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**INTERSOCIAL: Unleashing the Power of Social
Networks for Regional SMEs**

**Deliverables D3.1.2-D3.1.3: Requirement analysis
report, field study and data collection.**

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WP3: Development of Innovation Devices

Priority Axis 1: Strengthening competitiveness and innovation
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Requirement analysis report, field study and data collection

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Purpose: Data collection, determine web and social media presence of regional SMEs. Requirements for innovation devices.

Results: Statistics. Requirements

Conclusion: The results vary per region and business category. With the exception of Bari, 50% of the studied SMEs have a web site. The percentage drops below 30% when it comes to SMEs that are present to at least one social network.

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Requirement analysis report, field study and data collection.

A Survey on the Integration of Social Media in SMEs

In this article, we report the results of a survey, we contacted on the use of social networks by SMEs located in four regions (Prefectures of Ioannina and Achaia in Greece, and Bari and Lecce in Italy). The study took place during early March of 2012.

An SME (Small Medium Enterprise) is an enterprise with up to 250 employees. Currently, SMEs in Europe fall into three broad categories: *micro-entities* that are companies with up to 10 employees; *small companies* that have up to 50 employees and *medium-sized enterprises* with up to 250 employees.

The purpose of this study was to attain a general understanding of the extent of exploitation of online social networks by SMEs in these four regions.

The rest of this report is structure as follows. In Section 1, we provide details about the procedure followed, in Section 2, we present the results of this study, and in Section 3, we offer conclusions.

Section 1: Procedure

As a first step, each site contacted the local Chamber of Commerce and received a list of the local SMEs.

Tables 1.1-1.4 report the number of SMEs registered in the Chamber of Commerce of the Prefecture of Ioannina, Greece (Table 1.1), Lecce, Italy (Table 1.2), Bari, Italy (Table 1.3) and Patras, Greece (Table 1.4).

Table 1.1: SMEs in the prefecture of Ioannina, Greece, per category as registered in the Local Chamber of Commerce

Business Sector	Number of SMEs
Exports	150
Manufacturing	3,303
Commercial	2,460
Services	4,836
Tourist - Transport	610
<i>Total:</i>	11,359

Table 1.2: SMEs in the prefecture of Lecce, Italy, per category as registered in the Local Chamber of Commerce

Business Sector	Number of SMEs
Manufacturing	6,584
Wholesale and retail trade; repair of motor vehicles and motorcycles	21,243
Transport and storage	1,073
Accommodation and food	4,489
Information and communication	873
Financial and insurance	1,153
Real estate	805
Professional, scientific and technical	1,269
Hire, travel agencies, business support services	1,243
Arts, sports, entertainment and fun	791
<i>Total:</i>	39,523

Table 1.3: SMEs in the prefecture of Bari, Italy, per category as registered in the Local Chamber of Commerce

Business Sector	Number of SMEs
Food Manufacturing	1,892
Commercial (Retail)	24,829
Transportation	3,321
Restaurants	6,561
Other services	4,481
<i>Total</i>	41,084

Table 1.4: SMEs in the prefecture of Achaia, Greece, per category as registered in the Local Chamber of Commerce

Business Sector	Number of SMEs
Agricultural, animal farming, hunting	69
Construction	1,820
Financial intermediation	705
Fishing	10
Forestry, logging	0
Hotels and restaurants	3,257
Manufacturing	2,707
Mining, quarrying	23
Provision of services	3,634
Public benefit activities	1,604
Retail trade	8,003
Trade, maintenance, repair of motor vehicle	1,048
Transport, storage and communication	2,245

Wholesale trade	3,882
<i>Total</i>	29,007

In addition, each site has chosen one area of SMEs that was of *special interest* to the particular site.

For *Ioannina*, the gold/silversmith trade and crafting was selected, because this has been a trade with a long tradition for the area and a point of reference for local visitors. The “Gold/Silversmith Trade and Crafting” is a special registry under Manufacturing. This registry includes 48 SMEs.

For *Lecce*, the project partners decided to put, as special category, the individual enterprise focus on “papier-mache” handmade creation. This category represents a real special added value for the Lecce’s economy. The Lecce’s handmade papier-mache masters become so important in Lecce economy and life, that an ad hoc museum has been created and it is still open to tourists and local people.

For *Bari*, the SMEs included in the special business category is “Food”, including both food manufacturing and restaurants. This category was selected according to an opportunity sampling criterion. In particular, we selected the SMEs whose businesses are specifically related to the typical commercial activities of the area.

For *Achaia*, the “manufacturing of beverage” trade was selected, since it is a very important factor in the economy of the area and also a sector with a long tradition. Some liqueurs are traditionally produced in Patras since the 15th century. Also distilleries are open to the public for exhibition and cultural events hosting. “Manufacturing of beverage” is a special category under the Manufacturing and includes 76 SMEs.

For coherency among the partners, we divided the list of SMES in the following **three broad categories**: manufacturing, commerce and services.

For *Ioannina*, this was achieved by merging services and tourist-transport under services and exports and manufacturing under manufacturing (minus the gold silver trade).

For Lecce we create an interactive merger system between SME’s category, finalized our work to have a common SMEs background with other partners. So most commercial category, like commercial, in real, is representative of several sub-category like (Wholesale and retail trade, repair of motor vehicles and motorcycles, etc)

For *Bari*, “transportation” and “other services” sub-categories were merged under the Services category, and “commercial (retail)” and “restaurants” sub-categories were merged under the Commercial category.

For *Achaia*, the Commercial category was created by merging “wholesale trade”, “retail trade” and “trade, maintenance, repair of motor vehicle”. Services consists of the business sectors “financial intermediation”, “hotels and restaurants”, “provision of services”, “public benefit activities” and “transport, storage and communication”. Manufacturing already existed as a business sector.

Then, each site randomly selected a total of 30 SMEs using stratified sampling based on the size of each category. In addition, each site selected 10 SMEs from the special category.

The total number of SMEs in the general categories and the size of their samples in the study are shown in Tables 1.5-1.8.

Table 1.5: *SMEs in Ioannina, Greece, per broad category*

Category Name	Number of SMEs	Percentage in the sample
Manufacturing	3,405	30%
Commercial	2,460	22%
Services	5,446	48%
<i>Special Category</i>		
Gold/Silversmith Trade and Crafting	48	

Table 1.6: *SMEs in Lecce, Italy, per broad category*

Category Name	Number of SMEs	Percentage in the sample
Manufacturing	9,584	20.66%
Commercial	24,985	53.16%
Transport	1,073	5.71%
Accommodation	6,489	14.40%
Financial	1,153	2.92%
Services	1,269	3.15%
<i>Special Category</i>		
Papier-Mache Handmade	791	2%

Table 1.7: *SMEs in Bari, Italy, per broad category*

Category Name	Number of SMEs	Percentage in the sample
Manufacturing	> 1,892	5%
Commercial	> 31,390	76%
Services	> 7,802	19%
<i>Special Category</i>		
Food	8,453	

Table 1.8: *SMEs in Achaia, Greece, per broad category*

Category Name	Number of SMEs	Percentage in the sample
Manufacturing	2,707	10%
Commercial	12,933	47.75%
Services	11,445	42.25%
<i>Special Category</i>		
Manufacture of beverage	76	13%

Then, for each randomly selected SME, we searched the web to collect related information. We decided to use the web over other means to collect related information about the SMEs (such as telephone calls or onsite visits). The main reason was that we believe that this provides us with a better indication of the online visibility of the SMEs, which is what we attempt to measure.

Discussion. We report some of the problems and limitations.

In Ioannina, the list of active SMEs is fast changing due to the economical crisis that has forced many small SMEs to quit business. We have also noticed that many SMEs were reluctant to reveal true facts about their size. In general, the SMEs showed a considerable amount of distrust in giving out personal information, even their email addresses.

Note also, that the reported SMEs are only those that have paid their dues. There may be other SMEs that simply do not report to the chamber.

Concerning Lecce's SMEs we could say that, after our first phase of study on SMEs presence on the market, there are signs that induce to a moderately optimism. In a scenario of total EU-wide economic crisis, in which the Lecce's SMEs production of GDP recorded a fall, forcing SMEs to change shape and structure, showing all the boundaries of an economy still far from the national standards; however local SMEs, in the province of Lecce, are being reorganized with a new entrepreneurial vitality, especially in sectors such as tourism and handicrafts, recovering encouraging export quotas in the EU countries.

Concerning Bari, the SMEs included in the sample provided by the Chamber of Commerce are chosen randomly and are all micro-enterprises having less than 20 employees, which is very representative (99%) of the typical dimension of the work force of the local companies in the Bari province.

Section 2: Results

In this section, we present the results of our study per geographical area.

Section 2.1 Ioannina Results

Only half (50%) of the studied SMEs have a website. Table 2.1 reports the percentage of SMEs that have a web page by category.

Of these, 47% are potential release sites. Noteworthy, only 20% of these businesses have renewed their content in 2011 or 2012.

For the special category of Gold/Silversmith Trade and Crafting, 40% of the SMEs examined maintains a web site, and from them only 2 have renewed their content in 2011 or 2012.

Table 2.1: *SMEs in Ioannina with a web sites per category studied*

	Total Sample	Web Site	Percentage
Commercial	7	7	100%
Manufacturing	9	1	11%
Services	14	7	50%
Total:	30	15	50%
Silver/Goldsmith	10	4	40%

We have also studied the SMEs presence in social networks. Only 30% of SMEs have a profile in social networks. Table 2.2 shows the percentage of SMEs with at least one social network profile by category.

75% of these companies belong to those that already have a website.

The social site in which all of the 30% SMEs participate is Facebook, where they present themselves through open groups.

The number of Likes per SME range from 47 up to 284, corresponding to profiles of other users who participate/attend the group. From these SMEs, only 1 maintains a profile on Twitter, but with just 4 followers. We were not able to identify any participation in any other social network.

The profiles of SMEs in Facebook seem to have been renewed by the entrepreneurs themselves. Only 37.5% of these profiles have been recently updated.

Table 2.2: *SMEs in Ioannina participating in at least one social network per category studied*

	Total Sample	Social networks	Percentage
Commercial	7	3	43%
Manufacturing	9	0	0%
Services	14	6	43%
Total:	30	9	30%
Gold/silversmith	10	3	30%

For the special category of Gold/Silversmith Trade and Crafting, 30% of the SMEs have at least one profile, and this is exclusively on Facebook. All of these SMEs already have a

website. Their profiles have either remained with the old form of Facebook's groups or have not been renewed for a long time. Most of them have very few Likes (less than 10).

Section 2.2: Lecce Results

In line with other analyzes made by partners, also on Lecce's SMEs market, we could find that only half of enterprises, under focus, (50%, or 15 SMEs) have a website, with their own e-mails and contacts. Table 2.3 reports the percentage of SMEs that have a web page by category.

Contrary to the rest of SMEs, the ones selected in the special category Papier Mache handmade, all of them (100%, or 10 SMEs) have an ad hoc web-site with emails and contacts. Most of the times, the web-sites are constantly update and present a direct contact with masters through web-site.

Table 2.3: *SMEs in Lecce with a web sites per category studied*

	Total Sample	Web Site	Percentage
Manufacturing	5	1	20 %
Commercial	17	9	52 %
Transport	1	0	0 %
Accommodation	3	2	66 %
Financial	2	2	100 %
Services	1	1	100 %
Special:			
Papier-Mache	10	10	100%

The Lecce's SMEs presence in social networks, reflected their presence on web, in fact just the 50% of SMEs have a profile in social networks, especially on Facebook, instead other social platform are mostly unknown for Lecce's SMEs. On Facebook Lecce's SMEs are very active with an important presence in terms of pictures posted, advertisements and followers. Table 2.4 shows the percentage of SMEs with at least one social network profile by category. All of the facebook profiles are constantly updated, most day by day, just a small percentage present static and no-updated profile.

For the special category instead, we found a massive presence on the web by their own web-site, but a tiny presence on social platforms. In fact just the 30% of Papier mache masters have an ad hoc profile on Facebook and none on Twitter or other social-networks.

Table 2.4: *SMEs in Lecce participating in at least one social network per category studied*

	Total Sample	Social networks	Percentage
Manufacturing	5	1	20 %
Commercial	17	9	52 %

Transport	0	0	
Accommodation	3	2	33 %
Financial	2	2	100 %
Services	1	1	100 %
Special:			
Papier Mache	10	3	30%

In the end, is important to underline that all the SMEs selected have an important presence on commercial web-site like yellow-pages, guidamonaci or similar on which you could find, more or less, contacts, location and few details.

Section 2.3: Bari Results

As shown in Table 2.5, only 17% of the studied SMEs have a website..

Table 2.5: SMEs in Bari with a web site per category studied

	Total Sample	Web site	Percentage
Commercial	10	1	10%
Manufacturing	10	2	20%
Services	10	2	20%
Total:	30	15	17%
Food	10	3	30%

We have also studied the SMEs presence in social networks. Only two of them are also present on social networks (Facebook profile). The profiles were private and it has been not possible to access the information about pictures, followers and/or friends.

Regarding the presence of the SMEs in the special category in Social Networks, 50% of the SMEs have at least one profile either on Facebook or Twitter. All of these SMEs already have a website. Their profiles are either maintained by the SMEs or by their communities. In particular, two of them are daily updated (status updates, sharing of pictures or other contents generated also by the users). These two SMEs also have the higher number of friends/followers (respectively 11.458 and 1179 friends on Facebook for the ‘Cake Design’ bakery and the ‘Terra Terra’ restaurant). In particular, Cake Design also has a Twitter account with more than 600 followers and a FourSquare account as well, both daily updated.

Table 2.6: SMEs in Bari participating in at least one social network per category studied

	Total Sample	Social networks	Percentage
Commercial	10	1	10%

Manufacturing	10	0	0%
Services	10	1	10%
Total:	30	9	30%
Food	10	5	50%

All the SMEs considered in the two samples used for this study appear in online digital enterprise directories (e.g. online directories of SMEs, yellow pages, Google places) but only for not for all of them the contact information are available. In particular, email is provided for the 10% and the 60% of the SMEs included in the samples chosen with the random and in the opportunity method, respectively.

Section 2.4: Achaia Results

After the data gathering phase, we proceed to the analysis. As can be seen from the following table half (50%) of the studied SMEs have a website. Table 2.7 reports the percentage of SMEs that have a web page by category.

For the special category of wines and spirits, 100% of the SMEs examined maintain a web site.

Table 2.7: *SMEs in Achaia with a web site per category studied*

	Total Sample	Web Site	Percentage
Commercial	14	8	57%
Manufacturing	3	0	0%
Services	13	6	46%
Total:	30	14	47%
Manufacture of beverage	10	10	100%

Achaia’s SMEs presence in social networks is even less than those that have a website. 26% of SMEs have a profile in social networks. All of the SMEs with a social network presence already have a website.

Table 2.8 shows the percentage of SMEs with at least one social network profile by category. Facebook is the only social media that SMEs have a profile (except one SME that participates also in Twitter). We should note that the majority of SMEs posts refer mostly to advertisement catalogs, some others post messages/links/information related to their business field while 50% of them post regularly.

The number of Likes per SME range from 41 up to 2588 Likes, corresponds to profiles of other users who participate/attend the group. We were not able to identify any participation in other social network.

Table 2.8: *SMEs in Achaia participating in at least one social network per category studied*

	Total Sample	Social Media Presence	Percentage
Commercial	14	3	21%
Manufacturing	3	0	0%
Services	13	5	38%
Total:	30	8	26%
Manufacture of beverage	10	1	10%

For the special category of wine and spirits, 10% (1 SME) of the SMEs has profile, and this is exclusively on Facebook.

Section 3: Conclusions

The results vary per region and business category.

With the exception of Bari, 50% of the studied SMEs have a web site.

The percentage drops below 30% when it comes to SMEs that are present to at least one social network.