

INFORMATION *and* COMMUNICATION TECHNOLOGIES

OPPORTUNITIES

OPPORTUNITIES: The information technologies (IT) sector presents very promising prospects as is evidenced by the growing number of retail IT chain outlets in Athens and other major cities. From a total of 2000 companies reported by SEPE, the Greek federation of IT firms, there are only 70 large companies, mostly located in or close to Athens.

Most small firms will probably disappear or fall under the umbrella of larger groups. Profit margins narrow with competition, and only strong companies will eventually succeed. Acquisitions or buy-outs, mergers and strategic alliances have become very common, especially since the Athens Stock Exchange emerged as a significant capital-raising source.

For *hardware*, there are two main preference groups: consumers who opt for PCs that are locally assembled, cheaper and easier to upgrade; and big "institutional" customers such as banks, public-sector agencies and corporations that choose to rely on the quality and service that usually accompanies a brand name. Thus, Greece is the only market in Europe where PC sales by local firms exceed those made by major multinationals.

The *software* market moves faster, and domestic software developers (especially accounting or financial program developers) are still prominent, although competition from foreign houses is growing.

"Piracy" remains a thorny issue, as illegally copied programs account for a significant proportion of those circulating in the Greek market. Several local agencies and organizations are set to tackle this problem.

For IT, opportunities exist in systems integration, support for firms in trade and industry, computer telephony integration (CTI), networks and data communication, Internet applications and multimedia.

At present, the Greek **telecommunications** market is considered partially "open," since fixed/voice telephony was liberalized on January 1, 2001. The prospect of deregulation has highlighted the need for infrastructure modernization, which will open significant opportunities for both foreign and domestic players.

