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# Web Platform for Romanian SMEs Networking

Radu Bucea-Manea-Tonis<sup>1</sup>, Rocsana Bucea-Manea-Tonis<sup>2</sup>

<sup>1</sup>SpiruHaret University & Politehnica University <sup>2</sup>Hyperion University

Abstract.After the 90s, private initiative in Romania has tried to get market shares in the emerging niches: IT services, e-commerce, retail, energy. With the liberalization of the market after admission to the EU, local entrepreneurs could not cope with external competition, crushing in debts or insolvency. The situation is not different today when the local capital is strongly competed by multinational companies. After a continuous research process, the conclusion is that the only solution for the SMEs is collaboration in business hubs, virtual companies and other forms of local cooperation. In this article is presented a type of collaboration between SMEs using discount coupons to recommend each other clients.

Keywords:ICT, SMEs, discount, network business environment

JEL Codes:M15

#### 1. Introduction

ICT has a major impact in all the SMEs current activity. As a consequence, SMEs capacity of innovation depends on ICT. The innovation capability is the engine of new green products and services, of B2B and B2C communication and cooperation. There are a lot of complex and various factors that consolidate the premises of achieving innovation by SMEs, such as human resource and ICT impact on innovation.

[Idota, 2013] assert that ICT use promotes the innovation capability and external linkage. The innovation activity promotes the innovation. The innovation capability, external linkage and ICT use directly promote the innovation.

ICT offer the technical support for data analyzing and setting decisions, for internal and external communication, for networking and collaboration, saving time and money, overcoming geographical constrains and offering a platform for international e-markets.

Most ICT current facilities are offered by Cloud Computing, through Software as a Service paradigm, that seems to be dedicated for SMEs, strengthening the knowledge creation process.

Cloud Computing is a must have for SMEs business in our globalizing economy. The SMEs have to gather and share information, knowledge, technology and human resources in order to face the market requests. [Liebhart, 2015] "estimates 30 % improvements caused by efficient, flexible and networked IT". In order to do that, SMEs should "bridge the gap between the business and IT domains". The classical



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company image should change to dynamic model, centered on business process automation. Business parameters will be different from one domain to another, but the arity of any business relation should be the same to integrate efficiently different SMEs belonging to different legal systems, marketing regulations and domains. [Woitsch, 2016]

But the ICT is nothing without human resources. One of the most common categories of the economic operators in modern economy markets is the Entrepreneur, a flexible and creative person, with plenty of energy and self-confidence, who likes challenges and takes high risks to develop various projects, representing the materialization of his own vision. The entrepreneur oriented towards results, sets up new companies and drives them towards success, sometimes turning them into big companies or selling them to national or international agents. Entrepreneurs and the Small and Medium-sized Enterprises, SMEs, have a positive influence on macroeconomic indicators such as GDP growth, or decreasing the unemployment rate.

This assertion is reinforced by Jones, (2016). She demonstrated that human resource transfer has a significant positive effect on innovativeness, and innovativeness, in turn, is positively related to firm performance.

Furthermore, the literature reveals that there is a tridimensional relationship between knowledge management (KM) practices, technological innovation (TI) and competitive advantage (CA) [Voon-Hsien, 2016]. KM has a direct positive and significant relation with both TI and CA; while TI positively and significantly affects CA. Most outstandingly, the mediating role of TI that connects KM and CA has been proven to be positive and significant.

Empirical studies show that, in developed countries, the SMEs contribute to over 55% of GDP and over 65.8% of total employment (comparable with those of the EU - 27: 66.9%), which means that 2/3 of employees in Romania and the EU - 27 are operating in SMEs. [OECD2015]

The economic development can be stimulated by setting up new and innovative firms and rising the SMEs competitiveness and productivity rate, aiming to their integration into the global value trading chains and investment [OECD2015]. SMEs are very flexible to changing market and environment.

SMEs consider that the greatest obstacle they have to face is financing their business, due to lack of effective communication with banking and financial system. Another obstacle might be their incapacity to face the inflation and the bureaucracy retrieved in the number and the amount of taxes and regulation to be observed. Policy instability, corruption, street-organized crimes are also to be considered. It can be noticed that most of all these factors are external to the organizations and are influenced by the state policies. Similarly happens with the anti-competitive practices, with infrastructure and the legal issues. Most of these obstacles are much beyond the SMEs control. The SMEs can try to avoid some of them, by looking for alternative fund raising or by improving the IT infrastructure problems through associations in a digital network environment that might get the support of big companies, government, and of smart young people from world, in the online environment. SMEs are usually less organized, as a member of the Employers and Chamber of Commerce [Tonis, 2016] and SMEs are not associated in business cooperation networks and do not take the advantages of scale production.



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In order to offer support for SMEs business, it had been conceptualized and developed a portal for Romanian SMEs that support the networking between SMEs. In this article it is described a discount system based on coupons that serve as reciprocal recommendations between SMEs, as a free method of publicity.

## 2. Case study – Discount Coupons Facility

It had been designed a web B2B portal where SMEs have their own presentation page, forum and possibility to manage a joint portfolio of clients by issuing nominal discount coupons. This portal facilitates:

- online publishing articles, free resources for audiovisual local business community;
- seminars and meetings with great impact, free, dedicated to developing entrepreneurship and leadership;
- online ordering platform for smesonline.eu partners' products / services with discount;
- intensive series of training a day, two or three days in major cities;
- complex series of workshops and training programs with follow-up system
- active vacation, training and inspiration full experience in business.

To become a member and benefit from customer recommendation system based on discount coupons, the SME have to access the page www.smesonline.eu, section About SMEs Online (Fig.1).

Accessing the hyperlink "Fill in the form" 2, SMEs can fill in a personal page for the company as a member of SMEs Online 2 or view the demo page containing demo data 2 (Fig.2).



Dorim sa mobilizam firmele mici si mijlocii in directia reducerii costurilor pe calea automatizarii proceselor de afaceri, inlocuirea licentelor software proprietare cu cele de tip Open source si utilizarea tehnologiilor prietenoase cu mediul



#### Fig. 1: smesonline.eu – Romanian SMEs Network Business Environment



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www.smesonline.eu/form/form	a inteni
2	
9	
1 1 mm	
Pagina Web personali	zata
Completati cat mai fidel formularul d pagina completata AICI	Se mai jos pentru o pagina relevanta pentru clientii .dvs. Exemplu de
pagina compressa <u>ALL</u> (2)	
CUI "Aici trebule sa introduceti o valo	see execution introduction
and theore is mulococed o valo	are namerica intreaga:
Denumire	
Nr. Inmatriculare	
1	
An electric construction	
Persoana contact	
For Ger	
Phone	
Phone	
eee)	
Email	
Emai	
Web Site	
1	
Address	

Fig. 2: smesonline.eu – Web form to be filled in as to become a member

Filling in the form fields described in the personalized web page<sup>[2]</sup> and executing click on the Submit button<sup>[2]</sup>, the SMEs can visualizes corresponding URL of the new web page created <sup>[2]</sup> (Fig.3).

Submit Aici este pagina ta: http://www.smesonline.eu/test.html?CUI=12345	3
Generated by prom	

Fig. 3: smesonline.eu – Access to personal page



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Fig. 4: smesonline.eu – Personal page

The options in the right panel of the page firm (from 2 to 2) can only be accessed in a secure manner. The credentials are the email address and password. The password is provided by office@smesonline.eu, after filling in the form at the previous step. Now the SMEs has these options:

- 1. Update the company page using a form without filling in the CUI. The CUI cannot be updated if not addressing the administrator.
- 2. Issuing vouchers using the form in figure 5.

mitere cupoane uteti emite orice numar de cupoane, i otiune va fi suspendata.	nsa daca acestea nu vor fi validate de membrii grupului, aceasta
Numar de cupoane	
Procent reducere	<b>A</b>
Numele si prenumele	
Data nasterii in format AAAA/LL	122 2
Submit	

Fig.5: smesonline.eu - Issuing coupons



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Note: The percentage reduction is recommended 2. It is not mandatory for the company that accept the coupon to apply the same discount! Name, surname and date of birth 2 belong to the customer. They are required because not allow issuing more coupons on same name in for the same service

3. Issued coupons can be viewed within a report with search facilities for printing 2, for example(Fig.6):

smesonline.eu/form/cupoane.	html		
Search:	- (1)		
[[]	Nr	Emis de:	Data 0732.875.
	59	Rocsfilm	2016-11-05 smART Creat
	Nume	Data Nasterii	SIIART Cleat
SMEs Connect	Ion Marin	1970-11-13	
III Pentru a beneficia de :	acest cupon trebuie sa va fa	ceti rezervare si sa va informati care sunt conditiil	e impuse de fiecare firma si care este procentul de re
`			
	Nr	Emis de:	Data 0732.875.
	60	Rocsfilm	2016-11-05 smART Creat
	Nume	Data Nasterii	Smart creat
SMEs Connect	Avram Radu	1970-11-12	

Fig. 6: smesonline.eu – Report coupons

4. Coupons verification option allows viewing information associated with a coupon (such as issuing date, customer name and surname) by the issued ID coupon 2(Fig.7).

Verificare cupoane Aceasta etapa este optionala!	
Numar cupon	
Submit	
	Generated by <u>pForm</u>

Fig. 7: smesonline.eu – Verify coupons

Note: Issued and validated coupons do not appear in search results, so they can not be validated at the next step 2. Results following information (Fig.8).



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Fig. 8: smesonline.eu - Reports on verify coupons

5. Coupons validation involves applying a discount 2 and changing the coupon status that will make it unusable a second time(Fig.9).

Validare cupoane Aceasta etapa este obligatorie!	
Numar cupon 64	]
Procent reducere	1
Submit Cuponul cu numarul 64 este va	lid si ofera o reducere de 15 la suta!
	Generated by pForm

Fig.9: smesonline.eu - Coupons validation

6. Validated coupons can be viewed in a report 2(Fig.10).:

Search: Marinescu			
Nr	Emis de:	Data	Stare
64	Rocsfilm	2016-11-09	1
Nume	Data Nasterii	Reducere	Validat de:
Marinescu Florin	1977-03-21	15	4321

Fig. 10: smesonline.eu - Reports on validated coupons

For further details one can view the movie: <u>http://www.smesonline.eu/movies/MYFILE.htm</u>.



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## 3. Conclusions

All the literature review shows that SMEs needs to collaborate within a network sharing resources and market niches. A business network facilitating real time communication, sharing information and software applications, attending online business training and workshops, or implementing actions for improvement the clients' experience, becomes a strong community able to influence the business decisions outside the group itself. Being a group rather than an isolate company, the business network could apply for grants or other government funding.

## 4. Further research

A further research will focus on creating a cloud and available tools, in order to achieve this.

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