CEEDS 2015, DIGITAL AND TECH SUMMIT

- **We just returned from CEEDS by Webit, the major digital and technology gathering in Central and Eastern Europe with 3,000 attendees from over 40 countries and 100+ speakers**
- **Europe is working towards a Single Digital Market; it will add €340 billion in additional growth in the EU digital sector**
- **Mobile remains a hot topic – companies realize mobile is not about devices; it's a change in behavior**
- **"Dark Social" is the untapped opportunity in social media marketing**
- **We showcase six European startups which can help your digital business**

DEBORAH WEINSWIG
EXECUTIVE DIRECTOR – HEAD OF GLOBAL RETAIL & TECHNOLOGY
FUNG BUSINESS INTELLIGENCE CENTRE
DEBORAHWEINSWIG@FUNG1937.COM NEW YORK: 646.839.7017

CEEDS 2015, DIGITAL AND TECH SUMMIT

Last week, we attended the Central and Eastern Europe Digital Summit (CEEDS) organized by Webit. The event took place on April 21 and 22 in Sofia, Bulgaria, and brought together 3,000 attendees from over 40 countries. Most notably, CEEDS is a gathering for technology and marketing industry leaders, investors, entrepreneurs and policymakers. Companies such as Google, IBM, Intel, Apple and Universal were represented among the attendees. The event also serves as a platform for CEE startup companies to pitch their products and ideas to investors and potential customers.

In this report, we'll provide a quick take on the major topics discussed at the summit and highlight some of the more interesting startup companies that pitched at the event.

MAJOR THEMES

This year, CEEDS was divided into two conferences, a marketing and innovation conference and a technology conference. The marketing conference featured speakers from companies such as Criteo, GroupM and FutureBrand, and focused on current trends in digital marketing as well as the future of advertising and brand management. As one would expect, the overarching themes were the use of Big Data, mobile and social media in marketing and advertising. The technology conference covered cloud computing, automation, the Internet of Things and bitcoin, with a special focus on disruptive concepts in education technology and payment systems. On the technology side, the speakers included managers from Microsoft, Cisco, Samsung and Coinify and investors from IBIS Capital, Techstars, Intel Capital and Hoxton Ventures.

From the multiple talks and discussions on the agenda, we picked four topics that are particularly relevant to retail to focus on: the development of a single European digital market, the mobile challenge, the relevance of "dark social" and Meltwater's vision on the future of decision-making.

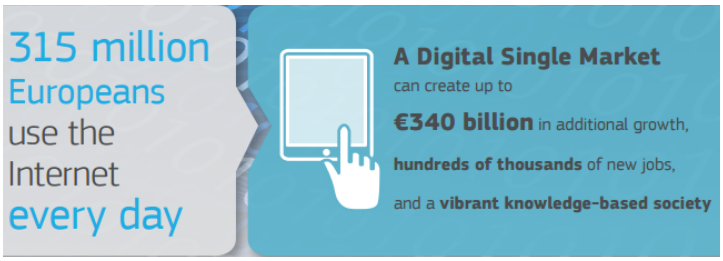
EU SINGLE DIGITAL MARKET

Day 1 of CEEDS began with a chat with Andrus Ansip, the former Prime Minister of Estonia and current Vice President of the European Commission, who is spearheading the Digital Single Market initiative. Ansip stressed that, at present, the European digital market is fragmented, making it challenging for online businesses to operate across countries in Europe. Issues such as geoblocking (which prevents individuals from using online services available in EU countries *except* in their home countries), high parcel delivery costs and country-specific legislation governing digital transactions prevent cross-border e-commerce and the free movement of content online. The European Commission has undertaken an effort to democratize the digital landscape and create a single digital market for consumers and businesses. Among other priorities, the Commission aims to:

Copyright © 2015 The Fung Group, All rights reserved.

- Facilitate cross-border e-commerce with harmonized consumer and contract rules and more efficient and affordable parcel delivery.
- Modernize copyright law to ensure the right balance between the interests of creators and those of users or consumers.
- Simplify VAT arrangements to boost the cross-border activities of businesses.

Ansip concluded by noting that a European Commission study estimates that an EU Single Digital Market could spur up to €340 billion in additional growth. That translates into substantial upside for players in the e-commerce space who are able to take advantage of the opportunity.



THE MOBILE CHALLENGE

With Google's recent announcement that it will incorporate mobile friendliness as a ranking signal, mobile was a hot topic among presenters at CEEDS. Alexander Gösswein from Criteo, Jack Smith from GroupM and John Monks from DigitasLBi all discussed mobile at length, highlighting some of the challenges that companies face in the current environment. The themes that emerged were:

- Complexity is the new normal, since media, technology and data have now merged.
- The main difficulty is to track user behavior across devices (work and personal PCs, tablets, smartphones).
- Companies have to understand that mobility is not about devices; it's a change in behavior.

DARK SOCIAL

A very interesting talk by Rupert Staines from RadiumOne focused on dark social marketing. Dark social is defined as social sharing that occurs in private digital communication tools such as email and instant messaging, which web analytics are not able to track. According to RadiumOne research, dark social sharing represents *three times* the social sharing activity of Facebook alone. Furthermore, research shows that email shares generate an average of $12.41 per email versus $0.67 per pin on Pinterest, $5.62 per share on Google+, $1.03 per Tweet and $0.80 per share on Facebook. That makes harnessing dark social marketing potentially very lucrative for companies.

The Future of Decision-Making

In another engaging talk, Jorn Lyseggen, the Founder and CEO of Meltwater, discussed the future of data-driven decision-making. His company has developed a proprietary media intelligence platform that provides "outside insights," meaning that it scrapes the Internet and social media to provide real-time, competitive actionable research. For example, Meltwater's platform can identify a startup that's connecting with venture capitalists on LinkedIn, signaling that it's probably fund-raising. It can also recognize when a competitor is posting an opening for a position in a new field, indicating that the company is likely adding a new product category. Lyseggen believes that the future of boardroom decision-making will be in the form of real-time, data-driven determinations that are facilitated by intelligent algorithms.

Copyright © 2015 The Fung Group, All rights reserved.

STARTUP PITCHES

During our two days at CEEDS, we attended numerous startup pitches, and identified the following companies as having standout solutions that are applicable in the retail space.

Company	Description	Country
pocketwarp	PocketWarp is a mobile engine that allows businesses to connect their back-end systems (CMS, website) with a native mobile app.	Greece
TriggMine	TriggMine is an automated, trigger-based marketing platform for e-commerce websites.	Ukraine
PubNative	PubNative is a mobile publisher platform that serves native advertising campaigns within existing mobile applications.	Germany
TC	TrainCamp.me is a B2C platform that allows users to explore, access and follow top web courses, classes and events from all over the web.	Bulgaria
YOUSTICE	Youstice helps enable customers and retailers to communicate directly and agree on a fair solution to customer complaints.	Slovakia
Squirrly - powered by humans	Squirrly is the most popular content marketing and SEO plug-in for WordPress.	Romania

CEEDS Recap

Attending CEEDS was a great way to explore what's happening in the CEE region, which typically gets overlooked because of the fragmented nature of its markets. After seeing some amazing speakers and startup pitches, we reaffirmed our belief that the drive for innovation is a truly global phenomenon. Ideas are spreading at an unprecedented pace and the innovation gap between regions is narrowing. We are living in a truly globalized digital world and businesses will need to adapt in order to survive.

Copyright © 2015 The Fung Group, All rights reserved.

Deborah Weinswig, CPA
Executive Director—Head of Global Retail & Technology
Fung Business Intelligence Centre
New York: 917.655.6790
Hong Kong: +852 6119 1779
deborahweinswig@fung1937.com

Cam Bolden
cambolden@fung1937.com

Marie Driscoll, CFA
mariedriscoll@fung1937.com

John Harmon, CFA
johnharmon@fung1937.com

Amy Hedrick
amyhedrick@fung1937.com

Aragorn Ho
aragornho@fung1937.com

John Mercer
johnmercer@fung1937.com

Charlie Poon
charliepoon@fung1937.com

Kiril Popov
Kirilpopov@fung1937.com

Stephanie Reilly
stephaniereilly@fung1937.com

Lan Rosengard
lanrosengard@fung1937.com

Jing Wang
jingwang@fung1937.com

Copyright © 2015 The Fung Group, All rights reserved.