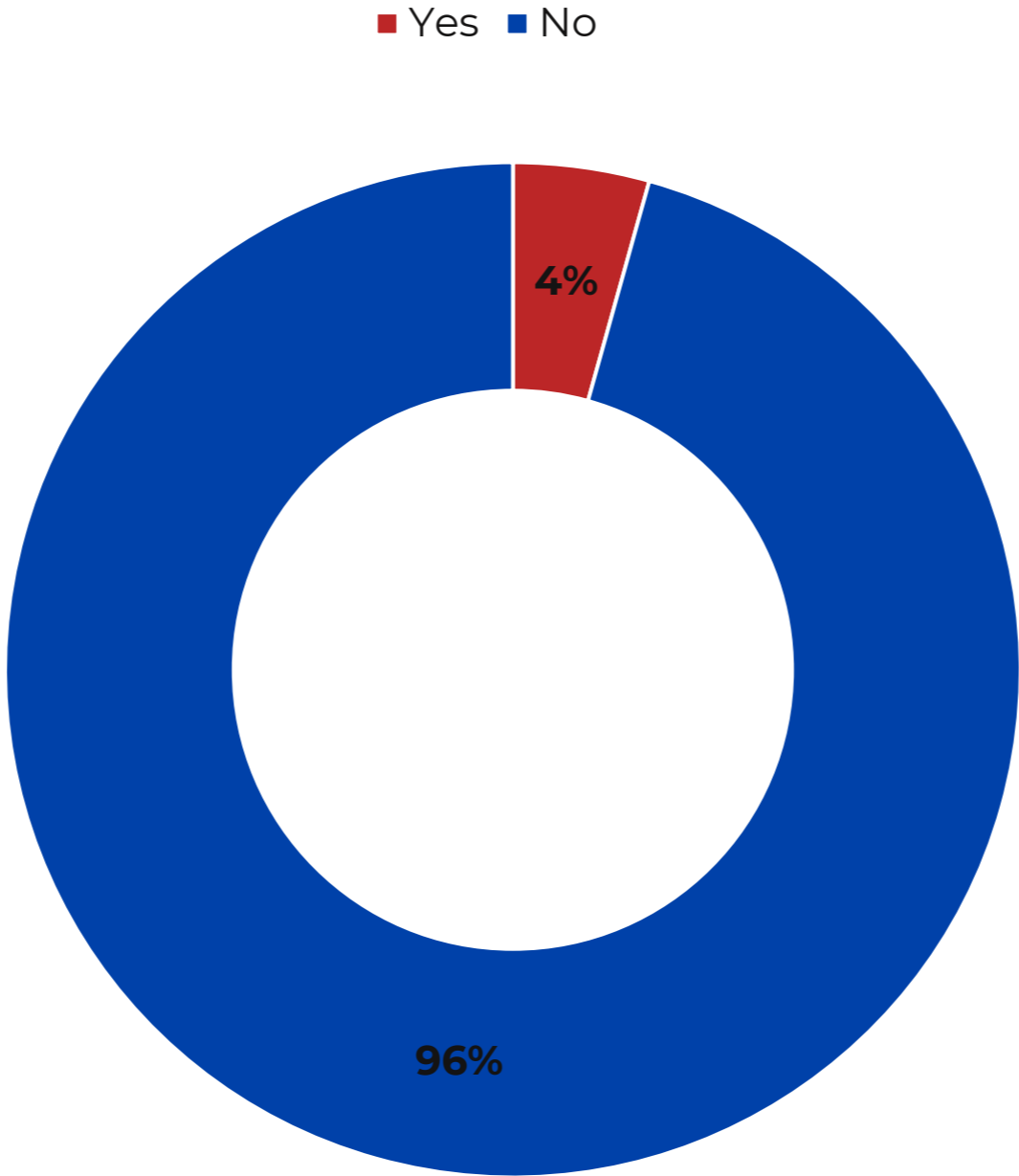
Q: How many employees does your enterprise have (excluding owners)?

Base	Sri Lanka
All enterprises	403

*Source: Sri Lanka Labour Force Survey Annual Report - 2019

4% of the enterprises employ person with disabilities

Disabled employees (% of all enterprises)



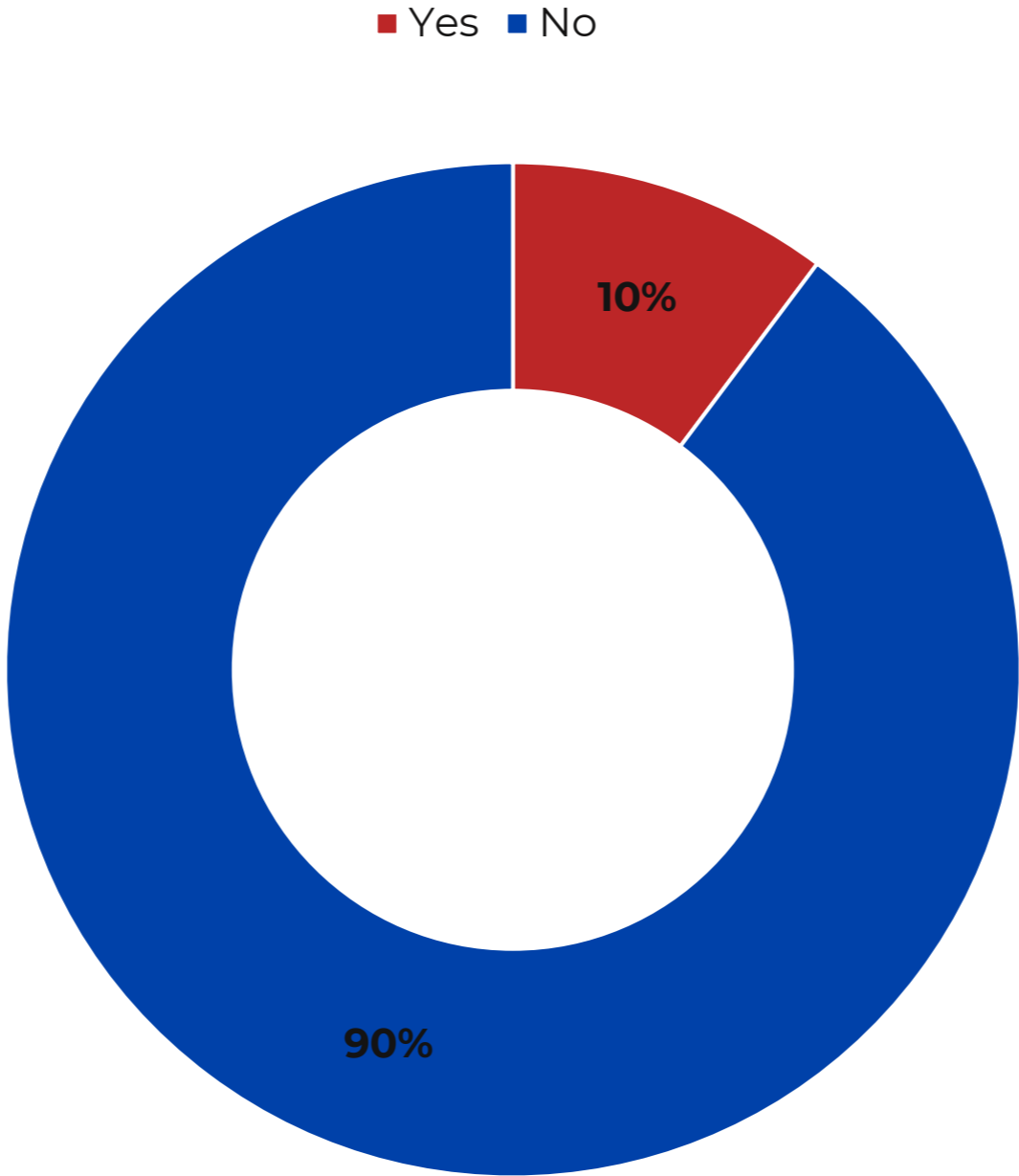
Q: Does your enterprise have (excluding owners) any disabled employee?



Base	Sri Lanka
All enterprises	403

Only 10% of the enterprises have written contracts for it's employees

Written contracts for employees (% of all enterprises)



Q: Do you usually have written contracts for your employees?

Base	Sri Lanka
All enterprises	403

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ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES

> OWNERSHIP

OWNER AND MANAGER

REGISTRATION

NUMBER OF YEARS IN BUSINESS

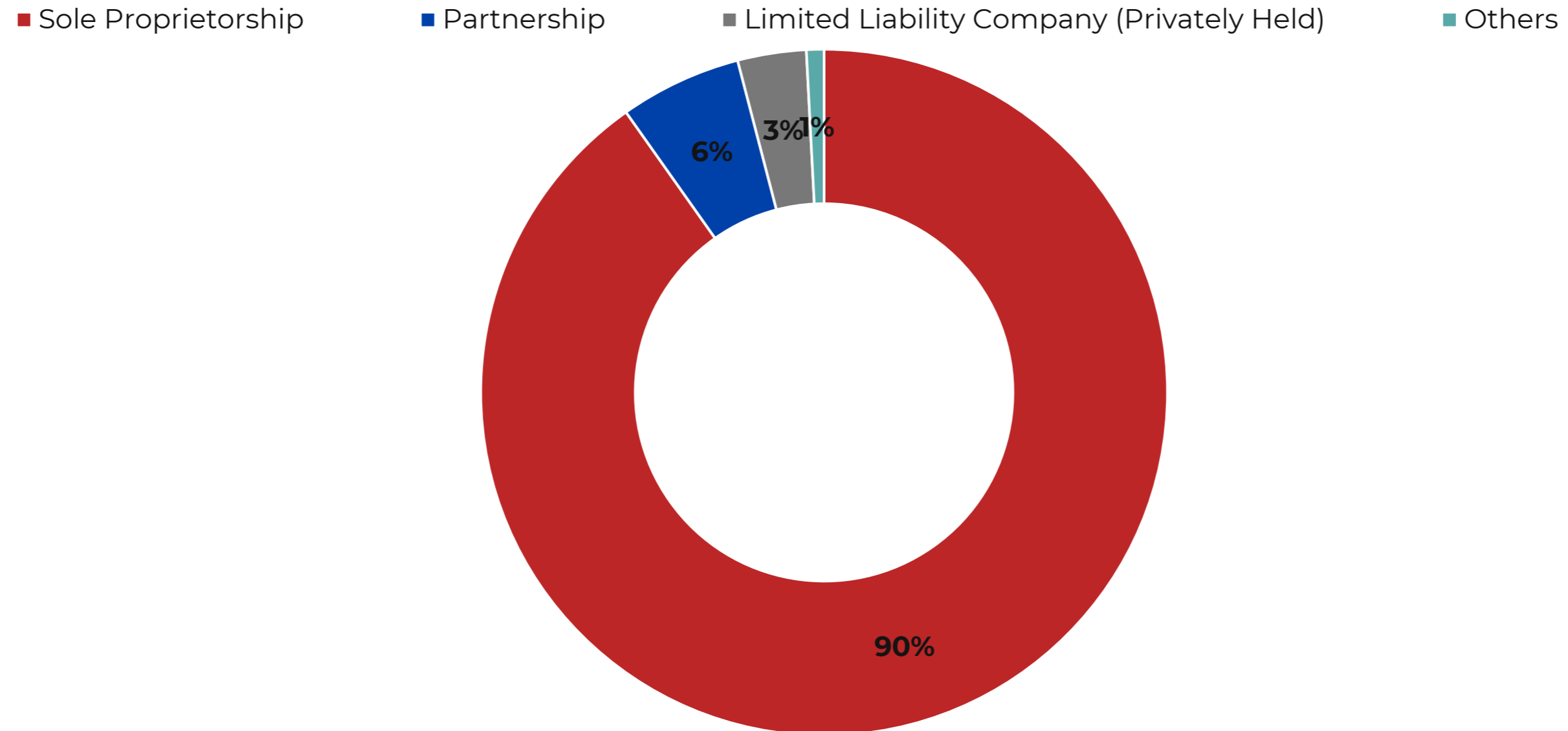
STARTUP CAPITAL

ELECTRICITY

ENTERPRISE FINANCE

Many are sole proprietorship

Form of ownership (% all enterprises)



Q: What is the form of ownership of your enterprise?

Base	Sri Lanka
All enterprises	403

1

ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP

> OWNER AND MANAGER

REGISTRATION

NUMBER OF YEARS IN BUSINESS

STARTUP CAPITAL

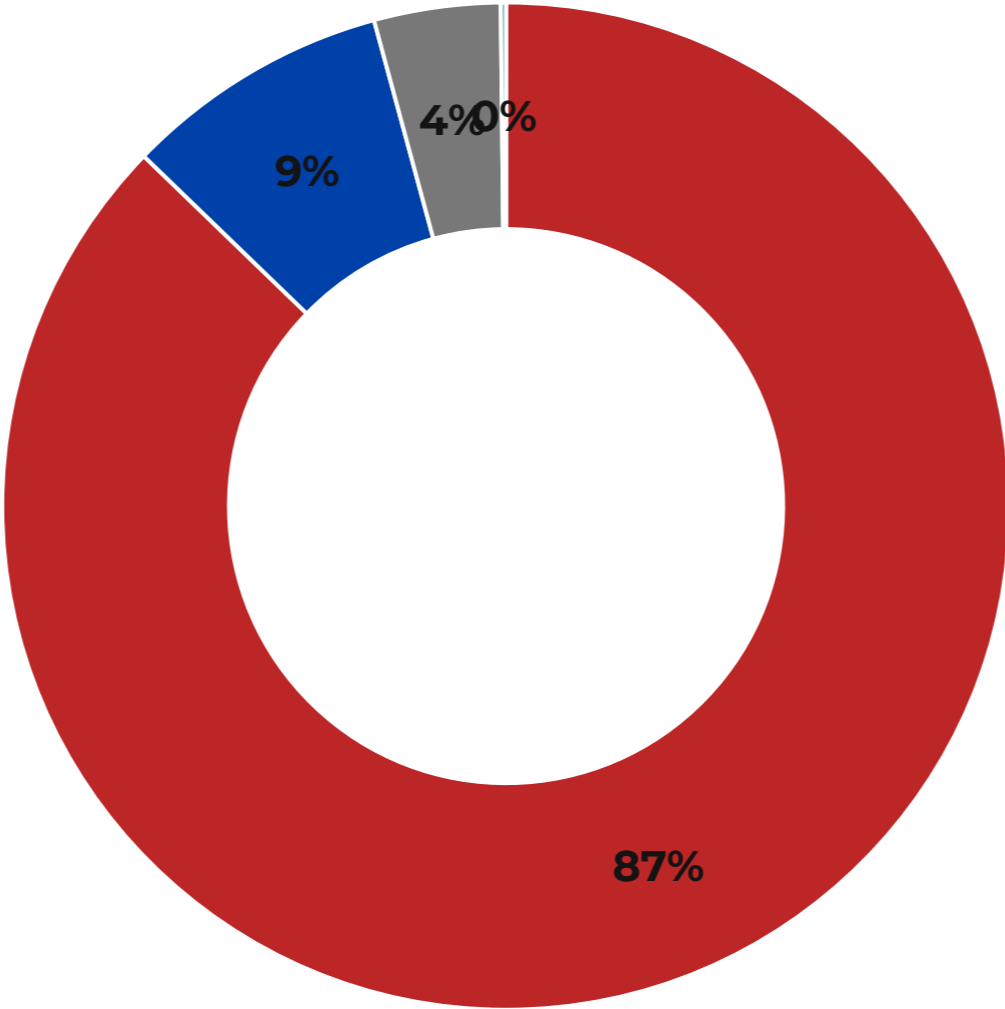
ELECTRICITY

ENTERPRISE FINANCE

Most of the enterprises manage by the owner

Manager of enterprise (% all enterprises)

owner full time manager unpaid family member other



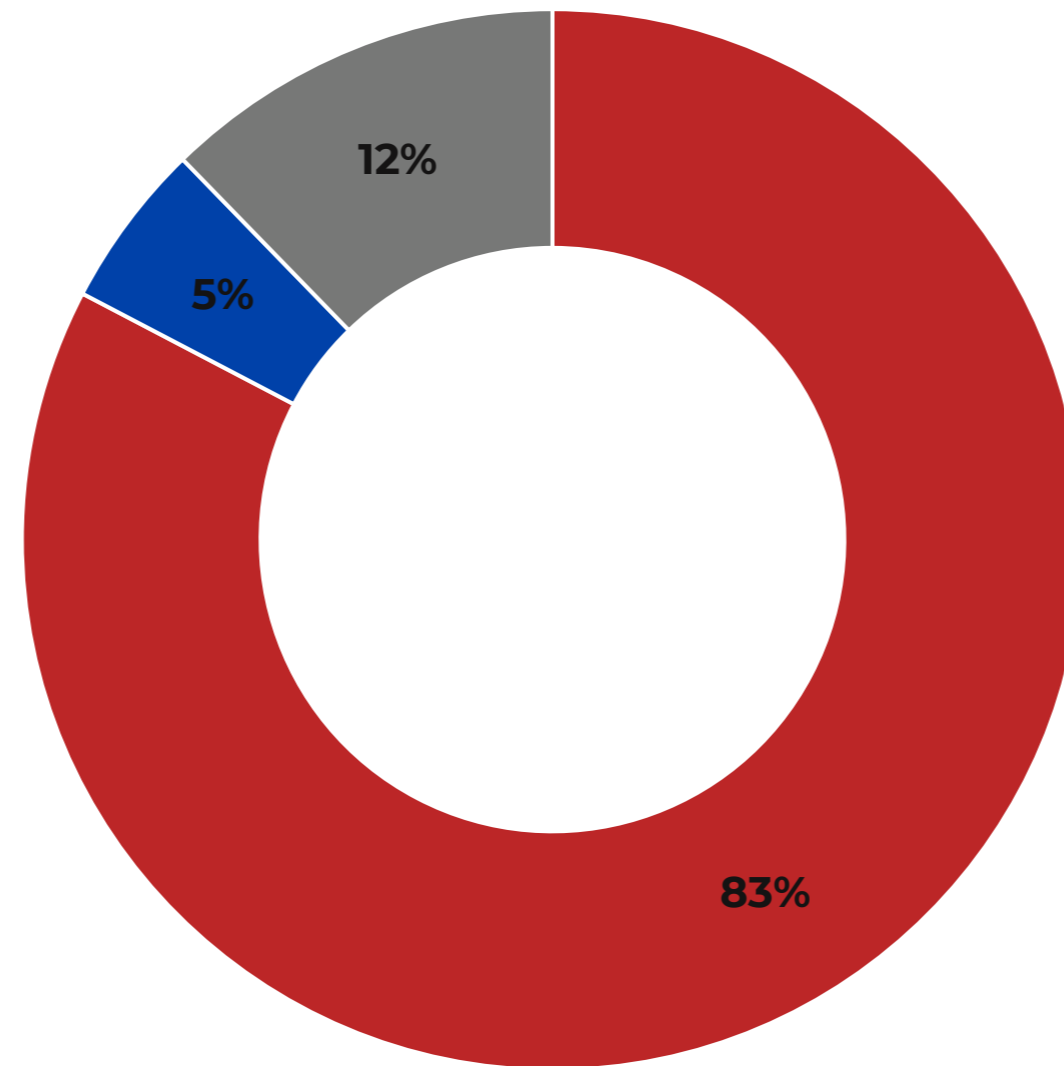
Q: Who manages your enterprise? (makes financial, day today operation and strategic decisions)

Base	Sri Lanka
All enterprises	403

More than 80% of the enterprises owned solely by men

Gender of the owners (% all enterprises)

■ Male owners only ■ Female owners only ■ Have both male and female owners

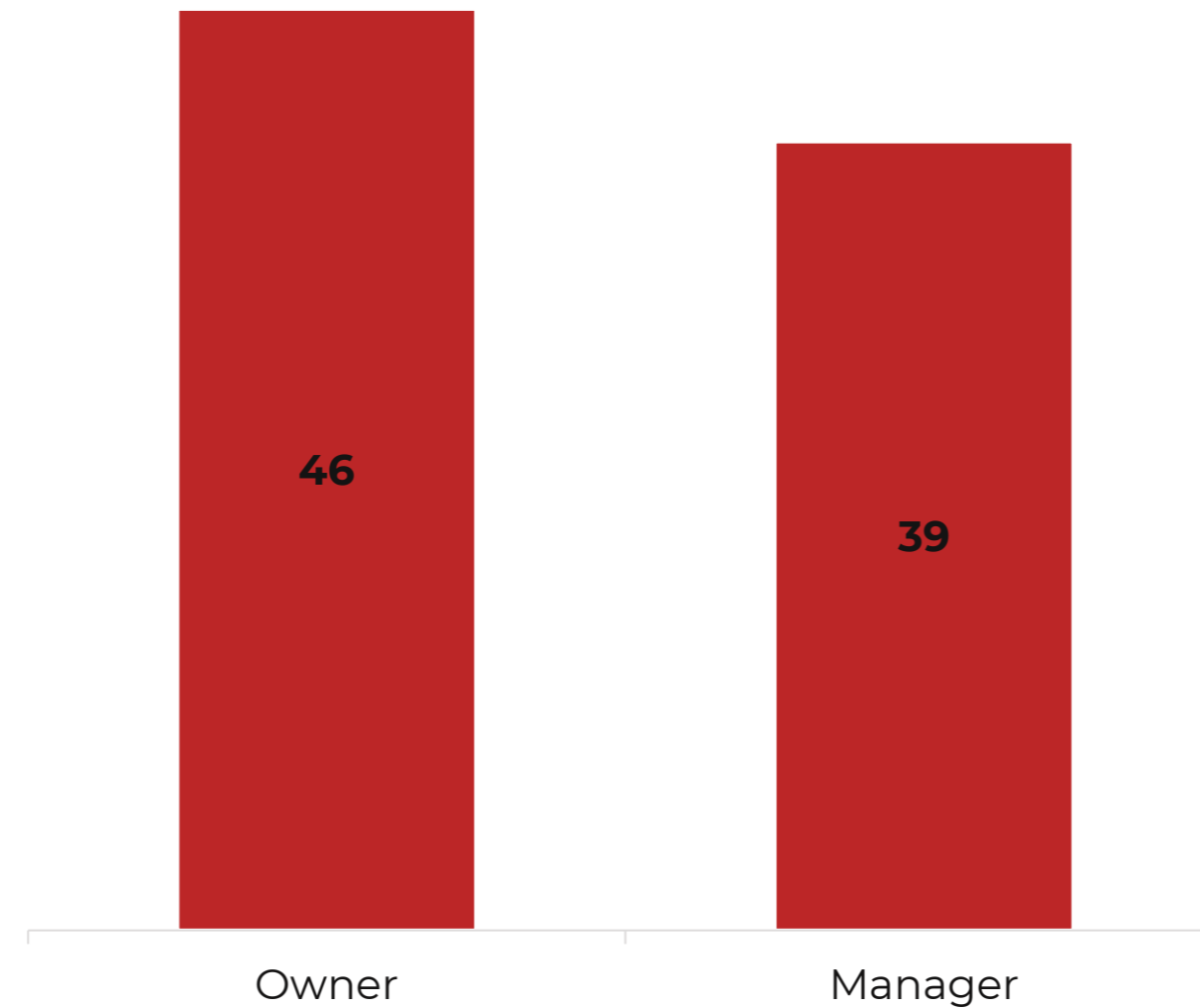


Q: How many owners does your enterprise have?

Base	Sri Lanka
All enterprises	403

Both owners and managers are around 40 years old on average and managers are younger than owners

Avg. owners' and managers' age (all enterprises)



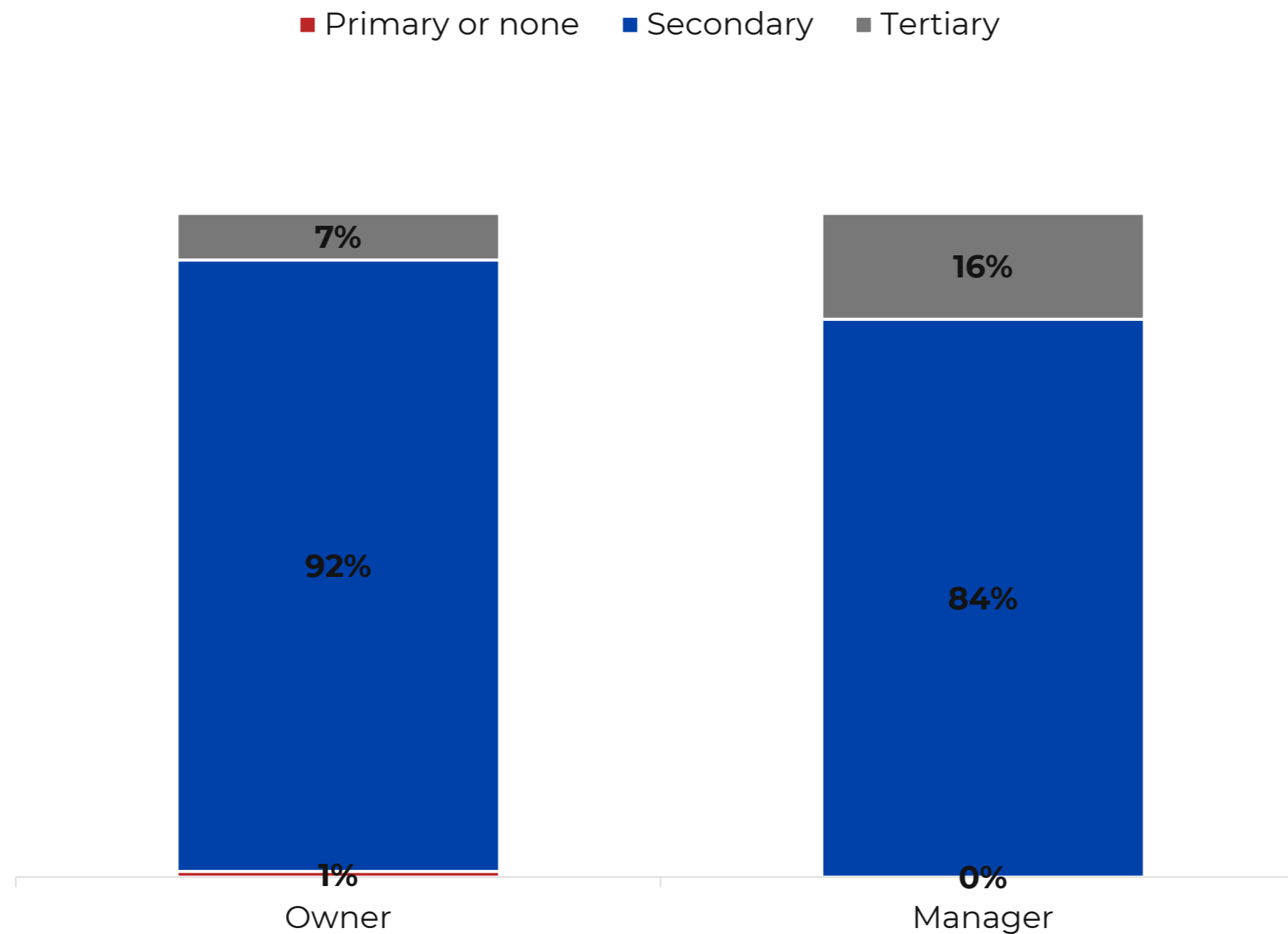
Q: What is the owner's age? ?

Q: What is the manager's age? ?

Base	Sri Lanka
All enterprises	403

Both owners & managers are mostly secondary educated; managers are more likely to have tertiary education than owners

Highest education among owners and managers (% all enterprises)



Q: Highest formal education of the enterprise owners?

Q: Highest formal education of the enterprise managers?

More than one-third of owners and managers have vocational training

Vocational training among owners and managers (% all enterprises)



Q: Do enterprise owners have vocational certificates?

Q: Do enterprise managers have vocational certificates?

1

ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP

OWNER AND MANAGER

> **REGISTRATION**

NUMBER OF YEARS IN BUSINESS

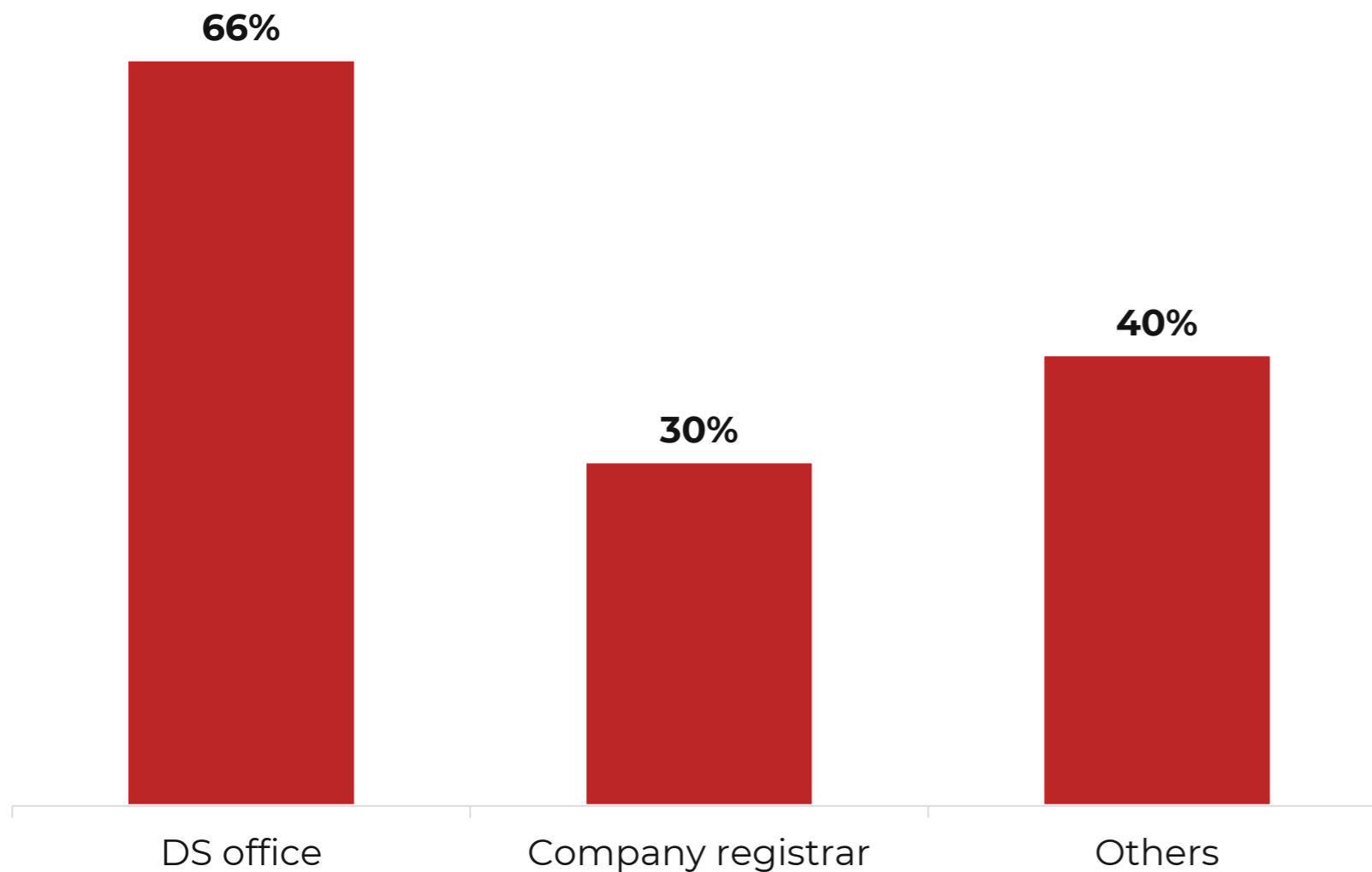
STARTUP CAPITAL

ELECTRICITY

ENTERPRISE FINANCE

Two-thirds of small and medium businesses are registered at DS offices

Registration of enterprises (% all enterprises)



75%

Of the enterprises has registered in some kind of a body

Q1: Is your enterprise registered with divisional secretary office?

Q2: Is your enterprise registered with company registrar (central or provincial)?

Q3: Is your enterprise registered/licensed/ membership in anywhere else? Eg: Ministry, trade associations

1

ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP

OWNER AND MANAGER

REGISTRATION

> **NUMBER OF YEARS IN BUSINESS**

STARTUP CAPITAL

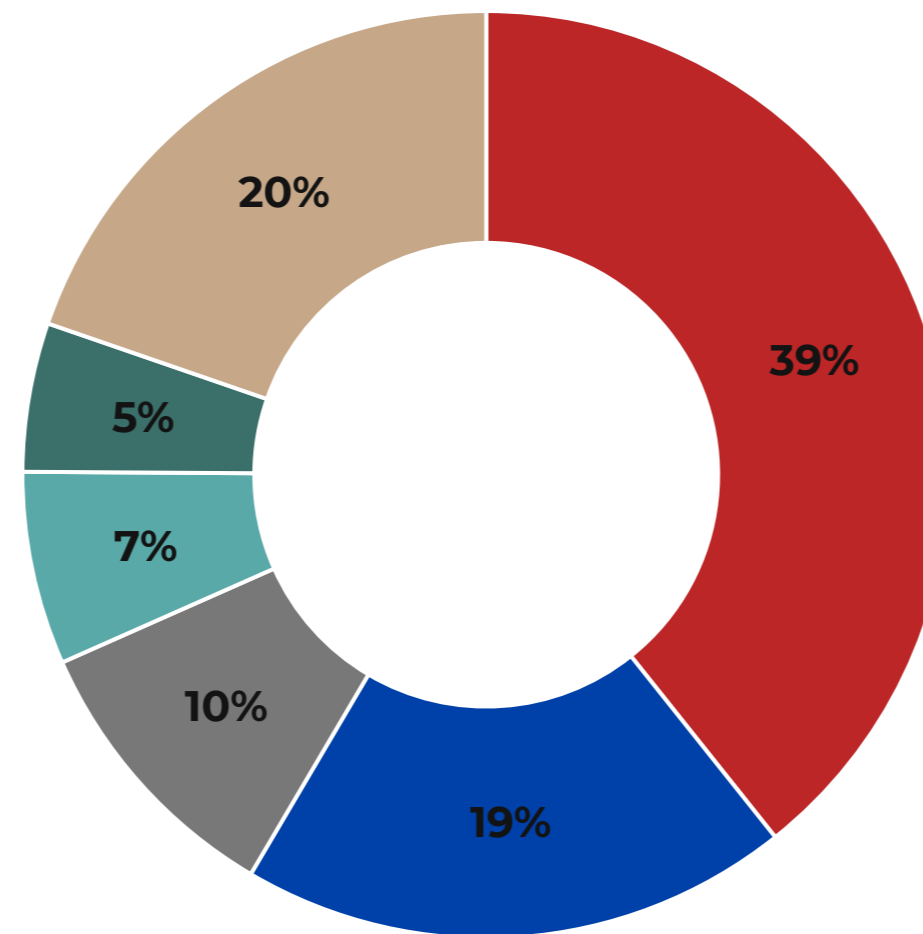
ELECTRICITY

ENTERPRISE FINANCE

Most businesses are recently started

Number of years in business (% all enterprises)

■ 1-5 ■ 6-10 ■ 11-15 ■ 16-20 ■ 21-25 ■ 25+



Q: In which year was this enterprise established?

Base	Sri Lanka
All enterprises	403

1

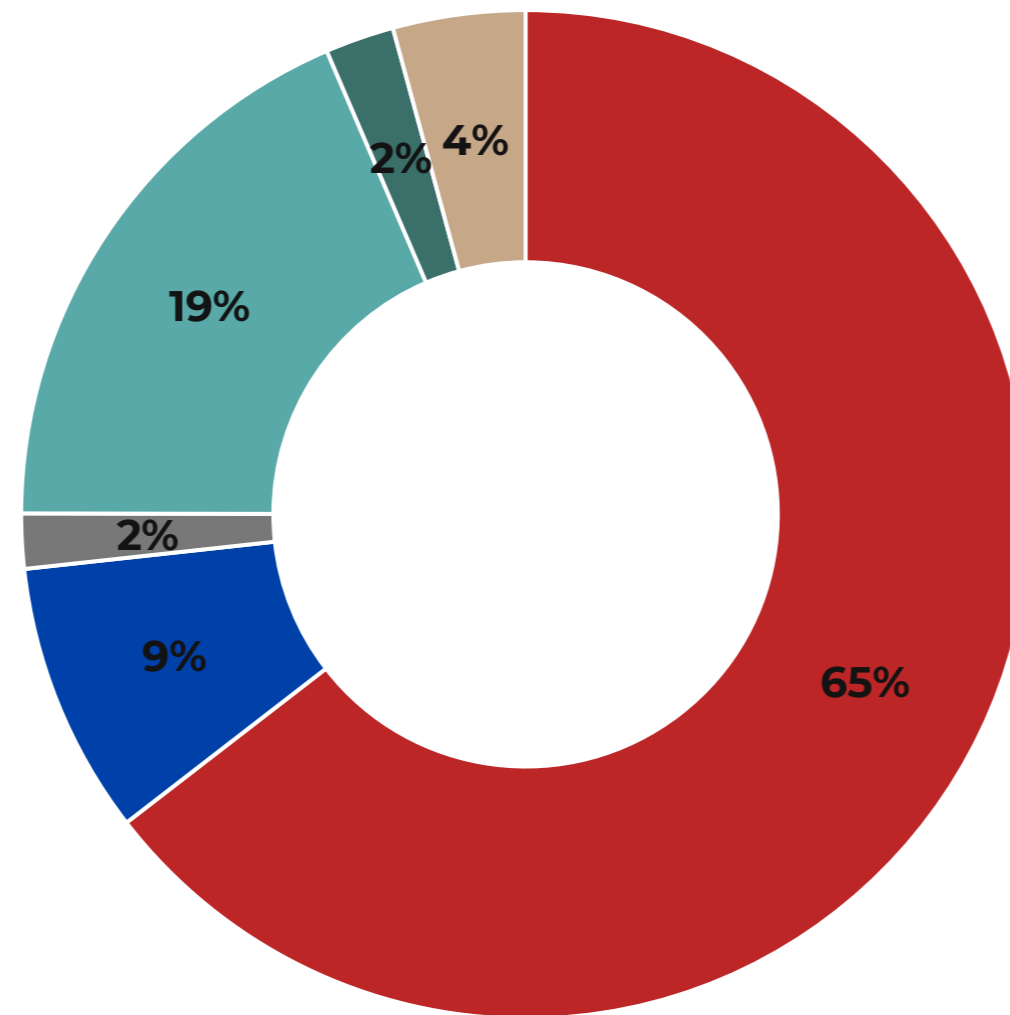
ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP
OWNER AND MANAGER
REGISTRATION
NUMBER OF YEARS IN BUSINESS
> **STARTUP CAPITAL**
ELECTRICITY
ENTERPRISE FINANCE

Most formed with their own savings

Main source of startup Capital (% all enterprises)

- Own savings
- Any formal bank
- Family members/ relatives/ friends
- Other sources
- Micro finance loan (less than rs 100,000)
- Don't know/Refused



Q: How was the startup capital financed (main source)?

Base	All island
All enterprises	403

1

ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES
OWNERSHIP

OWNER AND MANAGER

REGISTRATION

NUMBER OF YEARS IN BUSINESS

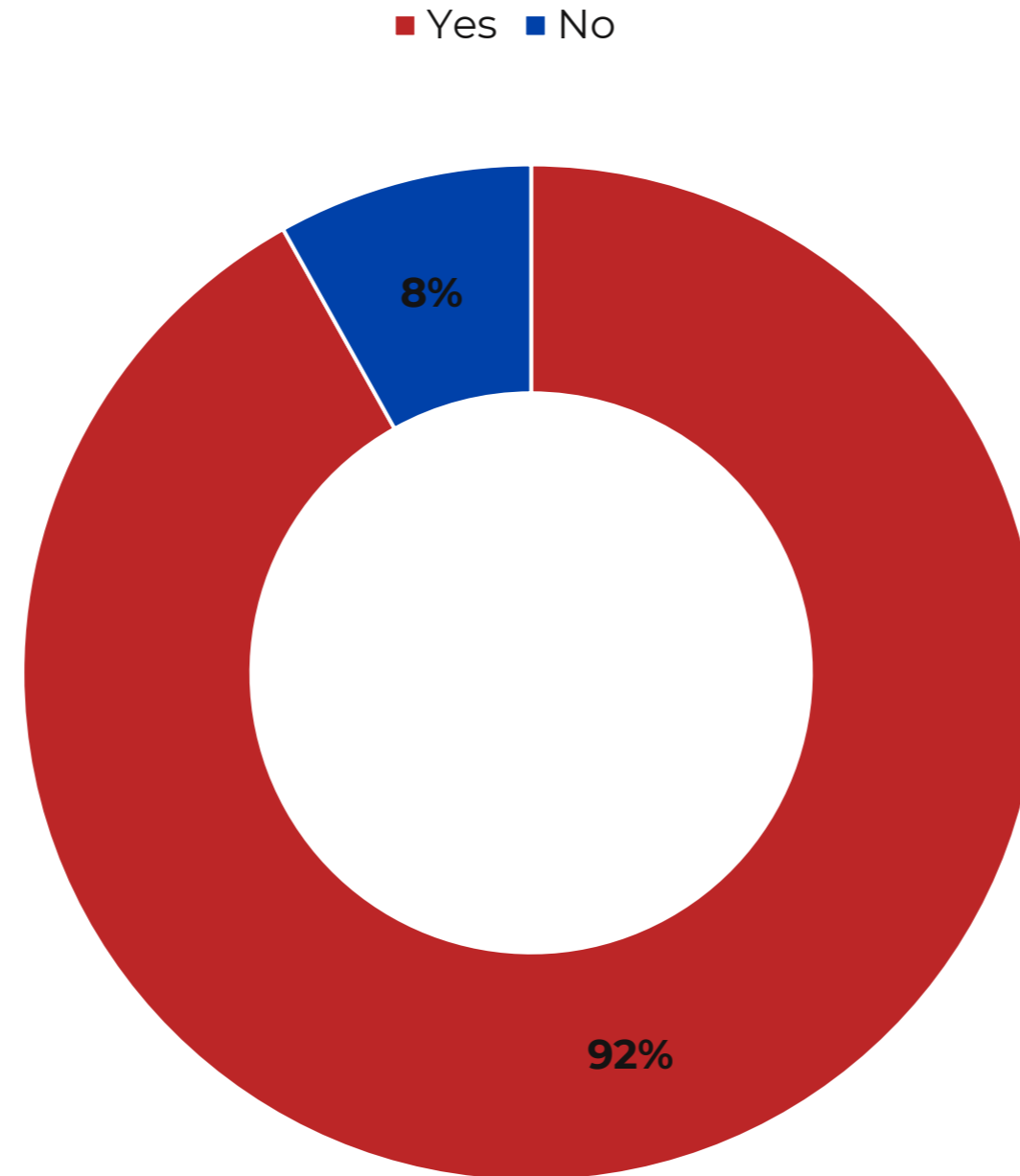
STARTUP CAPITAL

> **ELECTRICITY**

ENTERPRISE FINANCE

8% of the enterprises don't have electricity

Electricity (% of all enterprises)

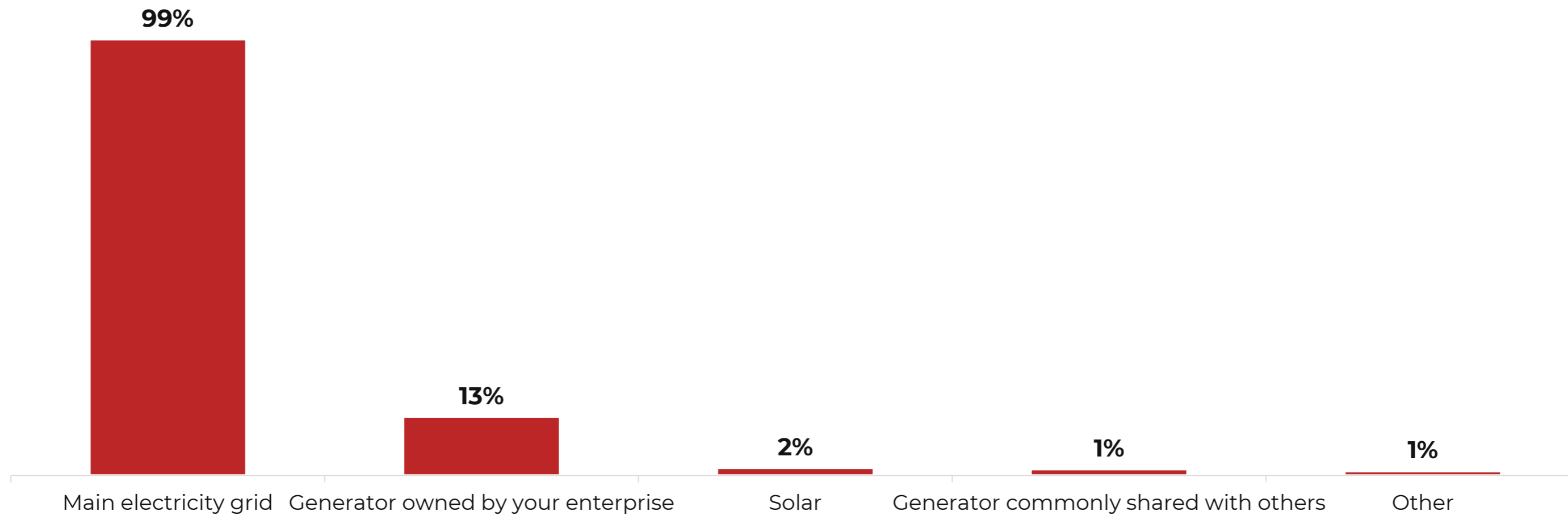


Q: Does your enterprise premises have electricity?

Base	Sri Lanka
All enterprises	403

13% of the enterprises have generators

Source of electricity (% all enterprises)



Q: What is the source of electricity for your enterprise?

Base	All island
Enterprises with electricity	375

1

ENTERPRISE CHARACTERISTICS

ENTERPRISE TYPE AND EMPLOYEES

OWNERSHIP

OWNER AND MANAGER

REGISTRATION

NUMBER OF YEARS IN BUSINESS

STARTUP CAPITAL

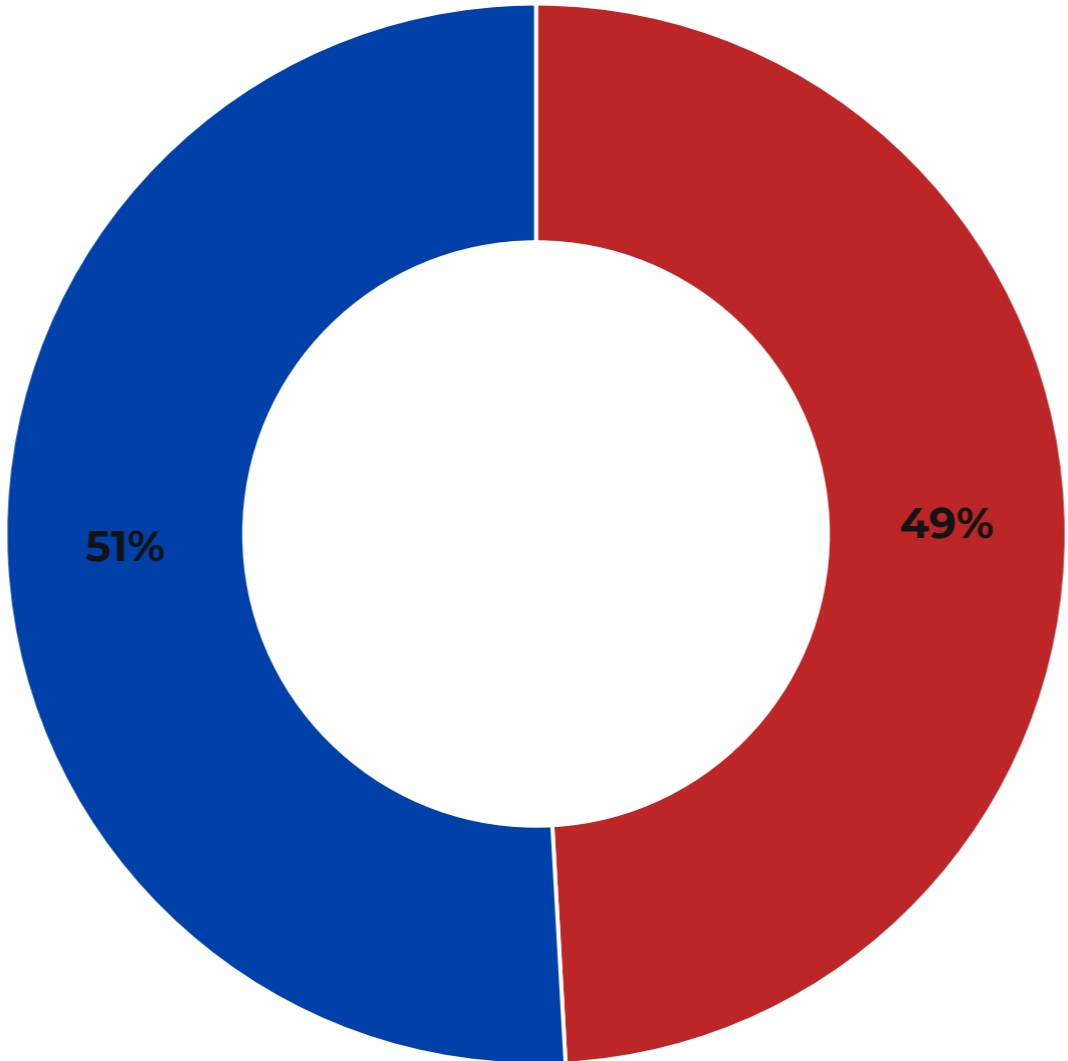
ELECTRICITY

> ENTERPRISE FINANCE

Only half of the enterprises keep separate finance books

Separate enterprise finance (% of all enterprises)

■ Yes ■ No

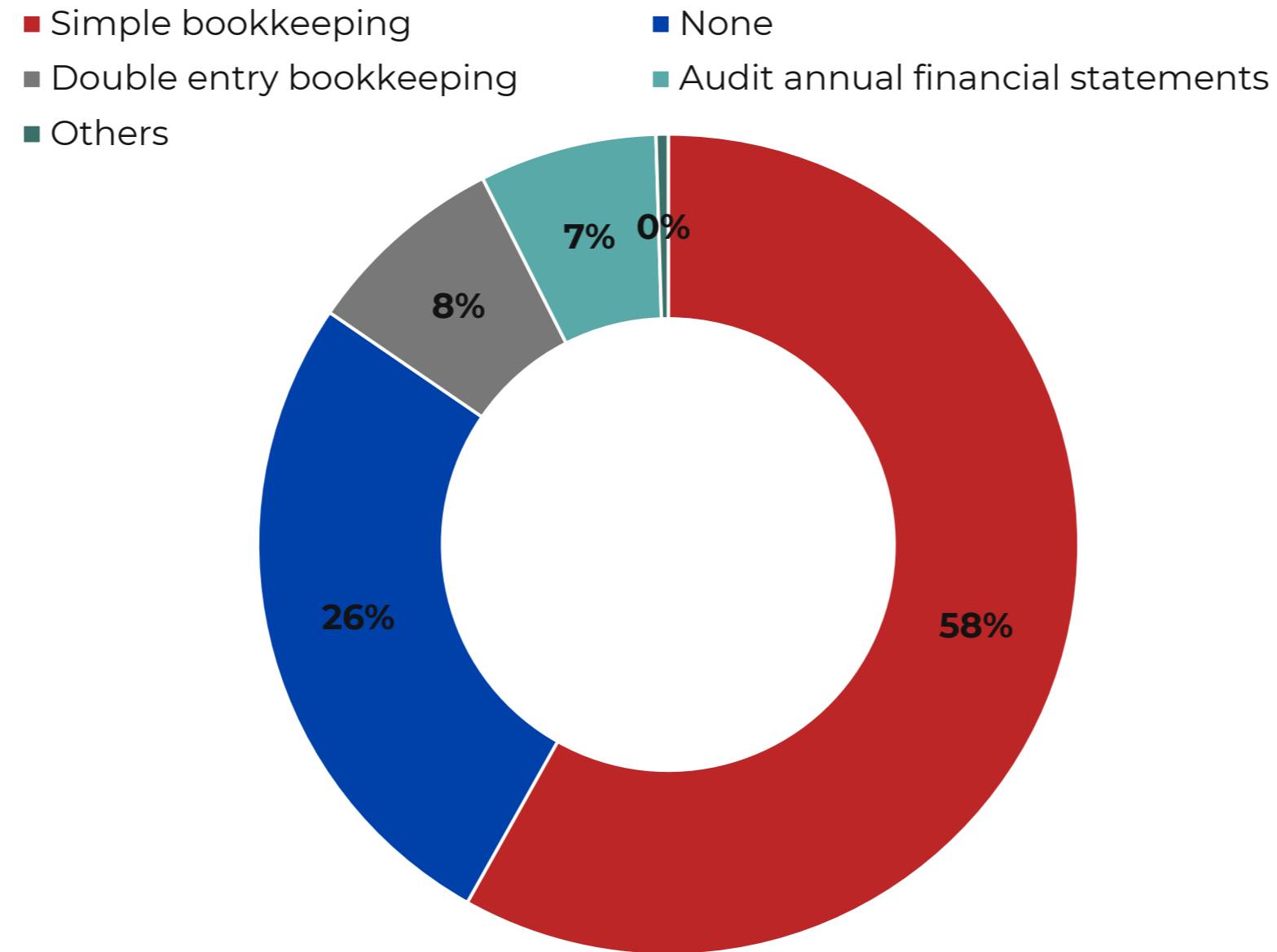


Q: Does your enterprise strictly separate enterprise finances from personal finances?

Base	Sri Lanka
All enterprises	403

Simple bookkeeping is the most commonly used way of keeping financial records

Financial records (% all enterprises)



Q: Does your enterprise keep financial records? If yes how your enterprise keep financial records

2

PHONE USE

CONTACT NUMBER

MOBILE PHONE OWNERSHIP AND USE

FIXED LINE TELEPHONE OWNERSHIP AND USE

REASON FOR NOT USING FIXED LINE TELEPHONE

2

PHONE USE

> CONTACT NUMBER

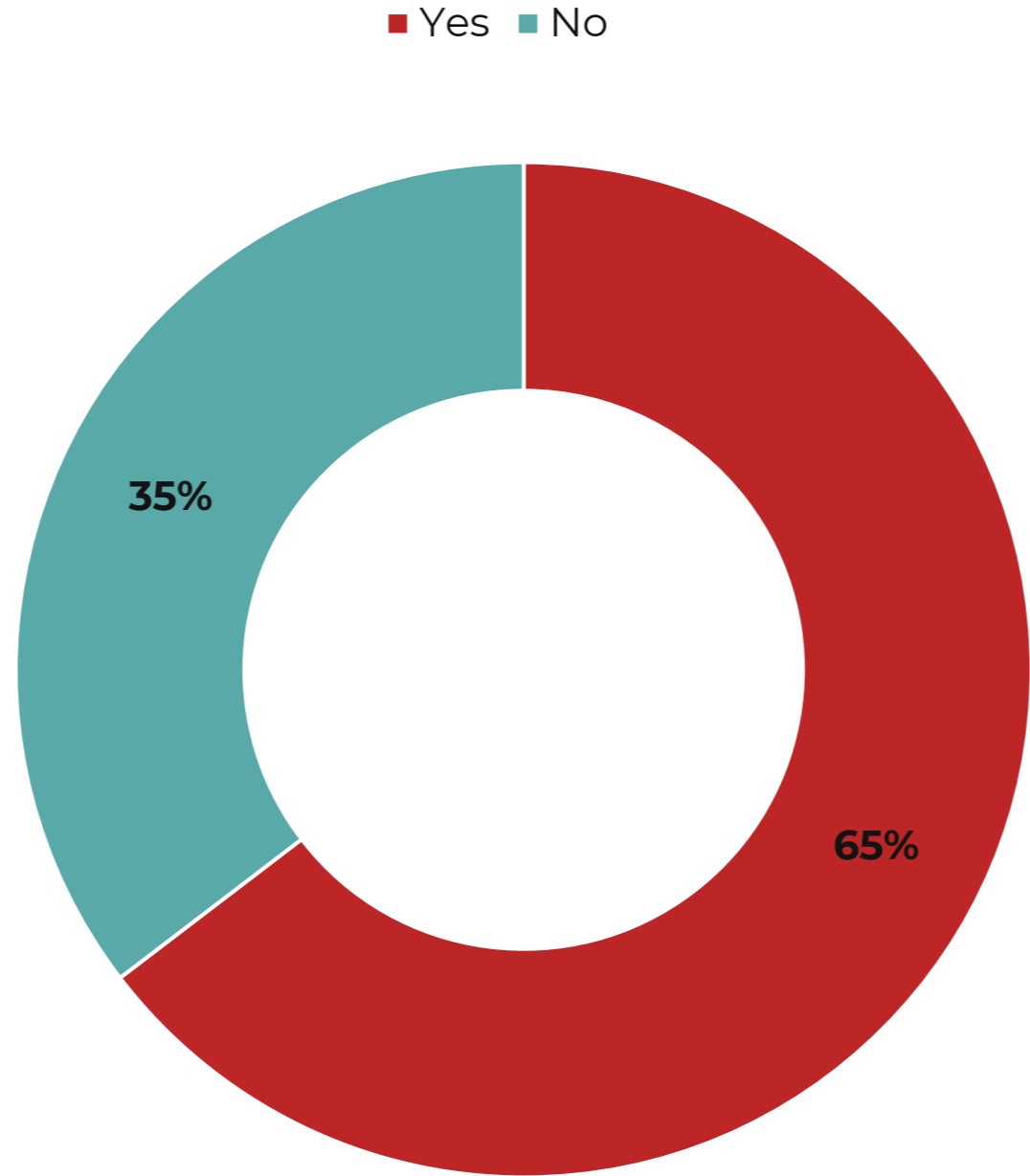
MOBILE PHONE OWNERSHIP AND USE

FIXED LINE TELEPHONE OWNERSHIP AND USE

REASON FOR NOT USING FIXED LINE TELEPHONE

Only 65% of the small and medium sized enterprises have a dedicated contact number for the enterprise

Availability of a contact number (% of all enterprises)



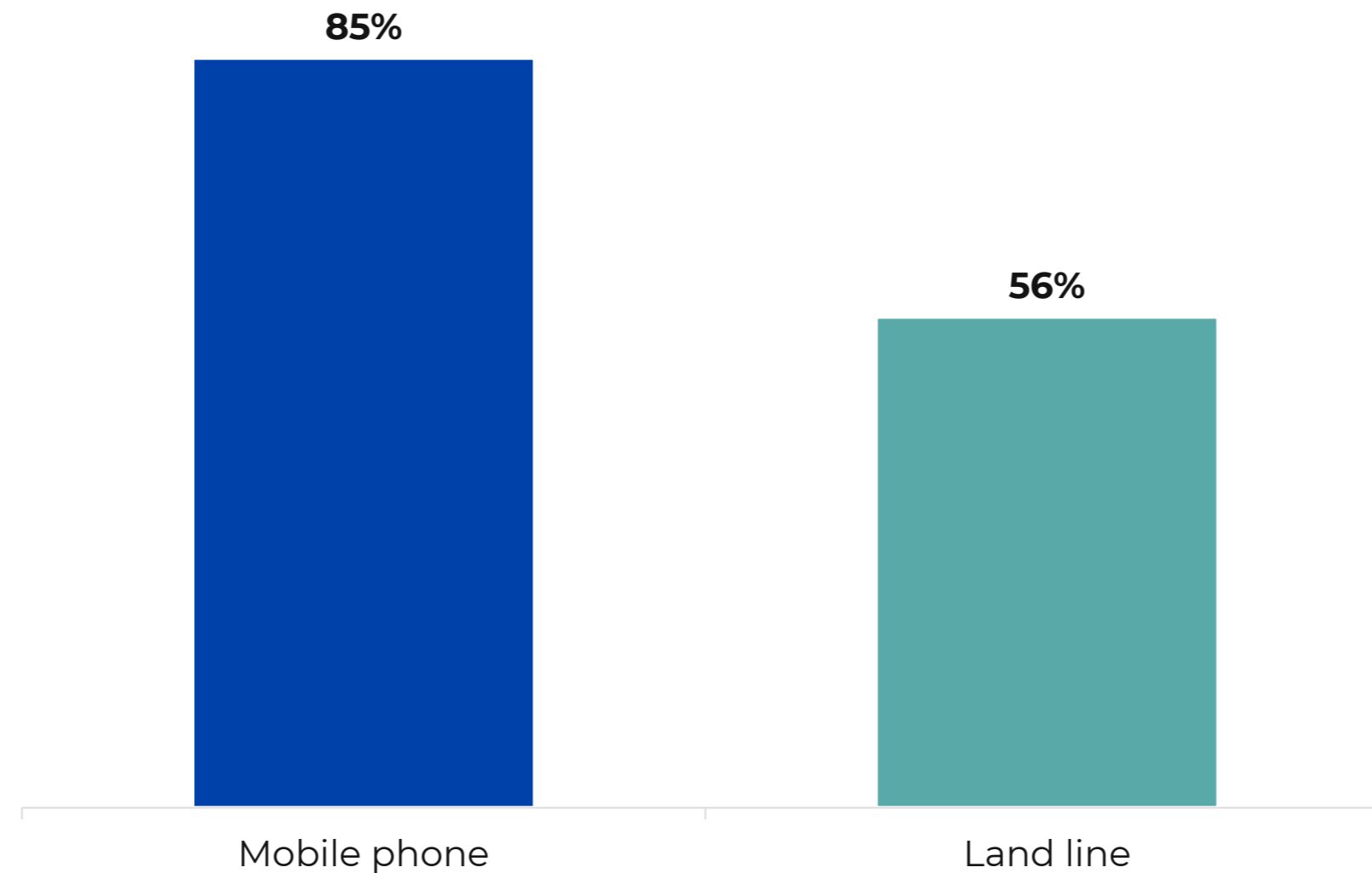
Q: Does your enterprise have a contact number?



Base	Sri Lanka
All enterprises	403

Many have mobile number as their dedicated contact number

Type of the contact number (% of enterprises with a dedicated contact number)

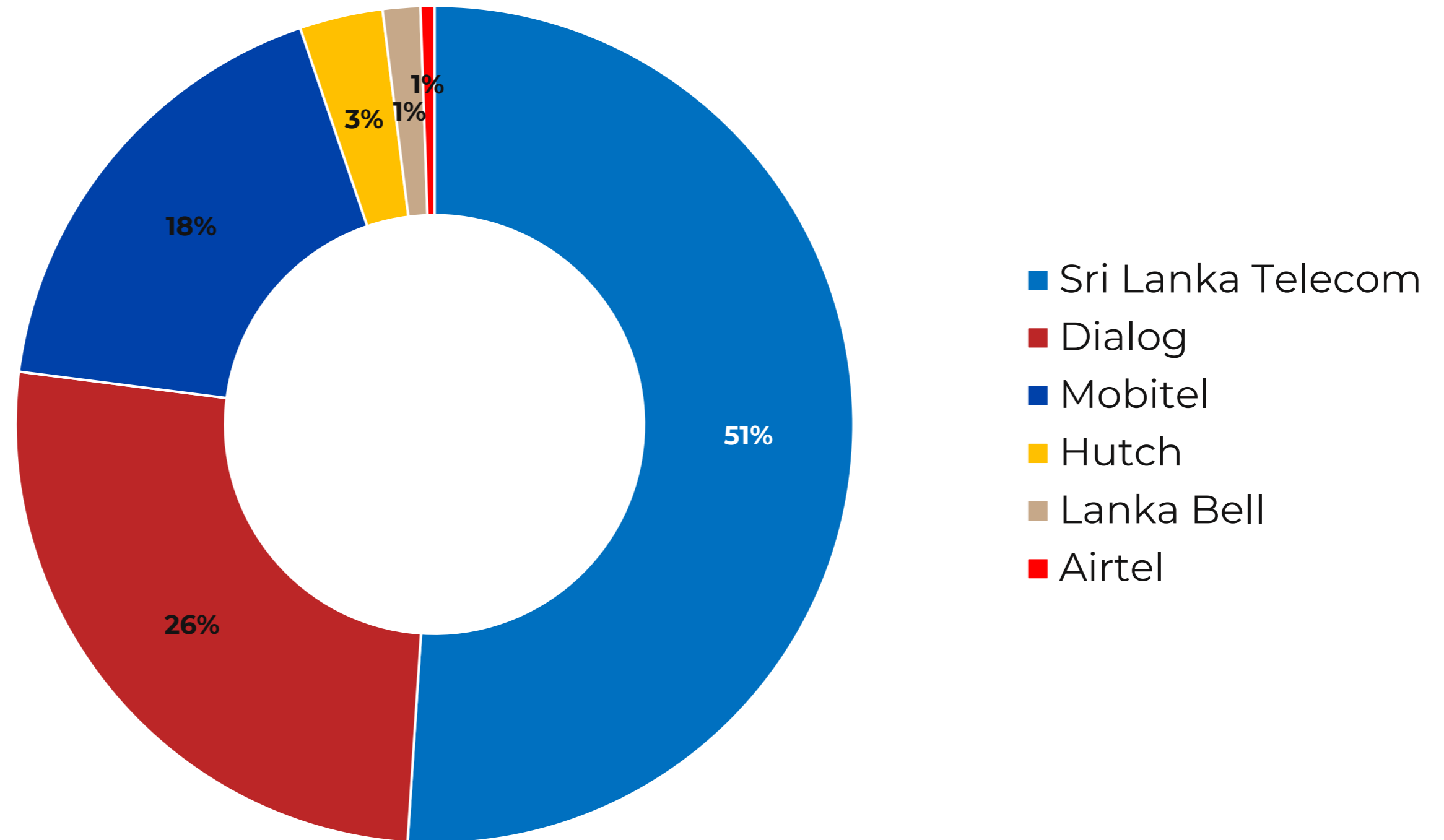


Q: Does your enterprise have a contact number?

Base	Sri Lanka
Enterprises with a contact number	244

SLT is the main network provider for more than 50% of the enterprises with a contact number

Main network (% of enterprises with a dedicated contact number)



Q: What is the main Telecom network provider for your/this enterprise?

Base	All island
Enterprises with a contact number	244

2

PHONE USE

CONTACT NUMBER

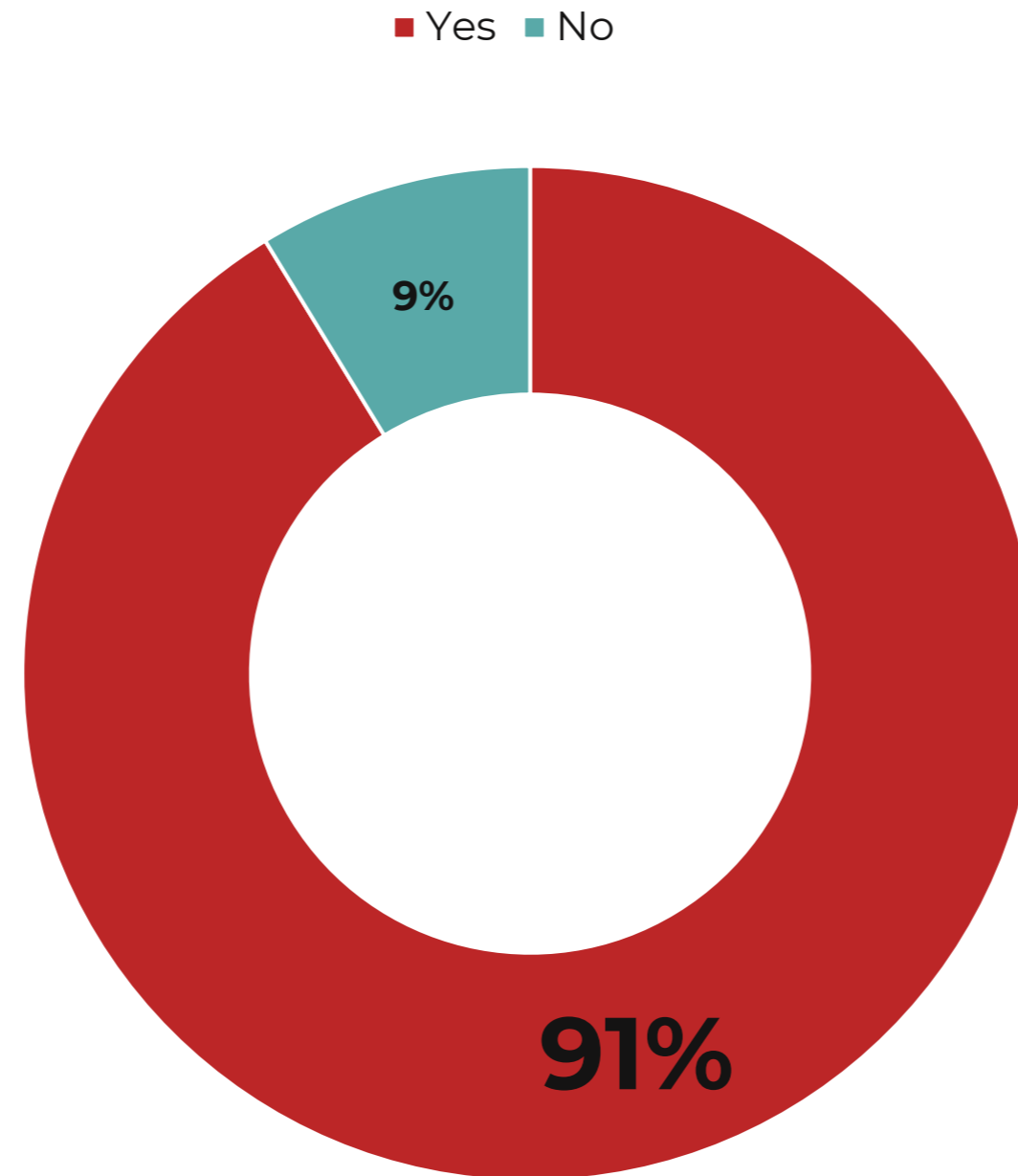
> **MOBILE PHONE OWNERSHIP AND USE**

FIXED LINE TELEPHONE OWNERSHIP AND USE

REASON FOR NOT USING FIXED LINE TELEPHONE

High mobile phone use for business activities

Mobile phone use for business activities (% of all enterprises)

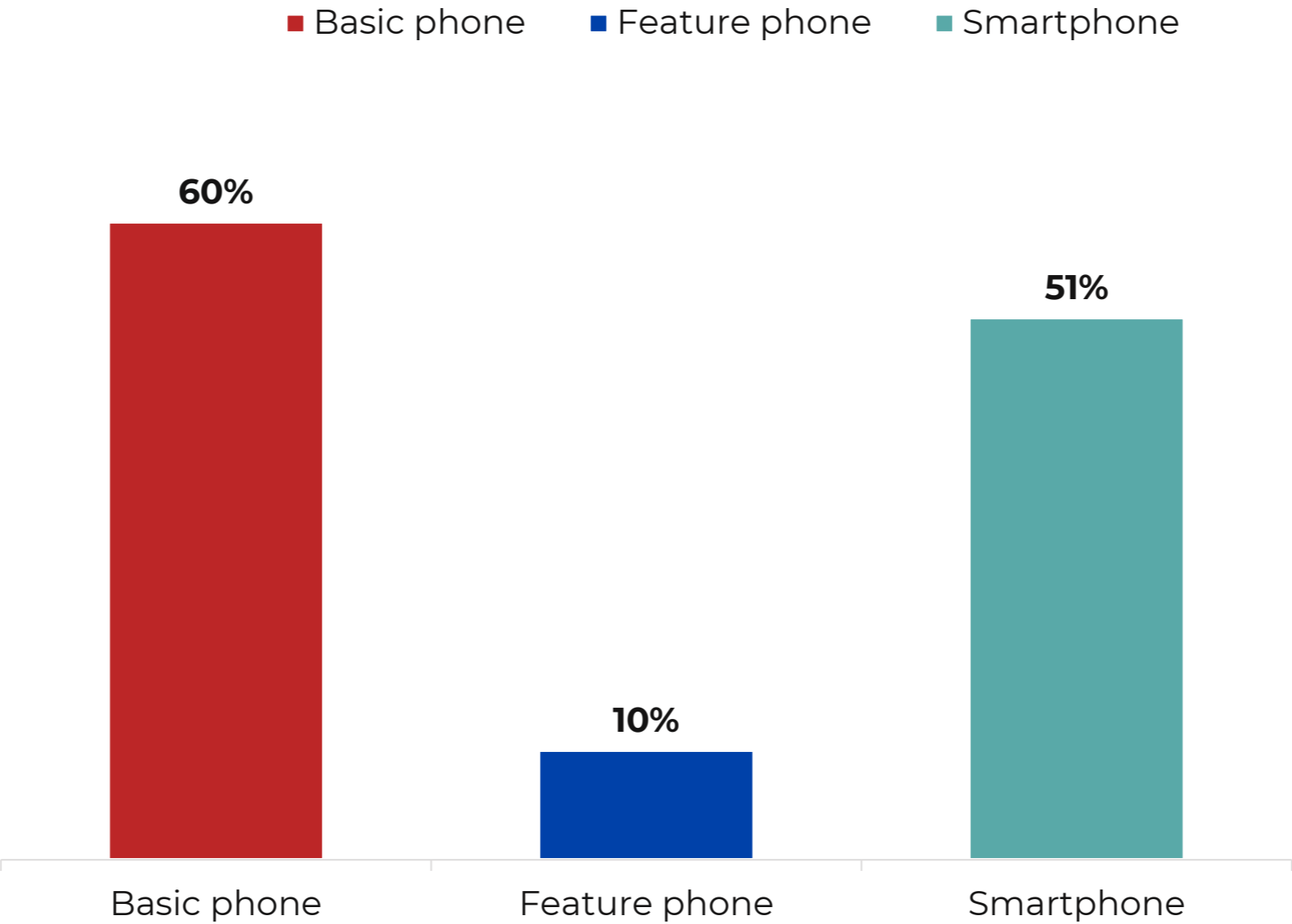


Q: Does your enterprise use mobile phone for business activities?

Base	Sri Lanka
All enterprises	403

High mobile phone use for business activities

Types of mobile phones used for business activities (% of all enterprises)



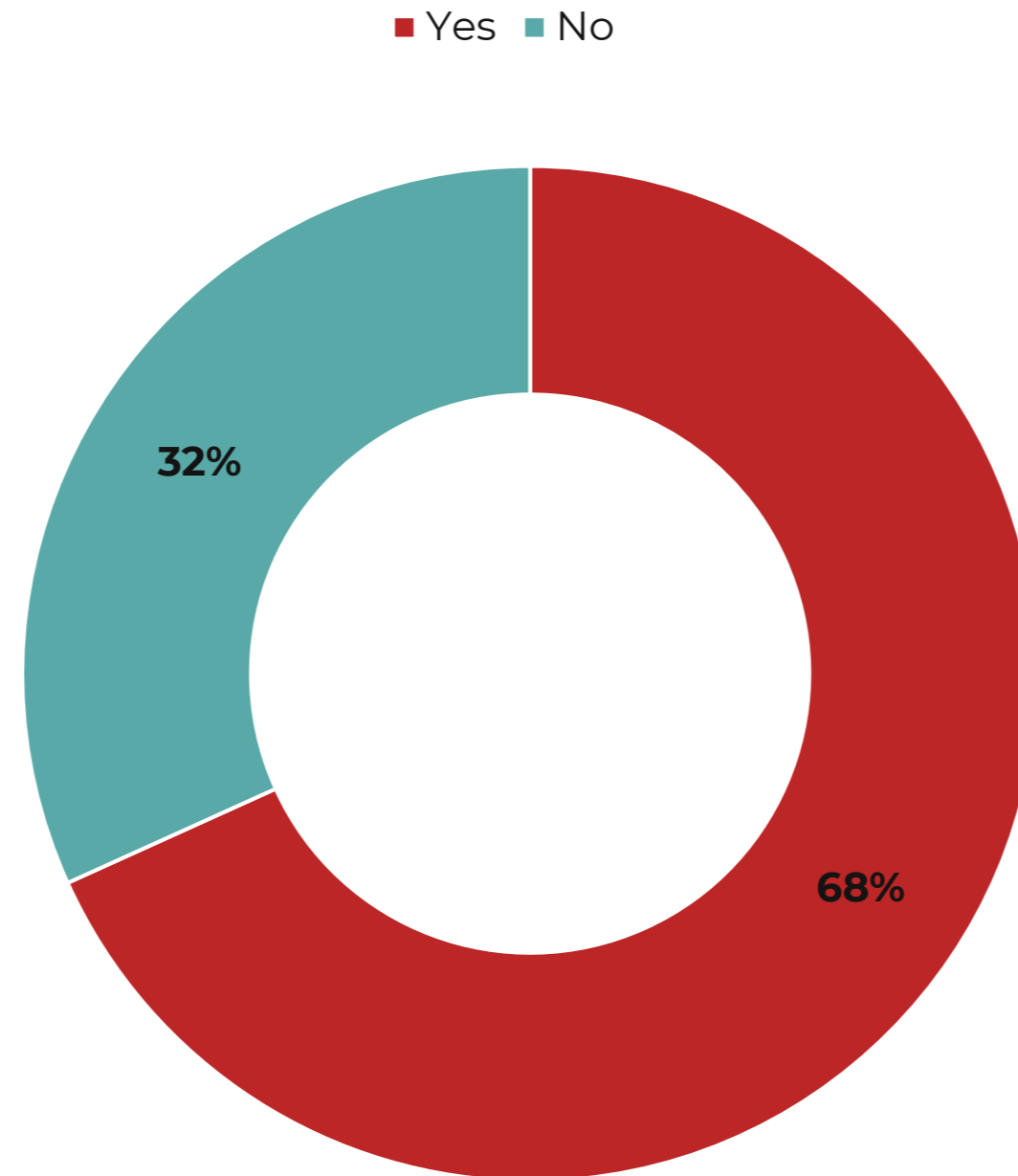
Q: Does your enterprise use mobile phone for business activities? What type of devices? (Multiple responses possible)



Base	Sri Lanka
All enterprises	403

High mobile phone ownership

Ownership of mobile phones (% of enterprises who use mobile phones for business activities)



Q: Who owns those phones? This enterprise

Base	Sri Lanka
Enterprises who use mobile phones for business	376

2

PHONE USE

CONTACT NUMBER

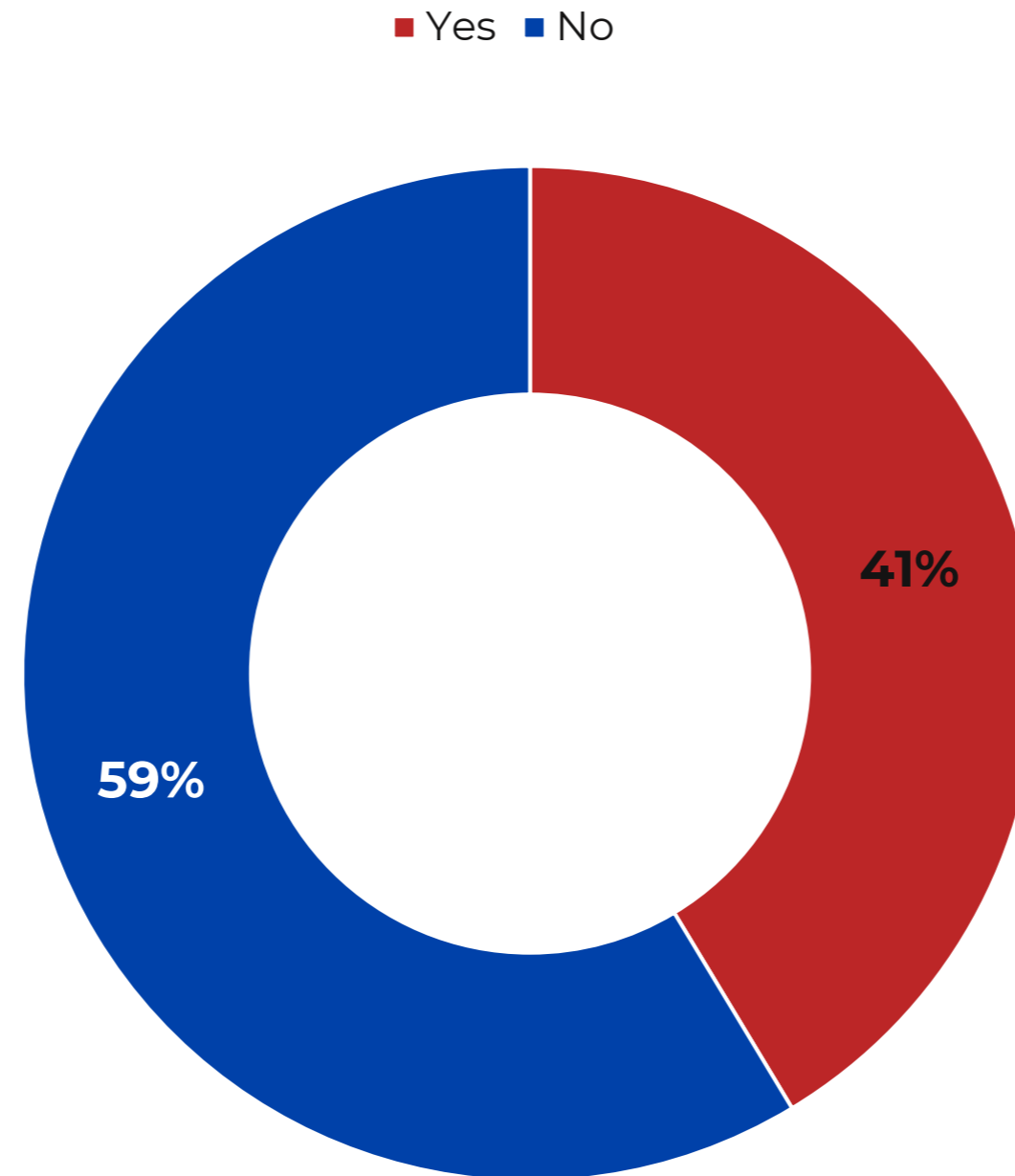
MOBILE PHONE OWNERSHIP AND USE

> **FIXED LINE TELEPHONE OWNERSHIP AND USE**

REASON FOR NOT USING FIXED LINE TELEPHONE

Only 41% of enterprises use fixed-line telephones

Fixed-line phone use for business activities (% of all enterprises)



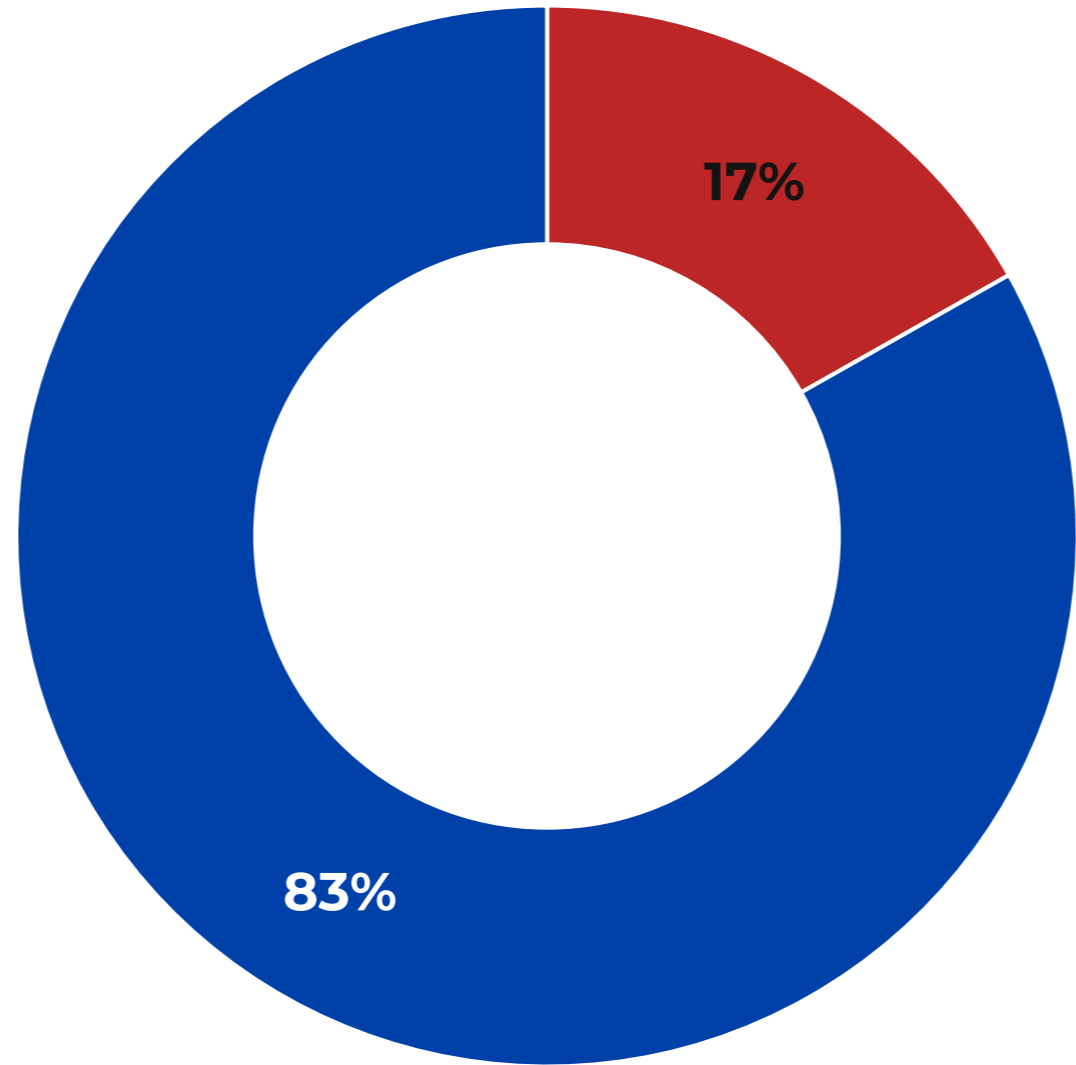
Q: How many working fixed-line telephone connections does your enterprise have?

Base	Sri Lanka
All enterprises	403

Only 17% of enterprises use fax machines

Fax use for business activities (% of all enterprises)

■ Yes ■ No



Q: Does the enterprise have a working fax?

Base	Sri Lanka
Enterprises who use fixed line telephones	182

2

PHONE USE

CONTACT NUMBER

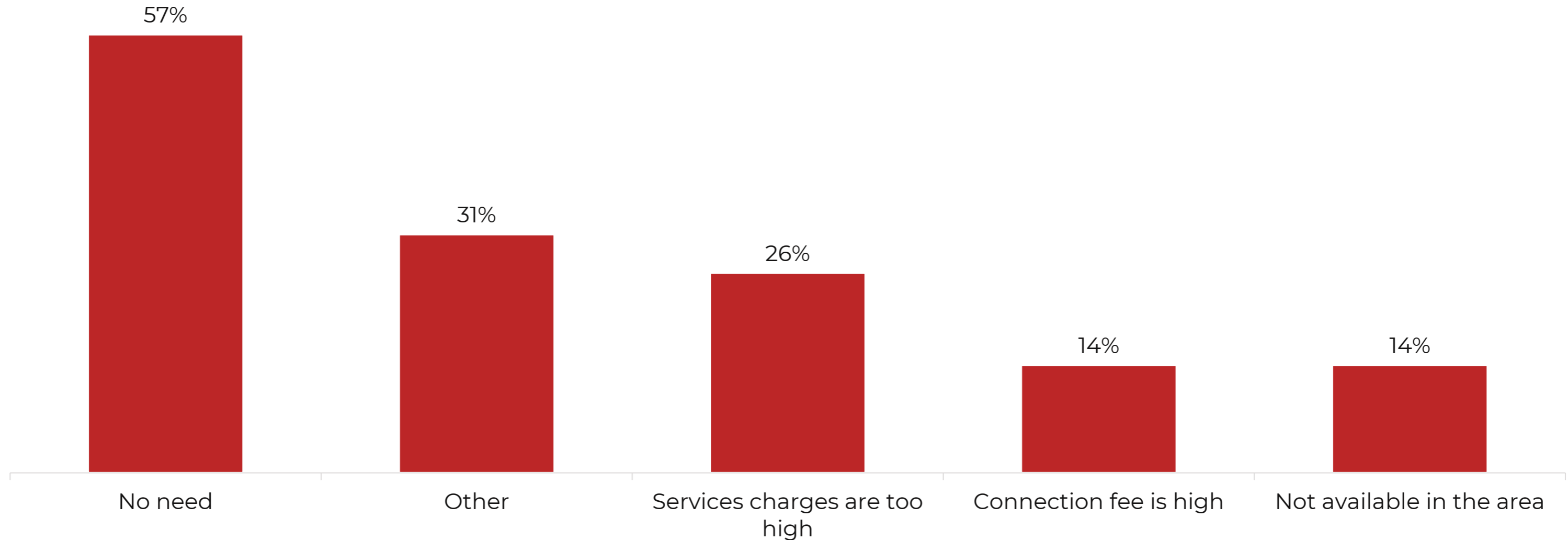
MOBILE PHONE OWNERSHIP AND USE

FIXED LINE TELEPHONE OWNERSHIP AND USE

> REASON FOR NOT USING FIXED LINE TELEPHONE

Many feel lack of need is the main reason for not owning a fixed-line telephone

Reason for not using fixed-line telephone(% Enterprises who use do not use fixed line telephones)



Q: What is the reason for not using a fixed line telephone?

Base	Sri Lanka
Enterprises who use do not use fixed line telephones	221

3

COMPUTER USE

COMPUTER OWNERSHIP

COMPUTER USE

SOFTWARE USE

REASON FOR NOT USING COMPUTERS

3

COMPUTER USE

> COMPUTER OWNERSHIP

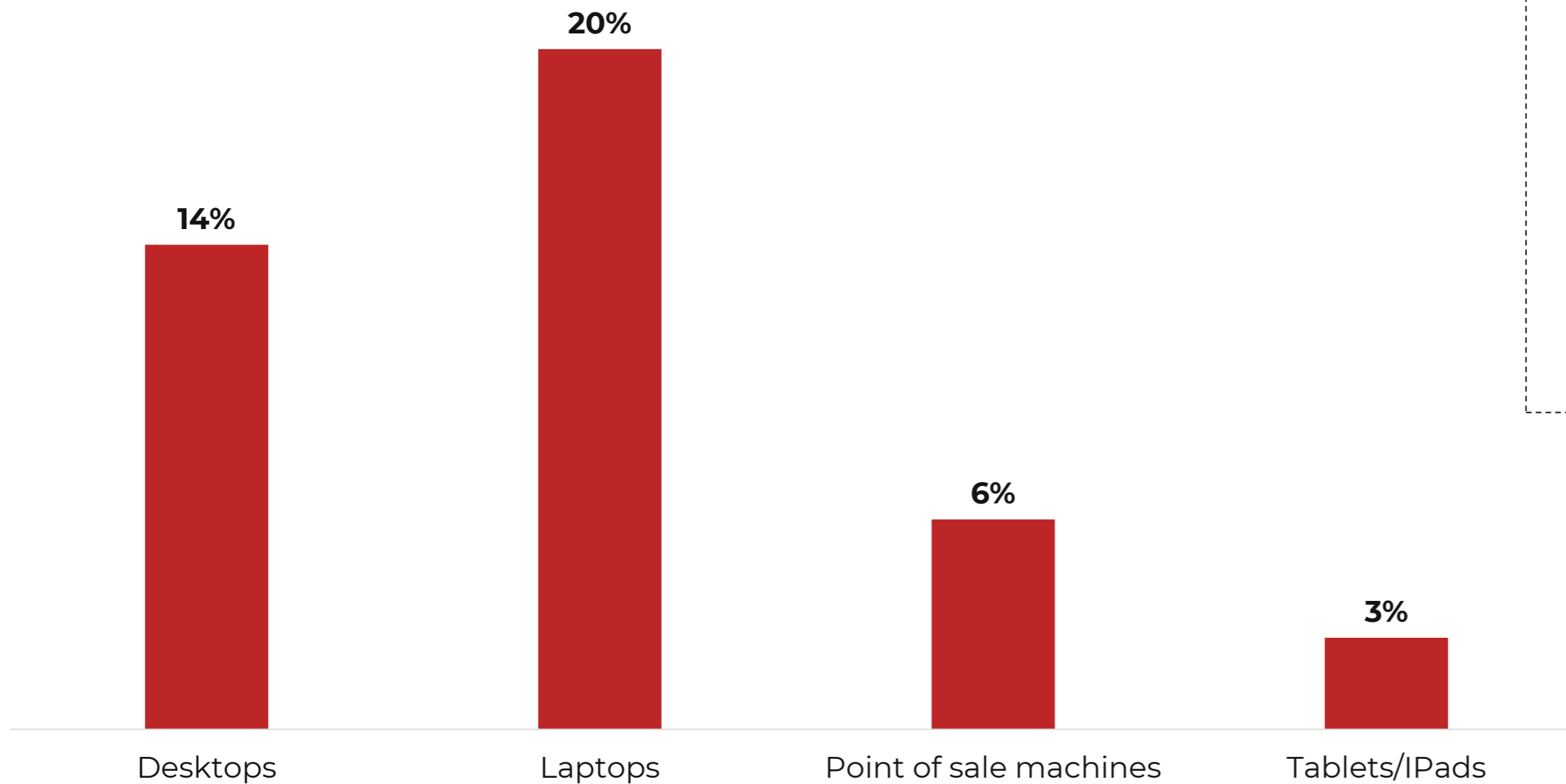
COMPUTER USE

SOFTWARE USE

REASON FOR NOT OWNING COMPUTERS

Low computer ownership among the enterprises

Computer ownership (% of all enterprises)



31%

Of the enterprises owns at least one type of these computer

Q: How many working computers (including tablets) does your enterprise have?

Base	Sri Lanka
All enterprises	403

3

COMPUTER USE

COMPUTER OWNERSHIP

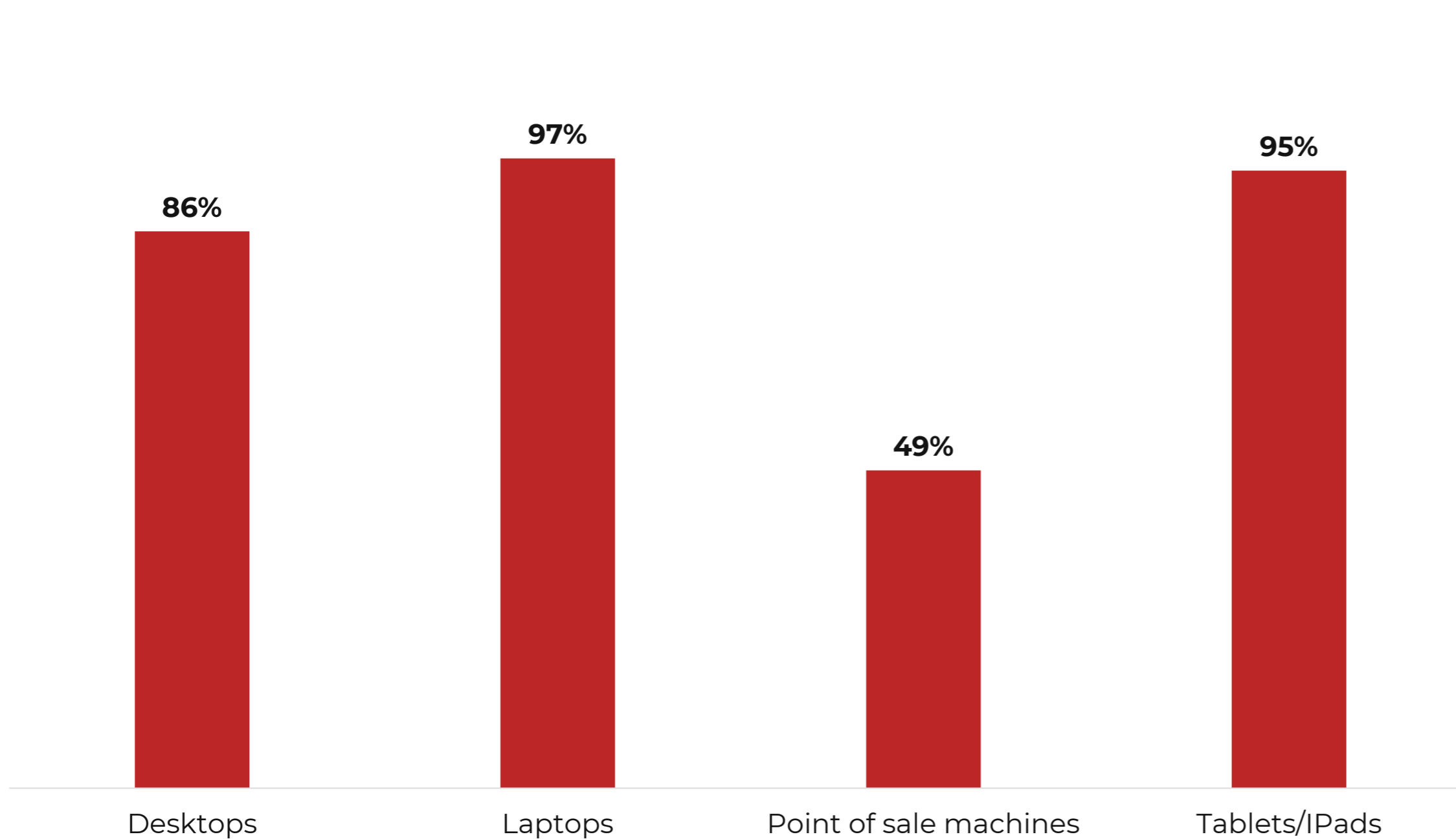
> **COMPUTER USE**

SOFTWARE USE

REASON FOR NOT OWNING COMPUTERS

Very high number of computers connected to the internet despite the low ownership

Internet use via computers (% of enterprises who own computers)



86%

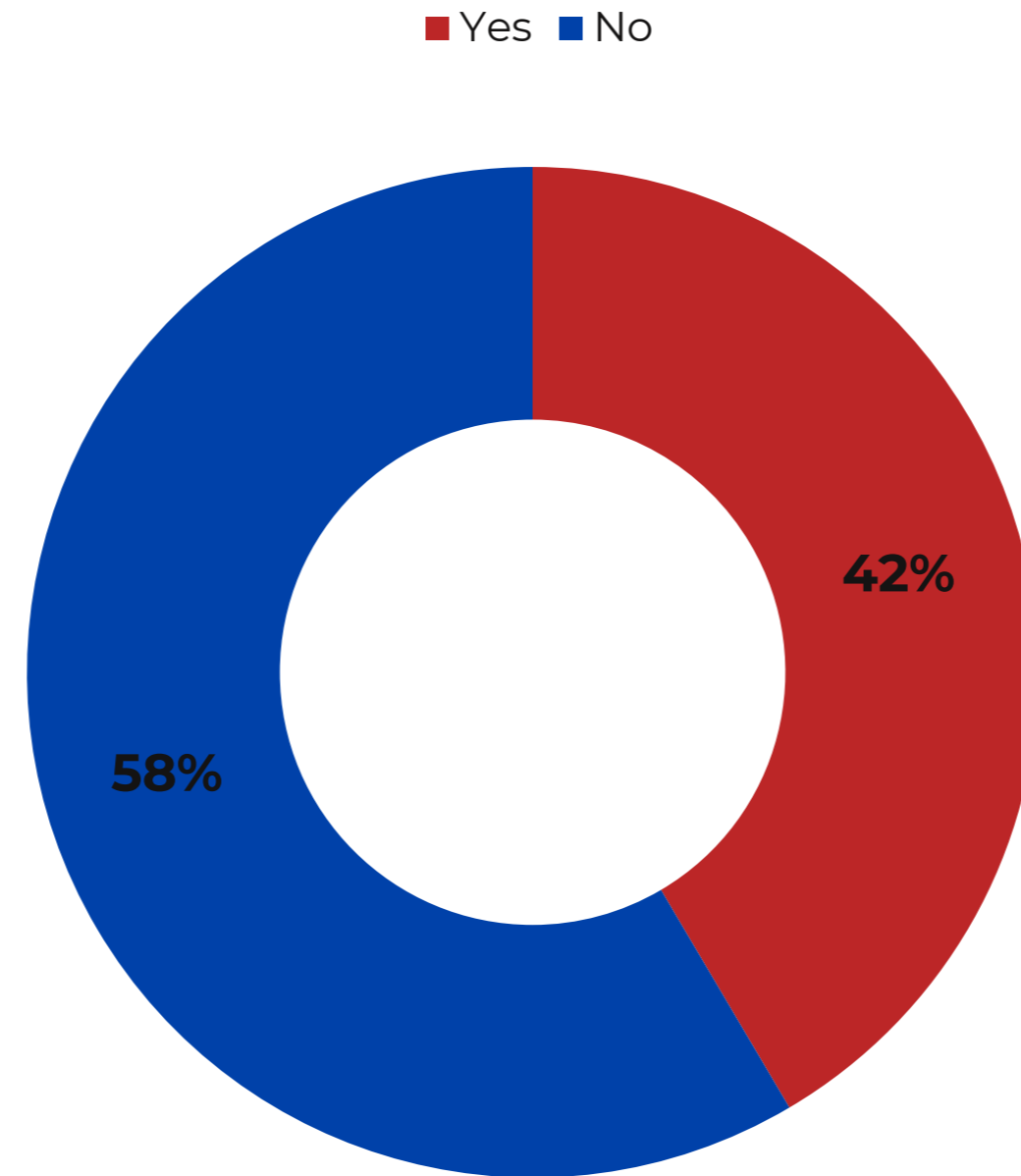
Of the enterprises who owns computers have connected their computers to the internet

Q: How many working computers (including tablets) does your enterprise have?

Base	Sri Lanka
Enterprises who own computers	124

More than 40% of the enterprises who owns computers owns a printer

Printer ownership (% of enterprises who own computers)



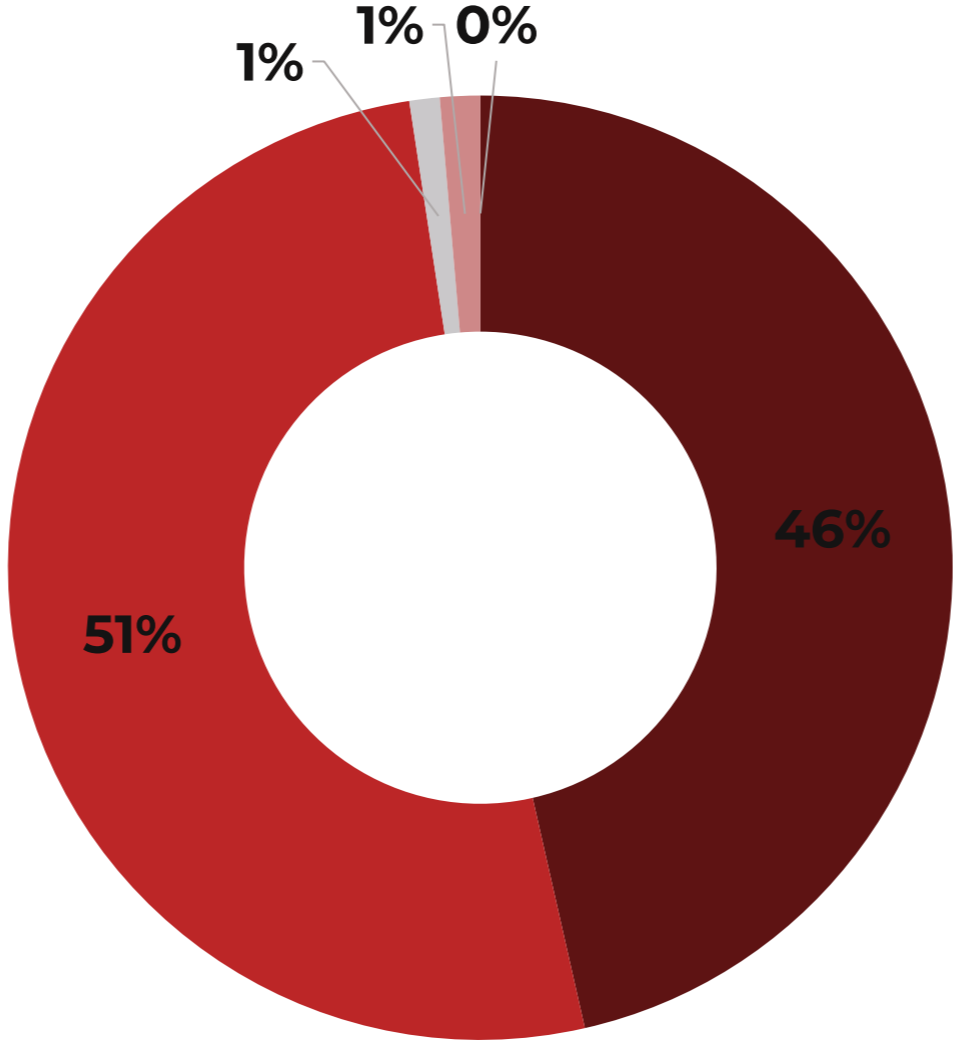
Q: Does the enterprise have a working printer?

Base	Sri Lanka
Enterprises who own computers	124

Almost all enterprise who owns computers believe that computers are important for their business activities

Importance of computer use(% of enterprises who own computers)

■ Very important ■ Important ■ Neither not important nor important ■ Not important ■ Not important at all



Q: Please tell me, how important is the usage of computers for your business activities?



Base	Sri Lanka
Enterprises who own computers	124

3

COMPUTER USE

COMPUTER OWNERSHIP

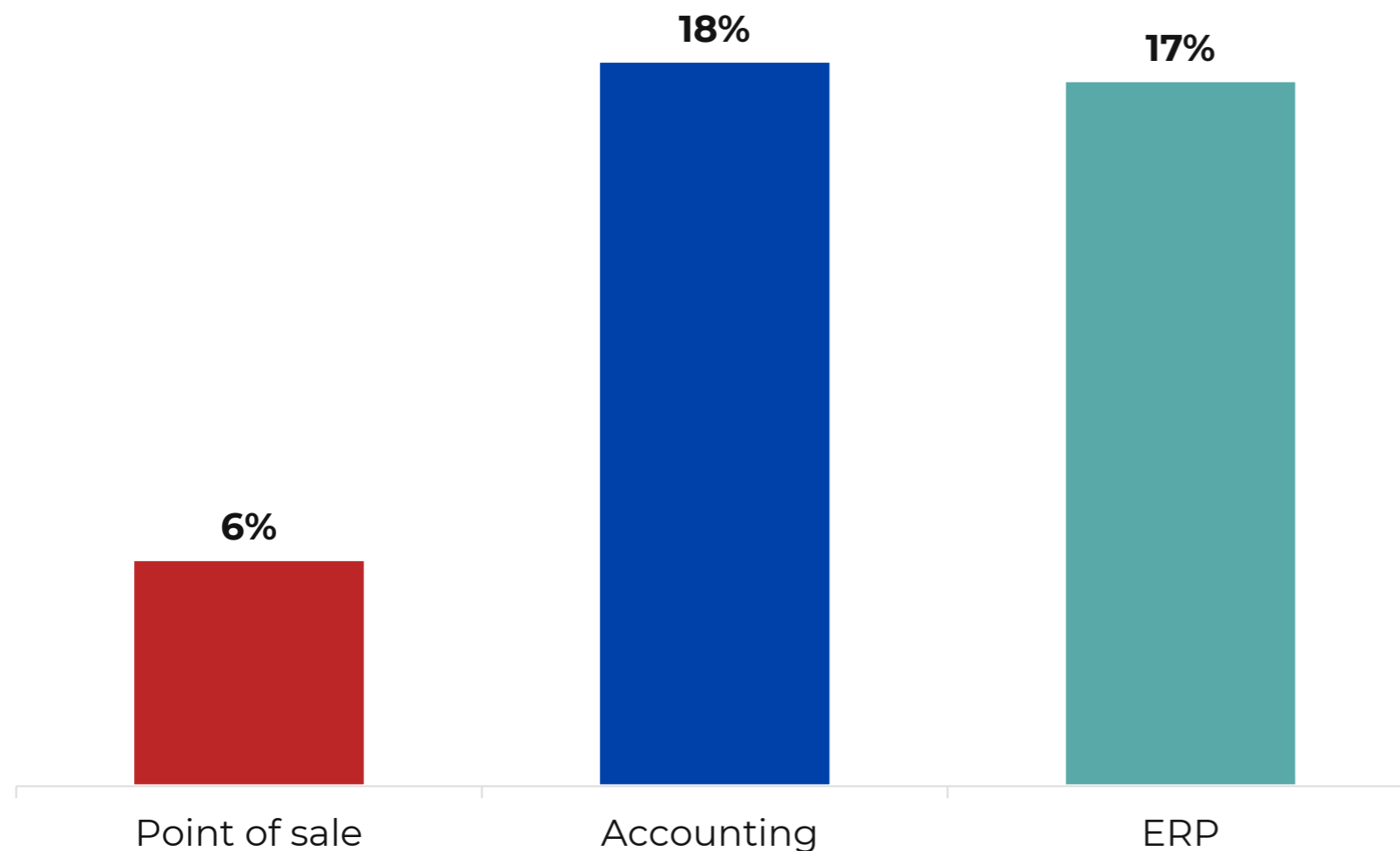
COMPUTER USE

> SOFTWARE USE

REASON FOR NOT OWNING COMPUTERS

Software for business management used by under 25% of enterprises

Types of software used for business activities (% of enterprises who own computers)



24%

Of the enterprises use at least one type of software (Point of sale, Accounting or ERP software)

Q: Does your company use

Base	Sri Lanka
Enterprises who own computers	124

3

COMPUTER USE

COMPUTER OWNERSHIP

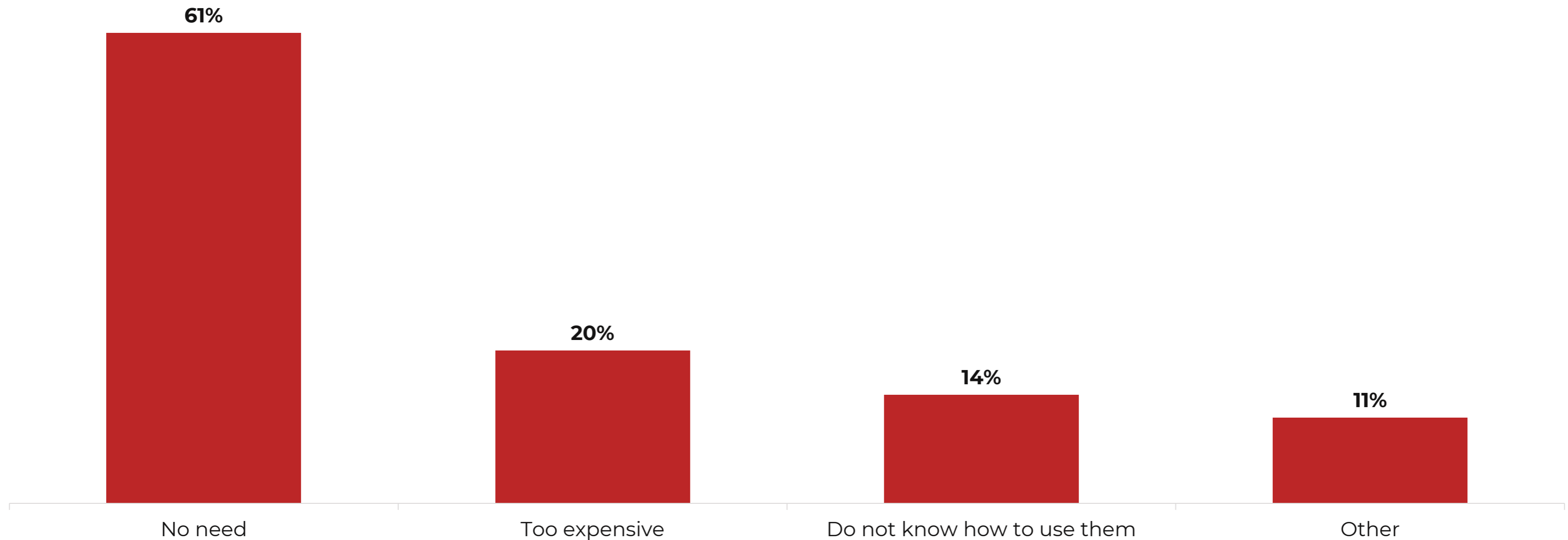
COMPUTER USE

SOFTWARE USE

> REASON FOR NOT OWNING COMPUTERS

Lack of need is the key reason for not owning a computer for the enterprise

Reason for not owning computers (% of enterprises who don't own computers)



Q: Why does the enterprise not have computers?

Base	Sri Lanka
Enterprises who don't own computers	279

4

INTERNET AND SOCIAL MEDIA

INTERNET AND SOCIAL MEDIA USE
REASONS FOR NON USE

4

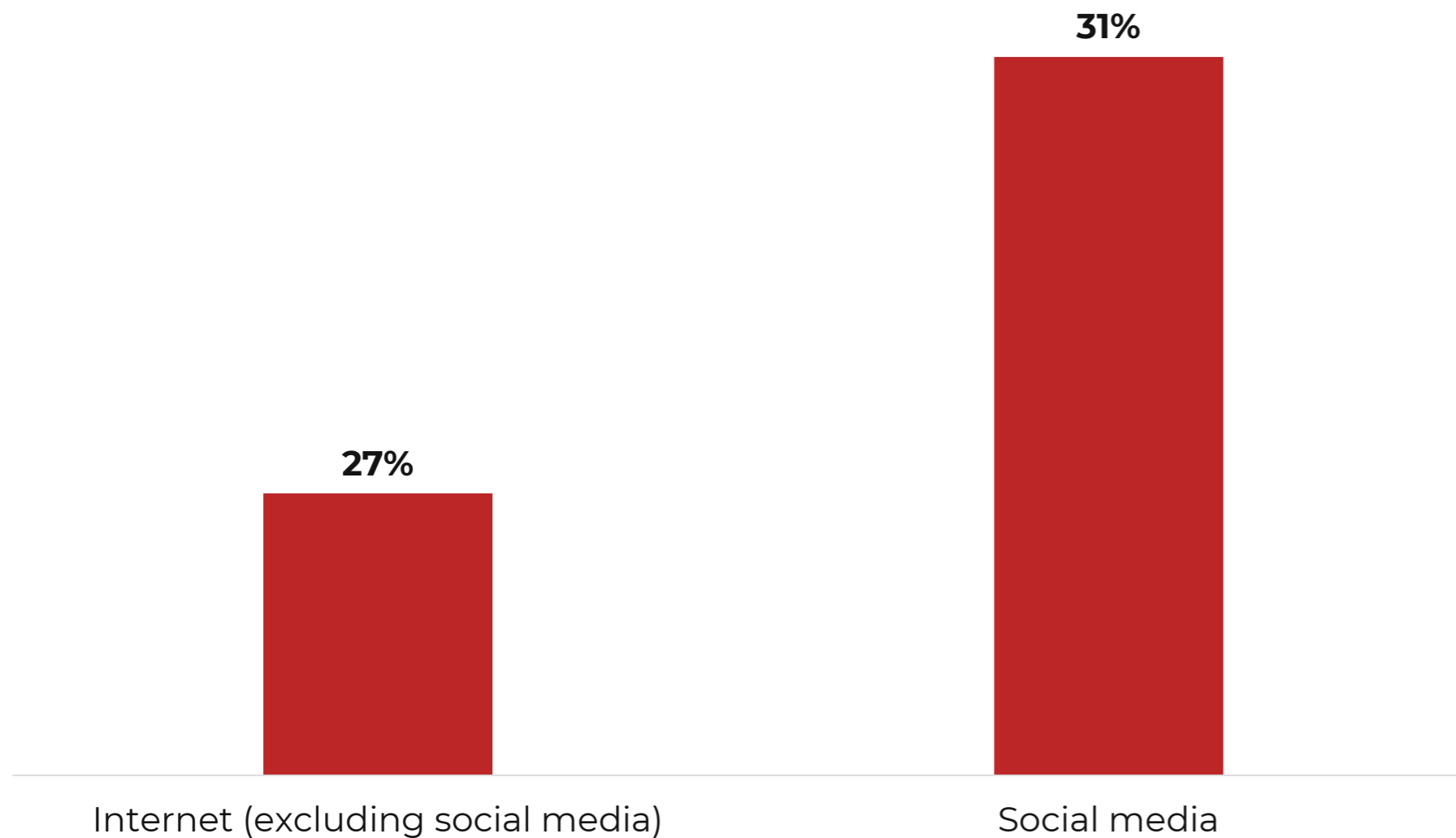
INTERNET AND SOCIAL MEDIA

> INTERNET AND SOCIAL MEDIA USE
REASONS FOR NON USE

40% of the small and medium sized enterprise use internet or social media

Internet or Social media use (% of all enterprises)

■ Internet and social media use



40%

Of the enterprises use internet or social media for business purposes

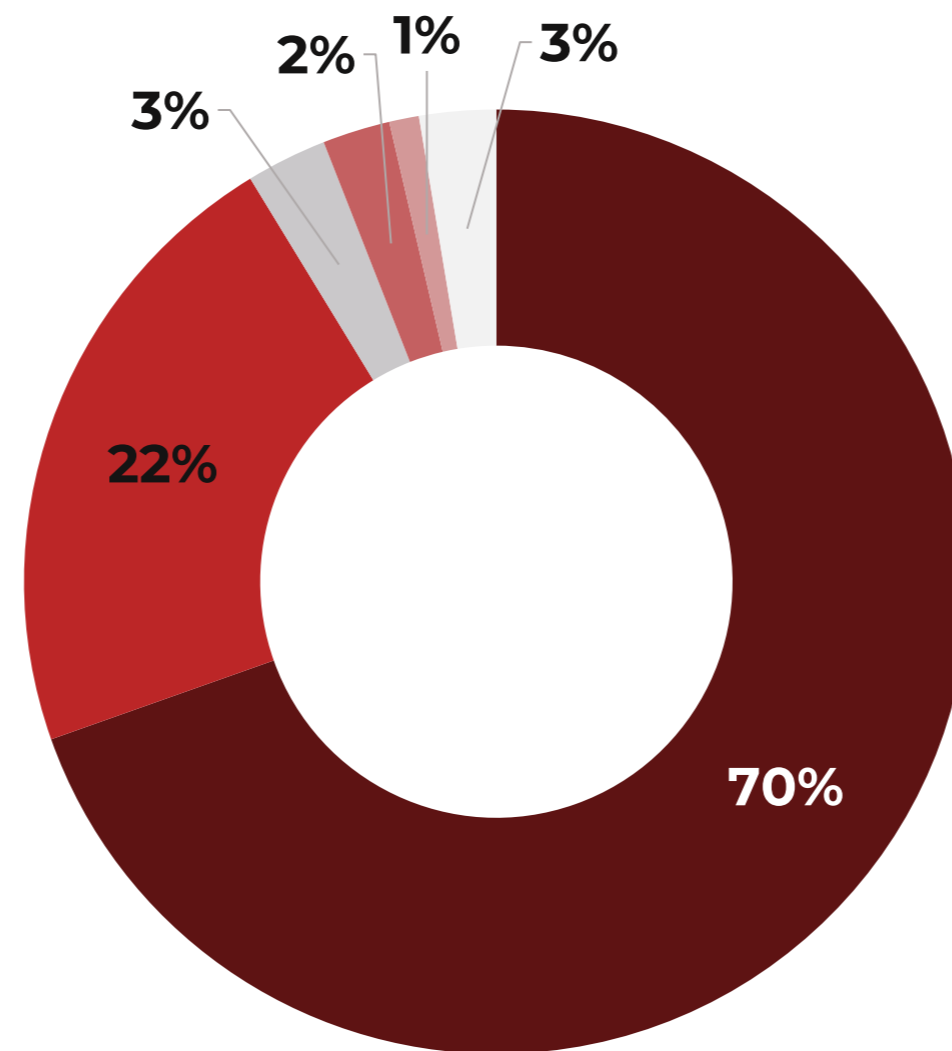
Q: Does your enterprise use the internet or social media like Facebook, twitter, Instagram, whatsapp, Viber, G+ for business purposes?

Base	Sri Lanka
All enterprises	403

More than 90% of the enterprises who use internet or social media think internet and social media is important for them

Importance of internet or social media use (% of enterprises who use internet or social media)

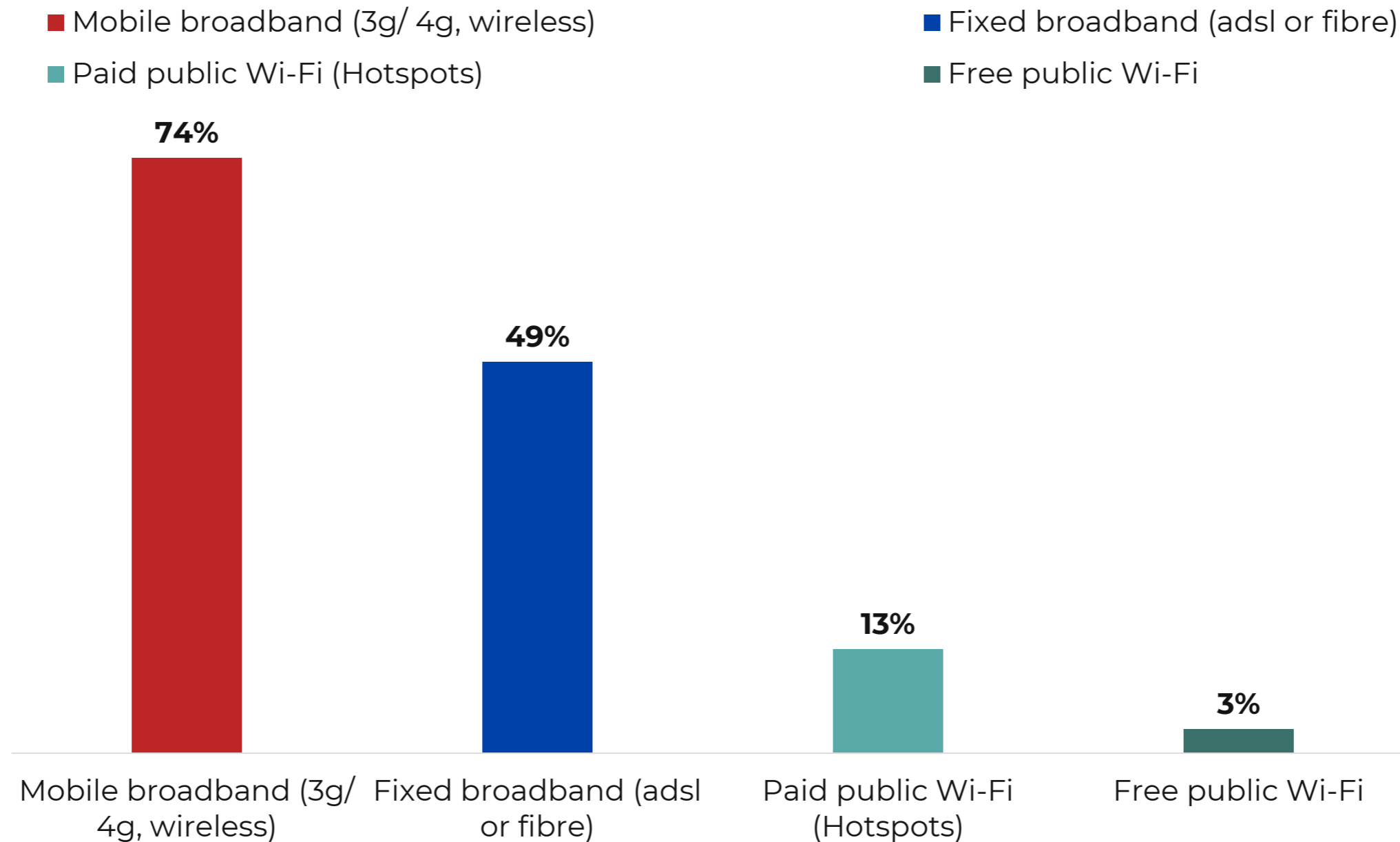
- Very important
- Important
- Neither not important nor import
- Not important
- Not important at all
- Don't know/Can't say



Q: Please tell me how important is the use of the internet and/ or social media (like Facebook, twitter, Instagram, WhatsApp, Viber, G+) for your business activities?

Mobile broadband is the most commonly used way of connecting to the internet

Mode of connection to the internet (% of enterprises who use internet or social media)

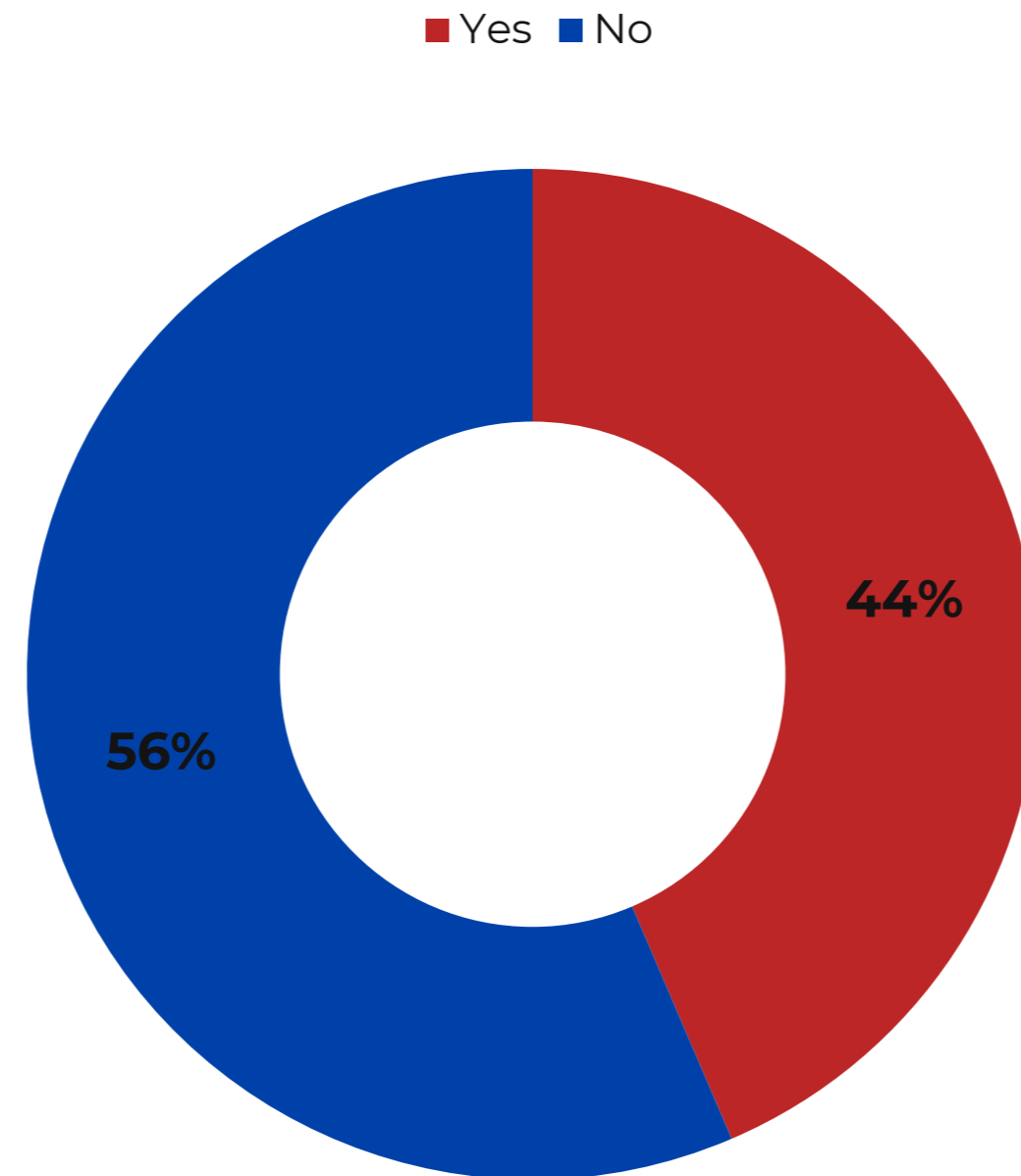


Q: How does the enterprise access the internet?

Base	Sri Lanka
Enterprises who use internet or social media	145

More than 40% of the enterprises who owns computers has a website for their enterprise

Website availability (% of enterprises who use internet or social media)



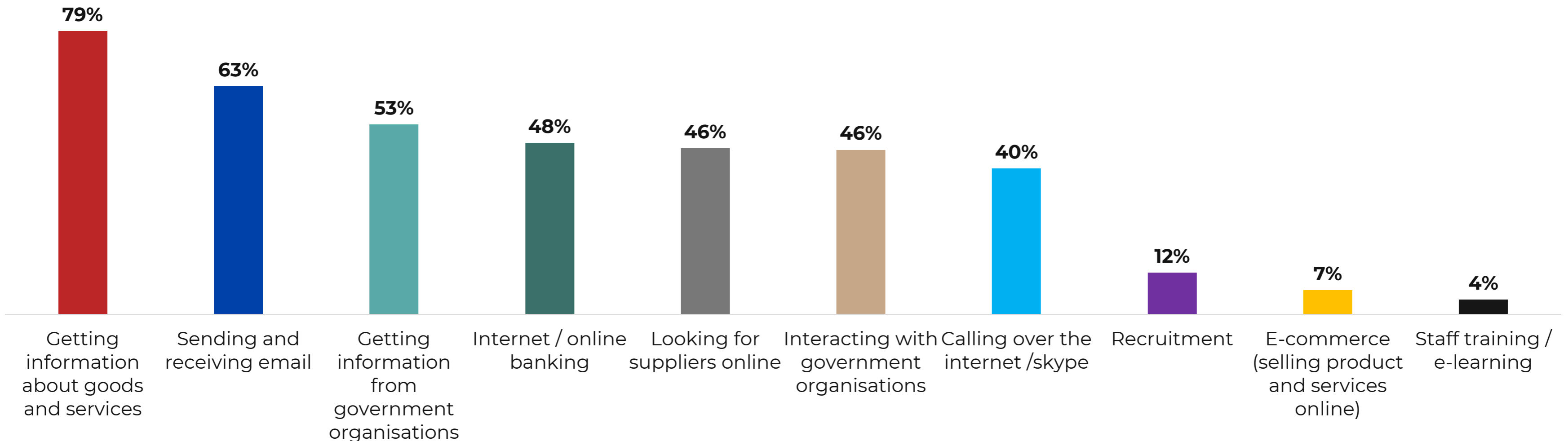
Q: Does your enterprise have a website?

Base	Sri Lanka
Enterprises who use internet or social media	145

Getting information is the most common use of the internet followed by send and receive e-mails

Use of the internet (% of enterprises who use internet or social media)

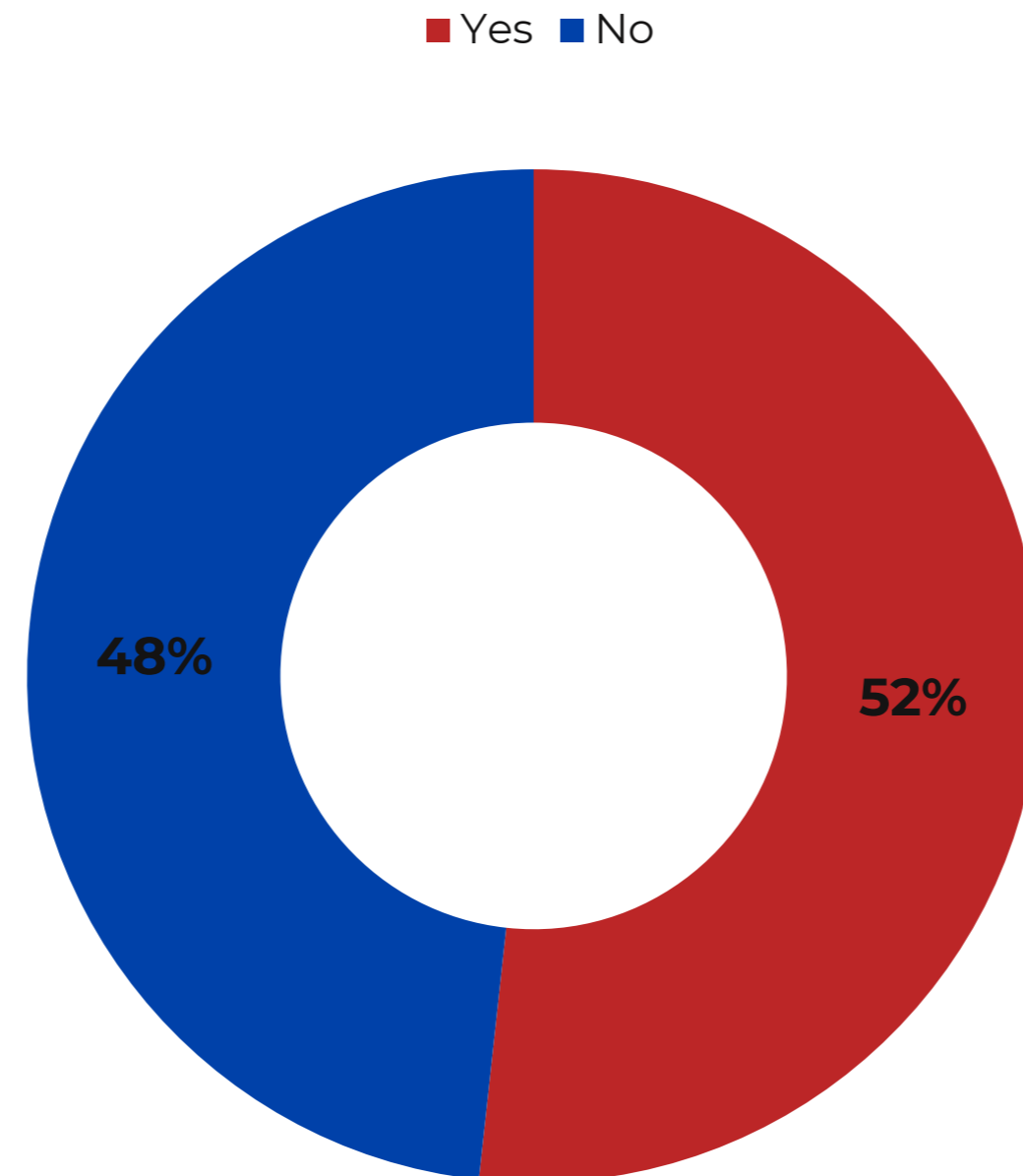
- Getting information about goods and services
- Getting information from government organisations
- Looking for suppliers online
- Sending and receiving email
- Internet / online banking
- Interacting with government organisations



Q: What do you use the internet for?

More than half of the enterprises who use internet or social media have received orders online

Receiving orders online (% of enterprises who use internet or social media)



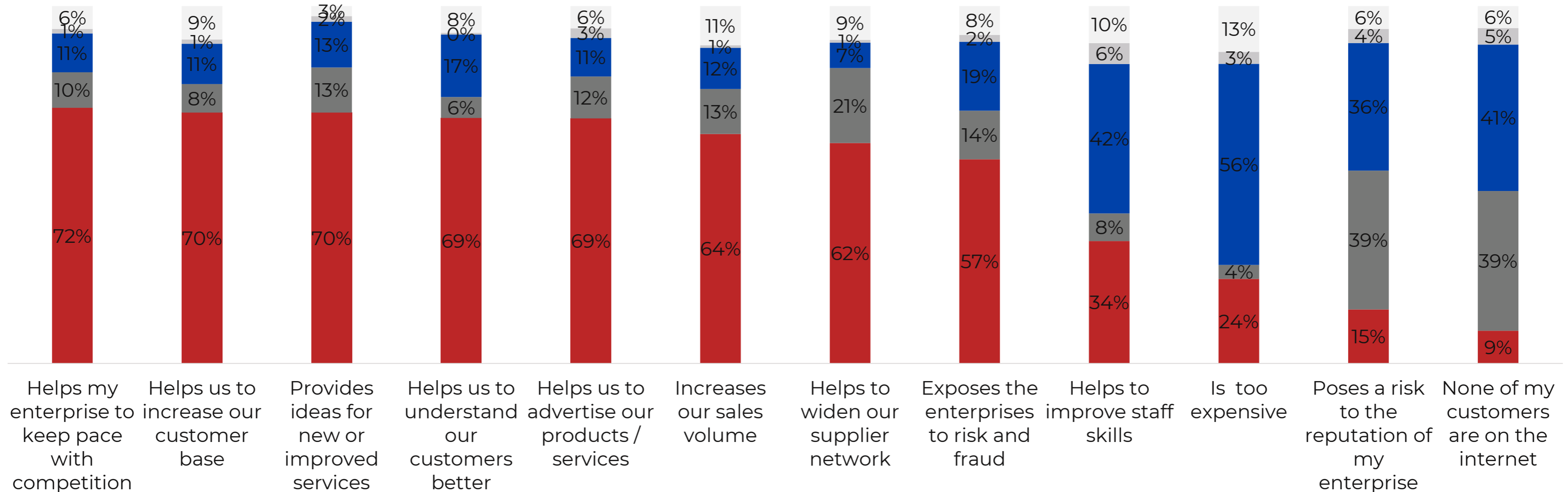
Q: How many orders does the enterprise receive via the internet and/or social media in a month?

Base	Sri Lanka
Enterprises who use internet or social media	145

Many have positive perception towards internet use for business purposes

Perception about the internet (% of enterprises who use internet or social media)

■ Agree ■ Not sure ■ Disagree ■ Refused ■ Don't know



Q: Regarding the internet and/or social media for business use I will read the following statements, please tell me whether you agree with me or not.

4

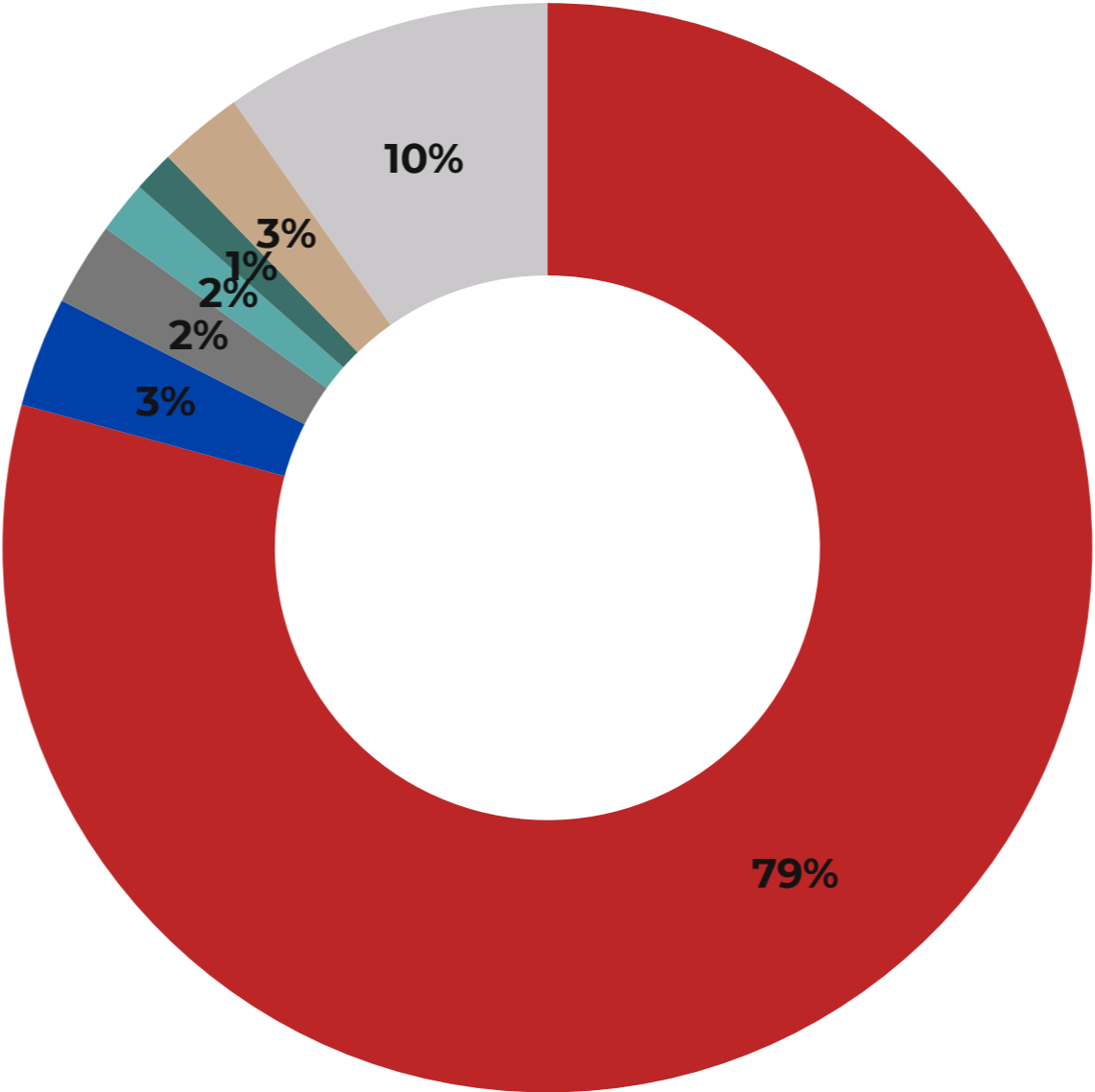
INTERNET AND SOCIAL MEDIA

INTERNET AND SOCIAL MEDIA USE
> REASONS FOR NON-USE

Lack of need is the main reason for not using the internet

Reason for not using the internet or social media(% of enterprises who don't use internet or social media)

- No need
- I don't have any internet accessible devices
- Devices are expensive
- I don't know how to use it
- Too expensive
- Others
- Don't know/Refused



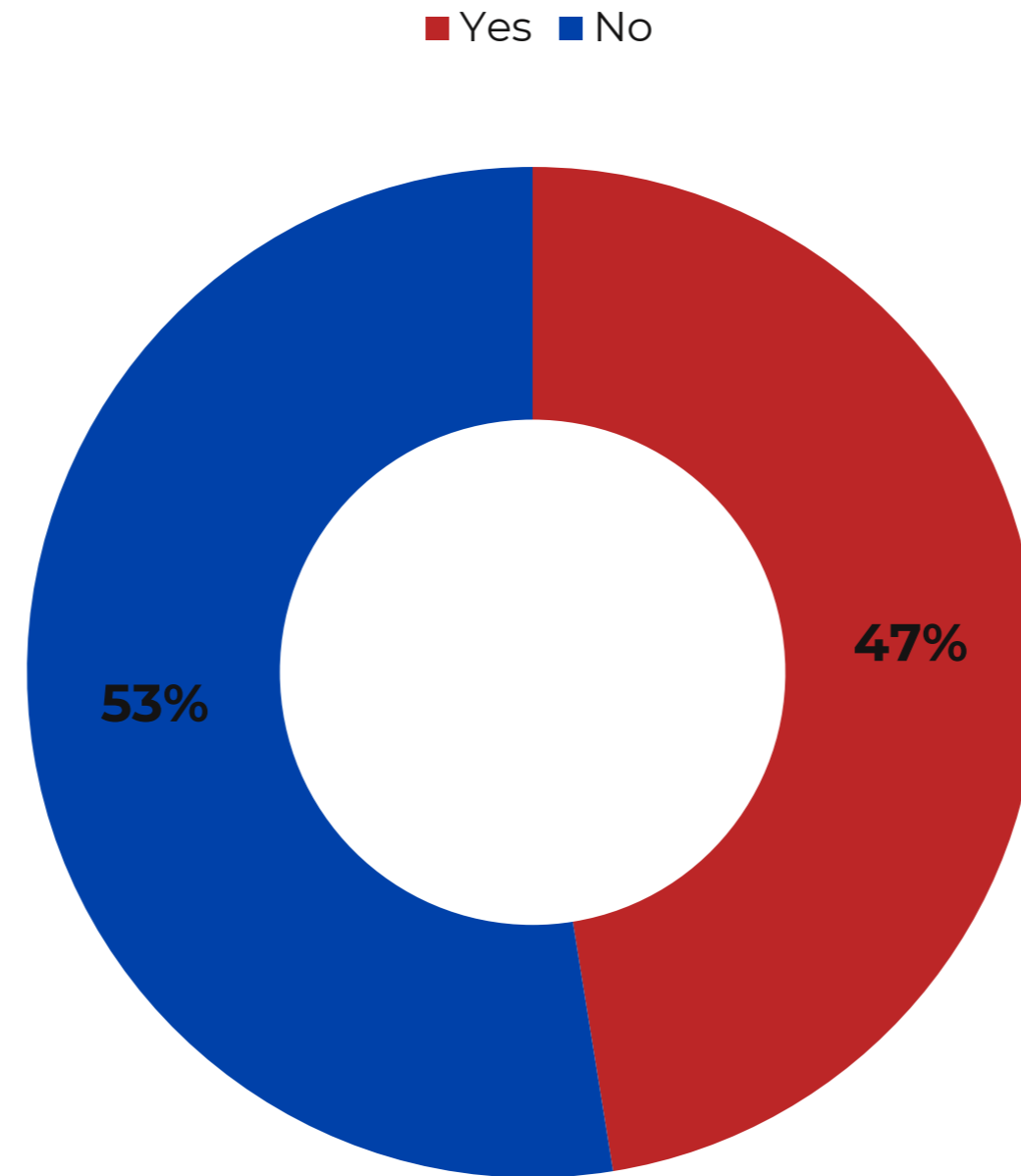
Q: Why is the main reason your enterprise not use internet and or social media for business purposes?



Base	Sri Lanka
Enterprises who don't use internet or social media	258

47% of non-internet or social media users are planning to use it in the future

Plan to use Internet or social media in the future (% of enterprises who don't use internet or social media)



Q: Does your enterprise plan to use Internet or social media in the future?

Base	Sri Lanka
Enterprises who don't use internet or social media	258

5

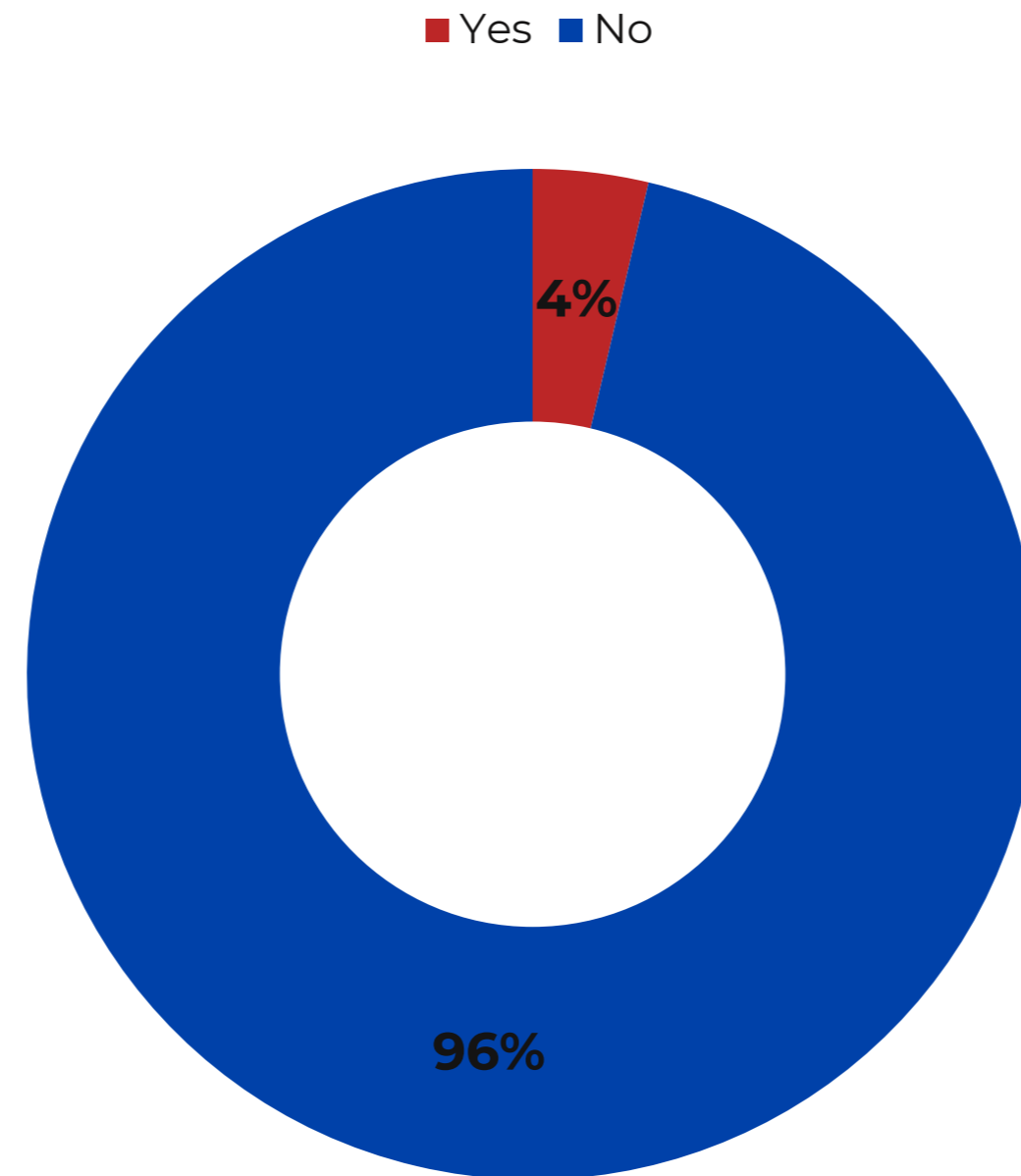
MOBILE MONEY

> MOBILE MONEY USE

REASON FOR NOT USING MOBILE MONEY

Very low mobile money use among small and medium sized enterprises

Mobile money use(% of all enterprises)



Q: Does the enterprise send or receive mobile money (eg: ezcash, mcash)?

Base	Sri Lanka
All enterprises	403

5

MOBILE MONEY

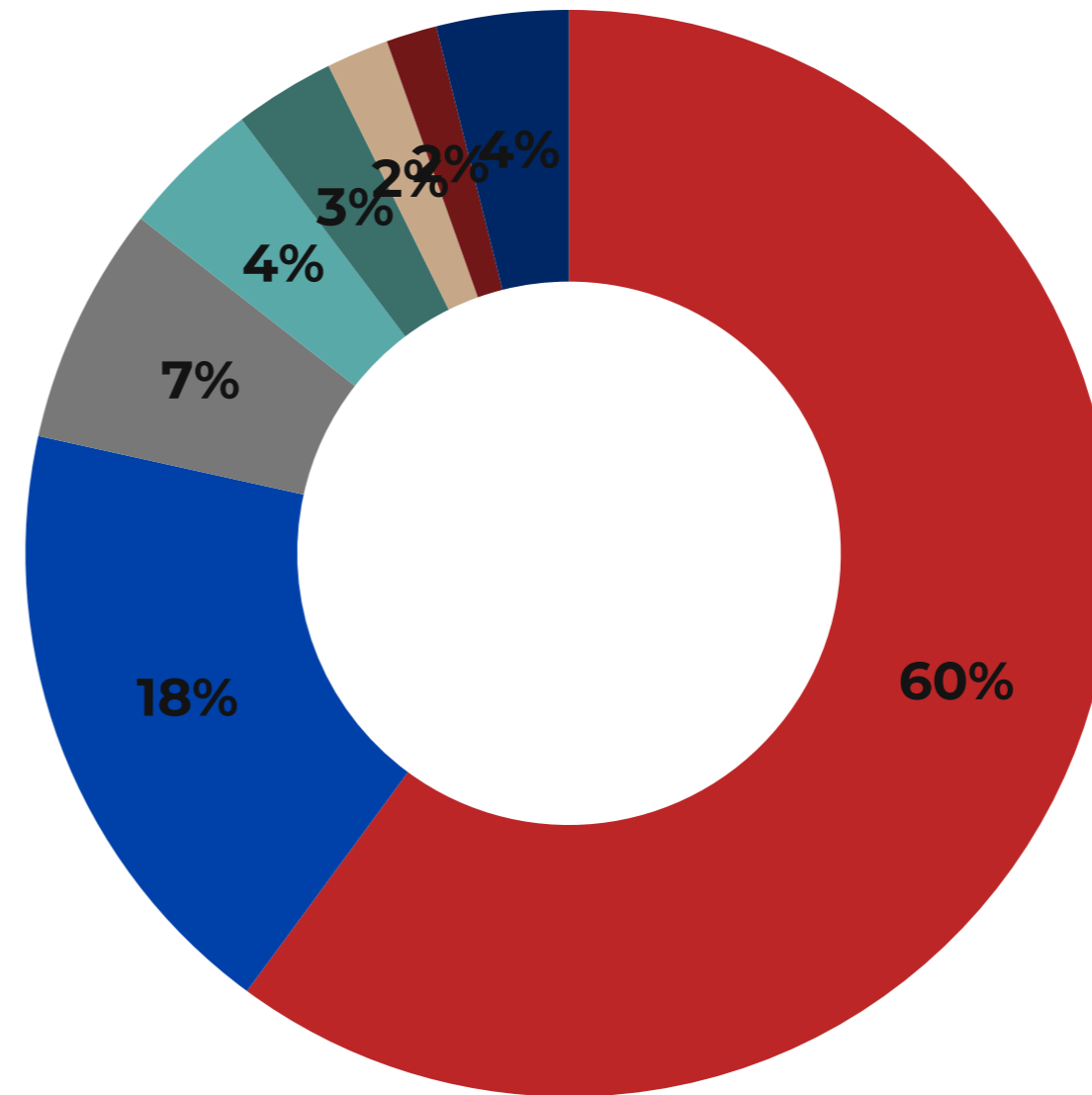
MOBILE MONEY USE

> REASON FOR NOT USING MOBILE MONEY

Lack of need and lack of knowledge are the main reasons for non-use

Reason for not using mobile money (% of non-mobile money using enterprises)

- No need to use mobile money
- I do not know what mobile money is
- Too expensive/I cannot afford
- Setup is too complicated
- No time / too busy
- No outlets/agents available in my area to reload / withdraw
- No mobile network coverage in the area
- Other

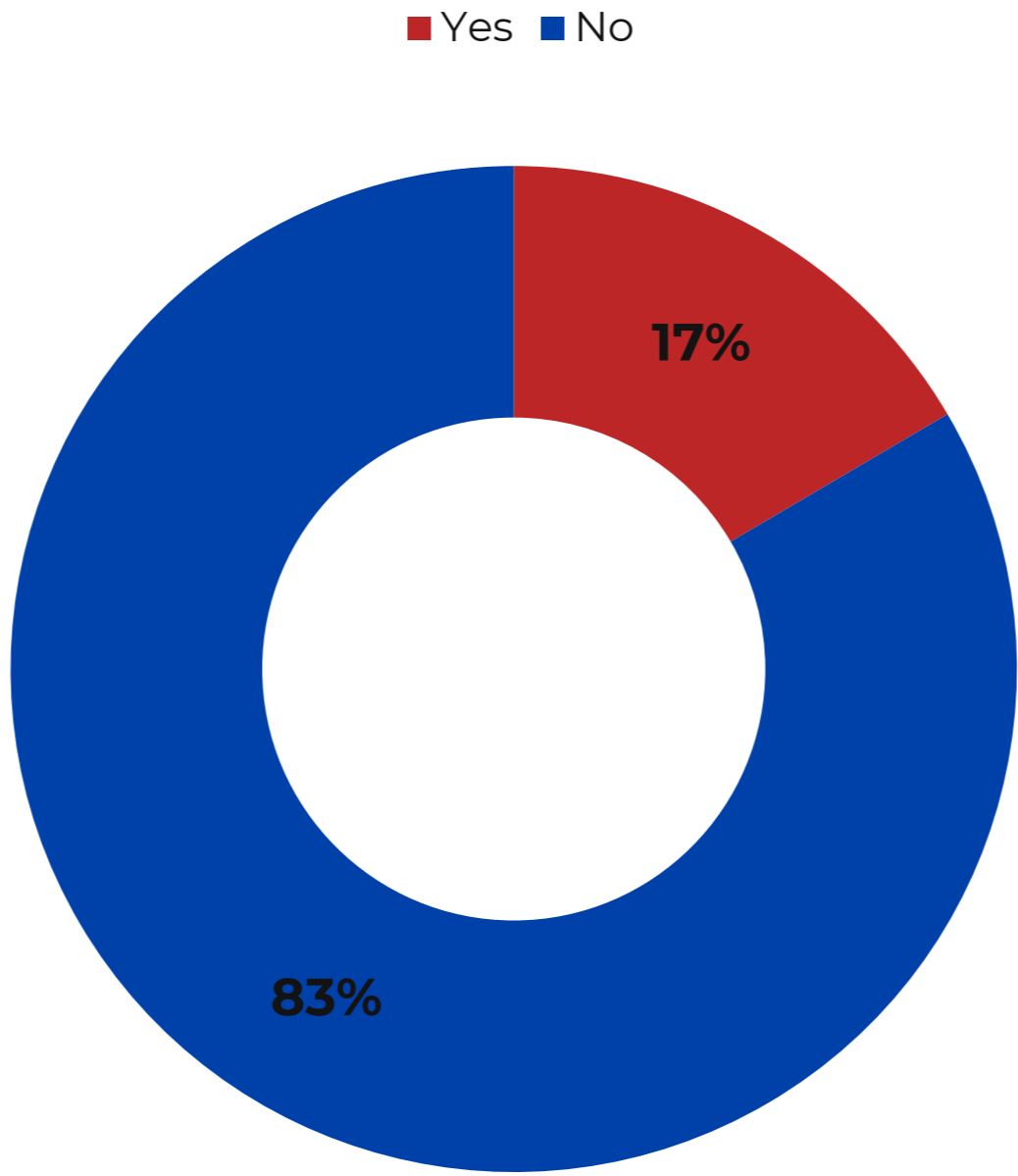


Q: Why does the enterprise not use mobile money?

Base	Sri Lanka
Enterprises who don't use mobile money	387

Only 17% think they will use mobile money in future

Plans to use mobile money in future (% of non-mobile money using enterprises)



Q: Is the enterprise planning to use mobile money in future?

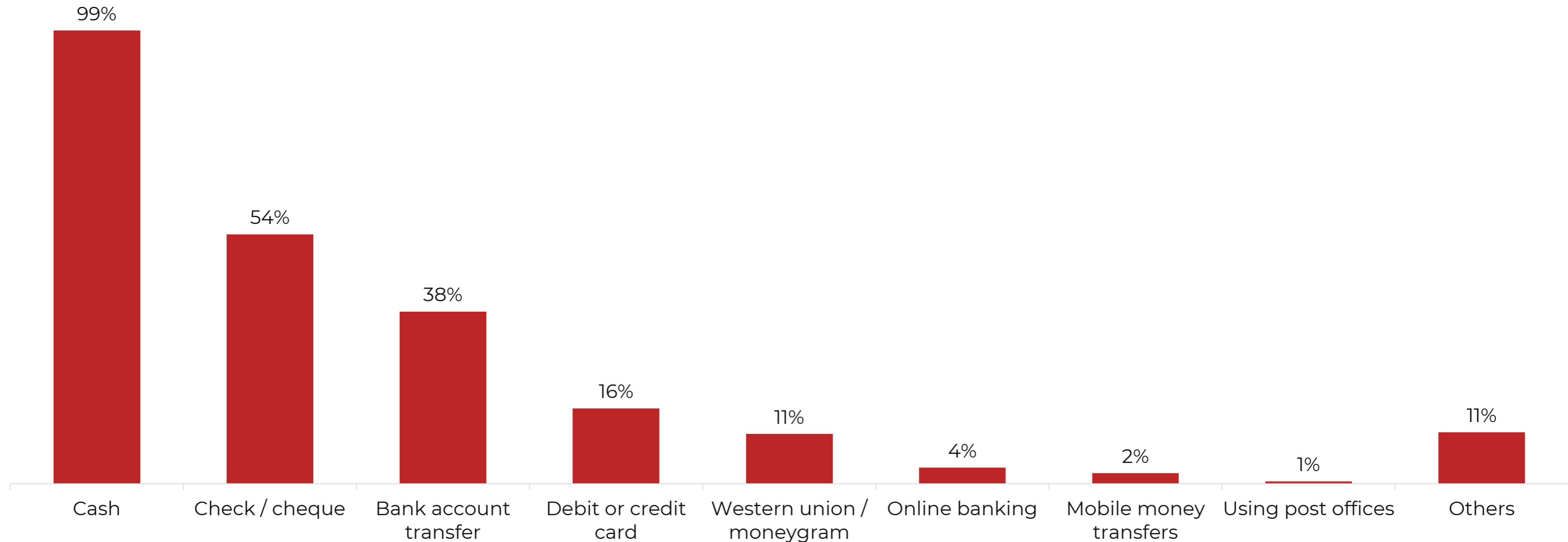
Base	Sri Lanka
Enterprises who don't use mobile money	387

6

TRANSACTIONS

Cash is the commonly used mode of transaction

Transaction methods (% of all enterprises)



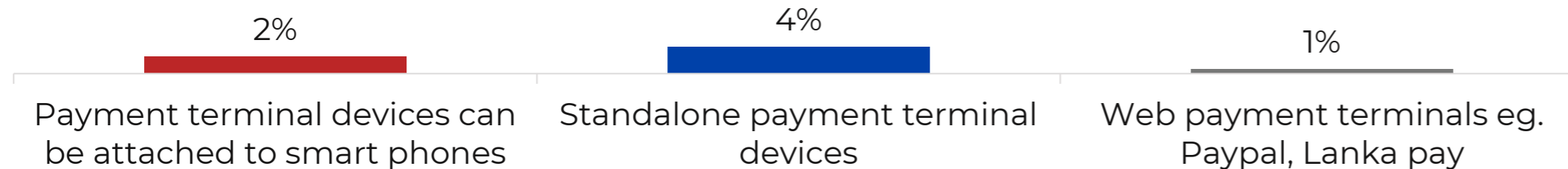
Q: How does the enterprise transact financially?

Base	Sri Lanka
All enterprises	403

Low use of payment terminal devices

Type of payment terminal (% of all enterprises)

- Payment terminal devices can be attached to smart phones
- Standalone payment terminal devices
- Web payment terminals eg. Paypal, Lanka pay



6%

Of the enterprises use at least one type of payment terminal

Q: Which payment terminal / credit card terminal devices are used by your enterprise?

7

ICT USE INDEX & CLUSTERS

Enterprise classification based on their ICT use

ICT use classification

based on

29 variables under

Six criteria

Enterprise contactability

Employee contactability

Online presence

Devices (own by the enterprise)

Enterprise software

Payments

Q: Based on multiple questions.

Base	Sri Lanka
All enterprises	403

Employee contactability

Use enterprise provided or their own mobile phones for business purposes

Enterprise manager is contactable

- Basic phones
- Feature phones
- Smartphones
- Tablets/IPads

Enterprise contactability

- Have a mobile contact number
- Have a fixed line contact number

Devices owned

- Mobile phone
- SIM cards
- Fixed line telephone
- Fax
- Printer
- Desktops
- Laptops
- Point of sales machine
- Tablets/IPads

Online presence

- Use internet for business purposes
- Use social media for business purposes
- Has a website

Payment methods

- Mobile money
- Mobile/Online banking
- Debit card
- Credit card
- Payment terminals
 - Payment terminal devices can be attached to smart phones
 - Standalone payment terminal devices
 - Web payment terminals eg. Paypal, Lanka pay

Software used

- Point of sale
- Accounting software
- Inventory control software/ERP



Q: Based on multiple questions.

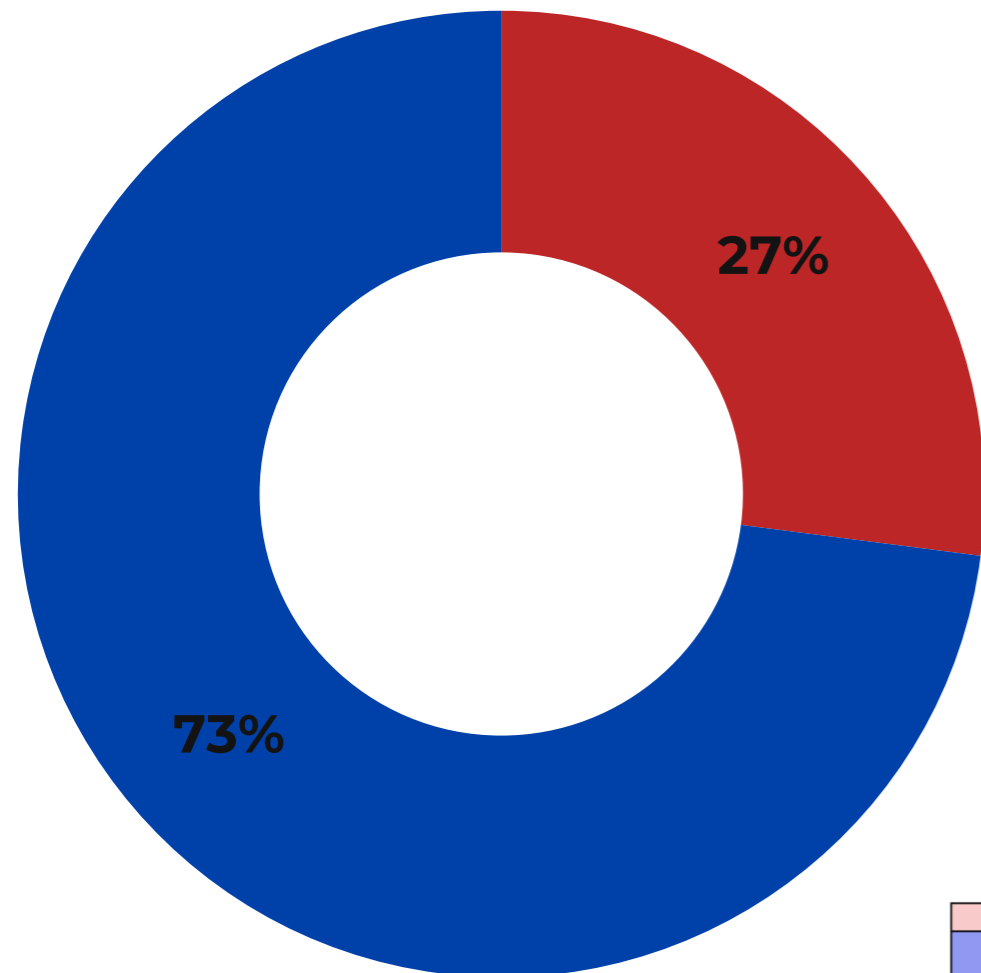
Base	Sri Lanka
All enterprises	403

Only 27% classified as high ICT using enterprises

ICT use classification

Two group of enterprises identified using two-step clustering technique

■ High ICT users ■ Low ICT users



Model Summary

Algorithm	TwoStep
Inputs	29
Clusters	2

Cluster Quality

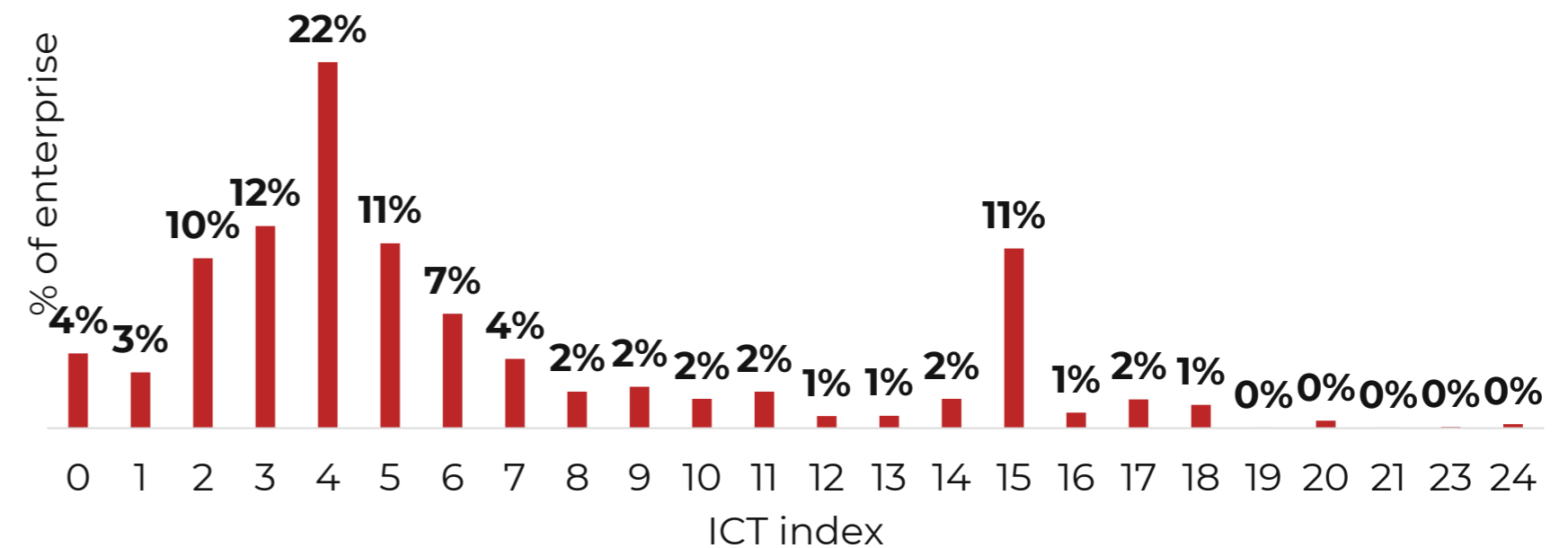


ICT Index

An ordinal index was formed

If a previously mentioned characteristic present in an enterprise a score of 1 was assigned. The index has a minimum of 0 and a theoretical maximum of 29.

■ % of enterprises



Q: Based on multiple questions.

Base	Sri Lanka	
All enterprises	403	138

High ICT users have a higher revenue

Revenue of the enterprise in LKR (all enterprises)

371K

All enterprises

800K

High ICT users

283K

Low ICT users

Q: What is the total monthly sales of your enterprise?

Base	Sri Lanka
All enterprises	403

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

SUPPLIER LOCATIONS

SUPPLIERS' SIZE

PERIOD OF BUSINESS

RELIABILITY

COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

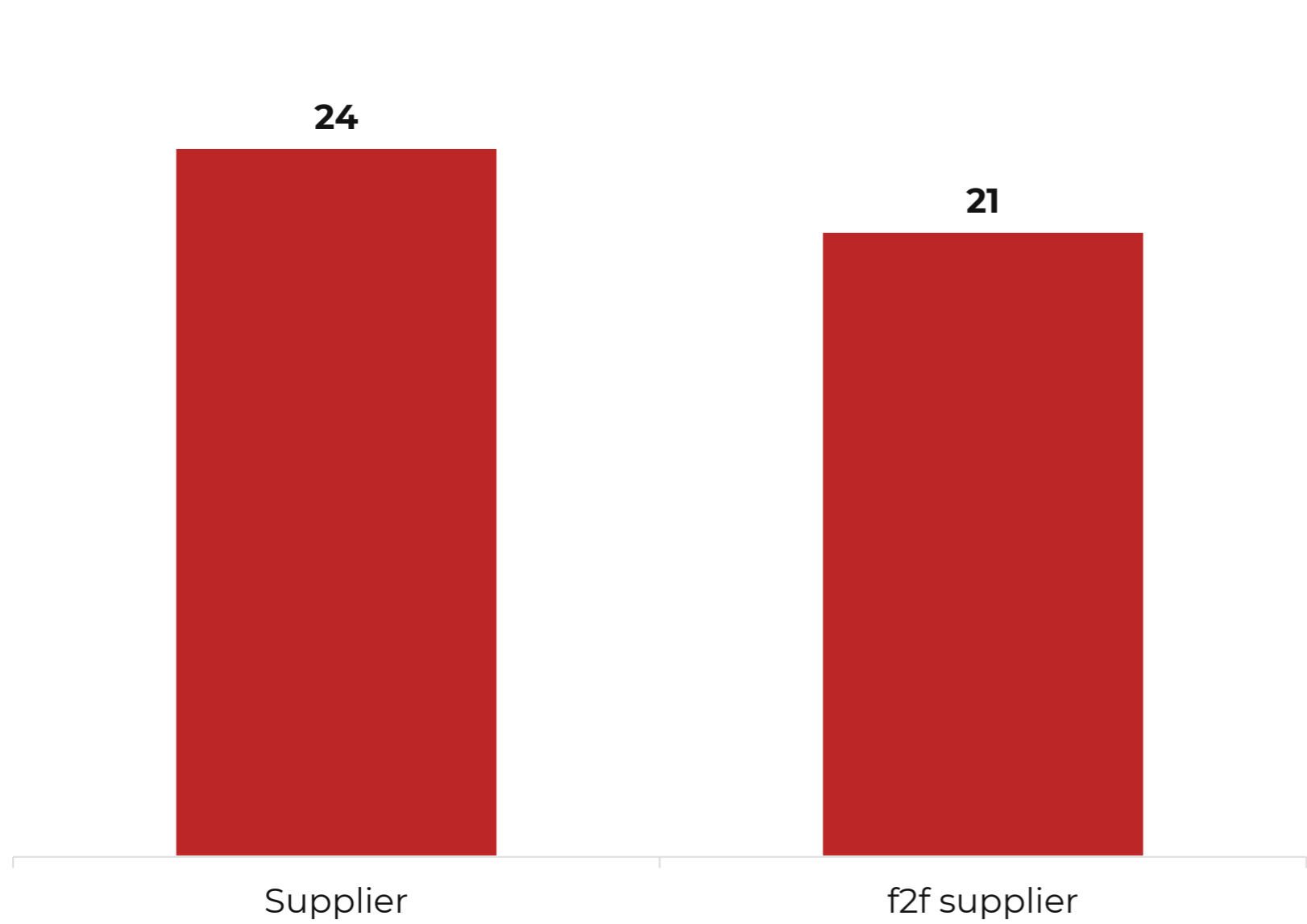
8

SUPPLY CHAIN

- > **F2F CONTACT WITH SUPPLIERS**
 - SUPPLIER LOCATIONS
 - SUPPLIERS' SIZE
 - PERIOD OF BUSINESS
 - RELIABILITY
 - COMMUNICATION WITH SUPPLIERS
 - LINE OF CREDIT

There are suppliers that the enterprises never met face to face

Avg. number of suppliers (all enterprises)



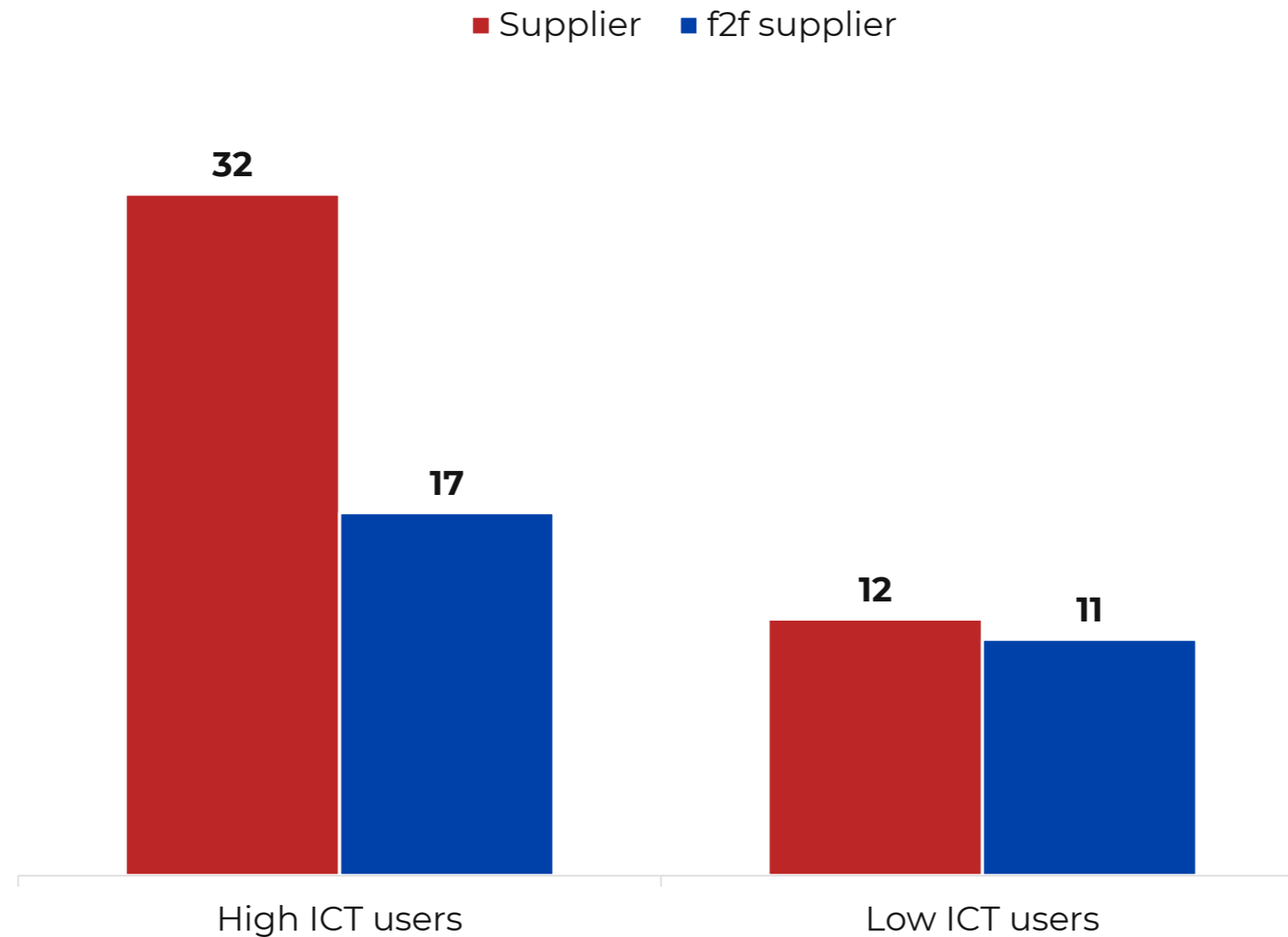
85%

Of the enterprises have at least one supplier

Q1: How many suppliers does your enterprise have (where enterprise is buying supplies from, receives services from)
Q2: How many suppliers have you met face to face? (0 if none)

High ICT using enterprises have low number of suppliers that met face to face

Avg. number of suppliers (all enterprises)



Q1: How many suppliers does your enterprise have (where enterprise is buying supplies from, receives services from)

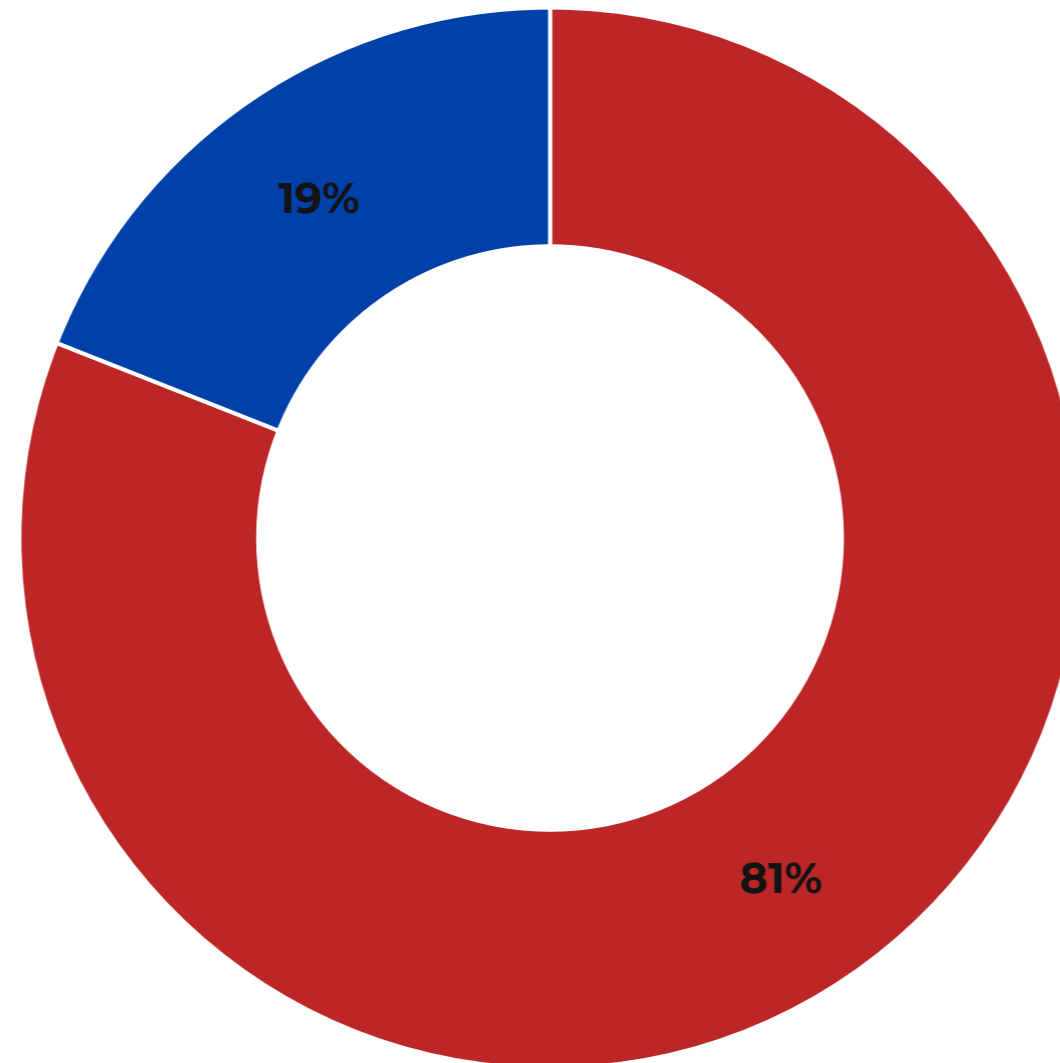
Q2: How many suppliers have you met face to face? (0 if none)

Base	High ICT users	Low ICT users
All enterprises	116	287

1/5th of the suppliers haven't physically met

Face to face suppliers (all enterprises)

■ f2f ■ Others



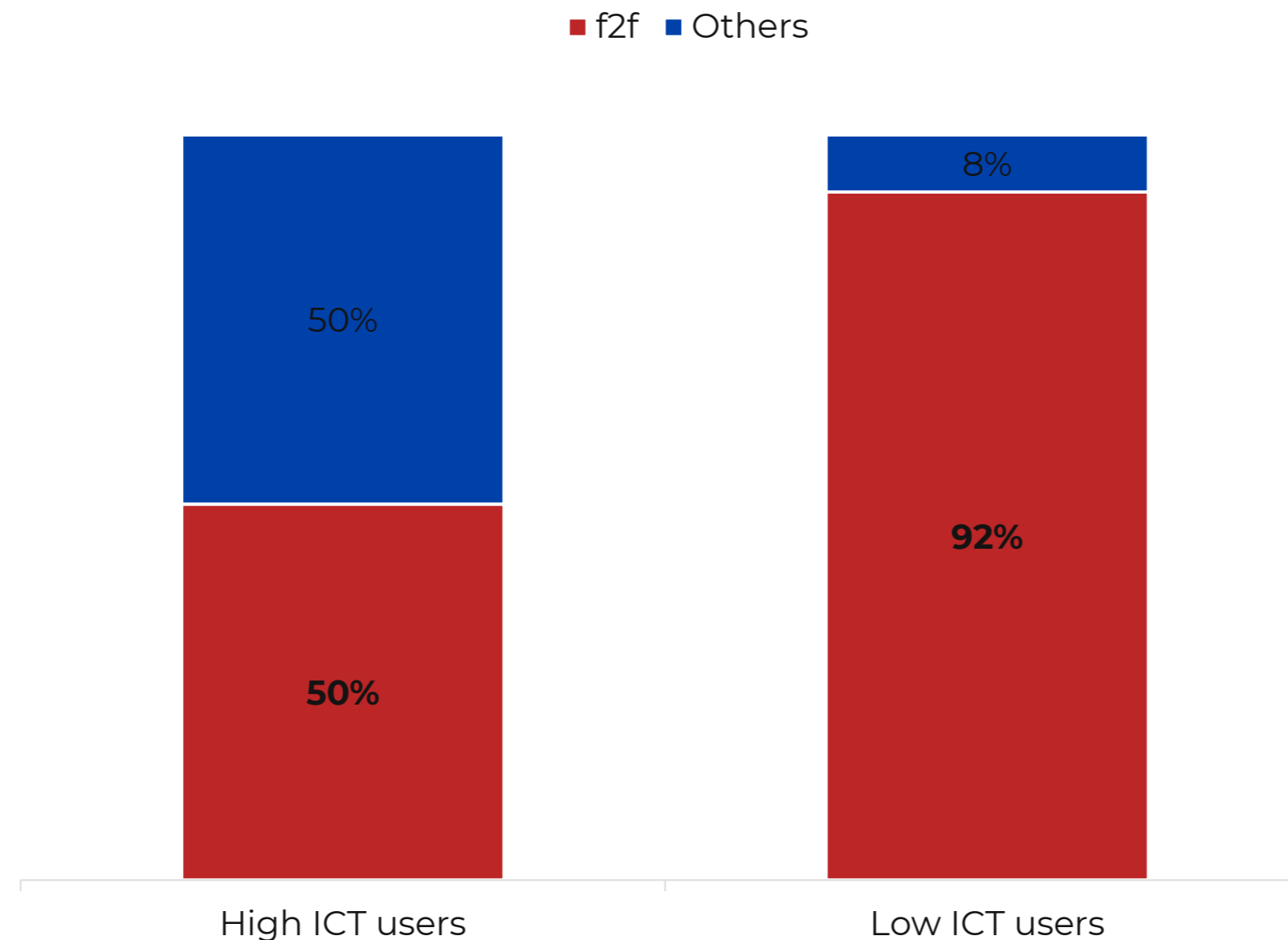
Q1: How many suppliers does your enterprise have (where enterprise is buying supplies from, receives services from)

Q2: How many suppliers have you met face to face? (0 if none)

Base	Sri Lanka
All enterprises	403

High ICT using enterprises have low percentage of suppliers that met face to face

Percentage of face-to-face suppliers (all enterprises)



Q1: How many suppliers does your enterprise have (where enterprise is buying supplies from, receives services from)

Q2: How many suppliers have you met face to face? (0 if none)

Base	High ICT users	Low ICT users
All enterprises	116	287

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

> SUPPLIER LOCATIONS

SUPPLIERS' SIZE

PERIOD OF BUSINESS

RELIABILITY

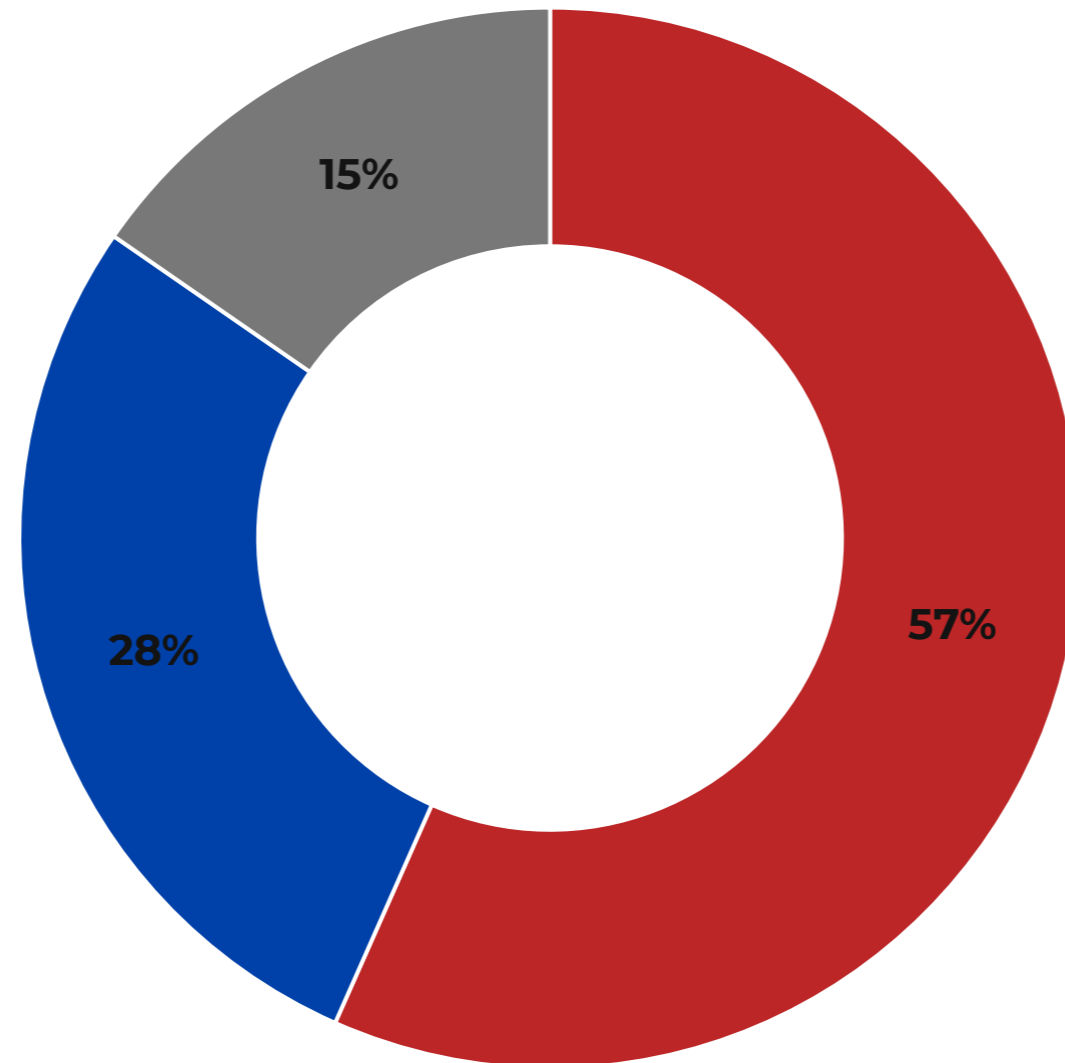
COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

Many are local suppliers

Main suppliers' location (% all enterprise)

■ Local ■ All over the country ■ Abroad



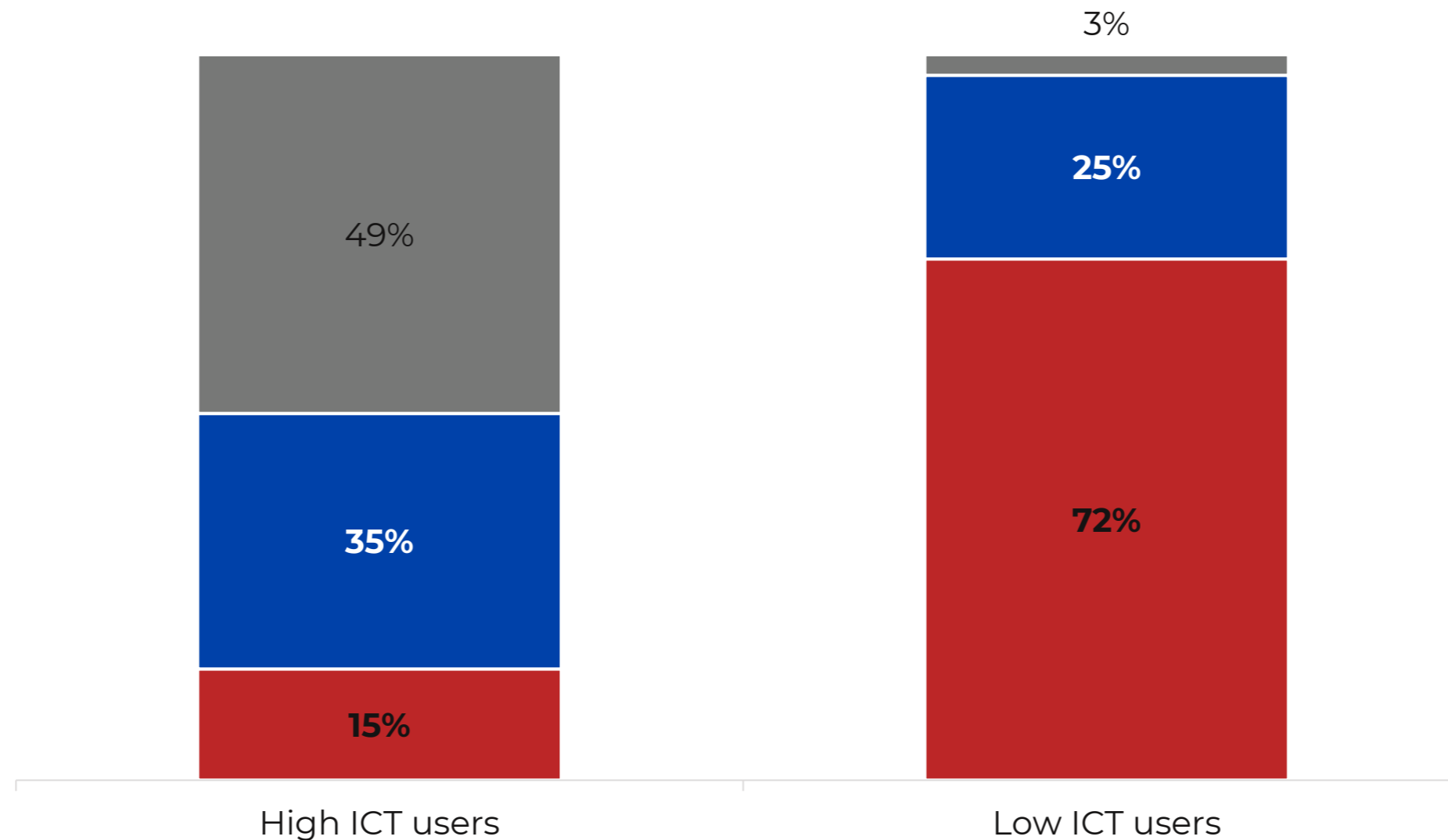
Q: Where are the main suppliers located (if there are more than one main suppliers; and they are at different locations take the furthest away)

Base	High ICT users	Low ICT users
Enterprises with suppliers	88	246

High ICT using enterprises has attracted more foreign suppliers

Main suppliers' location (% all enterprise)

■ Locally (surrounding towns and villages) ■ From all over the country ■ Abroad



Q: Where are the main suppliers located (if there are more than one main suppliers; and they are at different locations take the furthest away)

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS
SUPPLIER LOCATIONS

> **SUPPLIERS' SIZE**

PERIOD OF BUSINESS

RELIABILITY

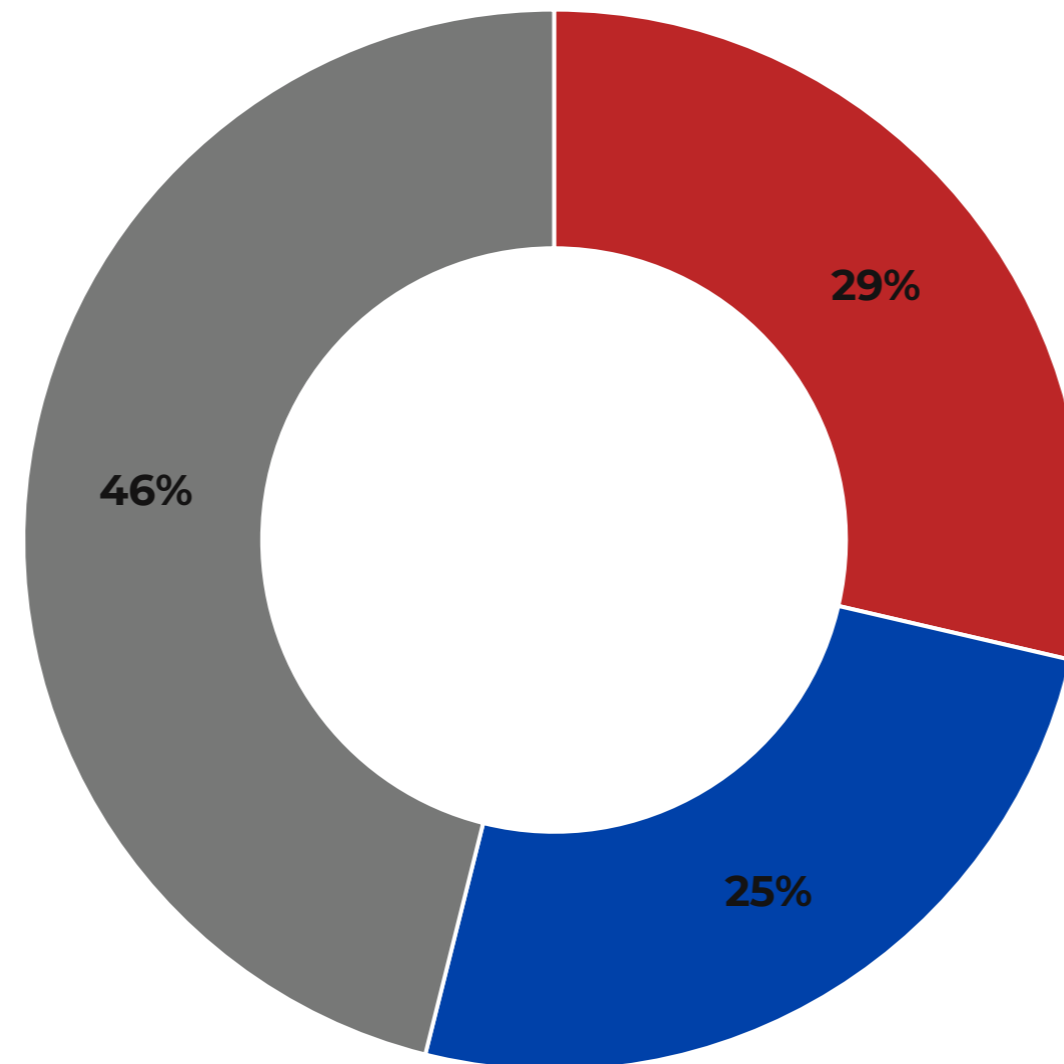
COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

Many suppliers are larger than the enterprise

Main supplier's size (% all enterprises)

■ Smaller ■ Same size ■ Larger



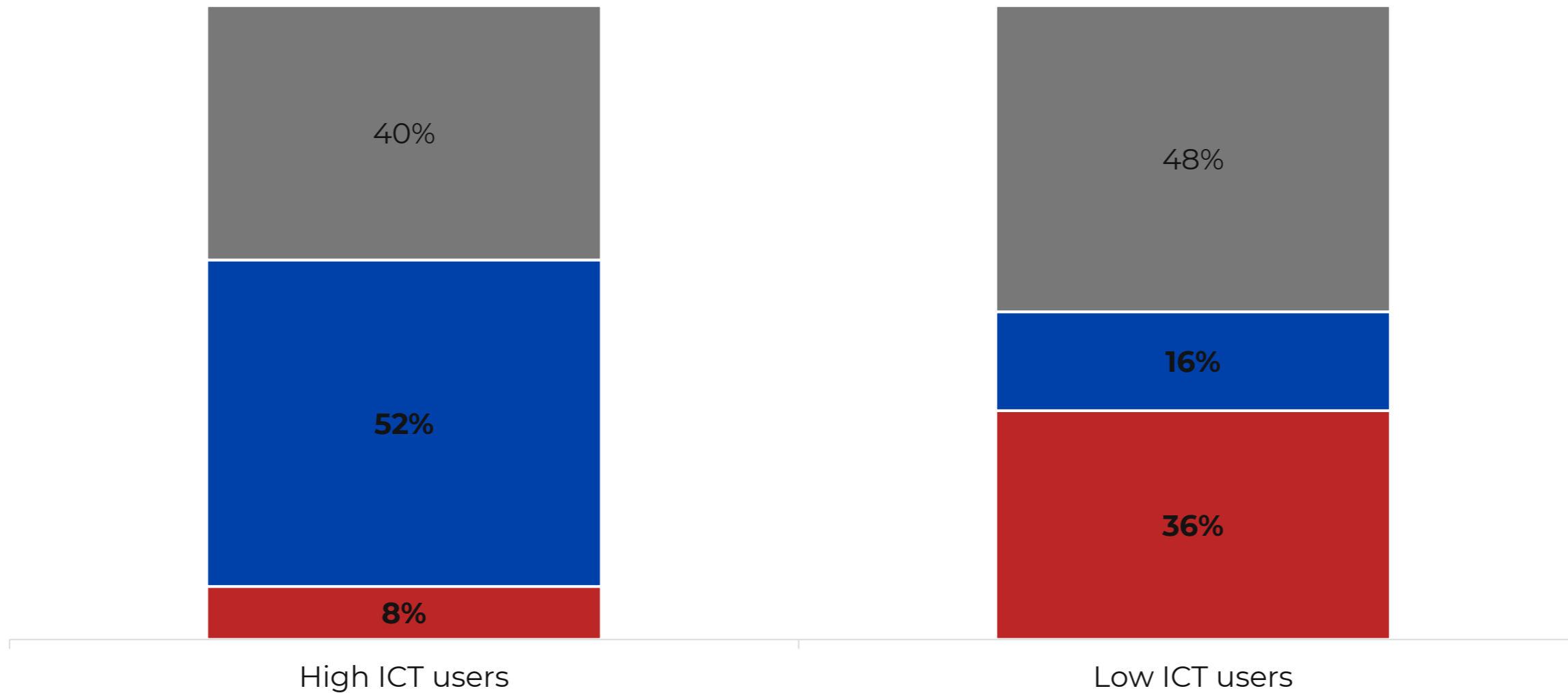
Q: Who are your main suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

High ICT users deal with larger suppliers

Main supplier's size (% all enterprises)

■ Small enterprises compared to us ■ Same enterprises like us ■ Larger firms compared with us



Q: Who are your main suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

SUPPLIER LOCATIONS

SUPPLIERS' SIZE

> **PERIOD OF BUSINESS**

RELIABILITY

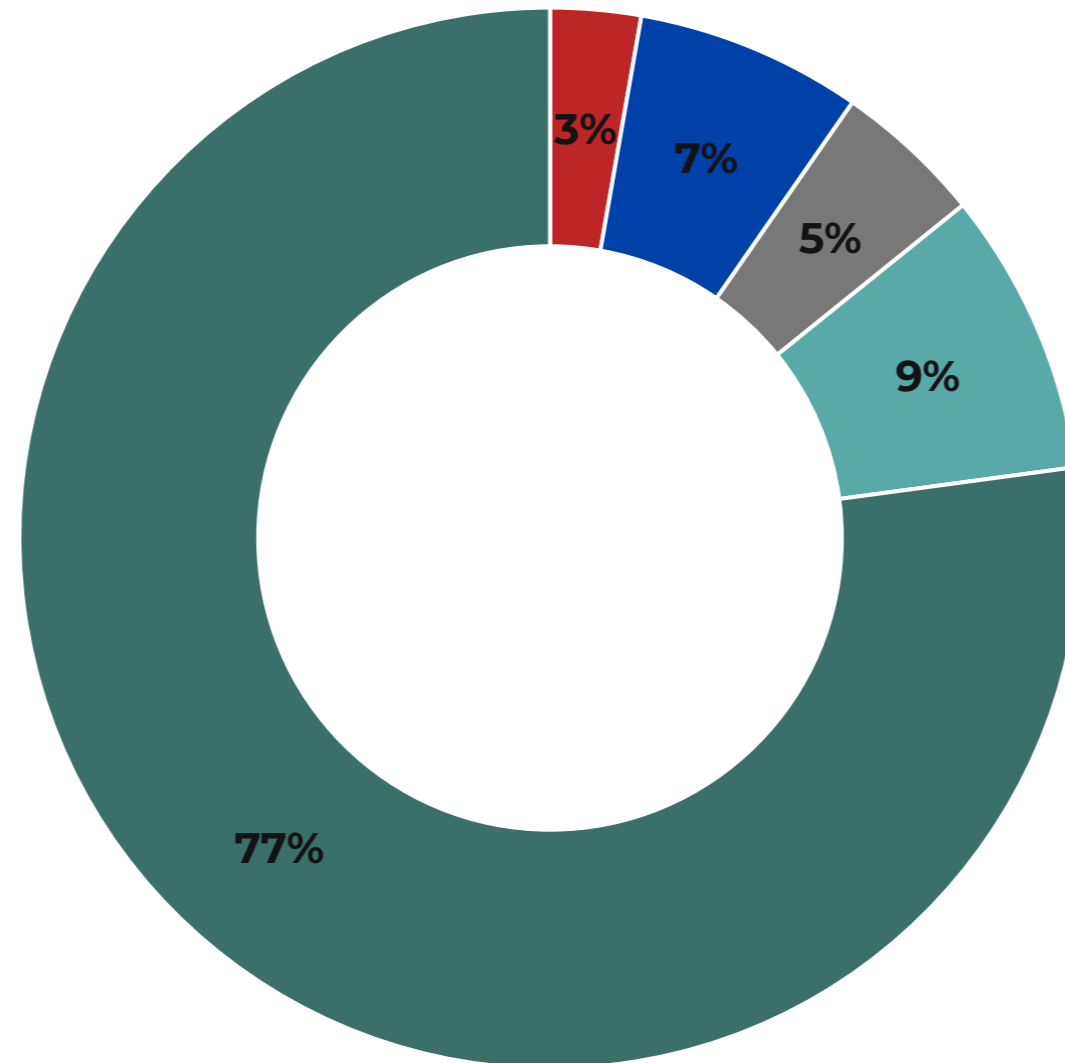
COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

Many started more than three years ago

Period of business with main supplier (% all enterprises)

■ < 6 months ■ < 1 year ■ < 2 years ■ 2 - 3 years ■ > 3 years



Q: How long have you been doing business with the main suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

SUPPLIER LOCATIONS

SUPPLIERS' SIZE

PERIOD OF BUSINESS

> **RELIABILITY**

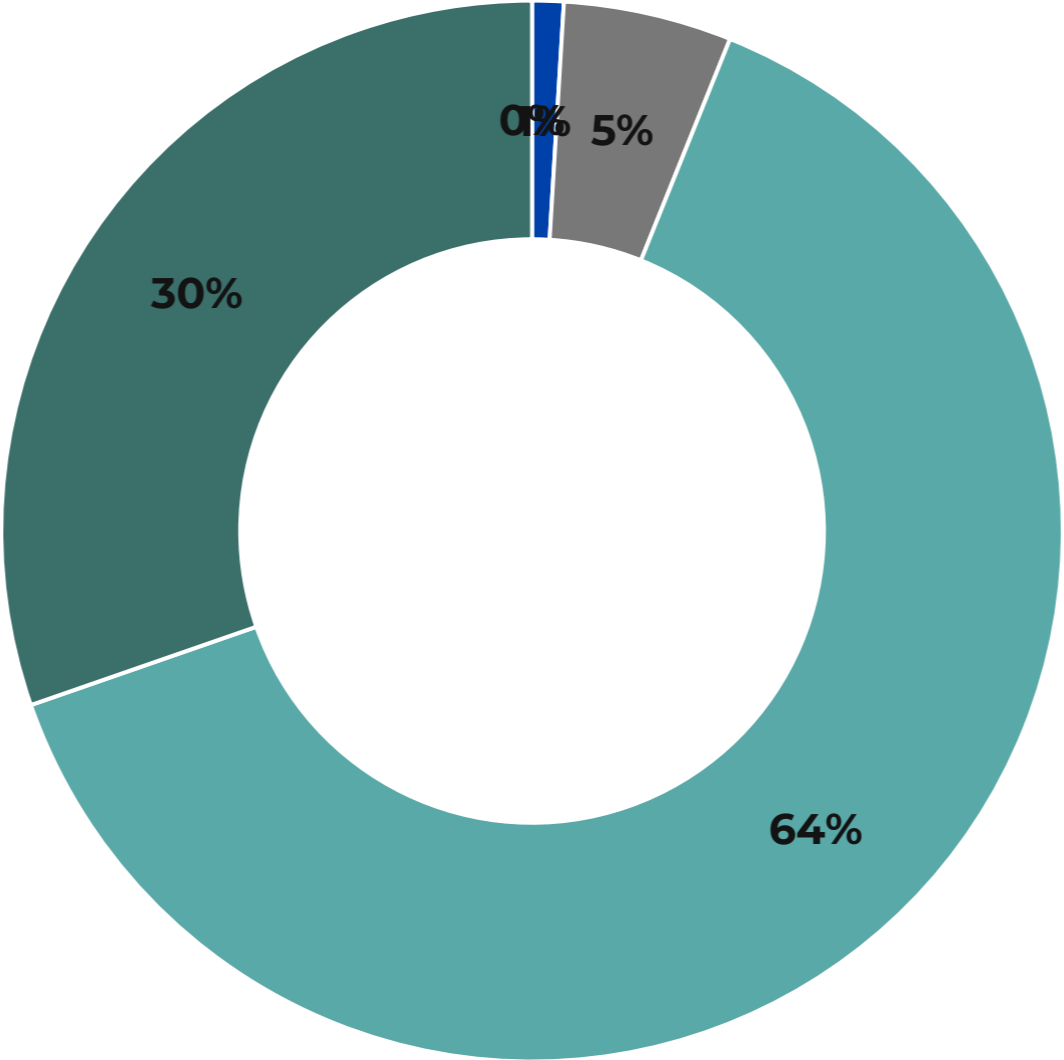
COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

Many suppliers are reliable

Reliability of main suppliers (% all enterprises)

■ not reliable at all ■ not really reliable ■ neither nor ■ reliable ■ very reliable



Q: How reliable are the main suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

SUPPLIER LOCATIONS

SUPPLIERS' SIZE

PERIOD OF BUSINESS

RELIABILITY

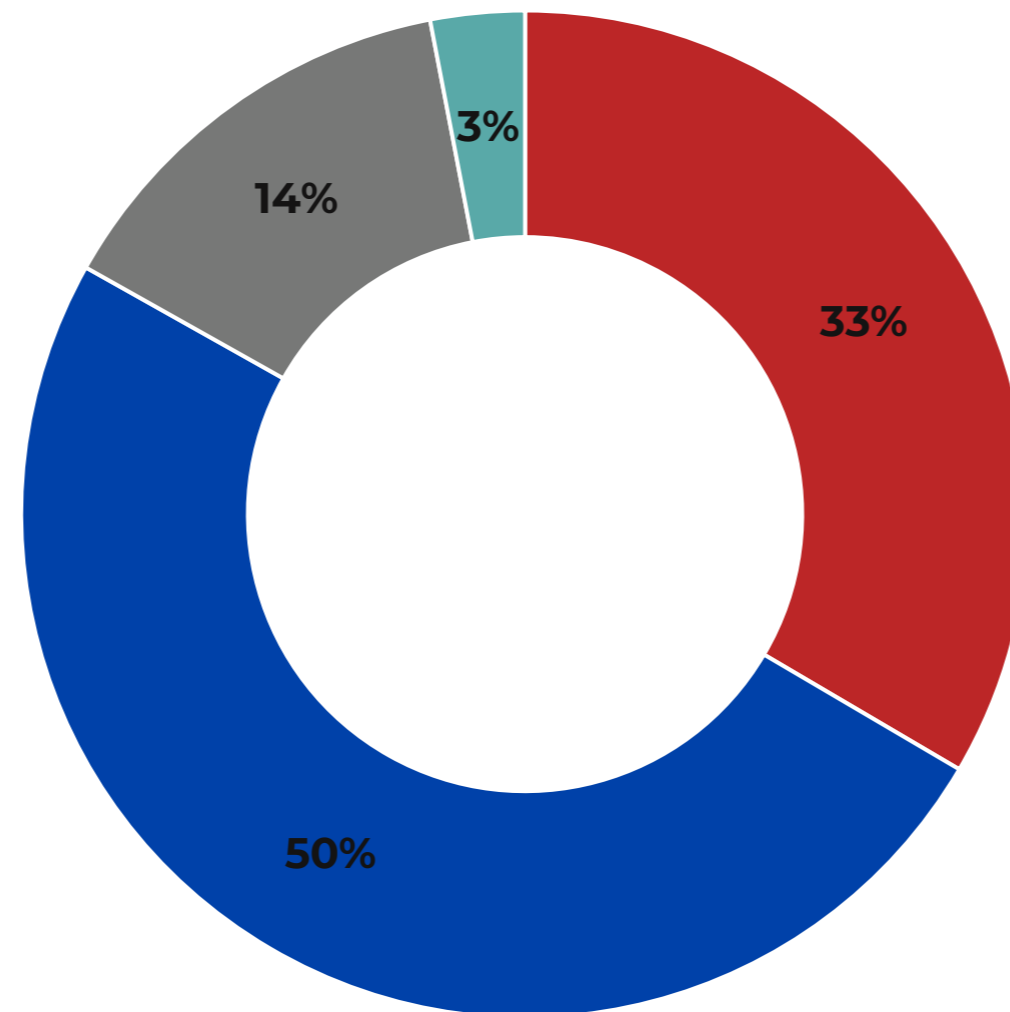
> COMMUNICATION WITH SUPPLIERS

LINE OF CREDIT

Many communicate frequently with their suppliers

Frequency of communication with main suppliers (% all enterprises)

■ daily ■ weekly ■ monthly ■ occasionally

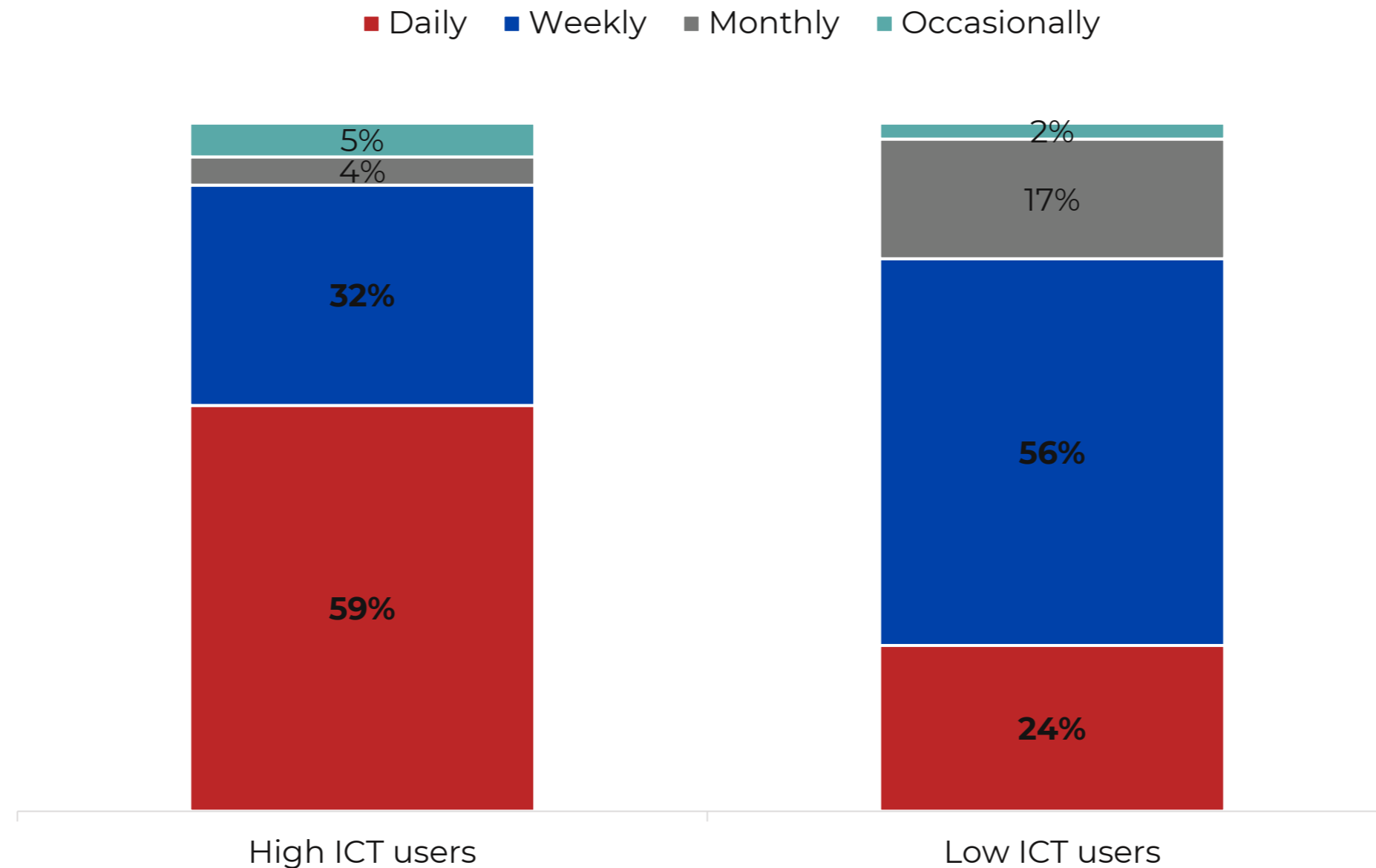


Q: How often do you communicate with your most important suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

High ICT users communicate more frequently with their suppliers

Frequency of communication with main suppliers (% all enterprises)

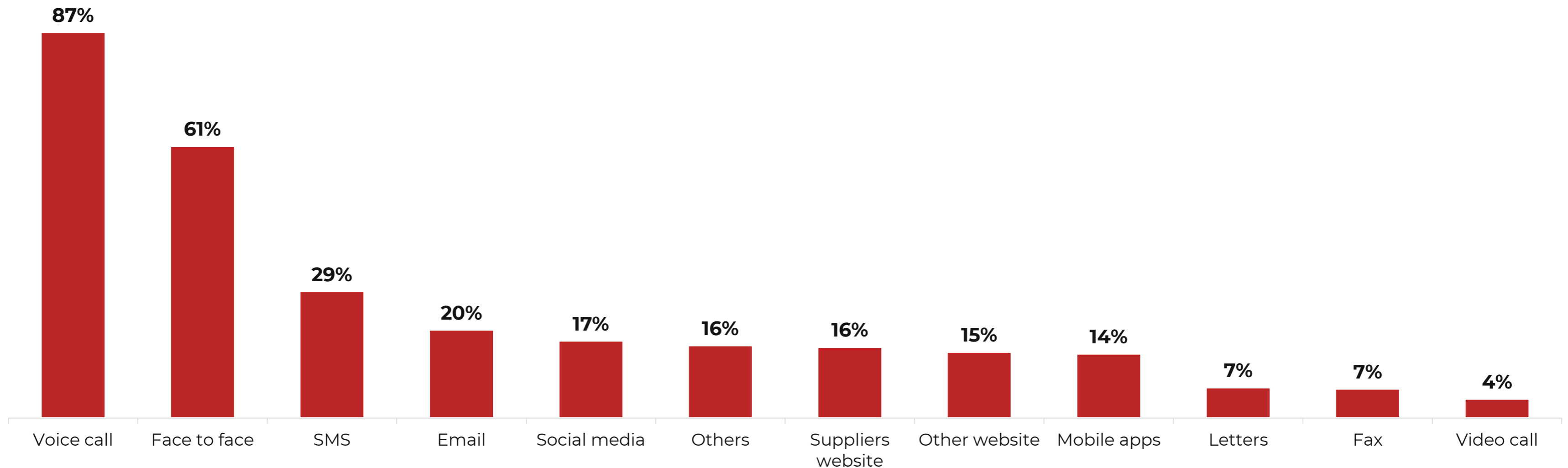


Q: How often do you communicate with your most important suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

Voice call are the most popular way to communicate; room for improvement in tech-based communication

Mode of communication with suppliers (% all enterprises)



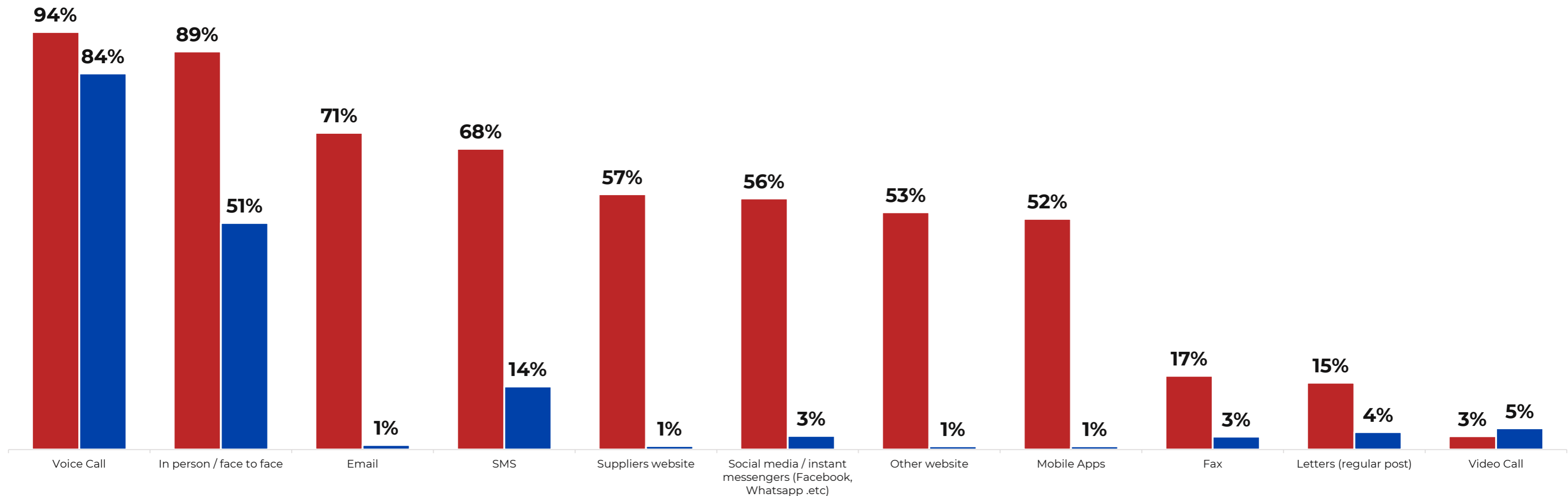
Q: How does your enterprise usually communicate with its suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

High ICT users use a wider range of communication methods to communicate with its suppliers

Mode of communication with suppliers (% all enterprises)

■ High ICT users ■ Low ICT users



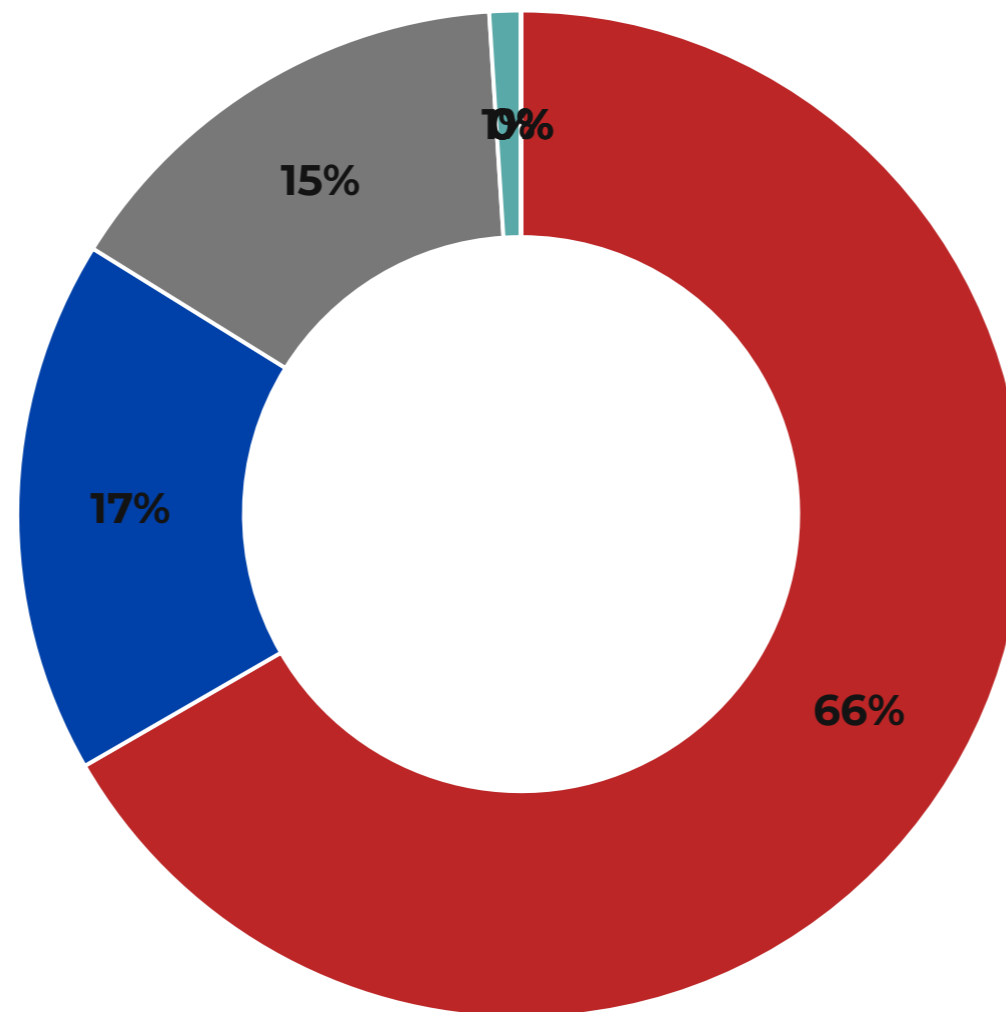
Q: How does your enterprise usually communicate with its suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

Voice call is the preferred mode of communication

Preferred mode of communication with suppliers (% all enterprises)

■ Voice call ■ In person ■ E-mail ■ Others ■ Video call ■ SMS ■ Fax ■ Social media



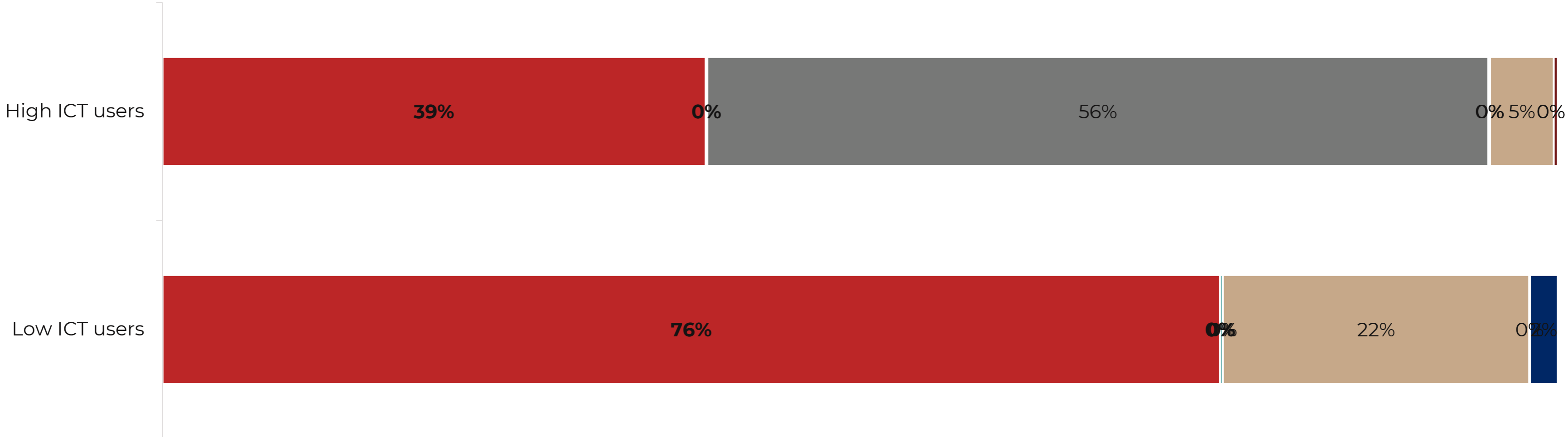
Q: What is the most preferred mode of your enterprise for communicating of the enterprise with suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

High ICT users prefer more tech savvy ways to communicate with suppliers

Preferred mode of communication with suppliers (% all enterprises)

Voice call Video call Email SMS fax In person Social media Others



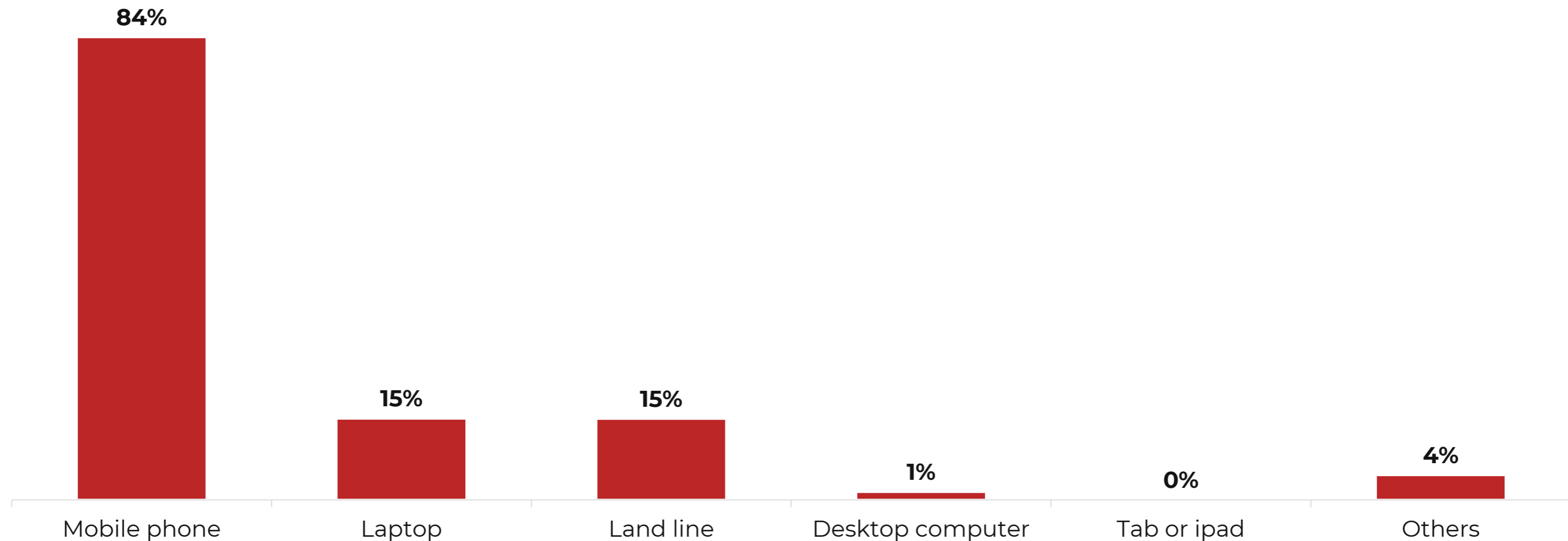
Q: What is the most preferred mode of your enterprise for communicating of the enterprise with suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242



Mobile phone is the most popular device for the communication

Devices of communication with suppliers (% all enterprises)



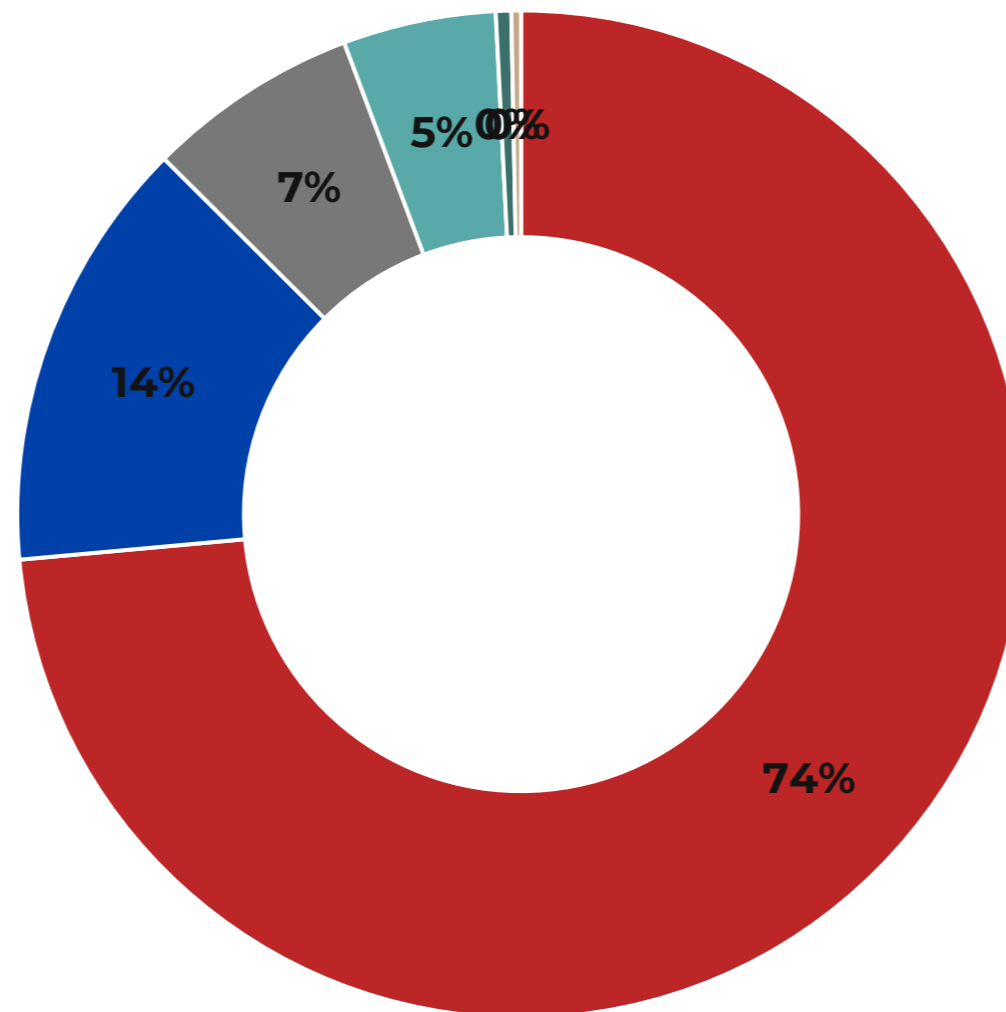
Q: Which devices are used by the enterprise to communicate with its suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

Mobile phone is the preferred device of communication

Preferred device of communication with suppliers (% all enterprises)

■ Mobile phone ■ Laptop ■ Land line ■ Others ■ Desktop computer ■ Tablet pcs



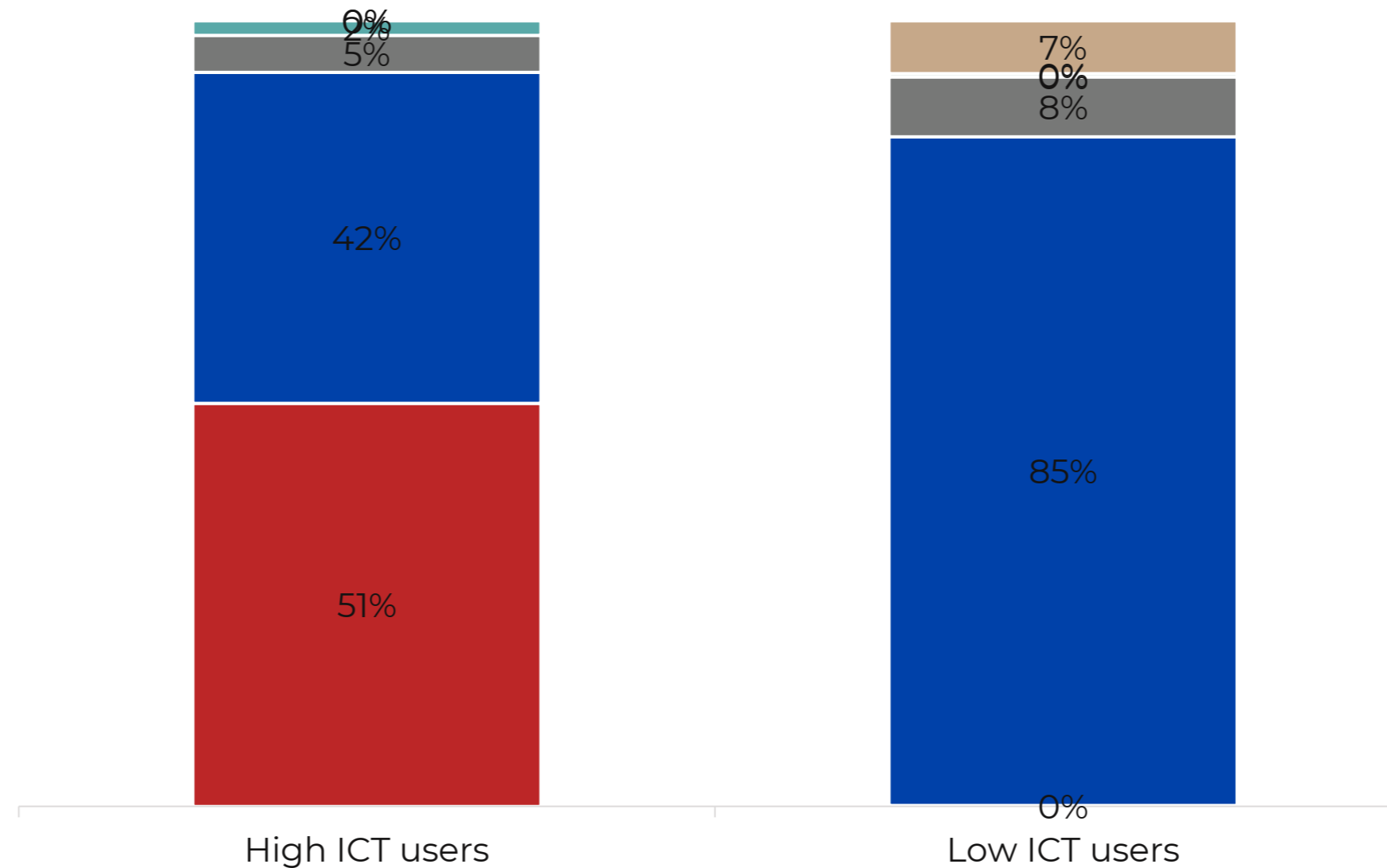
Q: What is the preferred device of communication of the enterprise with suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

High ICT users have more variety of preferred devices than mobile phone

Preferred device of communication with suppliers (% all enterprises)

■ Laptop ■ Mobile phone ■ Land line ■ Desktop computer ■ Tablet pcs ■ Others



Q: What is the preferred device of communication of the enterprise with suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

8

SUPPLY CHAIN

F2F CONTACT WITH SUPPLIERS

SUPPLIER LOCATIONS

SUPPLIERS' SIZE

PERIOD OF BUSINESS

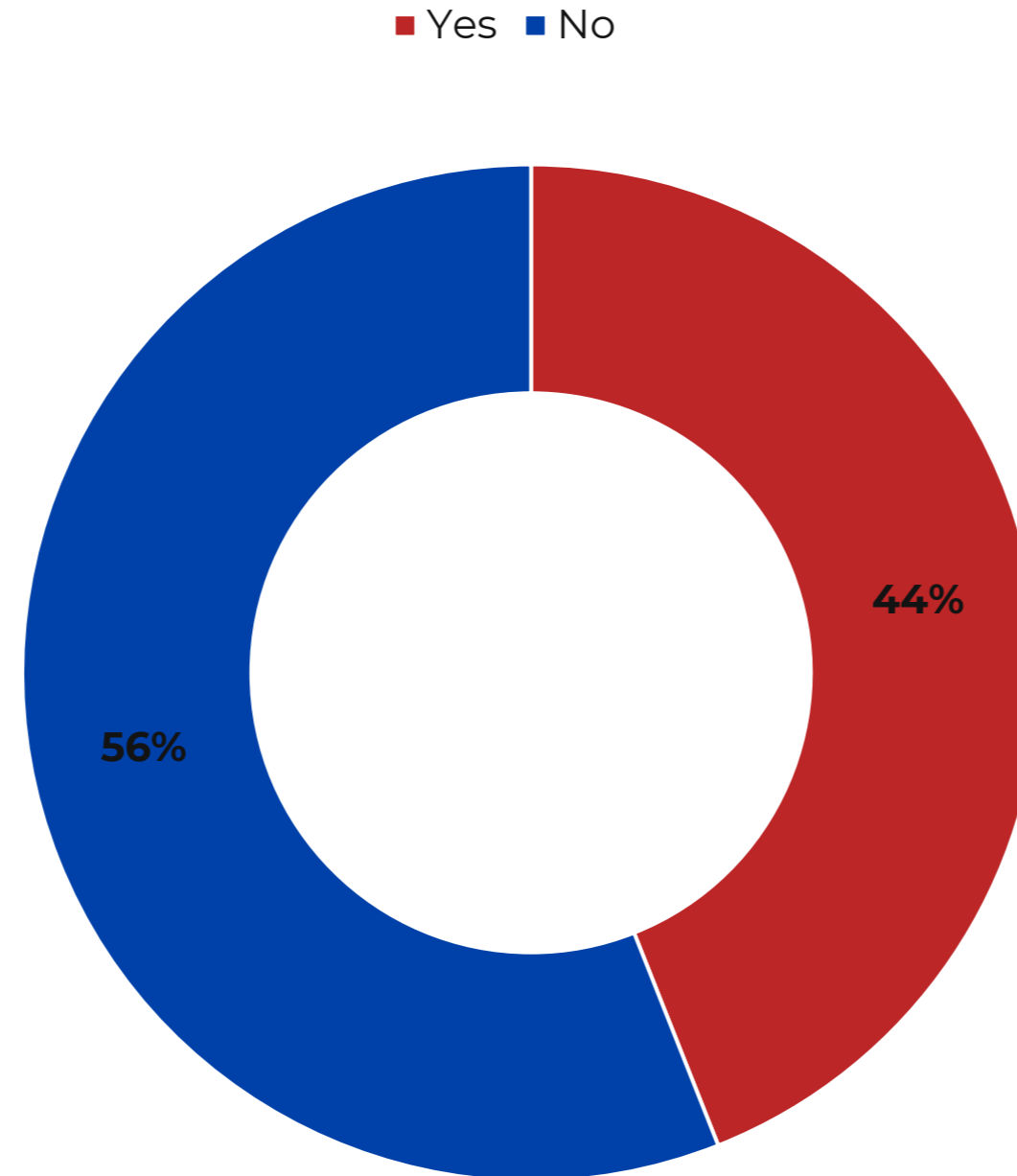
RELIABILITY

COMMUNICATION WITH SUPPLIERS

> LINE OF CREDIT

More than 40% of the enterprises have credit line facility with the suppliers

Availability of line of credit (% all enterprises)

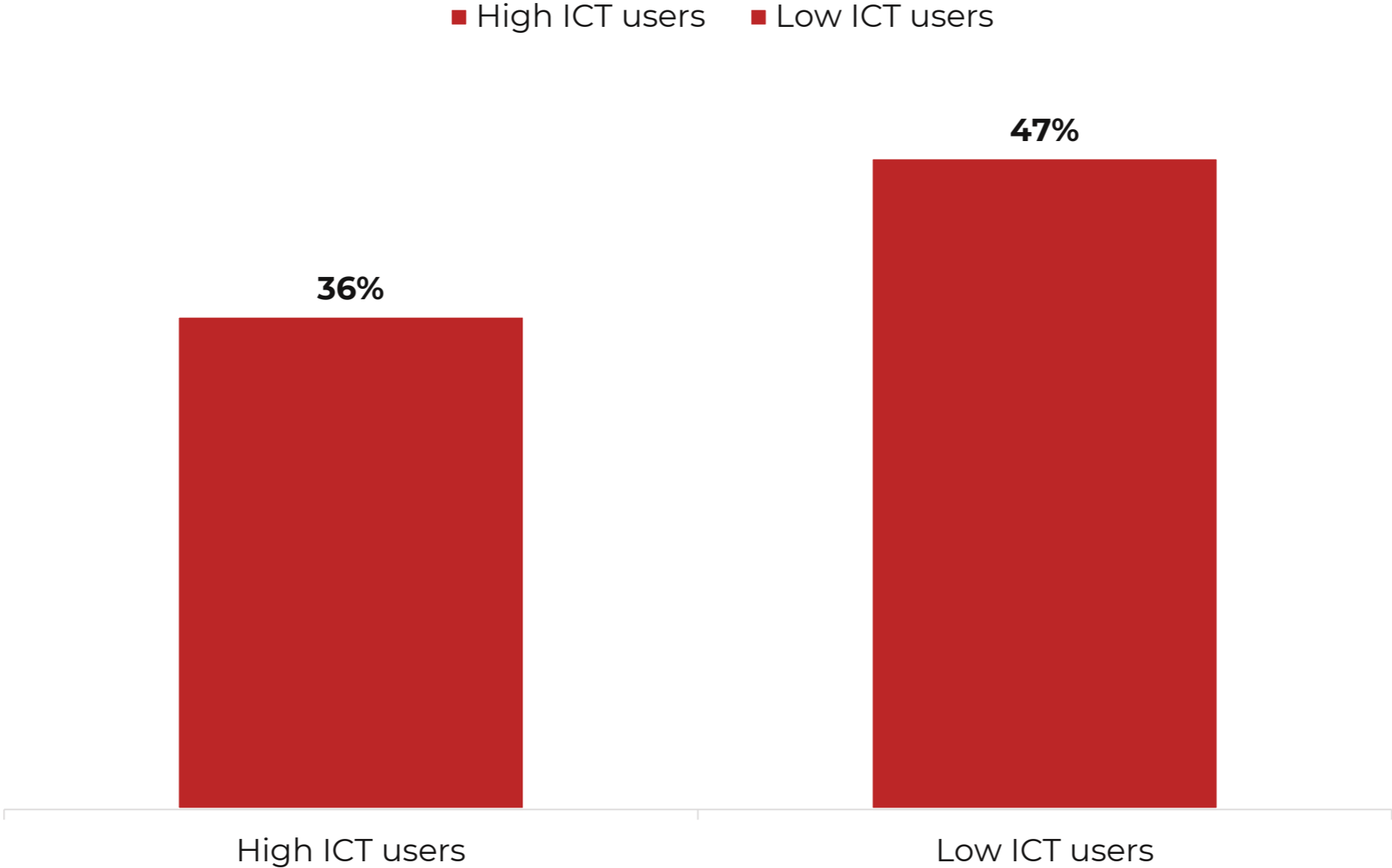


Q: Does the enterprise have a line of credit / credit facility with suppliers?

Base	Sri Lanka
Enterprises with suppliers	334

Low ICT users got more line of credit

Availability of line of credit (% all enterprises)



Q: Does the enterprise have a line of credit / credit facility with suppliers?

Base	High ICT users	Low ICT users
Enterprises with suppliers	92	242

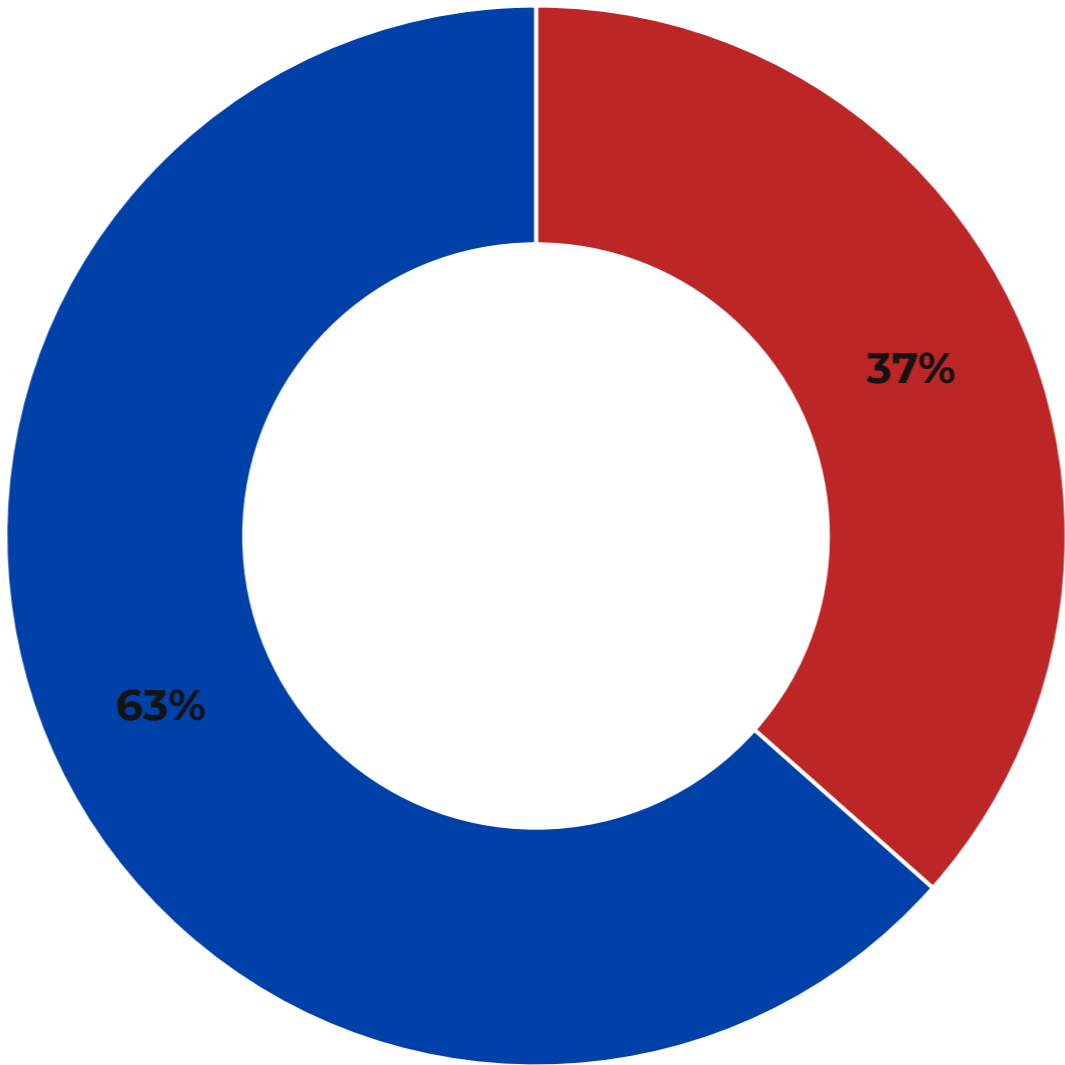
9

ADVERTISEMENT

Low use of advertisements among enterprises

Advertisement (% of all enterprises)

■ Yes ■ No



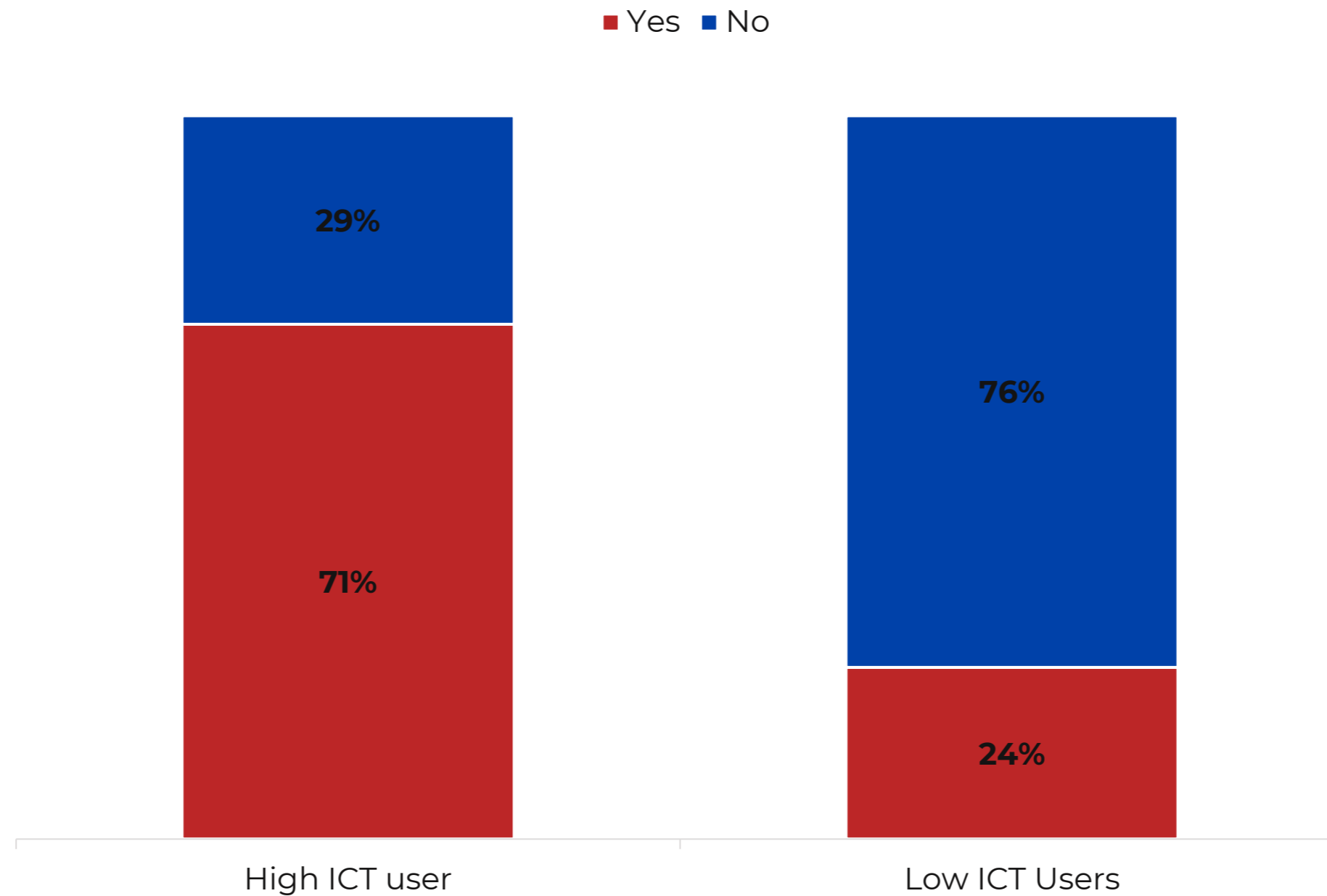
Q: Does your enterprise use advertisements for marketing, Employee recruitment or other things?



Base	Sri Lanka
All enterprises	403

More advertisement by high ICT using enterprises

Advertisement (% of all enterprises)

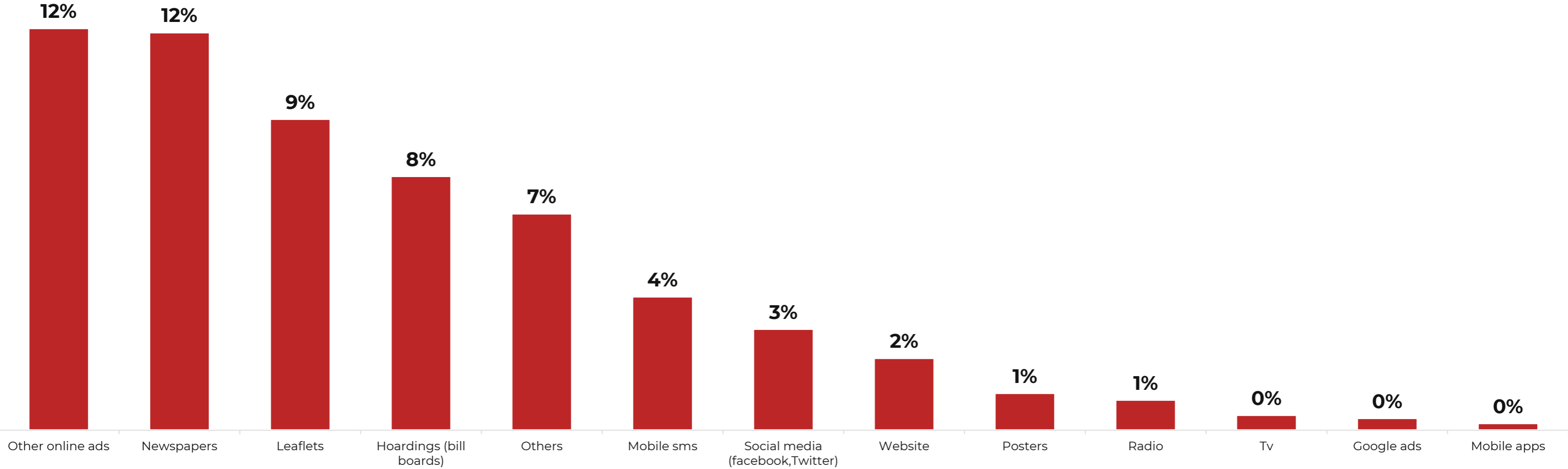


Q: Does your enterprise use advertisements for marketing, Employee recruitment or other things?

Base	High ICT users	Low ICT users
All enterprises	116	287

Online and news paper advertisements have similar popularity among the enterprises

Advertisement media (% all enterprises)



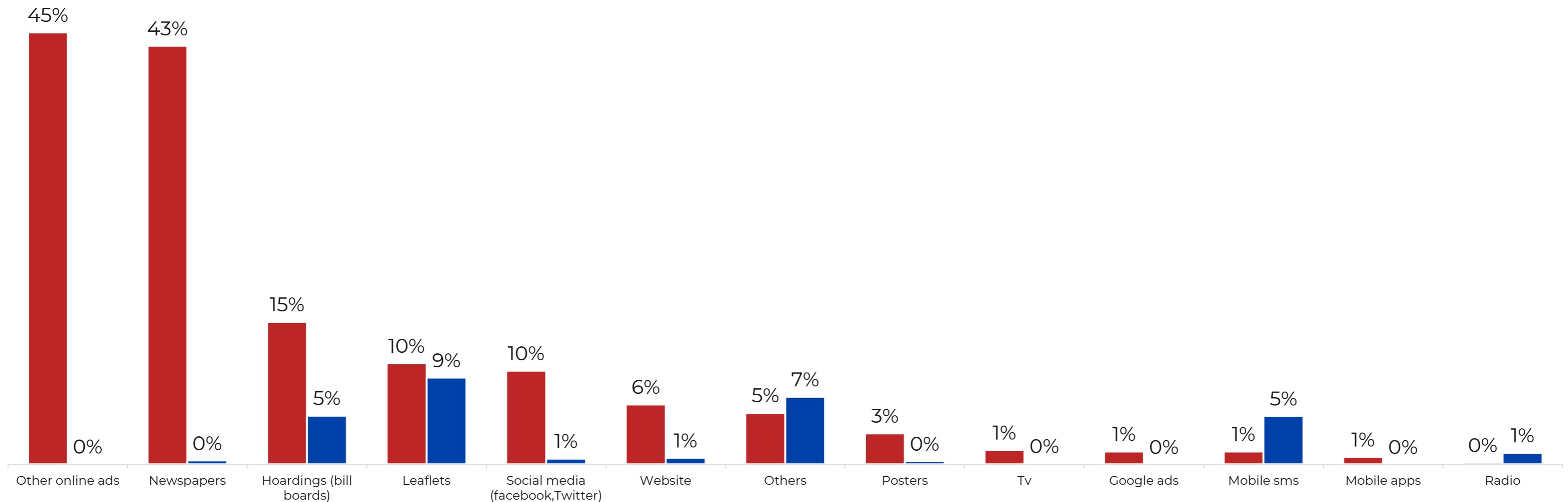
Q: How does your enterprise advertise? This can be for marketing, Employee recruitment or other things.

Base	Sri Lanka
All enterprises	403

High ICT users use a wide range of advertising methods

Advertisement media (% all enterprises)

■ High ICT users ■ Low ICT users



Q: How does your enterprise advertise? This can be for marketing, Employee recruitment or other things.

Base	High ICT users	Low ICT users
All enterprises	116	287

10

CUSTOMERS

F2F CONTACT WITH CUSTOMERS
CUSTOMER LOCATIONS
TYPE OF CUSTOMERS
PERIOD OF BUSINESS
COMMUNICATION WITH CUSTOMERS
LOYALTY PROGRAMS

10

CUSTOMERS

- > **F2F CONTACT WITH CUSTOMERS**
 - CUSTOMER LOCATIONS
 - TYPE OF CUSTOMERS
 - PERIOD OF BUSINESS
 - COMMUNICATION WITH CUSTOMERS
 - LOYALTY PROGRAMS

SMEs have about 200 customers per month

Avg. number of customers* (all enterprises)

202

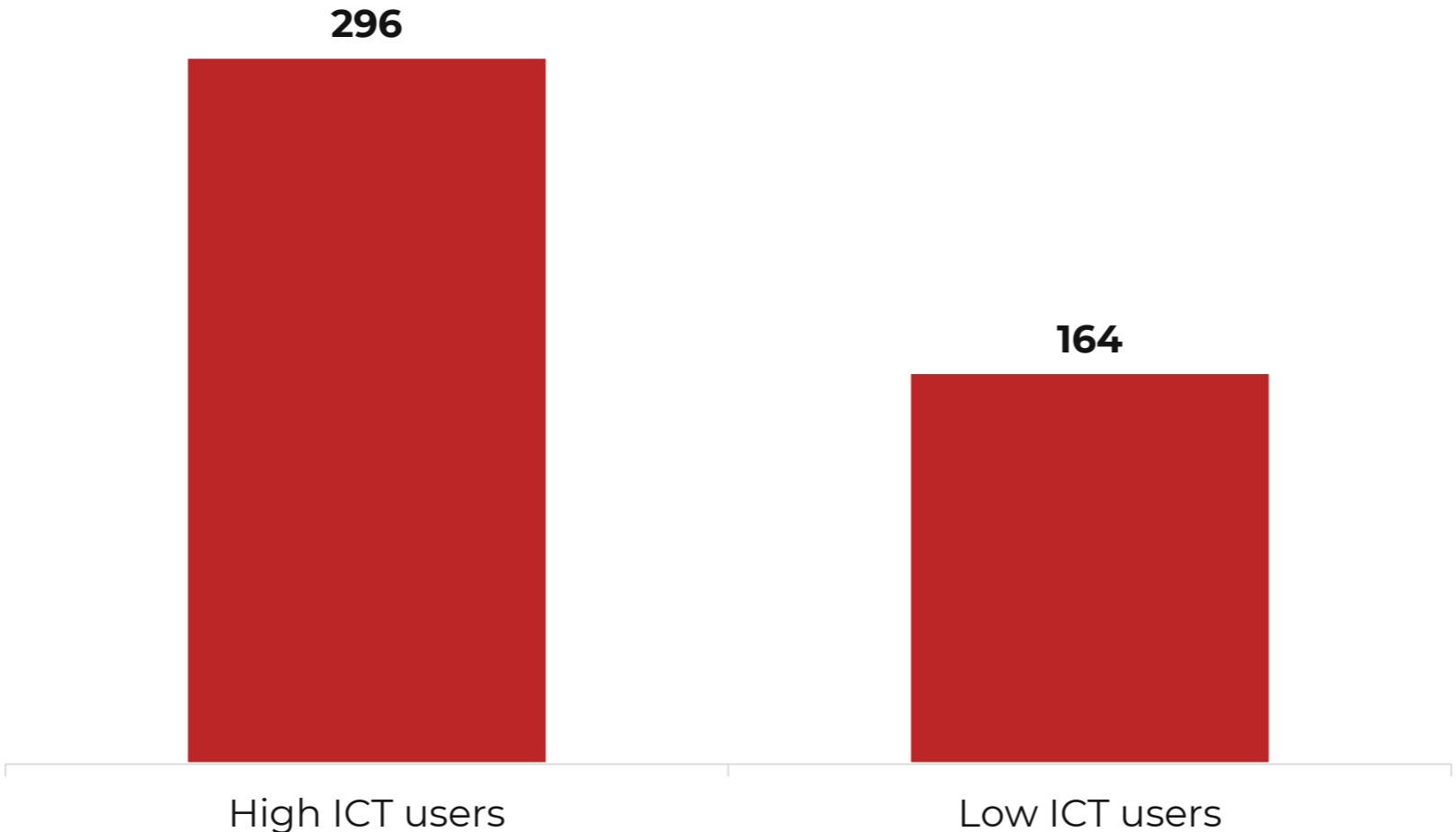
Q: How many customers does your enterprise have on average in a month?

Base	Sri Lanka
All enterprises	403

*Error margins can be high due to high refusals and don't know responses for this question

High ICT user have more customers

Avg. number of customers* (all enterprises)



Q: How many customers does your enterprise have on average in a month?

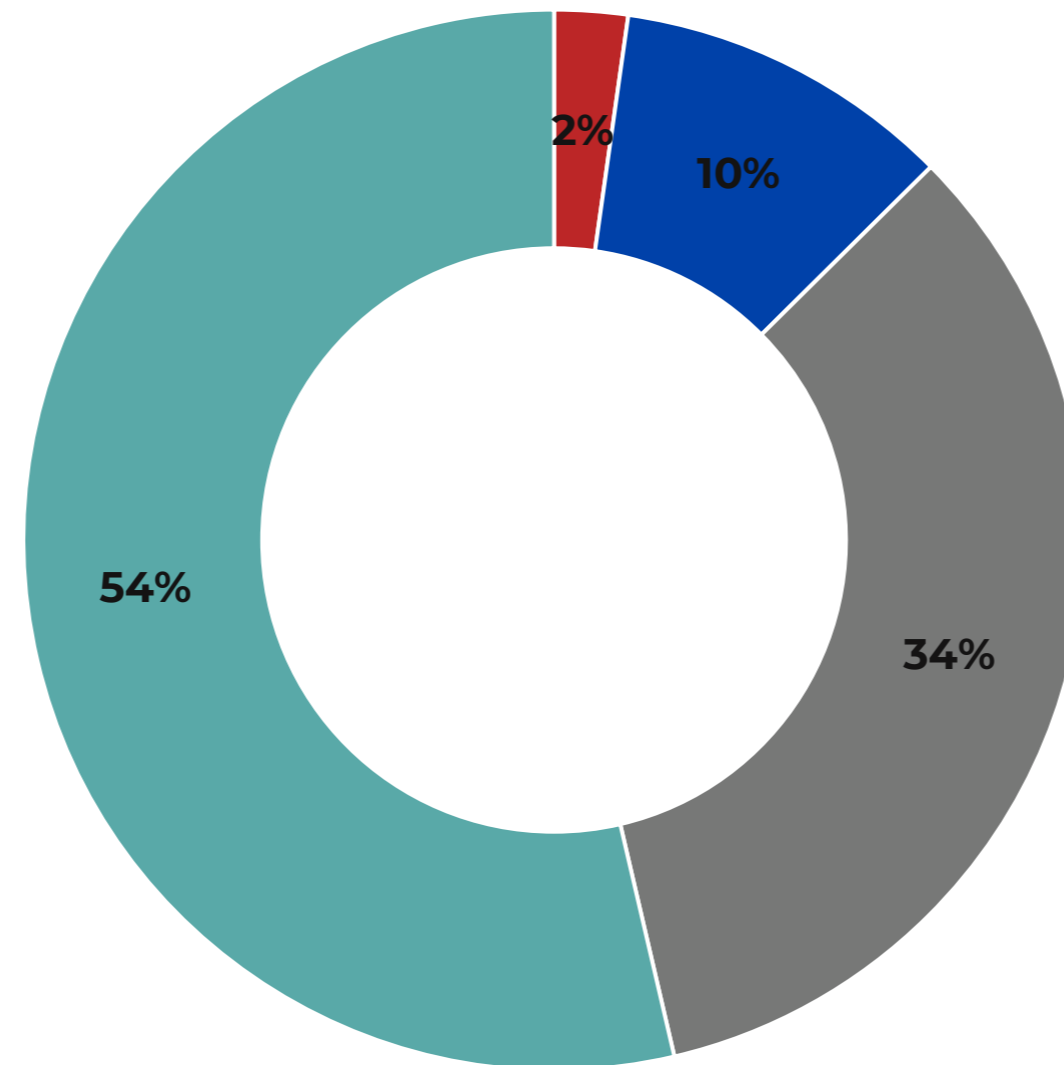
*Error margins can be high due to high refusals and don't know responses for this question

Base	High ICT users	Low ICT users
All enterprises	67	168

Many met their customers face to face

F2f customers (% all enterprises)

■ none ■ few ■ most of them ■ all of them



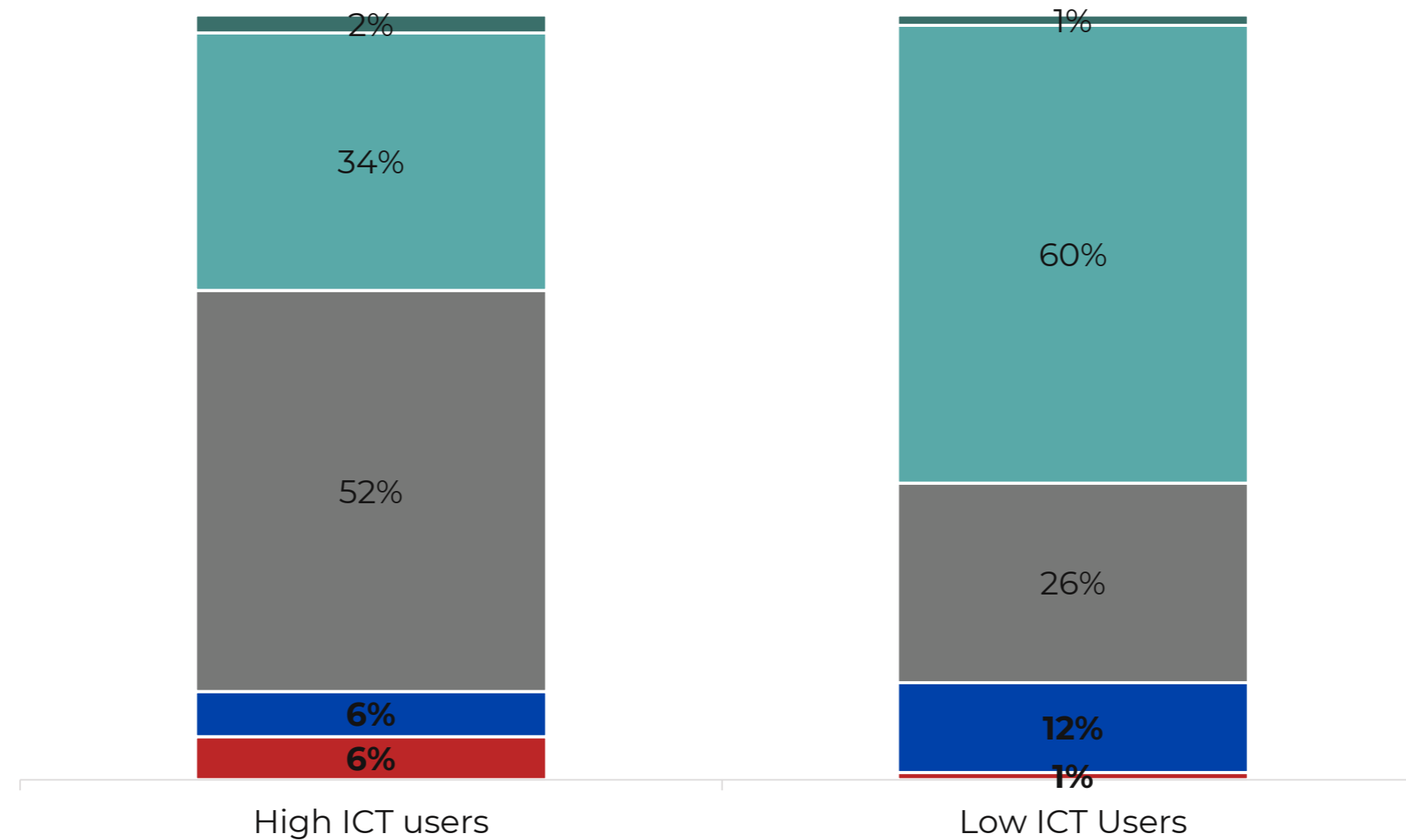
Q: How many customers have you met face to face?

Base	Sri Lanka
All enterprises	403

High ICT users have more non face-to-face customers

F2f customers (% all enterprises)

■ none ■ few ■ most of them ■ all of them ■ don't know/refused



Q: How many customers have you met face to face?

Base	High ICT users	Low ICT users
All enterprises	116	287

10

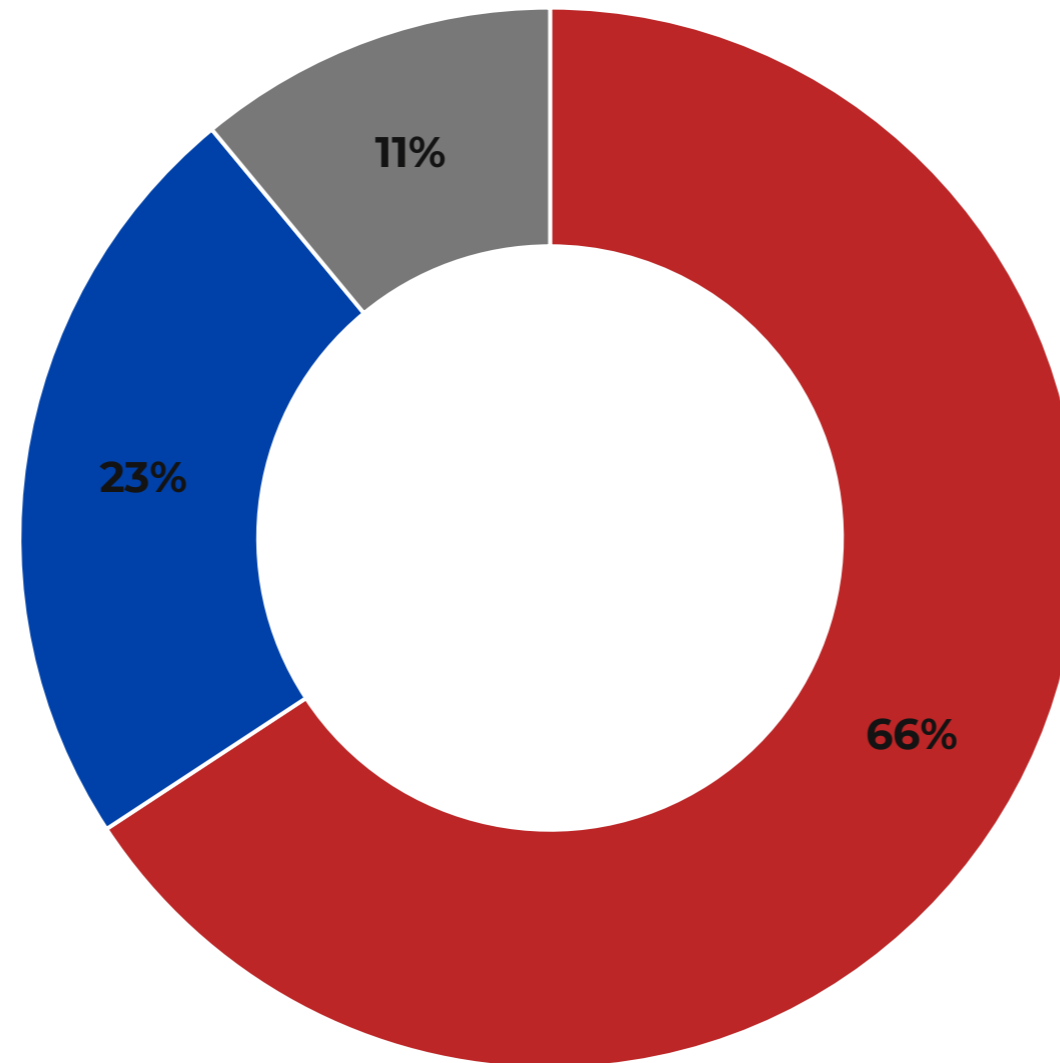
CUSTOMERS

- F2F CONTACT WITH CUSTOMERS
- > CUSTOMER LOCATIONS
- TYPE OF CUSTOMERS
- PERIOD OF BUSINESS
- COMMUNICATION WITH CUSTOMERS
- LOYALTY PROGRAMS

Most of the customers are local

Main customers' location (% all enterprise)

■ Local ■ All over the country ■ Abroad



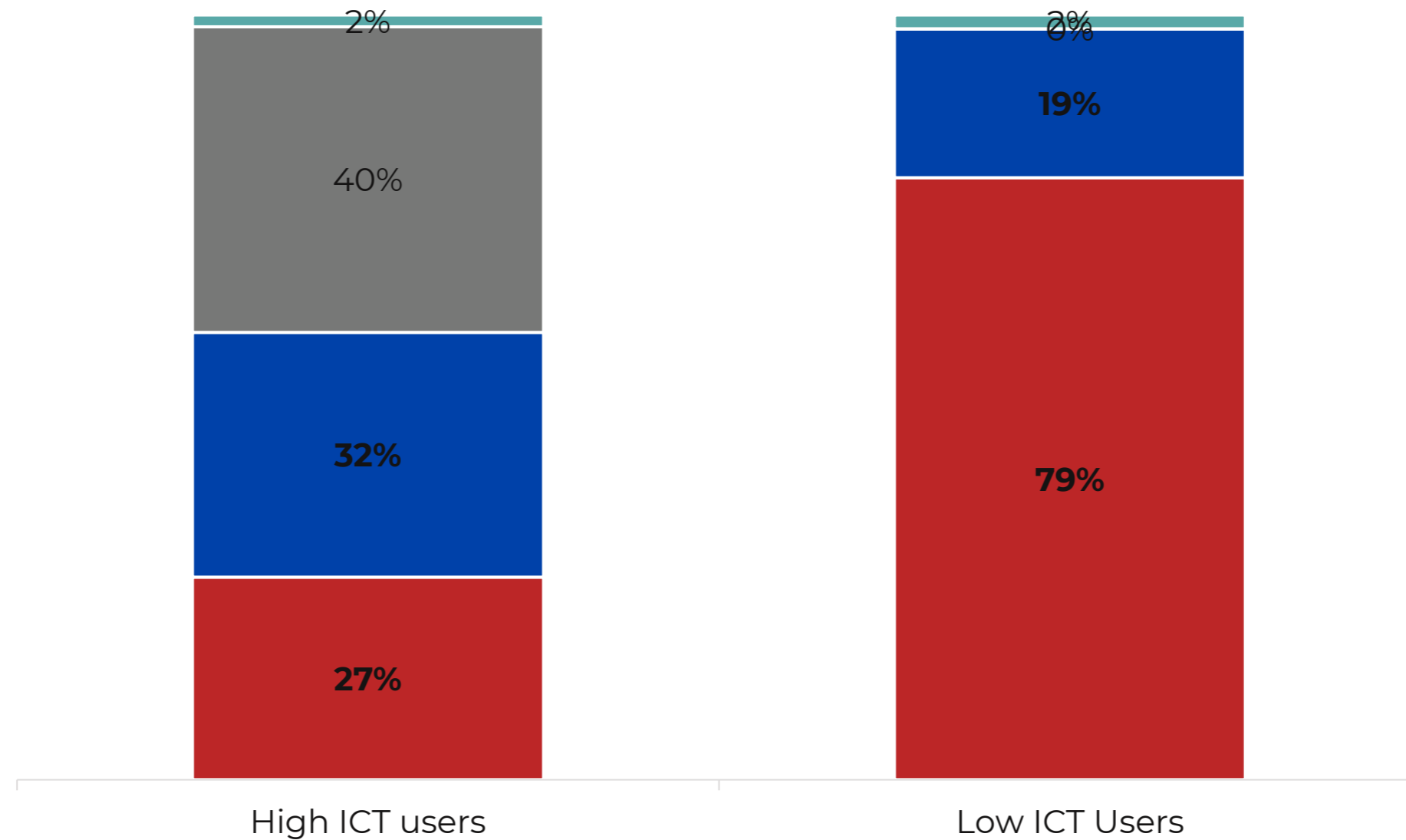
Q: Where are the main customers of the enterprise located?

Base	Sri Lanka
All enterprises	403

High ICT users' main customers are having more variety of locations

Main customers' location (% all enterprise)

■ Locally (surrounding towns and villages) ■ From all over the country ■ Abroad ■ I don't know

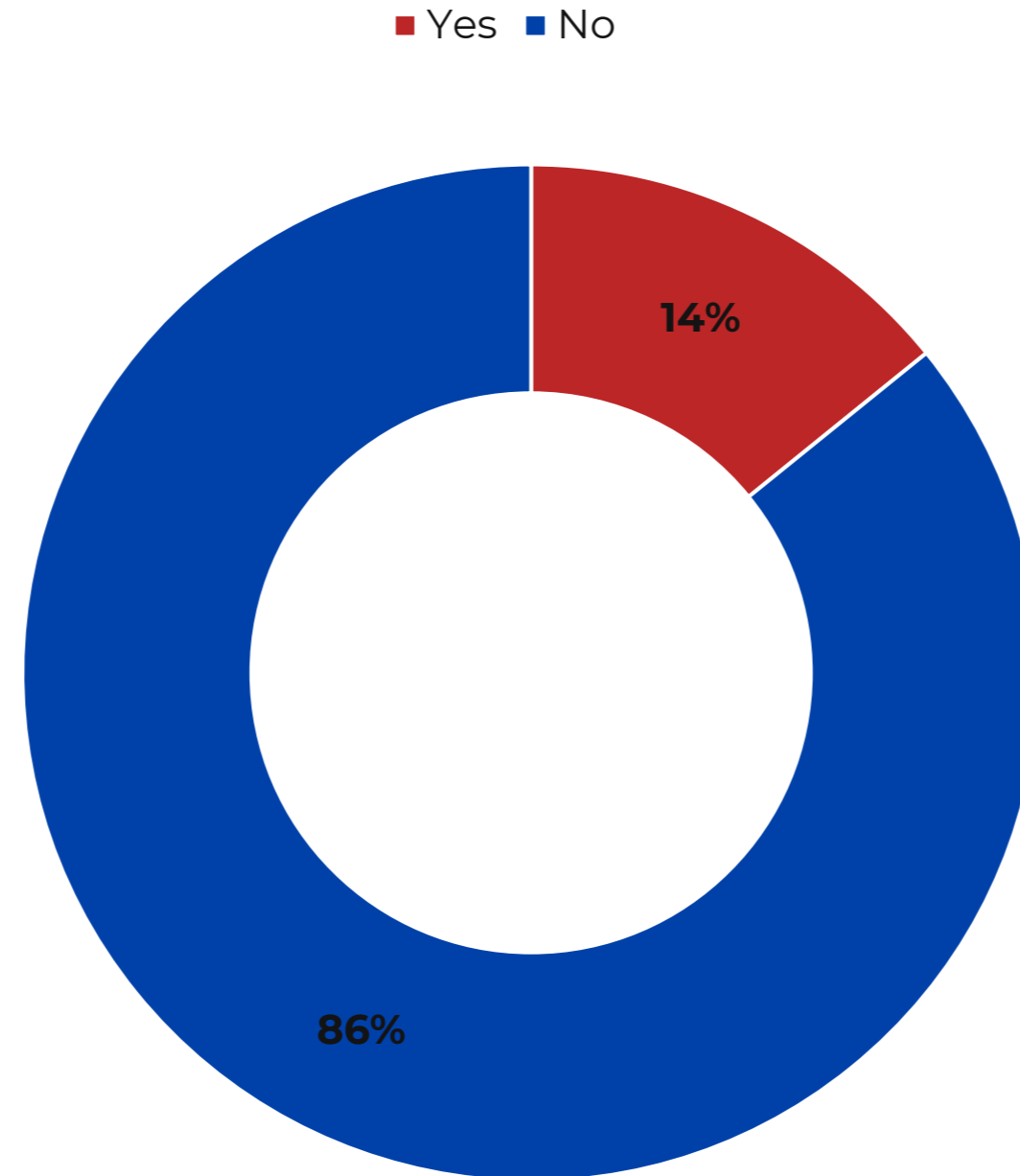


Q: Where are the main customers of the enterprise located?

Base	High ICT users	Low ICT users
All enterprises	116	287

Only 14% are foreign customers

Foreign customers (% all enterprise)

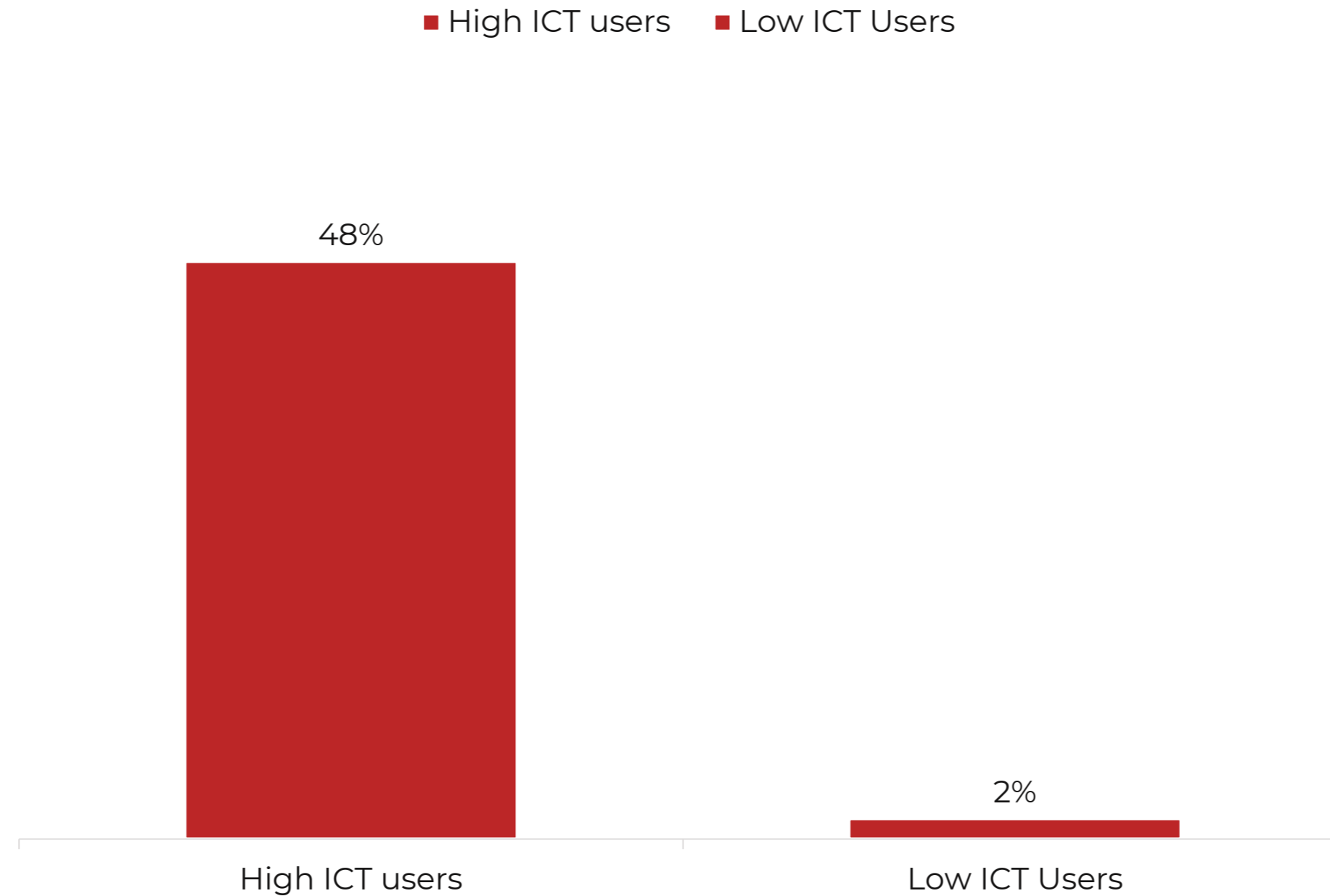


Q: Does your enterprise have customers located in other countries?(selling goods or services abroad)?

Base	High ICT users	Low ICT users
All enterprises	112	291

High ICT use has enabled more foreign customers

Foreign customers (% all enterprise)



Q: Does your enterprise have customers located in other countries?(selling goods or services abroad)?

Base	High ICT users	Low ICT users
All enterprises	116	287

10

CUSTOMERS

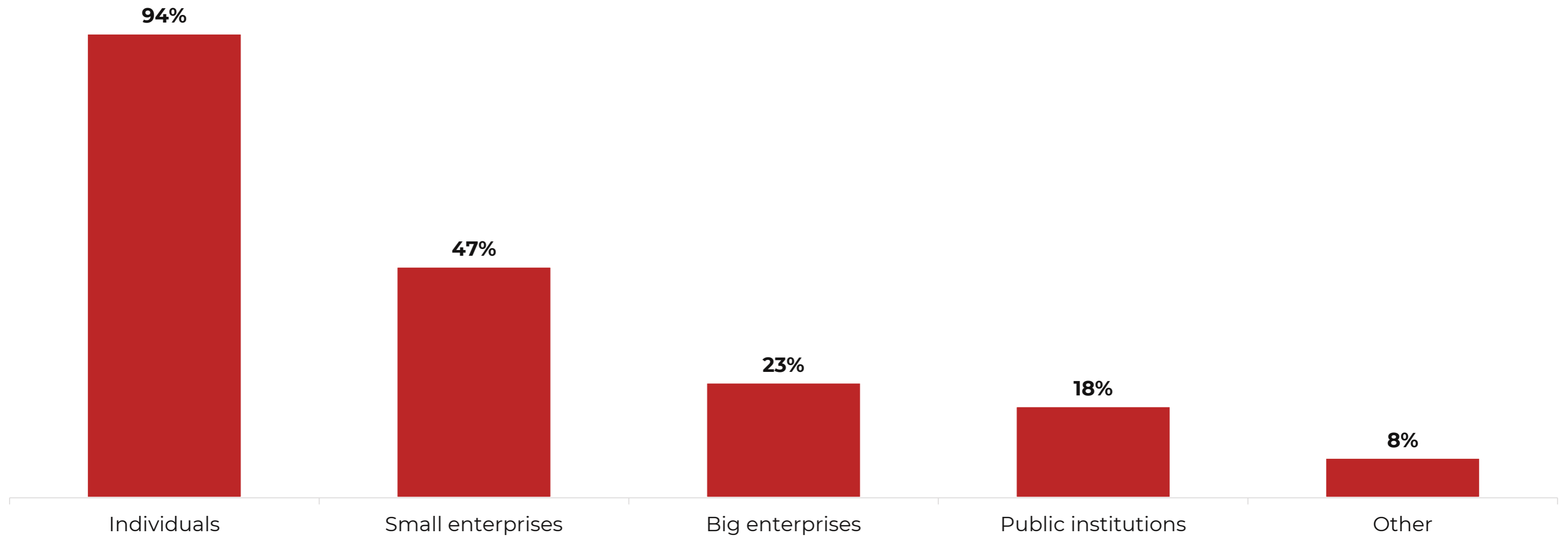
F2F CONTACT WITH CUSTOMERS
CUSTOMER LOCATIONS

- > TYPE OF CUSTOMERS
- PERIOD OF BUSINESS
- COMMUNICATION WITH CUSTOMERS
- LOYALTY PROGRAMS

Many are individuals

Main customers type (% all enterprises)

■ Individuals ■ Small enterprises ■ Big enterprises ■ Public institutions ■ Other



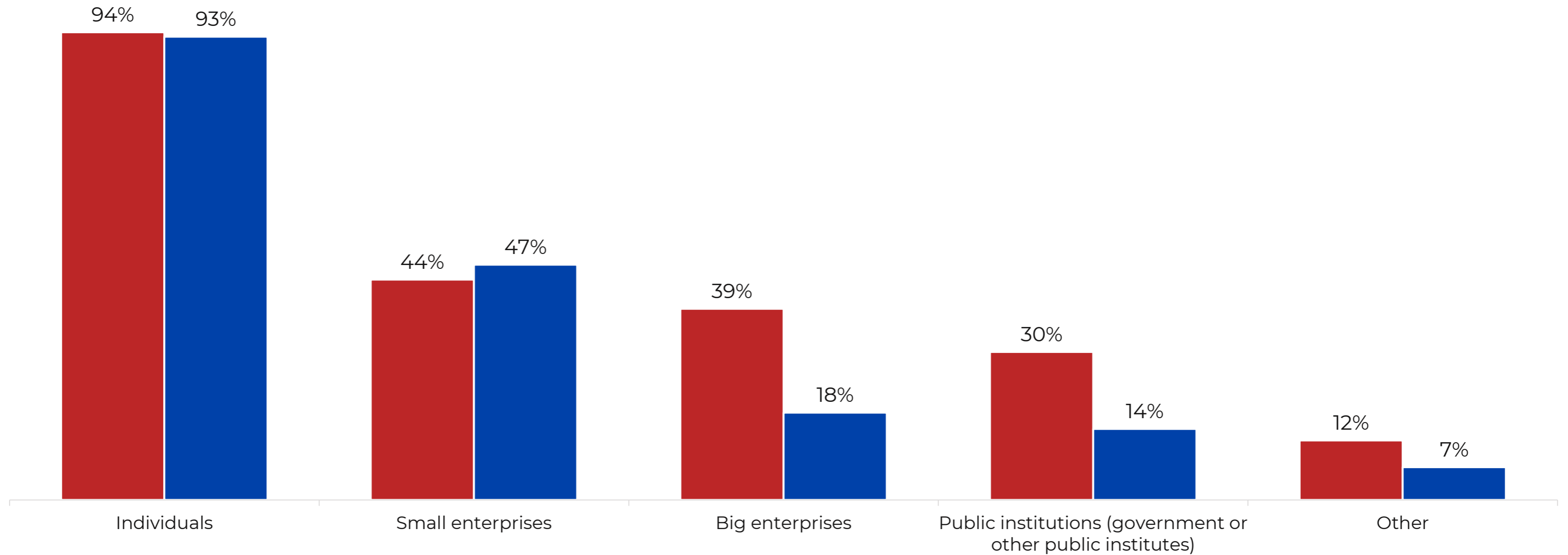
Q: Who are your main customers?

Base	Sri Lanka
All enterprises	403

High ICT users has acquired more big enterprises and more public institutions

Main customers type (% all enterprises)

■ High ICT users ■ Low ICT users



Q: Who are your main customers?

Base	High ICT users	Low ICT users
All enterprises	116	287

10

CUSTOMERS

F2F CONTACT WITH CUSTOMERS

CUSTOMER LOCATIONS

TYPE OF CUSTOMERS

> **PERIOD OF BUSINESS**

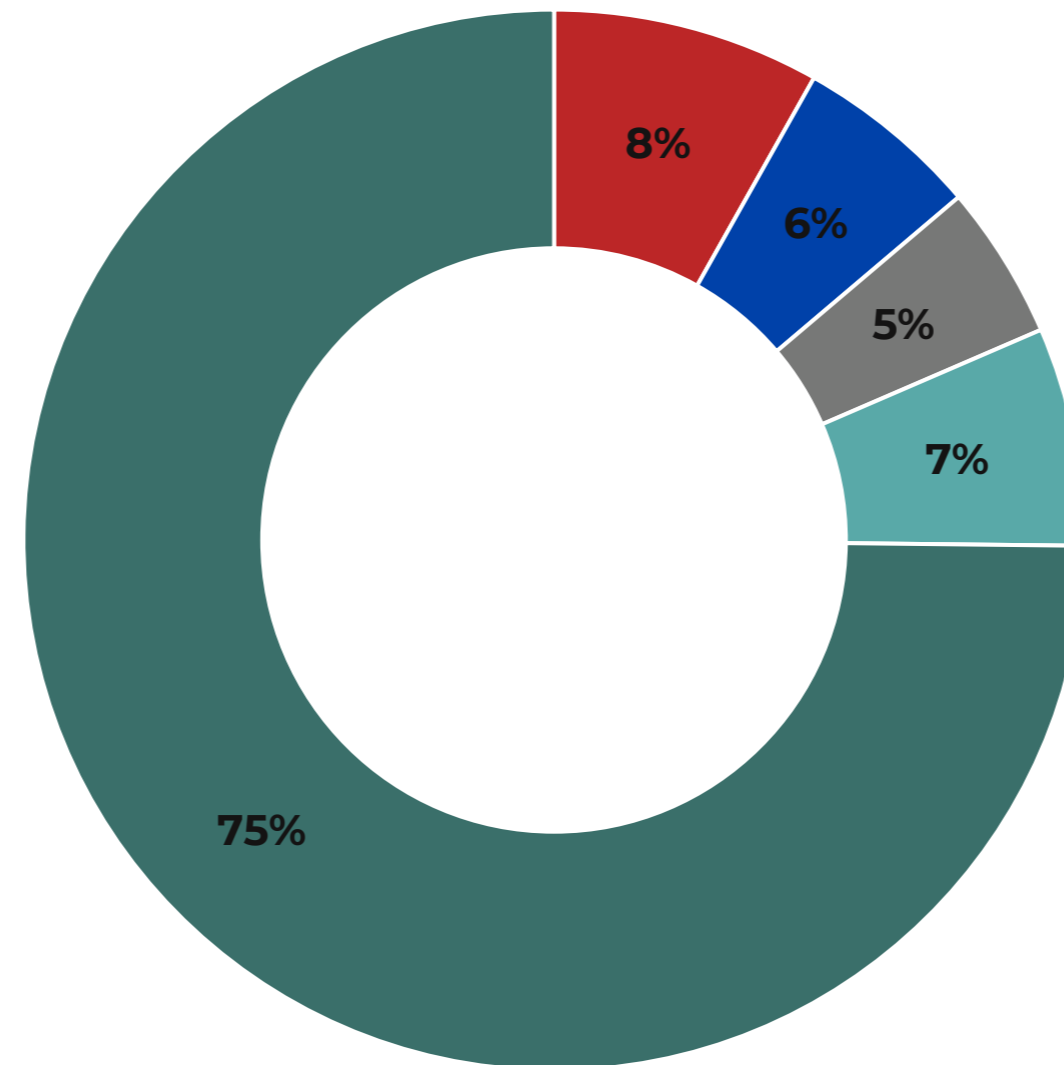
COMMUNICATION WITH CUSTOMERS

LOYALTY PROGRAMS

Many done business with their main customers for more than 3 years

Period of business with main customers (% all enterprises)

■ < 6 months ■ < 1 year ■ < 2 years ■ 2 - 3 years ■ > 3 years



Q: How long have you been doing business with your main customers?

Base	Sri Lanka
All enterprises	403

10

CUSTOMERS

F2F CONTACT WITH CUSTOMERS

CUSTOMER LOCATIONS

TYPE OF CUSTOMERS

PERIOD OF BUSINESS

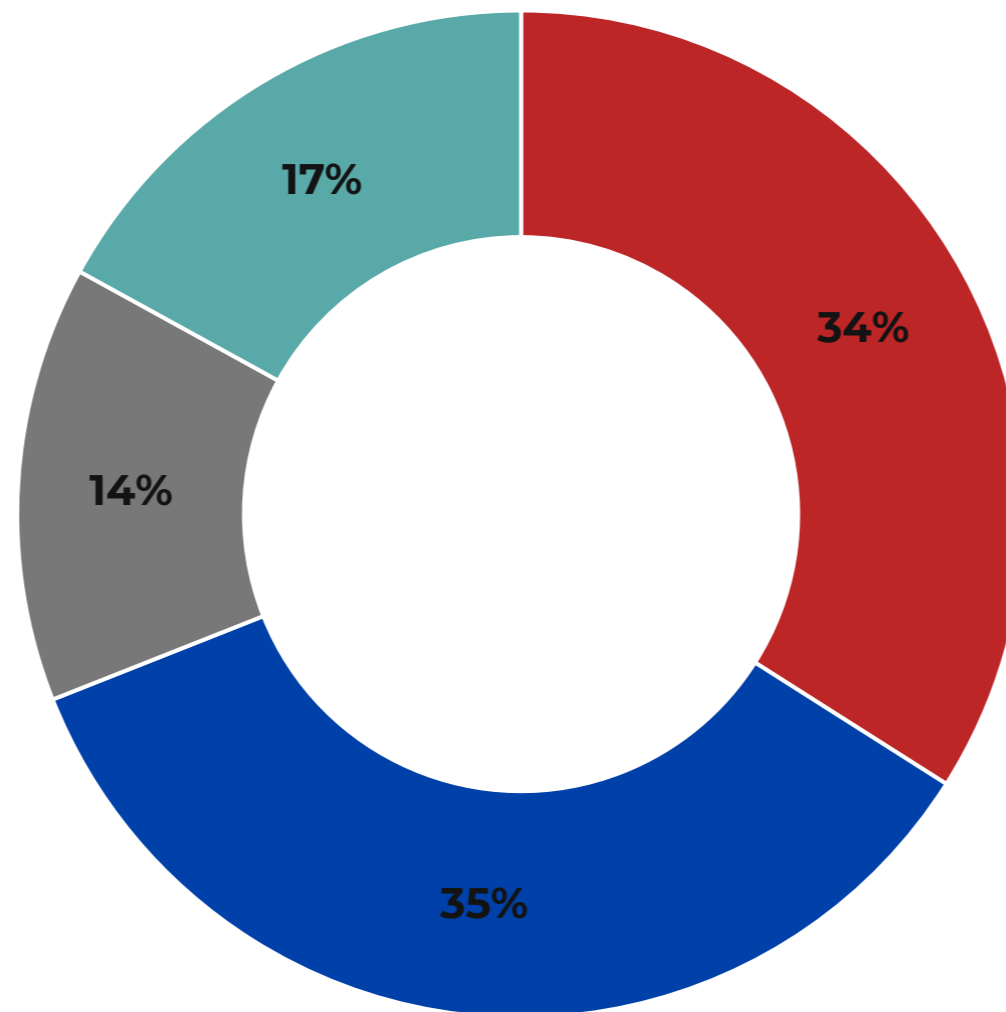
> COMMUNICATION WITH CUSTOMERS

LOYALTY PROGRAMS

Many communicate frequently

Frequency of communication with main customers (% all enterprises)

■ Daily ■ Weekly ■ Monthly ■ Occasionally



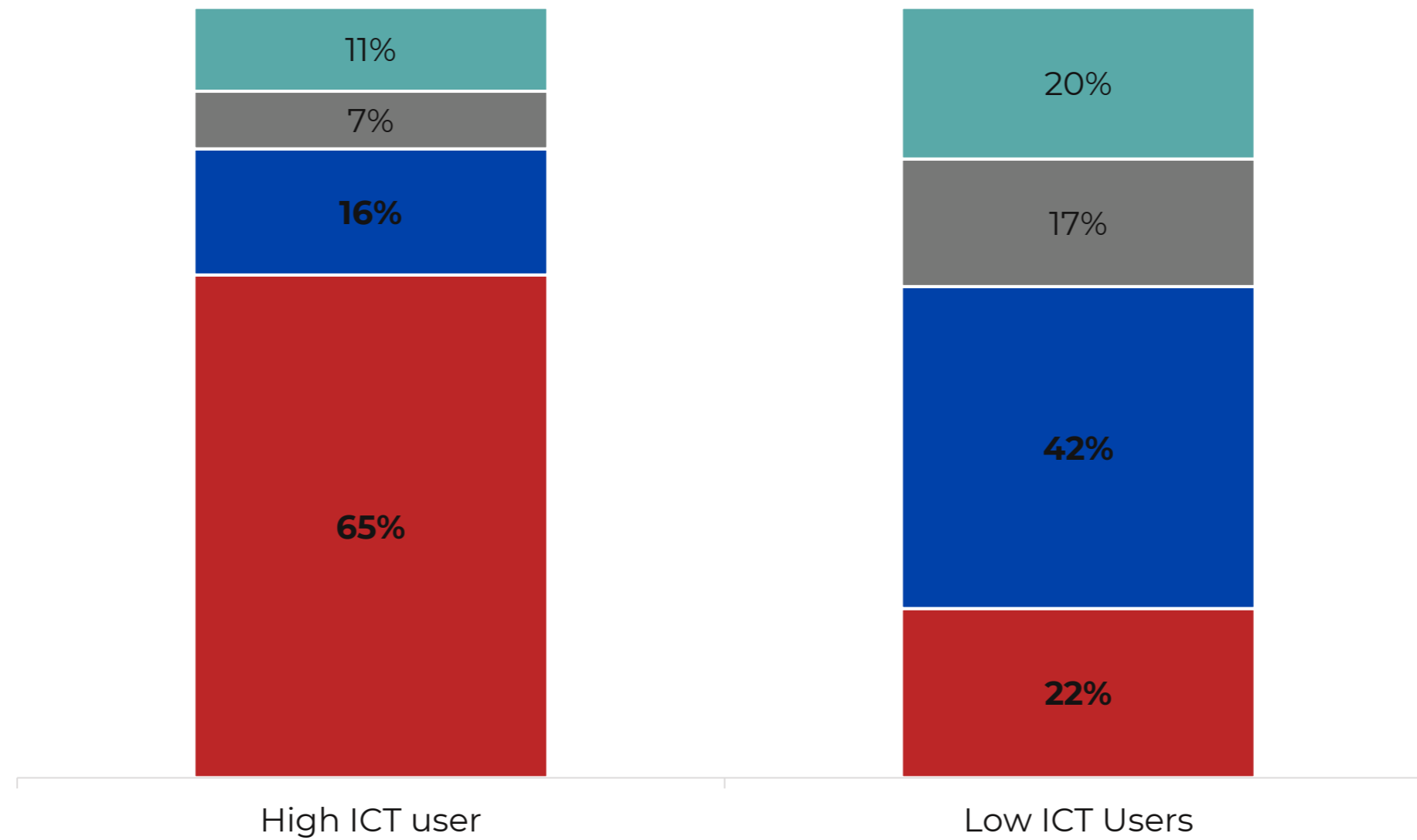
Q: How often do you communicate with your main customers?

Base	Sri Lanka
All enterprises	403

High ICT users communicate more frequently with their customers

Frequency of communication with main customers (% all enterprises)

■ Daily ■ Weekly ■ Monthly ■ Occasionally

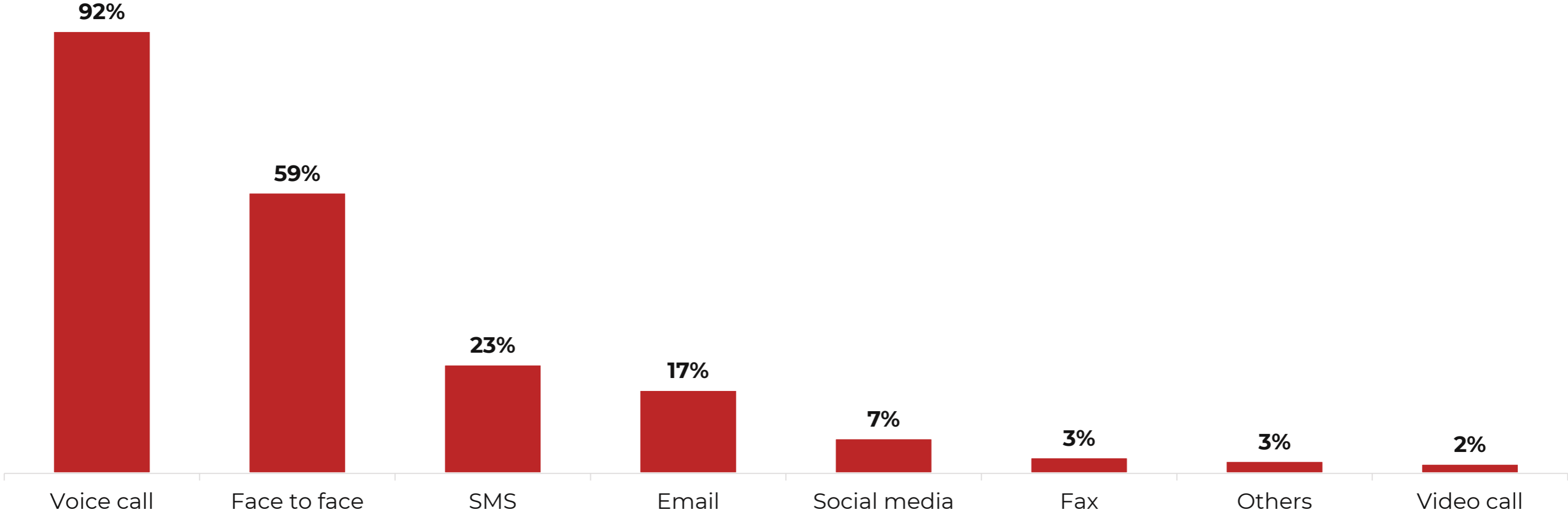


Q: How often do you communicate with your main customers?

Base	High ICT users	Low ICT users
All enterprises	116	287

Many use voice calls

Mode of communication with customers (% all enterprises)

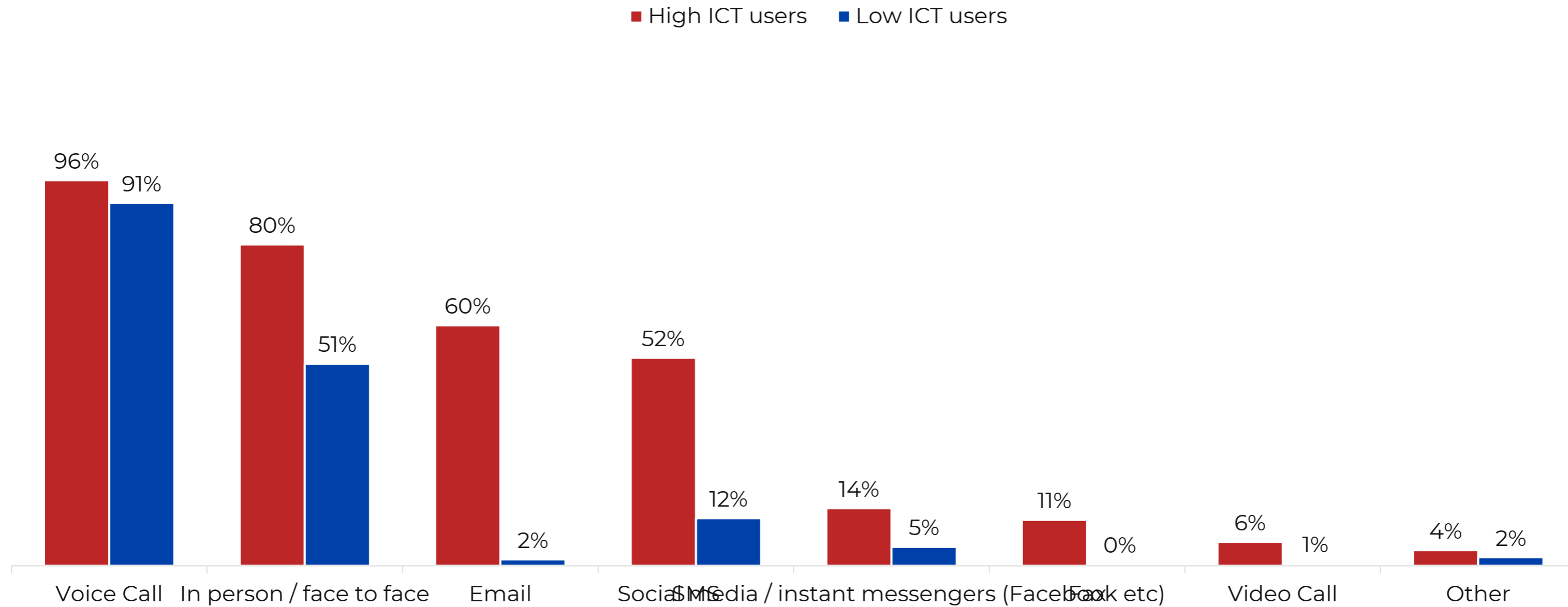


Q: How does the enterprise usually communicate with its customers?

Base	Sri Lanka
All enterprises	403

High ICT users use more tech savvy modes to communicate with their customers

Mode of communication with customers (% all enterprises)



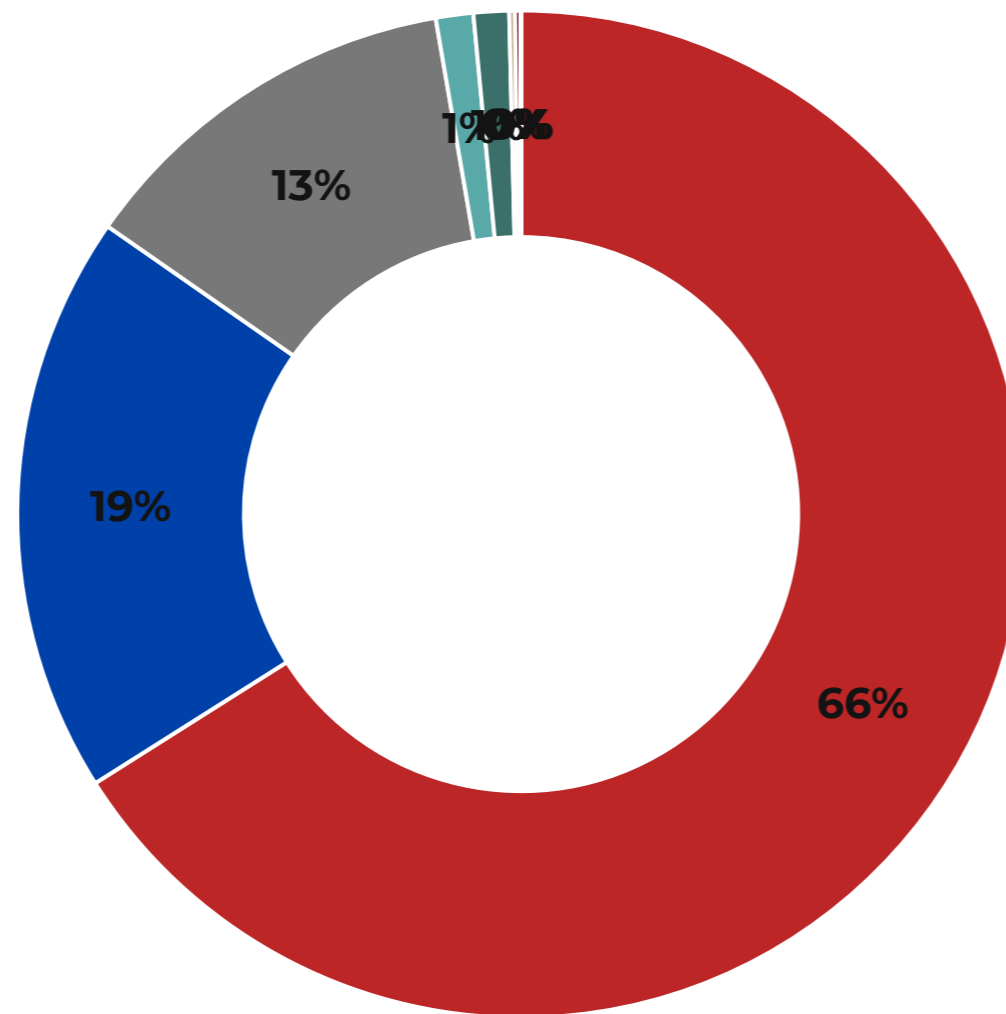
Q: How does the enterprise usually communicate with its customers?

Base	High ICT users	Low ICT users
All enterprises	116	287

Many prefer voice call

Preferred mode of communication with customers (% all enterprises)

■ Voice call ■ In person ■ Email ■ Video call ■ SMS ■ Others ■ Social media ■ Fax



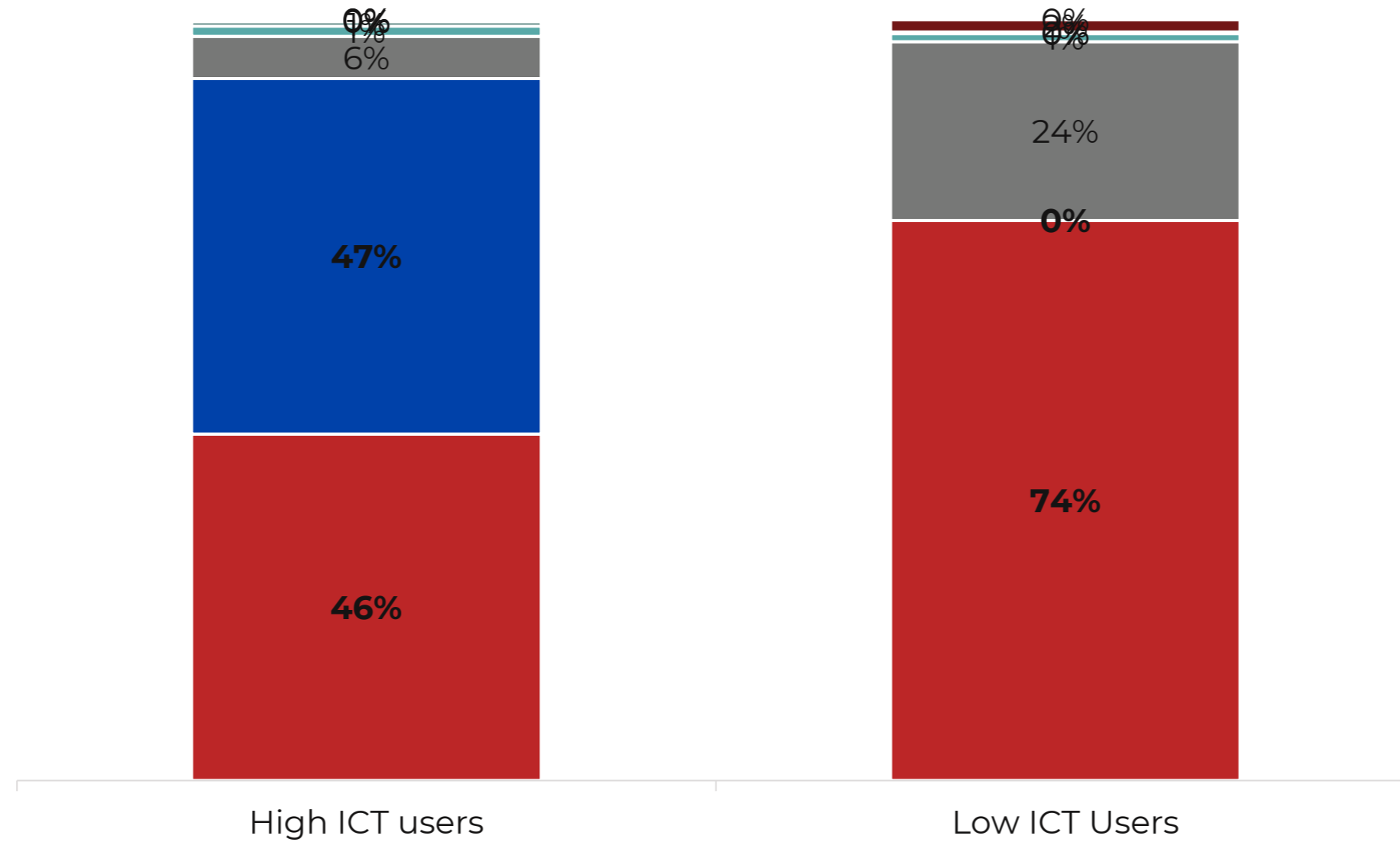
Q: What is the preferred mode of communication of the enterprise with customers?

Base	Sri Lanka
All enterprises	403

High ICT users prefer more tech savvy modes to communicate with their customers

Preferred mode of communication with customers (% all enterprises)

■ Voice call
 ■ Email
 ■ In person
 ■ SMS
 ■ Social media
 ■ Others
 ■ Video call
 ■ Fax

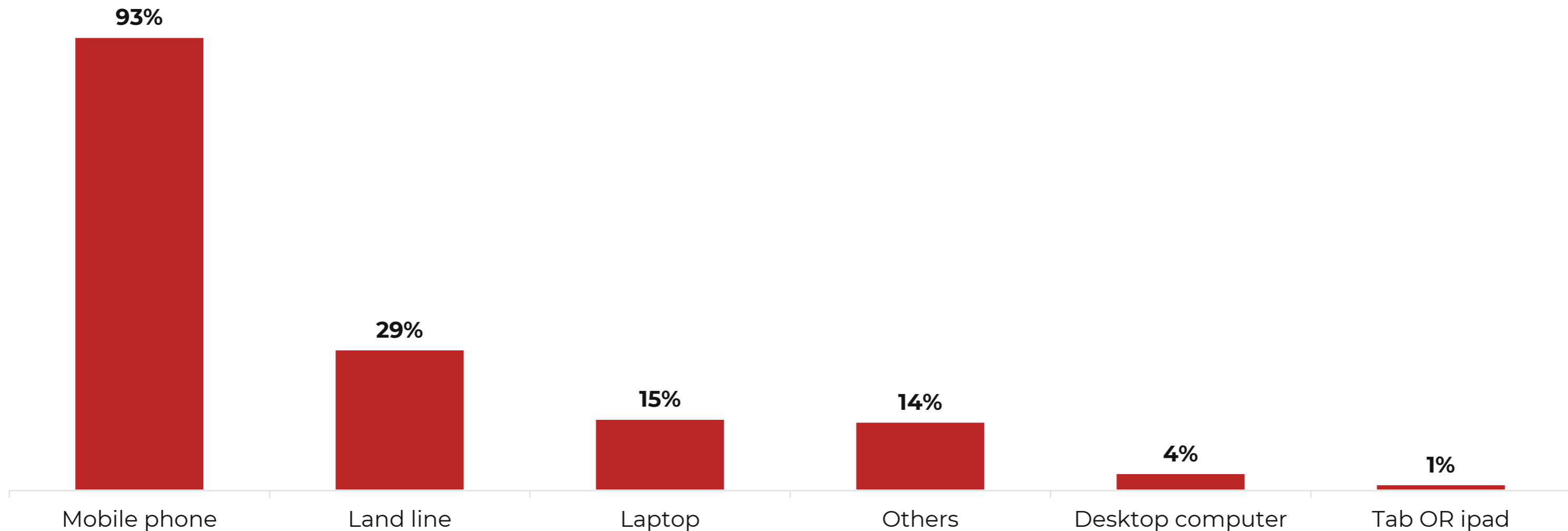


Q: What is the preferred mode of communication of the enterprise with customers?

Base	High ICT users	Low ICT users
All enterprises	116	287

Mobile phone is the most popular

Devices of communication with customers (% all enterprises)

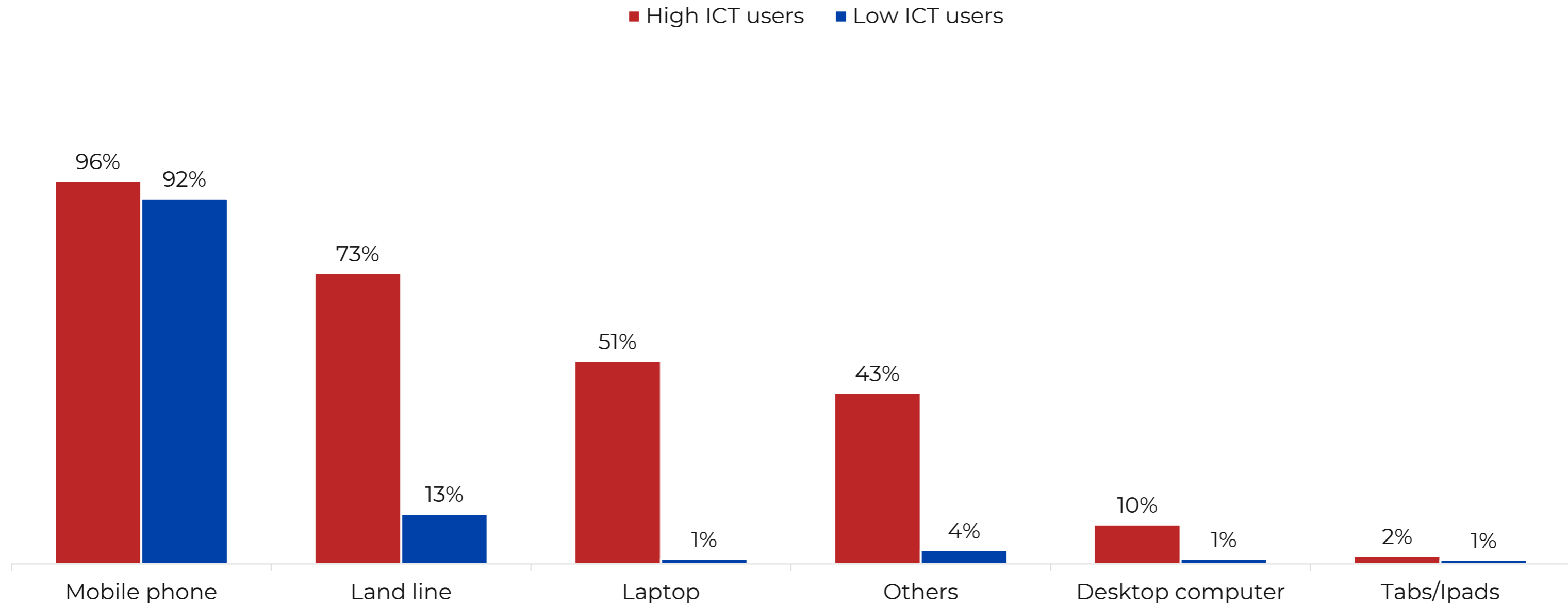


Q: Which devices are used by the enterprise to communicate with its customers?

Base	Sri Lanka
All enterprises	403

High other devices (than mobile phone) among high ICT users

Devices of communication with customers (% all enterprises)



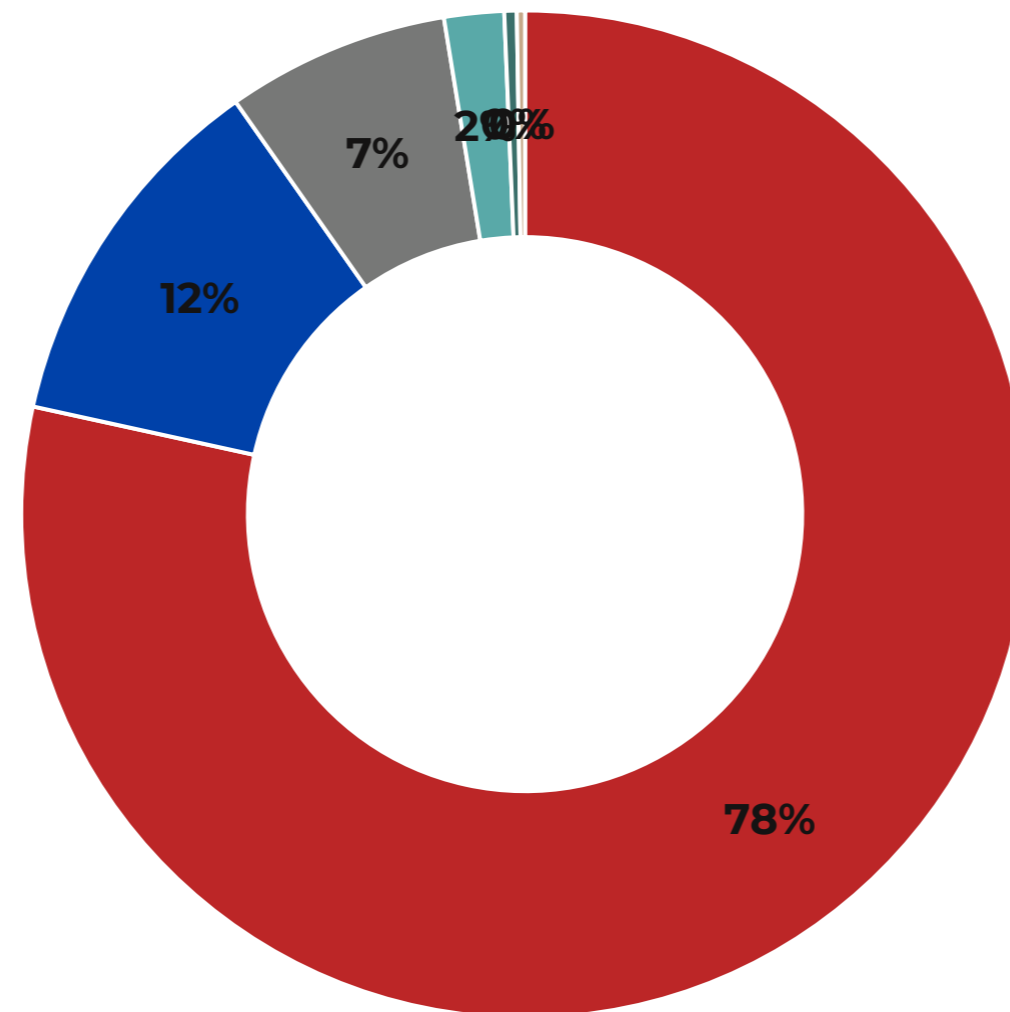
Q: Which devices are used by the enterprise to communicate with its customers?

Base	High ICT users	Low ICT users
All enterprises	116	287

Mobile phone is the preferred device

Preferred device of communication with customers (% all enterprises)

■ mobile phone ■ laptop ■ land line ■ others ■ desktop computer ■ tablet pcs



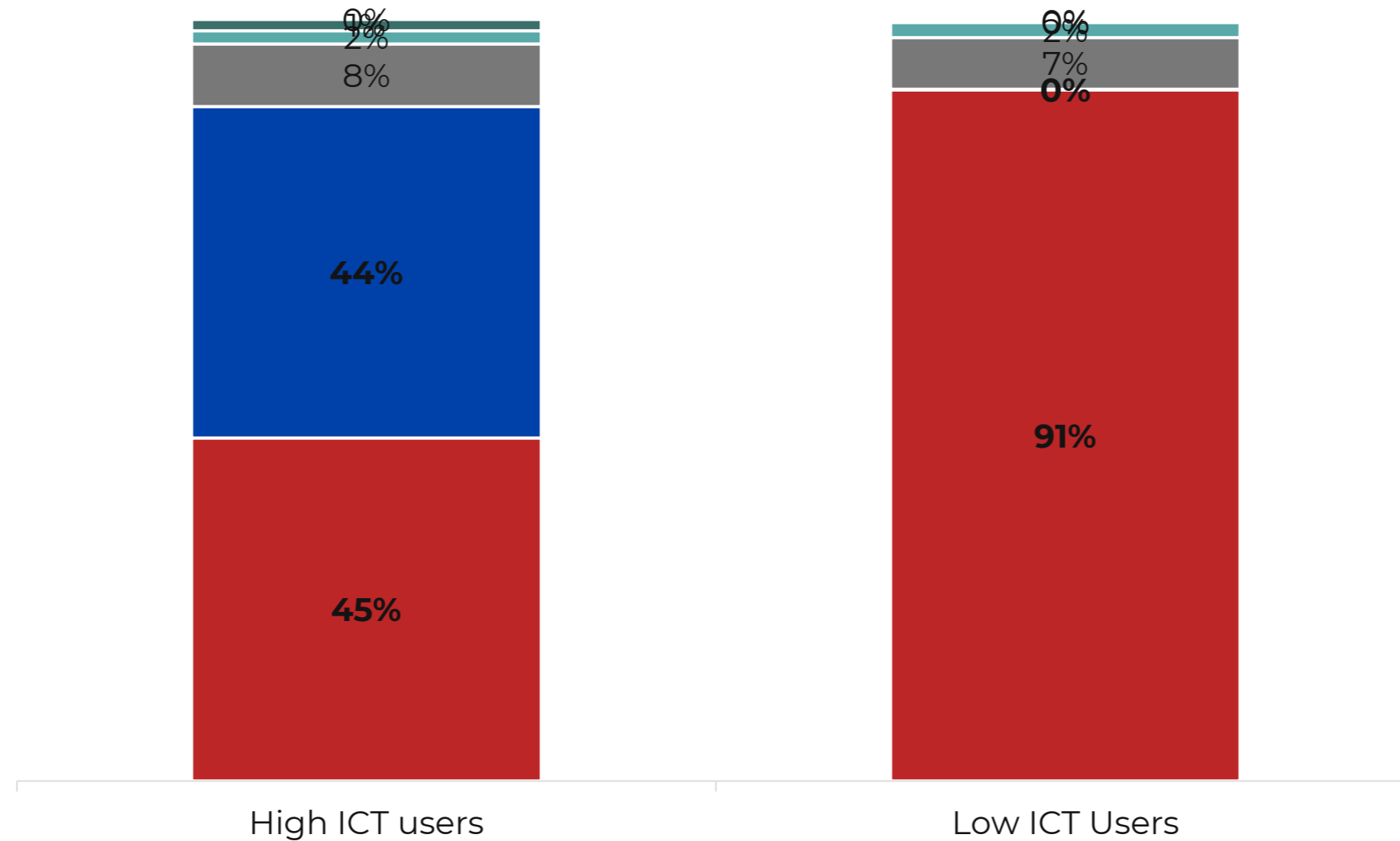
Q: What is the preferred device of communication of the enterprise with customer?

Base	Sri Lanka
All enterprises	403

High other preferred devices (than mobile phone) among high ICT users

Preferred device of communication with customers (% all enterprises)

■ Mobile phone ■ Laptop ■ Land line ■ Others ■ Desktop computer ■ Tablet PCs



Q: What is the preferred device of communication of the enterprise with customer?

Base	High ICT users	Low ICT users
All enterprises	116	287

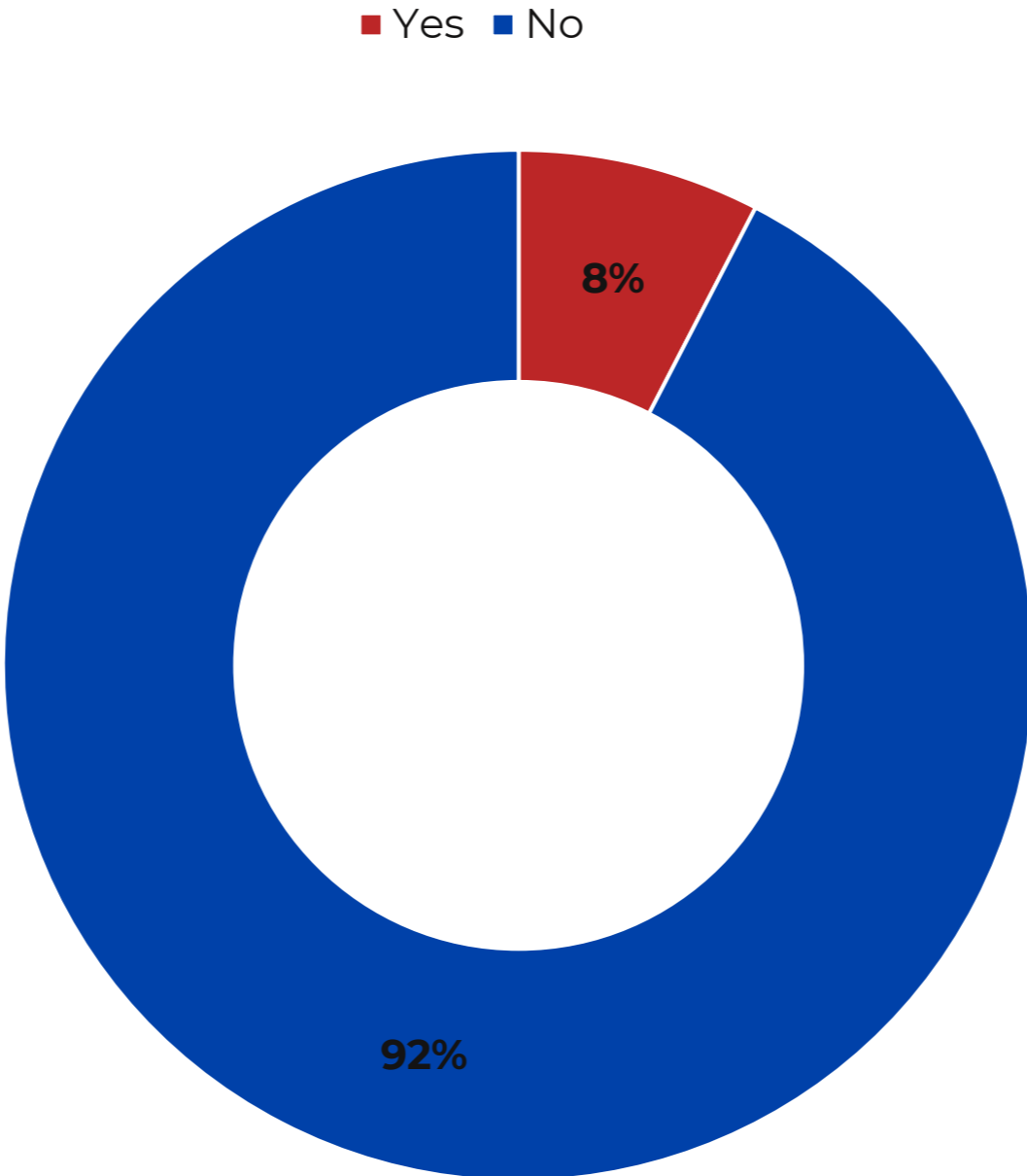
10

CUSTOMERS

F2F CONTACT WITH CUSTOMERS
CUSTOMER LOCATIONS
TYPE OF CUSTOMERS
PERIOD OF BUSINESS
COMMUNICATION WITH CUSTOMERS
> LOYALTY PROGRAMS

Only 8% provide loyalty programs for the customers

Availability of loyalty programs for the customers (% all enterprises)



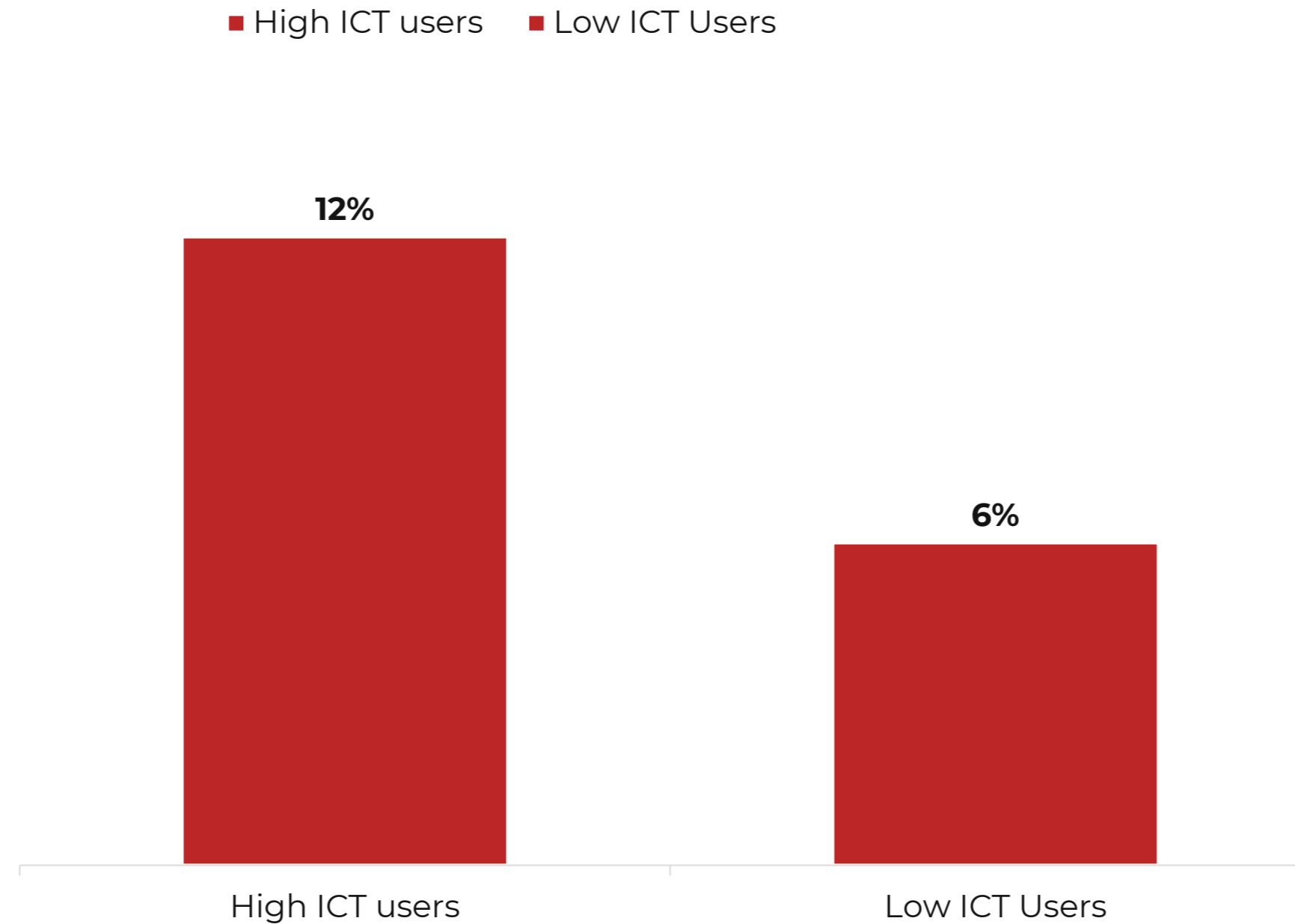
Q: Does your enterprise offer loyalty programs for the customers?



Base	Sri Lanka
All enterprises	403

More availability of loyalty programs among high ICT users

Availability of loyalty programs for the customers (% all enterprises)



Q: Does your enterprise offer loyalty programs for the customers?

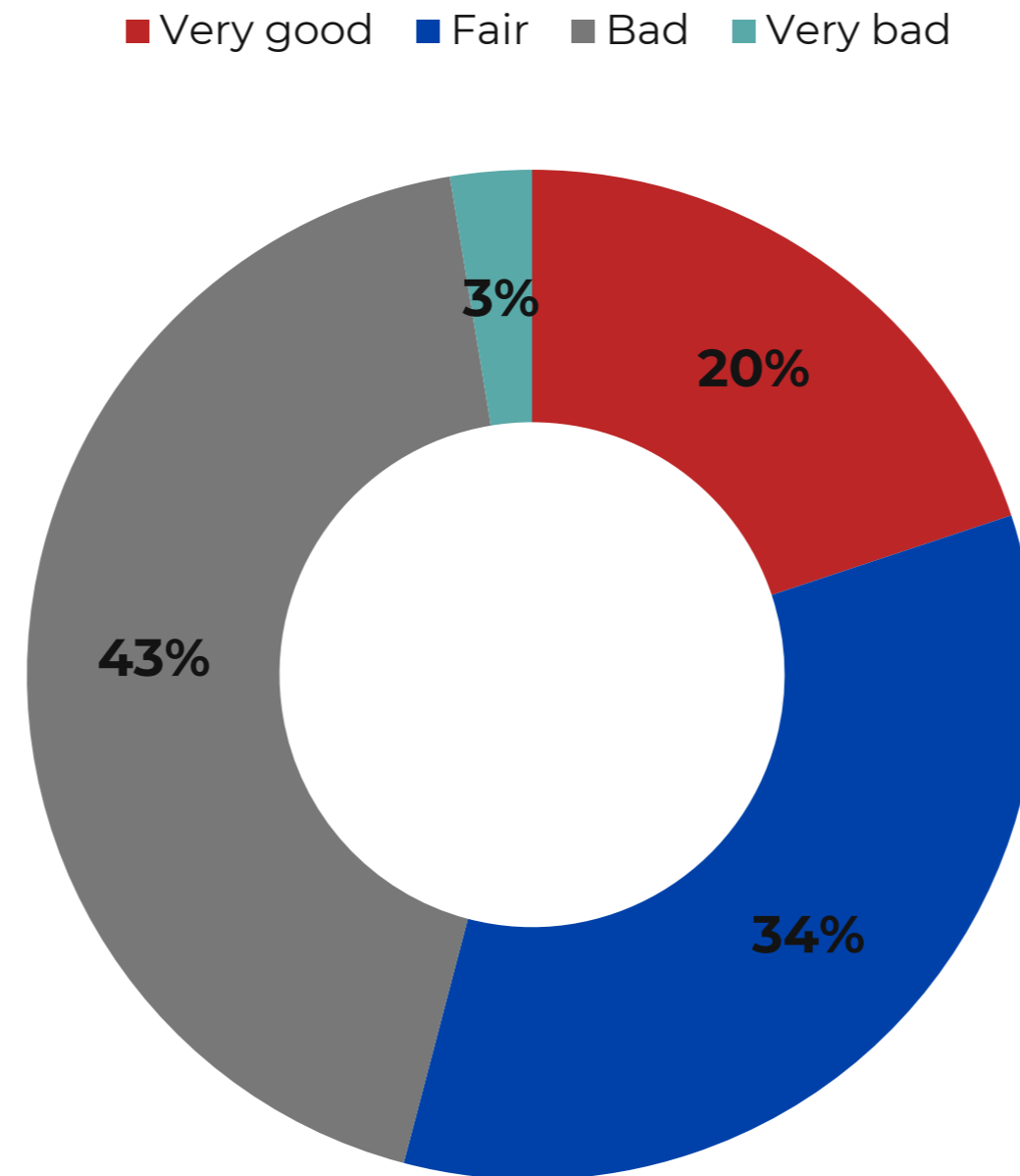
Base	High ICT users	Low ICT users
All enterprises	116	287

11

BUSINESS CLIMATE

More than 40% of the enterprises thinks their current performance is not good

Current performance of the business (% of all enterprises)

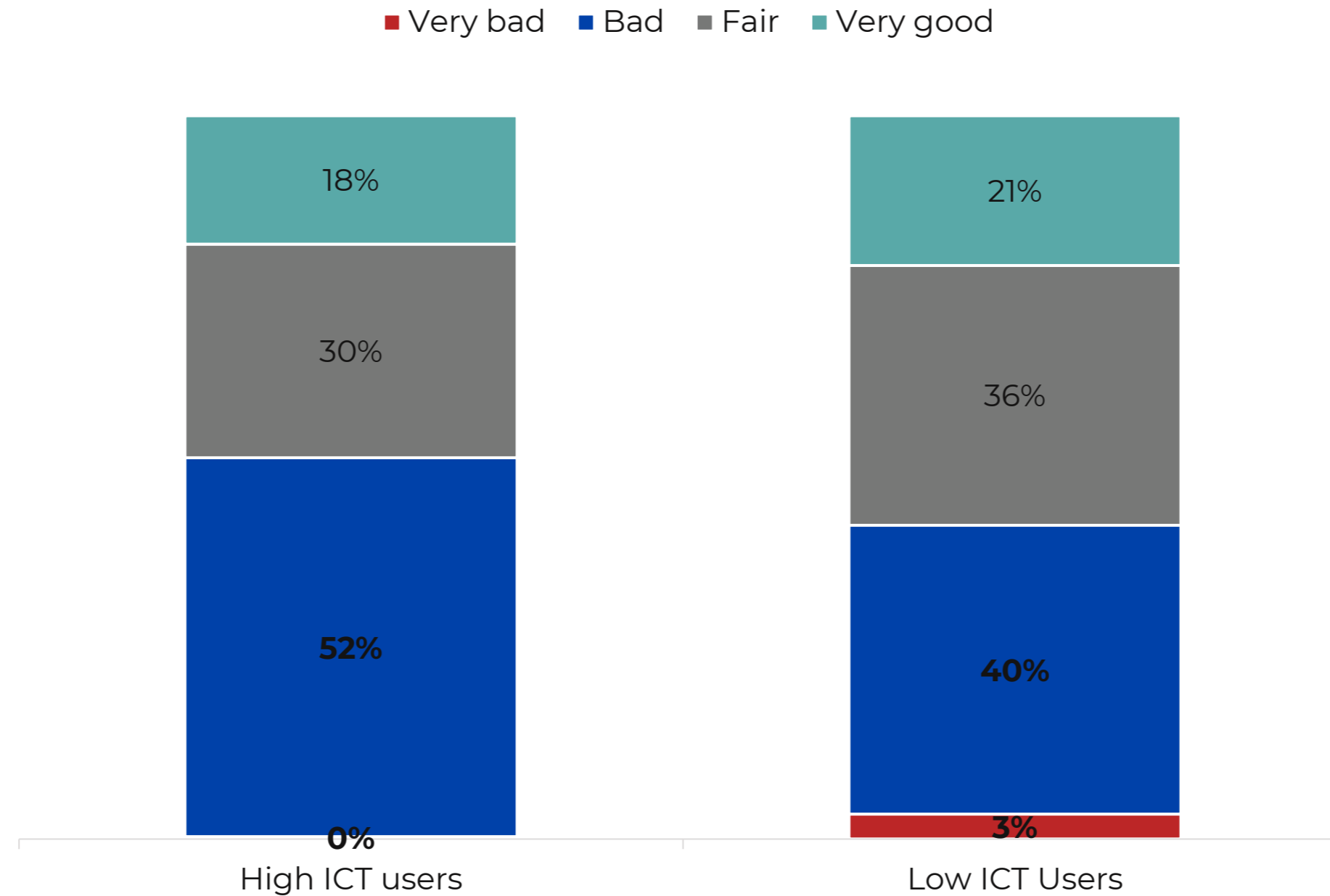


Q: How do you rate the current performance of your enterprise compared to last year?

Base	Sri Lanka
All enterprises	403

High ICT users have more negative feelings about the current performance

Current performance of the business (% of all enterprises)

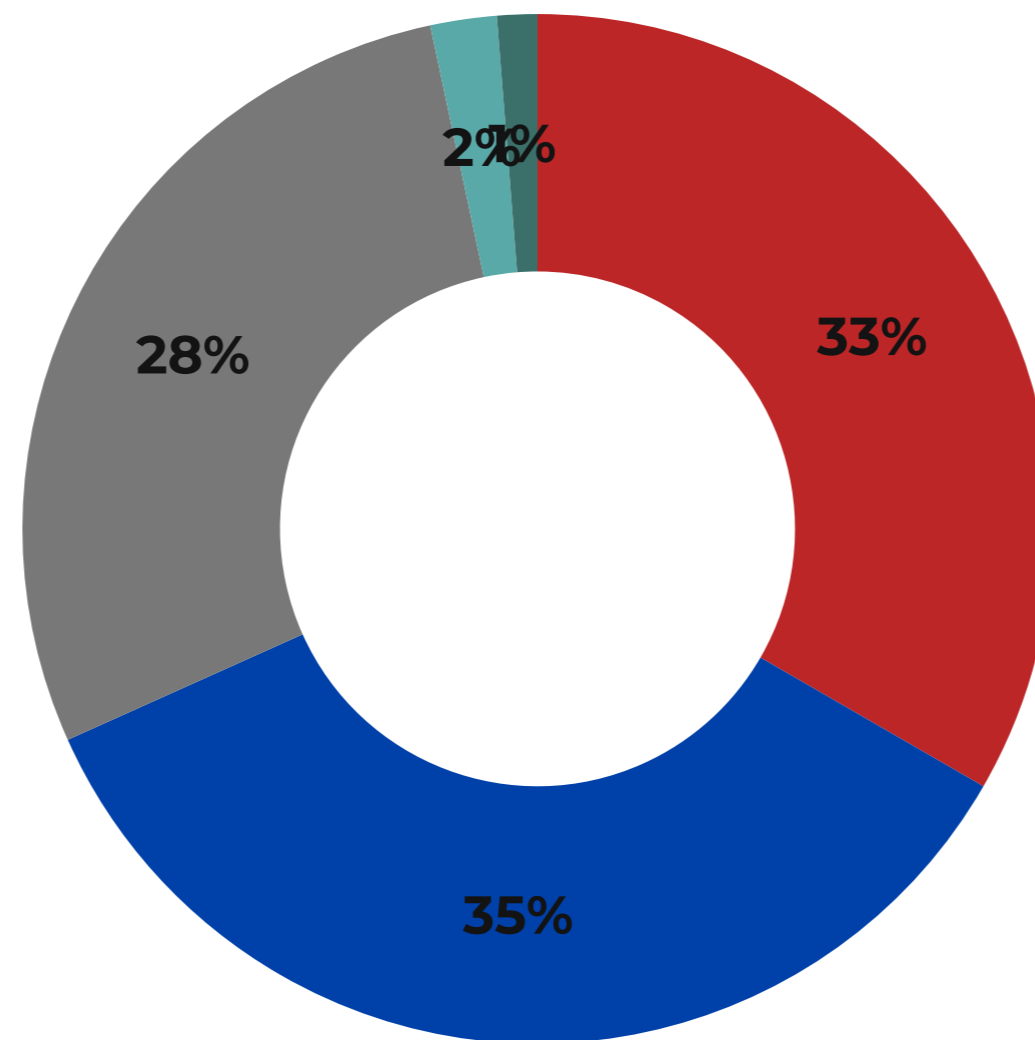


Q: How do you rate the current performance of your enterprise compared to last year?

Many expect next year will be good for business

Performance expectations for the next year (% of all enterprises)

Very good Good Fair Bad Very bad

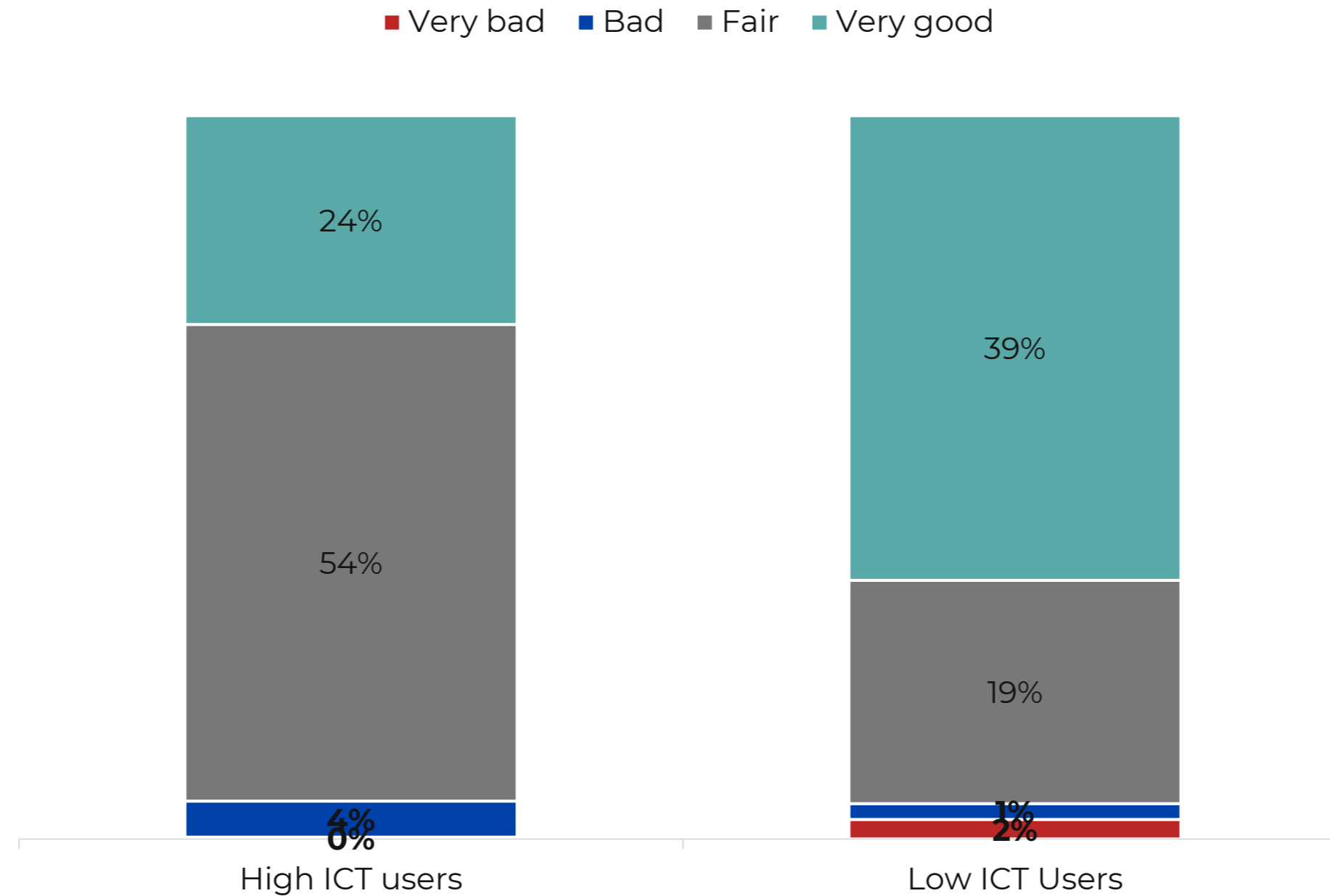


Q: How do you expect your enterprise to perform in 2019?

Base	Sri Lanka
All enterprises	403

High ICT users have more negative feelings about the next year performance as well

Performance expectations for the next year (% of all enterprises)



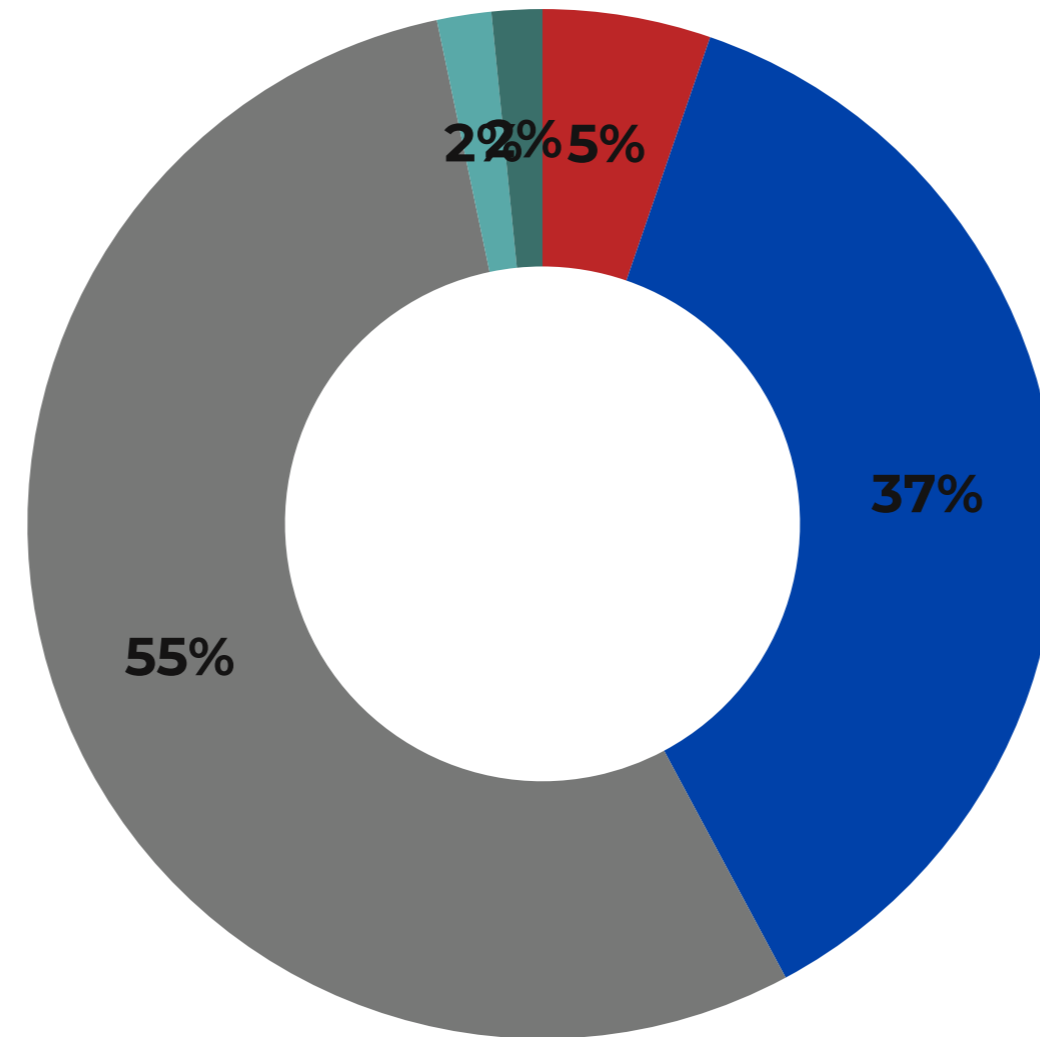
Q: How do you expect your enterprise to perform in 2019?

Base	High ICT users	Low ICT users
All enterprises	116	287

More than 40% of the enterprises plan to employ more in 2019

Plans for new recruitment in next year(% of all enterprises)

■ Much more ■ More ■ Same ■ Less ■ Much less

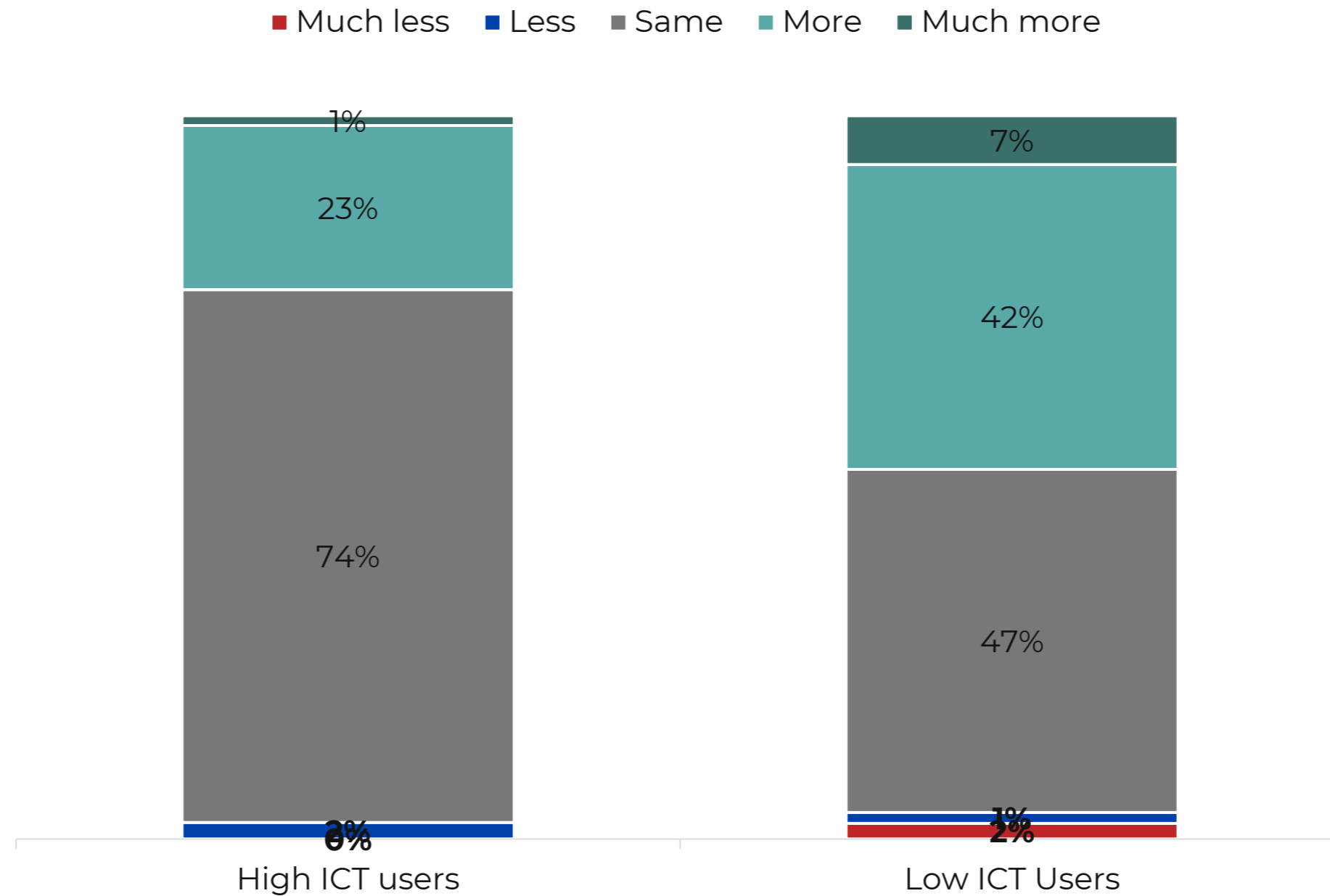


Q: Do you plan to employ more or less in 2019?

Base	Sri Lanka
All enterprises	403

Low ICT users plan to recruit more

Plans for new recruitment in next year(% of all enterprises)



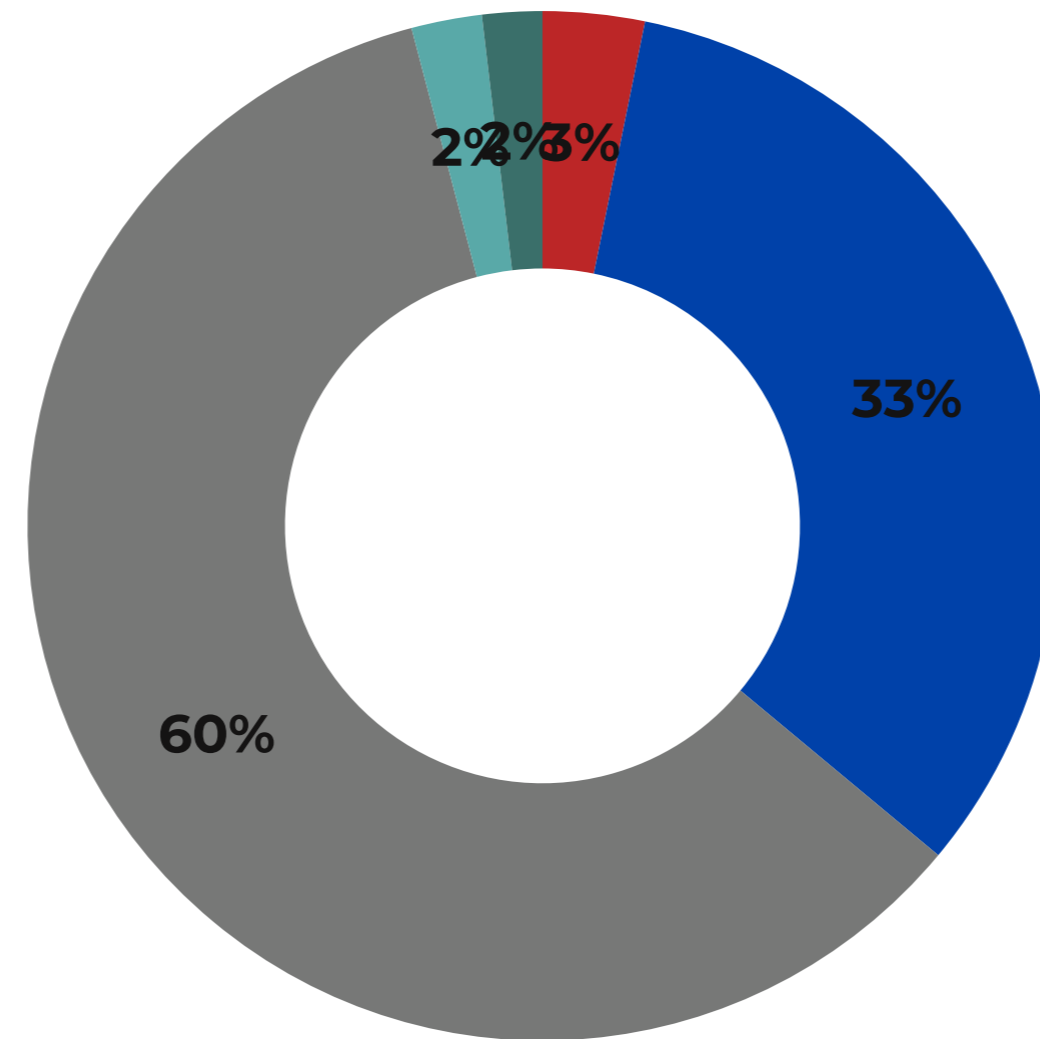
Q: Do you plan to employ more or less in 2019?

Base	High ICT users	Low ICT users
All enterprises	116	287

More than 36% of the enterprises plan to employ more in 2019

Plans for investment in next year(% of all enterprises)

■ Much more ■ More ■ Same ■ Less ■ Much less

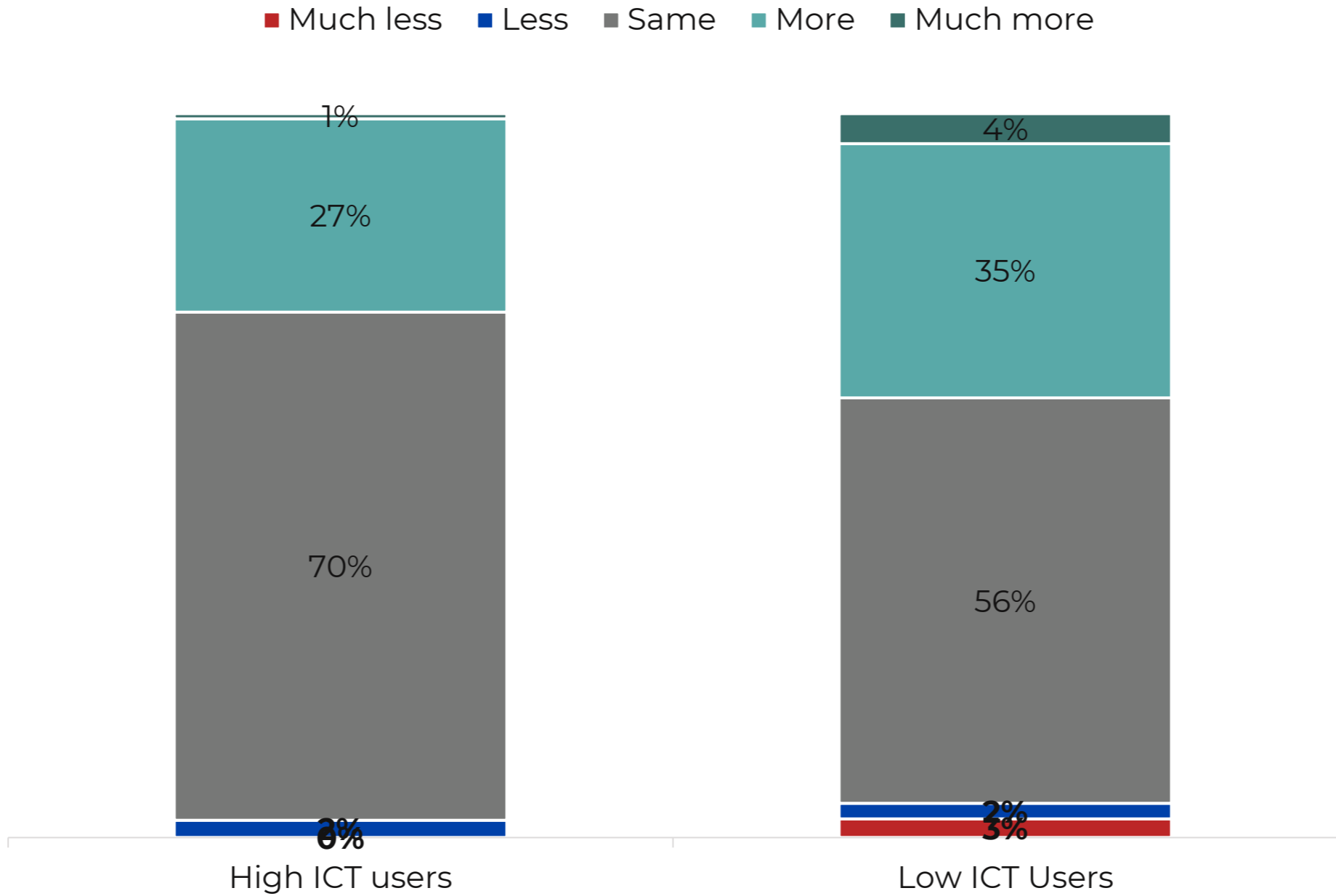


Q: Do you plan to invest more or less in 2019?

Base	Sri Lanka
All enterprises	403

Low ICT users have plans to invest more

Plans for investment in next year(% of all enterprises)



Q: Do you plan to invest more or less in 2019?



Base	High ICT users	Low ICT users
All enterprises	116	287

12

BUSINESS TRAININGS AND ADVICES

BUSINESS TRAININGS
ADVICES AND TIPS

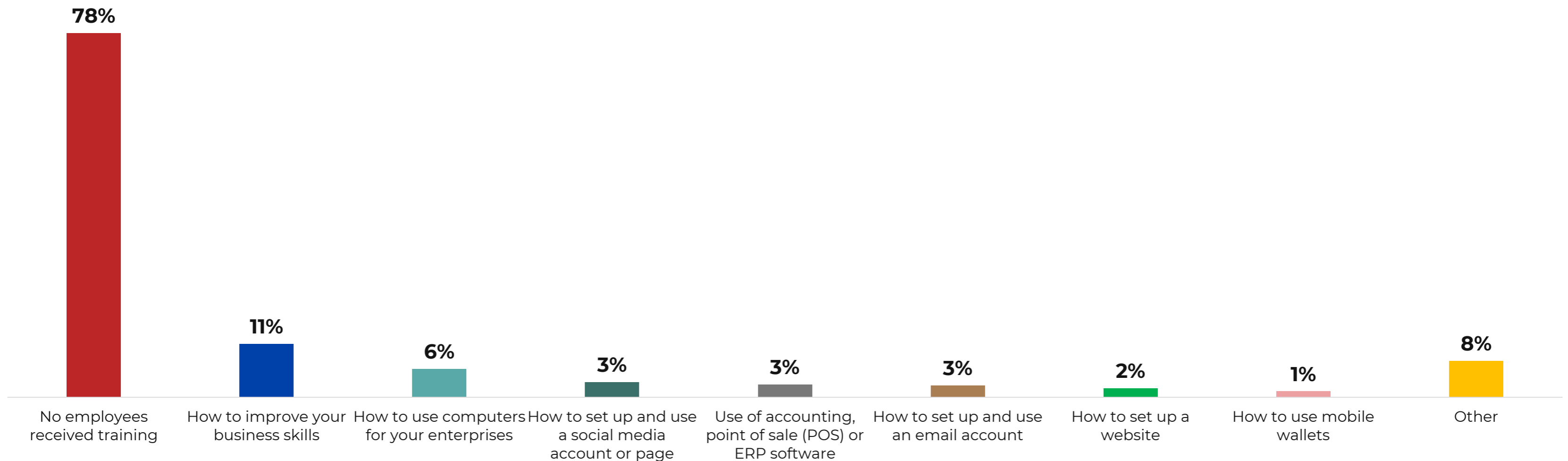
12

BUSINESS TRAININGS AND ADVICES

> BUSINESS TRAININGS
ADVICES AND TIPS

Many didn't received any training

Type of trainings received by the employees (% of all enterprises)



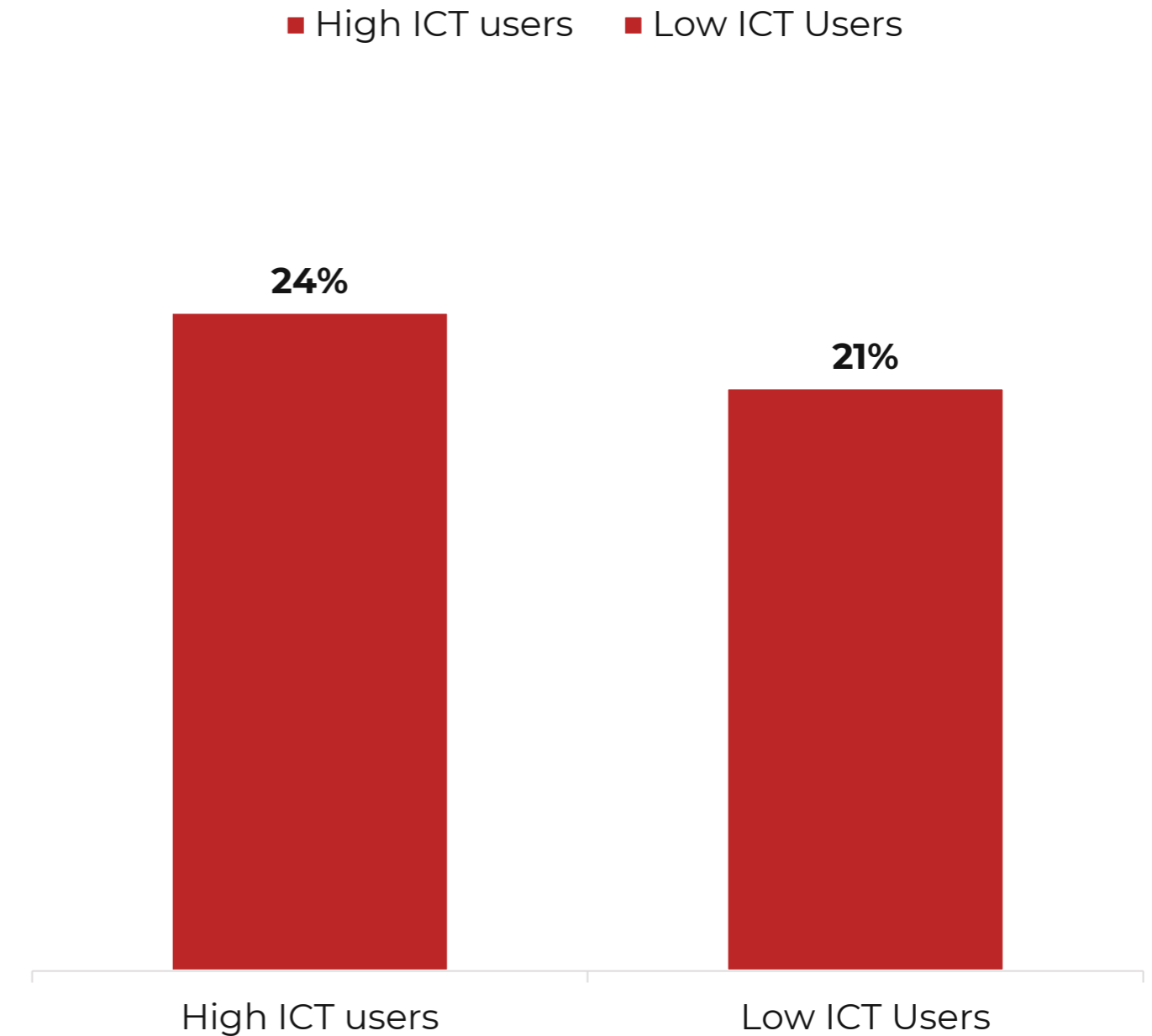
Q: Have you or any of your current employees sponsored trainings during last 5 years on Information and Communication Technology (ICT) skills to enable the employees to do their jobs better?

Employees of high ICT using enterprises received slightly more trainings

Type of trainings received by the employees (% of all enterprises)

22%

Of the enterprises have provided trainings for their employees

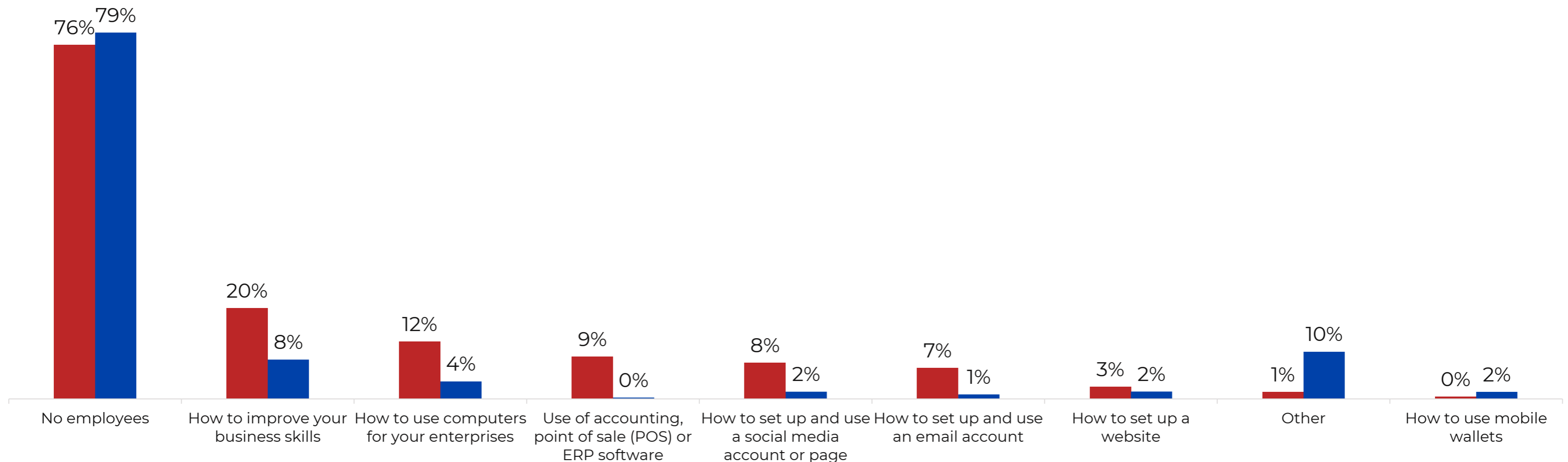


Q: Have you or any of your current employees sponsored trainings during last 5 years on Information and Communication Technology (ICT) skills to enable the employees to do their jobs better?

Employees of high ICT using enterprises received more trainings

Type of trainings received by the employees (% of all enterprises)

■ High ICT users ■ Low ICT users



Q: Have you or any of your current employees sponsored trainings during last 5 years on Information and Communication Technology (ICT) skills to enable the employees to do their jobs better?

Base	High ICT users	Low ICT users
All enterprises	116	287

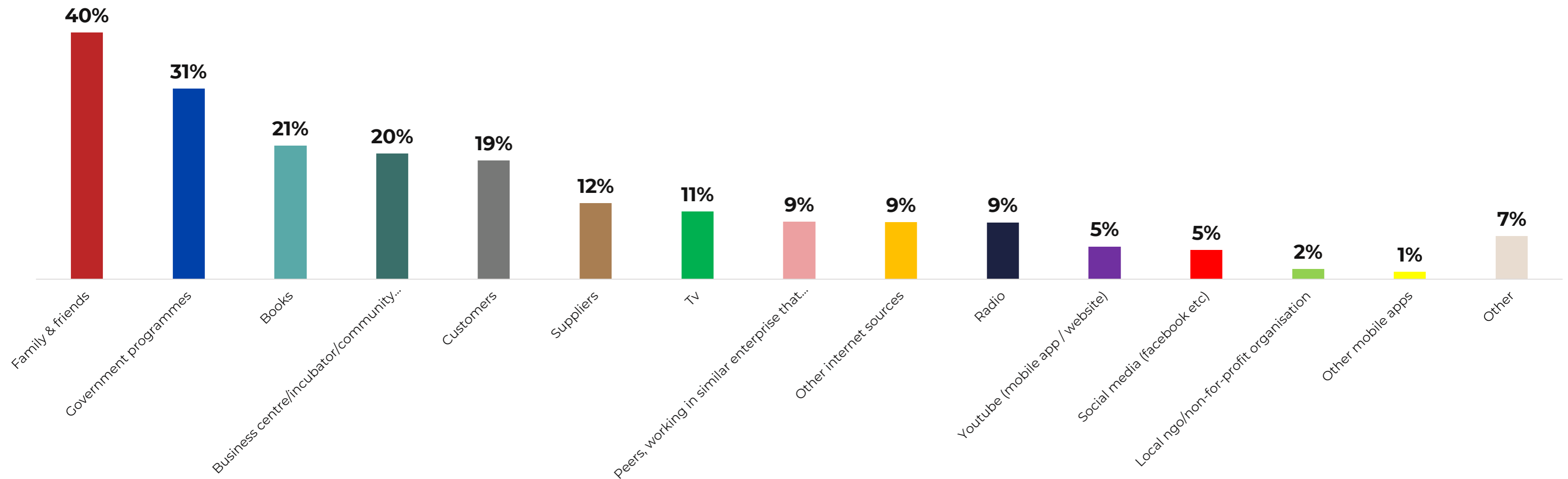
12

BUSINESS TRAININGS AND ADVICES

BUSINESS TRAININGS
> ADVICES AND TIPS

Many rely on family and friends; one third on government programs; Low number of enterprises use online sources

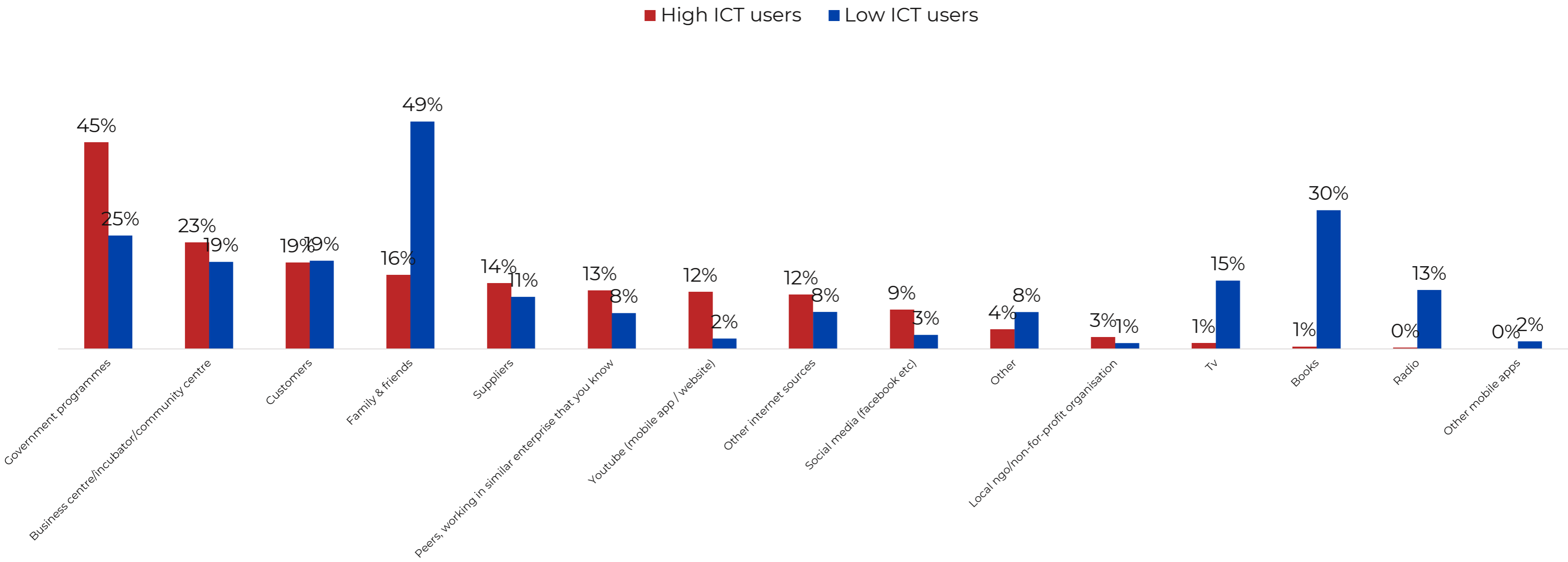
Source of advice/tip(% of all enterprises)



Q: Who do you rely on for tips and advices on how to run and improve your enterprise?

High ICT users rely more on other sources (than family and friends) to get advices

Source of advice/tip(% of all enterprises)



Q: Who do you rely on for tips and advices on how to run and improve your enterprise?



Base	High ICT users	Low ICT users
All enterprises	116	287

13

BANKING

TYPE OF ACCOUNTS

BANK LOANS

INSURANCE

ONLINE & MOBILE BANKING

PAYMENTS

REASON FOR NON USE

13

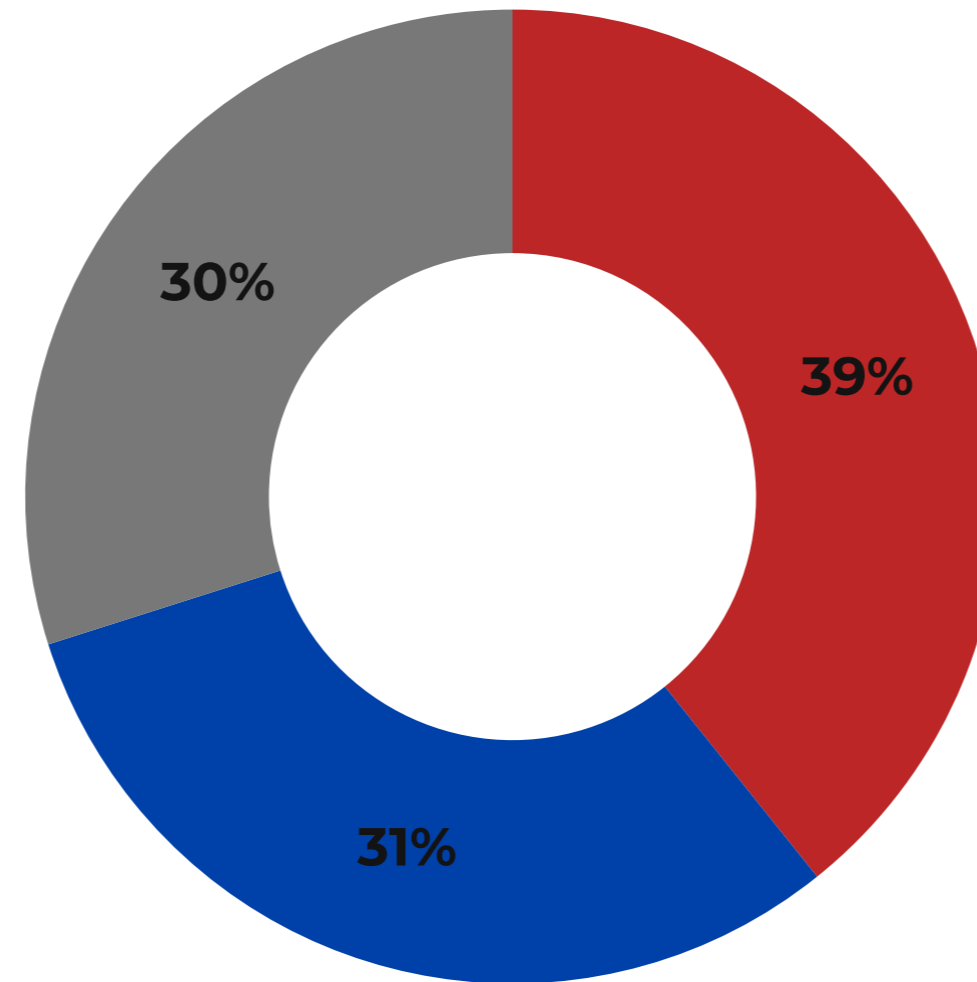
BANKING

- > TYPE OF ACCOUNTS**
- BANK LOANS**
- INSURANCE**
- ONLINE & MOBILE BANKING**
- PAYMENTS**
- REASON FOR NON USE**

Less than 40% of the enterprise have a dedicated bank account

Bank account use (% of all enterprises)

- Yes, dedicated business account
- Yes, use private account for business purposes
- No bank account



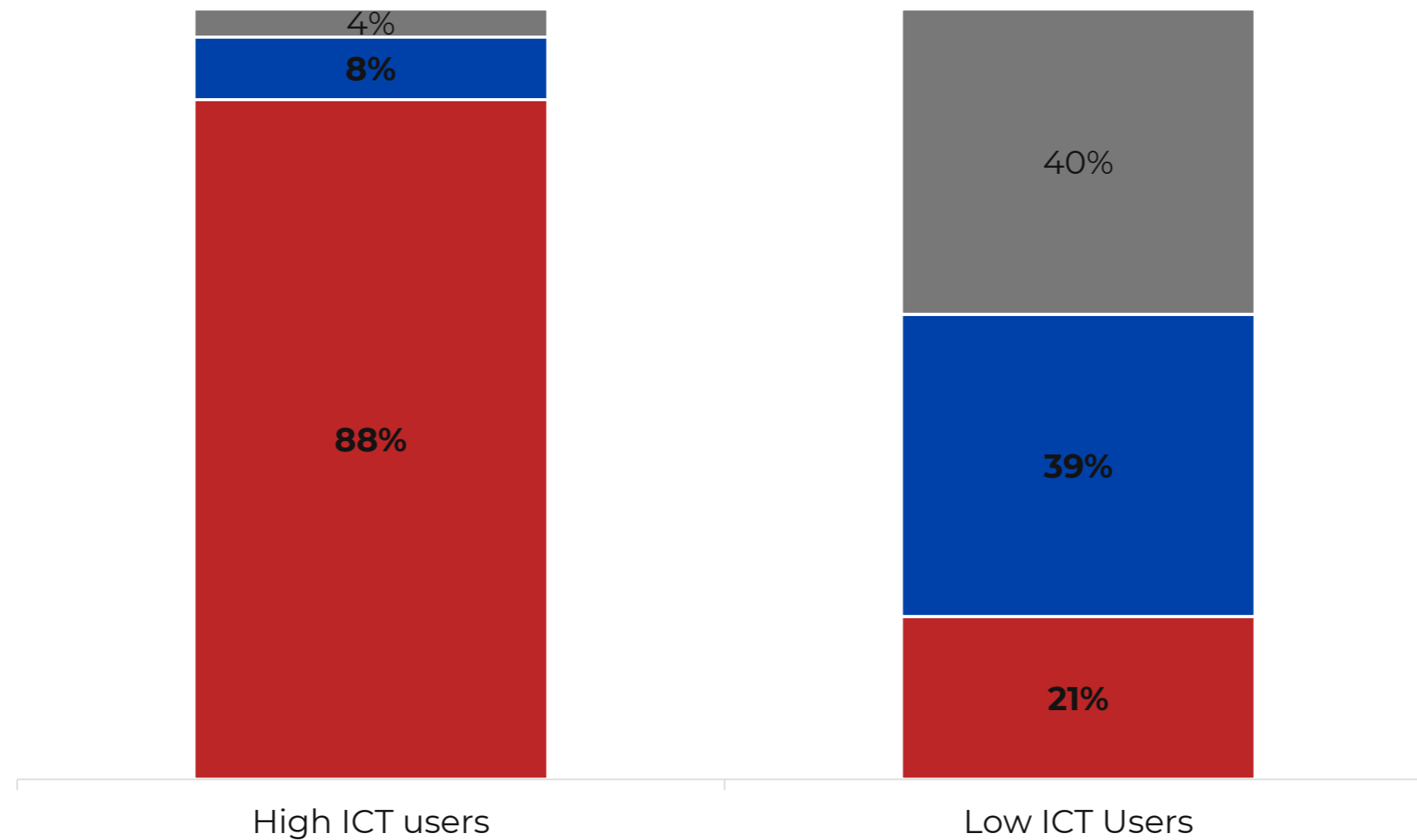
Q: Does your enterprise have a bank account savings, currents etc?

Base	Sri Lanka
All enterprises	403

High ICT users are more banked

Bank account use (% of all enterprises)

■ Yes, dedicated business account ■ Yes, use private account for business purposes ■ No



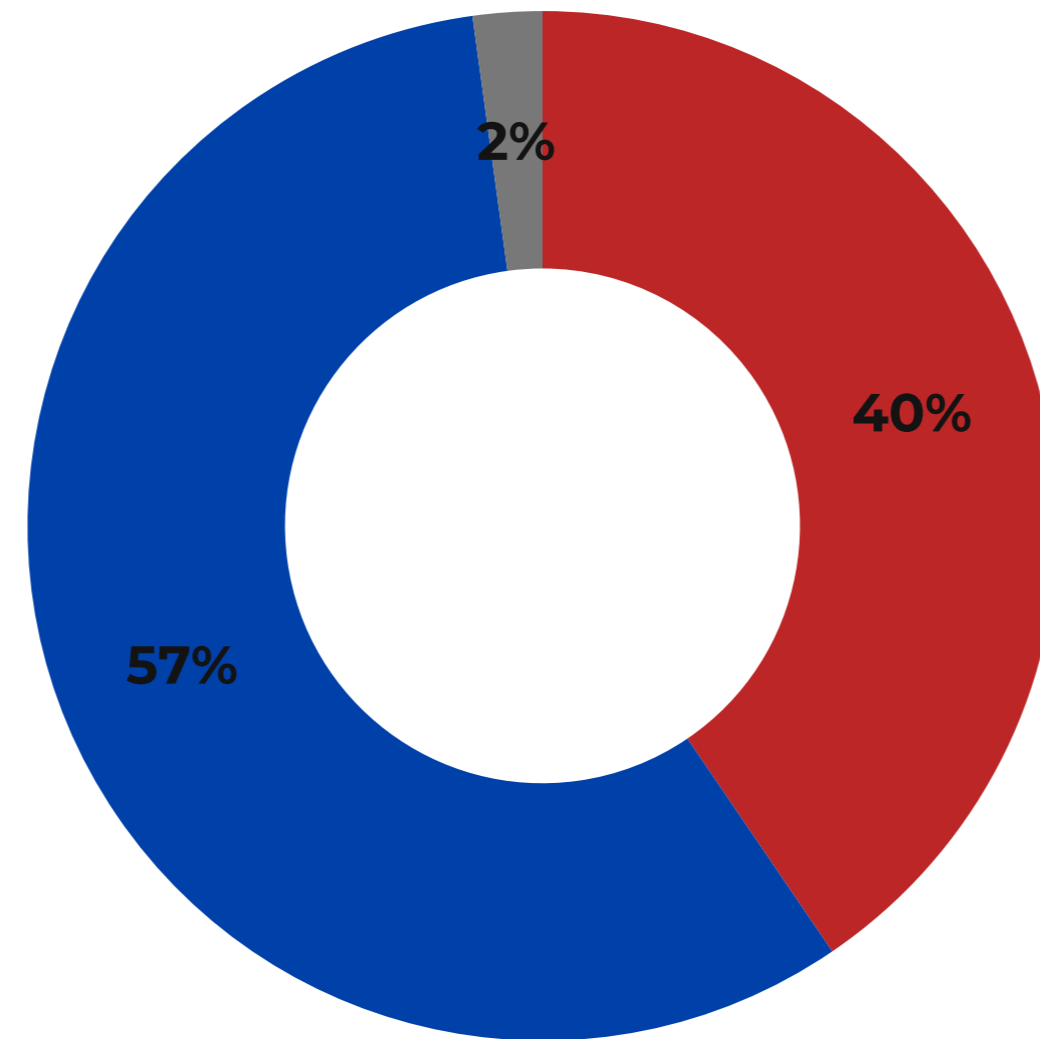
Q: Does your enterprise have a bank account savings, currents etc?

Base	High ICT users	Low ICT users
All enterprises	116	287

Many use savings accounts

Type of the bank account (% of banked enterprises)

■ Current account ■ Savings account ■ Other

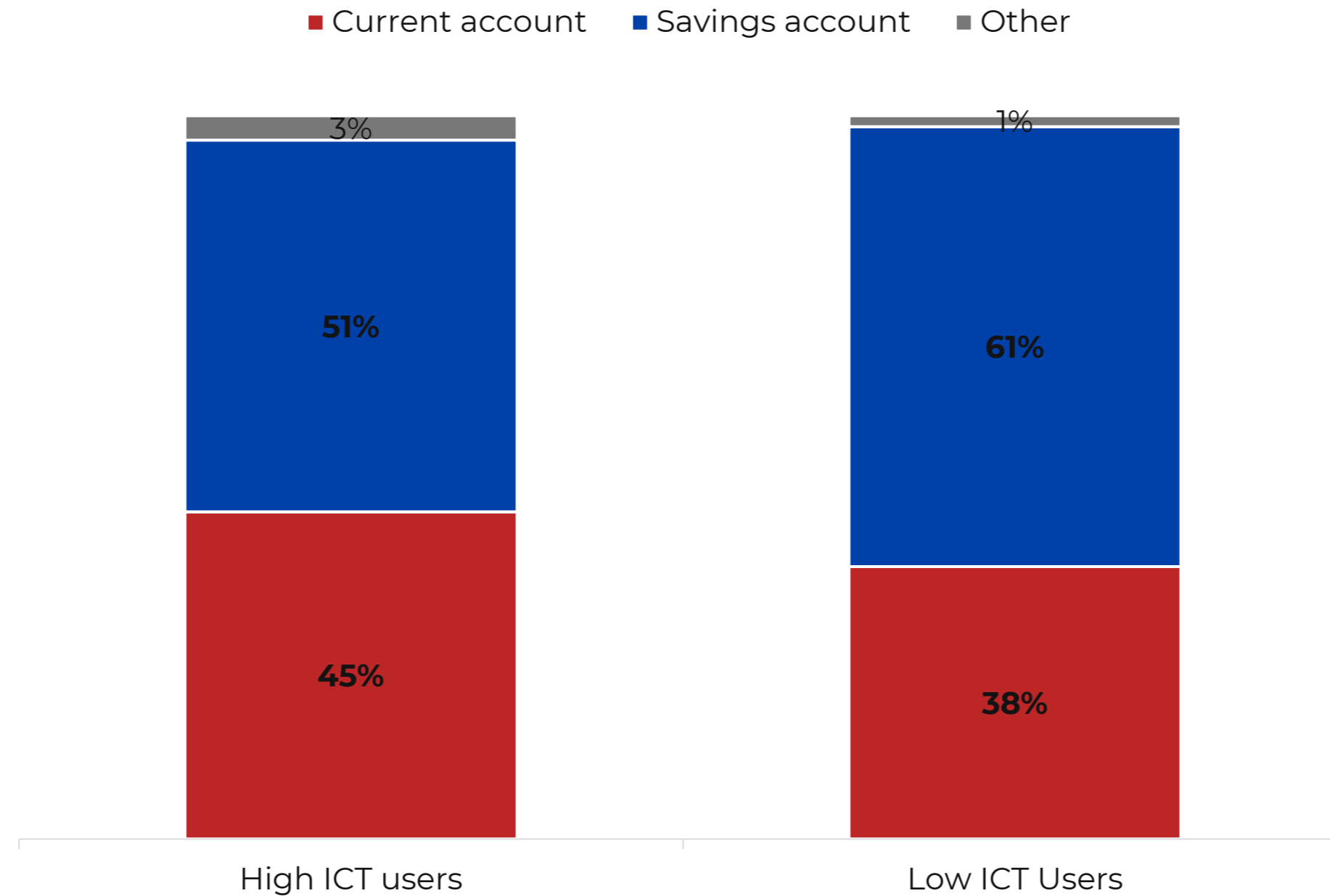


Q: What type of bank account?

Base	Sri Lanka
Banked enterprises	285

Higher current accounts among high ICT users

Type of the bank account (% of banked enterprises)



Q: What type of bank account?

Base	High ICT users	Low ICT users
Banked enterprises	105	180

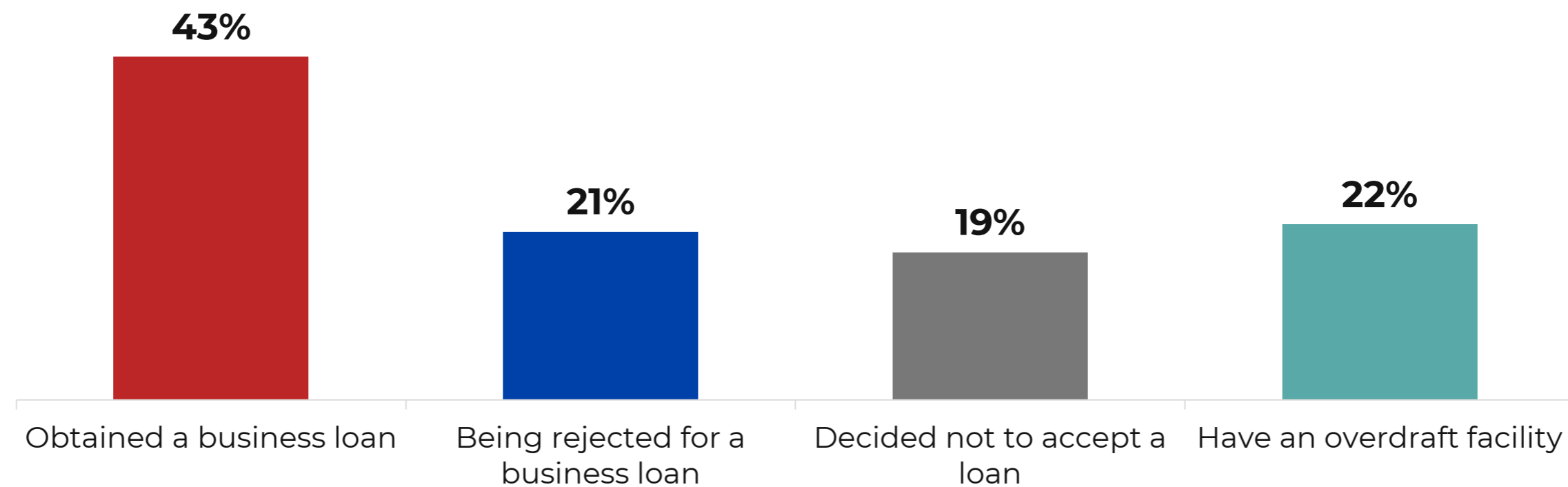
13

BANKING

- TYPE OF ACCOUNTS
- > **BANK LOANS**
- INSURANCE
- ONLINE & MOBILE BANKING
- PAYMENTS
- REASON FOR NON USE

Many obtained loans; One fifth got rejected for loans

Bank loans (% of banked enterprises)

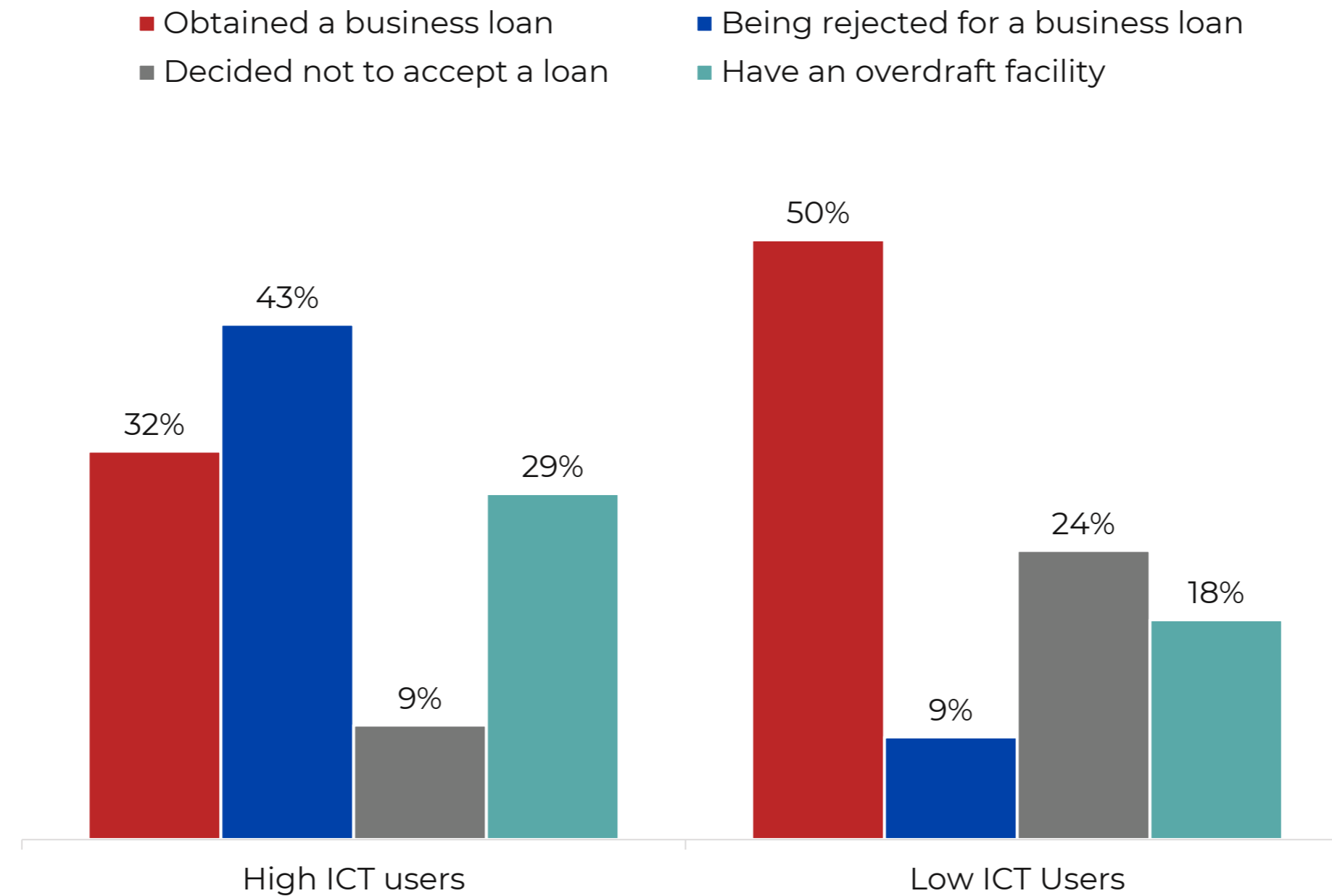


Q: Has the enterprise ever?

Base	Sri Lanka
Banked enterprises	285

Low ICT users are less rejected for loans

Bank loans (% of banked enterprises)



Q: Has the enterprise ever?

Base	High ICT users	Low ICT users
Banked enterprises	105	180

13

BANKING

TYPE OF ACCOUNTS

BANK LOANS

> **INSURANCE**

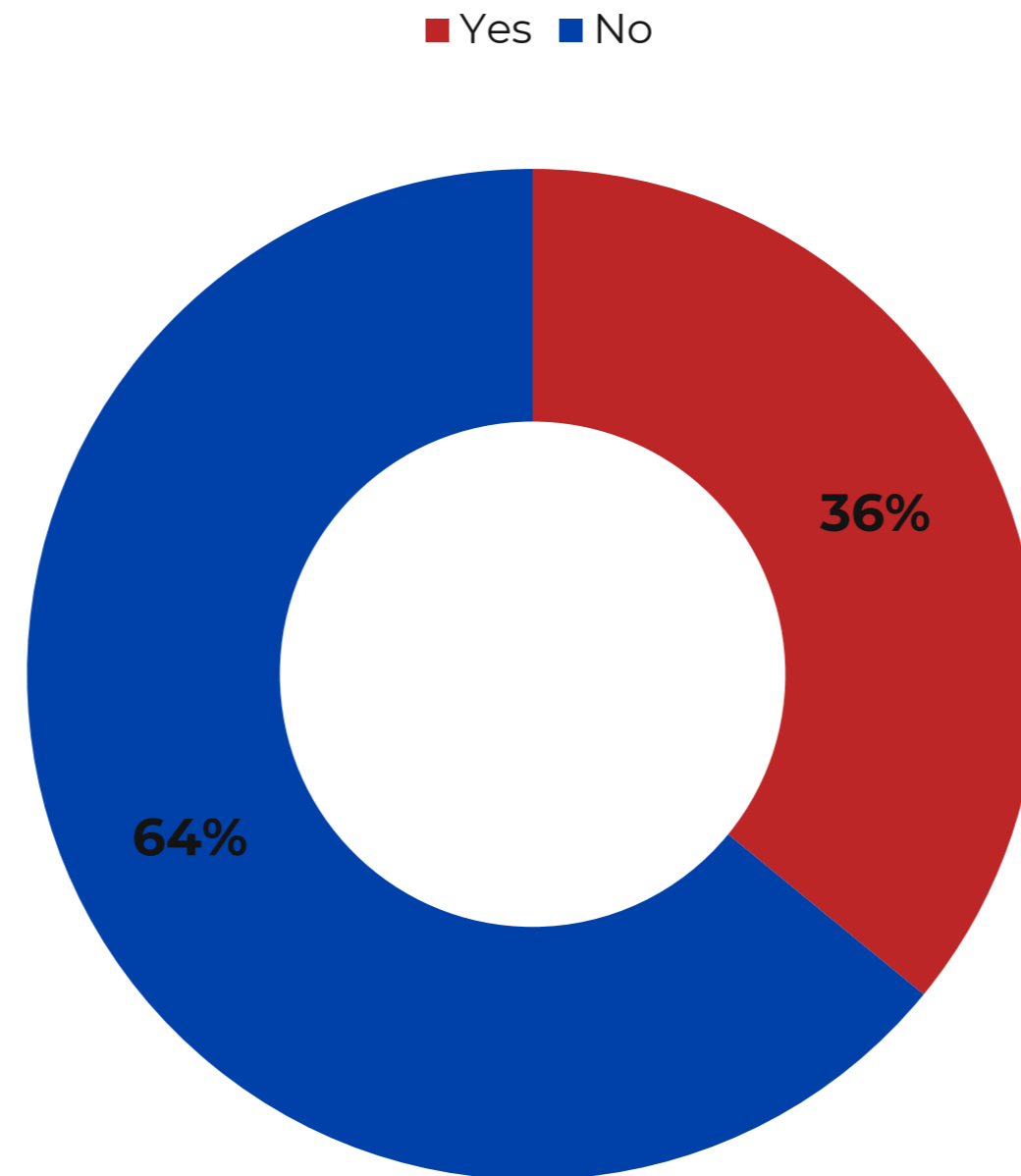
ONLINE & MOBILE BANKING

PAYMENTS

REASON FOR NON USE

Insurance facilities are not so popular among the small and medium sized enterprises

Enterprise insurance* (% of banked enterprises)



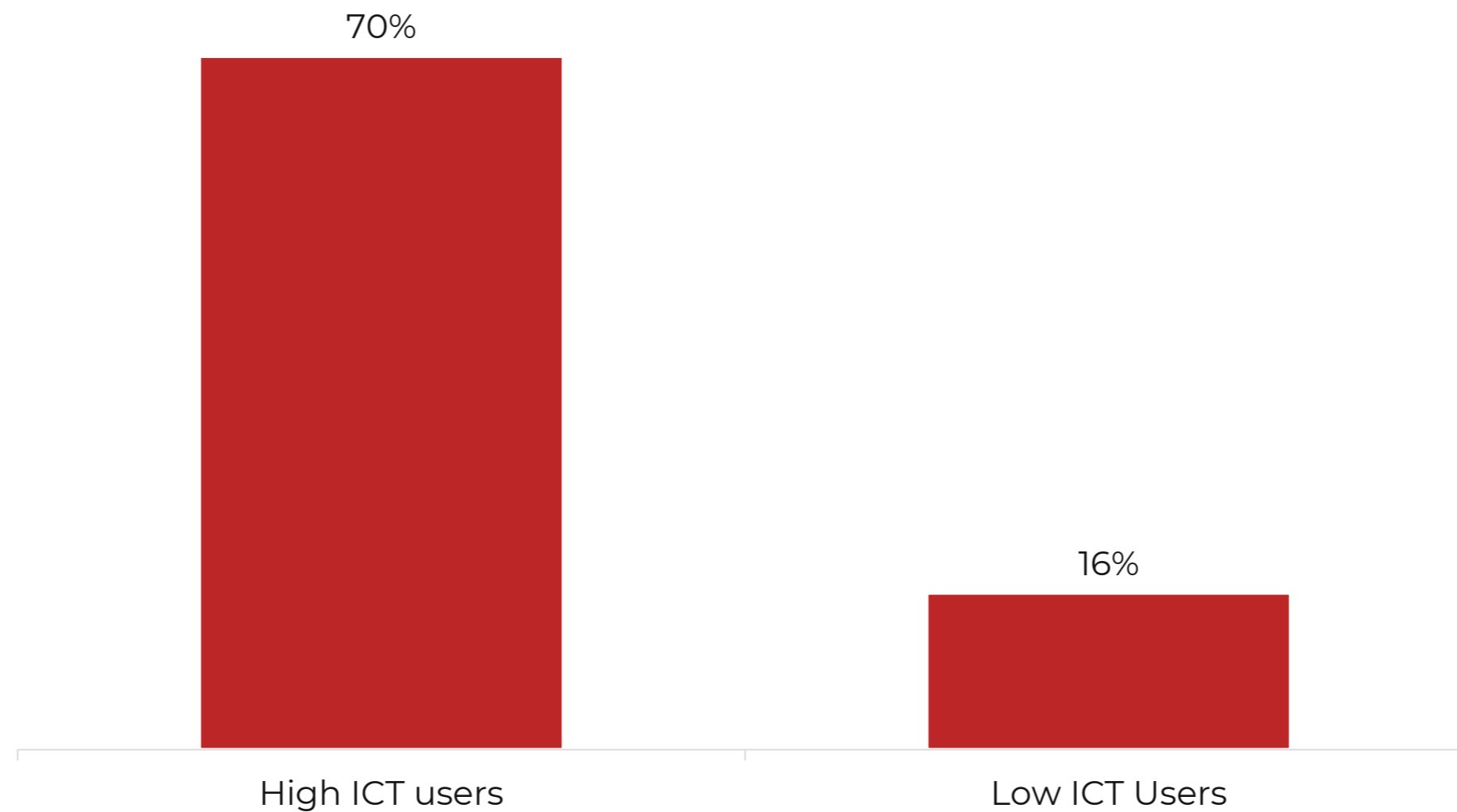
Q: Have you purchased any insurance for your enterprise?

Base	Sri Lanka
Banked enterprises	285

*Ideally this question should have been asked from all enterprises

High ICT users are better insured

Enterprise insurance (% of banked enterprises)



Q: Have you purchased any insurance for your enterprise?

Base	Sri Lanka
Banked enterprises	285

13

BANKING

TYPE OF ACCOUNTS

BANK LOANS

INSURANCE

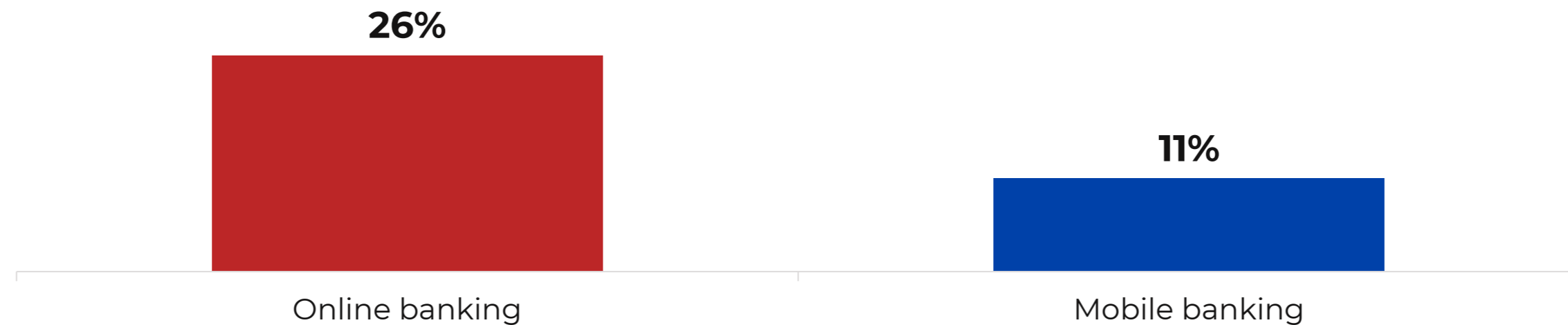
> **ONLINE & MOBILE BANKING**

PAYMENTS

REASON FOR NON-USE

Low use of online and mobile banking use

Online and mobile banking (% of banked enterprises)

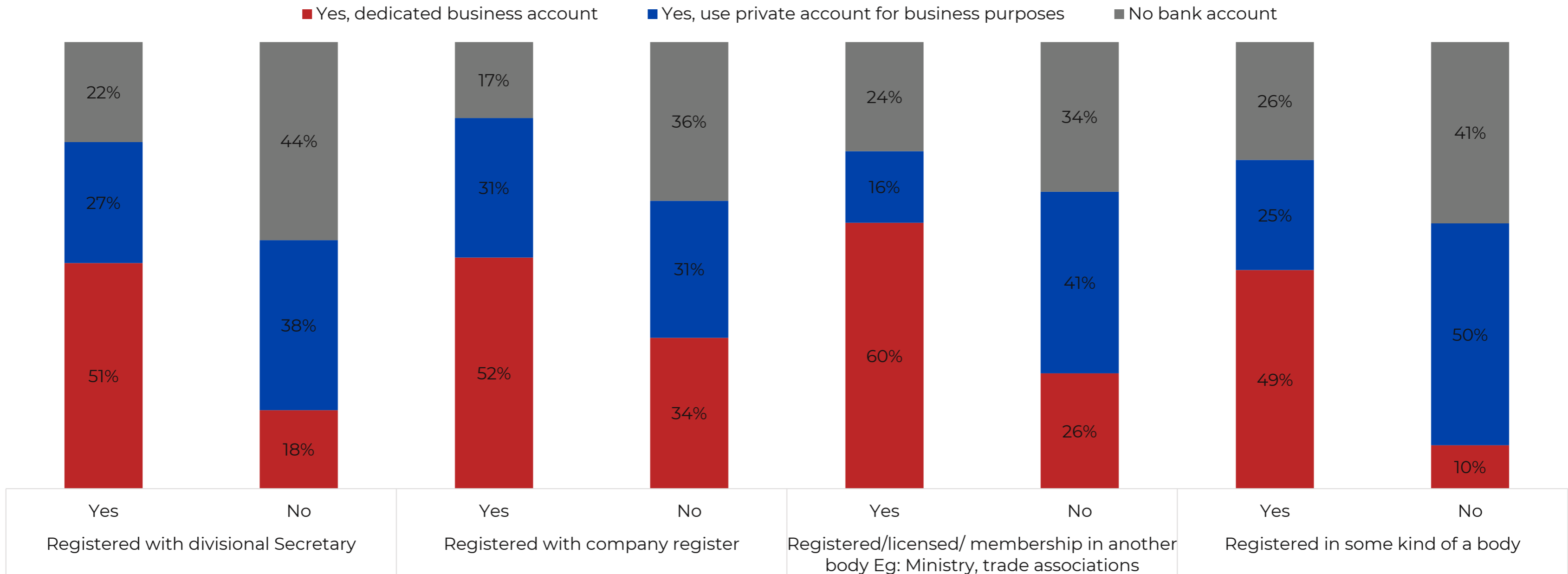


Q: Have you used online banking or mobile banking for your enterprise?

Base	Sri Lanka
Banked enterprises	285

Registered enterprises have more dedicated business bank accounts

Bank account use (% of all enterprises)



Q1: Is your enterprise registered with divisional secretary office?

Q2: Is your enterprise registered with company registrar (central or provincial)?

Q3: Is your enterprise registered/licensed/ membership in anywhere else? Eg: Ministry, trade associations

Q4: Does your enterprise have a bank account savings, currents etc?

Base	Sri Lanka
All enterprises	403

13

BANKING

TYPE OF ACCOUNTS

BANK LOANS

INSURANCE

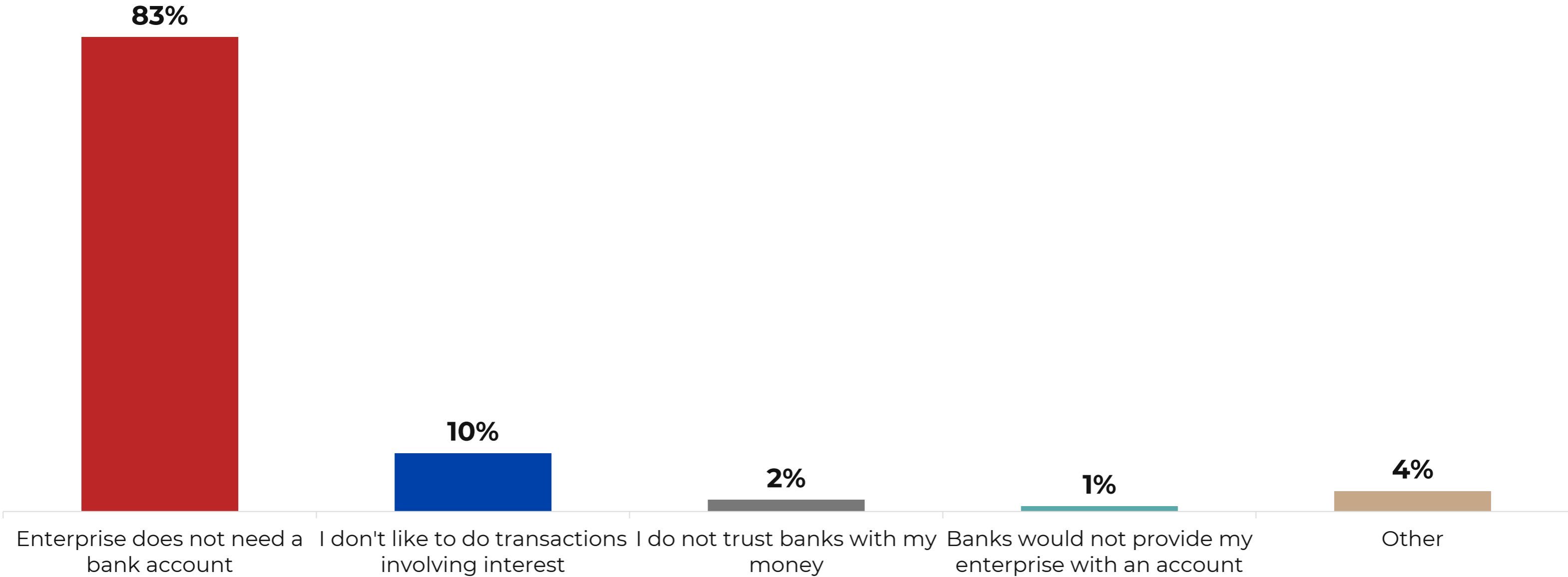
ONLINE & MOBILE BANKING

PAYMENTS

> REASON FOR NON-USE

83% of the non-banked enterprises not feel a need of bank accounts for their businesses

Reason for not using bank accounts(% of non-banked enterprises)



Q: Why does your enterprise not use a bank account?

Base	Sri Lanka
Non-banked enterprises	118

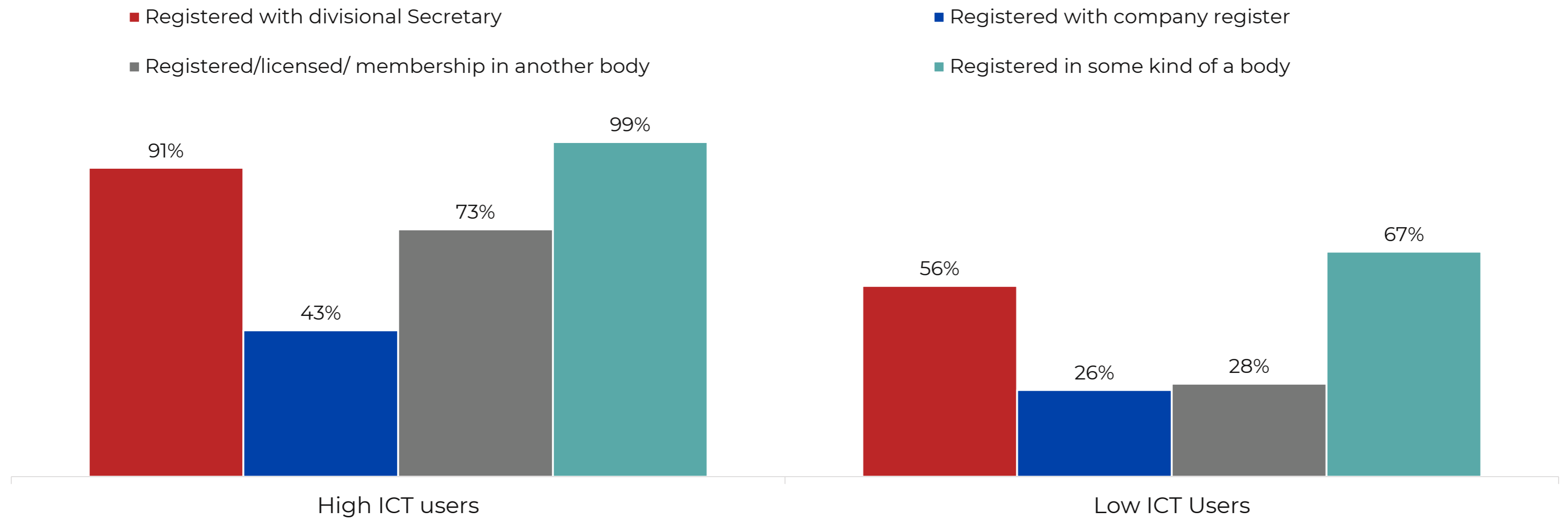


14

REGISTRATION AND ICT USE

Almost every high ICT using enterprise registered in some kind of a body

Registration of enterprises (% all enterprises)



Q1: Is your enterprise registered with divisional secretary office?

Q2: Is your enterprise registered with company registrar (central or provincial)?

Q3: Is your enterprise registered/licensed/ membership in anywhere else? Eg: Ministry, trade associations



Base	Sri Lanka
All enterprises	403

THANK YOU



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