

2007 INFORMATION SOCIETY SURVEY (ESI-Companies)

E-commerce sales in Basque companies were up by 13.3% and worth 6,395 million euros in 2007

The number of Basque companies using e-commerce increased by 20% in 2007

E-commerce in the A.C. of the Basque Country continued to grow both in economic terms and in the number of companies involved, according to data prepared by Eustat. The turnover generated in 2007 online or by means of other electronic systems, such as email, electronic data exchange (EDE), etc, stood at 6,395.4 million euros in terms of e-sales carried out and to 3,102.4 million with regard to purchases made.

With respect to the previous year, these figures were up by 13.3% in the case of the e-commerce sales and 17.2% in terms of the purchases using this same system.

Table 1: E-commerce purchases and sales by province, branch of activity and employment stratum

	Purchases (*)			Sales (*)		
	2006	2007	%	2006	2007	%
A.C. of the Basque Country	2.647,8	3.102,4	17,2	5.645,3	6.395,4	13,3
By Province						
Alava	551,5	642,1	16,4	2.718,1	3.022,3	11,2
Bizkaia	1.489,1	1.716,5	15,3	1.771,3	2.054,6	16,0
Gipuzkoa	607,2	743,8	22,5	1.155,9	1.318,5	14,1
By sector						
Industry	1.361,1	1.527,0	12,2	3.784,6	4.366,4	15,4
Construction	4,3	25,3	-	14,8	44,8	-
Services	1.282,4	1.550,1	20,9	1.845,9	1.984,2	7,5
By employment stratum						
With 0 to 9	769,5	882,3	14,7	678,4	641,6	-5,4
With 10 or more	1.878,3	2.220,1	18,2	4.966,9	5.753,8	15,8

(*) In millions of euros

Source: Eustat

In absolute values, Bizkaia performed best in terms of purchases by provinces and Álava in sales, while by branch of activity, the purchase figures were very similar for industry and services, and industry was clearly ahead of the other sectors when it came to sales. If the size of the establishments is taken into account, the highest e-commerce figures were obtained by those with 10 or more employees.

As far as the percentage of companies involved in e-commerce is concerned, they represent 15.3%, following a 20% increase in 2007. This figure is mainly down to companies that purchase online (14.1%) and by those what sell on line to a lesser degree (3.6%).

Therefore, even though online sales were much higher than purchases in economic terms, the number of companies that buy online was much higher than those that sell using that channel.

Table 2: Evolution of e-commerce establishments. %

	Total establishments							10 or more employees						
	2001	2002	2003	2004	2005	2006	2007	2001	2002	2003	2004	2005	2006	2007
e-commerce	3,0	4,4	5,1	7,7	10,5	12,8	15,3	6,4	10,0	10,9	13,6	19,5	20,4	24,0
purchases	2,7	3,6	4,3	6,9	9,6	11,4	14,1	5,1	8,3	8,7	11,2	17,3	17,7	21,4
sales	0,4	1,3	1,4	1,7	1,9	2,9	3,6	1,8	2,8	3,7	4,2	5,1	6,4	7,8
% of purchases (*)	9,6	11,4	17,4	15,2	15,5	18,2	20,7	4,6	10,6	9,6	12,1	10,3	12,6	15,8
% of sales (*)	9,9	16,1	20,6	22,0	24,6	24,4	23,1	12,7	13,4	15,5	15,0	19,4	21,7	31,5

(*) In establishments that use e-commerce, average % of electronic purchases-sales in relation to total purchases-sales

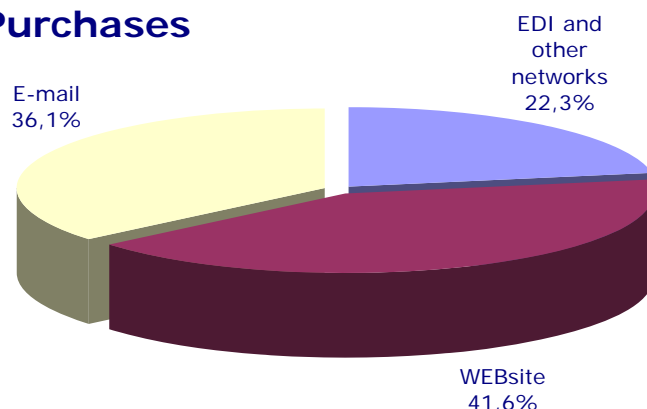
Source: Eustat

The number of establishments involved in e-commerce in the A.C. of the Basque Country came to 29,500. It is also estimated that the e-commerce purchases made by these establishments accounted for 20.7% of their total purchases and the sales for 23.1% of their total sales.

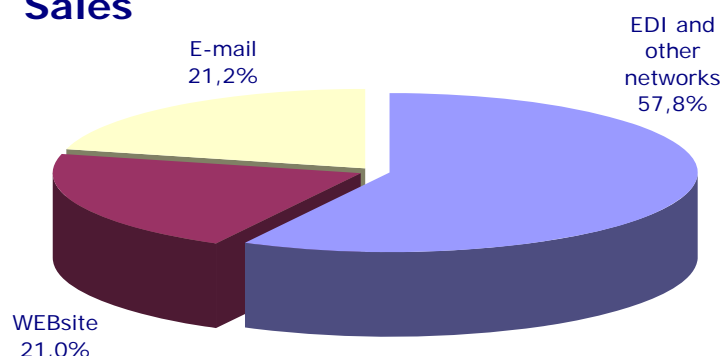
These figures vary if the size of the company is taken into account. Thus, 24.0% or companies with 10 or more employees carried out e-commerce transactions. The number of companies in this segment that purchased on line is much higher, as they accounted for 21.4%, and the ones selling using these same channels were far less important (7.8%).

Graph 1: E-commerce according to the channel used in 2007 (%)

Purchases



Sales

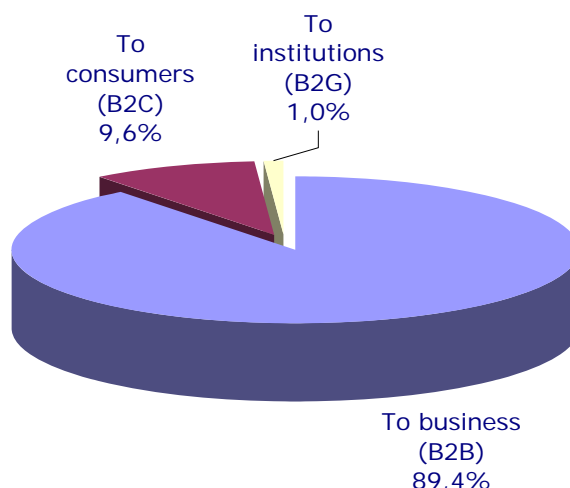


Source: EUSTAT

With respect to the channel used for e-purchases, 41.6% used websites, 36.1% by email and remaining 22.3% by EDE and other networks. With respect to electronic sales, 57.8% was by EDE and other networks, 21.2% by email and 21.0% through the website. It should also be pointed out that 26.1% of the companies with e-sales received payments online.

With regard to the type of client buying online in 2007, the great majority of transaction, 88.4% of the total e-sales, to other companies (known as B2B), 9.6% to private consumers (B2C) and the remaining 1.0% to other end users, such as public administrations (B2G).

Graph 2: Destination of the sales by type of customer in 2007 (%)



Source: EUSTAT

Finally, three out of every four companies (75.9%) believed that it would be difficult for them to be involved in e-commerce. 58.0% believed that their products and services were not suitable to be sold through the Internet or other telematic networks and 36.0% believed that their customers were not sufficiently ready to use these channels. Furthermore, 33.7% believed that there were still security problems with regard to collections or payments and 33.4% considered that there was great uncertainty in relation to the legislation governing this market, delivery terms and the guarantees regarding any problem that could arise. A further 29.3% believed that the development and maintenance cost were high and 28.3% were of the opinion that they did not have a large enough or suitably trained workforce.

For further information:

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