



## NEWS

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#### CONTACT

Nicki Bourlioufas

FinaMetrica

0411 786 933

[nicki.bourlioufas@finametrica.com](mailto:nicki.bourlioufas@finametrica.com)

### **Australian businesses rake in record \$246.4bn from internet**

**Sydney, Australia** (June 19, 2014) – Australian businesses earned a record \$246.4 billion from internet sales in 2012-13, up from \$237.1 billion in 2011-12, reflecting the rising importance of e-commerce to economic activity, according to Paul Resnik, co-founder of FinaMetrica, an Australian software business which draws all its revenue from internet sales.

The report from the Australian Bureau of Statistics (ABS), Summary of IT Use and Innovation in Australian Business 2012-13, reveals almost one in two Australian businesses, or 47.2%, had a web presence that year. Moreover, the proportion of businesses receiving orders via the internet rose to 30.2%, up from 27.8% in 2011-12. However, the proportion of Australian businesses placing orders online slipped to 53.4% from 55.3% in 2011-12.

Overall, more than a quarter of all businesses had a social media presence (26.1%) as at 30 June 2013, a big jump from 18.1% a year earlier.

Mr Resnik said the ABS data reveals that bigger businesses are more likely to conduct e-commerce activities, have a web presence and be on social media.

“Whereas almost 100% of all big businesses, or those with 200 or more employees, had a web presence, 60.3% of those with 5 to 19 employees were online in 2012-13 and 35.9% of businesses with 0 to 4 employees. With a website costing as little as \$1 a month to build and host, there is no excuse for any business not being online today,” said Mr Resnik.

“Beyond that, it doesn’t cost much more to have e-commerce capabilities, which cut out the need for sales teams and physical transactions, which can be costly and unproductive. Any small or medium-sized business serious about competing with big companies needs to maximise their online offer in order to build market share,” said Mr Resnik.

“Indeed, FinaMetrica conducts all its transactions through the internet. We are a small Australian-based financial services business exporting our services globally through internet sales. We provide an online test which enables financial advisors to measure the financial risk tolerance of their clients and better match investments to investors’ needs.

“Budgeted international sales for next year will be in excess of 80% of our total revenue, reflecting strong interest in FinaMetrica's solution to investment suitability problems revealed by the 2007-08 global financial crisis.”

FinaMetrica's activities in the next year are primarily focused on Germany, India, United States and the United Kingdom. Recent enquiries have also come from Malaysia, Sweden and Bulgaria.

“Our software is now used by 5,500 advisers in 23 countries in seven languages. To date, 700,000 tests have been completed. We have recently won several high-profile international awards for our risk profiling solution. All this highlights just how much can be done with the internet to sell your products and services both in Australia and abroad.”

The financial and insurance services industry compares well in its use of IT, with 59.2% of businesses having a web presence compared to 47.2% of all businesses overall. In addition, 57.2% of businesses in the financial services sector placed orders over the internet in 2012-13, compared to 53.4% nationwide. However, the sector lags in other areas, with just 19.1% of businesses having received orders online, compared to the average of 30.2%.

The ABS report presents key indicators on the incidence of use of IT and innovation in Australian business, as collected by the 2012-13 Business Characteristics Survey (BCS). The ABS estimate of internet sales comes from internet orders which are received from Australian households, businesses and government, as well as orders received from overseas customers.

### **About FinaMetrica**

FinaMetrica specialises in risk tolerance and risk-related matters. The FinaMetrica risk profiling system is based on a psychometric test of personal financial risk tolerance. Psychometrics, a blend of psychology and statistics, is the scientific discipline for testing attributes such as risk tolerance. Launched in 1998, the system is now used by 5,500 advisers in 23 countries in seven languages. To date, 700,000 test have been completed. The FinaMetrica system enables advisers to make valid and reliable assessments of their clients' risk tolerance, incorporate those assessments into the financial planning process and explain risk more meaningfully. More information: [www.riskprofiling.com](http://www.riskprofiling.com).

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