

# The Vodafone Enterprise Observatory

## Professionals and Small Enterprises

Study of the state of digitization of Spanish enterprises  
and Public Administrations

# Contents

---

The Vodafone Enterprise Observatory	<b>3</b>
Introduction	<b>4</b>
Methodology and technical details	<b>5</b>
Conclusions	<b>7</b>
General context	<b>12</b>
The state of digitization	<b>17</b>
Digitization needs	<b>27</b>
Digitization accelerators and brakes	<b>37</b>



## The Vodafone Enterprise Observatory

The results of this report are the seed of the **Vodafone Enterprise Observatory**. After identifying the needs, concerns and challenges of Spanish enterprises and public institutions, the Observatory's editorial team has backed up its analysis with the best digitization experts and businesses from different fields that already have success stories to tell.

The Observatory is a living platform that is always updated; a place that encourages debate, training and inspiration through interviews, reports and infographics for any professionals, enterprises and public institutions that are devising their digital strategy.

From day one, the Enterprise Observatory has teamed up with three great strategic partners that are experts in the digital reality of business. Firstly, **Google**, which provides an extensive range of digital solutions for enterprises, and secondly, two highly-prestigious institutional allies, namely **MIT** and **Harvard**, through the Spanish editions of their publications "MIT Technology Review" and "Harvard Business Review". The experience, contents and success stories, not to mention the analysis of these partners, all combine to enrich the contents of the Vodafone Observatory platform.

# Introduction

---

## How is the Spanish economy's driving force tackling digitization?

This report shows the results of an in-depth study that **The Vodafone Enterprise Observatory** has conducted to ascertain the state of digitization of Enterprises and Public Administrations.

The study shows the response of more than 2,400 professionals and senior executives of enterprises and institutions from all over Spain and that represent all the sectors and types of enterprise and administrations. The results are outlined in four major reports, in line with the different segments:

- Professionals and Small Enterprises (1-9 employees)
- SMEs (10-99 employees)
- Large Enterprises (More than 100 employees)
- Public Administrations

Are the measures that we are adopting enough? Are they really what my business needs? What are the best solutions that technology can offer me? How much must I invest to make these changes? Who could help me to set them up?

One of the main facts about of the Spanish economy is that the large majority of its enterprises are very small. The figures are very clear: 82.8% of Spanish companies has two salaried workers or fewer. During the crisis, it has been Professionals and Small Enterprises who have suffered the most, which is why they should play a leading role in the economic recovery.

In this environment of moderate optimism about the recovery, we have sought to ascertain state of digitization **of professionals and enterprises that have fewer than 10 employees**. To this end, we have conducted extensive qualitative and quantitative research that has shed light on the current state of their business, understood as how they apply new technologies to their internal management and to relations with customers and suppliers.

What are the **priorities** and goals of their investment? Do they have qualified **personnel**? What digitization **services and applications** are in biggest demand? Who will **help** to implement their digital processes? What act as **accelerators and brakes** in their digitization process?

# Methodology and technical specifications

	QUALITATIVE PHASE
Type of study	<b>Qualitative</b> (Professionals and Enterprises1 to 9 employees)
Technique used	<b>In-depth, open-ended interviews</b>
Analysis universe	CEOs, Managers, Project Managers, Heads of production, system directors, etc., of the enterprises and institutions
Details of the methodological approach	<b>23 in-depth, open-ended interviews</b> were conducted, and distributed as follows: <ul style="list-style-type: none"><li>- 14 of Self-employed Professionals</li><li>- 9 of Small Enterprises</li></ul>
Field work completion date	From 26th April to 2nd June 2017
Study conducted by	Advice Strategic Consultants S.L.

Type of study	<p><b>QUANTITATIVE PHASE</b></p> <p><b>Quantitative</b> (Professionals and Enterprises 1 to 9 employees)</p>
Technique used	<p><b>Telephone interviews</b></p>
Analysis universe	<p>CEOs, Managers, Project Managers, Heads of production, system directors, etc., of the enterprises and institutions</p>
Details of the methodological approach	<p>A total of <b>1,002 interviews</b> were conducted among Professionals and Enterprises with between 1 and 9 employees, with a sample error of <math>\pm 3.16</math> for a confidence level of 95.5%</p> <p>Subsequently the data were weighted according to the actual weight of the actual distribution of Professionals and Small Enterprises in line with the number of workers, Autonomous Region and sector according to Central Company Directory (DIRCE) data as at 01/01/2016</p>
Field work completion date	<p>From 26th April to 2nd June 2017</p>
Study conducted by	<p>Advice Strategic Consultants S.L.</p>

# Conclusions

---

**Professionals and Small Enterprises have a certain lack of digital maturity, but have steadily brought digital systems and services into their daily operations**

They still have a long way to go complete their transformation. Indeed, they consider that you cannot go digital all at once, and instead that it is a long, drawn-out process.

Therefore their digital evolution will involve gradually bringing in services and systems and adding new economic and human resources to their business plans.

## **The situations that Professionals and Small Enterprises face mean that making their business digital is not one of their main concerns right now.**

- It is the group that has been hardest hit by the economic crisis and has the largest personnel limitations; most of these enterprises have 1 or 2 employees. That is why this group of enterprises has spent the least on digitizing their business and focused, in most cases, on making it survive.
- Even so, 89% of the professionals interviewed said they were moderately optimistic that their business would recover -and even grow- over the next few years.
- For this group, the main key to the recovery is the generalized improvement of the country's economy and of consumer spending, and only 15% said that improving their operations will help to boost their business turnover.
- In this context, 44% of respondents said that their main concern is to keep their business going and to make it grow.
- Entrepreneurs do not think that the impact of digitization can act as a lever for improving and growing their business. Only 2% mention digitization as their main concern. However, when asked directly about it, they are indeed aware of the need to bring new technologies into their business.

## **Small Enterprises are at a very basic level of digitization due to the difficulties they face on account of the lack of resources and know-how within their own organization.**

- Nearly half of the professionals or small businessmen state that their enterprise has reached an intermediate degree of digitization. Furthermore, 25% say that their level of transformation is low or has not even started.
- Even though, to a greater lesser or extent, these enterprises have started going digital, very few (14%) are seen to have a defined transformation plan.
- The amount that these enterprises have invested to go digital over the last two years is much lower than the amount invested by larger enterprises. 55% say they have invested less than €3,000.
- The study shows that most of these enterprises have the most basic digital services, such as voice services, Internet connection or website, and are starting to identify the need for rather more sophisticated features, like digital marketing services. Yet they are a long way from more advanced solutions like e-commerce, cloud computing services or big data because they do not regard them as necessary for their business right now.
- Nearly 70% of respondents said they do not need an e-commerce platform.
- By sectors, the wholesale trade, catering and services companies have gone the furthest in adopting new technologies and it is also they that say have invested most, together with the transport and logistics companies.

**Self-employed professionals and small businessmen appear to know very little about digitization and how to go digital. However, they do believe in the benefits that their business stands to gain from it.**

- More than half of the respondents cannot identify their business' specific digitization needs, while the other half of the professionals or small businessmen point to 'not very advanced' needs.
- Yet they can name the benefits that digitization can bring to their business. 80% of respondents identify benefits that digitization can bring, and most have more to do with improving business operations than with the business' growth or development.
- The perceived high economic cost is the main barrier to the enterprises' digitization, even though they do not appear to know much about the process.

**Allocating internal or external resources is the key to pushing forward the digitization of Small Enterprises.**

- The lack of training, qualified personnel and dedicated personnel to lead the transformation process is a major handicap in the process of digitizing Small Enterprises.
- On account of their very nature and size, these enterprises lack the internal resources they would need to assign to digitizing their enterprise, which is why external help is the best solution for 72% of respondents.
- Telecom operators are the main partners for 38% of respondents when it comes to tackling the digital transformation of their businesses. Secondly, IT companies are the solution that 32% of respondents would choose.



# Context and concerns

---

## **Keeping their business going and growing is the key concern of Spanish Professionals and Small Enterprises, in an economic environment of moderate optimism**

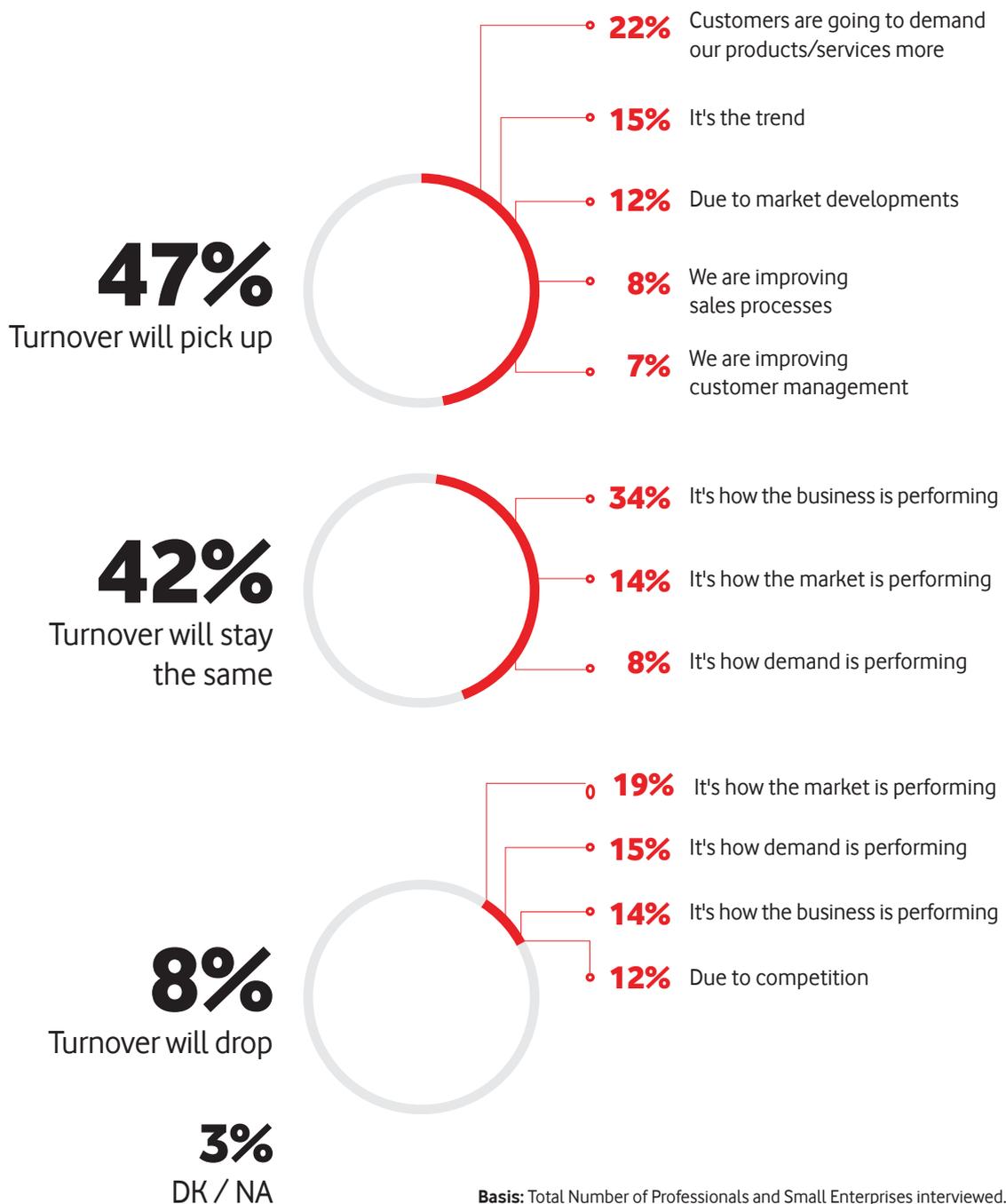
Trying to understand where they stand in terms of digitization entails first understanding the more general point of time and concerns of Professionals and Small Enterprises. One of the main facts about the Spanish economy is that the large majority of its enterprises are very small.

Another highly relevant question for understanding

Professionals and Small Enterprises is to look at the economic past, the long, drawn-out recession that hit them in Spain especially hard, and at the economic recovery –since 2014– that shapes how they see things. In that context, the study concludes that there is a situation of moderate optimism; the impression is that turnover is going to pick up a little and customer relations are expected to improve slightly

## How they expect their enterprise's turnover to perform in the next twelve months and reasons why

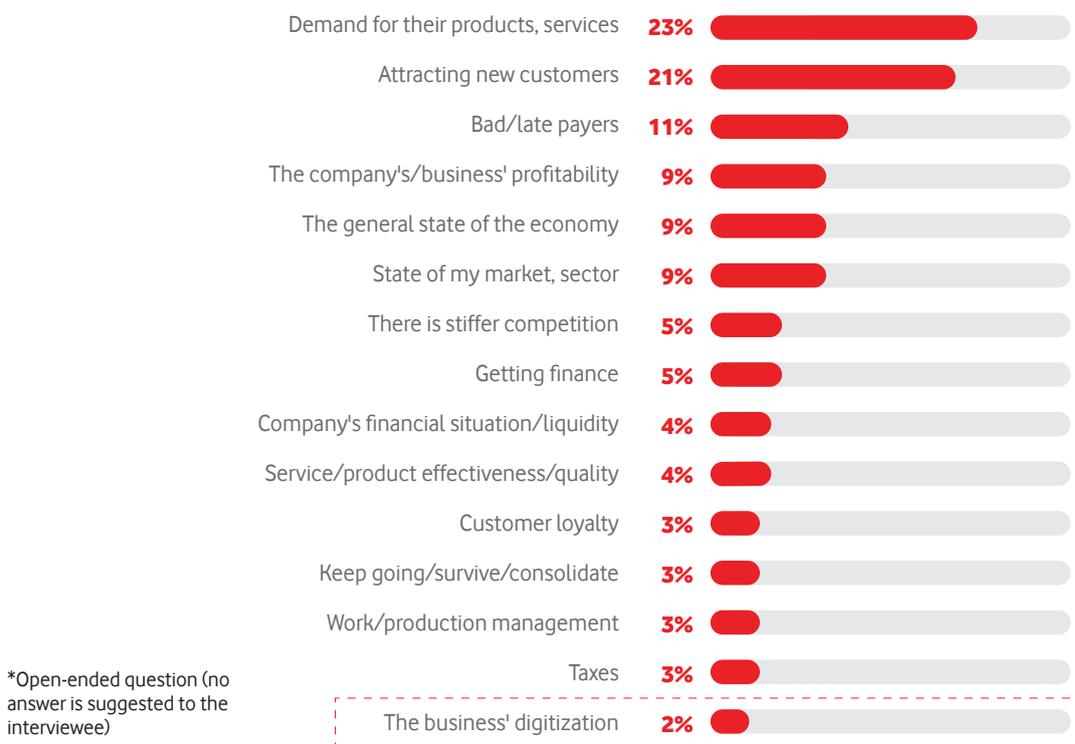
After a profound economic crisis, the Professionals and Small Enterprises segment is moderately optimistic, despite being the group that was hardest hit by the tough economic scenario. They say that their turnover will remain the same or increase slightly due to an improvement in the general state of the economy more than due to specific actions of the professionals and enterprises.



## Digitizing the business does not appear among Professionals' and Small Enterprises' main concerns

The digitization process per se is not a concern that is on Spanish professionals' and small entrepreneurs' minds. Yet some of the improvements that digitization has to offer -how to make the business more efficient or attract customers- does indeed appear among their major concerns.

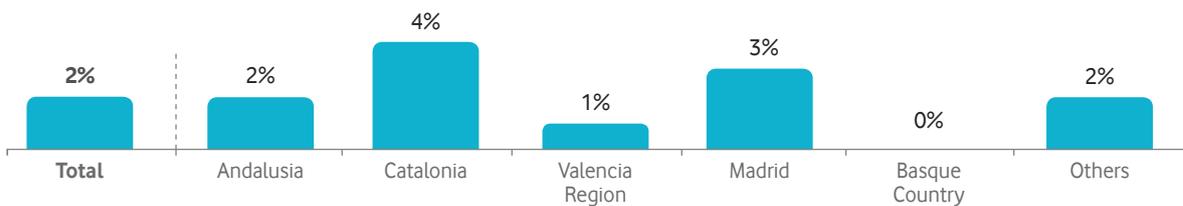
### Their business' main concerns right now



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

### DIGITIZATION AS A MAJOR CONCERN, BY AUTONOMOUS REGION

Madrid and Catalonia are the autonomous regions where digitization is spontaneously mentioned most as a concern. The Basque Country respondents hardly mention it.



**Basis:** Total Number of Professionals and Small Enterprises interviewed, by autonomous region

## Even so, they are aware how much digitization matters to their business

Small entrepreneurs consider that how the economy can impact their business, such as taxation or labour costs, is far more important for the success of their activities.

When suggested concerns are rated, digitization scores less than the average of the other concerns, and scores higher than issues that spontaneously are stated as being more relevant, such as getting finance.

How they rate (from 0 to 10) how concerned they are about different business-related issues.  
(Suggested reply)



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

## MAIN CONCERNS, BROKEN DOWN BY SECTOR

The retail trade, industry and services are the sectors that attach greatest importance to digitization and to bringing new technologies into their business.



	SECTOR									
	TOTAL									
Taxes	<b>7.9</b>	7.6	7.9	<b>8.5</b>	7.5	8.2	8.2	7.9	7.7	
The general state of the economy	<b>7.9</b>	7.6	7.9	<b>8.3</b>	7.5	<b>7.4</b>	7.7	7.9	7.8	
Profitability	<b>7.8</b>	7.8	8.1	8.1	7.9	<b>7.2</b>	7.7	7.5	7.8	
Attracting new customers	<b>7.8</b>	<b>6.9</b>	7.7	<b>8.4</b>	7.8	<b>7.4</b>	<b>7.3</b>	7.7	7.8	
Changes in their market, sector	<b>7.5</b>	7.5	7.8	<b>8.0</b>	<b>8.1</b>	<b>7.1</b>	7.7	7.4	7.3	
Demand for their products, services	<b>7.5</b>	7.3	7.6	<b>8.1</b>	7.5	7.3	7.2	7.2	7.3	
Labour costs	<b>7.1</b>	6.9	7.4	<b>7.5</b>	6.9	<b>7.7</b>	7.0	7.1	6.9	
Red tape	<b>7.0</b>	<b>7.7</b>	7.0	7.3	6.8	6.8	<b>6.3</b>	<b>7.4</b>	6.9	
Legislation, regulatory changes	<b>7.0</b>	<b>7.5</b>	6.8	7.2	<b>6.1</b>	<b>7.4</b>	7.3	6.7	7.1	
Competition	<b>6.7</b>	<b>5.8</b>	6.6	<b>7.2</b>	<b>7.1</b>	<b>5.9</b>	<b>7.5</b>	6.4	6.6	
Diversifying one's offering	<b>6.3</b>	6.4	6.5	<b>6.8</b>	6.0	<b>5.8</b>	6.0	<b>5.9</b>	6.2	
Digitization, bringing new technologies into business management	<b>6.0</b>	<b>5.6</b>	6.3	<b>6.6</b>	<b>5.7</b>	5.9	5.8	<b>5.6</b>	6.0	
Capital expenditure	<b>5.6</b>	5.8	<b>6.0</b>	5.6	<b>5.0</b>	<b>7.0</b>	<b>6.2</b>	<b>5.3</b>	5.6	
Getting finance	<b>5.6</b>	6.0	<b>6.1</b>	<b>6.0</b>	5.4	<b>5.0</b>	5.4	<b>6.5</b>	<b>5.1</b>	
Hiring qualified personnel	<b>5.4</b>	<b>4.8</b>	<b>5.9</b>	<b>5.0</b>	<b>4.6</b>	<b>6.3</b>	5.5	5.7	5.4	
Exporting to overseas markets	<b>2.9</b>	<b>4.2</b>	4.2	<b>2.5</b>	<b>4.4</b>	3.2	3.2	<b>2.5</b>	<b>2.3</b>	

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

\* Significantly **above** average.

\* Significantly **below** average.

# The state of digitization

---

## **Professionals and Small Enterprises are only just starting to become digitized, and a long path lies ahead of them**

Spain's Small Enterprises began using information technologies ten years ago. They are still relative beginners as far as digitization goes, despite having technological resources like Internet-connected computers, business management software, broadband and electronic devices, among others.

They are not very familiar with new technologies like big data, artificial intelligence, robotics, 3D printing

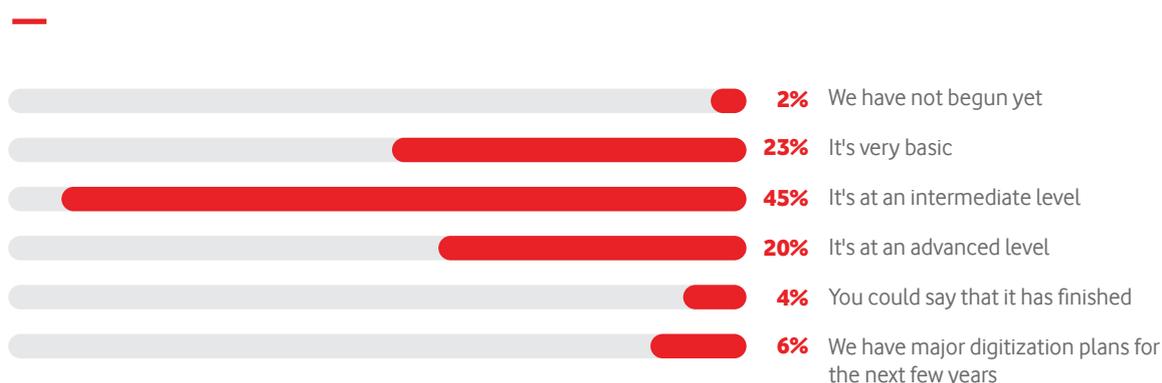
and cloud computing.

The Observatory has found that professionals and small entrepreneurs do not think about using these cutting-edge technologies to move ahead in turning around their businesses. That is why digitization is an unexplored territory and a great opportunity for this segment.

## Spanish Professionals and Small Enterprises consider themselves to be at an intermediate stage of digitization

Only a quarter of them say that they have not started or that their level of digitization is very basic. Almost half of them consider themselves to be at an intermediate level.

Degree of digitization of their business



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

### DEGREE OF DIGITIZATION OF THEIR BUSINESS, BROKEN DOWN BY SECTORS

The lowest scores regarding the degree of digitization are found in the agricultural and mining sectors, along with industrial and construction sectors, while the small commerce, catering, transport and services entrepreneurs are the most optimistic about their digital evolution.

		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
	<b>TOTAL</b>								
We have not begun yet	<b>2%</b>	3%	3%	5%	---	---	---	2%	2%
It's very basic	<b>23%</b>	<b>38%</b>	<b>28%</b>	25%	20%	<b>7%</b>	26%	<b>36%</b>	<b>18%</b>
It's at an intermediate level	<b>45%</b>	43%	42%	<b>52%</b>	46%	<b>57%</b>	<b>37%</b>	42%	44%
It's at an advanced level	<b>20%</b>	<b>11%</b>	17%	<b>10%</b>	<b>26%</b>	<b>25%</b>	<b>30%</b>	<b>13%</b>	<b>25%</b>
You could say that it has finished	<b>4%</b>	---	5%	2%	2%	7%	4%	3%	5%
We have major digitization-oriented plans for the next few years	<b>6%</b>	5%	5%	6%	5%	4%	4%	4%	6%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

**%** Significantly **higher than** the total.

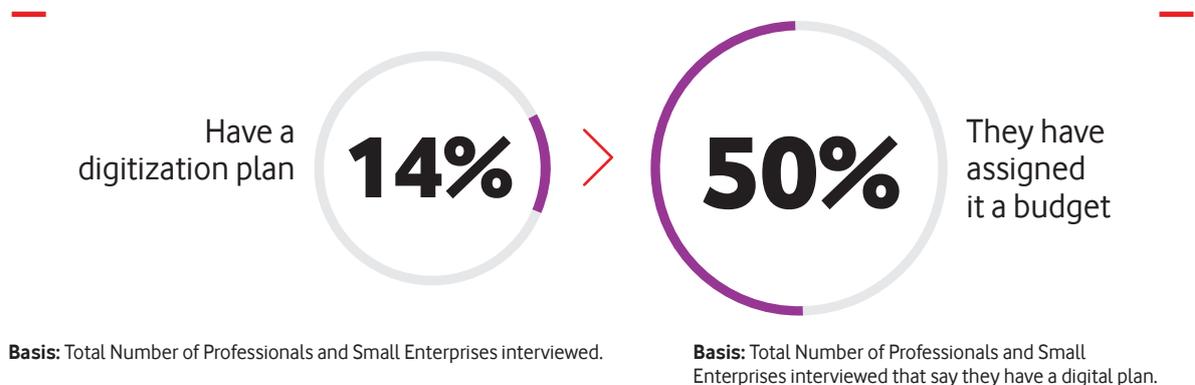
**%** Significantly **lower than** the total.

## There are still very few Small Enterprises and Professionals that have "a structured plan" for going digital

Despite the fact that the large majority say that they have started going digital, very few of the respondents admit to having developed a specific plan for this purpose. And of the 14% who say they have a plan, half have assigned an ad hoc budget to digitize their business.

Enterprises or businesses with an established digitization plan or programme

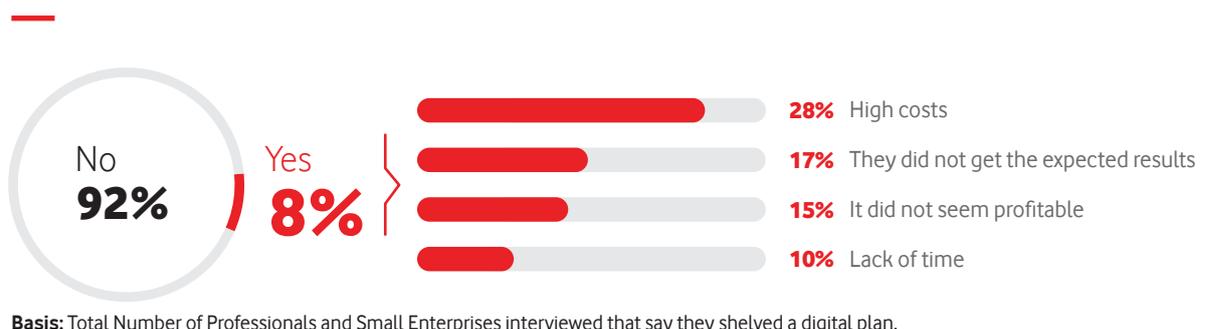
How many of these have assigned a budget to this plan



## Only 8% of the companies that have started the digital plan have dropped it. Most of them did so due to the cost

The high cost is the main reason. Second come other reasons such as the lack of results, the belief that it is not very profitable or the lack of time to carry it out.

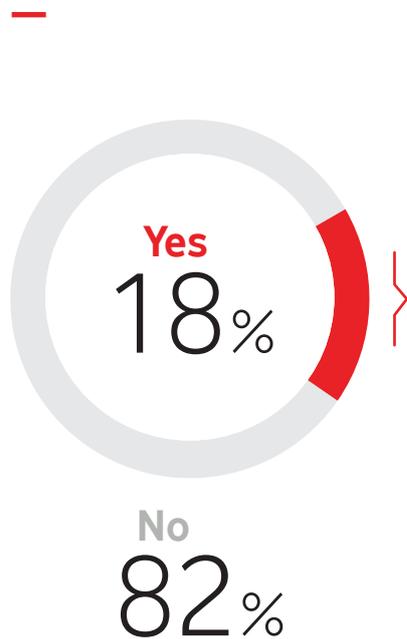
Enterprises that have dropped a digitization plan and reasons for doing so



## Only one of every five small businessmen has staff with special digitization skills

That is why it is so important for Professionals and Small Enterprises to resort to external digitization suppliers.

Enterprises that have staff with digitization skills



### YES ANSWERS, BY SECTOR



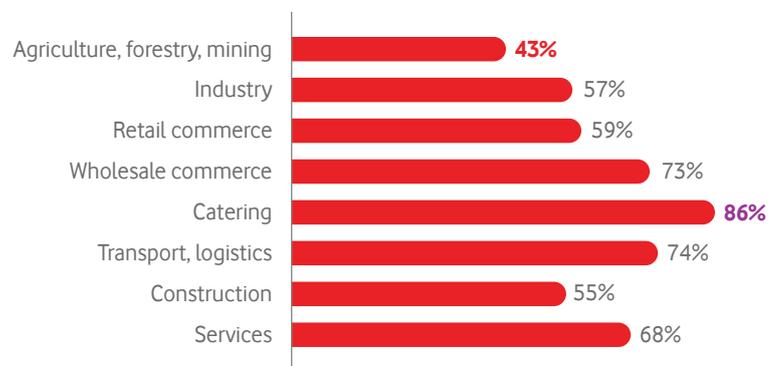
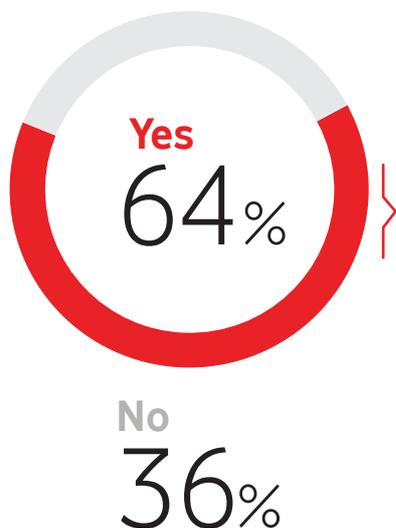
The primary sector has the fewest specialized staff available. On the other end are the services, industry and the catering sectors.

**Basis:** Total Number of Professionals and Small Enterprises interviewed.

## Two out of every three Professionals and Small Enterprises have invested in digitization over the last two years

Two thirds of Spanish professionals and small entrepreneurs have invested in digitization in the last few financial years. Many of them regard modernizing their machinery, which is fundamental for the growth of their business, as a digital investment.

### ENTERPRISES THAT HAVE INVESTED IN DIGITIZATION, BY SECTOR OF ACTIVITY

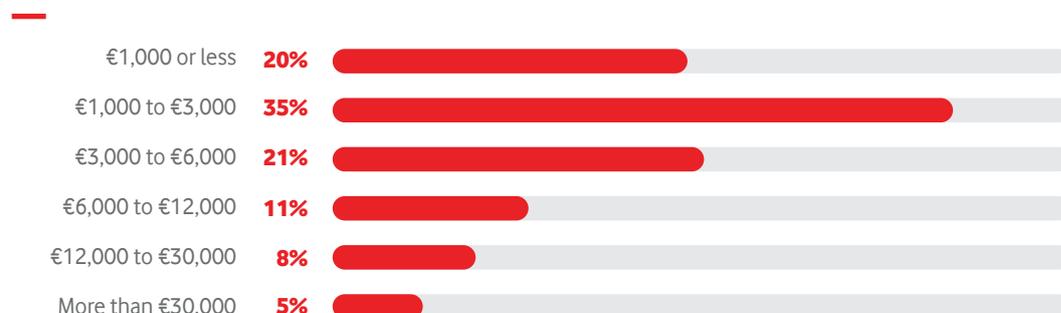


Services and wholesale commerce are the sectors that state to a larger extent that they have invested in digitizing their business.

However, it is the primary sector companies and industry that have invested the least.

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

### Investment Level in digitization in the last two years

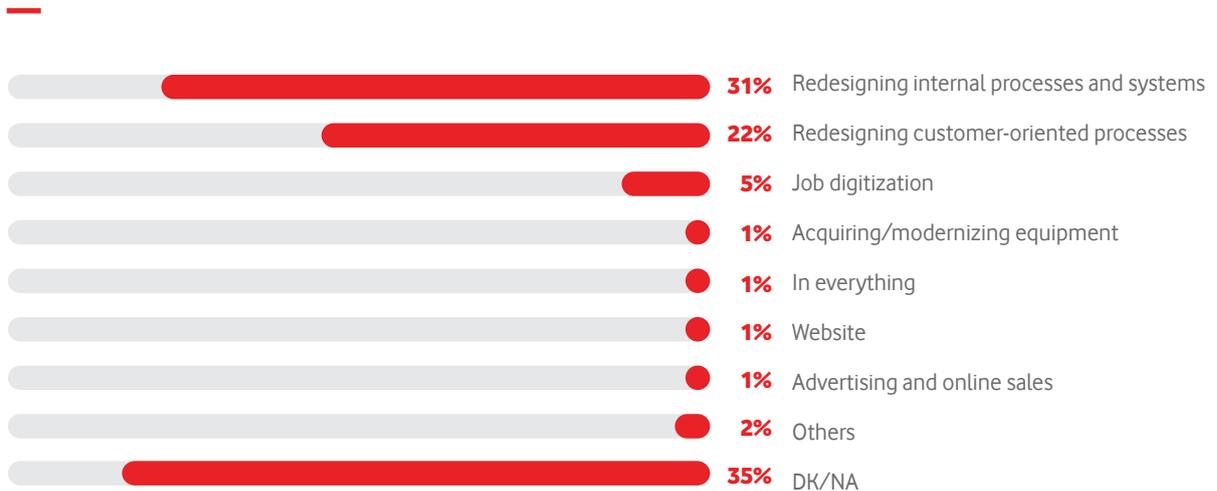


**Basis:** Total Number of Professionals and Small Enterprises interviewed.

## For small businesses, redesigning internal and external processes is the main digital priority

As far as digitization investment priorities go, Small Enterprises mainly allocate investments to redesigning internal and external working processes and operations. Even though it should be underscored that one third of respondents does not have any clear priorities.

Main priorities in terms of investment with respect to digitization



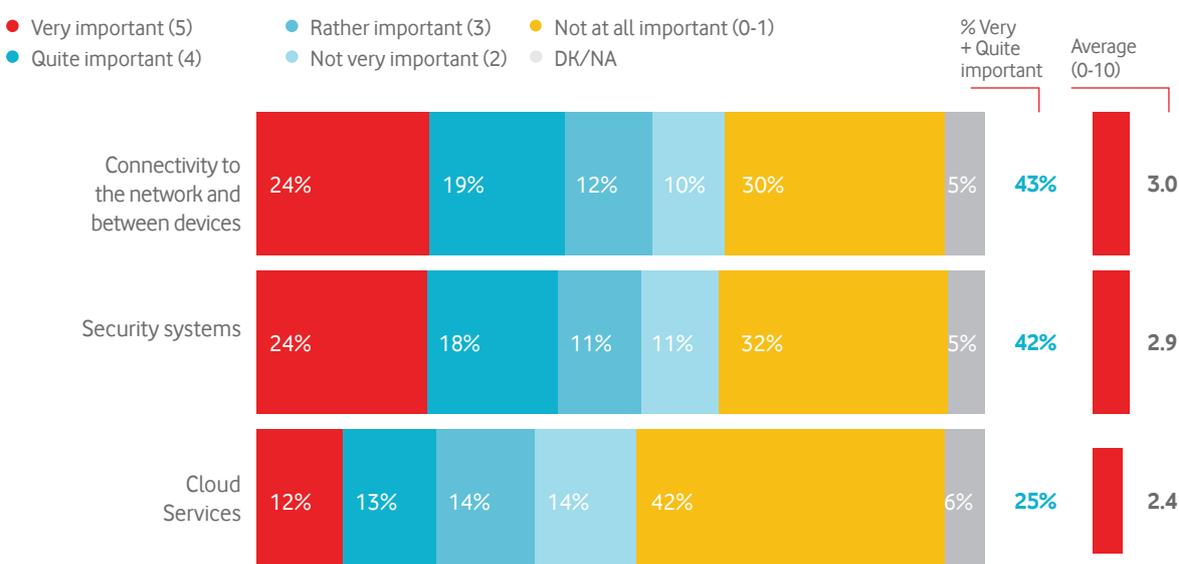
**Basis:** Total Number of Professionals and Small Enterprises interviewed.



## Security systems and connectivity are the two most key aspects for small entrepreneurs

Nearly 70% of the Professionals or Small Enterprises state that they consider IT security and connectivity-related issues to be important, to a greater or lesser extent. Cloud services are not mentioned as being a priority for more than 40% of respondents.

### Main priorities in terms of digitization investment



Basis: Total Number of Professionals and Small Enterprises interviewed.

### INVESTMENT PRIORITIES, BREAKDOWN BY SECTORS

Worth noting is that the catering and transport and logistics sectors are in great need of the three services.



Basis: Total Number of Professionals and Small Enterprises interviewed.

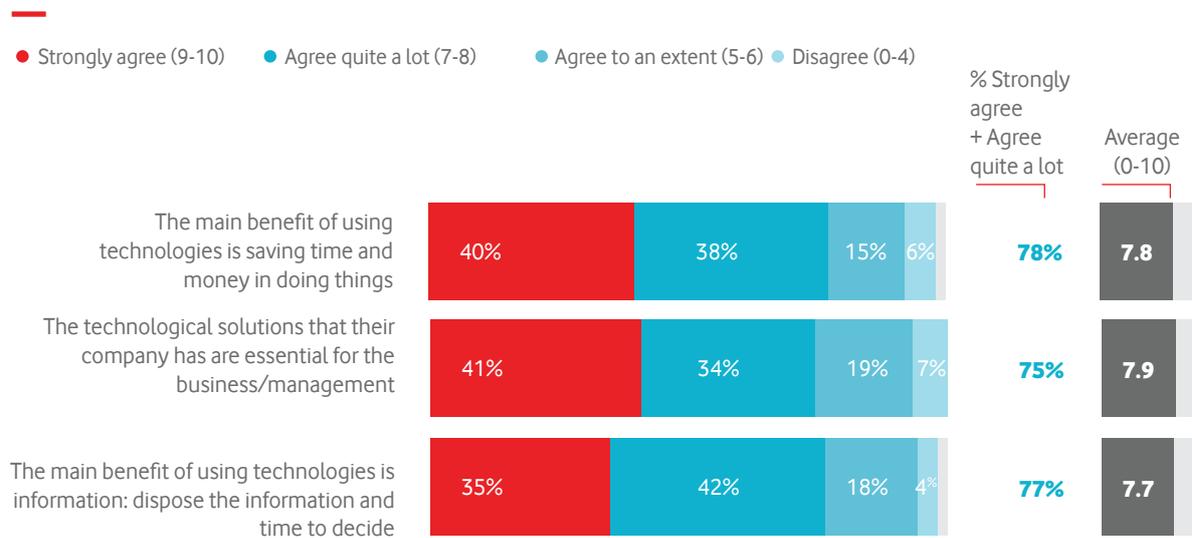
% Significantly higher than the total.

% Significantly lower than the total.

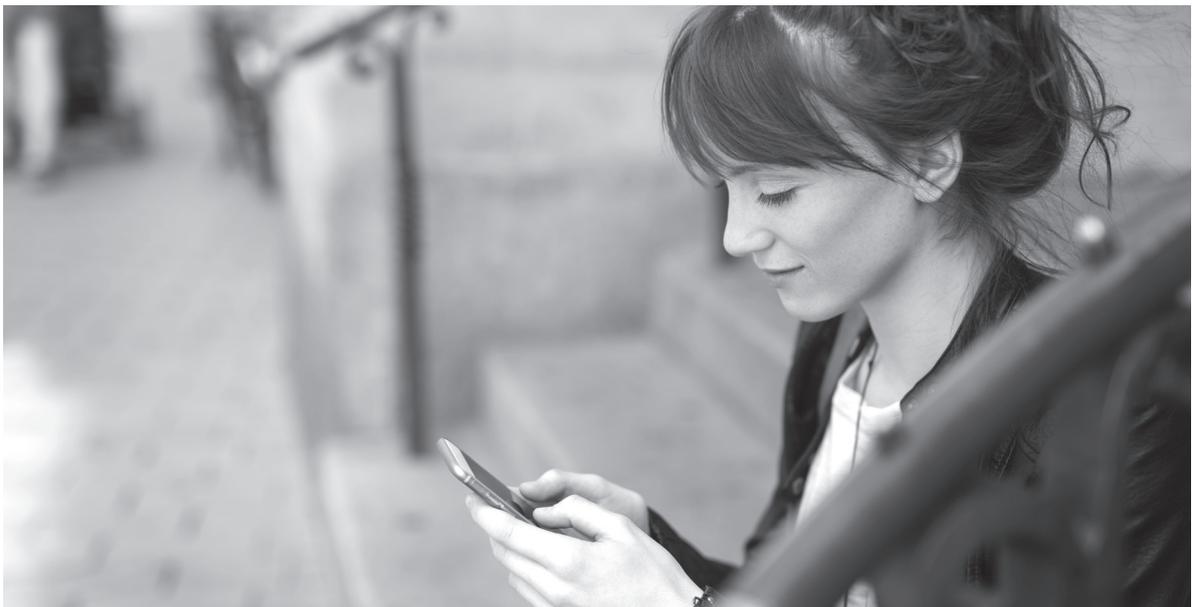
## They want to take advantage of technological solutions to save time and money in their tasks

The large majority state that technological solutions are essential and understand the digital benefit both in terms of the cost and time savings and in terms of having plenty of information and having it in time to decide.

How the main benefits of digitization are rated from 0 to 10



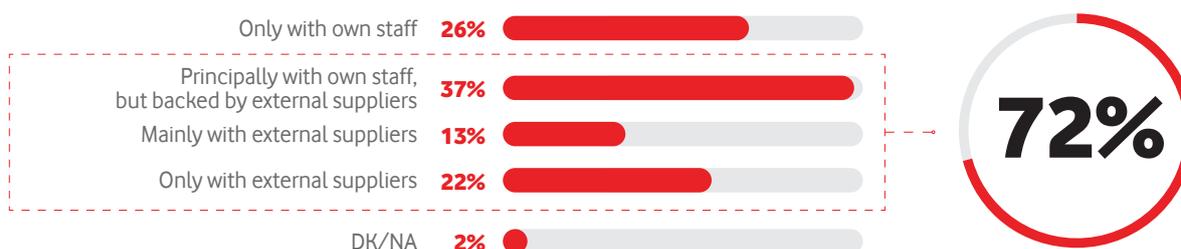
**Basis:** Total Number of Professionals and Small Enterprises interviewed.



## Professionals and Small Enterprises will need external help to digitize their business

Seven out of every ten admit that they would not be capable of carrying out the digitization work with their own staff, because most of them have very few, and that they would resort to external suppliers to take the necessary steps and action.

### Type of personnel to carry out their digitization process



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

### TYPE OF PERSONNEL TO CARRY OUT THE DIGITIZATION, BY SECTOR OF ACTIVITY

The need to outsource digitization work is greater in the transport, logistics and wholesale commerce sectors, whereas the catering industry, on the contrary and to a larger extent, says that it will carry out the digitization work in house.



	TOTAL	SECTOR							
		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
Only with own personnel	26%	27%	26%	30%	13%	39%	11%	21%	29%
Principally with own staff, but backed by external suppliers	37%	32%	36%	36%	44%	39%	41%	28%	38%
Mainly with external suppliers	13%	8%	16%	7%	16%	11%	19%	15%	12%
Only external suppliers	22%	32%	20%	24%	24%	11%	30%	29%	19%
DK/NA	2%	---	2%	3%	2%	---	---	6%	2%
<b>Need for external suppliers</b>	<b>71%</b>	73%	72%	67%	85%	61%	89%	72%	69%

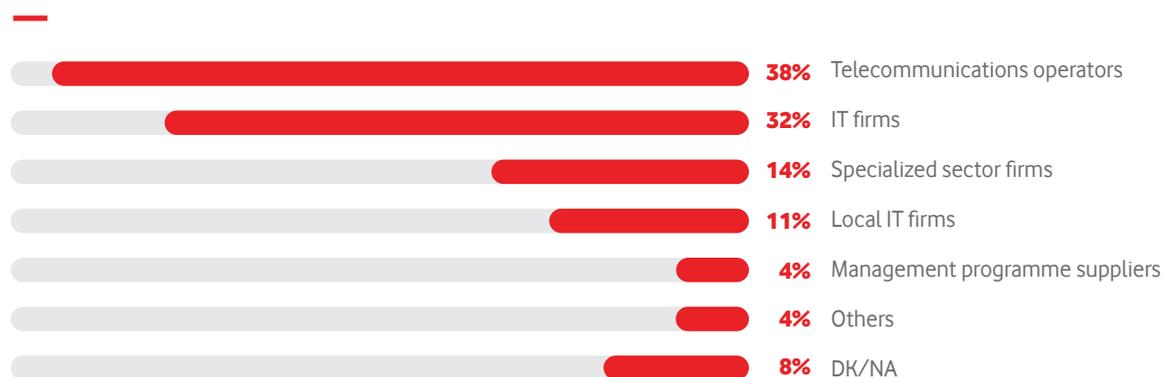
**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

% Significantly higher than the total.  
% Significantly lower than the total.

## Telecommunications operators and traditional IT firms are the main suppliers when it comes to looking for this outside help

Telecommunications operators are Professionals and Small Enterprises' main allies when it comes to tackling digitization.

Type of suppliers they will hire for the digitization process



**Basis:** Total Number of Professionals and Small Enterprises interviewed that will outsource digitization tasks to external suppliers.

### TYPE OF DIGITIZATION SUPPLIERS, BY SECTOR OF ACTIVITY

All sectors of activity mainly resort to telecommunications operators to tackle the digitization of their business. Even though it is the second option in trade (retail and wholesale), where IT firms play a larger role.

	TOTAL	SECTOR							
		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
Telecommunications Operators	38%	37%	46%	34%	31%	35%	50%	36%	38%
IT firms/suppliers	32%	26%	30%	35%	36%	29%	29%	32%	32%
Specialized sector firms	18%	15%	20%	20%	21%	12%	8%	14%	19%
Local IT firms	8%	15%	5%	10%	13%	6%	8%	4%	8%
Management programme suppliers	4%	---	2%	3%	4%	12%	4%	4%	4%
Others	4%	11%	2%	1%	4%	---	13%	1%	5%
DK/NA	8%	11%	11%	8%	5%	18%	4%	10%	6%

**Basis:** Total Number of Professionals and Small Enterprises interviewed that will outsource digitization tasks to external suppliers.

% Significantly **higher than** the total.  
% Significantly **lower than** the total.

# Digitization needs

---

## **Professionals and Small Enterprises are not very clear what digitization is and how it might impact their business**

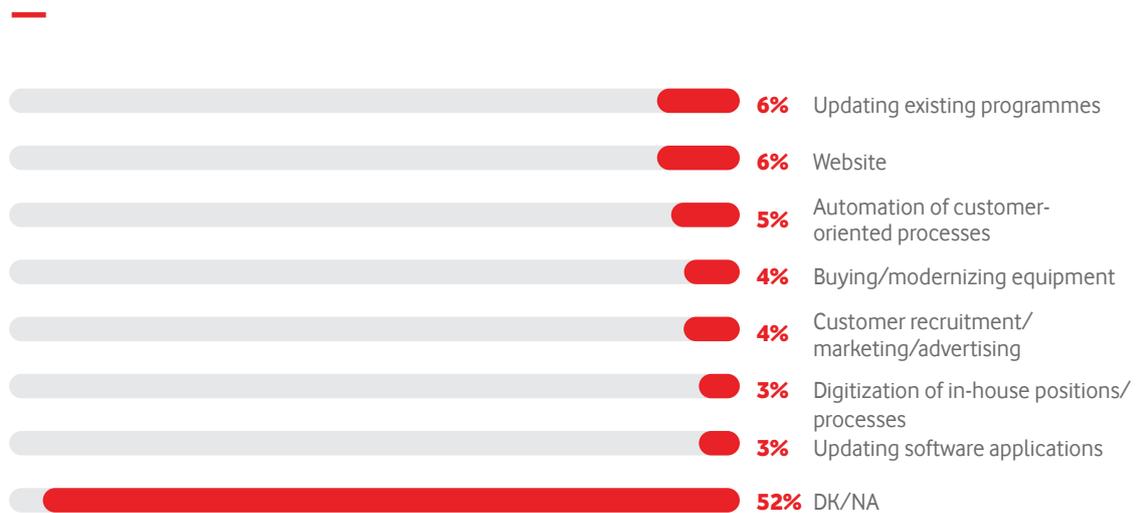
"Nobody loves what they don't know", the Latin saying goes, and this well applies to the new technologies underlying what is being called the fourth industrial revolution or digitization.

Not knowing this is why more than half of Professionals and Small Enterprises are incapable of stating specific needs about the digitization of their business. And the other half give such a wide variety of answers that one finds nearly as many needs as types of enterprises, sectors, etc.

## Digitization is not associated to any specific task. The variety of answers, if any, is enormous

Professionals and small entrepreneurs are not clear about their business' specific needs as far as digitization goes. By way of example, more than half of the respondents were incapable of naming specific needs in this respect.

Their business' main digitization-related needs



\*Open-ended question (no answer is suggested to the interviewee)

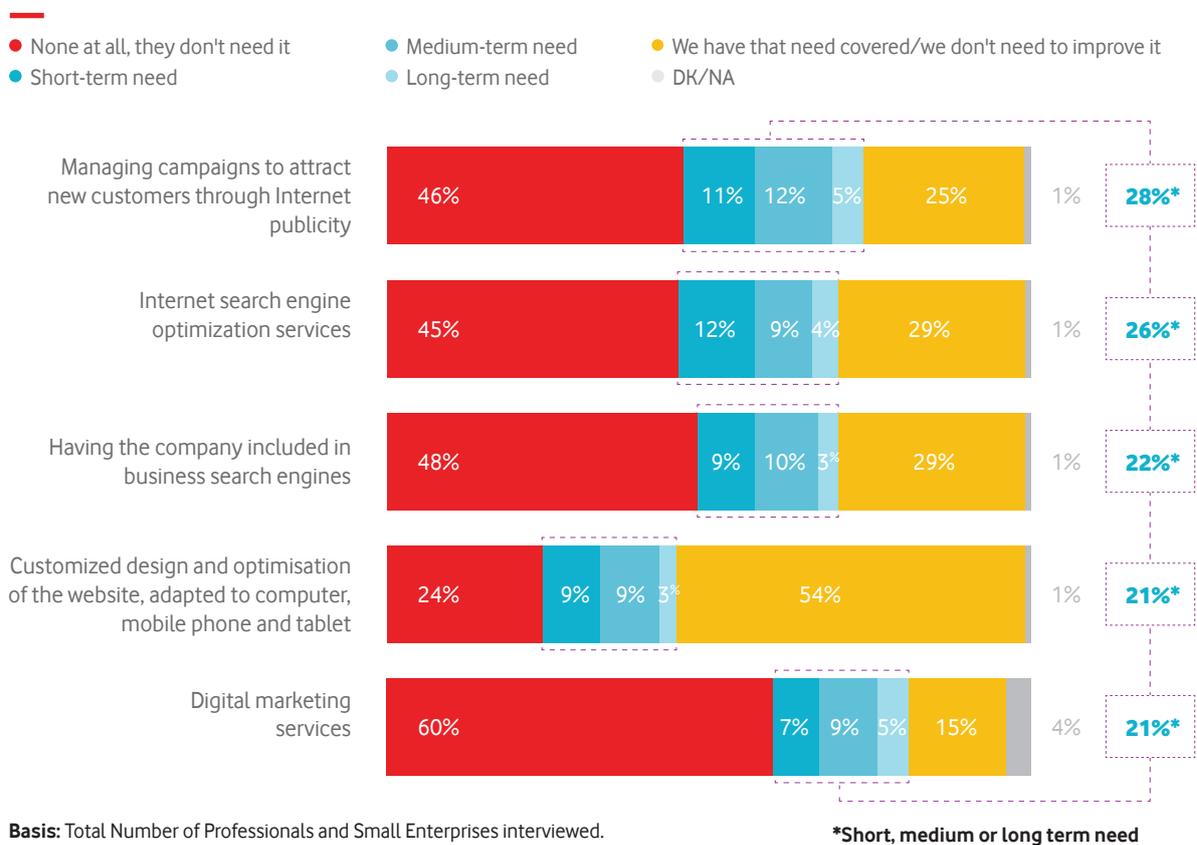
Basis: Total Number of Professionals and Small Enterprises interviewed.



## Professionals and Small Enterprises need digital channels to grow their customer base and improve their business' image

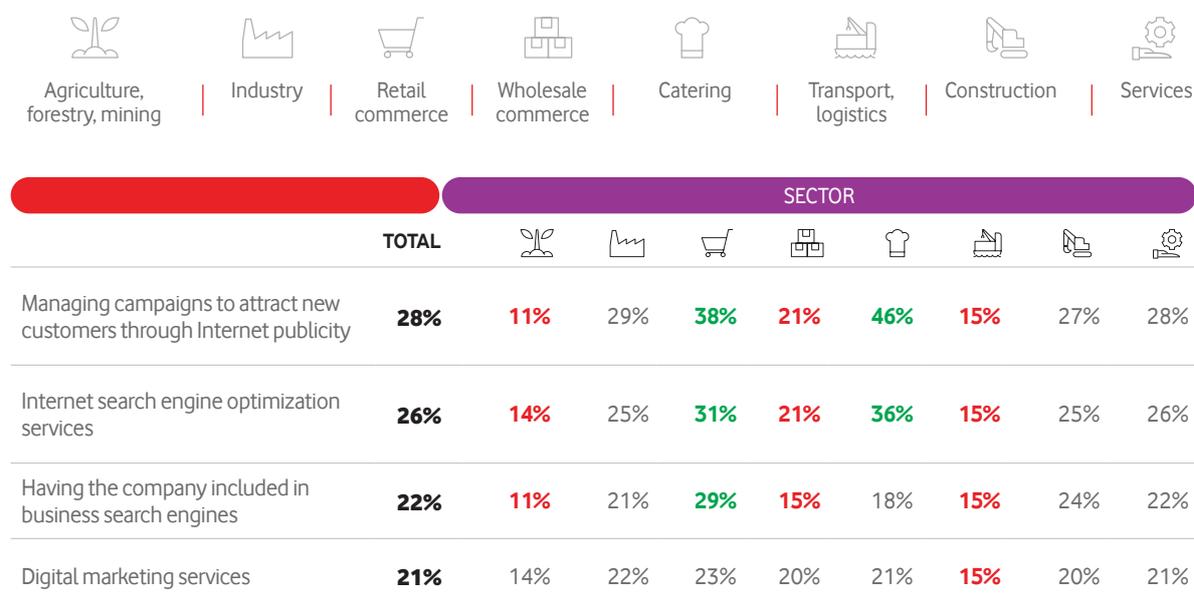
Marketing-related services are found to be the most necessary for furthering a company's digitization, though the fact is that many companies are not using them yet.

Level of need of the following aspects with regard to their business



## LEVEL OF NEED FOR DIGITAL MARKETING SERVICES, BY SECTOR OF ACTIVITY

The need for these Internet services and uses is much larger among the retail trade and catering industry, and clearly smaller in the sectors of transport and logistics sectors, wholesale trade and primary sector.

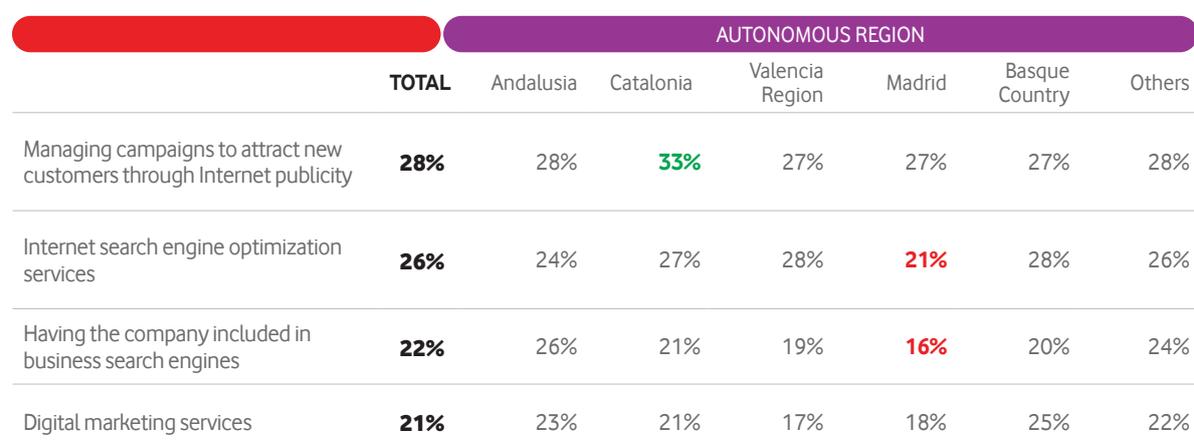


**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

% Significantly **higher than** the total.  
% Significantly **lower** than the total.

## LEVEL OF NEED FOR DIGITAL MARKETING SERVICES, FROM AUTONOMOUS REGION

The need for these Internet services and uses is smaller among Professionals and Small Enterprises in the Madrid Region and higher in Catalonia.



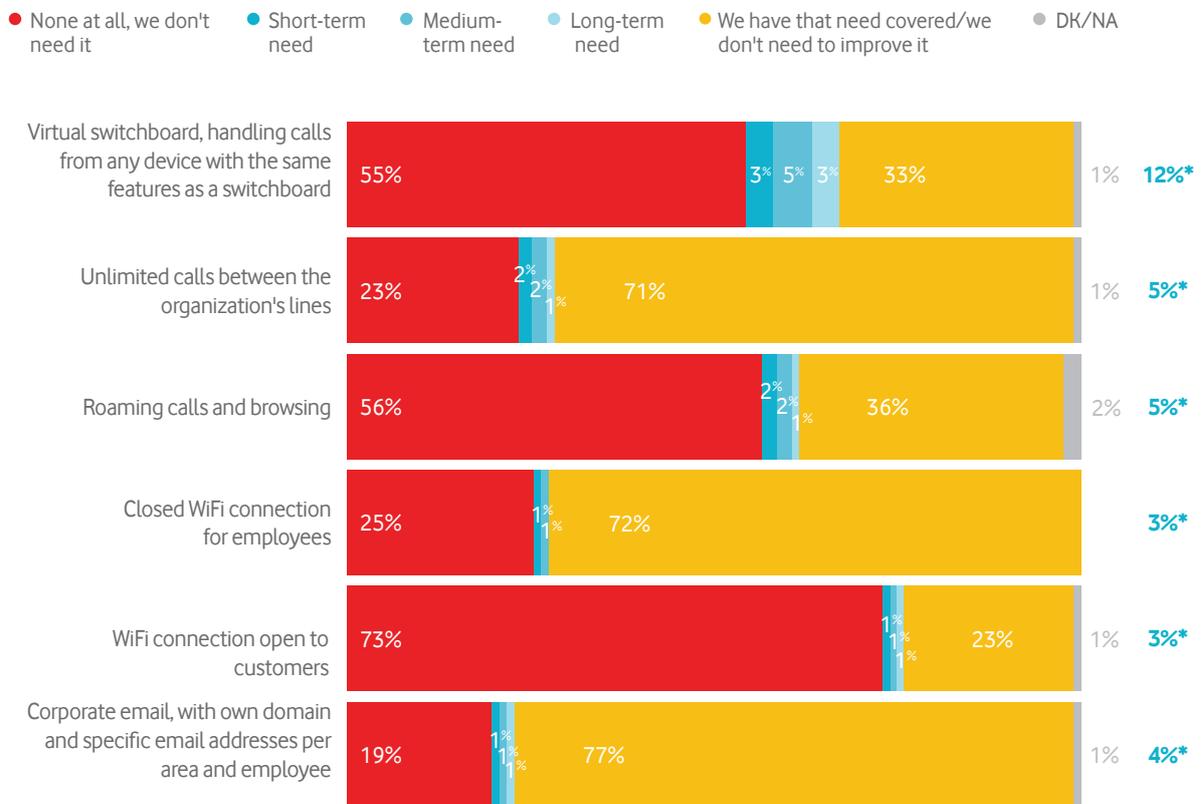
**Basis:** Total Number of Professionals and Small Enterprises interviewed, by autonomous region.

% Significantly **higher than** the total.  
% Significantly **lower** than the total.

## Voice and Internet connection services are the most common digital environment services for Professionals and Small Enterprises

That is why there appears to be very little need for voice and Internet-related services. Either the Professionals and Small Enterprises have already covered their need, or they say they do not have such a need.

Level of need of having or improving the following voice and Internet connection services



Basis: Total Number of Professionals and Small Enterprises interviewed.

\*Sum of the short, medium or long-term need.

## LEVEL OF NEED FOR INTERNET AND VOICE SERVICES, BY SECTOR OF ACTIVITY

Roaming calls and browsing are considered rather more interesting by the catering industry and corporate email by part of the transport and logistics sector.

		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
	<b>TOTAL</b>								
Virtual switchboard, handling calls from any device with the same features as a switchboard	<b>12%</b>	8%	14%	11%	13%	11%	<b>4%</b>	13%	11%
Unlimited calls between the organization's lines	<b>5%</b>	8%	4%	7%	5%	7%	<b>0%</b>	2%	4%
Roaming calls and browsing	<b>5%</b>	3%	6%	2%	8%	<b>14%</b>	4%	3%	6%
Closed WiFi connection for employees	<b>3%</b>	8%	1%	2%	3%	7%	4%	4%	2%
WiFi connection open to customers	<b>3%</b>	0%	2%	5%	2%	7%	7%	2%	3%
Corporate email, with own domain and specific email addresses per area and employee	<b>4%</b>	5%	3%	4%	2%	7%	<b>11%</b>	5%	4%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

## LEVEL OF NEED FOR DIGITAL MARKETING SERVICES, BY AUTONOMOUS REGION

The need for a virtual switchboard for managing calls from any device is greater among Andalusian Professionals and Small Enterprises.

		Andalusia	Catalonia	Valencia Region	Madrid	Basque Country	Others
	<b>TOTAL</b>						
Virtual switchboard, handling calls from any device with the same features as a switchboard	<b>12%</b>	<b>17%</b>	12%	9%	<b>7%</b>	14%	12%
Unlimited calls between the organization's lines	<b>5%</b>	6%	5%	2%	5%	7%	4%
Roaming calls and browsing	<b>5%</b>	3%	5%	2%	8%	10%	6%
Closed WiFi connection for employees	<b>3%</b>	3%	2%	1%	3%	5%	3%
WiFi connection open to customers	<b>3%</b>	3%	2%	3%	2%	6%	3%
Corporate email, with own domain and specific email addresses per area and employee	<b>4%</b>	3%	2%	4%	4%	1%	5%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by autonomous region.

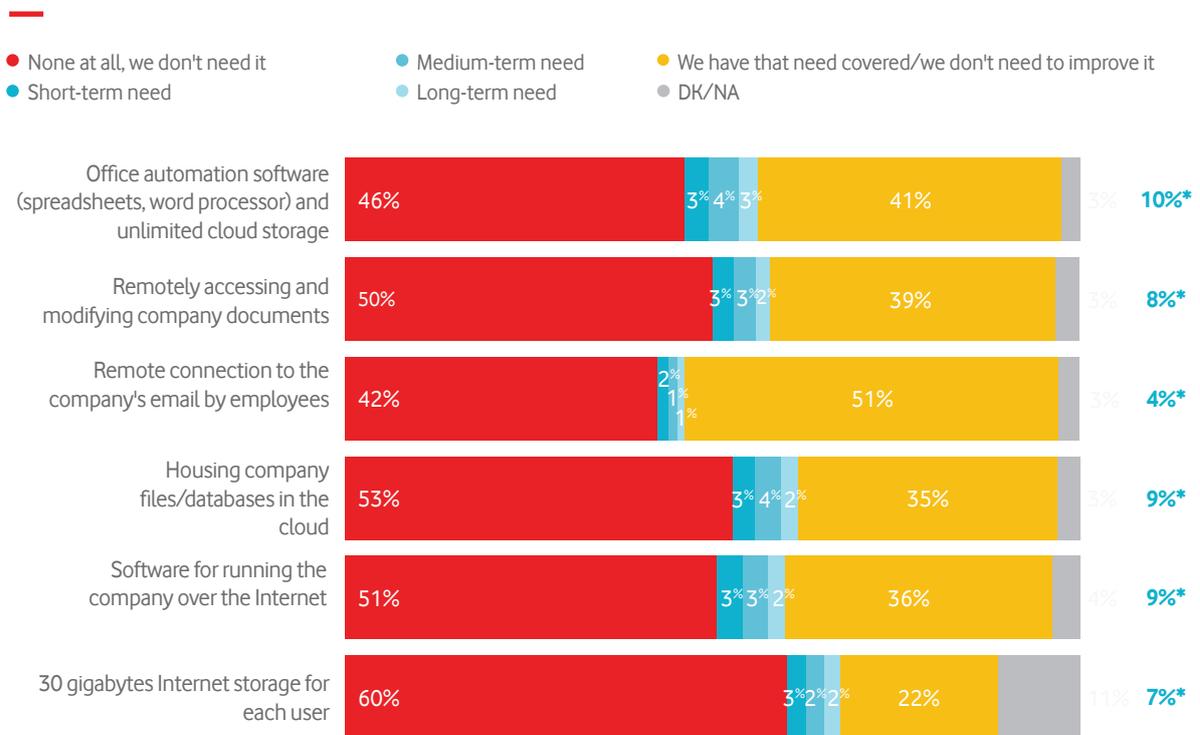
**%** Significantly **higher** than the total.

**%** Significantly **lower** than the total.

## Most Professionals and Small Enterprises say they do not need cloud services

This group's lower need for cloud services responds to the fact that the level of digitization of these enterprises is very low. The level of takeup is high in more usual remote services, such as email. The need for other more advanced services, such as remote software management, file access or high capacity storage, is very small in this group.

Extent to which your enterprise or business needs to have or improve cloud services



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

\*Sum of the short, medium or long-term need.

## LEVEL OF NEED FOR CLOUD SERVICES, BY SECTOR OF ACTIVITY

The retail trade admits a rather larger need for software for managing the business over the Internet.

		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
	TOTAL	SECTOR							
Office automation software (spreadsheets, word processor) and unlimited cloud storage	<b>10%</b>	0%	10%	10%	12%	11%	4%	10%	11%
Remotely accessing and modifying company documents	<b>8%</b>	0%	6%	9%	10%	14%	7%	5%	9%
Remote connection to the company's email by employees	<b>4%</b>	0%	5%	5%	7%	7%	0%	4%	3%
Housing company files/databases in the cloud	<b>9%</b>	5%	9%	11%	13%	7%	4%	6%	9%
Software for running the company over the Internet /purchasing and/or sales management software, CRM, ERP,...)	<b>9%</b>	5%	9%	13%	9%	11%	0%	4%	9%
30 gigabytes Internet storage for each user	<b>7%</b>	0%	6%	9%	7%	11%	7%	6%	6%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

## LEVEL OF NEED FOR CLOUD SERVICES, BY AUTONOMOUS REGION

There are no major differences regarding cloud services in terms of the Autonomous Region.

		AUTONOMOUS REGION					
	TOTAL	Andalusia	Catalonia	Valencia Region	Madrid	Basque Country	Others
Office automation software (spreadsheets, word processor) and unlimited cloud storage	<b>10%</b>	10%	12%	5%	10%	7%	12%
Remotely accessing and modifying company documents	<b>8%</b>	6%	6%	6%	9%	10%	9%
Remote connection to the company's email by employees	<b>4%</b>	1%	2%	3%	7%	5%	5%
Housing company files/databases in the cloud	<b>9%</b>	8%	11%	5%	8%	9%	11%
Software for running the company over the Internet /purchasing and/or sales management software, CRM, ERP,...)	<b>9%</b>	6%	8%	11%	7%	13%	9%
30 gigabytes Internet storage for each user	<b>7%</b>	6%	8%	6%	7%	7%	7%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by autonomous region.

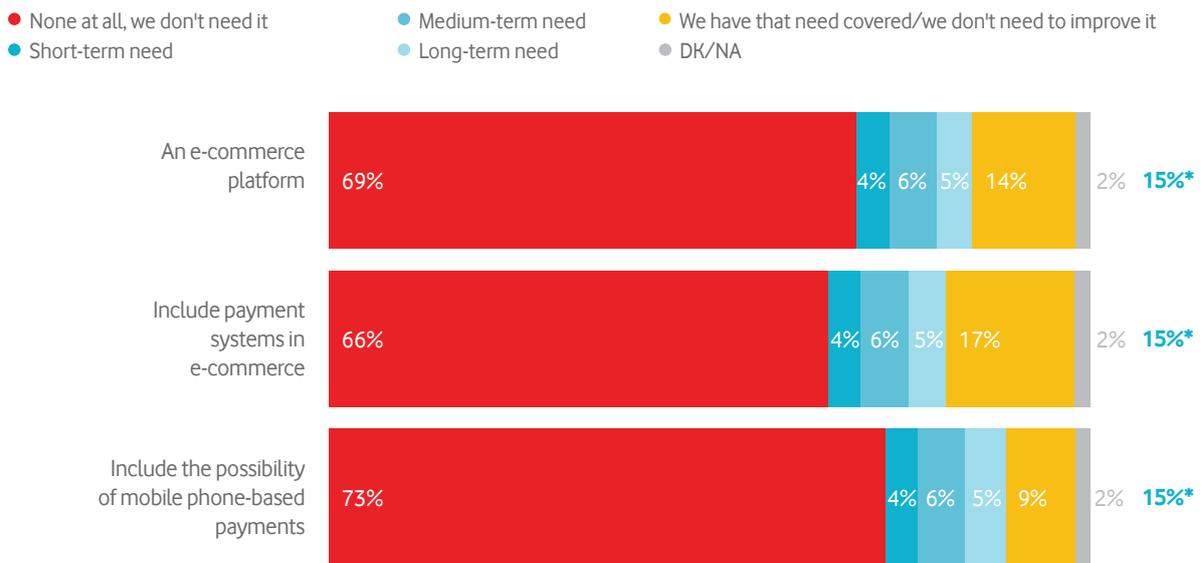
% Significantly **higher** than the total.

% Significantly **lower** than the total.

## Only 15% of Professionals and Small Enterprises say that they have e-commerce-related needs

Nearly 70% of respondents said they do not need an e-commerce platform, except for the tertiary sector, which does consider that Internet-based sales matter to their business.

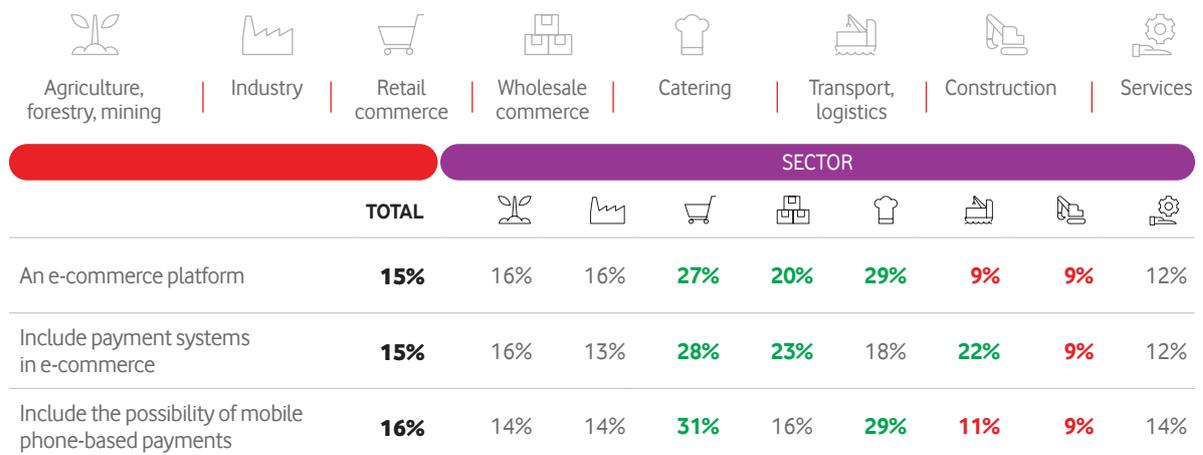
Extent to which your enterprise needs the following e-commerce-related services



**Basis:** Total Number of Professionals and Small Enterprises interviewed.  
\*Short, medium or long term need.

### LEVEL OF NEED OF ELECTRONIC COMMERCE, BY SECTOR OF ACTIVITY

The need for these Internet services and uses is much larger among the retail trade and catering industry, and clearly smaller in the sectors of transport and logistics sectors, wholesale trade and primary sector.



**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

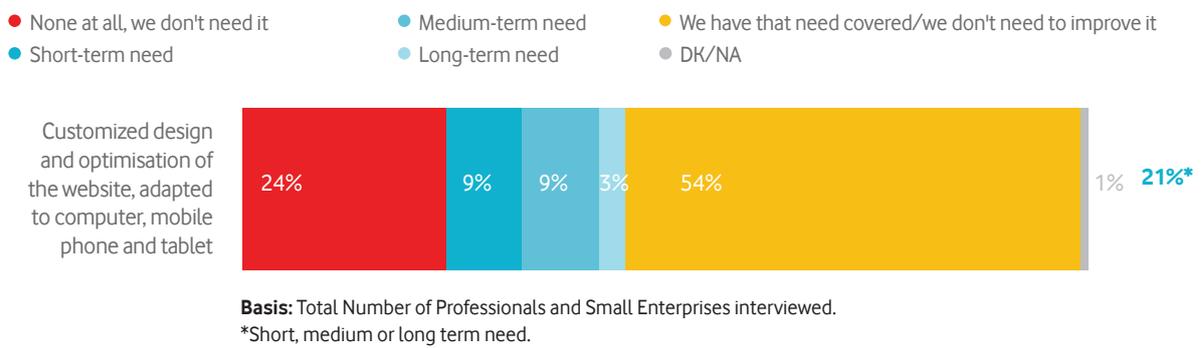
% Significantly **higher** than the total.

% Significantly **lower** than the total.

## More than half of Professionals and Small Enterprises say that they have already resolved their website-related needs

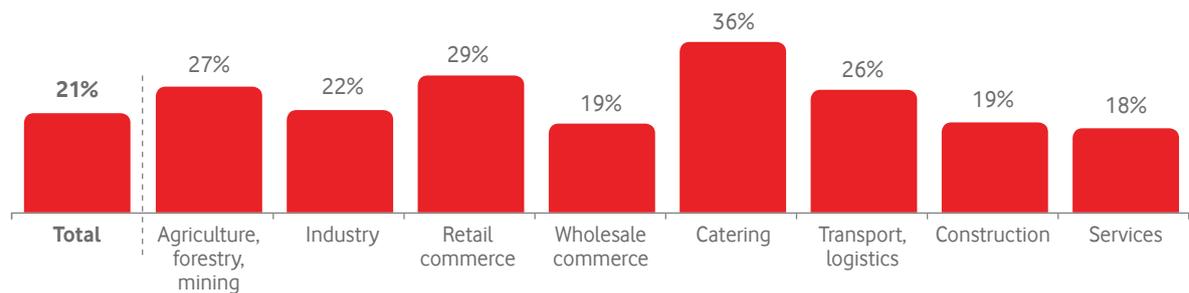
Only one out of every five Professionals or Small Enterprises interviewed displayed any need to have a website or improve their existing website.

Level of need for a website or to improve the existing website



### LEVEL OF NEED FOR A WEBSITE, BY SECTOR OF ACTIVITY

The catering trade says it needs to have or improve its website more than other sectors such as the wholesale trade, construction or services.



**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

# Digitization accelerators and brakes

---

## **Small entrepreneurs know that becoming digital will make them larger and more efficient, but are afraid that it is too expensive**

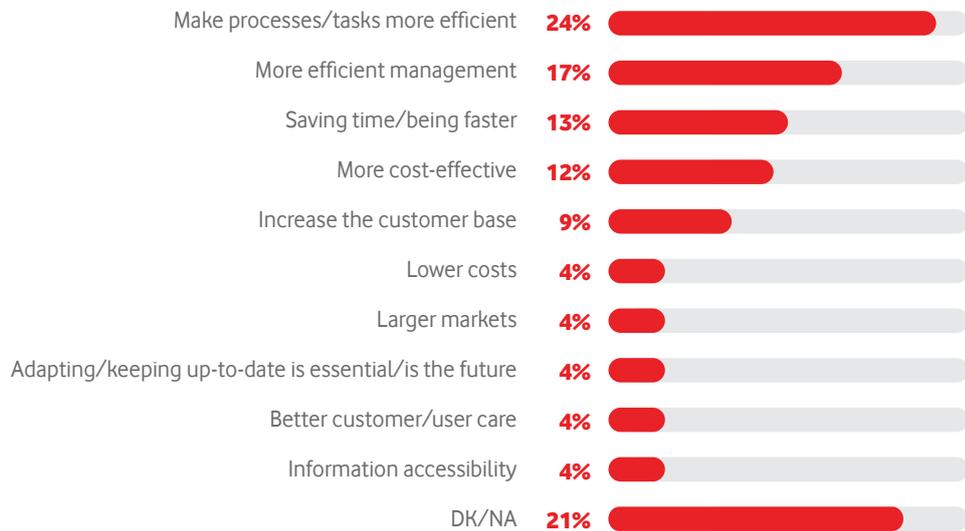
You do not have to have begun going digital to grasp that it is necessary and to guess the advantages that it would bring your business. When talking about these benefits, professionals and small entrepreneurs are quite clear that going digital will improve their operating processes more than anything else. They

also believe that their sales would rise and they would be more profitable. The big drawback they face when deciding to go digital is the cost. They worry that bringing in digital solutions will be expensive, partly because they do not know what kind of technology is available on the market.

## Professionals and Small Enterprises see more digital advantages in improving processes than in growing the business

21% of respondents say they do not know the specific benefits of digitization, while 79% do see that it speeds up their business. The benefits of digitization that respondents recognise have more to do with improving their company's operations than with growing the business.

### Main benefits of digitization



**Basis:** Total Number of Professionals and Small Enterprises interviewed.

## MAIN BENEFITS OF DIGITIZATION, BY SECTOR OF ACTIVITY

There are no big differences in the perceived benefits of digitization in terms of the sector of activity. The only fact worth highlighting is that, for the transport and logistics sector, the biggest benefit of digitization is improving management efficiency and saving time, while the catering trade sees it as being more profitable and winning more customers.

		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
	<b>TOTAL</b>								
More efficient processes/tasks	<b>24%</b>	27%	24%	20%	22%	25%	<b>19%</b>	22%	27%
More efficient management	<b>17%</b>	22%	16%	13%	21%	21%	<b>26%</b>	17%	16%
Saving time/being faster	<b>13%</b>	11%	14%	10%	15%	<b>4%</b>	<b>22%</b>	13%	12%
More cost-effective	<b>12%</b>	14%	14%	13%	7%	<b>25%</b>	4%	10%	11%
Increase the customer base	<b>9%</b>	<b>3%</b>	7%	9%	9%	<b>18%</b>	<b>4%</b>	13%	8%
Lower expenses	<b>4%</b>	5%	2%	5%	8%	7%	4%	3%	5%
Larger markets	<b>4%</b>	3%	6%	7%	3%	---	7%	5%	3%
Adapting/keeping up-to-date is essential/is the future	<b>4%</b>	--	3%	3%	4%	7%	7%	3%	5%
Better customer care	<b>4%</b>	5%	4%	5%	3%	4%	4%	5%	4%
Information accessibility	<b>4%</b>	3%	4%	3%	1%	4%	---	4%	6%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

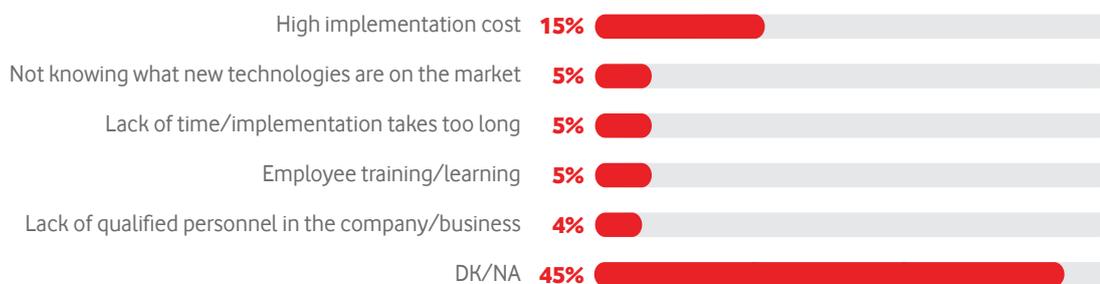
**%** Significantly **higher than** the total.  
**%** Significantly **lower than** the total.

\*Open-ended question. No answer was suggested to the interviewee. The answers could add up to more than 100%

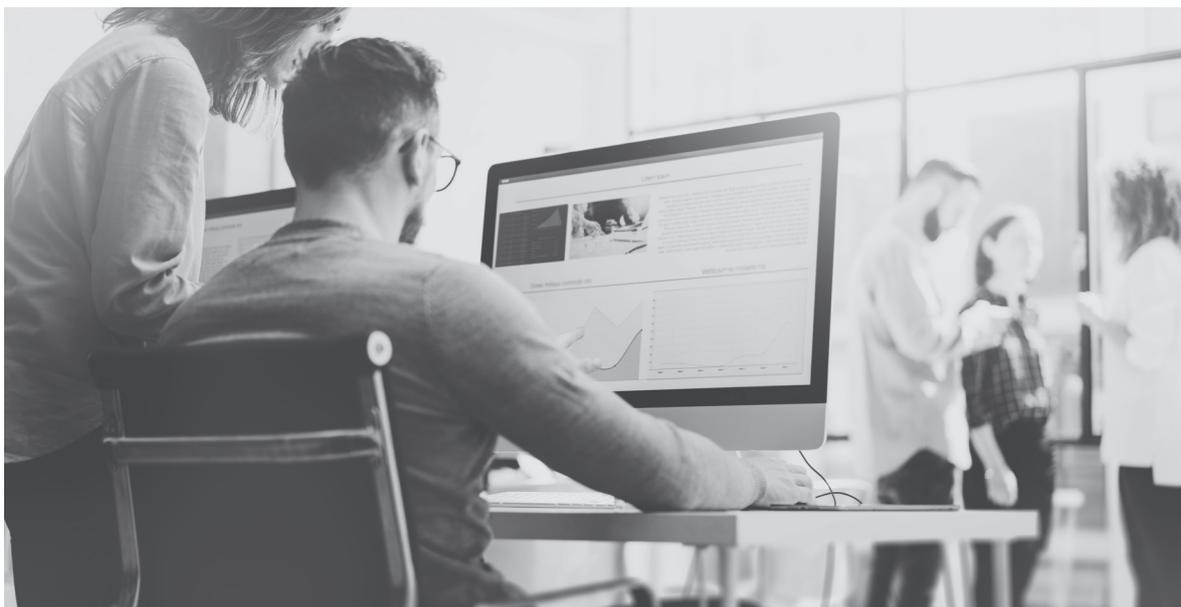
## Their main fear is the cost of going digital; they don't know what's available on the market and don't have the time or qualified employees to assess it

Nearly half of the respondents did not mention any specific digitization barrier. When they do mention barriers, the perceived high cost is their main fear and concern. Alongside this, but at quite a distance, small entrepreneurs find difficulties in not knowing what is available on the market, the lack of qualified personnel and the time it takes to implement the digitization process.

### Main difficulties and barriers to digitizing their business



**Basis:** Total Number of Professionals and Small Enterprises interviewed.



## MAIN BARRIERS TO DIGITIZATION, BY SECTOR OF ACTIVITY

There are no major differences by sector of activity in the difficulties or barriers to digitization. However, the transport and logistics sector refers relatively more to the high implementation cost, while the catering sector is more concerned about employee training and learning. The primary sector is less capable of citing specific difficulties or barriers, even though when it does, it refers especially to not knowing about the new technologies available.

									
		Agriculture, forestry, mining	Industry	Retail commerce	Wholesale commerce	Catering	Transport, logistics	Construction	Services
	TOTAL	SECTOR							
									
High implementation cost	<b>15%</b>	---	18%	18%	12%	14%	<b>22%</b>	14%	14%
Not knowing what new technologies are on the market	<b>5%</b>	<b>11%</b>	6%	6%	4%	---	---	8%	4%
Lack of time/having time available/implementation takes too long	<b>5%</b>	3%	5%	4%	2%	4%	---	4%	6%
Employee training /learning	<b>5%</b>	---	3%	5%	3%	<b>18%</b>	---	5%	6%
Lack of qualified personnel in the company/business	<b>4%</b>	8%	1%	5%	4%	4%	4%	4%	5%
Internet connection problems	<b>3%</b>	3%	3%	4%	2%	4%	---	2%	4%
Security-related aspects	<b>3%</b>	5%	3%	5%	3%	---	4%	2%	2%
DK/NA	<b>45%</b>	<b>54%</b>	47%	45%	46%	43%	52%	43%	44%

**Basis:** Total Number of Professionals and Small Enterprises interviewed, by sector of activity.

**%** Significantly **higher than** the total.  
**%** Significantly **lower than** the total.

