



BACKGROUND

With 2020 being the '**Year in Business**' that no one expected (or ever wants to see again no doubt !), it has also been the '**Year in Business**' when selling online became a **KEY** priority for most businesses – **even if it hadn't been up until then !**

Recent evidence from the **Central Statistics Office (CSO)** also backs this up, by clearly showing that Irish shoppers doubled their online purchasing in the first half of the year.

This was obviously mainly due to the impact of the first '**lockdown**' when '**bricks and mortar**' sales were more or less non existent, but it also reflects the rapid 'pivot' by many Irish businesses into accelerating their online sales activity(ies).

The **Digital Market Outlook** report by international consultancy eCommerce DB, indicated that Ireland's retail online sales were €2.5bn in 2019 (17% up on 2018), with 2020 set to reflect another huge increase. Therefore online selling and the importance of being able to compete with a compelling online presence for your business **IS HERE TO STAY !**

SO what is your plan for 2020 to '**Get YOUR business online**' – do you have one ?

GOVERNMENT'S NATIONAL DIGITAL STRATEGY

Luckily the Government has a National Digital Strategy which focuses on digital engagement and how Ireland can reap the rewards of a digitally enabled society.

In practice the delivery of the strategy for the Government is aimed at:

1. generating increases in sales for Irish businesses both domestically **AND** internationally
2. maintaining competitiveness and resilience in Irish businesses, within a business environment that is continuing to change rapidly due to technological changes (**as well as due to shocks such as COVID-19**)
3. ensure that levels of employment in Irish businesses can be maintained (and/or increased)

More importantly, it also means that the Government has allocated financial resources to SME businesses in order to deliver on this strategy !

- **Trading Online Voucher (TOV) Scheme**

The Trading Online Voucher (TOV) grant scheme has been widely available to eligible SME businesses for a number of years, but it has been significantly expanded and promoted as a result of the COVID-19 pandemic.

As a means of making it more widely available and more financially beneficial to businesses e.g. the '**co funding**' element (amount required to be spent by the recipient business) **has been significantly reduced from 50% to 10% !**

The TOV grant scheme is designed to assist businesses with up to 10 employees to improve (or in some cases create) an online presence to

1. enable them to trade more online
2. help to boost overall sales, and
3. potentially reach new markets (domestic and international)



The financial support provided under the scheme is for a **maximum** amount of €2,500 to be provided to each 'eligible' business, with the business only required to 'co fund' (or pay for) 10% of these costs – **post COVID-19 the 'co fund' element will likely go back up to 50% !**

Grants can be used for a variety of 'eligible' costs including online/digital strategy support, development of payment facilities or booking systems to a website, developing new apps for customers etc.

The TOV scheme is administered by the **Local Enterprise Offices (LEOs)**:

- applications need to be made directly to the office nearest to you
- there are also a number of criteria for eligibility to benefit from the scheme e.g. attend a training seminar ahead of the application, be a business with 10 or less employees, turnover less than €2m, be trading for at least 6 Months etc.
- applications go through an established evaluation and approval process prior to the approval of claims, and
- each eligible business must provide evidence of the online 'spend' having being carried out.

There is further information on the TOV scheme - <https://www.localenterprise.ie/Discover-Business-Supports/Trading-Online-Voucher-Scheme/>

- **COVID-19 Online Retail Scheme (ORS)**

The COVID-19 Online Retail Scheme (ORS) is another (more specifically targeted) Government supported grant scheme, developed as part of the response to the COVID-19 crisis - **given the necessity for Irish retail businesses to 'pivot' their focus much more towards online activity.**

The purpose of the ORS scheme is to support and enable Irish-owned retailers to -

1. enhance their existing online or digital capability
2. grow their export potential, and
3. develop a stronger, more compelling and competitive online offer

Successful applicants under the scheme may be awarded funding up to a maximum of €40,000, which supports up to 80% of the 'eligible' costs associated with a project, with the only other requirement being that each project must have an **anticipated minimum spend of €12,500.**

Grant funding can cover costs relating to research, consultancy costs for strategy development, implementation and training etc.

It should be noted - that the ORS scheme is focused on the retail sector (which has probably been the hardest hit by the COVID-19 pandemic anyway), and therefore the scheme excludes businesses in other sectors e.g. personal service or professional services (beauty, grooming, dental, legal or accountancy), B2Bs, hospitality and leisure (hotels, guesthouses, coffee shops, pubs) etc.

The ORS scheme has been delivered in '**rounds**' of funding to date (with start and end dates), with earlier rounds now closed, however it is expected that at least one more round of funding will be made available in the coming months (and with a short limited 'window' for application each time – **so being aware of this scheme now could be quite important !**)



The ORS scheme is administered by **Enterprise Ireland (EI)** -

- there are a number of criteria for eligibility under the scheme e.g. must be an Irish-owned retail enterprise, 10 or more full-time employees, ability to generate growth in online activity, ambitions to grow internationally, must have an existing online presence etc.
- the business must have had a retail store on or before 29 February 2020 and have sold directly to individual consumers
- the application applications go through an established evaluation and approval process prior to the approval of claims
- each application will require submission of recent financial information e.g. statutory accounts etc.,
- each eligible business must provide evidence of the online 'spend' having being carried out.

There is further information on the ORS scheme - <https://www.enterprise-ireland.com/en/funding-supports/Online-Retail/Online-Retail-Scheme/Online-Retail-Scheme>.

At Sakura we can assist with identifying any of the wide range of currently available Government schemes that may be applicable to your business, as well as providing assistance with the preparation of the application to Local Enterprise Offices (LEOs), Enterprise Ireland (EI) etc. Additionally we are happy to introduce you, where necessary, to third parties that can deliver the digital work required under the scheme(s).

Feel free to contact us directly to discuss further !