

SURVEY ON THE INFORMATION SOCIETY -ESI- Companies 2006

E-commerce sales by Basque companies totalled 5,008 million euros in 2005 following a 16.1% increase

Purchases, in turn, came to 2,372 million, growing 17.9 % over the same period

E-commerce in the A.C. of the Basque Country continued to grow, both in terms of economic figures and in the number of participating companies, according to Eustat data. The volume of business generated in 2005 through the Internet, or via other electronic systems (EDI, Electronic Data Interchange, etc.), came to 5,008.1 million euros in the area of electronic sales and 2,371.7 million in that of purchases.

These figures, in relation to the previous year, show a 16.1% increase in the case of e-commerce sales –from the previous figure of 4,311.8 million- and one of 17.9% in the case of purchases made by the same method –from the figure of 2,012.5 million obtained in 2004-.

Table 1: Purchases and sales via e-commerce according to province, activity branch and employment stratum.

| | Purchases (*) | | | Sales (*) | | |
|----------------------------|---------------|---------|-------|-----------|---------|------|
| | 2004 | 2005 | % | 2004 | 2005 | % |
| A.C. of the Basque Country | 2.012,5 | 2.371,7 | 17,9 | 4.311,8 | 5.008,1 | 16,1 |
| By Province | | | | | | |
| Alava | 417,4 | 476,3 | 14,1 | 2.142,5 | 2.367,1 | 10,5 |
| Bizkaia | 1.137,9 | 1.342,7 | 18,0 | 1.241,6 | 1.612,2 | 29,9 |
| Gipuzkoa | 457,1 | 552,7 | 20,9 | 927,7 | 1.028,8 | 10,9 |
| By sector | | | | | | |
| Industry | 1.003,3 | 1.249,2 | 24,5 | 2.780,2 | 3.289,6 | 18,3 |
| Construction | 4,9 | 2,9 | -40,8 | 0,6 | 2,4 | - |
| Services | 1.004,3 | 1.119,6 | 11,5 | 1.531,0 | 1.716,1 | 12,1 |
| By employment stratum | | | | | | |
| With 0 to 9 | 511,4 | 705,0 | 37,9 | 507,2 | 656,1 | 29,4 |
| With 10 or more | 1.501,1 | 1.666,7 | 11,0 | 3.804,6 | 4.352,0 | 14,4 |

(*) In millions of euros

Source: Eustat

In absolute values by Province, Álava was most notable in sales and Bizkaia was outstanding in purchases, while by branch of activity, Industry stood out from the other sectors in both sales and purchases. If we turn to the size of establishments, those with 10 or more employees obtained the greatest results in the use of e-commerce.

The increase in the number of Basque companies using e-commerce was chiefly due to the increase of those carrying out purchases

Although in economic terms sales doubled purchases, in terms of participation the number of establishments who acquired products by electronic means was much greater and achieved greater increases than those making sales in this way.

It can be seen, therefore, that if the number of establishments using e-commerce increased from 7.7% in 2004 to 10.5% in 2005, then this increase was due to the rise in the number of companies purchasing electronically, reaching 9.6% of them and, to a lesser extent, to companies carrying out sales by the same method, accounting for 1.9%, after increasing 2.7 and 0.2 percentage points respectively.

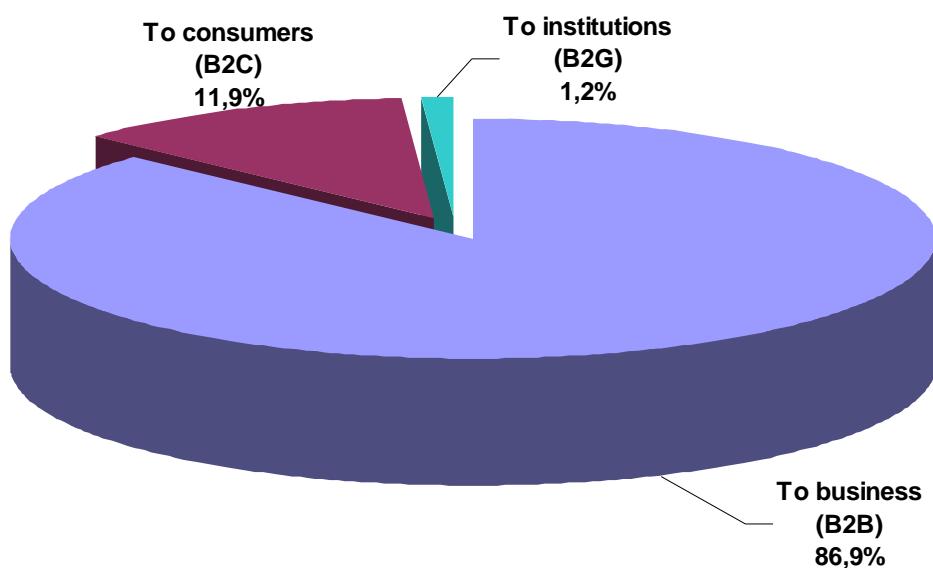
Table 2: Evolution of establishments who carried out e-commerce. %

| | Total enterprises | | | | | | 10 or more employees | | | |
|------------|-------------------|------|------|------|------|------|----------------------|------|------|------|
| | 2005 | 2004 | 2003 | 2002 | 2001 | 2005 | 2004 | 2003 | 2002 | 2001 |
| e-commerce | 10,5 | 7,7 | 5,1 | 4,4 | 3,0 | 19,5 | 13,6 | 10,9 | 10,0 | 6,4 |
| purchases | 9,6 | 6,9 | 4,3 | 3,6 | 2,7 | 17,3 | 11,2 | 8,7 | 8,3 | 5,1 |
| sales | 1,9 | 1,7 | 1,4 | 1,3 | 0,4 | 5,1 | 4,2 | 3,7 | 2,8 | 1,8 |

The number of establishments in the A.C. of the Basque Country carrying out e-commerce was estimated at 19,500. Purchases made by these establishments using this method accounted for 15.5% of their total purchases and sales represented 24.6% of total sales.

If we also take size into account, 19,5% of companies with 10 or more employees carried out e-commerce, following an important rise of 5.9 percentage points in 2005. The increase in this segment was also basically due to the number of electronic purchases, which accounted for 17.3% and which grew 6.1 points with regard to the previous year and, to a lesser extent, sales made in the same way, which were 5.1%, following a 0.9 point increase.

Graph 1: Destination of sales by type of customer in 2005 (%)

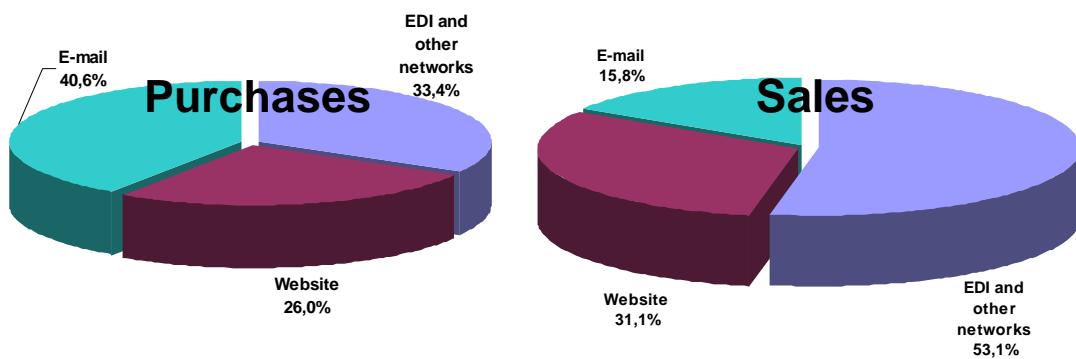


Source: Eustat

As for the type of customer to which e-commerce sales were made in 2005, 86.9% of the total number of electronic sales were destined for other companies (trade known as B2B), 11.9% was made to individual consumers (B2C) and the remaining 1.2% was shared between other destinations, such as Public Administration (B2G).

As regards the means used for electronic purchases, 33.4% were made using EDI and other networks, 26.0% through the website itself and the remaining 40.6% through e-mail. For electronic sales, in turn, 53.1% were made through EDI and other networks, 31.1% through the website and 15.8% through e-mail.

Graph 2: E-commerce according to the means by which it was carried out in 2005 (%)

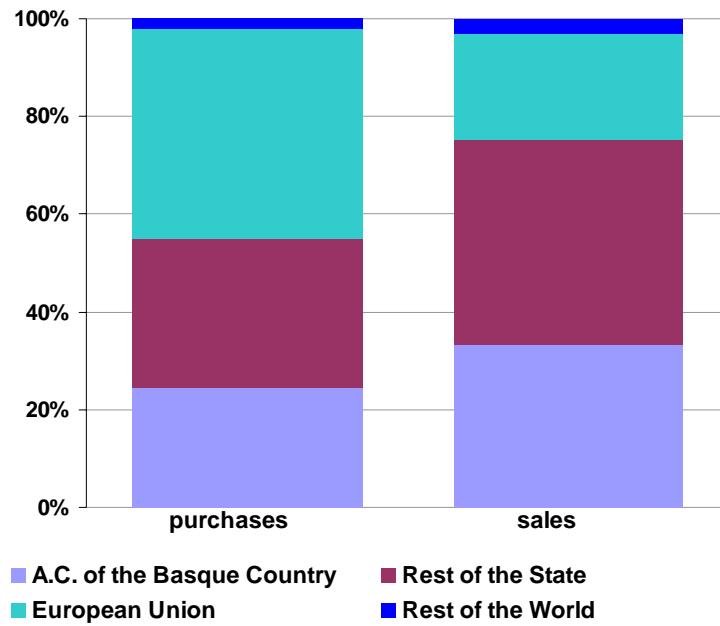


Source: Eustat

Finally, according to the location of customers, the distribution of sales made through the Internet showed that 43.0% of the total amount invoiced was destined for the European Union, 30.4% went to the rest of the State, 24.5% stayed within the domestic market of the A.C. of the Basque Country and the remaining 2.1% was sent to the rest of the world.

In the case of purchases, companies stated that the main origin, with 42.0% of the total number of electronic purchases was the rest of the State. This was followed, with 33.3% from the Community and the remainder came from the EU (21.6%) and the rest of the world (3.1%).

Graph 3: Electronic sales and purchases by destination and geographic origin in 2005 (%)



Source: Eustat

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