STATISTICAL SERVICE OF CYPRUS

INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT) USAGE AND E-COMMERCE SURVEY IN ENTERPRISES

2011

SUMMARY RESULTS

C O N T E N T S

INFORMATION AND COMMUNICATION TECHNOLOGIES (ICT) USAGE AND E-COMMERCE SURVEY IN ENTERPRISES 2011

PREFACE

This report presents the results of the survey on ICT Usage and e-Commerce in Enterprises 2011. The aim of the annual survey is to collect data on ICT usage, on Internet usage and on electronic commerce in enterprises. These data are necessary for the implementation of policy programs of both the Government and the Private Sector.

The survey, which is cofounded by the European Community, conforms to the regulation (EC) No. 808/2004 of the European Parliament and of the Council of 21 April 2004 concerning Community statistics on the information society. The objective of this Regulation is to establish a common framework for the systematic production of Community statistics on the information society.

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Director
Statistical Service

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A. SURVEY METHODOLOGY

The survey covers enterprises with 10 or more employees in the following statistical codes of economic activities NACE Rev.2 (Detailed description in annex):

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C	Manufacturing
D	Electricity, Gas, Steam and Air Conditioning Supply
E	Water Supply; Sewerage, Waste Management and Remediation Activities
F	Construction
G	Wholesale and Retail Trade. Repair of motor vehicles, motorcycles and personal and household goods
H	Transport and Storage
I	Accommodation and Food Service Activities
J	Information and Communication
L	Real Estate Activities
M	Professional, Scientific and Technical Activities
N	Administrative and Support Service Activities
S	Other Service Activities

The sampling method used was stratified random sampling. Two variables were used for stratification, NACE group and size of the enterprise. There were 14 NACE groups and 3 size groups.

The 14 NACE groups (of economic activities) were the following: 10-18, 19-23, 24-25, 26-33, 35-39, 41- 43, 45-47, 49-53, 55, 58- 63, 68, 69- 74, 77-82 and 95. The 3 size groups were: Small enterprises (10-49 employees), Medium enterprises (50-249 employees) and Large enterprises (250+ employees).

B. MAIN FINDINGS

Use of Computers and Computer Networks

In January 2011, computers were used in almost all enterprises in Cyprus with 50 or more employees (i.e. medium and large enterprises). The percentage of small enterprises (10 – 49 employees) using computers increased to 91,8% compared to 90,8% in 2010.
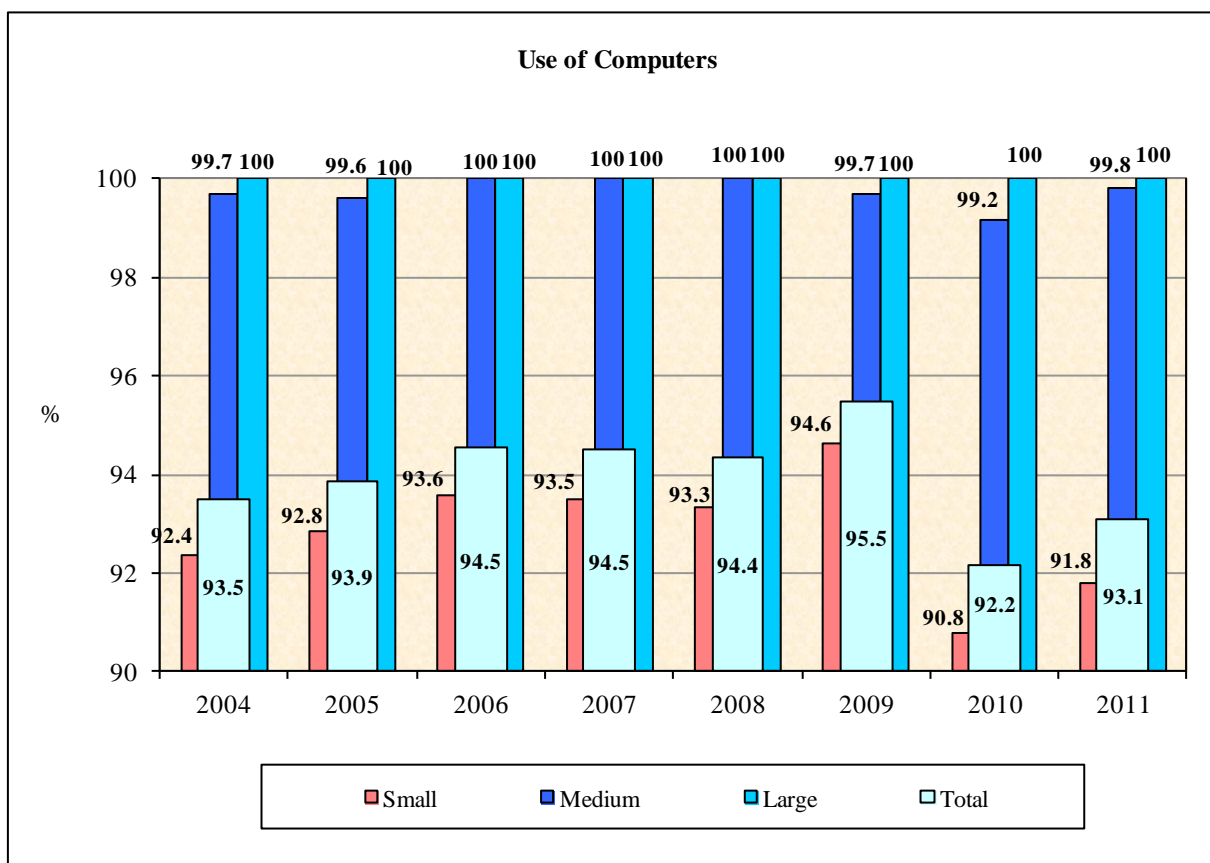
Access and Use of the Internet

Unlike computer usage, that remain stable over the last years, Internet usage in enterprises was steadily increasing. 97,2% of enterprises (employing 10 or more persons) had access to the Internet in 2011. The same percentage was 82,3% in 2004. The Internet was used in all large and almost all medium enterprises. Internet usage in small enterprises kept increasing to go over 90% (79,4% in 2004, 82,1% in 2005, 83,7% in 2006, 85,9% in 2007, 87,0% in 2008, 90,7% in 2009, 94,7% in 2010 and 96,9% in 2011).
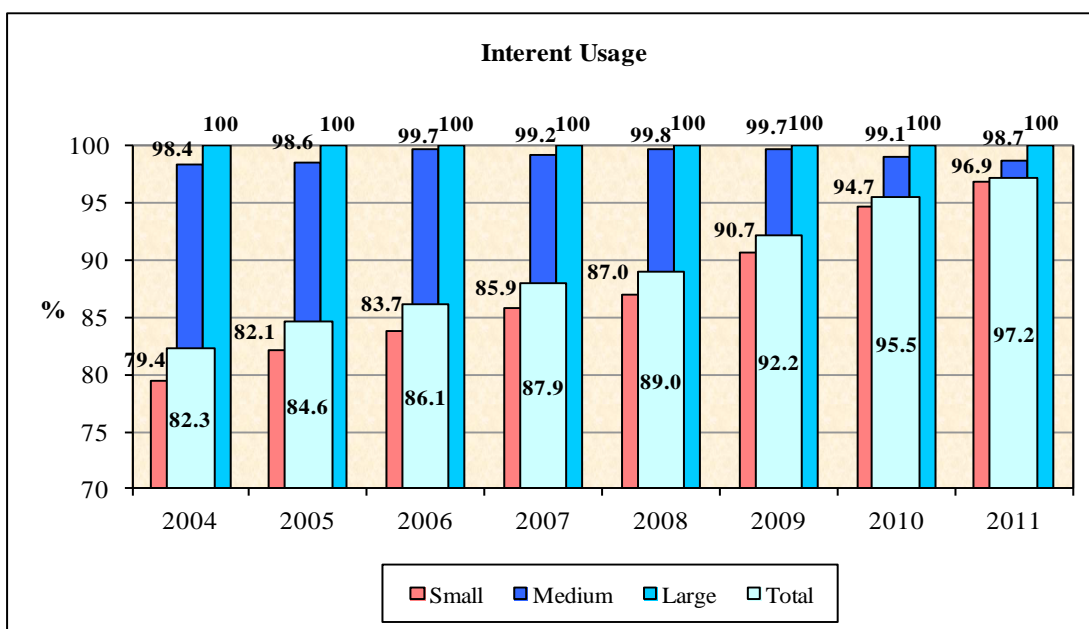
In the last five years there was a significant increase in broadband connections to the Internet. The modem used to be the most popular type of access to the Internet by enterprises in 2004. Over the years the use of a modem to connect to the Internet was decreasing, giving rise to broadband connections, and thus making DSL the most popular type of Internet access from 2006 onwards. In 2011, 94,6% of the enterprises with access to the Internet had a DSL connection. A significant increase was observed in mobile connection in 2011(38,6%) compared to the previous years.
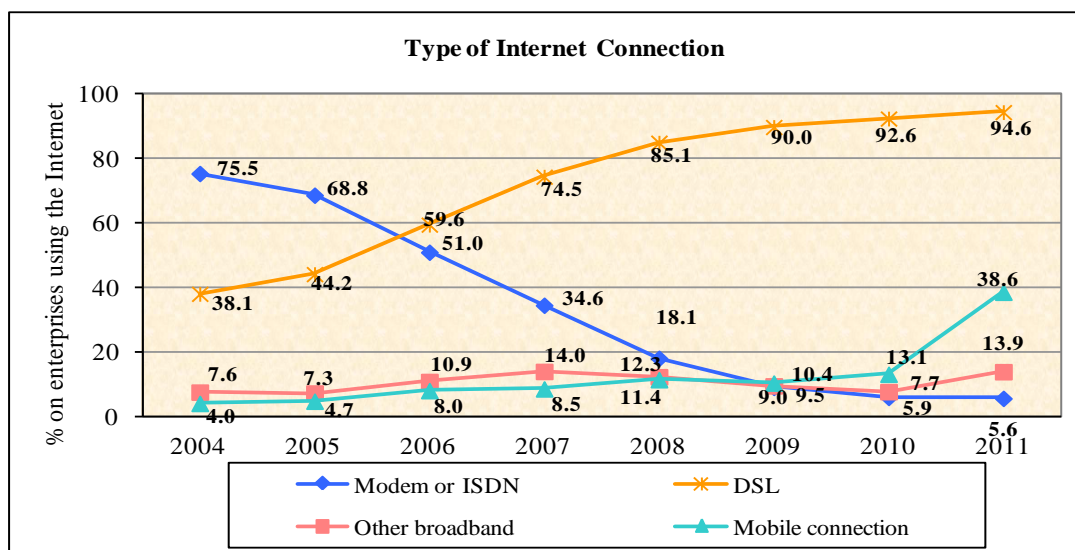
Enterprises use the Internet more and more to interact with public authorities. They can obtain information, forms, or return filled in forms via the Internet. 89,3% of the enterprises (employing 10 or more persons) that had access to the Internet in 2011, used the Internet to interact with public authorities during the previous year. Most of these enterprises used the Internet for obtaining information from public authorities' websites (87,0%).

e_Government
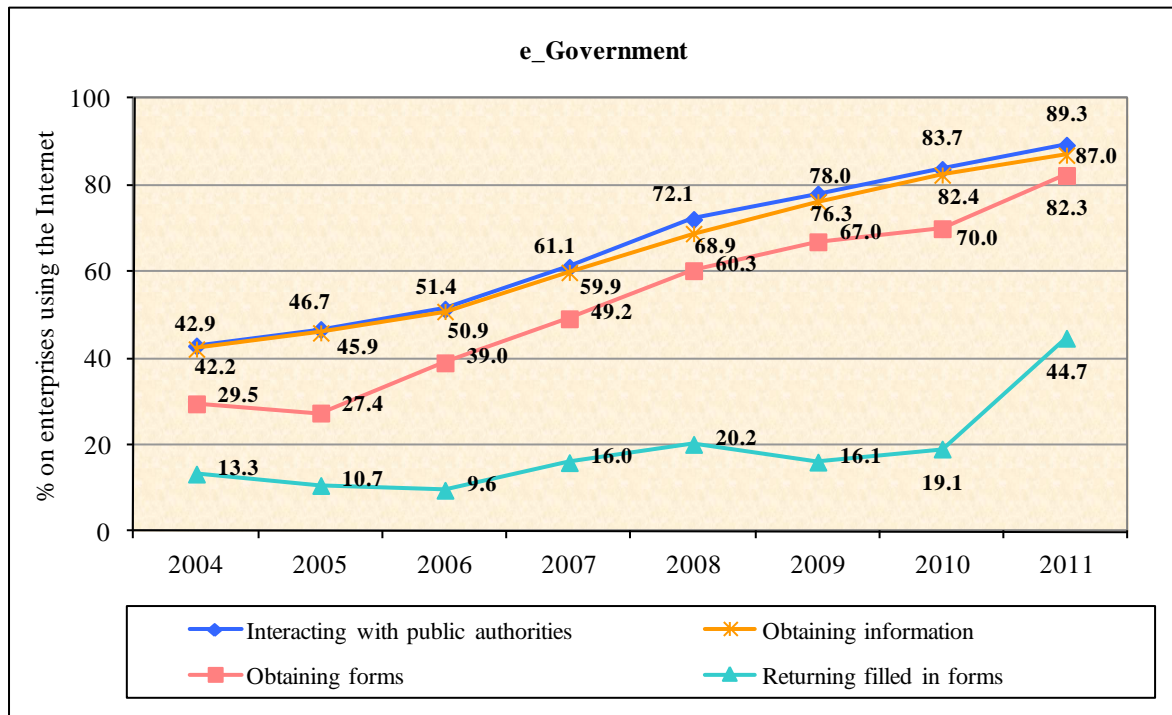
More than half of the enterprises that used computers connected to the Internet, in 2011, also had a website (61, 6%). Almost all large enterprises (95,0%) had a website.
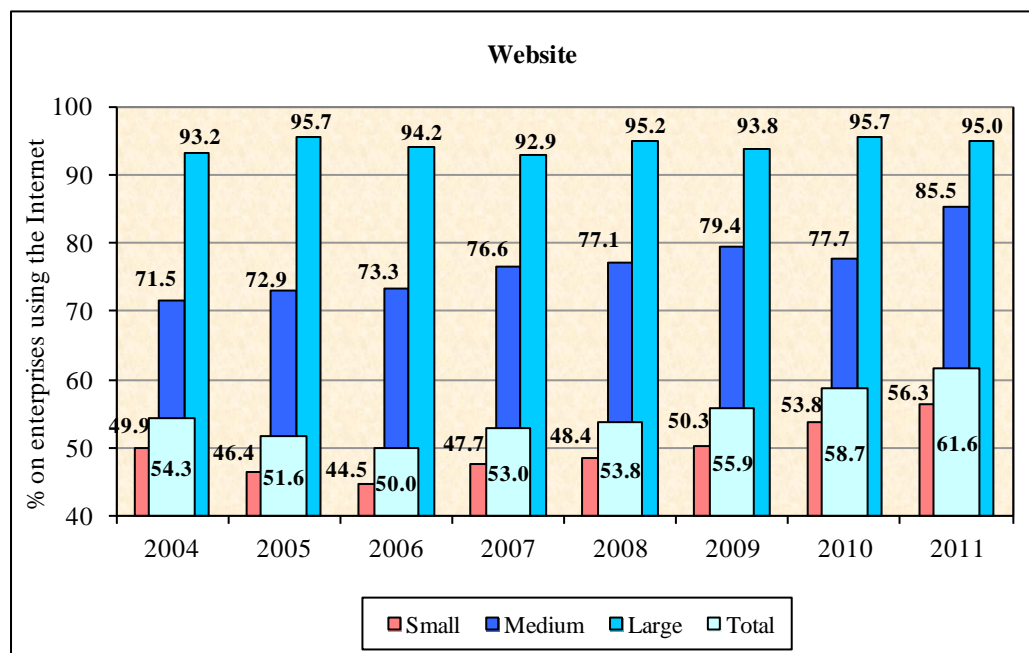
Website

Among the facilities provided by enterprises through their website, the most predominant was the access to product catalogues and price lists (provided by 92,2% of enterprises having a website). 15,5% of the enterprises that had a website, provided the possibility of online ordering or reservation to their customers, while only 11,4% the possibility of personalized content for repeated visitors. 19,5% of the enterprises that had a website, had a privacy policy statement, a privacy seal or certification. This percentage is much higher for large enterprises (50,8% of the enterprises that had a website). Advertisement of open job positions on a website was a common facility among enterprises that had a website with a significant percentage in large enterprises (70,9%).
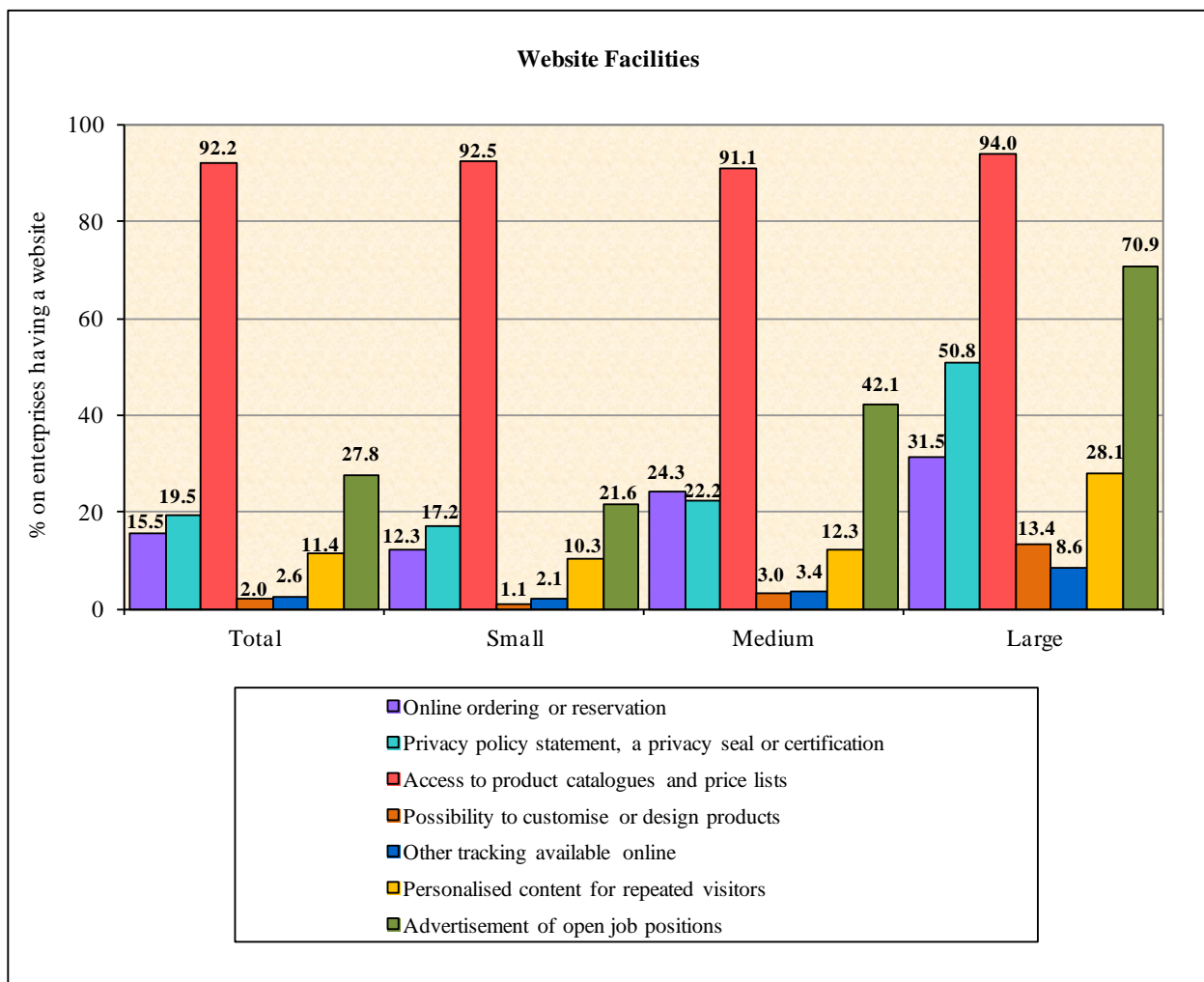
Automated Data Exchange

Automated Data Exchange (ADE) between an enterprise and other ICT systems outside the enterprise is the exchange of messages via the internet or other computer networks in an agreed format which allows its automatic processing without the individual message being manually typed. In January 2011, the percentage of enterprises using such a data exchange increased to 21,3% compared to 2010 when the same percentage was 15,1%.

Automated Data Exchange
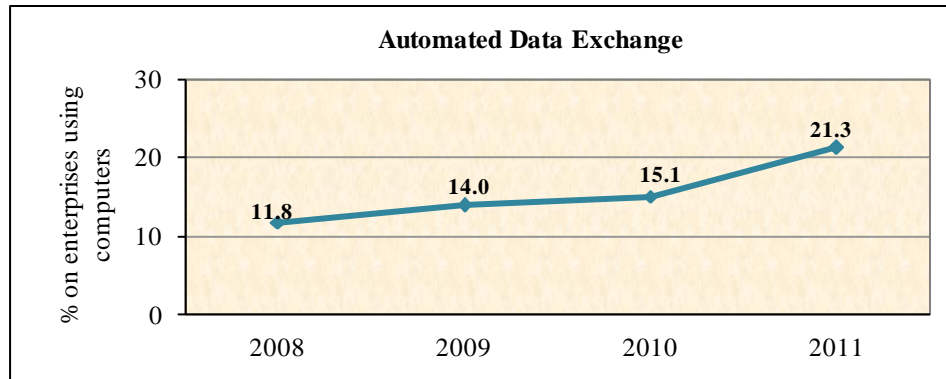
More than half of the large enterprise that using computers were exchanged messages suitable for automatic processing to/from systems outside the enterprise.

Use of Automated Data Exchange
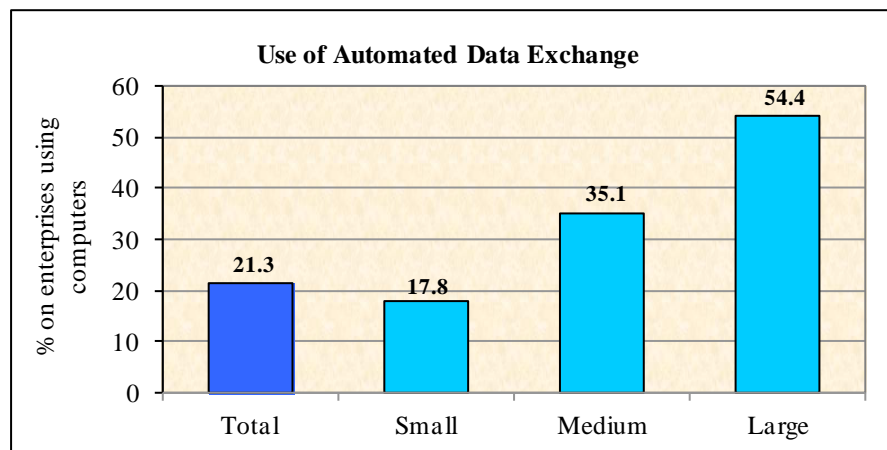
Most of the enterprises using ADE were exchanging information on products via ADE (73,5%).

Purposes for using ADE
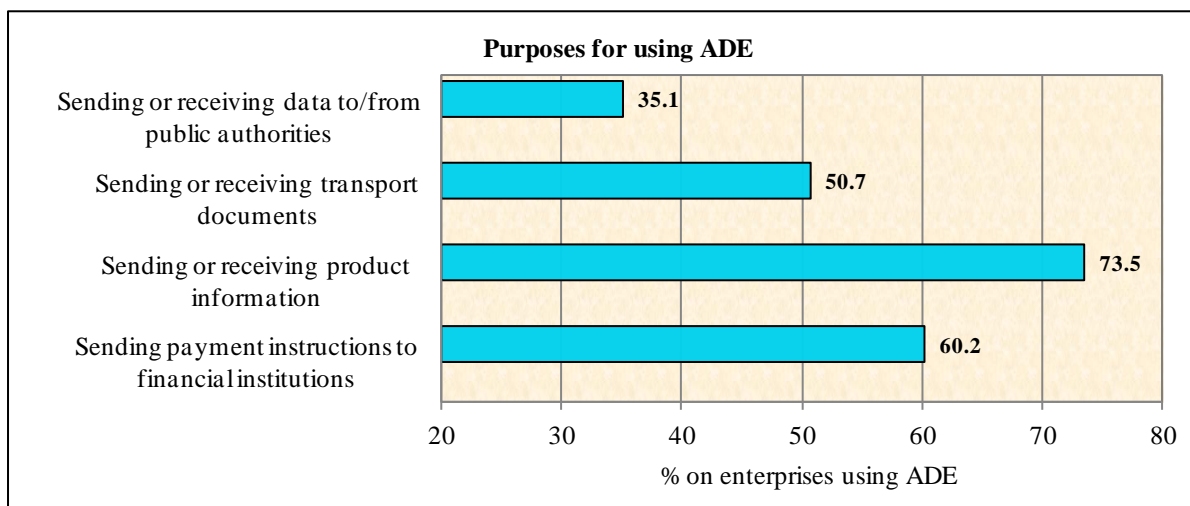
Automatic share of information within the enterprise

Sharing information electronically and automatically between different functions of the enterprise means any of the following: using one single software application to support different functions of the enterprise, data linking between the software applications that support the different functions of the enterprise, using a common database or data warehouse accessed by the software applications that support different functions of the enterprise; within this enterprise, sending or receiving electronically information that can processed automatically.
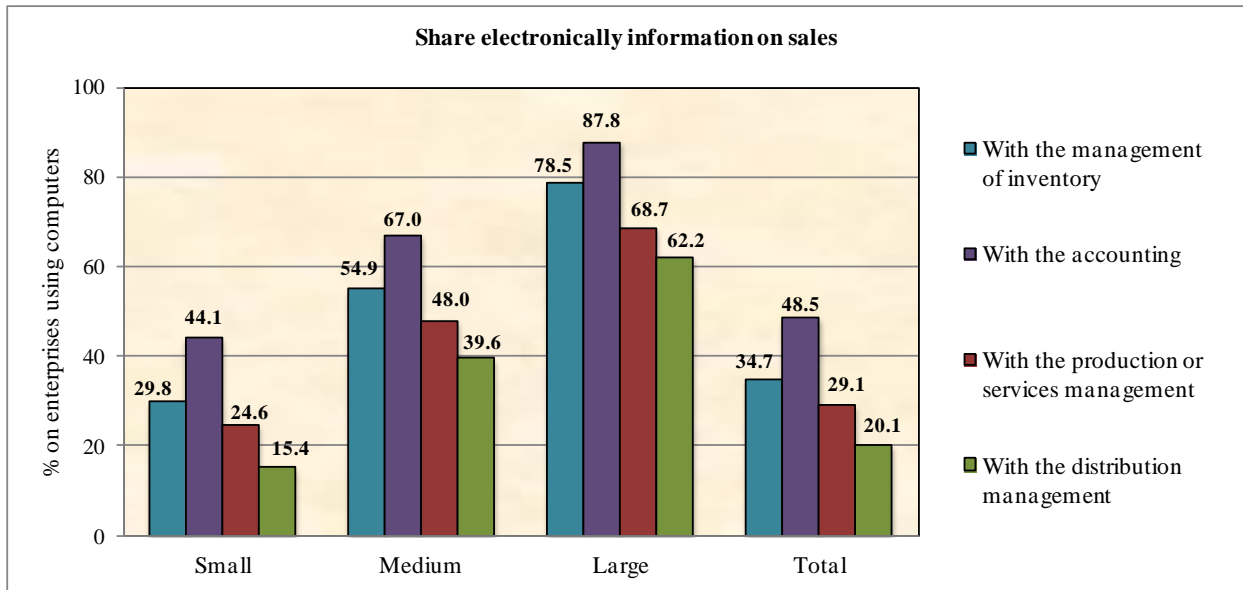
In January 2011, automatic share of information within enterprise was most common in large enterprises that receive a sales order or sent a purchase order. Approximately half of the enterprises that were using computer, when they receive a sales order (48,5%) or sent a purchase order (46,6%) , the relevant information about it shares electronically and automatically with the software used for the accounting.
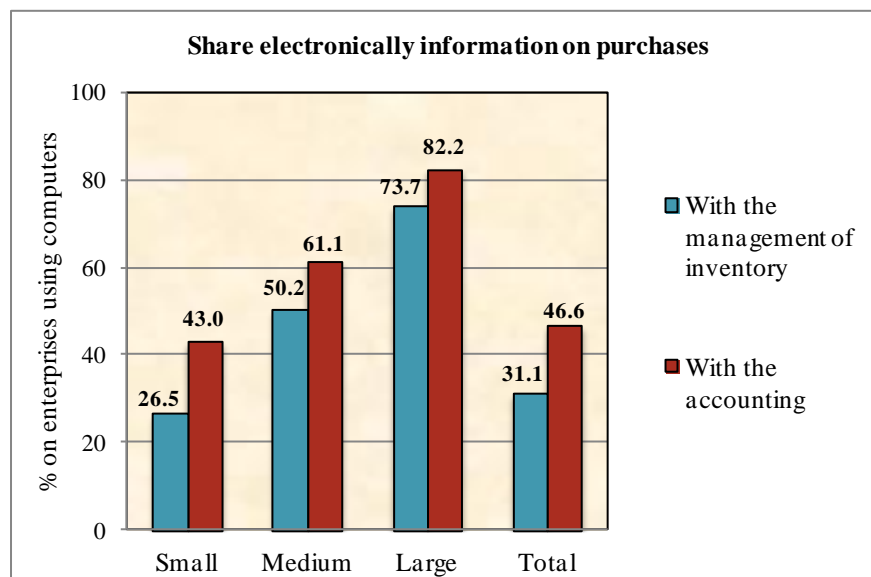
e-Commerce

E-Commerce was not very popular among enterprises in Cyprus. Only 8,1% of enterprises using computers had received orders via computer networks (excluding manually typed e-mails), during 2010. Enterprises receiving online orders in Cyprus seemed to be mostly the ones that belong in NACE Rev.2 group G, H, I, J, L, M, N, S with percentage 11,5% which was much higher than in other economic activity (C, D, E, F: 2,2%). It is worth mentioning that large enterprises received more orders via computer networks.

e-Commerce
Sales via the Internet

* Description of NACE codes provided in Annex1
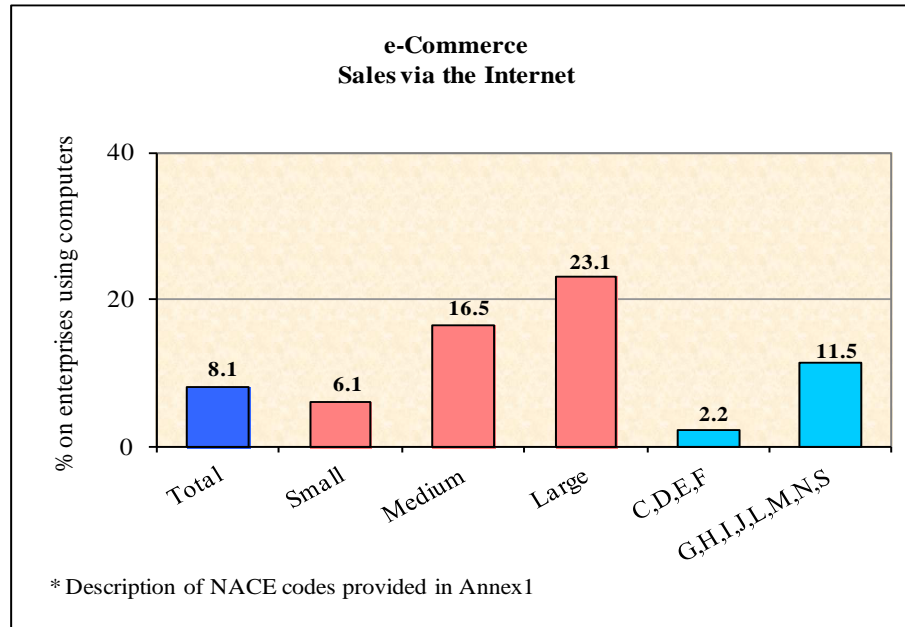
In relation to the total sales (in monetary terms, excluding VAT) sales via Websites represented only a small percentage in many of the enterprises. Only in 9,4% of the enterprises that received electronic orders, the value of the turnover resulted from those orders represented more than 50% of their total turnover and in 38,3% of the enterprises that received electronics orders, the value of the turnover resulted from those orders represented less than 5% of their total turnover.

Orders received via Websites
as a percentage to total turnover
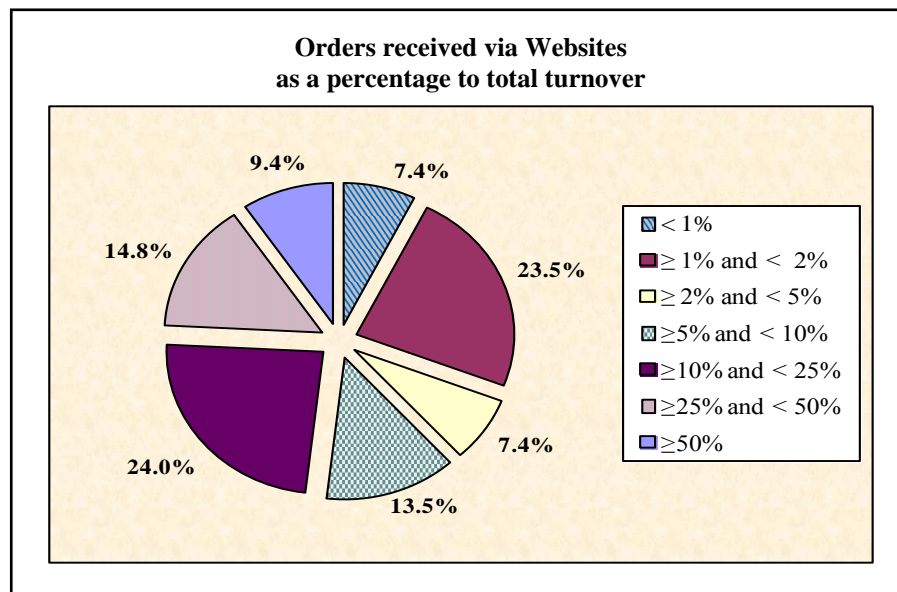
On the other hand, 26,1% of the enterprises that received electronic orders via EDI-typed messages, the value of the turnover resulted from those orders represented more than 50% of their total turnover.

Orders received via EDI-typed messages as a percentage to total turnover
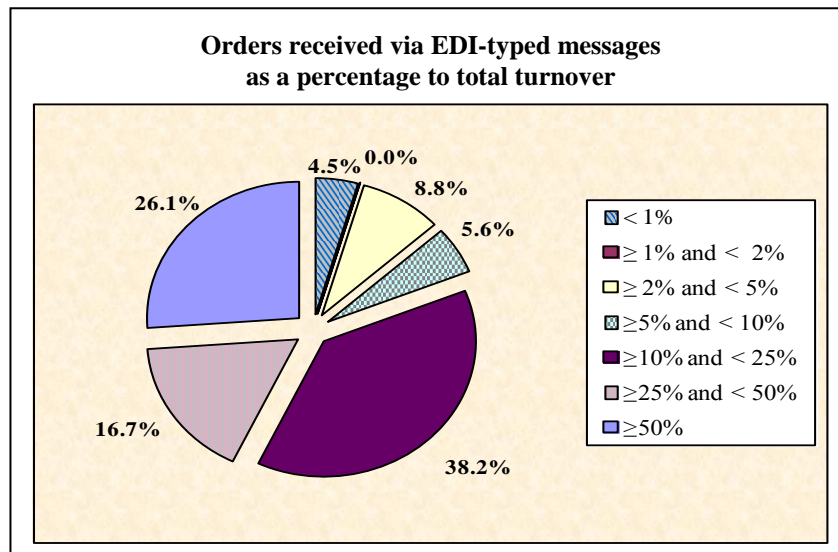
Only 28,4% of enterprises with 10 or more employees using computers made orders of products or services via computer networks during 2010. In large enterprises the percentage of ordering via computer networks was 50,6%.

e-Commerce Purchases via the Internet

* Description of NACE codes provided in Annex1
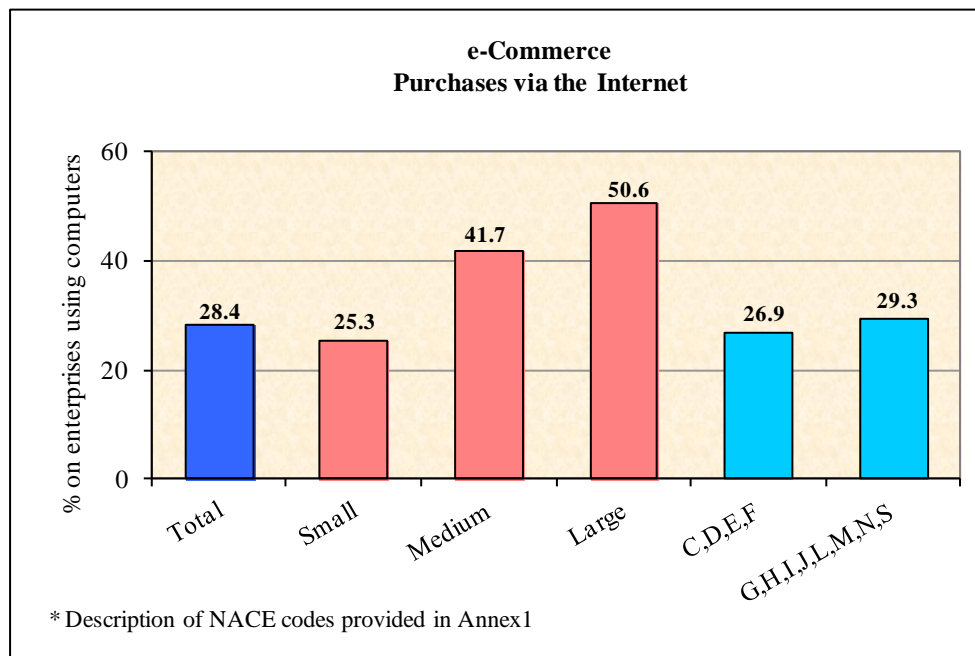
As with sales via computer networks, purchases via computer networks (in monetary terms, excluding VAT) represented only a small percentage in most of the enterprises. In the majority of enterprises that made electronic orders 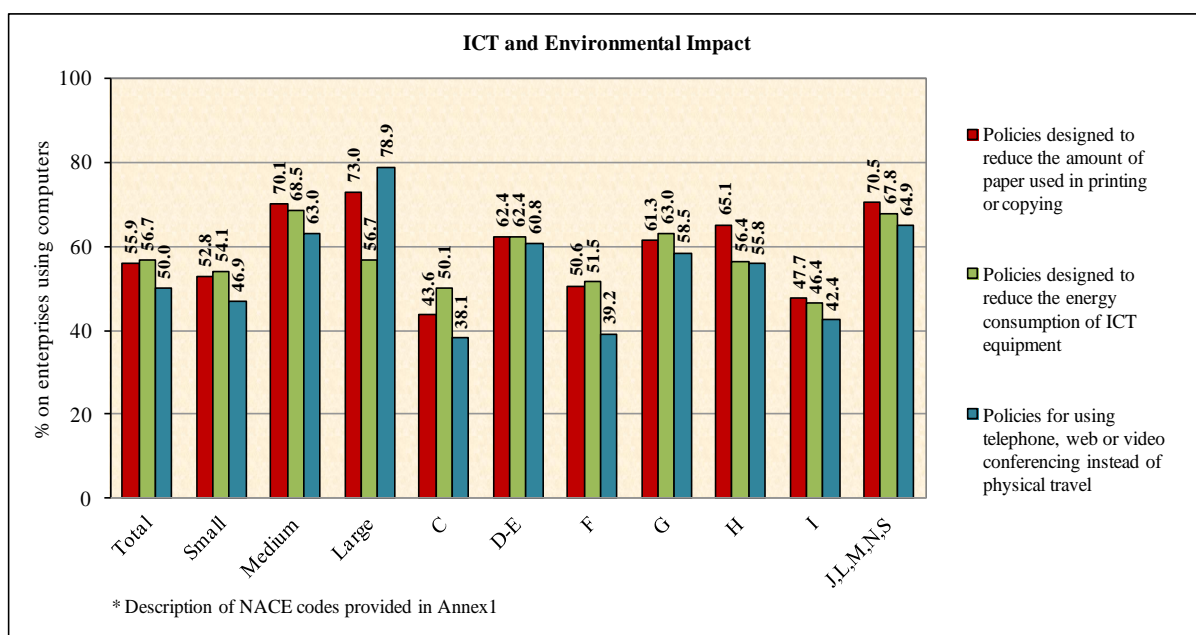(77,7%) these orders represented less than 5% of the total value of orders of the enterprise. However, there were 7,1% of enterprises for which their online orders value was more than 25% of their total value of orders.

Orders placed via the Internet as a percentage to total purchases

Legend:
- < 1%
- ≥ 1% and < 5%
- ≥ 5% and < 10%
- ≥ 10% and < 25%
- ≥ 25% and < 50%
- ≥ 50% and < 75%
- ≥ 75%

Values shown: 5.0%, 1.1%, 1.4%, 6.3%, 8.6%, 21.4%, 56.3%
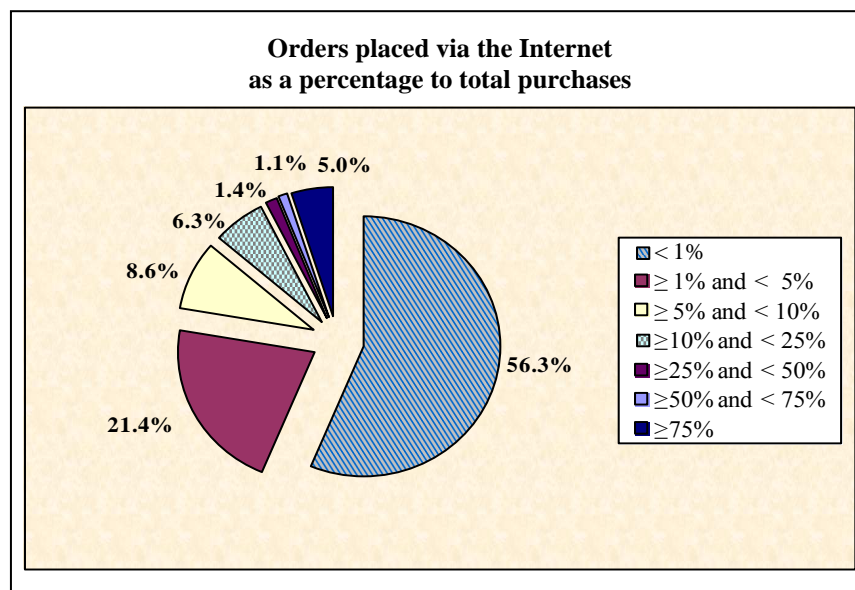
ICT and Environmental Impact

During 2011, more than half of the enterprises with 10 or more employees have in place policies related to saving energy, e.g. policies design to reduce the amount of paper used in printing or copying (55,9%), policies design to reduce the energy consumption of ICT equipment (56,7%) and policies for using telephone, web or video conferencing instead of physical travel (50,0%).

ICT and Environmental Impact

	Policies designed to reduce the amount of paper used in printing or copying	Policies designed to reduce the energy consumption of ICT equipment	Policies for using telephone, web or video conferencing instead of physical travel
Total	55.9	56.7	50.0
Small	52.8	54.1	46.9
Medium	70.1	68.5	63.0
Large	73.0	56.7	78.9
C	43.6	50.1	38.1
D-E	62.4	62.4	60.8
F	50.6	51.5	39.2
G	61.3	63.0	58.5
H	65.1	56.4	55.8
I	47.7	46.4	42.4
J,L,M,N,S	70.5	67.8	64.9

y-axis: % on enterprises using computers

* Description of NACE codes provided in Annex1

Annex
Description of nace codes included in the survey
NACE Rev.2

C   MANUFACTURING
C10   MANUFACTURE OF FOOD PRODUCTS
C11   MANUFACTURE OF BEVERAGES
C12   MANUFACTURE OF TOBACCO PRODUCTS
C13   MANUFACTURE OF TEXTILES
C14   MANUFACTURE OF WEARING APPAREL
C15   MANUFACTURE OF LEATHER AND RELATED PRODUCTS
C16   MANUFACTURE OF WOOD AND OF PRODUCTS OF WOOD AND CORK, EXCEPT
         FURNITURE; MANUFACTURE OF ARTICLES OF STRAW AND PLAITING
         MATERIALS
C17   MANUFACTURE OF PAPER AND PAPER PRODUCTS
C18   PRINTING AND REPRODUCTION OF RECORDED MEDIA
C19   MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS
C20   MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS
C21   MANUFACTURE OF BASIC PHARMACEUTICAL PRODUCTS AND
         PHARMACEUTICAL PREPARATIONS
C22   MANUFACTURE OF RUBBER AND PLASTIC PRODUCTS
C23   MANUFACTURE OF OTHER NON- METALLIC MINERAL PRODUCTS
C24   MANUFACTURE OF BASIC METALS
C25   MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND
         EQUIPMENT
C26   MANUFACTURE OF COMPUTER, ELECTRONIC AND OPTICAL PRODUCTS
C27   MANUFACTURE OF ELECTRICAL EQUIPMENT
C28   MANUFACTURE OF MACHINERY AND EQUIPMENT N.E.C.
C29   MANUFACTURE OF MOTOR VEHICLES, TRAILERS AND SEMI-TRAILERS
C30   MANUFACTURE OF OTHER TRANSPORT EQUIPMENT
C31   MANUFACTURE OF FURNITURE
C32   OTHER MANUFACTURING
C33   REPAIR AND INSTALLATION OF MACHINERY AND EQUIPMENT

D   ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY

**E   WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDATION
         ACTIVITIES**
E36   WATER COLLECTION, TREATMENT AND SUPPLY
E37   SEWERAGE
E38   WASTE COLLECTION, TREATMENT AND DISPOSAL ACTIVITIES; MATERIALS
         RECOVERY
E39   REMEDATION ACTIVITIES AND OTHER WASTE MANAGEMENT SERVICES

F   CONSTRUCTION
F41   CONSTRUCTION OF BUILDINGS
F42   CIVIL ENGINEERING
F43   SPECIALIZED CONSTRUCTION ACTIVITIES

G   **WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES**
G45   WHOLESALE AND RETAIL TRADE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES
G46   WHOLESALE TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES
G47   RETAIL TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES

H   **TRANSPORT, STORAGE AND COMMUNICATION**
H49   LAND TRANSPORT AND TRANSPORT VIA PIPELINES
H50   WATER TRANSPORT
H51   AIR TRANSPORT
H52   WAREHOUSING AND SUPPORT ACTIVITIES FOR TRANSPORTATION
H53   POSTAL AND COURIER ACTIVITIES

I   **ACCOMODATION AND FOOD SERVICE ACTIVITIES**
I55   ACCOMODATION
I56   FOOD AND BEVERAGE SERVICE ACTIVITIES

J   **INFORMATION AND COMMUNICATION**
J58   PUBLISHING ACTIVITIES
J59   MOTION PICTURE, VIDEO AND TELEVISION PROGRAMME PRODUCTION, SOUND RECORDING AND MUSIC PUBLISHING
J60   PROGRAMMING AND BROADCASTING ACTIVITIES
J61   TELECOMMUNICATIONS
J62   COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES
J63   INFORMATION SERVICE ACTIVITIES

L   **REAL ESTATE ACTIVITIES**

M   **PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES**
M69   LEGAL AND ACCOUNTING ACTIVITIES
M70   ACTIVITIES OF HEAD OFFICES; MANAGEMENT CONSULTANCY ACTIVITIES
M71   ARCHITECTURAL AND ENGINEERING ACTIVITIES; TECHNICAL TESTING AND ANALYSIS
M72   SCIENTIFIC RESEARCH AND DEVELOPMENT
M73   ADVERTISING AND MARKET RESEARCH
M74   OTHER PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES

N   **ADMINISTRATIVE ABD SUPPORT SERVICE ACTIVITIES**
N77   RENTAL AND LEASING ACTIVITIES
N78   EMPLOYMENT ACTIVITIES
N79   TRAVEL AGENCY, TOUR OPERATOR RESERVATION SERVICE AND RELATED ACTIVITIES
N80   SECURITY AND INVESTIGATION ACTIVITIES
N81   SERVICES TO BUILDINGS AND LANDSCAPE ACTIVITIES
N82   OFFICE ADMINISTRATIVE, OFFICE SUPPORT AND OTHER BUSINESS SUPPORT ACTIVITIES

S   **OTHER SERVICE ACTIVITIES**
S951   REPAIR OF COMPUTERS AND PERSONAL AND HOUSEHOLD GOODS