BOOST4youth

online Business and e-cOmmerce cOaching for increasing entrepreneurShip among youTh

O1/A2 NEEDS VALIDATION REPORT

Lead Organisation:

CIVIC

Co-funded by the Erasmus+ Programme of the European Union

This project has been funded with support from the European Commission. This communication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

REVISION HISTORY

Version	Date	Author	Description	Action	Pages
1.0	15/01/2019	EMPHASYS	Creation of the document	C	
1.1	11/02/2019	CIVIC	Update of the document	U	

(*) Action: C = Creation, I = Insert, U = Update, R = Replace, D = Delete

REFERENCED DOCUMENTS

ID	Reference	Title
1	2018-1-UK01-KA205-047672	BOOST4Youth Proposal
2	2018-1-UK01-KA205-047672	Evaluation Comments

APPLICABLE DOCUMENTS

ID	Reference	Title
1	AKNOW	Quality Management Procedures

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1. Introduction

1.1 Description of the Project

BOOST4Youth is a project aiming to increase online entrepreneurship, especially cross-border entrepreneurship among youth.

BOOST4youth will develop a training programme for digital marketing and e-Commerce and set up a transnational network of mentors/coaches to support youth with the set-up of online businesses. The training programme will be supported by a novel Learning Motivation Environment facilitating skills retention also.

BOOST4youth direct beneficiaries are:
• Young entrepreneurs (aged 19 to 35) who lack knowledge on how to benefit from smart use of ICT in order to grow their business and expand cross-borders
• Females and males between 19 and 35 years old wanting to start an online business particularly if they want their business to focus on cross-border sales and/or address important social aspects (social entrepreneurship).

The targeted business sectors are those that are most important for the participating regions, such as tourism, real-estate, agricultural products.

1.2 Questionnaire Objectives

The main result is the definition of the young Digital cross-border Entrepreneur training course, conceived as an integration of all online business needs of young entrepreneurs from participating countries.

The objective of the questionnaire is to help validate needs of young entrepreneurs from partner countries in relation to knowledge and skills for implementing the winning practices and identify/describe learning outcomes for the Digital Entrepreneur.

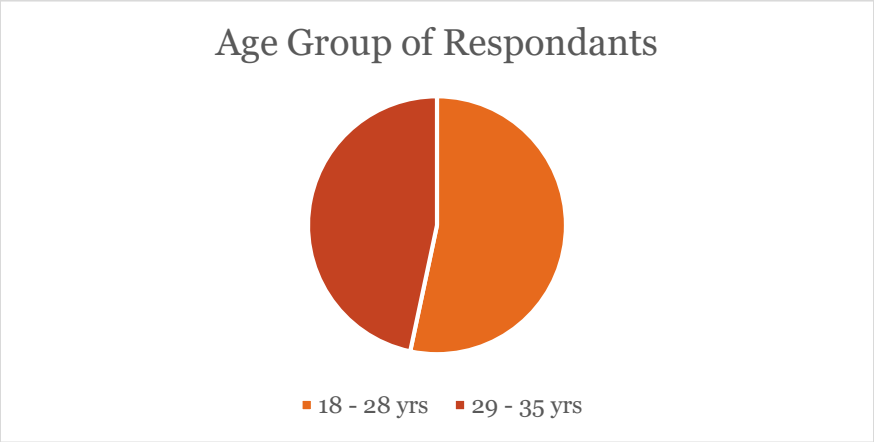
Using the questionnaire as an instrument, partners will conceive the envisaged needs of young individuals in relation to knowledge and skills for implementing the winning practices and thus progress from the AS-IS to the TO-BE situation by engaging in digital entrepreneurship and improving online sales performance.

Partners will engage with target group representatives: 30 - 40 representatives per country who will receive questionnaires to fill in, with the intention to validate the elaborated needs of the young Digital Entrepreneur profile in terms of skills and competences, for a total of up to 210 - 230 respondents.

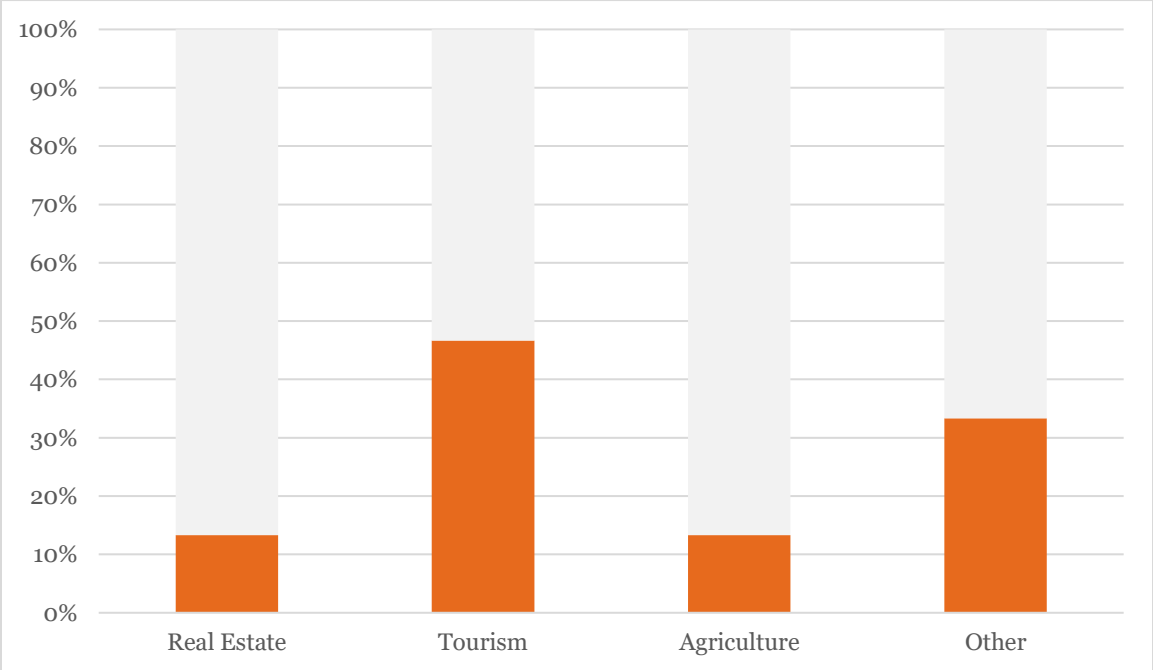
2. Summary of Questionnaire Results

2.1 Initial Information

Within the UK, 15 participants provided responses to the questionnaire. Just over half of respondents fell into the age 18-28 category (53.33%).

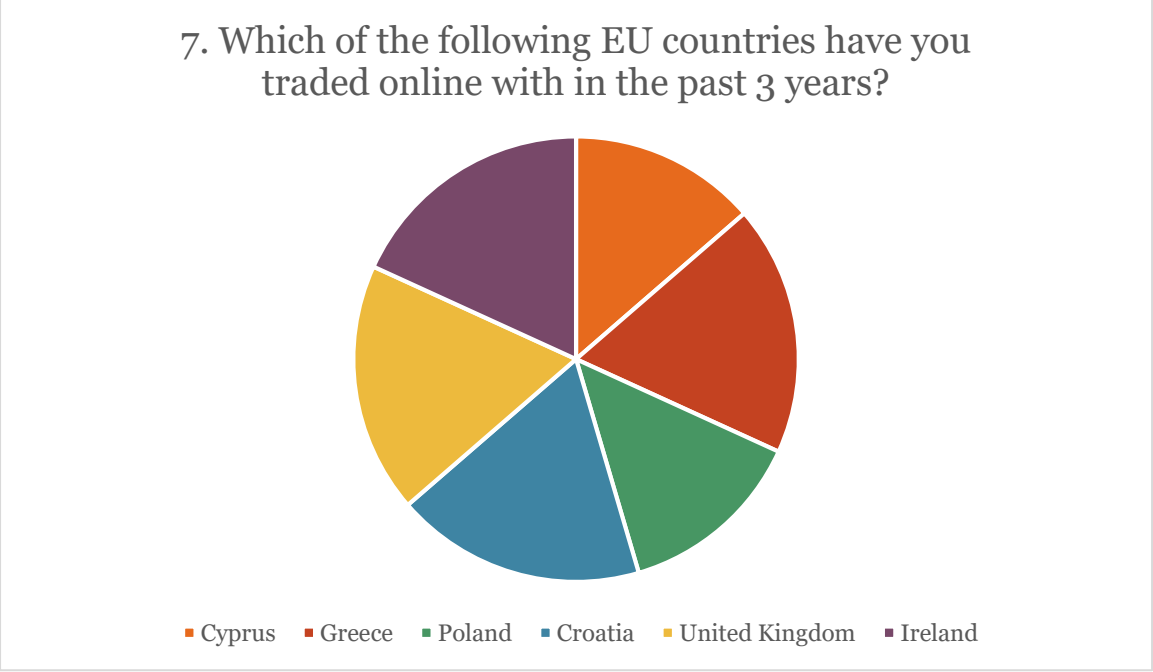


A significant number of respondents works in tourism (46.67%), some in agriculture and real estate (13.33%), and 33.33% of respondents work in other industries. These respondents did not specify their occupation.



With regards to e-commerce, 60% of respondents said they did not have a channel for online sales within their business. Of the 40% who do operate online sales, 26.67% have implemented their own solution, and 13.33% use a external, cloud-based or open source solution.

Of those operating an online business, just one third of the 15 respondents sell cross-borders. These respondents have sold cross-borders across a variety of countries in the past 3 years. The table below demonstrates the respondents trade in almost equal volume across Europe.



2.2 Skills and Knowledge

The respondents were asked to choose what they felt were the most important features for a business to demonstrate when selling online. They were asked to rate on a scale of 0 to 5 how important they felt the following were:

- Safe payment costs
- Delivery methods and costs
- Order tracking
- Market share potential
- Competition

For each of these e-commerce attributes, the majority of participants on the survey scored a 5 on the rating scale, indicating that they felt each of these were very important for an online business to be successful.

With regards to communication channels for contacting an online seller, online chat, email and contact form ranked the highest, with the majority of people scoring either a 4 (indicating that they agree), or a 5

(indicating that they strongly agree). Having a Skype number to call was considered least important for the respondents, with 40% of respondents rating 0.

The participants of the survey were then asked to rate on a scale of 0 to 5, how important they felt the following skills were on a sales management tool:

- Customer and personal service
- Payment tools
- Data analysis
- Communications and media
- Graphic design
- Administration and management
- Sales management
- Marketing tools
- English language

73% of people opted for 5 (very important) on customer and personal service, payment tools, communications and media, administration and management, sales management, and marketing tools.

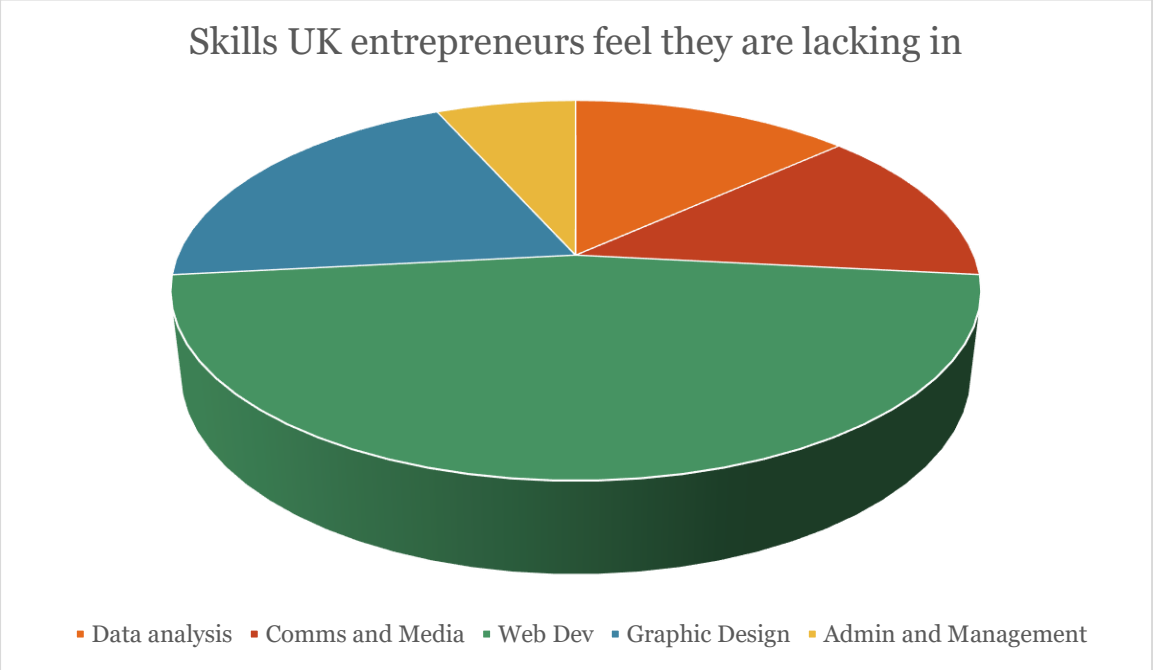
English language was rated by participants with 13 out of 15 respondents rating it 5 (very important), 1 participant rated it 4 (important) and the final participant rated it at 3.

The skills that survey participants in the UK felt they were lacking in most were:

- Data analysis
- Communications and media

- Web development
- Graphic design
- Administration and management

The below pie chart illustrates the breakdown, with the majority (46.67%) stating they lacked most in web development.

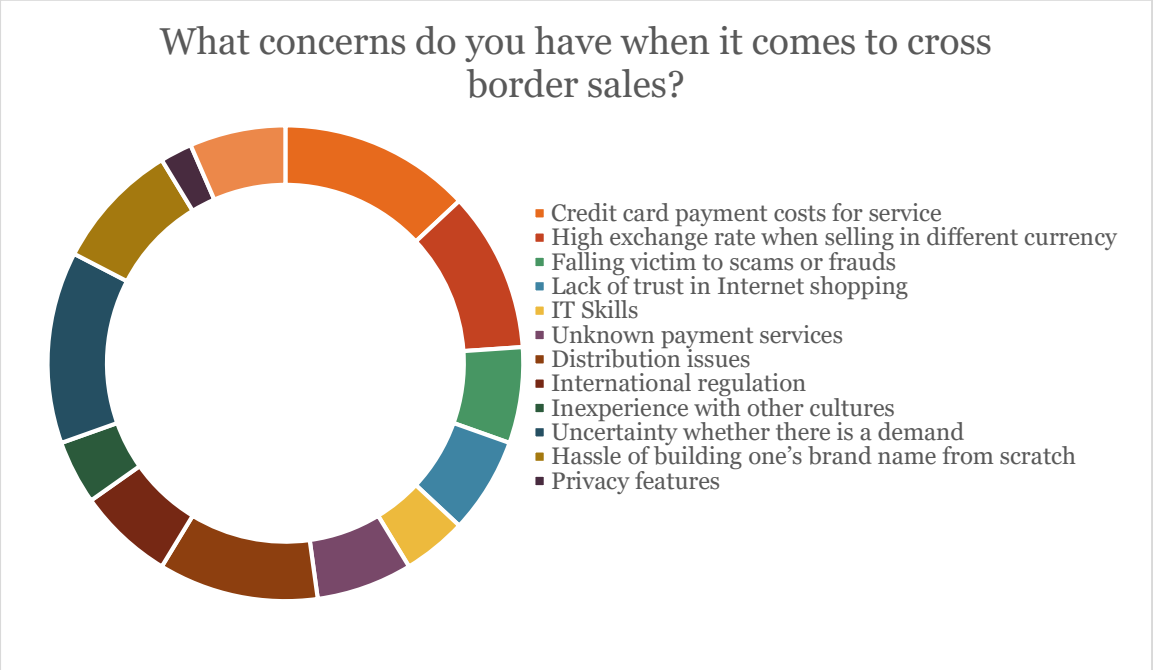


The survey participants were then asked what they elements of a website they considered important. They were asked to rate the following answers on a scale of 0 to 5, with 0 being not very important, and 5 indicating very important:

- Professional design
- Trust seals
- Customer loyalty reward schemes
- Sales alerts
- Newsletters
- Discussion forum
- Social media presence
- Clear and quick navigation
- Customer reviews of purchased products
- Variety of payment methods

Variety of payment methods, quick and clear navigation, professional design, social media presence and trust seals, were indicated to be the most important, with 10 or more of the 15 respondents rating these as 5 (very important).

Entrepreneurs within the UK indicated a number of concerns with regards to cross border sales. Two of the highest voted answers were financial concerns; credit card payment costs for service (40%), and high exchange rate when selling in different currency (33.33%). Another two high scoring concerns were uncertainty as to whether there is a demand for what they are selling (40%) and distribution issues (33.33%).

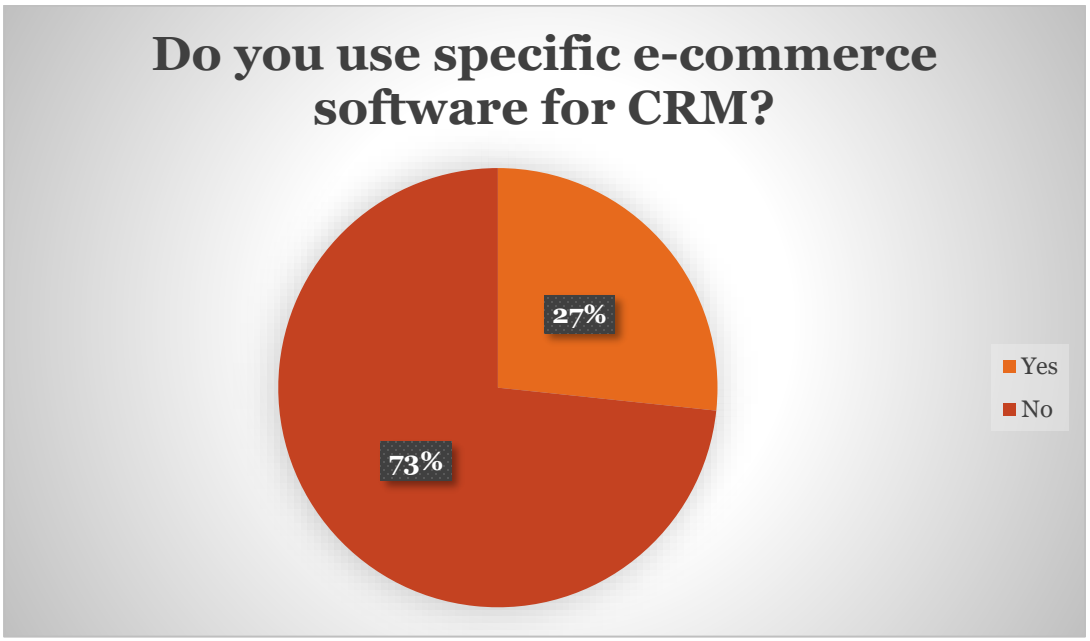


Of those that highlighted IT skills as a concern, there were 3 areas indicted as either a 4 or 5, by respondents as a weakness; online/computer security, mobile technologies and social networking.

2.3 Customer and Personal Advice

When asked 'Do you agree that the following make up a successful e-Commerce value proposition encouraging the customer to buy from you?', the answer that most respondents agreed strongly with was, 'facilitation of transactions by managing product delivery.' 13/15 respondents rated this answer as 5, indicating that they fully agree. 10/15 respondents also indicated that they full agree with 'reduction of product search, price discovery costs' and 'personalisation/customisation.'

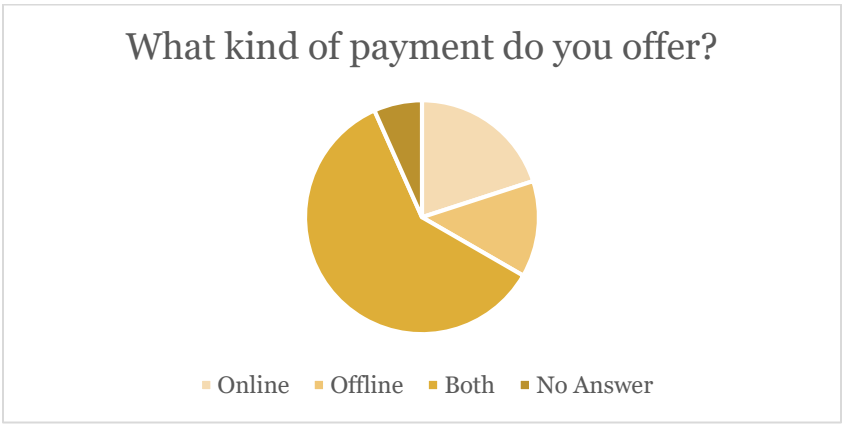
When asked about their implementation e-commerce software for customer relationship management, the majority of the respondents indicated that they did not use this within their business.



2.4 Payment Tools

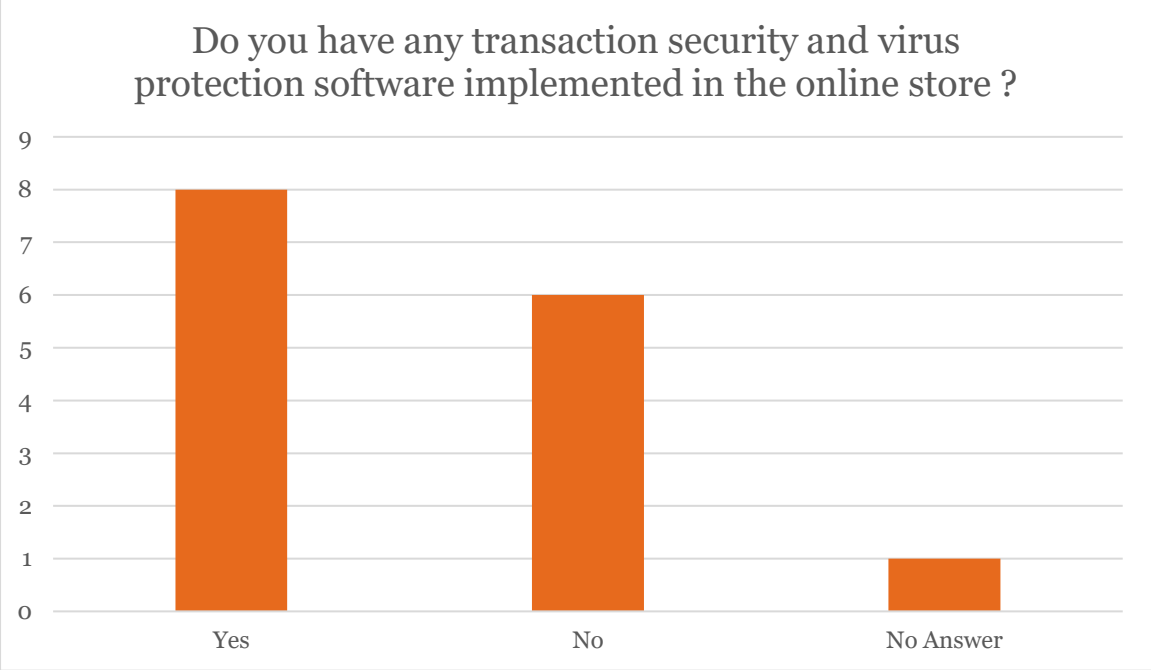
With regards to payment tools, respondents were initially asked if they considered that online payment systems have the appropriate security. A large majority (13 of 15 people) remarked that they do consider the security of online systems.

Entrepreneurs were then asked which payment methods their business offers, with a choice of online, offline or both. The below pie chart illustrates that 60% of participants offer both payment options, 20% of people offer online only, 13.33% of people offer offline only, and 6.67% did not answer this question.



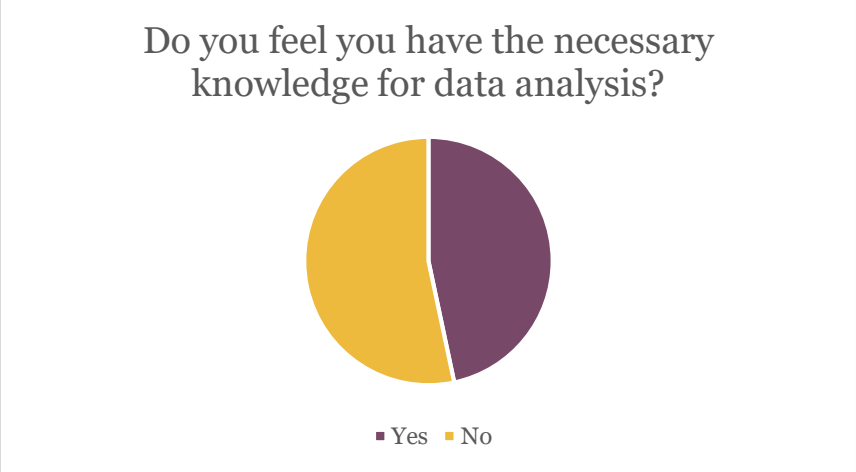
An equal number of respondents indicated that they use point of sale software (40% each). However, we did not gain a response from 3 respondents. Of these people, 33% of people indicated that they use Paypal. However, 60% of people declined to indicate what POS software they use.

Transaction security and virus protection software were considered to be an important feature to be implement on an online store.



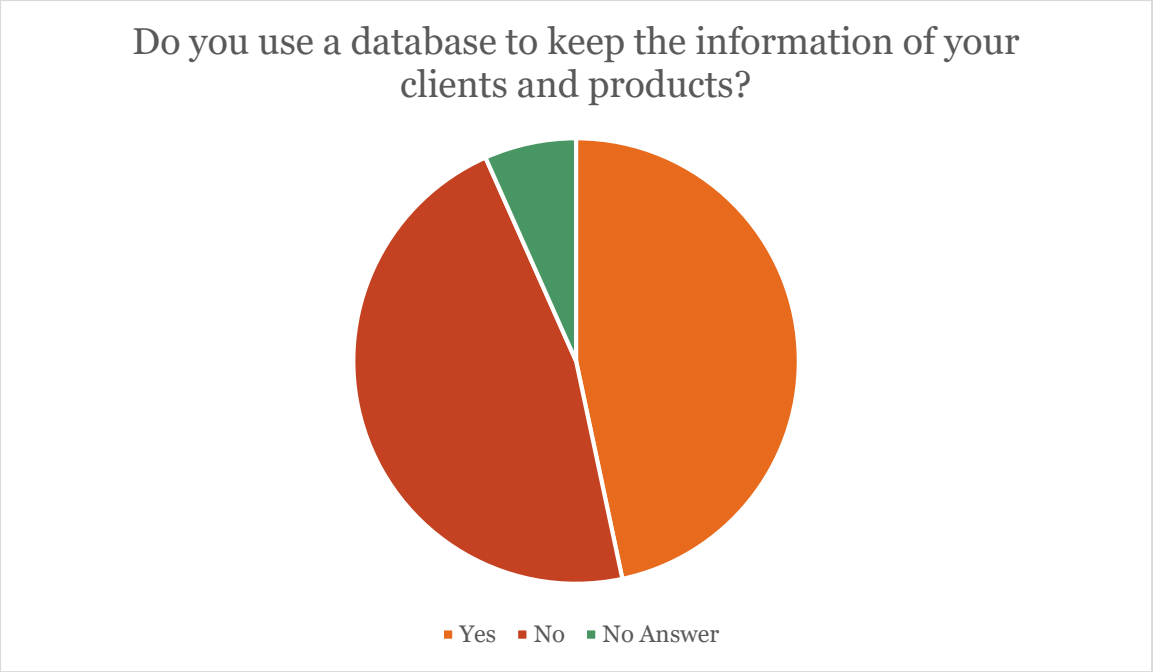
2.5 Data Analysis

In the UK, there was mixed, and almost equal opinions regarding participants knowledge on data analysis. 46.67% of respondents indicated that they had the knowledge necessary to use data analysis to their advantage and adopt the results to make improvements to their business. However, 53.33% did not feel that they have this knowledge.



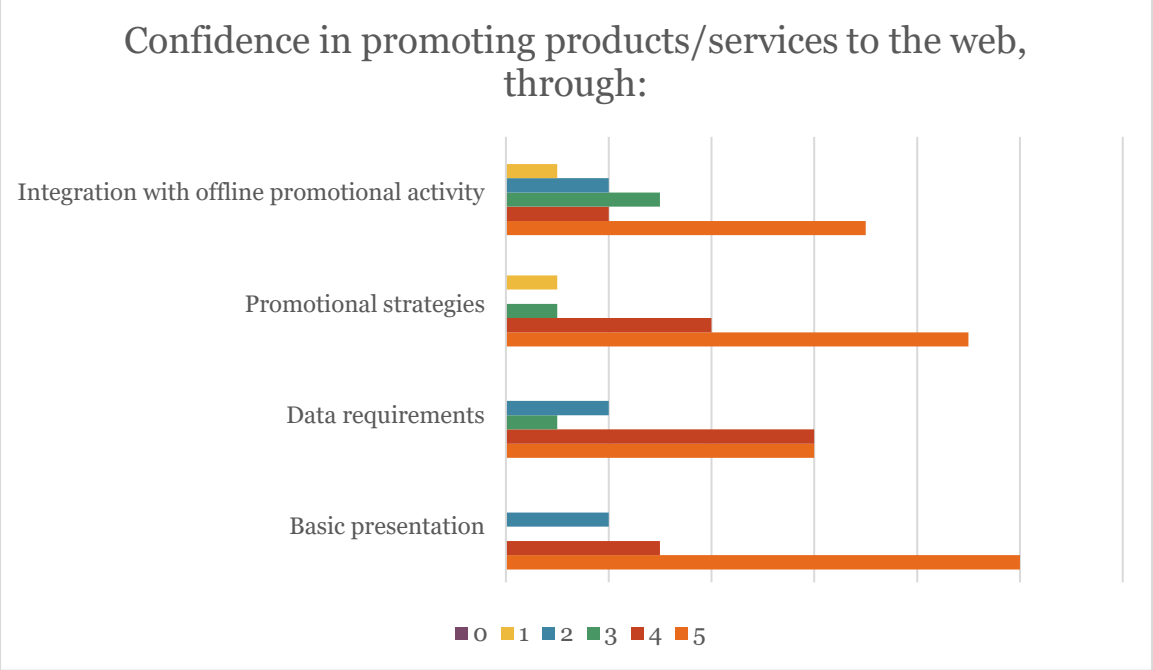
The uptake of data analysis software within UK businesses was low, with just 20% of businesses using data analysis software, to automate this process, and reduce resources in terms of human effort and time.

When asked if they keep information about clients and products on a database, an equal number of participants answered yes and no, with 7 for each. We do not have the response from just 1 participant.



2.6 Communications and Media

When asked about their confidence in promoting products and/or services to the web through a variety of skills, basic presentation, and promotional strategies were the strongest skills, in which respondents felt they were most confident. The majority of respondents were not as confident with integrating their online efforts, with their offline marketing strategies and activities.

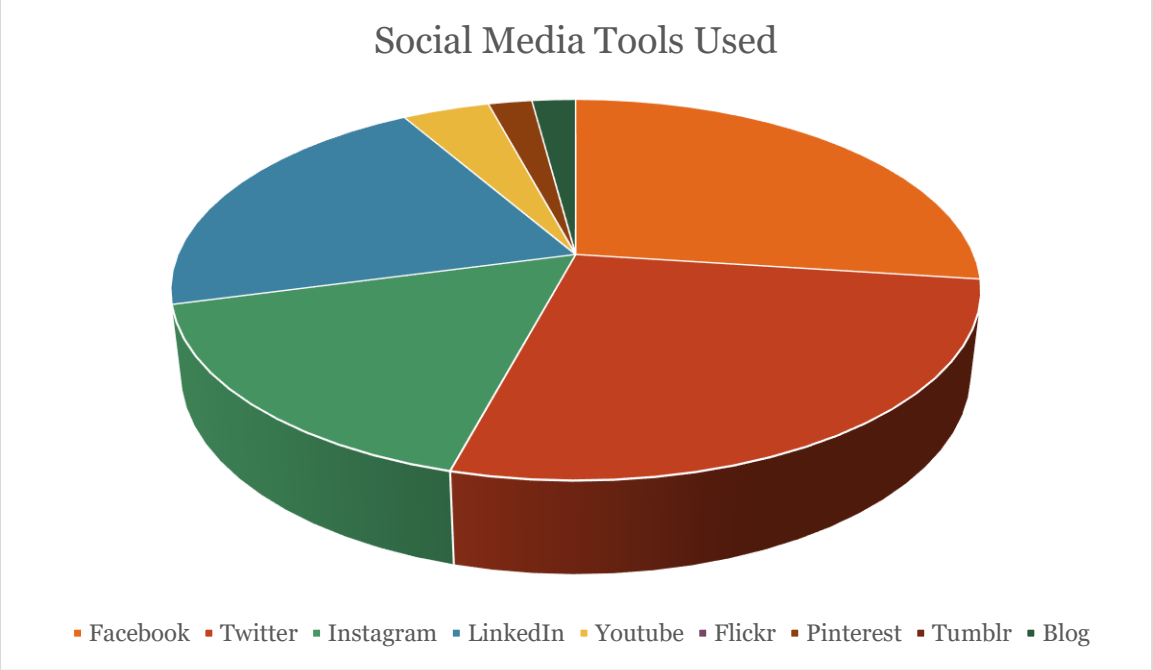


A vast majority of respondents (73.33%) indicated that they have someone in charge of communication and social media within their business. 26.67% of respondents do not have an individual to manage this side of their business.

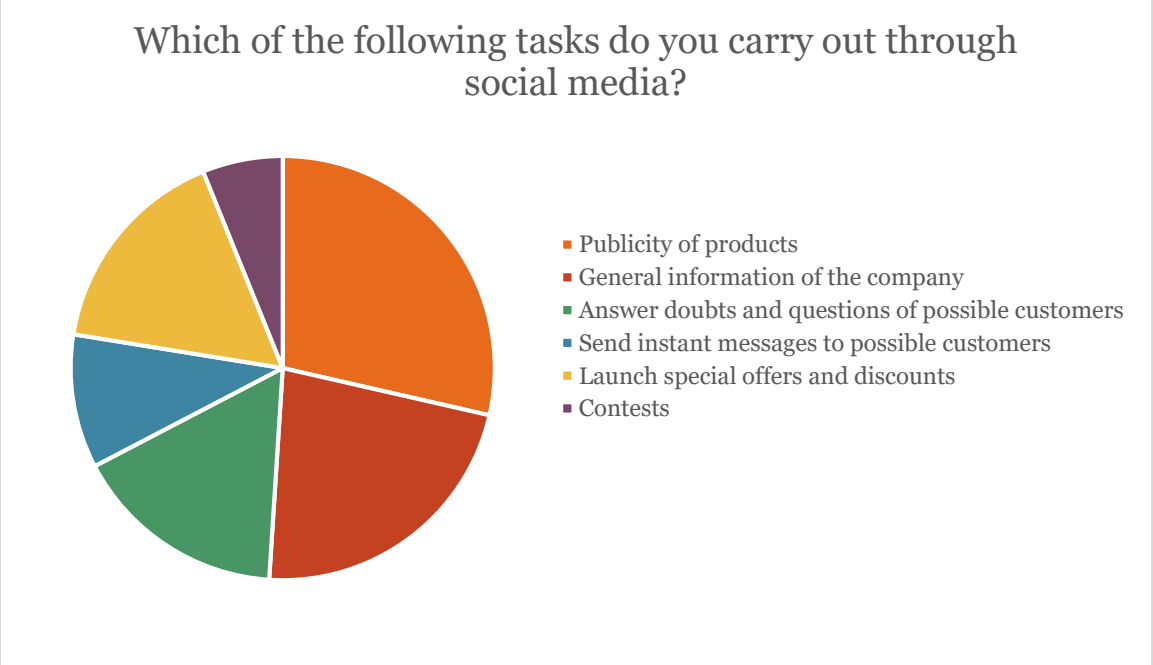
Respondents were familiar with all of the e-commerce concepts that we surveyed them on. The 3 they were most familiar with were; Search Engine Optimisation (73.33%), Pay per click (66.67%) and Conversion rate (53.33%).

The top 3 social media platforms used by UK businesses were:

- Facebook (86.67%)
- Twitter (86.67%)
- LinkedIn (66.67%)



The most popular tasks carried out on social media were publicity of products (93.33%), general information of the company (73.33%), answer doubts and questions of possible customers (53.33%) and launch special offers and discounts (53.33%).



When asked if they knew how to make their online offerings interact with SEO and/or PPC, 53.33% of participants answered yes, whilst 46.47% said no. This indicates an almost equal divide in the UK businesses knowledge of SEO/PPC.

We then asked participants about their familiarity with the use of cookies for personalisation. 86.67% of UK survey participants answered yes, indicating that they are familiar with this. Just 2 respondents were unfamiliar with the concept of using cookies to personalise a user's experience on their website.

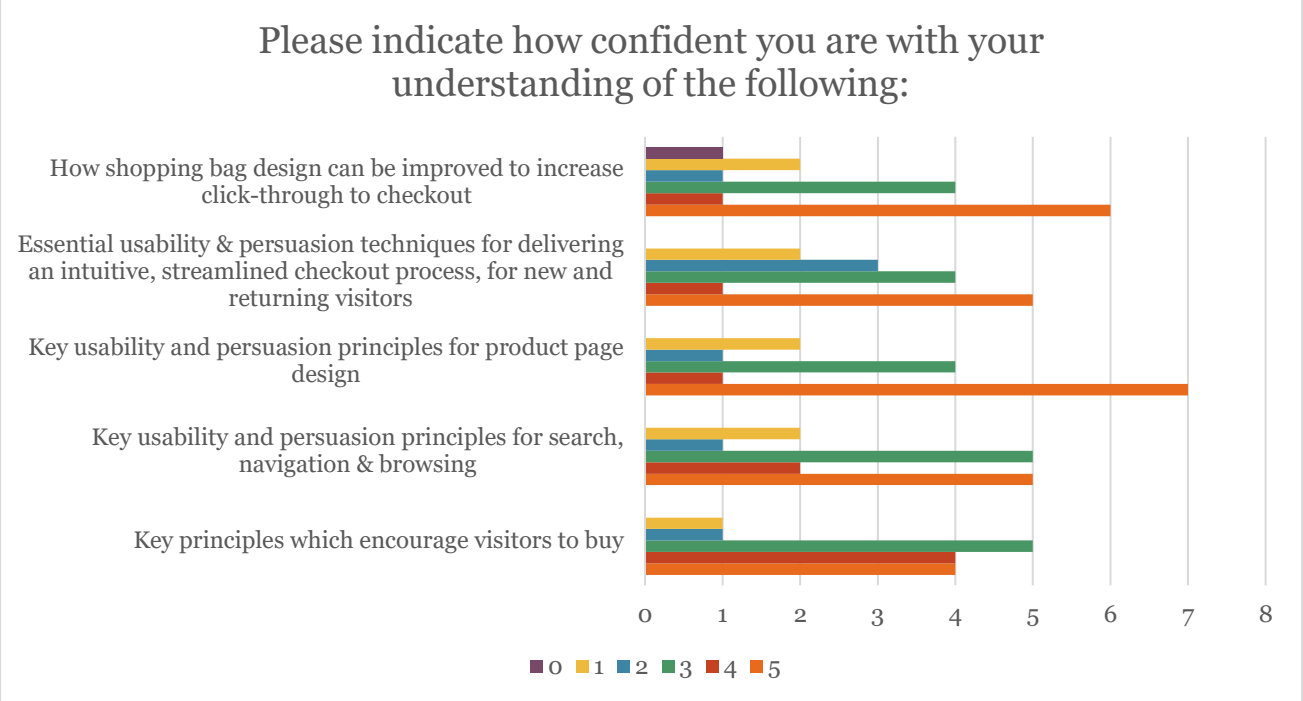
The majority of UK businesses (73.33%) use special electronic mail software for communication. However, almost none of the respondents (80%) implemented an automatically vulnerability analysis for emails. Only 3 respondents indicated that they do have this in place.

When asked about using any metrics or performance indicators to measure sales performance, just over half of the respondents indicated yes (60%), the rest indicated no.

Survey participants were asked about their confidence with regards to the following aspects of an online shop:

- Key principles which encourage visitors to buy
- Key usability and persuasion principles for search, navigation & browsing
- Key usability and persuasion principles for product page design
- Essential usability & persuasion techniques for delivering an intuitive, streamlined checkout process, for new and returning visitors
- How shopping bag design can be improved to increase click-through to checkout

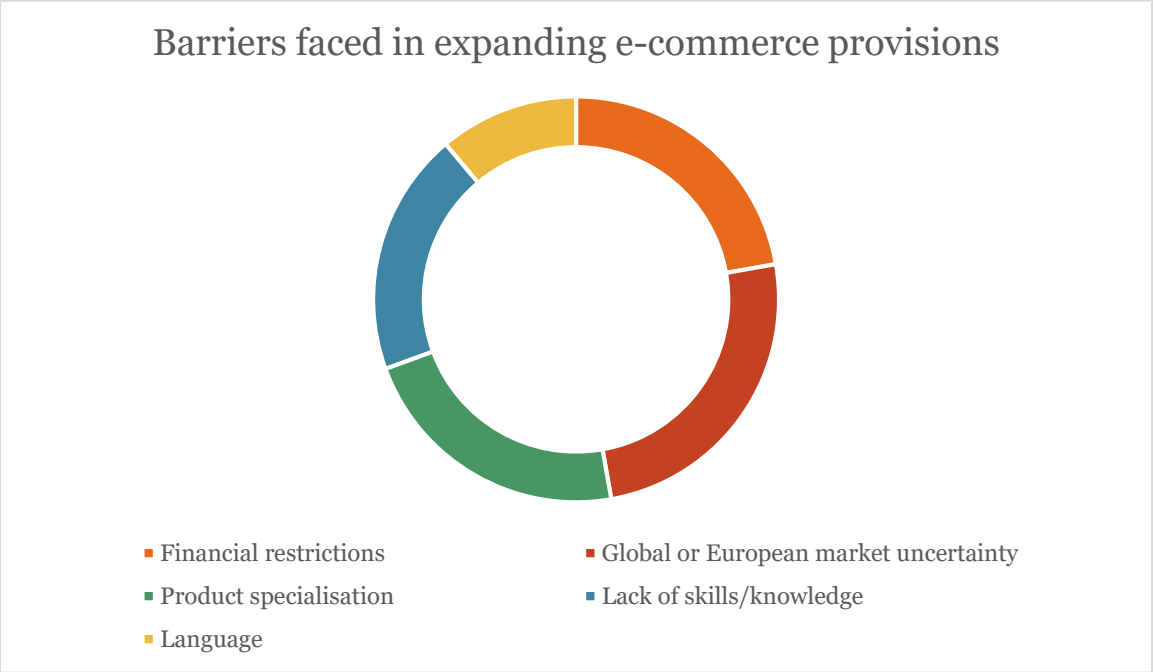
They were asked to rate their confidence level from 0-5, with 0 being the least confident, and 5 being most confident. The below graph illustrates the results.



When asked if they had policies on sales/returns, a large majority of UK businesses indicated yes (73.33%). 26.67% of respondents answered no, indicating that they do not operate any sales or returns policies.

The top 3 barriers that UK businesses faced in expanding their e-commerce provision, particularly in relation to cross-border sales, were:

- Global or European market uncertainty (60%)
- Financial restrictions (53.33%)
- Product specialization (53.33%)



2.7 Graphic Design

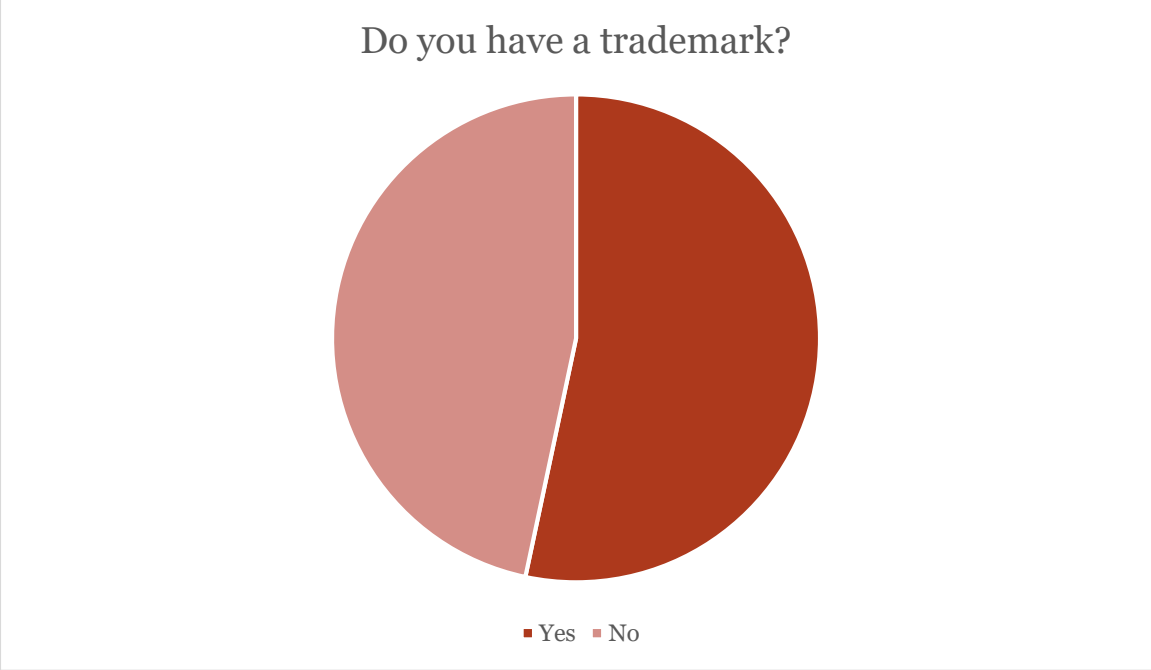
A majority of respondents has experience in using graphic design tools in their online store, website or social media, with 80% indicating that they make use of graphics or photo imaging. Some use video creation and editing (26.67%) and 20% use music or sound editing. A small number of the survey participants also use virtual reality (13.33%), augmented reality (6.67%) and 3D design (13.33%).

2.8 Marketing Tools

Across UK businesses, almost half of them (46.67%) have participated in a training course on marketing strategies for online sales.

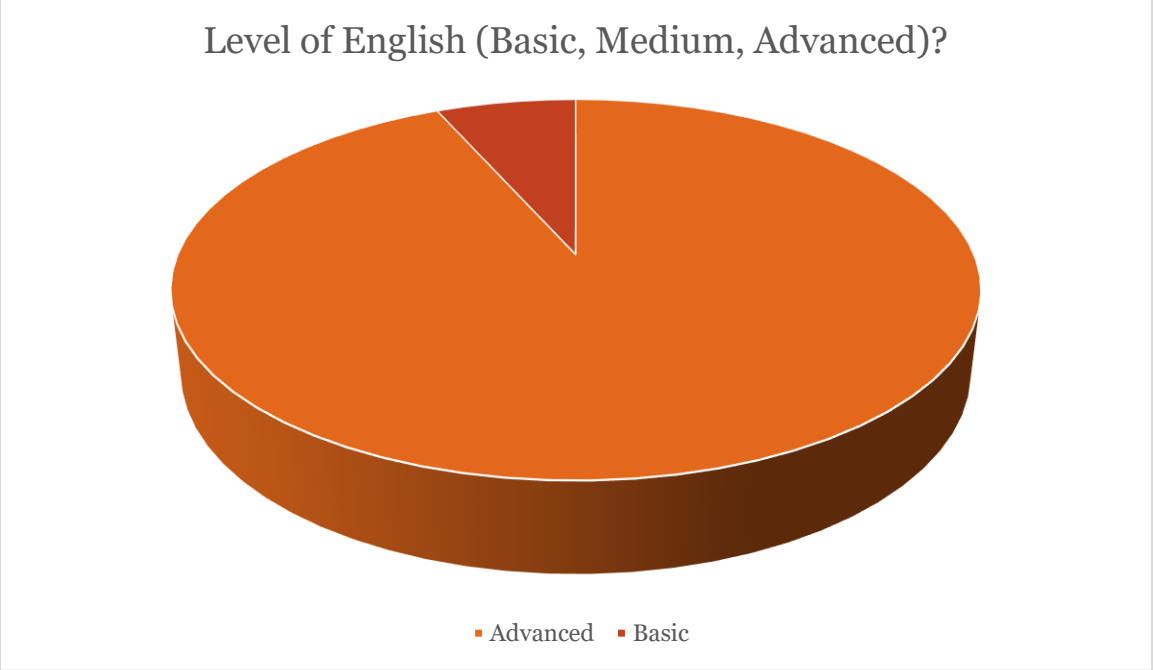
This corresponds with the fact that many of them have made use of this training, with 40% of them using sales and marketing software such as AdWords, to increase the rate of visits to their website.

When asked if their business had a trademark, it was split almost evenly, with just over half of participants (53.33%) answering yes.



2.9 English language

As expected, English is the main language operated on all participants online stores. However, apart from their native language, participants also offered their website in French (6.67%), German (6.67%) and Chinese (6.67%). When asked about what level of English they have, the majority of respondents (93.33%) have an advanced level of English.



2.10 Training on e-commerce

The participants of the survey were finally asked what information or assistance would best suit their business to be more e-commerce active, both domestically and cross-border.

With regards to operating online domestically, market intelligence (66.67%) was voted to be the most helpful in order to aid their business. Economic assistance (13.33%), greater information on how to success (13.33%), and retail/vendor confidence (6.67%) were also noted.

In the case of cross-border e-commerce, none of the participants provided an answer.

Interest in participating in the BOOST4Youth course, to help enhance their knowledge/skills in e-Commerce, was demonstrated by 10 respondents (66.67%). Of these people, an online course was voted by the majority (53.33%) as the favoured method for participation. The most popular course length was 10-20 hours per week.

86.67% of respondents also indicated that they would be interested in hearing about the results of the BOOST4Youth project.

3. Conclusions

We surveyed entrepreneurs within the UK, aged 18-35 to gain a deeper insight into their attitudes, behaviours and competencies with e-commerce, and in particular, cross-border sales.

The majority of the participants who responded to our survey are conducting business in the tourism sector. However, most of them do not have a channel for online sales, and do not sell cross-borders, indicating that there is a gap in the market, and a great need for the training course that BOOST4Youth aims to provide.

With regards to the span of their activities, UK businesses predominantly carry out sales domestically. However, those that do sell across borders target an even spread of European markets, including Cyprus, Greece, Ireland, Poland and Croatia.

Concerns of a financial nature were indicated by participants as to the reasons why they are hesitant to begin, or expand in selling cross-borders. This information provides us with a key focus as to the nature of content to be included within the projects deliverables.

In contrast to these concerns, businesses in the UK are competent in marketing, which indicates less focus is required in this subject. 46.67% have participated in a training course on marketing strategies for online sales.

Interest in participating in the BOOST4Youth course was demonstrated by 10 respondents (67.67%), and they indicated that they would prefer e-learning over any other type of learning. A vast majority of UK respondents (86.67%) are interested in hearing about the results of the project.