

e-Ledra

SHOPKEEPER SURVEY RESULTS ANALYSIS

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I T H A K I

E-Ledra is a project supported and funded by the EU through the UNDP/UNOPS programme 'Partnership for the Future' and the Woolworth Stores.

This survey was carried out as part of the e-Ledra project. E-Ledra is aimed at the shopkeepers of the 'Greater Ledra Street'. The survey was conducted in both the Greek Cypriot and Turkish Cypriot sides in July 2004.

The aim of the e-Ledra project is to re-unite the 'Greater Ledra Street' in the virtual world of the Internet. The Internet Ledra Street will have a presence in cyberspace without barriers and with equal access by Greek Cypriot and Turkish Cypriots, tourists, as well as the world at large. The long-term potential of the e-Ledra project is that it becomes a portal/virtual shopping/strolling mall for Nicosia within-the-walls, with information about shops and their products and services, restaurants, museums, galleries and other cultural points of interest, entertainment, churches, sermons, other religious activities, archaeological sites, transportation and accommodation.

The technical specifications, the names of the institutions involved in the research and the questionnaire is annexed.

The institutions involved accept no liability of any kind arising from this report.

The original language of this report is English.

TABLE OF CONTENTS

Summary	1
1. 'Demographics'	1
2. Type of web presence.....	2
2.1. Shops that do not own a PC.....	3
2.2. Shops that envisage no e-commerce presence	3
2.3. Special Product Promotions.....	3
2.4. Other Content.....	4
3. Preferred languages other than English	4
4. Target customer	6
5. Updating the web site	6
6. Shop benefits.....	6
7. General benefits	7
Technical Specifications.....	8
APPENDIX: English Questionnaire	

Summary

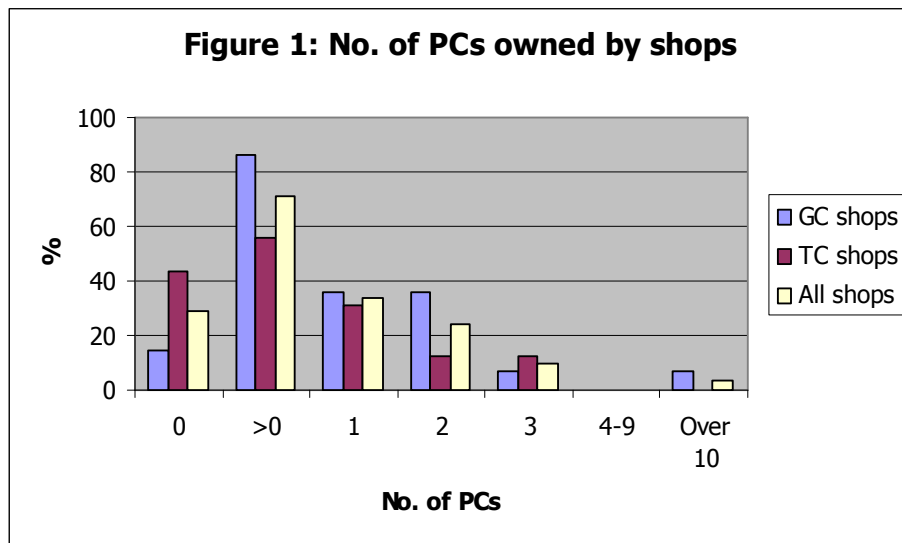
All shops surveyed, small or large, have shown interest to have some type of representation on the e-Ledra web site irrespective of whether they own a PC, have experience with the Internet or currently run their own web site.

Furthermore, all shops surveyed believe that the implementation of the e-Ledra web site will increase the number of visitors to the area covered by the project and that other general benefits will arise as a result: improvement of cooperation between the two communities; possible physical opening of the Ledra street check point; an increase of the knowledge about the Internet and e-commerce for the shops involved in the project.

1. 'Demographics'

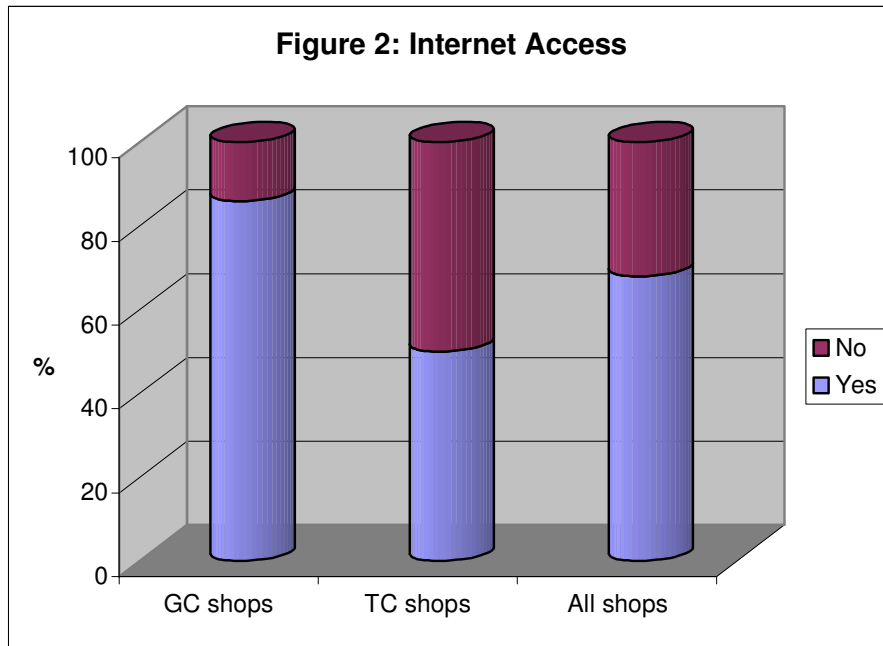
71% (86% GC, 56% TC) of the shops surveyed own a PC and 68% (86% GC, 50% TC) have Internet access. 38% (50% GC, 25% TC) own more than one PC. 30% (29% GC, 31% TC) have a web site and 20% (0% GC, 40% TC) of these sell products online. 90% (100% GC, 80% TC) of those that have a web site update theirs once per month or less.

Of those that have Internet access 90% use it for e-mail and surfing the Internet and 52% for purchasing products on-line.



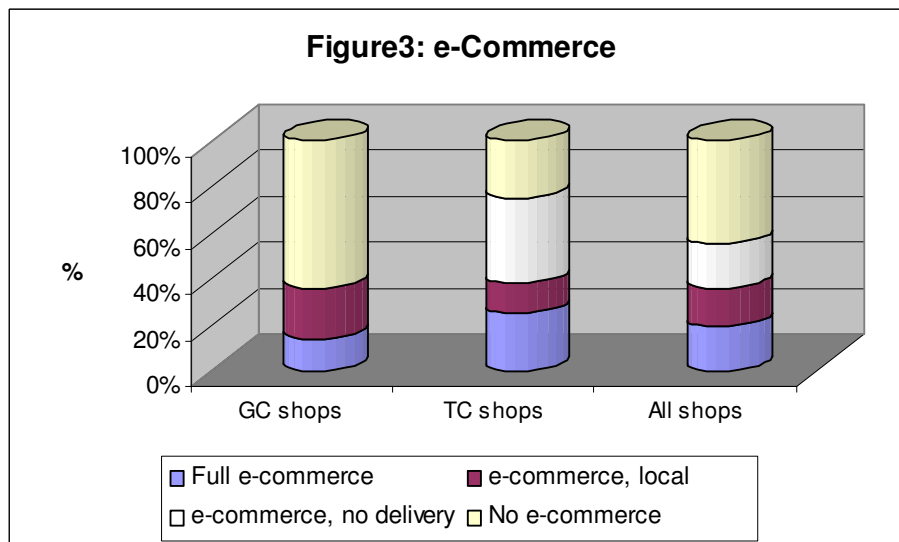
Greek Cypriots: 100% of people with Internet access spend less than 5 hours on the Internet per week and 92% of them less than 2 hours.

Turkish Cypriots: 50% of people with Internet access spend more than 6 hours on the Internet per week and 38% more than 10.



Even though less Turkish Cypriot shops own a PC and have Internet access they spend much more time on the Internet per week and 40% the Turkish Cypriot shops with a web site sell products online in contrast with 0% of the Greek Cypriot shops .

2. Type of web presence



55% (36% GC, 75% TC) of the shops expressed the desire to sell products on-line, 19% (14% GC, 25% TC) are interested in selling and delivering products overseas as well as locally, 19% (0% GC, 37,5% TC), although interested in e-commerce, do not wish to offer home delivery at present. The remaining 17% (21% GC, 13% TC) are prepared to sell and

deliver products only locally. Out of the shops that showed interest in e-commerce (home delivery locally and overseas) nearly 55% (60% GC, 50% TC) have a presence on the web.

Greek Cypriots: 50% of the shops opted for an option with prices and photos.

Turkish Cypriots: 100% of the shops opted for an option with prices and photos.

Even though it might seem that more Turkish Cypriot shops are interested in e-commerce half of those interested do not wish at present to deliver the goods, delivering being a very important part of e-commerce. Furthermore it seems that shops that already had experience with a web site are slightly more willing to try e-commerce.

2.1. Shops that do not own a PC

29% (14% GC, 44% TC) of the shops surveyed do not own a PC and only 3% (0% GC, 6% TC) plan to purchase one for this project.

Greek Cypriots: 14% of the shops surveyed do not own a PC and do not plan to purchase one and although they envisage a presence on the e-Ledra web site they have opted for minimum information, namely basic shop information (contact information, brief description of shop and products).

Turkish Cypriots: Almost 44% of the shops surveyed do not own a PC. Only 6% plan to purchase one for this project. However, they all envisage a presence on the e-Ledra web site and opted either for maximum information or e-commerce with or without home delivery.

Even though there are more Turkish Cypriot shops that do not have a PC, Turkish Cypriot shops without a PC opted for maximum information or e-commerce on the e-Ledra web site, whilst their Greek Cypriot counterparts opted for minimum information.

2.2. Shops that envisage no e-commerce presence

45% (64% GC, 25% TC) of shops surveyed do not at this current time envisage an e-commerce presence on the e-Ledra web site. 65% (56% GC, 75% TC) of these do not plan an e-commerce presence in the future either.

Greek Cypriots: All of them give the reason that e-commerce is not appropriate for the type of shop they own.

Turkish Cypriots: 75% give set-up costs as one of the reasons for not planning an e-commerce presence in the future.

2.3. Special Product Promotions

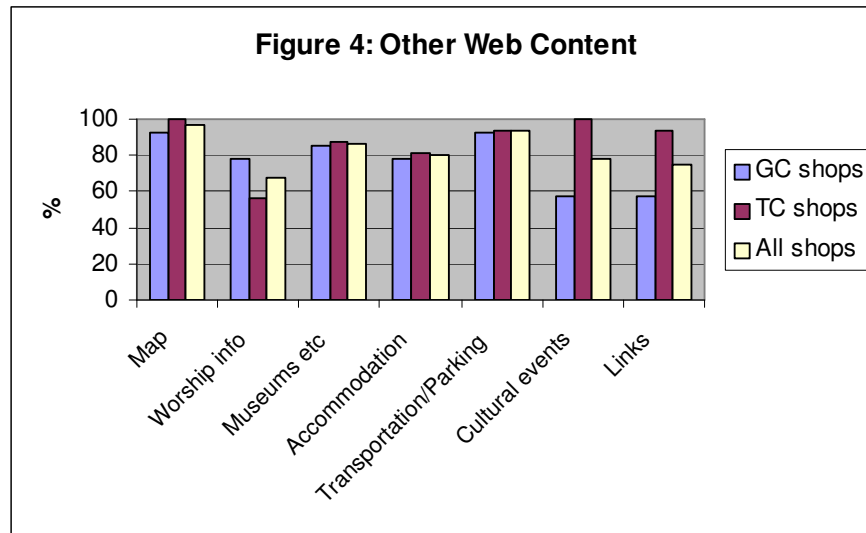
90% (86% GC, 100% TC) of the shops that responded want to see special product promotions.

2.4. Other Content

96% (93% GC, 100% TC) of the shops surveyed expect to see a map of the Greater Ledra Street and 93% (93% GC, 94% TC) information on transportation and parking and 86% (86% GC, 88% TC) on museums and other places of interest. 80% (79% GC, 81% TC) expect information on accommodation.

Greek Cypriots: Places of worship and times 79%, cultural events 57%, links to related web sites 57%

Turkish Cypriots: Places of worship and times 56%, cultural events 100%, links to related web sites 94%.

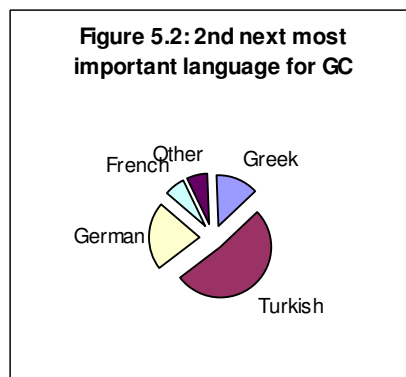
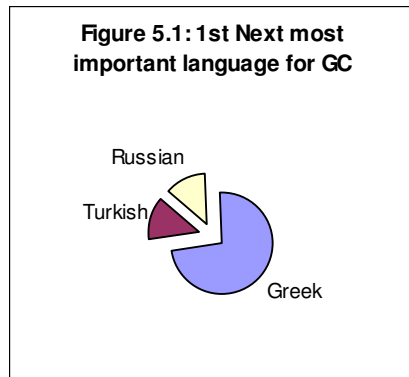


Whilst both Greek and Turkish Cypriots consider an area map, information on transportation, parking, museums and other places of interest as well as accommodation equally important, Turkish Cypriots seem to put less importance on information in reference to places of worship and a lot of importance to cultural events and related links, whilst the Greek Cypriots find cultural events and related links of lesser importance.

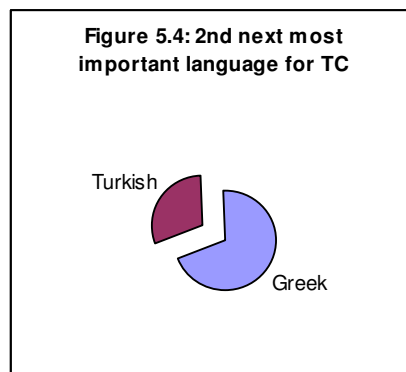
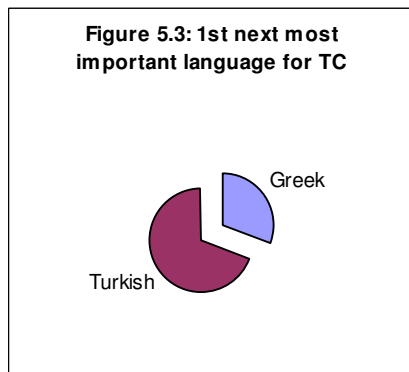
3. Preferred languages other than English

The e-Ledra web site will be originally developed in the English language. Shops surveyed were asked which other languages they considered important. 51% of the shops mentioned Greek as the 1st next important language. 93% of shops mentioned Greek as either as their 1st or 2nd choice. 42% mentioned Turkish as their 1st next important language. 82% mentioned Turkish as either 1st or 2nd. 57% mentioned German as either 2nd or 3rd.

Greek Cypriots: 71% of the shops surveyed mentioned Greek as the 1st next important language for the e-Ledra web site. 86% mentioned Greek as either 1st for 2nd. Although only 14% mentioned Turkish as the 1st next important language, 64% mentioned Turkish as either 1st or 2nd, and 79% as either 1st, 2nd or 3rd. 57% mentioned German as either 2nd or 3rd and 14% mentioned Russian as 1st.



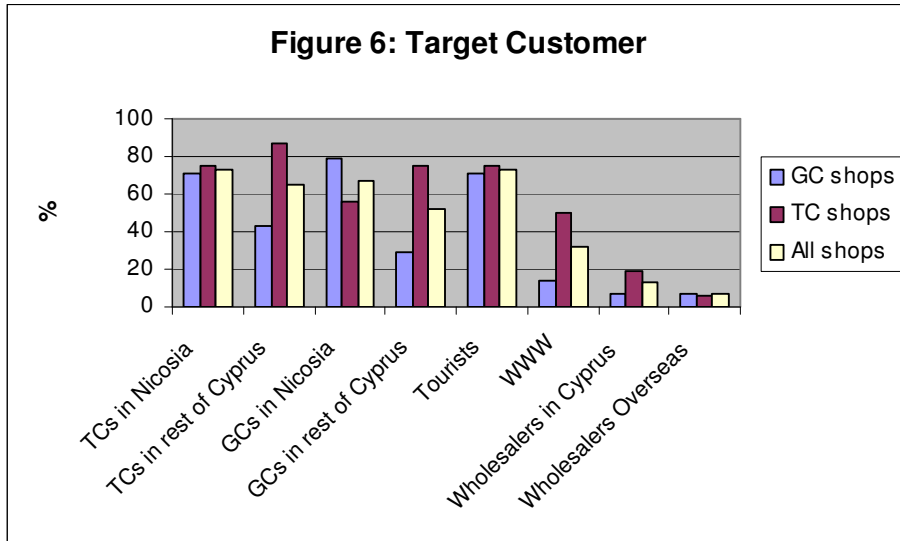
Turkish Cypriots: 69% of the shops surveyed mentioned Turkish as the 1st next important language for the e-Ledra web site. 100% mentioned Turkish as either 1st or 2nd. 31% mentioned Greek as the 1st next important language. 100% mentioned Greek as either 1st or 2nd. 56% mentioned German as either 2nd or 3rd.



The majority of shops in each community considers their national language as the 1st next important language to be implemented on the e-Ledra web site with the language of the other community the next important. Other languages like German and Russian have also been mentioned.

4. Target customer

73% (71% GC, 75% TC) of shops surveyed consider Turkish Cypriots living in Nicosia as their target market, 73% (71% GC, 75% TC) tourists visiting Cyprus, 67% (79% GC, 56% TC) Greek Cypriots living in Nicosia, 65% (43% GC, 88% TC) Turkish Cypriots living in the rest of Cyprus and 52% (29% GC, 75% TC) Greek Cypriots living in the rest of Cyprus. Only 32% (14% GC, 50% TC) consider the world at large their target market.



5. Updating the web site

43% (39% GC, 47% TC) believe that they will be able to update the information on the e-Ledra web site themselves without help, 21% (15% GC, 27% TC) will be able to update it but with help and the rest 36% (46% GC, 27%TC) believe that they will not be able to.

53% (75% GC, 31% TC) believe that they will only need to update the information less often than monthly. 88% (100% GC, 75% TC) believe that they will be updating it every other week or less often.

6. Shop benefits

77% (54% GC, 100% TC) expect that there will be an increase in the number of visitors from the North, 75% (69% GC, 81% TC) that there will be an increase in the number of visitors from the South, 78% (69% GC, 88% TC) an increase in the number of tourists visiting the shops, 32% (8% GC, 56% TC) an increase in local customers buying on line and only 16% (7% GC, 25% TC) expect an increase in overseas customers buying on line.

7. General benefits

88% of the shops surveyed believe that the implementation of the e-Ledra web site will improve customer perception and awareness of the Greater Ledra Street shops, 88% that it will increase the number of visitors in the area, 78% that it will increase the number of online visitors, 96% that the project will act as a catalyst to the physical re-opening of Ledra street checkpoint, 96% that the project will encourage the cooperation between Greek and Turkish Cypriots and 93% that it will increase the amount of knowledge in reference to the Internet and e-commerce amongst the shops.

Technical Specifications

The shop survey carried out in July 2004 was included in PART I of the e-Ledra Project.

Quoting from the Proposal of Project e-Ledra, PART I, page 7:

"... The project will then proceed to conduct a representative survey at an indicative number of shops to determine the needs and expectations of the shopkeepers from the creation of the e-Ledra web site. 20 surveys will be conducted. This will include the 12 shopkeepers who expressed an interest to participate in the pilot."

A total of 30 interviews, rather than the 20 proposed, were carried out including the 12 shops that expressed the interest to participate in the e-commerce pilot.

The sample of shops was selected from the 'Greater e-Ledra Street' geographical area. 'Greater Ledra Street' for the purposes of this project is defined for the Greek Cypriot side: Ledra Street, Onasagorou Street, connecting streets and paved Laiki Yitonia. For the Turkish Cypriot side: Ledra Street, Girne Caddesi and the triangular area formed by Mecidiye Sokağı, Arasta Sokağı and Girne Caddesi.

Initial counts of the shops in the targeted area showed populations of 92 Greek Cypriot shops and 202 Turkish Cypriot shops.

14 interviews were carried out amongst the Greek Cypriot shops located in the Greater Ledra Street and 16 amongst the Turkish Cypriot shops. The average results are reported assuming equal size samples for each community.

The sample of shops to be surveyed was chosen by POVEK and KTEZO. No comparisons and adjustments were made with the universe.

The questionnaire was developed in English and was so used in the Greek Cypriot shops. The interviews were carried out by POVEK. The questionnaire was translated to Turkish in order to be used in the Turkish Cypriot shops. The interviews were carried out by KTEZO.

The results were submitted raw by each organisation to Ithaki Consulting Ltd who is the author of this report.

Readers are reminded that survey results are estimations, the accuracy of which, everything being equal, rests upon the sample size and upon the observed percentage.