

SURVEY ON THE INFORMATION SOCIETY -ESI- Companies 2004

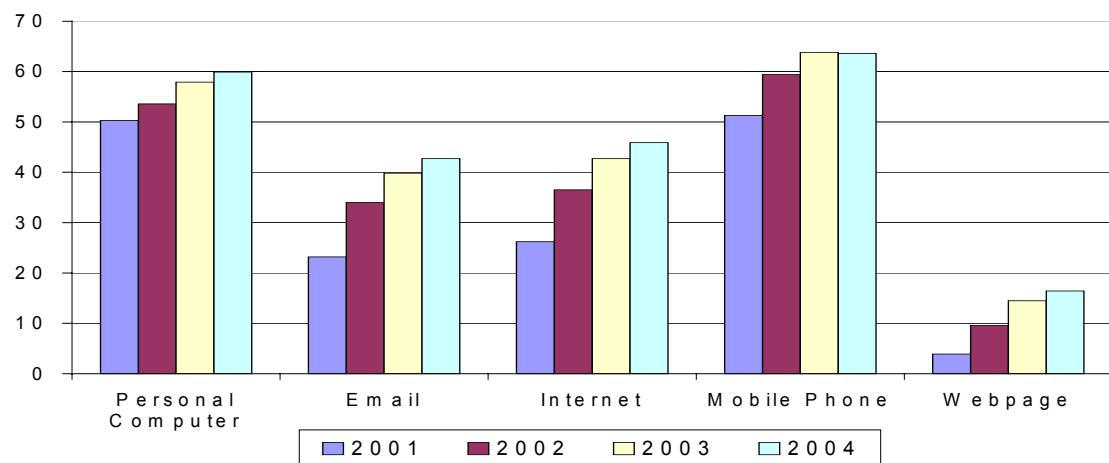
Information technology equipment in Basque companies grew in 2004, albeit less than in 2003

Over half of Internet connections were via ADSL lines

The current edition of the Survey on the Information Society in companies, carried out by the Eustat, shows positive growth in information technology equipment in companies in the A.C. of the Basque Country at the start of 2004 and a generalization in use among employees, in particular, with regard to Internet access and the availability of email.

With regard to the year before, the increases in ICT -Information and Communications Technology- equipment were moderate for Basque companies. Thus, Internet access or email increased by around 3 percent, half the figure for 2003, and possession of a computer or web page increased by 2 percent, when in 2003 the rise was slightly over 4%, in the case of the PC. In turn, the percentage of companies with mobile phones remained practically the same.

Graph 1: Evolution of ICT equipment in Basque companies TIC (%)



Source: Eustat

By provinces, the data show higher increases in Alava for personal computers and web pages (3.3% and 2.7%, respectively), in Bizkaia for email (3.7%) and in Gipuzkoa for Internet access (3.6%). With regard to the mobile phone, except in Alava where growth was 3.1%, in the rest of the provinces it fell slightly.

**Table 1: ICT equipment in establishments by provinces.
2004.**

	Personal Computer		Email		Internet		Mobile Phone		Webpage	
	%	Variation*	%	Variation*	%	Variation*	%	Variation*	%	Variation*
A.C. of the Basque C	59,9	2,0	42,7	2,9	45,9	3,2	63,6	-0,2	16,4	1,9
Alava	66,9	3,3	44,4	2,1	47,4	1,3	71,8	3,1	17,2	2,7
Bizkaia	59,0	1,8	42,5	3,7	45,0	3,5	61,4	-1,4	16,0	1,9
Gipuzkoa	58,8	2,1	42,4	2,1	46,8	3,6	63,7	-0,3	16,7	1,6

* Difference in percentage in relation to the previous year.

Source: Eustat

Companies with under 10 employees increased ICT equipment at a higher rate

If we take into consideration the size of establishments, a variable which introduces a primordial element of differentiation between them, the smaller size (0-9 employees) continues to have the lowest level of equipment, varying between 13.3% of establishments that have a webpage and 62.2% that have mobile phones, in addition to 39.1% with email and 42.6% with Internet access and 57.1% that have computers. The gaps, however, are closing as a consequence of higher growth rates in comparison with the rest of companies, starting from considerably lower levels. Except for mobile phones, which are similar, growth was between 2 and 3 percent with regard to the year before.

In contrast, the average for establishments with 10 or more employees is between 55.8% that have a webpage and 96.2% that have computers, reaching 80.6% for mobile phones, 87.9% for email and 88.1% for Internet access. At this employment size, except for webpages that rose by 4.1 percent with regard to the year before, the increases were lower than for smaller companies, reaching around 1.5 percent for Email and Internet and were practically the same for mobile phones and computers.

If the comparison takes into account employees that use these technologies, according to the size of company, the differences are reduced, due, among other reasons, to the greater progress in small establishments and the fact that in large companies not all employees have access to this equipment. Thus, we can see how 50.2% of employees in establishments with between 0 and 9 employees use the computer compared with 54.8% in establishments with 10 or more employees. In addition, 36.0% have Internet access compared with 40.1% in large establishments, and 33.3% have email compared with 41.7% in larger size companies.

In companies with over 9 employees, with Internet access, over 70% connect to the Internet via ADSL.

45.9% of Basque companies have Internet access. Among the types of access, for the first time and following several years of high percentage increases, ADSL lines have become the most chosen option, reaching 53.3% of total access, having increased by 13.3 percent.

Now, ordinary telephone lines with a modem have fallen to second place, with 42.0% of the total, after losing 7.3 percent, followed by RDSI lines which, after falling 3.7 percent, represent 11.6% and, finally, other connections make up 5.4%.

Table 2: Establishments with Internet access and types of access (%).

	Total			with 10 or more employees		
	2004	2003	2002	2004	2003	2002
% establishments	45,9	42,7	36,5	88,1	86,7	80,8
via:						
Modem	42,0	49,3	58,4	24,4	25,5	37,5
RDSI	11,6	15,3	23,1	16,8	25,4	36,2
ADSL	53,3	40,3	26,2	70,2	58,4	37,2
Mobile Phone	2,2	2,0	2,5	3,5	3,2	3,0
Other	3,2	2,8	2,2	7,5	8,0	6,5

Source: Eustat

Among companies with 10 or more employees, 88.1% have Internet access. Here the surge in the use of ADSL lines is even greater, placing it as the most common type of Internet access with 70.2% of use, followed at some distance by the modem (24.4%), RDSI (16.8%) and other lines (11.0%).

Over half Basque companies with 10 or more employees have a webpage

With regard to companies with a webpage, an increase can be seen in those with their own webpage, as they now represent 10.9%, and companies with a webpage hosted on a server (5.5%), thus resulting in 16.4% of the total number of companies in the A.C. of the Basque Country having a webpage.

Once again, if we consider the size of the establishment, we can see that those with 10 or more employees and their own webpage represent 36.8%, while those whose webpage is hosted on a server amount to 19.0%. This means that over half the establishments of this size (55.8%) have a webpage.

E-commerce, although increasing, has a low specific weight in Basque companies in 2003

Basque establishments continue to make little use of e-commerce. The proportion that make purchases or sales through the web or other electronic systems (EDI, Electronic Data Interchange) continues to be low, which means that the statistical estimation is still unsure and subject to a wide margin of error.

Even so, we can observe growth in the percentage of establishments that use e-commerce, rising from 4.4% in 2002 to 5.1% in 2003. The reason for this growth is due to the increase in companies that purchase via electronic means, 4.3%, and to a lesser degree, to companies that carry out electronic sales and now represent 1.4%.

It is estimated that 8,700 establishments use e-commerce in the A.C. of the Basque Country. Purchases and sales that these establishments carry out by this means represent 17.4% of total purchases and 20.6% of total sales.

Among companies with 10 or more employees, 10.9% use e-commerce, registering 8.7% electronic purchases and 3.7% electronic sales.

By activity sectors, at the forefront in the use of e-commerce are industrial sectors such as Electric Material and Paper and Graphic Arts with slightly over 13% of

establishments with e-commerce. In addition, Chemicals Industry and Transport Material also surpass the figure of 10%. In the services sector, in turn, Banking and Insurance stand out with 12.1% of their establishments using e-commerce.

Methodology note: The Survey on the Information Society (ESI companies), which Eustat carried out in the first quarter of 2004 for the fourth consecutive year, is directed at Basque companies from any activity sector, except the primary sector, and aims to know how well equipped they are in information and communications technology (TIC), the use they make of the Internet and the importance of e-commerce. The survey is based on responses from 7,500 establishments located in the A.C. of the Basque Country.

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