How to capitalize on the digital revolution?

Julia Charrié

Future of work: the pros and cons of digital economy
Summary:

1. State of Digital Revolution

2. French and European Rank in this Digital World

3. Innovation and Skills: the Key Issues

4. Focus on Labor Evolution
1. State of Digital Revolution

A World Driven by Data and Algorithms

- Every minute of the day
- Dropbox users upload 833,333 new files
- Google translate 69,500,000 words
- Facebook messenger users share 216,302 photos
- Snapchat users watch 6,944,444 videos
- YouTube users share 4000 hours of new video
- Siri answers 99,206 requests
- Instagram users like 2,430,555 posts

Source: domo.com
1. State of Digital Revolution

A World Driven by Data and Algorithms

Google Search Timeline

Source: Google
1. **State of Digital Revolution**

The Dominance of Online Platforms: a New Value Sharing

<table>
<thead>
<tr>
<th>Platforms</th>
<th>Commission rates</th>
<th>Business sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>KissKiss BankBank</td>
<td>8%</td>
<td>Crowdfunding</td>
</tr>
<tr>
<td>Leetchi</td>
<td>de 2,9% à 4%</td>
<td>Crowdfunding</td>
</tr>
<tr>
<td>Kick Starter</td>
<td>8%</td>
<td>Crowdfunding</td>
</tr>
<tr>
<td>Airbnb</td>
<td>de 9% à 15%</td>
<td>Accommodation</td>
</tr>
<tr>
<td>Booking</td>
<td>de 15% à 25%</td>
<td>Accommodation</td>
</tr>
<tr>
<td>Uber</td>
<td>20%</td>
<td>Transport</td>
</tr>
<tr>
<td>Blablacar</td>
<td>12%</td>
<td>Transport</td>
</tr>
<tr>
<td>Drivy</td>
<td>30%</td>
<td>Transport</td>
</tr>
<tr>
<td>Ebay</td>
<td>7,50%</td>
<td>Sale of goods</td>
</tr>
<tr>
<td>PriceMinister</td>
<td>de 4% à 22%</td>
<td>Sale of goods</td>
</tr>
<tr>
<td>Etsy</td>
<td>7,50%</td>
<td>Sale of goods</td>
</tr>
<tr>
<td>Foule Factory</td>
<td>20%</td>
<td>Jobbing</td>
</tr>
<tr>
<td>Mechanical Turk</td>
<td>de 20% à 25%</td>
<td>Jobbing</td>
</tr>
<tr>
<td>App Store</td>
<td>30%</td>
<td>Mobile application store</td>
</tr>
<tr>
<td>Google Play</td>
<td>30%</td>
<td>Mobile application store</td>
</tr>
</tbody>
</table>

**NOTA:** commission rates could be applied on prices payed by users or prices received by providers

**SOURCE:** platforms’ websites and press releases
2. French and European Rank in this Digital World

Why it is Important?
2. French and European Rank in this Digital World

A Need for More Global Digital Firms

Market Capitalization and Number of “Unicorns*” by Geographic Area

<table>
<thead>
<tr>
<th>Region</th>
<th>Market Capitalization (billions US$)</th>
<th>Number of Unicorns</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>311</td>
<td>90</td>
</tr>
<tr>
<td>Asia</td>
<td>152</td>
<td>31</td>
</tr>
<tr>
<td>Europe</td>
<td>32</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: http://fortune.com/unicorns/2015/  
*Private companies valued at US$1 billion or more
3. Innovation and Skills: the Key Issues

Meeting the Challenge of the Continuous Flow of Disruptive Innovation

What for?
- To consolidate
- To spread

Why?
- To protect citizens
- To strengthen businesses

How?
- Scale
- Stringency
3. Innovation and Skills: the Key Issues

Digital Literacy, Literacy of the 21\textsuperscript{st} Century

The term \textit{"digital divide"} refers to the gap between individuals, households, businesses and geographic areas at different socio-economic levels with regard to both their opportunities to access information and communication technologies (ICTs) and to their use of the Internet for a wide variety of activities.

4. Focus on labor evolution

Automation risk

Electronic Computers performing routine tasks:
- Calculation
- Repetitive customer service
- Picking or sorting
- Repetitive assembly

Machine Learning algorithms performing non-routine tasks:
- Medical diagnostics
- Document review
- Translation
- Driving
4. Focus on Labor Evolution

Labor on Digital World

Digital Labor

Sharing Economy/On Demand Economy

Gig Economy

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4. Focus on Labor Evolution

Effects
- Unemployment
- Non-Linear career
- Multiple sources of income

Ongoing Change
- Income
- Skills
- Social protection

Solutions
- Basic income
- New worker’s status
- Protection attached to individuals
Thank You

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