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"The Strategic Role of Marketing Communication in the SME: the Case of *Fornari SpA*"

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Abstract

In this paper we discuss the strategic importance of communication and Intranet for the Italian Small and Medium Enterprise (SMEs). We analyse the case of Fornari SpA, an Italian medium size clothing and shoes manufacturer that uses internet as a communication tool. The aim of this study is to understand the potential of internet in a specific case and to understand whether internet is a strategic tool or only an operative tool. The firm currently uses two applications of internet: extranet and intranet. The analysis underlines the importance of marketing competences and training that are absolutely necessary to make the most effective and efficient use of the internet potential.

Keywords: SME, ICT, Internet Marketing.

JEL Classification : M30, M31.

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The Strategic Role of Marketing Communication in the PMI: the Case of Fornari SpA

1. Aims and research methodology

In traditional approaches to marketing, communication has the task of distinguishing the product in the consumer's eyes. Communication is associated with a series of one-way activated instruments in order to avoid price competition, as well as stimulate and drive demand (Cozzi and Ferrero, 2000). Nevertheless, this operative vision of communication was created for big companies and often does not reflect the reality of SMEs (Marchini 2000; Cozzi e Ferrero, 2000; Guercini, 2005; Mattiacci e Ceccotti, 2005; Pencarelli e Cioppi, 2006). In these kindsof companies, communication plays an important and strategic role because it affects trust, the company knowledge, the reputation of the company, the image of the brand and of the product, the consolidation of company culture and the ability of the company to develop relations both with customers and suppliers (Morelli, 2004; Pastore e Vernuccio, 2006) Castaldo, 2002; Golinelli, 2004; Collesei and Ravá, 2004) – significantly increasing the intangible resources (Grant, 1996) of the company.

The purpose of this paper is to reflect on the above- mentioned aspects of business communication and provide a written and interpretative contribution regarding the problems of the communication in SMEs, with reference to instructions for use and to the role played by internet in processes of internal and market communication. The research looked at a business case regarding a successful company operating in the shoe and clothing industry - Fornari SpA. This company is an SME that directs its offer to industrial customers (traditional retailers, small chains, distributors, ...) and for some time has been using the internet as a tool to manage internal and external communication processes. This company case illustrates many aspects of business communication concerning the use and role played by the web as a communication tool. These aspects are synthesized in the final part of the work and connection in order to understand the strong connection between the research requirements and the managerial challenges. The following analysis may generate interest among business scholars and company company communications directors, providing some useful insight as to the role of this tool in the development and implementation of business strategies..

2. Communication and role of the web in SMEs

SMEs are “naturally customer oriented” organizations. They possess strong resources and technical skills but often do not have high degrees of financial resources and marketing abilities necessary to create and transmit value to the firm’s stakeholders (Pencarelli and Cioppi, 2009). Communication, however, supports the relational activities of the company (Ostillio, 1995). It is a critical element of survival (Pastore and Vernuccio, 2006) and growth for SMEs especially for those companies that work in BtoB industries (Fiocca, 2002; Fiocca, Snehota and Tunisini, 2003) because they are able to emphasize the distinguishing elements of their offer, after which they can, develop and strengthen customized relations with current and potential customers.

So communication plays a strategically important role in SMEs. On one hand, on the side of the entrepreneur, sales personnel and the front-office communication favors relational marketing through highly customized actions of communication that are interactive and based on reciprocal and continuous learning. On the other hand, the lack of marketing skills leads the company to ineffective actions of communication and to a certain difficulty in reaching and controlling the market segment.

This situation is more evident if we examine two aspects. First of all, SMEs usually manage communication in specialized ways and with isolated actions with respect to the firm’s different stakeholders. This makes the SME’s investments fruitless. On the contrary, a high level of integration among the different communications components, respecting the necessity of specialization, favors the effectiveness of the communications actions. As well, it is necessary to emphasize the difficulty of evaluating the impact of the communication actions without considering the benefits attainable from the use of the tools of communication. Correct development of the communications activity not only requires planning the targets with respect to strategic flexibility, but also suitable post-ante actions of control that can create feed-back useful in steering the actions of the company (Pencarelli and Cioppi, 2009).

Among the various communication tools available, internet more than others has extended the capacity to develop, strengthen and enrich relations among customers. The web renders communication customized, interactive and multimedia. These features substantially affirm the web as strategic tool.

Interactivity allows customers to choose content and information according to their needs and decide which services to allow or which communications to reject - creating a sort of autosegmentation. Furthermore, it is possible to get inexpensive feedback from the market,

from sales personnel and from the internal staff of the company. This has remarkable repercussions for the ability of the company to analyse and to deal with the requirements of the customers in good time. Thanks to the web, the customization of the information improves the effectiveness of the action of communication with messages and offers targeted to the special needs of the customer or containing specific information for the sales personnel in order to guide the overall communications action. Finally, internet's combined use of different media enriches relational content with audio – video elements - with meaningful benefits for the effectiveness of the communication (Verona and Prandelli, 2006).

Nevertheless, the effectiveness of the web and of its features can be achieved only through internal company culture, organization and training. Research is trying to understand whether or not SMEs are already developing these skills. In the case analyzed here, this study attempt to identify the current situation and which problems emerge regarding the management of the web and all its various applications (intranet and extranet).

3. How a successful company manages relationships with customers

Fornari Spa is located in Civitanova Marche in the province of Macerata and works in the clothing and shoe sector. With a turnover of 177 million Euros in 2005 and about 250 employees, Fornari Spa is considered a medium-sized enterprise according to the ISTAT classification based on employee numbers. The company was founded in 1974 by Gianfranco Fornari who created the shoe brand Fornarina. Attention to innovative design, to the needs of teenagers and to the possibility of exploiting advantages of the central location in the fermano-maceratese shoe-making district, has allowed the company to grow constantly not only in the local market, but even in international export markets.

The turning point of the company was in 1993 when the son of the owner, Lino Fornari took over management of the company and began to pay attention to marketing and communications. From then on the company has enjoyed constant growth. Fornari Spa was founded in 1994 and in 1998 it launched a clothing line that has limited its shoe business over the years. In order to gain better control of distribution in the main international markets, in 1999 the company developed a branch network directly connected to the headquarters in Civitanova Marche. The development of this project foresaw the importance of the far east markets was and the company created a joint-venture in China called “Starter Dragon”. This joint-venture has two targets. On one hand, it exploits the advantages of low cost labour and

on the other hand it monitors demand in a growing market. In 2003 it launched the “Retail” project which involved opening a number of single-brand shops in the main cities of the world exploiting the cooperation of well known architects. In 2004, Fornari Spa achieved 51% of its turnover through its overseas activities. At present, in spite of the recession Fornari Spa’s turnover keeps on growing - especially in the clothing market. If we compare brands and turnover, 81% of the turnover is generated through the brand Fornarina, which is positioned in the intermediate price segment. Its direct competitors are the following brands: Miss Sixty, Melting Pot, Replay and Diesel. The remaining 19% of the turnover is generated through other brands such as: Fornarina Girl, Barleycorn, Havana and Combo/Combella.

The sales market of the Fornarina brand can be divided in two: the BtoC market composed of single-branded shops through which the company directly reaches final customers, and the BtoB market composed of distributors and traditional shops. Considering the typically seasonal nature of fashion industry production, the BtoB market includes about a thousand customers all over the world but particularly concentrated in Italy. This market, which the company calls its “wholesale business”, brings in 85% of total turnover - mainly through the traditional shops but also in small part through distributors. The BtoC market is not to be underestimated. The company calls this its “retail channel”, involving 40 single-branded shops located in the main cities of Italy and of the world. This channel brings in only 15% of total sales but is the most important channel from a strategic point of view.

The relations between Fornari Spa and its industrial customers are generally handled by branch and agency. The branches are located in Spain, Scandinavia, USA and Asia. They guarantee better control over the market than external agencies since they allow room for service assistance to industrial customer. This is the reason there is a duplication of the business, logistic and administrative activities in each branch. The agencies can be controlled directly by Fornari through the holding or they can be independent agencies. For instance 18 Italian regions are managed through an agency controlled by Fornari while Sicily and Sardinia are managed by an independent company. The Italian agency is divided into 5 areas; each under the responsibility of an area manager that coordinates the work of an adequate number of agents according to the size of the area. The customers of the “wholesale” channel are not all the same. Besides the distributors, the traditional shops include both small shops with a few brands and small chains which have big exhibition areas and a high number of first-class reference brands. The most important customers are called “Key Accounts”. They are identified by their share of sales, but the client image, positioning, location, financial

structure, number of shops and strategic affinity are also of great importance. There is a low degree of contractual influence over these customers and the management of the relationship is directly entrusted to the area manager or to the brand manager. On the contrary, relationships with the smallest customers are directly managed by the agents. Thanks to marketing and communication they can exert strong contractual power over industrial customers to the point that they can fix the price and the quantity to be purchased or even decide not to sell any items of clothing for the following year.

The areas of cooperation with the company's industrial customers are grouped into 4 areas:

- a. Advertising material:** material such as brochures, catalogues, bags, plates and stickers. This material promotes the image of Fornarina as much as possible and provides a service to the shopkeeper. The paper material is supplemented by the business website (www.fornarina.com) which presents the catalogue both for industrial and end users.
- b. Positioning in the web site:** this means being on the website in the list of the shops that sell Fornarina items. The "Store Locator" is one of the most frequently hit web pages, so shopkeepers ask that their names are inserted in the list of the shops that supply Fornarina products.
- c. Windows:** Fornari Spa plans and makes mannequins , giant posters and backgrounds that are sent to shopkeepers for window displays. Here the final goal is to attract the end user's attention and make him or her enter the shop to experience the Fornarina world. Negotiations with the best located customers include the number of Fornarina item display days in the shop windows.
- d. Visual:** this refers to the display setting and to the action of the Visual Merchandiser consultant. Even if the range of action of the consultant is wider in the single-branded shops, the shopkeepers appreciate this kind of service. Indeed the industrial customer considers the assistance given by the consultant regarding the layout and the creation of an innovative setting to be very positive.
- e. Corners:** these are spaces inside the shop dedicated only to. This kind of cooperation implies the stipulation of a contract with which the shopkeeper must dedicate an area of his shop only to Fornarina and create at his or her own expense small infrastructures developed by the company. For its part, Fornarina grants the franchise and helps ensure the achievement of a specific volume of sales.

Finally, it is useful to emphasise that the industrial on-line Yoox customer is mainly exploited to reduce the leftovers from previous seasons. At the moment Fornari does not perform a direct e-commerce activity, so the choice of Yoox allows the sell-off of big quantities of warehoused merchandise, avoiding any kind of channel conflict.

4. Internal and external web communication

4.1 Extranet

In 1985 Fornarina began a very important cooperation with Autel, a software house in Marotta (province of Pesaro/Urbino) whose mission is to provide customized software solutions for the clothing and shoe sectors. This cooperative relationship began between 1995 and 1997, bringing to life “Chiaro”, a software package that supports the sales network and automizes the insertion of the orders into the company’s offline operations. Thanks to this tool, the agents can pass and record customers’ orders directly to the headquarters through the use of a palmtop. This way the process of the order insertion is more effective and efficient.

From the suggestion of an IT employee, Webstore was created in 1999. This employee saw the opportunity to use a software package for the management of industrial customers. The owner was enthusiastic about this idea and requested the IT Manager and the sales manager to enquire about implementation possibilities for this new tool. The company then created a project team composed of technicians and sales managers to define the functionalities to be fulfilled by the system. After initial research, the project was put to tender among different software houses. Autel won the tender and after six months the system was ready. The cost of the software was €7.000.000,00. After implementation, website management was assigned to two employees who had the task of seeking out orders through the web. When the people assigned to the task changed employers, however, the project lost interest and the skills were not replaced.

The main goal of the Webstore project was to give the customer a tool to improve the efficiency of the long procedures for inserting restocking order. This procedure was as follows:

- a) The customer called the agent asking him to come to his shop or he asked for the restocking of a given number of items by telephone. In the first case the lead time increased, because the customer had to await the agent’s visit.
- b) The agent called Fornari to ask for the warehouse availability of the requested items.

- c) After receiving the confirmation from the company, the agent confirmed the order to the customer.

Apart from the problem of timing, there were many opportunities for mistakes. For instance, there were many misunderstandings about availability of stock as there were mistakes in copying order data. Sometimes agents confirmed the order for their own advantage without asking any information from the warehouse. This caused important repercussions for customer service. The online system could indeed offer advantages both for the company and for the customer. The customer could insert orders personally, gaining speed and precision of supply and avoiding agents and possible mistakes connected to countless communications among the people involved. Implementation of the online system also gave the image of a technologically advanced firm.

Today Webstore is one section of the Fornari website, which has the following structure:

- Company profile
- Brands
- Contact us
- Job and stage opportunity
- Reserved area

The area “Brands” provides information on the company’s brands and from this page it is possible to open the pages of each brand. The reserved area lets you enter into the “Webstore B2B” and the “Web mail” which was created to allow employees to check their e-mail from anywhere in the world.

Access to the extranet is possible with a username and password given by the Webstore administrator to customers, the agents, customer service staff, branch salespeople and in some cases to the distributors. In order to avoid any conflicts with the agents, when the customer places an order through the web, the agents receive their commission. After inserting all the data a presentation window pops up (please see screen shot). As the image shows, the customer may choose directly from the list. Faster searches are facilitated by the buttons at the bottom of the window. There is a navigation bar that shows all the tabs identifying the steps of the purchase process.

Clicking on the arrow opens the next card, where users have to select the address for the shipment of the goods. More than one address may be associated with a customer because each customer may have more than one shop. The season and the model defined by the line and the product category may be chosen in successive tabs.

After selecting these options, data concerning the item defined by the customer code, by the name of the item, a possible small image and the availability appears. Each item is connected to three different modes of sale. - *free* in single unit sales, *box* when the items are sold in fixed quantities and *mix box* when the models are sold both individually and in packages.

Clicking on the cart opens the purchase page which requires entry of either the quantity of the boxes or items chosen. It is possible to choose the size in case of individual sales, while it is possible to choose only the quantity in case of boxes. Furthermore, prices and the discount structure are displayed. Once the different quantity windows are filled in, it is possible to group the various models according to the address, the season and the line. As well, on the same page it is possible to add a note for each order or to cancel the order. After checking that input data complies with requirements and clicking the confirmation button, the order is definitively confirmed on condition that it meets the minimum order requirement. If this last condition is respected, (it does not always happen, causing problems regarding the repurchase margins considering the logistical costs) the customer, the agent and the headquarters receive a confirmation e-mail.

It is interesting to note the integration between Webstore and SAP AFS, which is a managerial tool at disposal of Fornari adapted for the clothing and shoe sector. As SAP's warehouse updating application was too onerous, Fornari decided to use the Webstore system. Nevertheless, it was necessary to fix some rules about how the two systems would interface in order to exchange information to avoid misalignments regarding available quantities. At the moment, SAP updates Webstore during the night, while in the morning and in the afternoon Webstore downloads the orders received through SAP. In theory the two systems are perfectly aligned as long as all restocking orders are loaded into Webstore. On the contrary, if someone loads some restockings into Webstore and some others in SAP, there is the risk that a client processing the restocking order in Webstore (during the period that includes the two updates) purchases something that is not in the warehouse. Since Fornari's assortment is very large, the risk is very low, but if something like this happens, the customer and the person in charge of the Webstore receive an e-mail. Then the person in charge of the Webstore aligns the system.

In short, Webstore is an extranet tool that allows placement of on-line purchase orders according to restocking requirements and not according to pre-orders made during the sales campaign. The rationale behind this choice for the product manager is that in order to value properly an item of clothing an industrial customer needs to touch it. Contact with the material with which an item was produced is very important for the purchase. The technical

features are not enough to make a person purchase an item. Clothing is something that stirs up sensations and emotions. The perception of the colour coordination and style require physical contact during the sales campaign. On the contrary, on-line orders can be placed for restocking once there has already been initial contact with the product. Fornari finds that the convincing effect of the personal sale is essential for reaching foreseen budget aims. Even if it is possible to substitute the salesperson with the web (greatly reducing cost), the loss of the personal sale would cause a reduction in overall sales that would out-weigh the cost saving. The action of the salesperson is considered irreplaceable and the web a tool must function to supplement the activities of the sales person as he or she gathers orders.

4.2 Intranet

To complete the overview of the tools available to the company, it is necessary to discuss the Intranet system promoted by the IT office, active since November 2004. The intranet is available only in the headquarters and not in the branches. It is composed of six areas:

- Home
- Knowledge base
- Services
- Policy
- Report

On the first page there is a form for logging in registered users. New users must register and ask for their own password from their manager. Login permits the user to consult the company's internal contact registry to get the telephone number, the mobile phone number or the e-mail address of a person that belongs to the staff.

In the second area you can find the FAQ, download a guideline and see some slides about training opportunities for internal staff.

In the area "Services" it is possible to reserve either a company car or a meeting room. Employees consider these services very important in order to avoid any overlap in meetings timetables and the availability of the company car. In the very same area it is possible to ask the CED for assistance to solve problems with the data processing infrastructure. There are two further sections - "Press" and "Events" - where you can find a calendar (the last note on it goes up to the 25th November, when the intranet was first presented). In the section "useful links" you can find links to the yellow pages, the weather forecast and the road traffic, although these links are blocked for many users.

The “Policy” area contains the regulations on how to use the data processing resources and how to benefit from the fashion magazines and newspapers bought by the company. There is even a little on-line vademecum called “Day by Day” produced by the human resources office in cooperation with the different area directors. The aim of the “Day by Day” is to promote the company culture, strengthen the behavioural style and rules that describe and improve the quality of everyday work. Teamwork and the main values of the company are emphasized. Furthermore, there are two sections that display the organization chart and job descriptions, although this is not yet operational.

The most widely used area is the company “Report”, which interfaces with the SAP system. Depending on the password inserted, this area provides some reports regarding various aspects of the company that users may want to analyse .

5. Analysis of the results

This case analysis suggests the following:

1. At Fornarina, communication is a strategic activity that greatly influences not only the company turnover but also the long term survival of the company itself. For this reason Fornari Spa invests many resources in communication - following the logic of market pull. It invests a lot in direct communication to final customers which allows it to reinforce the image of the brand and gain strength in the negotiations with industrial customers.
2. Even if the company focuses mainly on marketing communication, other important channels of communication are present such as internal communication and partly, although not through the web, institutional and financial communications channels. They are a main driver for the settlement of the assets of the company’s immaterial resources. These modes of communications are not managed in an integrated manner. Here responsibilities of the intranet and its contents do not concern marketing functions but are the domain of the human resources and the IT departments.
3. The actions of the contractor, the brand manager, the area manager, the sales personnel and the customer service personnel are of primary importance for the efficacy of the sales action. They allow the implementation of rational marketing principles. The first two figures particularly have to control the results and manage relationships with the key accounts. The others instead manage relationships with smaller customers and carry out direct marketing actions. The sales personnel plays

the role of consultant to the customers, stimulates interactive dialogue and customizes relationships with the customers.

4. Fornarina use the web primarily for “Warehouse Management software” to interface with the SAP updating process. Updating the SAP warehouse continually is too onerous, so the web represents a cheap and efficacious solution to monitor the warehouse availability.
5. An analysis of who really uses Webstore pointed out that the most orders are not placed by the customers but by the agents or by the call-centre staff. Moreover, customers that do place an order directly through the web have increased even if incentives to push customers to place another order were few. This attitude is explained by the fact that the action of persuasion by sales personnel is absolutely necessary in order to reach the sales targets. Replacement of sales personnel would cause a decrease in the sales higher than the cost saving. This means that there is weak trust in the Webstore system and in the customers to use it. Consequently, advantages presented by Webstore are more than halved and the investments in implementation are fruitless.
6. This analysis regarding the use of Webstore was never before performed in the company. The commercial office writes a lot of reports every day: general level of sales, sales according the geographical areas, sales per customer, sales per item of clothing, sales per area manager, level of the reorder, orders inserted by the staff of the customer-service and so on. There was no analysis of the customers who enter Webstore, of the page hits nor of customers who placed a restocking order. This lack of constant data limits the results - attainable only if the activities are properly stimulated, controlled and coordinated by professionals with specific managerial competences about the world of Internet.
7. Even if the web renders communication customized and multimedia, there are only a few applications that exploit these characteristics. Webstore is organized as a simple catalogue that contains lists of products and customers. It was produced for internal use and aimed at providing information about warehouse stock. Exploiting interactivity more, Webstore could improve the timeliness and the efficiency with which individual customer requests are met. This would make it possible to avoid many faxes and telephone calls, allowing customer to consult properly controlled the databases. The web site could be organized with a different structure to facilitate web

surfing, research and requests for information beyond the simple purchase. For example, one could have detailed information about the planning period of the advertising campaign, which would effect on sales to the industrial customers. Moreover, interactivity allows feed-back from the market and could have remarkable effects on the ability of the company to analyse and respond quickly to customer needs. For example, periodic surveys could be organized online to monitor the level of customer satisfaction and give an image of a company that pays attention to its own customers. It would even be possible to exploit interactivity in the management of relationships with sales personnel too. Traditionally, salespeople seem to be little in favour of giving information or reports about their activities or about customers because of a lack of time. Through the web it could be possible to provide an interface of standardized communication among all the agents to speed up the insertion of information and of the data analysis with benefits in terms of efficiency and efficacy. Direct experience in the company permits the observation that this kind of activity would have huge potential during budget planning and at the beginning of the season. The benefits of interactivity could be felt not only in external communications areas, but also in the management of internal communication. Through greater internet-based interactivity ,it could be possible to give employees questionnaires and get feed-back regarding how to improve business processes, activities and promote innovation. Multimedia can make the action of communication of the company more efficacious and efficient. Low-cost videos could be added to Webstore addressed to the industrial customers or to the sales personnel in order to strengthen the image of a highly forward-looking company oriented to the youth markets and at the same time make relationships less cold by playing on the human element. Videos could be about events or presentations of collections to grant a more efficacious communication or interviews of the owner that make the customer feel important to the company. Finally, some videos could be put on the intranet to show employees the company strategies, the new collections and sales results in order to improve coordination while stimulating a sense of pride and belonging to the company.

8. Customer underestimation of the web-based learning process has negative repercussions. More and more industrial customers acquire familiarity with the use of the web because they use it for both professional and non professional aims. This favours a learning process which is not controlled by the company and often creates

latent and implicit expectations of the customer. Companies must respond to this in a timely manner. Neglecting this aspect could compromise the level of perceived satisfaction as well as the image of the company in the medium-long term.

9. The attitude of the entrepreneur is very important for promoting adoption processes. At Fornarina the positive attitude of the entrepreneur was very important for the adoption of web-based processes. As soon as the idea was submitted to the owner, the Webstore project was implemented in few months. On the contrary a negative attitude on the part of the owner could have caused disinterest in the new technologies and a slowdown of the adoption process. The entrepreneur is the leader of the company and his or her convictions, training and the attitude toward innovation are decisive in undertaking any kind of activity connected to the web.
10. Time horizons must be set for the long term. The analysis of who uses the web must consider of a number of years in order to understand who users are a particular season and who uses the system frequently. Indeed, a lot of users may use the tool during one season but the benefits are fruitless if they do not use it again. This is a clear symptom that something does not work. Making short-term evaluations about the utility of internet-based processes for the implementation of an assembly line or new machinery with the aim of immediately increasing production or sales can lead to faulty conclusions. Web-based systems require patience before seeing and understanding results. This is connected to a process of cultural change in people. It must involve people outside the company and it must be evaluated in the medium-long term.
11. Attention to organizational changes is absolutely necessary for understanding the potential benefits of web-based processes. Organizational changes at Fornarina appear insufficient in three ways: a) the responsibility of intranet management is divided into two functions without a clear definition of tasks and the managerial parameters; b) there is neither an organizational activity nor a person in charge to coordinate all the activities connected to the web; c) the marketing function is not considered at all - neither in the management of the intranet nor in the management of the extranet. In the world of the internet it will be necessary to plan targets to be reached, costs and risks as well as organizational aspects such as the definition of responsibilities, powers and authority. Only through such approaches will it be possible to reach the desired effects.

12. If we consider the web from an engineering point of view as a business information system, there is no value created for the customer. Webstore and the intranet was the idea of an IT employee and not a real need expressed by the company's customers. This attitude reflects the management of the time. The two applications have not been modified significantly and customer opinion has not been considered or gathered at all. This technical approach may be suitable for developing a business information system, but is not suitable for proper exploitation of web potential. To make an information system you need: the information needs of the manager inside the company and the functionalities that the system provides, taking particular care with problems from a technical point of view. On the other hand, with web-based processes it is necessary to look for information that creates value for the external customer and not for the internal manager. Moreover, creative aspects have to be taken into consideration. Attitudes oriented to the business information system model create effective and efficient tools for the company itself and but are scarcely oriented to customers and lead to few positive results.
13. It is counterproductive to consider web-based activities as isolated and separate from the off-line world. At Fornarina, the web is used as a tool to support activities of the sales personnel when inserting the restocking orders. Other than this there are only a few activities that use Webstore as a true sales support tool. It would be possible, for example, implement a system whereby rewards are offered to agents who provide more information about customers or discounts to customers who then place orders directly through the web. The activities of the "brick and mortar" market will have to stimulate a gradual and constant approach to the web and not act separately.

6. Conclusions

The results of the survey suggest that the web offers a lot of opportunities to the SME for improving communication BtoB relationships, yet these strategic potentials are not fully utilized. In order to bridge the gap between potential and real use, a number of critical aspects for stimulating an efficacious spread of web use may be identified:

- A. Intensification of relationships between university research and business world according to a project-oriented logic or "company labs". This implies commitment on

both parts. On one side, the university should prepare students to make real projects to be used or sold to companies. On the other hand, companies should be able to communicate their needs so that the academic world can search for and suggest suitable solutions. The work-study placement is an important instrument. It is a formative project which does not have to involve only simple and repetitive routine activities. It is important to consider the stage as meeting between the university and the business world that needs to be increased in value through a bi-lateral exchange of information. Interns could represent an important creative resource for cooperative growth. The intern could provide ideas from which might stem innovations. The world of the SME should open its doors and its information to research and should move fast to help new knowledge spread through internal communication actions. This must be done not only within companies, but also must involve customers so as to develop a common trend web usage.

- B. Redefinition of management content. The technical contents, even if operationally, have to work in conjunction with marketing areas and skills. An exclusively technical approach to the web causes imitative behaviors regarding the design of web sites and their functionalities, resulting in “the copy of a copy” which can hardly create value for the customer. On the contrary, adopting a marketing approach to the web can generate real value based on relational marketing principles. Indeed, there is a twofold relationship between the web and relational marketing - the use of web-based systems generates concepts of relational marketing and at the same time the web requires a relational approach. Without this condition the advantages of the web cannot be fully exploited as the trust among companies is necessary to maximize, control and estimate the benefits of online relationships without the fear of possible relapses in the sales.
- C. Strengthen the logic of the system. Belonging to a business district or in general to a system is a very important element that must not be disregarded. If Fornari Spa's participation in the the fermano-maceratese district supported the development of processes for the creation of new products, then may be assumed that the logic of the business district can favor the rapid spread of web-based systems and the improvement of its processes. Participating in a systemic logic favors the exchange of information, overcoming of isolation, the creation of a new language of communication and a common direction towards particular themes. Regarding the spread of the web direction, company participation in a system can be a decisive

element. Through internal information circuits or through the action of special association it could be possible to stimulate the importance of and the sense of belonging to the system, as well as actions and projects to develop and speed up the process of systemic spreading of the web. Internet is a network, so considering the web simply as a single business tool has only partial advantages. The greater benefits come from the network and not from the personal action. This logic is followed by the Associazione Calzaturifici della Riviera del Brenta which promotes the development of the e-marketplace.

- D. The contents of the research should be directed to the definition of models that contribute to estimating as much as possible the value created by new technologies. These types of research should be the product of close cooperation between scholars of management and engineers of managerial and data processing systems, with due respect to the different competences. The former must work out economic solutions and models to quantify the value that has been created. The latter could turn the plans made by the scholars of management into software and organizational solutions.

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