



# Exploiting digitisation to increase B2B e-commerce (Future Ecom)

# ACTION PLAN Chamber of Magnesia, Greece





# **General information**

Project: Exploiting digitisation to increase B2B e-commerce (Future Ecom)		
Partner organisation: Chamber of Magnesia		
Country: Greece		
NUTS2 region: Thessaly Region		
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# **Policy context**

The Action Plan aims to impact:	X	Investment for Growth and Jobs programme
		European Territorial Cooperation programme
	X	Other regional development policy instrument
Name of the policy instrument addresse	<u>ed</u> : Regio	onal Operational Program of Thessaly 2014-2020
The Action Plan aims to contribute to the main strategic goals of the region such as increase the entrepreneurial and productive activities & competitiveness, attractiveness & outward-looking character of the region.		
Even though there is a clear identification of the need for technologic innovation as the main axis for the improvement of their competiveness, there is no strategy that focuses on the support for digitizing & automatizing the internal processes of the SMEs. Therefore, the Action plan is designed to address & improve the policy instrument.		
The local support group has identified	the spe	ecific needs and the challenges faced by the local

SMEs within this field, studied and evaluated the knowledge and good practices identified around Europe by FuturE.com in order to identify the interventions that may answer to the local

The Action Plan introduces four (4) Actions with the envisages improvements as follows:

circumstances.



- Action 1: Electronic Sales and Digital Marketing, combining the business model that lets
  enterprises and individuals buy and sell things over the internet with new digital
  technological tools such as mobile devices ads, display ads, geofencing marketing etc.
  This action will help the SMEs adaptation to new technologies as well as it will support
  them to be more competitive.
- Action 2: Electronic Procurement, which will be used as a way to increase efficiency due
  to competition, transparency and lower the transactional costs of the SMEs in the region of
  Thessaly. There is already a B2B application that makes that possible and with the proper
  training to those who are interested the effort and time will be reduced.
- **Action 3**: Smart Open Mall integrates specialized B2B platforms and it will enhance the business promotion, effectiveness and development.
- Action 4: Raising Awareness, will make the adaptation to digitalization era a lot easier. SMEs in the region of Thessaly need to be informed about the advantages of the new technological tools can offer and the positive depict this will have on their businesses.



## I. INTRODUCTION

The current action plan is under the project Future Ecom implemented in the frames of INTERREG EUROPE programme. The action plan is a document providing details on how the lessons learnt from the cooperation will be exploited in order to improve the policy instrument tackled within the region. It specifies the nature of the actions to be implemented, their timeframe, the stakeholders involved, the costs and funding sources (if any).

It is estimated that in 2020 B2B e-commerce in EU will be twice as large as B2C in terms of sales which proves a huge unreleased potential for EU SMEs. There is a risk of being surpassed by frontrunners as most SMEs have not even taken the first step in this direction. Succeeding with B2B e-commerce requires a huge turn-around within the company's internal processes as this may scale up the turnover dramatically. Digitising and automating the internal processes of the SME is key to manage and keep up with the upscaling requirement of global e-commerce whilst ensuring economic profit. Creating a Digital Single Market (DSM) is one of the top t en priorities of the European Commission. The overall objective is to bring down barriers, regulatory or otherwise unlock online opportunities in Europe to create one borderless market with harmonized legislation and rules for the benefit of businesses throughout Europe. This is stated by the EC in the 6 May 2015 DSM strategy aiming to remove key differences between the online and offline worlds and to break down barriers to cross-border online activity and thereby improve B2B e-commerce.

Future Ecom addresses policy makers and business support agencies across EU who need to fully understand the key barriers for SMEs to exploit and benefit from a global internet driven market place in general and enhance digitisation and automation in particular. This is done by the exchange of experiences and good practices across 8 EU regions in Future Ecom (Santarem in Portugal, Lippe-Detmold in Germany, Coventry in U.K., Vilnius in Lithuania, Aalborg in Denmark, Magnesia in Greece, Kotka in Finland and Emilia-Romagna in Italy).

Adapting to more and more technological changes, people nowadays require immediate and accurate experiences no matter the service source or conditions. Markets themselves are undoubtedly evolving and changing to meet this demand, and having a strong impulse in the global economy so the digital transformation will be the new global market trend. The challenges for leaders of digital transformation for corporate digitization are:

- Maintaining personalization when scaling business, as demand becomes more personal
- Businesses need to develop service-type solutions or interfaces so as to provide customers an easy access to a wide range of products, information, etc.
- Merging industries and cross-industry services as external and internal boundaries blur, creating cross-functional skills to support new business models and keeping up with acceleration, businesses tend to develop new processes and strategies to fit a continuously changing market landscape.
- While some performers excel at digital transformation, the major market landscape shows more and more to be lagging behind, struggling with the basics of the digital customer experience and new technologies which in turn disrupts the business success and competitiveness. The unsuccessful adoption of digital trends is deeper than a company's unwillingness or unawareness of meeting this need.

Considering the above, we reached to the following actions.



## **II. ACTIONS**

## **ACTION 1 - eSALES & MARKETING**

## 1. Description

#### e-Sales

In Europe, the creation of a Digital Single Market (DSM) is key to global e-Commerce. SMEs are invited to increase their competitiveness while ensuring the economic profit by adopting good practices in the field of digital sales. Future Ecom project aims to provide policymakers with the knowledge and understanding to direct SMEs to take full advantage of digitisation and atomisation.

Electronic commerce or e-Commerce is a business model that lets enterprises and individuals buy and sell things over the internet. Whereas e-business refers to all aspects of operating an online business, e-Commerce refers specifically to the transaction of goods and services. E-Commerce has helped businesses establish a wider market presence by providing cheaper and more efficient distribution channels for their products or services. It can be divided into e-Commerce sales (e-sales) and e-Commerce purchases (e-purchases).

There are five main types of e-Commerce models that can describe almost every transaction that takes place between consumers and businesses.

- Business to Consumer (B2C): When a business sells a good or service to an individual consumer (e.g. you buy a pair of shoes from an online retailer).
- Business to Business (B2B): When a business sells a good or service to another business (e.g. A business sells software-as-a-service for other businesses to use)
- Consumer to Consumer (C2C): When a consumer sells a good or service to another consumer (e.g. you sell your old furniture on eBay to another consumer).
- Consumer to Business (C2B): When a consumer sells their own products or services to a business or organization (e.g. An influencer offers exposure to their online audience in exchange for a fee, or a photographer licenses their photo for a business to use).
- Business to Government (B2G): When a business sells a good or service to government agencies at the federal, state, and local levels (e.g. A business providing IT consulting to a local government agency).
- Recently, the growth of e-Commerce has expanded to sales using mobile devices which is commonly known as "m-commerce" and is simply a subset of e-Commerce.

The largest category of e-Commerce is business-to-business (B2B) commerce. This involves enterprises conducting e-procurement, supply chain management, network alliances, and negotiating purchase transactions over the internet. Businesses use e-Commerce to reducing expenses, increasing efficiency, and improving their business relationships with a limited number of key suppliers.

EDI is one of the main technologies that help organizations achieve these goals and one of the oldest and most successful technologies used in B2B e-Commerce. A dictionary definition is "A comprehensive set of standards and protocols for the exchange of business transactions in a computer-understandable format". Businesses use EDI to integrate and share a range of document types - from purchase orders to invoices to requests for quotations to loan applications and more. In most instances, these organizations are trading partners that exchange goods and services frequently as part of their supply chains and business-to-business (B2B) networks.



## **Digital marketing**

Digital marketing is an umbrella term for the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium. These campaigns are becoming more prevalent as well as efficient, as digital platforms are increasingly incorporated into marketing plans and everyday life, and as people use digital devices instead of going to physical shops.

Digital marketing such as geofencing marketing, loyalty schemes (customer loyalty program), beacon marketing, social media marketing, RFID marketing (radio frequency identification) is becoming more and more common in our advancing technology.

- Geofencing is a technology which draws a virtual line around a physical area so that a signal can be sent to a mobile electronic device such as a phone inside this line or when this line is crossed.
- Customer loyalty programs/schemes are structured marketing strategies designed by SMEs to
  encourage customers to continue to shop at or use the services of businesses associated with
  each program by offering special benefits such as discounts, rebates, free products, or other
  promotions.
- Beacon marketing involves the use of beacons to engage with customers. A beacon is a small, physical object that receives location data from nearby devices via Bluetooth. Beacon data tells the app precisely where in the store customers are walking, which helps optimize the in-store experience. For instance, marketers using beacon marketing can send customers timely, relevant messages about nearby products.
- SMEs crave sources of data to optimize their business. RFID (radio frequency identification) is a tracking technology that uses small tags or chips to transmit a signal to remote scanners by creating a whole new set of data about their in-store environments, product movement, and customer behavior.
- Social media marketing (SMM) refers to techniques that target social networks and applications to spread brand awareness or promote particular products.

# Relevance

This action derives from the interregional exchange of experience and in particular it is linked with the following Future Ecom good practices:

 "BrandLab workshops" which is a program for creating brand for products shifting from outsource manufacturing to higher value-added manufacturing

The goal of the BrandLab workshops is to provide necessary knowledge of brand creation and development, using traditional and digital tools for global or e-commerce markets; to enable participants to create or renew a brand during the program and to prepare a strategic brand development plan. The impact of the program on participants is the growing export volumes. The total scope of the program is 8 days of workshops and trainings, individual consulting, practical work with program tasks and mentor, presentation of prepared strategic plans in the closing event, it happens every few years. It can be linked with the e-sales and Digital marketing Action as a way to deliver value to the target group SMEs of the region of Thessaly are focusing at. The online workshops used by the Lithuanian enterprise can be considered as a good paradigm to be transferred to our training session regarding electronic sales and digital marketing. This way, by the knowledge provided in these workshops SMEs in Thessaly will adapt faster to the utilization of new technologies.



https://www.interregeurope.eu/policylearning/good-practices/item/3585/brandlab-workshops/https://www.enterpriselithuania.com/paslaugos/brandlab/brandlab/

 "Industry 4.0 Vouchers to promote SMEs digital transformation", which is a policy instrument to promote digital transformation in SMEs through the adoption of technologies and business models adaptation.

The Industry 4.0 Voucher policy instrument is implemented through a financial voucher of 7500€ that allow SMEs to fund the acquisition of consultancy services for diagnosis of suitable strategies for the organisation leading to the adoption of technologies and processes associated with Industry 4.0: digital channels for managing markets, channels, products, customer segments; UX; CRM and E-Commerce; electronic marketplaces; SEO; Social Media Marketing; Content Marketing; Display Advertising; Mobile Marketing; Web Analytics; interconnection systems; Sensors; big data; Augmented reality; additive manufacturing; IoT; Cloud; machine learning; IA; Cyber-physical systems; solutions for connectivity. SMEs must apply for the voucher with a project where they specify their needs and business goals that consultants must take in consideration when designing digital transformation strategy. The above action which derives from the Future Ecom good practices, can be transferred to the Innovation Coupons, which are the regional grants of the Periphery of Thessaly to the local SMEs enhancing the better adoption of new technologies. More specifically, regarding electronic commerce and especially digital marketing, social media marketing, content marketing, display advertising, mobile marketing, and data analytics are considered to be an integral part of the new electronic commerce technologies. The Region of Thessaly will be advised to take initiative to provide a grant in order to strengthen the ability of SMEs to adapt to the new emerging technologies. There are more details on the "Funding" section of the present action plan.

https://www.interregeurope.eu/policylearning/good-practices/item/4241/industry-4-0-vouchers-to-promote-smes-digital-transformation/

#### 2. Benefits

#### Benefits of e-sales:

- ✓ A business can reduce the cost of handling sales inquiries, providing price quotes and determining product availability by using e-Commerce in its sales support and order-taking process.
- ✓ E-Commerce provides buyers with a wider range of choices than traditional commerce with an easy way to customize the level of details in the information they obtain about a prospective purchase.
- ✓ E-Payments can be easier to audit and monitor than payments made by cheque, protecting against fraud and theft losses.
- ✓ E-commerce can also make products and services available in a remote area.
- ✓ E-commerce can help businesses optimize their sales procedure for better conversion, enhance the use of intelligent content as well as embrace cross selling and up selling.
- ✓ Location independence as the new technologies can target people from all over the world.



## Benefits of Digital Marketing:

- ✓ Global reach a website allows you to find new markets and trade globally for only a small investment location independence.
- ✓ Lower cost a properly planned and well-targeted digital marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.
- ✓ Traceable, measurable results measuring your online marketing with web analytics and
  other online metric tools makes it easier to establish how effective your campaign has been.
  You can obtain detailed information about how customers use your website or respond to
  your advertising.
- ✓ Personalization if your customer database is linked to your website, then whenever someone visits the site, you can greet them with targeted offers. The more they buy from you, the more you can refine your customer profile and market effectively to them.
- ✓ Openness by getting involved with social media and managing it carefully, you can build customer loyalty and create a reputation for being easy to engage with.
- ✓ Social currency digital marketing lets you create engaging campaigns using content marketing tactics. This content (images, videos, articles) can gain social currency being passed from user to user and becoming viral.
- ✓ Improved conversion rates if you have a website, then your customers are only ever a few clicks away from making a purchase. Unlike other media which require people to get up and make a phone call, or go to a shop, digital marketing can be seamless and immediate.

Combining all the information provided in the current action plan, as well as the information coming from the exchange of experience and the good practices deriving from Future Ecom the following activities need to be implemented.

## 3. Activities to be Implemented

- ➤ Inform the members and the businesses of Thessaly about the pros and cons of ecommerce and digital marketing and what changes SMEs can make to adapt to the new technologies. For instance, having online seminars that all SMEs can access or webinars where people could ask questions the answers of which can guide them
- ➤ Training with seminars or webinars according to the current use of technological solutions. Offering training to people that work in the SMEs of Thessaly in order to gain the proper technological knowledge and experience to be productive using the new technological solutions. This inspiration comes from the good practices: "Brandlab Workshops" and "Industry 4.0 Vouchers"
- > Support SMEs to access funding by having a consulting role and represent them to the bodies that offer the funding.
- 4. **Stakeholders involved** (please indicate the organisations who are involved in the development and implementation of the action and explain their role)
  - Region of Thessaly, which will be responsible to initiate a call for proposals in order to promote the development of e-sales and the improvement of infrastructure acting as the funding body for the SMEs
  - Chambers, providing the proper information, training and support
  - Local SMEs, which are the beneficiaries of this action



• Technology companies and institutes, acting as smart solution providers

# 5. Timeframe

eSales and Digital Marketing - 8 months duration

Timetable		
1 <sup>st</sup> Step	Inform the members and the businesses of Thessaly about the pros and cons of e-commerce and digital marketing and what changes SMEs can make to adapt to the new technologies. For instance, having online seminars that all SMEs can access or webinars where people could ask questions the answers of which can guide them.	
	Organization of the seminars/webinars with the ones responsible for the SMEs	
	<u>Duration</u> : March 2021 – May 2021	
	Training according to the current use of technological solutions. Offering training to people that work in the SMEs of Thessaly in order to gain the proper technological knowledge and experience to be productive using the new technological solutions.	
2 <sup>nd</sup> Step	<ul> <li>Organization of the time and place of the training</li> <li>Communication with the people to be trained</li> <li>Trainers Recruitment</li> <li>Technical Advisory Support</li> <li>On-the-job learning (including leadership coaching)</li> <li>Execution of the training</li> </ul>	
	<u>Duration</u> : May 2021 – August 2021	
	Support SMEs to access funding by having a consulting role and represent them to the bodies that offer the funding.	
3 <sup>rd</sup> Step	<ul> <li>Organize a proper funding plan for the SMEs</li> <li>Connection between the SMEs and the funding body</li> <li>Providing feedback for the whole procedure</li> </ul>	
	<u>Duration</u> : September 2021 – January 2022	

<sup>\*</sup>The timeframe durations have been changed accordingly due to the delay and the inactivity the COVID-19 pandemic has caused.



## 6. Funding sources

<u>Innovation Coupons</u>: Regional grants for the SMEs of the Region of Thessaly with aim the know-how and technology transfer for the development of innovative products and services; innovative business production or operation processes; strengthening the cooperation of companies with research and technological institutes. This inspiration comes from the good practice: "Industry 4.0 Vouchers to promote SMEs digital transformation".

Coupon value: 10.000€

# Financial Plan (costs linked to the funding sources)

Expenditures for the purchase-receipt of a service, by an Innovation Agency, for the preparation of a Knowledge Transfer Plan

Strengthening research, technological development and innovation

Promoting business investment in research and innovation

Developing links and synergies between businesses, research and development centers and the higher education sector

Establishment of permanent collaborative mechanisms between research units and companies, but also between companies to promote applied research (RIS3 areas) and to transfer knowledge and technology

Total Budget: 10.000 €

Link to the funding programme: <a href="https://www.espa.gr/el/Pages/ProclamationsFS.aspx?item=4591">https://www.espa.gr/el/Pages/ProclamationsFS.aspx?item=4591</a>

<u>Digital Jump and Digital Step</u>: The Ministry of Economy and Development has announced the launch of the Digital Step and Digital Jump Actions. The actions are aimed at digital upgrading and transforming micro, small and medium-sized enterprises. In both actions 50% of the eligible costs are subsidized. In both actions 50% of the eligible costs are subsidized. Budgeted investment plans range from € 5,000 to € 50,000 in the Digital Step and from € 55,000 to € 400,000 in the Digital Jump. Businesses submit an online application for funding, which is also accompanied by an electronic application form to the State Aid Information System.

# What is funded?

Supply, transport, installation and operation of new ICT machinery and equipment necessary for the operation of the business and the provision of services

Supply and customization of software

Online store with features: a) At least 2 languages, b) Mobile responder, c) Software ordering, storage and online payments

Services related to: a) hosting, collocation, b) internet connection, c) digital advertising (google



ads, Facebook ads), d) development of digital advertising material, e) development and / or certification of a digital security policy, f) data transfer or software customization

Wage costs for employees (new staff)

Total Budget: 5.000 € - 50.000 €

Link to the programme: https://www.espa.gr/el/Pages/ProclamationsFS.aspx?item=4591

Competitiveness Toolbox for Small and Very Small Businesses: A funding program targeting Small and Very Small Businesses. It aims to support existing small and micro-enterprises in order to upgrade and improve their competitive position in the internal and external market, investing in the modernization of their production equipment and the certification of their products. This funding program is an open call to businesses in the Region of Thessaly as well as in other Regions of the country.

What is funded?
Machinery - Equipment up to 100% of the investment plan
Certification of products - services - processes up to 100% of the investment plan
Packaging - Label - Branding up to 25% of the investment plan Digital projection
Consulting services - Technical studies
Means of transport
Wage costs of employees (new staff)
Total Budget: 400.000.000 €

Link to the programme: https://www.espa.gr/el/Pages/ProclamationsFS.aspx?item=4214

## 7. Impact on the Policy Instrument

The main impact E-sales & Digital Marketing action is that it will turn the region of Thessaly into a "Smart Community". Smart Communities are focusing on the community, in order to make better cities betting on an option of progress that seeks the balance between the local economy and globalization. No matter the size of the city, urban or rural, the goal is to improve the competitiveness and standard of living. Thus, it will give a boost to the regional electronic commerce as well as it will improve the competitiveness of the periphery as a whole.

By doing that, SMEs of Thessaly will optimize their sales procedure for better conversion, enhance the use of intelligent content as well as embrace cross selling and up selling. Using the benefits that were mentioned, electronic commerce utilization will deliver traceable and measurable results, personalization and the ability to create the most suitable content for drawing



the attention of the ones interested. The region will enter a technological era full of possibilities, which will deliver value not only to the region but also to the county as a whole.

Last but not least, an open call for all SMEs is proposed to be made by the Region of Thessaly, which will make all the above possible. This call for proposals will enhance the development of e-Sales and the improvement of the technological infrastructure in the Region of Thessaly.

## **ACTION 2 - ePROCUREMENT**

## 1. Description

Electronic Procurement (e-Procurement) is a part of e-commerce that defines the transactions between business-buyers and business-suppliers. These transactions can be accomplished through electronic methods, in particular via the Internet. The process that defines e-Procurement comprised of 3 basic steps: 1) Source 2) Procure 3) Analysis.

In the e-commerce category there are different models / types that describe the respective transactions: a) B2G e-commerce (Business to Government), b) B2B e-commerce (Business to Business) and c) B2C e-commerce (Business to Consumer). E-procurement is mainly in the form of B2B e-commerce. In the present study, we address the first two types of e-Procurement, the B2G e-commerce (Business to Government) and B2B (Business to Business).

## **B2G** (Business to Government) e-Procurement

The Greek procurement system, during the crisis and before, was characterized by a complex framework of legal and institutional structures. The Greek legal system of electronic procurement and public procurement is complex as it consists of approximately 400 laws, regulations and presidential decrees. A single public procurement authority was needed to define the responsibilities of those with political, executive and oversight functions. In addition to the major problems affecting the Greek society such as corruption and reduced transparency, efforts are being made to combat them through the e-Procurement system and the corresponding impetus paid at the government level. Fighting these issues can now be easily achieved by adopting electronic supplies and electronic reporting tools that have substantially increased the efficiency, openness and ease of supervision of the system. In 2011, the government established the Hellenic Single Public Procurement Authority (SPPA) to be the primary procurement organization. Its responsibilities include managing central government procurement of works, supplies and services, providing policy advice to the legislature, providing guidance to awarding authorities on the application of procurement law and regulation, and authorizing the use of special procedures, such as negotiated procedure without publication notice. The SPPA also plays a supervisory role by monitoring and evaluating awarding authorities' decisions for effectiveness and conducing random checks of on-going procedures for compliance. The Authority is fully operational, with a staff of 100 employees, and is in an on-going process to obtain the technical capacity, including servers and experts, necessary to become the focal point of all e-platforms available in Greece for e-Procurement.

❖ The central portal, known as Prometheus, contains links to all the key platforms, as well as training and guidance materials, legal materials, and statistical reports. Prometheus also hosts links to the Central Electronic Registry for Public Procurement (CERPP), which serves as a



transparency register. All procurement notices worth EUR 1,000 and above must be published on this platform.

- ❖ The key e-Procurement platform is the National Electronic Public Procurement System (ESIDIS), which offers e-notification, e-access, and e-submission.
- ❖ For the post awarding procedure, the Greek Government has established electronic tools, such as e-auction, e-catalogue, e-ordering, e-payment and e-archiving.
- ❖ There is a search engine for open public data, which contains all Greek open Government documents, including relevant data and information on tenders and procurement procedures. The portal was established with the objective to promote transparency among the Greek citizens and to encourage the use of public data.

# B2B (Business to Business) e-Procurement

The e-Procurement is crucial and strategic because the market is large and expanding day by day. The entire business has been changed because of e-Procurement .It has automated major supply chains and provided great benefits for buyer and supplier as well as the overall economy. E-procurement Market Functions are basically Aggregation, Matching and Facilitation.

The former challenge of running a business at local or national level has moved to global scale due to digitization. The companies fail to understand that they are just not competing against their direct competitors, but there is an online market like Amazon, Google, eBay, and Alibaba which will transform B2C faster than B2B. So, there is a need to integrate e-procurement into the business life.

E-procurement increases efficiency due to competition, transparency and lower transaction costs. Furthermore, it reduces the opportunity for fraud and corruption due to automated processes. Create a Digital Single Market is one of the ten priorities of EC, one borderless market with harmonized legislation and rules for the benefit of business throughout Europe. SMEs can become micromultinationals and scale up quickly. Most digitized companies produce more and are more competitive compare to less digitized companies.

## Relevance

This action derives from the interregional exchange of experience and in particular it is linked with the following Future Ecom good practices:

 "NetHUB", which is a project that helps in developing a novel service model together with logistics service providers and buyers

Challenges SMEs in export/ import business are facing are lack of enough cargo flow, high costs and shortage of expertise in logistics services. NetHUB project's idea was to develop a novel service model together with logistics service providers and buyers. Development work was done through personal interviews and workshops which notably increased collaboration between companies and enhanced commitment towards the project. As a result a new quote request application was designed and completed. The application is used online on its website. A client makes a quote request by using the application. The application guides the user to fill in essential information about desired logistics service. Multiple companies are reached with a single quote. This service is free for the buyer. Interested service providers then make quotes to the buyer in the application. The buyer completes the quote request by accepting one of the quotes from service provider. The proposal for development of a platform for electronic procurement integrating service providers and buyers was inspired by NetHUB. Training to the SMEs of the Thessaly Region (owners and employees) is necessary in order to be familiar with the technology and the utilization of the platform.



https://www.interregeurope.eu/policylearning/good-practices/item/3436/nethub/https://finnhub.net/en/#/index

• "Central Public Procurement of Intermunicipal Community Medio Tejo (CC-CIMT)", which consists of a strategic project in the context of Local Administrative Modernisation, which aims at centralise the procurement of public works.

The CC-CIMT was set up with the aim of developing a common electronic purchasing system for the Municipalities to obtain financial / procedural savings. It is a centralised trading and contracting system for the acquisition of a standardised set of goods/services. This supra-municipal level approach obliges companies to adopt a strategy of digital transformation and adapting to more agile procurement processes wider including the adoption of framework agreements, facilitating the procedures developed by the acceding entities and promoting free and transparent access for companies. The CC-CIMT is an opportunity for public authorities/companies adopt competences in the area of electronic acquisitions and public procurement at large scale, presenting itself as fundamental role for the region and its stakeholders. This good practice in combination with the "NetHub" will help SMEs to improve the knowledge, skills and competences of their human resources.

https://www.interregeurope.eu/policylearning/good-practices/item/4240/central-public-procurement-of-intermunicipal-community-medio-tejo-cc-cimt/

• "Smartlog: Blockchains in Logistics", was one of the cases presented in the interregional meeting where it was discussed the use of the blockchain technology in procurement.

The utilization of blockchain technology can enhance the transferability of the required information during the procurement process. It improves the level sharing and reduces the inefficiency of the enormous networking as well as the delays of the travels. By using such technological tools a business can make sure that the provided information during the process is up to hundred percent accurate and the technical administration of the information is completely distributed. Regarding the online and electronic procurement, a blockchain can make the transaction-based processes be automated and create a level of authenticating transaction audit trails. Last but not least, blockchain technologies can improve the level observation and tracking resolution as well as the quality of the messages provided. In the region of Thessaly, a technological tool like blockchain can help in the adaptation of the emerging technology and raise the levels of the people's trust regarding new technological tools.

### 2. Benefits of B2B e-Procurement

- ✓ Increased Productivity: using the online file storage service ensures time and equivalent speed, with the ability to reuse bids, compared to traditional online supplies e.g. blockchain technology for information storage
- ✓ Reduced Costs: e-Procurement ensures that stock remains available to the business by avoiding double costs, leveraging volume buying and eliminating costs of paper-based systems (for example, the cost of stamps).



- ✓ Transparent Spending: e-Procurement facilitates the recording and analysis of reports on procurement systems and ensures that procurement procedures are in line with business policies.
- ✓ Eliminating Paperwork: using electronic procurement makes it easier to find older bids as most of the data can be stored electronically.
- ✓ Reduced Errors: the electronic ability to find older orders / offers makes comparison with new ones easier. This makes electronic mapping easier to check for errors.
- ✓ Increased Transaction Speed: greater efficiency results, by the time saved through electronic procurement. The procurement cycle time is accelerated due to electronic relationships with suppliers. Transaction speed also increases as the handling of online services enhances and simplifies the buying process.
- ✓ Standardized Buying: with different departments that take decision about e-procurement, there can be differences in what and how they buy. E-mail shopping makes it easier for any service to comply with company's procurement standards

Combining all the information provided in the current action plan, as well as the information coming from the exchange of experience and the good practices deriving from Future Ecom we came up with the following activities that need to be implemented.

## 3. Activities to be Implemented

- ➤ Development of B2B platform in regional level or using an already existing application that focuses on B2B procurement and especially on industry and logistics chain
- > Registration of potential suppliers and buyers making a pretty handy network that will support all the supply chain
- ➤ Training and support to the SMEs in order to provide the know-how and the experience to use such a platform as well as helping them communicating with the providers even outside the platform. The inspiration came from "NetHub" as well as "BrandLab". With targeted workshops the proper knowledge and know-how will be transferred to enhance the digitization and more specifically the electronic procurement.

# 4. Stakeholders involved

- Region of Thessaly, planning a call for proposal for the Digitization of the Chambers
- Chambers providing the proper information, training and support, responsible for the platform development and management
- Local SMEs, which in this action will act as buyers and suppliers

# 5. Timeframe

eProcurement - 10 months duration

	Timetable
1 <sup>st</sup> Step	Development of B2B platform in regional level or using an already existing application that focuses on B2B procurement and especially on industry and



	<ul> <li>Research for a proper application to use or communication with the proper IT constructors to build the platform</li> <li>Communication with the SMEs</li> <li><u>Duration</u>: February 2021 – June 2021</li> </ul>
2 <sup>nd</sup> Step	Registration of potential suppliers and buyers making a pretty handy network that will support all the supply chain.  • Finding the network that will support the supply chain  Duration: June 2021 – September 2021
3 <sup>rd</sup> Step	Training and support to the SMEs in order to provide the know-how and the experience to use such a platform as well as helping them communicating with the providers even outside the platform.  Organizing the time and place of the training Communication with the SMEs for feedback

<sup>\*</sup>The timeframe durations have been changed due to the delay and the inactivity the COVID-19 pandemic has caused.

# 6. Funding sources

	B2G is free to use
Cost for the e-Procurement Platform	B2B use of eplatform may be charged from the provider

<u>Digital Jump and Digital Step</u>: The Ministry of Economy and Development has announced the launch of the Digital Step and Digital Jump Actions. The actions are aimed at digital upgrading and transforming micro, small and medium-sized enterprises. In both actions 50% of the eligible costs are subsidized. In both actions 50% of the eligible costs are subsidized. Budgeted investment plans range from € 5,000 to € 50,000 in the Digital Step and from € 55,000 to € 400,000 in the Digital Jump. Businesses submit an online application for funding, which is also accompanied by an electronic application form to the State Aid Information System.

What is funded?
Supply, transport, installation and operation of new ICT machinery and equipment necessary for the operation of the business and the provision of services
Supply and customization of software
Online store with features: a) At least 2 languages, b) Mobile responder, c) Software ordering, storage and online payments



Services related to: a) hosting, collocation, b) internet connection, c) digital advertising (google ads, Facebook ads), d) development of digital advertising material, e) development and / or certification of a digital security policy, f) data transfer or software customization

Wage costs for employees (new staff)

Total Budget: 5.000 € - 50.000 €

Links to the programme: https://www.espa.gr/el/Pages/ProclamationsFS.aspx?item=4591

# 7. Impact on the Policy Instrument

e- Procurement allows local SMEs to reduce spending, control the budget and trace the orders in the supply chain. This will potentially improve their competitiveness and market positioning.

A platform will connect to the central database of the Chamber of Magnesia and will offer limitless target groups, tracking orders, improving the operational performance of businesses, which in turn will deliver the best of value to the potential customers of the companies as well as the group members of the electronic procurement network. This creates new possibilities concerning regional and interregional expansion of the SMEs and the evolution of the market as a whole. The Region of Thessaly is planning a call for proposal for the Digital Upgrade of the Chambers. This will have a positive impact on the policy instrument in general.

## **ACTION 3 - SMART OPEN MALL**

### 1. Description

Smart Open Mall is based on the traditional form of each mall type, incorporating modernized infrastructure to make the visitor's / customer's / consumer's life simpler and easier. A modern Smart Open Mall, as defined by large and successful Open Mall globally, may contain: special signs, demarcations, specialized parking spaces, guarded spaces and toddler entertainment and finally their success is based on the implementation of organized marketing activities. A smart open mall has as a target audience not only the residents of the area within which the open mall is located, but any kind of visitor as well (tourists for instance). A modern Smart Open Mall, based on foreign standards, contains the following: Easy movement to and from the commercial area, Specialized parking, Dining and entertainment areas, Special childcare facilities, Fully compatible with special facilities that facilitate the movement of people with disabilities (for instance, special signs and demarcations), Special parking spaces and mobility for people using bicycles as a means of transport, Walking distance to an easily accessible subway station, Improved and organized marketing actions, such as using an app, or providing free internet to anyone in the business, Customized places to enjoy a coffee or a hand-medown meal for those who visit the mall for a while or just for a pleasant break from their daily routine.

Smart Open Mall is integrated through specialized b2b platforms for enhancing local business services. The solution is provided by Smart Open Mall Ecosystems, which are unified information systems that provide intelligent infrastructure services for the advanced and efficient provision of business, cultural and tourist services. The systems wrap and extend the services of a Smart City to



the benefit of the city or the surrounding areas; targeting to the financial enlargement of the local economy via the leverage of its cultural, touristic and market product.

#### Relevance

This action can be linked with the good practice "E-Export via online marketplaces", which has
as a goal to provide competences and a virtual CMS platform enabling companies to utilize
online marketplaces.

The project is aiming to uncover corporate attitudes and knowledge about e-export and online marketplaces and their readiness to sell through digital channels in global online marketplaces. It will investigate barriers and opportunities for e-export in the companies. In addition, a global survey of the potential online e-export marketplaces is undertaken to assess which marketplaces are relevant to each company. Model and tools: The project will develop a model, as well as tools to clarify the company's maturity for e-export through online marketplaces. The purpose is to assist companies in narrowing down the potential online marketplaces based on a match with the company's readiness and the company's existing business model. Platform for e-export: This activity focuses on designing and developing a prototype of a digital platform (Virtual CMS) for Danish companies who want to get online in one or more of the selected online marketplaces.

The platform used by the Danish company is a good paradigm and practice to be transferred to our Smart Open Mall network in order to assist the connected small and medium size enterprises to online marketplaces and potential customers. One point to be mentioned is that an invitation for the action concerning Smart Open Malls in Greece by the General Secretariat for Research and Technology (GSRT) has been put through and thus this will enhance the establishment of the Smart Open Mall in the region of Thessaly.

https://www.interregeurope.eu/policylearning/good-practices/item/3951/e-export-via-online-marketplaces/

https://onlinemarkedspladser.dk/

 This action can be linked with the example of the GFT "Smart Community" proposal for the development of a technological platform, based on blockchain technology, arriving from the international exchange of experience.

This platform will utilize the blockchain technology, which enables the B2C2C (Business to Community to Consumer) model as an integration of the classic B2B and B2C relationships in a new effectively disruptive way. Through this technology it is possible to enable an innovative relationship between companies and their customers for which collaborative and cooperative paths can be built in order to obtain shared objectives. A relationship on the grounds of which it is possible to award rewards for virtuous behavior and direct this new capacity towards defined and also shared marketplaces.

The development of a platform using blockchain technology as well as IoT technology is another good paradigm for the establishment of a Smart Open Mall ecosystem. The reward system is also an asset for both sides i.e. businesses and customers.



#### 2. Benefits

- ✓ Implementation of new technologies with the handling of the project
- ✓ Potential increase in the range of shopping options in the area
- ✓ Cultural development, a big plus for the Municipality of the area
- ✓ New destination for tourists and visitors of all kinds for shopping or not
- ✓ Adoption of new technologies will help people introduce a new era
- ✓ Making the market follow the international and European standards
- ✓ Convenience for customers and visitors in general
- ✓ Offering products for sale on additional platforms that will make customer's life easier
- ✓ Digitalization and automation is the key to manage and keep up with the upscaling requirement of global e-commerce
- ✓ Technology improves strategy and business development
- ✓ Improvement in processes by reducing costs in general
- ✓ New job positions for the citizens in the region that hosts the mall
- ✓ High expectation for revenues in the region as a whole

Combining all the information provided in the current action plan, as well as the information coming from the exchange of experience and the good practices deriving from Future Ecom we came up with the following activities that need to be implemented.

## 3. Activities to be Implemented

- > Design of an integrated model of open trade centre / open mall in Municipal level
- Specification of the area of intervention (trading area routes to be included)
- Selection of technological solutions to be implemented (smart city and smart sustainable mobility applications/systems)
- > Connection with public space and current smart city applications
- Developing a specialized b2b platform for enhancing local entrepreneurship through loyalty and rewarding interaction services
- > Connection with other local open malls in regional level under a unified integrated platform

#### 4. Stakeholders involved

- Trade Unions / Chambers will be the collective bodies responsible for the management of the local open malls
- Municipalities, which will help enhancing connection with public space and current smart city applications
- Thessaly Region, which will help enhancing connection of local open malls in regional level under a unified integrated platform
- Ministry of Economy and Development, the body responsible for providing the financial scheme
- Technology solutions providers, will help with the adaptation to the new technological tools
- Local SMEs, which are the beneficiaries of this action



## 5. Timeframe

Integrated b2b platform - 10 months duration

Timetable	
1 <sup>st</sup> Step	Design of an integrated model of open trade centre / open mall in Municipal level when the proper specialists to design it have been found. <u>Duration</u> : March 2021 – May 2021
2 <sup>nd</sup> Step	Specification of the area of intervention (trading area - routes to be included).  • Market segmentation and pinpointing the places of interest <u>Duration</u> : May 2021 – June 2021
3 <sup>rd</sup> Step	Selection of technological solutions to be implemented (smart city and smart sustainable mobility applications/systems). <u>Duration</u> : July 2021 – August 2021
4 <sup>th</sup> Step	Connection with public space and current smart city applications. <u>Duration</u> : September 2021 – November 2021
5 <sup>th</sup> Step	Developing a specialized b2b platform for enhancing local entrepreneurship through loyalty and rewarding interaction services.  • Communication with the suitable IT specialist in order to construct the platform  Duration: November 2021 – December 2021
6 <sup>th</sup> Step	Connection with other local open malls in regional level under a unified integrated platform. <u>Duration</u> : January 2022 – February 2022

<sup>\*</sup>The timeframe durations have been changed due to the delay and the inactivity the COVID-19 pandemic has caused.

# 6. Funding sources

Operational Programme "Competitiveness, Entrepreneurship & Innovation", Ministry of Economy and Development. Which is one of the seven Sectoral and thirteen Regional Operational Programs of the Partnership and Cooperation Agreement (NSRF) for the period 2014-2020. It covers the whole of Greece and has a 4.67 billion Euros public expenditure budget (3.65 billion Euros EU contribution). The pivotal strategic objective of programme is to enhance the competitiveness and extroversion of enterprises, to facilitate transition to quality entrepreneurship, while at the same time advancing innovation and growth of domestic added value

Link to the programme: <a href="https://www.espa.gr/en/pages/staticOPCompetEntrepInnov.aspx">https://www.espa.gr/en/pages/staticOPCompetEntrepInnov.aspx</a>



- Invitation for action concerning Smart Open Malls in Greece by the General Secretariat for Research and Technology (GSRT).

Links to the programme: http://www.antagonistikotita.gr/epanek/proskliseis.asp?id=132&cs

## 7. Costs

Total cost of local open mall platform: 25.000€ - 60.000€ (depending on the number of businesses involved)

Costs Analysis (costs linked to the funding sources)	
Investment Costs	Functional Costs
Programming and design	Material equipment
Availability 24/7	Consulting costs
Availability to an app store for mobile devices	Managing and technical costs
RDI equipment (e.g. information technologies)	Energy providing costs
Testing	Advertising and Promotion
Investment to an SaaS software	Educational costs (e.g. for the use of the app)
Use of specialised servers	Wage of staff
Monitoring control	Communication costs
	Transporting costs

# 8. Impact on the Policy Instrument

The establishment of the Smart Open Mall will stimulate the local economy by attracting people to City Center businesses and lower connectivity costs for citizens and visitors. It will improve government efficiency by the utilization of the new technologies and the promotion of the area. Digitization and more specifically the development of such an action will also drive new revenue streams and economic development by enhancing awareness of customer activity and behavior. The creation of the platform for strengthening local entrepreneurship aims to meet the needs of citizens, providing Open Trade Center services and citizen information services through a common smart application, acting as an ecosystem of interaction and synergy of all stakeholders. Connectivity grows stronger and by use of IoT technologic solutions the region of Thessaly would undoubtedly enter the starting level of transformation into a Smart City.



#### **ACTION 4 - RAISING AWARENESS**

## 1. Description

In order to implement the adoption of digitalization there is a need to inform the people, businesses, entrepreneurs etc. about not only the project and the actions that need to be performed but also the benefits it is going to bring to Magnesia and in general the Thessaly region. The stakeholders involved, or otherwise the contribution members must raise awareness amongst the community so as to acknowledge the fact that technology and its use has a potential role and can help from the basic functions inside a business to the potential increase of its presence commercially.

#### Relevance

This action derives from the interregional exchange of experience and in particular it is linked with the following Future Ecom good practices:

 "Focus Digital", which provides a structured pathway to improving skills and utilization of Digital technology in SMEs from simple to advanced applications

Focus Digital is designed to improve the IT engagement of businesses in the region, to raise awareness and to provide a structured route from basic competencies through three levels of support. At first, free workshops will be offered to raise awareness and draw businesses into appropriate levels. Next, tailored advice will be provided and respondence to any query on improving IT infrastructure and competencies utilising a Graphic Designer, IT developer and IT technician. Last but not least, grants to companies seeking to innovate will be provided. This led to the inspiration of the "Raising Awareness" action of the current action plan. Assistance as well as transferability of knowledge coming from IT specialists is what will lead to success. The region of Thessaly in order to adapt to the new changes and the new technologies will utilize any potential tool.

https://www.interregeurope.eu/policylearning/good-practices/item/3397/focus-digital/https://www.cuebusinesssolutions.com/portfolio-item/focus-digital-find-out-more-2/

 "Coventry and Warwickshire Innovation Test Bed", which helps in supporting SMEs to develop and test new products, services and digital technologies

The target beneficiaries are Coventry & Warwickshire SMEs. A range of methods are used to engage SMEs, including existing relationships the Delivery Partners have with the businesses, referrals from Coventry & Warwickshire Growth Hub (who co-ordinate public business support) and other innovation support schemes, and direct marketing through e-newsletters and websites of local business support bodies. This can be related to the region of Thessaly as a good practice.

https://www.interregeurope.eu/policylearning/good-practices/item/3753/coventry-warwickshire-innovation-test-bed/

https://www.coventry.gov.uk/innovation



#### 2. Benefits

- ✓ A business can reduce the cost of handling sales inquiries, providing price quotes and determining product availability by using e-Commerce in its sales support and order-taking process.
- ✓ E-Payments can be easier to audit and monitor than payments made by cheque, protecting against fraud and theft losses.
- ✓ Increased Productivity: using the online file storage service ensures time and equivalent speed, with the ability to reuse bids, compared to traditional online supplies.
- ✓ Increased Transaction Speed: greater efficiency results, by the time saved through electronic procurement. The procurement cycle time is accelerated due to electronic relationships with suppliers. Transaction speed also increases as the handling of online services enhances and simplifies the buying process.
- ✓ Technology has been adapted in our everyday life from power plants and hospitals to financial service companies. Thus, it is essential to keep our society functioning.

Combining all the information provided in the current action plan, as well as the information coming from the exchange of experience and the good practices deriving from Future Ecom we came up with the following activities that need to be implemented.

## 3. Activities to be Implemented

- > Information brochures
- > Seminars & Webinars for the construction, optimization, promotion, maintenance, etc. of online stores
- Conferences
- ➤ E-mail campaigns and more specifically campaign to support local e-shops and create a local business directory with the online stores of Magnesia and Sporades Islands
- Spots

## 4. Stakeholders involved

- Local Steering Group members who will help with the above activities
- Chamber of Magnesia, in organizing the webinars, seminars, and the training section as a whole

### 5. Timeframe

Raising Awareness – 9 -10 months duration

	Timetable
4st C4am	Information brochures to inform people about the digitization era.
1 <sup>st</sup> Step	<u>Duration</u> : April 2021 up to May 2021



	E-mail campaigns communicating with the SMEs and the local community and
2 <sup>nd</sup> Step	local bodies
	<u>Duration</u> : April 2021 up to May 2021
3 <sup>rd</sup> Step	Conferences for information
о отор	<u>Duration</u> : June 2021 - July 2021
4 <sup>th</sup> Step	Seminars / Webinars
ч отор	<u>Duration</u> : September 2021 - October 2021
Eth Cton	Radio Spots to inform like conferences. Taking part in the radio for instance.
5 <sup>th</sup> Step	<u>Duration</u> : November 2021 - December 2021
	Feedback on informational campaigns and results.
6 <sup>th</sup> Step	<u>Duration</u> : January 2022 - February 2022

<sup>\*</sup>The timeframe durations have been changed due to the delay and the inactivity the COVID-19 pandemic has caused.

# 6. Funding sources

Regional Development Fund, which is focusing on making a strong and innovative economy in Europe, with a focus on people and the environment, through smart, sustainable and inclusive growth.

The programme is for the natural and man-made environment and all the citizens of Thessaly, the companies, the socially vulnerable groups and the disadvantaged groups of the population, the students, the research potential of the Region, the visitors of the region etc.

Link to the funding programme: <a href="https://www.thessalia-espa.gr/pep-thessalias/pep2014-2020.html">https://www.thessalia-espa.gr/pep-thessalias/pep2014-2020.html</a>

## 7. Costs

A joint strategic plan will be developed for the implementation of actions in support of digitization. This action will involve the Chamber of Magnesia as well as the members of the Local Supporting Group members.

25.000 €

Costs Analysis (costs linked to the funding sources)
Enhancing research, technological development and innovation
Improving the access, use and quality of information and communication technologies
Improving the competitiveness of small and medium-sized enterprises and the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)
Supporting the transition to a low carbon economy in all sectors
Promoting climate change adaptation, prevention and risk management



Preservation and protection of the environment and promotion of resource efficiency
Promoting sustainable and quality employment and supporting labor mobility
Promoting social inclusion and combating poverty and discrimination
Investing in education, training and vocational training for skills and lifelong learning
Promoting sustainable transport and troubleshooting basic network infrastructure
Enhancing research, technological development and innovation

# 8. Impact on the Policy Instrument

The raising awareness action and the training sections will accelerate the adaptation of new technologies in the region of Thessaly. During seminars and webinars people will learn how to get involved in the new processes and how to use technology effectively. Starting from electronic commerce and procurement up to the establishment of a Smart Open Mall ecosystem, the new digitization era will have a huge impact on peoples' everyday life. The impact on the policy instrument is expected to draw the attention of the citizens and the businesses in the region and the country in general. By promoting the overall benefits of the planned actions it will drive into a new age where everything is connected and everything is there to make the peoples' lives easier.