



FDI MIX
Online Marketing Index
2016
Italy & Spain



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1. Executive Summary

Foreign direct investment ("FDI") is often one of the main sources of economic development for a region. In addition to increased tax revenues, foreign companies bring with them many benefits for the local and regional economy such as increased employment, technology transfer, business development or simply an international perspective. Therefore, many local, regional and national governments have created economic development agencies ("EDAs") – often in partnership with local private enterprises – dedicated to attracting these investments. These agencies advertise the benefits to be gained by foreign companies from establishing within their areas new factories, new research centers, new business offices or other new operations.

In the race to attract FDI, EDAs need to know how their online promotion strategies compare to EDA efforts in competing regions in order to determine whether they are most effectively reaching out to potential investors through the Internet. From this need arises the Online Marketing Index ("OMIX").

Using methods and measurements developed for our previous analysis of Latin American EDAs, the OMIX 2016

Italy and Spain impartially evaluates the online promotion strategies of a group of EDAs in Italy and Spain that are competing for the same profile of foreign investors. As it continues in its effort to recover from the

Eurozone debt crisis, southern Europe in general – and Italy and Spain in particular – has increased its efforts to attract FDI from other parts of Europe and the rest of the world. However, as each region has different assets to offer, how it uses online marketing to attract awareness of those assets to the attention of outside investors becomes absolutely key to each region's ultimate economic success.

The overall score for each agency within the OMIX is determined by an analysis of objective and subjective measurements of the use of the promotional tools available online, such as relevance of content, frequency of publication, and the correct use of best practices. The comparison of the different scores for each EDA results in a classification where users can readily see which agencies stand out for their effective use of online promotion, and which agencies are less effective than they need to be.

Calculated using 25 different measurement parameters covering the most important areas of online promotion, and grouped in four evaluation criteria (static website, dynamic online content, social media and SEO), this year OMIX analyzed EDAs for 24 regions in Italy and Spain resulting in the following conclusions:

One clear winner.

The Spanish region of Navarra is overall the most effective region in Italy and Spain for the utilization of Internet marketing tools to attract FDI.

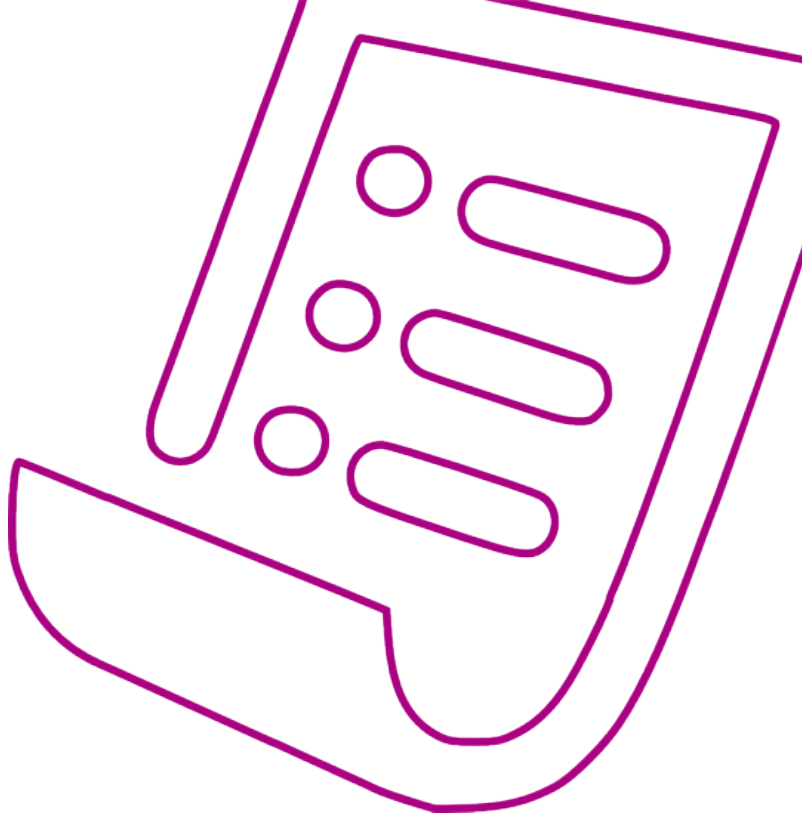
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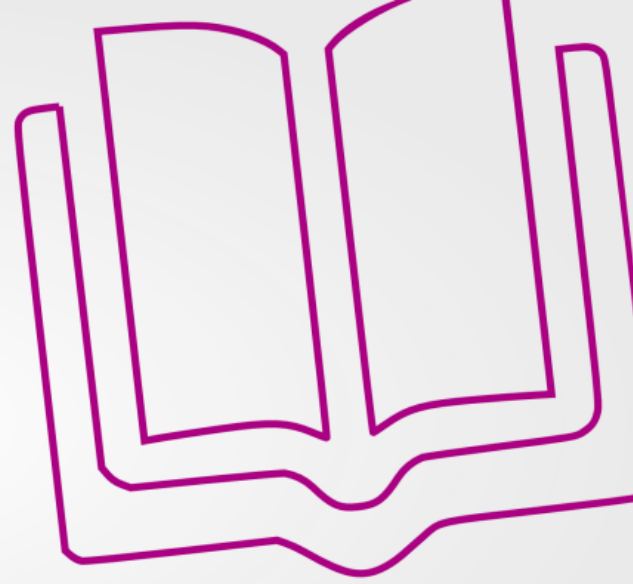
Size does not necessarily matter.

Readers may be surprised to see that regions with substantial international awareness such as Madrid, Veneto and Valencia occupy positions below other agencies smaller or less well known regions like Trento and Aragon. On the other hand, the lowest-ranked positions are occupied, as would be expected, by agencies of regions with lower access to international markets.

Less direct correlation between social media and SEO.

Unlike the earlier OMIX 2014 Latin America, the OMIX 2016 Italy and Spain showed a less direct correlation between social media use and SEO. While establishing a causation is beyond the scope of this analysis, we speculate that as social media matures as an online marketing tool in its own right separate from a traditional web presence, effective social media use and website SEO will bear less relationship to each other.





2. Introduction

For several years, the implementation of comprehensive online marketing strategies that combine various promotional tools such as blogs, newsletters and social networks, has gained an increasingly important role in corporate marketing plans. The relative low cost represented by these new methods, their broad reach and the possibility of establishing two-way communication between the company and its customers have been tipping the balance toward the active use of online marketing strategies. Indeed, over recent years an active corporate presence within social networks has become the cornerstone of online promotion and customer service.

These changes have also been noticed in the world of FDI attraction. EDAs, both nationally and regionally, have been gradually improving their online outreach efforts, with many of them moving beyond simply having a website where information that may or may not actually be relevant to potential investors is passed in only one direction, to having dynamic online content with effective management and an active presence on social networks.

2.1 Marketing 2.0 for EDAs

With the almost universal adoption of the internet in the 1990s, and with the subsequent emergence of social networks in the past decade, the range of promotional tools available to EDAs has greatly expanded. Online marketing has been evolving rapidly, and there are many agencies that have jumped on the bandwagon of these new digital resources, sometimes without a very clear idea of the

destination they are trying to reach. Others however – either because of lack of understanding, lack of resources or overabundance of caution – have fallen behind in the use of these tools, which has limited their visibility to the world, and making it more difficult to be discovered by potential investors.

The benefits of a comprehensive online marketing strategy to an EDA, although very similar to those of a private corporation, differ in several respects because of the ways in which investors seek information.

One example is the use of social media as a promotional tool to generate "leads" – in other words, companies with investment potential. While it may not be typical that a company executive would himself be actively involved in using social media to identify target regions for foreign investment, it is shown that presence on these networks and their active use provides benefits such as better visibility and improved brand image.

Some of the most important benefits that an EDA can receive from conducting a comprehensive online marketing strategy are:

- A significant reduction in marketing costs, as the cost to impact of an online marketing campaign is significantly more cost effective than that of a more traditional campaign such as advertising in printed media.
- The facilitation of access to relevant information for potential investors (sectors, infrastructure, institutional

support, etc.).

- Improving the visibility of the agency in search engines (Google, Bing, etc.) through good content management and active use of social networks, thus increasing the chances of being found by potential investors.
 - The ability to give more personalized attention and more appropriate information to potential investors and multipliers, by facilitating more direct contact with the EDA.
 - The ability to measure with great precision the impact of marketing campaigns using tools such as Google Analytics, allowing EDAs to evaluate the numbers and demographics of visitors to a website, while also tracking behavior patterns of visitors to social networks, blogs, external links, etc.
 - Improved brand image through professional profiles on social networks to show transparency, proximity and professionalism of EDA executives and staff.
 - The possibility of creating a low-cost "viral campaign," that can exponentially increase the visibility of the region.
- The aforementioned personalized attention that makes it possible, for example, to address comments that are written on a Facebook wall, or to have an exchange through mentions on Twitter.
 - Improved traffic to the main website, resulting from links included within posts.
 - The presence in social networks projects a modern image of the EDA, giving it a feeling of transparency and professionalism.

2.2 Social Media use by EDAs

At first one might think that using social networks like Twitter or Facebook is an unnecessary waste of limited resources. As we mentioned in the previous section, it is very unlikely that a company director is following an EDA on social media. However, there are many other benefits provided by these networks, including:

- A better understanding of the market and the possibility of conducting benchmarking studies of neighboring regions. Social networking is not a one-way promotional tool, as many industry experts provide information in their profiles that can be of great interest to the EDA. It is also of great interest to know what your neighbors tweet; posts by EDAs in neighboring regions on the investment of a company nearby can be of great relevance.

Benefits of online marketing for EDAs



Cost Reduction



Facilitation of access to relevant information for potential investors



Improving the visibility of the agency in search engines



More personalized attention to potential investors



Ability to measure with great precision the impact of marketing campaigns



Improved brand image



Virality

- Social networks help to promote EDA-organized events and alerts potential investors to events which the EDA plans to attend.
- The ability to find specialized staff or outside help through LinkedIn or other professionally-oriented groups.

2.3 OMIX 2016 Italy and Spain Index and Selected EDAs

This trend of change in online marketing strategies has not manifested equally in all regional EDAs. As in Central Europe

and the US, where many regional agencies have long experience in the use of online marketing methods, in the case of Italy and Spain, this trend has taken longer to develop, and progress has not been evenly distributed. However, the sagging economies of Southern European countries in recent years, coupled with increased awareness by governments on their policies to attract investment in order to reinvigorate regional private employment, have led to the emergence of new national and regional EDAs that are responsible for helping to make their nations or regions more globally competitive. Online marketing is becoming a differentiator of great importance in achieving greater visibility and presence worldwide.

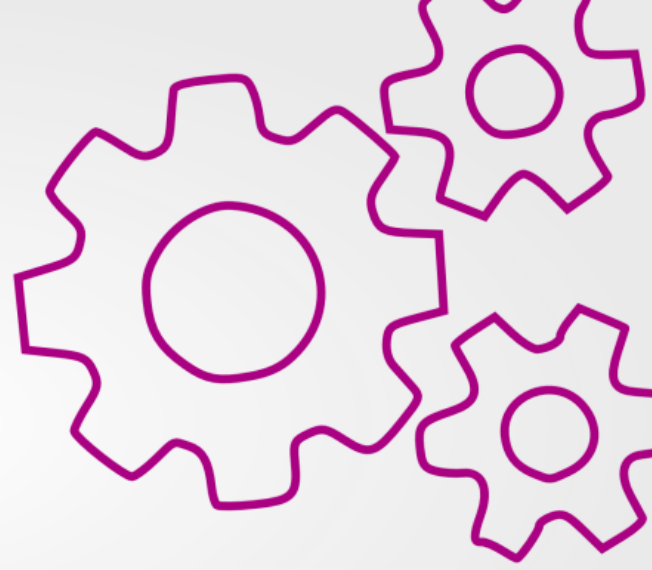
The aim of OMIX 2016 Italy and Spain is to be a reference index for Italian and Spanish regional EDAs that wish to improve their online marketing strategies, through establishing metrics to standardize the measurement and use of best practices, and through making it possible to compare the different strategies in use by these agencies. The result of this index shows highly relevant information regarding the scope for improving the various online promotion methods used by each agency.

To prepare the index, Geovadis analyzed 24 Italian and Spanish regional EDAs during the week of December 14, 2015, considering 25 parameters grouped into 4 different measurement evaluation criteria.

The 24 EDAs selected for this analysis were chosen on the basis of having an active Internet presence in at least the native language of the region (typically Italian or Spanish) and English, and that was specifically created for the purpose of attracting FDI. Regions that had no Internet FDI attraction presence were excluded from this report.

The resulting table lists of EDAs analyzed for this report:

Region	EDA
SPAIN	
Andalusia	Invest in Andalusia
Aragon	Aragón Exterior
Basque Country	Grupo SPRI Taldea
Cantabria	Sodercan
Castile-La Mancha	Instituto de Promoción Exterior de Castilla la Mancha (IPEX)
Castile and León	Agencia de Innovación, Financiación e Internacionalización Empresarial
Catalonia	Catalonia Trade & Investment (ACCIÓ)
Valencia	invest-CV
Extremadura	Invest in Extremadura
La Rioja	Agencia de Desarrollo Económico de la Rioja (ADER)
Madrid	Invest in Madrid
Murcia	Invest in Murcia
Navarra	Invest in Navarra (SODENA)
ITALY	
Aosta Valley	Invest in the Aosta Valley
Emilia-Romagna	Emilia-Romagna Valorizzazione Economica Territorio S.p.A. (ERVET)
Bolzano/Bozen	BLS
Friuli Venezia Giulia	Business FVG
Lombardy	Invest in Lombardy
Marche	Invest in Marche
Torino Piemonte	Invest in Torino Piemonte
Trentino	Invest in Trentino
Tuscany	Invest in Tuscany
Umbria	Invest in Umbria
Veneto	Veneto Promozione



3. Methodology

To carry out this analysis, OMIX 2016 Italy and Spain has developed a methodology that assesses both quantitative and qualitative aspects of the various forms of online promotion used by regional EDAs in Italy and Spain. Total index scores are assessed as a number between 0 and 100 – with 100 being the maximum possible score. Individual scores measured for each of 25 different metrics is weighted according to importance as defined in the appendix to this report, and are added together to achieve a final score for each EDA.

Over the course of three days, a total of 600 different measurements (25 metrics for each of the 24 analyzed EDAs) were performed. We used the short period of three days in order to avoid major changes that could disadvantage the EDAs analyzed at different times.

Although there are additional metrics that are available to assess the various criteria chosen for this index, in this edition of OMIX 2016 Italy and Spain, Geovadis has used parameters that have been identified as the most relevant based its extensive experience managing marketing campaigns for EDA clients with similar profiles in other parts of the world.

Evaluation criteria

To prepare the OMIX 2016 Italy and Spain, Geovadis considered four criteria to be highly relevant when making online marketing strategy, given their widespread use and proven effectiveness: static website, dynamic online content,

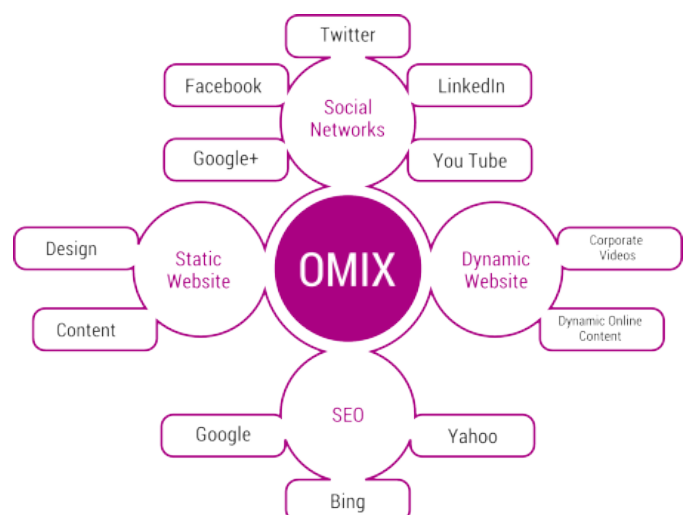
social media and SEO. While the first three criteria are the most visible online marketing tools used by EDAs, the fourth is the result of the combined use of these tools within an integrated online marketing strategy. The effectiveness of SEO is reflected in the position occupied by the agencies within the search results from engines such as Google, Bing and Yahoo!.

3.1 First criterion: Static Website

One of the best ways for an EDA to provide information to international investors, and to serve as a beachhead to establish first contact with them, is to have a website that contains not only information of relevance to the region, but

Structure of OMIX 2016

Evaluation criteria



that is also frequently updated to contain up to date information to suit the particular needs of potential investors.

As the first evaluation criterion for the OMIX 2016 Italy and Spain, Geovadis compared the different websites of the target EDAs to analyze the quality of their design and static content, which is defined for this purpose as website content that is not updated on an ongoing basis (such as news feeds or blogs).

Design

Good design that facilitates navigation and understanding of the information presented, combined with an aesthetically pleasing visual theme that is consistent with the characteristics of the region and the services offered, gives potential investors an image of professionalism that is essential to capturing their attention and being memorable. The assessment of the design of each website takes into account the following metrics:

•Ease of use

It is crucial that a website is designed so that visitors can quickly and easily access the content they are looking for. This takes into account the availability of an intuitive menu with a clear structure that highlights the most relevant information sought by investors (important sectors in the region, incentives, etc.) and that provides quick access to contact information and connections to various social networks used by the EDA.

•Aesthetics and adaptive design ("responsive design")

Although aesthetics involves a subjective assessment depending on the tastes of each person, there are certain rules in the design of a website that have evolved over the years. From the right combination of colors and the use of advanced visual effects, through the use of images that not only provide real value to the content of the page but that also provide a professional image for the agency, the aesthetic appeal of a website can have a very real and measurable effect on the visitor. This criterion also takes into account website adaptability to other display formats such as those used in tablets or "smartphones."

Static Content

The main objective of an EDA website is not only to provide information about the advantages of investment in the region. The website also serves as a reference in the online marketing strategy. Therefore, the information that

investors find on an EDA's website must be useful, relevant and not obsolete or out of date. The measurement parameters used to score this criterion are:

•Relevance

The contents of an EDA's website must be relevant, clearly providing the information investors need and minimizing as far as possible unnecessary or irrelevant data. It is important that the website provides information that adds value for investors, such as a description of the strategic sectors in the region or information about the legal framework and the existence of incentives for potential investment projects. Also of great interest is the availability of testimonials and success stories from companies that are already established in the region. Another element to be taken into account when assessing the relevance of static content is the use of "benchmarking," in which the website clearly shows advantages of setting up in their region over other regions competing for the same profile of investors.

•Sector Information

The sector information contained on the website must be frequently updated. This not only affects the website's relevance, but also helps to improve its positioning in search engines. Sector information that is more than two years old is not only irrelevant to investors, but also gives a picture of neglect and lack of commitment.

•Languages

The website has a number of languages into which information is translated, with special interest in the languages of the regions with the greatest potential for investment in Spain and Italy (greater flow of FDI to the region): English, Spanish, German and Chinese. A website is considered to be using an additional language when the entire content of the website is fully translated into that language.

•Contact Information

Finally, the existence of contact information for the team working for the EDA (title, email, telephone number, address, etc.) also plays an important role in evaluating the static content of a website. It is recommended that contact information should enable an investor to reach somebody directly. Although contact forms are a very useful tool when gathering general information, providing more detailed information about those responsible within the EDA gives the investor greater confidence that he will be able to actually get an informed response to an inquiry in a timely manner.

3.2 Second Criterion: Dynamic Online Content

The second evaluation criterion for the OMIX 2016 Italy and Spain compares the use by the different EDAs of online promotion tools that provide frequently posted dynamic online content. This dynamic online content includes blogs, news postings, newsletter subscription services and the possibility of using an "aggregator" of RSS news. Dynamic online content also includes the use of visual elements such as the ability to download promotional materials and particularly the existence of corporate videos aimed at attracting FDI.

Dynamic Online Content

The following tools have been taken into account when scoring dynamic online content management by the EDAs, using as measurement parameters the relevance of the information provided and the frequency of publication.

•Blogs

Among the various strategies of online promotion, the use of a blog containing information about business opportunities and events promoted by the region has become instrumental to distributing information of value to foreign companies. At the same time, the frequent publication of new content largely affects the positioning within search engine results. According to a survey on the use of dynamic online content on web pages (Brafton, 2011), 92% of those responsible for the development and implementation of corporate strategy believe that content marketing positioning greatly helps search engine optimization.

It is important that the information published in the blog of an EDA is relevant, and that it brings additional value to content that is already available through the EDAs static

website. Blog content should include both EDA-developed and subjective information that can be used to create opinion and shed light on key aspects of the region and its industries. It is therefore recommended that blogs include posts by expert collaborators in the various strategic sectors in the region.

•News & Events

The news section of an EDA's website must reflect the progress over time of the work done by the EDA in attracting foreign investment, though publishing very specific information about the agency, such as the addition of new team members, relevant upcoming events or significant changes in the service offering.

•Newsletters

A newsletter is a periodic publication with articles on the latest developments in the region sent via email to the various stakeholders (investors / multipliers) who have previously subscribed. The frequency of the newsletter can vary, with EDAs most commonly sending monthly or quarterly newsletters. Recent studies recommend sending a newsletter at least once a month to stay in the mind of the target audience, but never to send more than one a week, as according to these studies, frequency exceeding this number typically results in high attrition in the distribution list.

A newsletter is a useful tool for EDAs as it involves active promotion for which results can be easily measured through online services like MailChimp, Newsletter2Go and Aweber. Given the active nature of the sending of this tool and lack of available information about whether it is actually opened and read by recipients, Geovadis could only take into account the existence and the ease of registration for a newsletter service within an EDAs website. We could not address the relevance of a newsletter's content and frequency of publication. A deeper analysis of actual newsletter content would be interesting content for a future report, but such an analysis is beyond the scope of OMIX 2016 Italy and Spain.

• Really Simple Syndication RSS (Rich Site Summary)

The use of the RSS format for obtaining news is another online tool that facilitates access to information published by the EDA for those who want to register for the service. The format allows a publisher to distribute content without a browser, using software designed specifically to read these RSS feeds. These software programs are called

"aggregators," and some of the most used are "RSS Owl", "FeedReader" and "Liferea." While they are not typically in high demand by business executives, RSS feeds provide an easy format through which to study and work with large amounts of syndicated news, allowing management companies availing themselves of this format to filter information that is potentially useful in statistical studies or location selection analyses.

Corporate Videos

The use of promotional videos that clearly and compellingly describe the main advantages of investing in a particular region has become a powerful promotional tool for EDAs, given their ability to remain in the memory of the visitor and the possibility of becoming a viral message within social networks. In addition, it should be noted that thanks to new technologies, production costs have fallen considerably in the last two decades (prices in the mid-1990s were around \$15,000 to produce a professional-looking corporate video, versus around \$4,000 which a typical video costs today).

For the assessment of the different corporate videos, Geovadis has considered both the relevance of the information provided and its creativity in presenting it. Thus, videos that present useful information for potential investors, such as data comparing the region to other locations, or testimonials by credible companies already established in the region, help to send an objective and entertaining message. In terms of creativity, useful techniques that are popular today, such as "stop-motion" or animated graphics, demonstrate in a fun and visually appealing way data that is relevant to potential investors. The use of these techniques tends to separate corporate videos intended to attract FDI from those that are produced to attract tourism.

3.3 Third Criterion: Social Networks

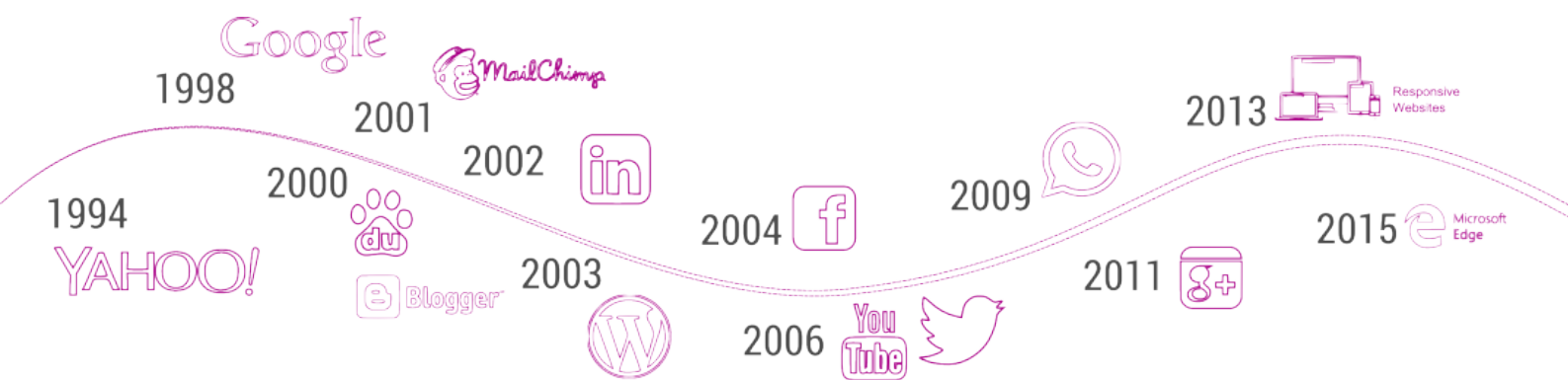
Today, despite the widespread use of social networks in everyday life, its use in corporate online marketing strategies – and in particular its use in the field of attracting FDI – remains controversial because the difficulty of estimating the return associated with its use. One also has to take into account that not all social networks are equally important for an EDA when developing a sound marketing strategy. For example, while a good LinkedIn profile can be extremely useful tool for executives seeking to expand their professional networks, Facebook is more oriented toward users who are often seeking product or support information from consumer goods companies. In measuring social network use, Geovadis is considering the presence of EDAs in networks which we consider the most appropriate for use in attracting FDI, as well as networks that reach the broadest possible audience. For this study, these social networks are LinkedIn, Twitter, Facebook, Google+ and YouTube.

LinkedIn

LinkedIn is a professional social network par excellence, being used by a large number of senior executives to manage their networks of contacts. A good LinkedIn presence is crucial to helping to establish direct contact with potential investors, and in helping to identify appropriate contact persons within an EDA. With a Premium account, LinkedIn allows the option of sending direct messages to any other user, which is an excellent tool for directly contacting senior managers.

The measurement parameters taken into account when assessing the use of this network are: the existence of a company profile for the agency, links to staff and executives associated with that profile, participation in discussion groups specializing in attracting FDI, and regularly updated information on their profile page.

+20 years of online innovation



Twitter

The use of "microblogging" – as most notably represented by Twitter – is becoming increasingly prominent among EDAs. Despite the lack of ability to specifically measure ROI in social networks, agencies have proven the usefulness of the Twitter platform for two-way communication, information multiplication and its important role in generating traffic to websites and blogs. Furthermore, it is key to have a presence in this network in order to attract investment in the information and communication technologies (ICT) sector, as many managers in this sector are regular Twitter users.

LinkedIn allows the option of sending direct messages to any other user, which is an excellent tool for directly contacting senior managers.

Twitter use is measured by determining the number of account followers in the week of December 14, 2015 and the frequency of publication of "tweets." At the same time, since Twitter is a service that provides the ability to maintain two-way communication with the followers, Geovadis has also measured the degree of interaction with other accounts through the number of "retweets" and mentions, the correct use of "hashtags" that can be detected by potential investors (#FDI, #Logistics, etc.) and the use of images.

Google+

Since its launch in 2011, Google+ initially gained users exponentially, having exceeded 540 million users by 2013 (The Next Web). More recently, Google+ has been struggling in its efforts to increase user engagement, and has been disaggregating the social network from other Google services such as YouTube and Google Photos, with an increased focus on "an interest-based social experience." (CNET) When assessing the use of this network by EDAs it has had the number of people who have the agency within their circles and frequency of publication in mind.

Facebook

With more than 1.55 billion users by the 3rd Quarter of 2015, Facebook is too omnipresent in social media to be ignored. Although not specifically appropriate for EDAs due to the network's primary user focus on activities at the personal rather than the professional level, Geovadis has considered Facebook use by EDAs – although with a lower weighting than more professionally-oriented social networks.

When evaluating the use of this Facebook by EDAs, Geovadis has taken into consideration the same measurement parameters used for other social networks (e.g. number of "likes", "Follows" and frequency of publication).

YouTube / Vimeo

Although corporate videos are considered separately elsewhere, Geovadis has seen fit to also consider EDAs' use of video sharing networks such as YouTube and Vimeo as a means to distribute these videos to a wider audience. First, the use of video sharing networks helps to improve SEO positioning. Second, video sharing increases the possibility that viral messages can exponentially multiply the impact of a message on gaining the attention of potential investors. In order to assess an EDAs' use of video sharing sites, Geovadis has considered the number of published videos, timeliness, production quality and the relevance of content.

3.4 Fourth Criterion: Search Engine Optimization (SEO)

Having good design and content for a website is necessary, but not sufficient, to achieve a good position within search engine results. Several studies (including SEO Sloingshot, 2011 and searchenginewatch.com, 2012) show that appearing within the top search engine results exponentially increases the chances that a visitor will actually visit a website. To evaluate the positioning of each of the web pages of the different EDAs studied in the OMIX 2016 Italy and Spain, Geovadis took on the role of a senior manager searching for investment opportunities in each of the target regions in Italy and Spain. To do this, Geovadis used three major search engines (Google, Yahoo! and Bing) in order to cover different search patterns used by potential investors. In order to track an "average" global investor, searches were conducted in English.

For the various phrases (combination of terms) used in every search, we have selected five expressions commonly used by senior business executives when exploring new potential sites for their businesses. This selection was made subjectively, based on the experience of our team of consultants, having worked side by side in implementing location selection strategies for international expansion at a large number of companies. These expressions have several characteristics in common, the most significant being that they are broad enough to be able to refer to a variety of topics related to investment, such as labor or energy costs. In the case of one

of the terms used ("Invest in ..."), it was considered a key expression as it is the most direct way to find an EDA through a search engine.

Another criterion used to determine if an expression is relevant, has been the average number of searches performed with the expression, as determined by the Google tool "Keyword Planner."

In addition, for each of the searches, Geovadis has employed a "browser" free of "cookies" and using an IP address located in the country of a potential investor. For example, for Google searches in English, a US IP address was used.

The structure of the various searches is formed by combining keywords with the region name (such as: Madrid Invest in).

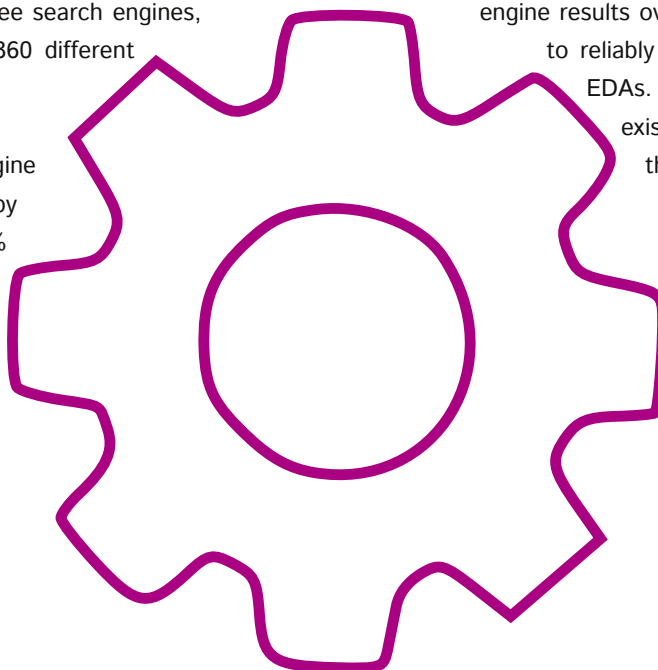
As a result of the combination of the five search terms for each of the 24 EDAs across three search engines, Geovadis was able to analyze 360 different search results.

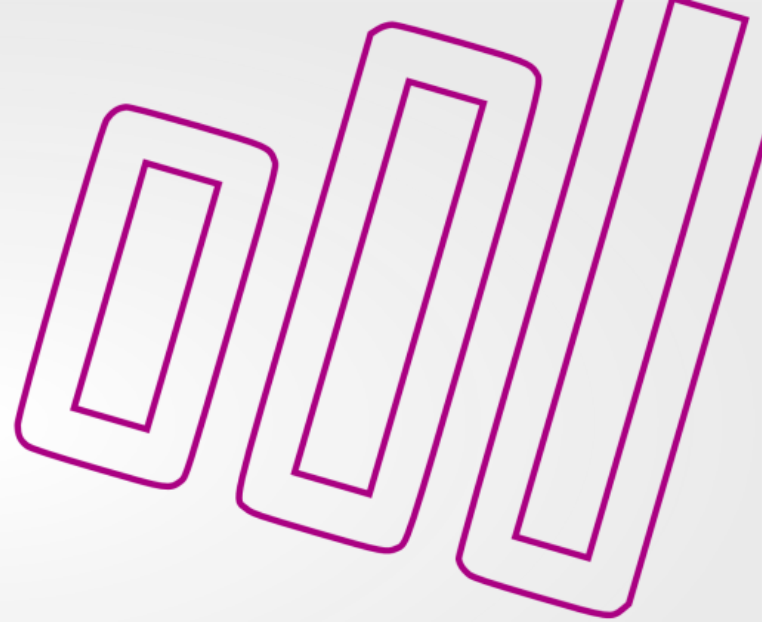
When analyzing search engine results, noting a study by compete.com claiming that 77% of clicks are made in the first three results of the search engine results page ("SERP"),

as well as noting the fact that the default setting for most search engines is to show 10 search results per page, we have defined the following four groups when scoring each EDA's search results:

- Group I: link to the EDA page in the top-three results of SERP
- Group II: link to the EDA page between results 4 and 10 of the SERP
- Group III: link to the EDA page between results 11 and 100 of the SERP
- Group IV: link to the EDA page after result 100 of the SERP, or EDA page does not appear in results

The result in the SERP for each keyword can change significantly over time, therefore Geovadis has studied search engine results over two consecutive days in order to reliably compare the results of different EDAs. Geovadis has also assessed the existence of different domains for the same EDA, depending on the language, as may be the case with web pages such as hypothetically "investincatalonia.com" and "inviertaencataluna.com."

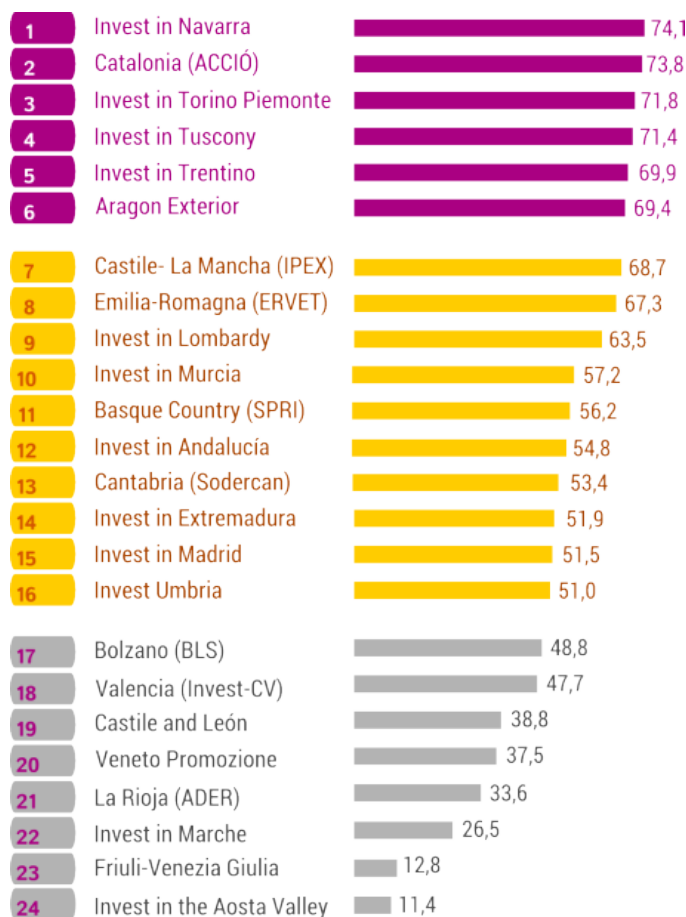




4. OMIX 2016 Italy & Spain

After studying each of the previously defined criteria for each of the target EDAs, and after weighing the different values, the final result for OMIX 2016 Italy and Spain is:

OMIX 2016 Italy & Spain



After a first analysis of the results of the OMIX 2016 Italy and Spain, we see surprisingly that some regions such as Madrid, Veneto or Lombardia, host EDAs that are relatively low in the rankings, while EDAs in lesser-known regions such as Trento, Aragon and Castilla la Mancha rank substantially higher.

Alternatively, the substantially well-known regions of Navarra (with its capital city of Pamplona), Cataluña (with its capital city of Barcelona), Piemonte (with Turin and a substantial proportion of Italy's heavy industrial base), and Toscana (with its capital of Florence often seen as Italy's cultural hub), top the OMIX 2016 Italy and Spain rankings with consistently strong results across all four measured criteria.

This is not to say, however, that all regions consistently perform either well or poorly across all the measured criteria. For example, while Cataluña consistently ranks in the top-two for static website, dynamic online content and SEO, it ranks near the bottom for its use of social media. On the other hand, the Basque Country ranks near the bottom for its static website and SEO, while it excels at social networking. Therefore, it is helpful to look more closely at the results of each criterion to see where there is potentially room for improvement.

4.1 First Criterion Results: Static website

When assessing the websites analyzed, we come to a wide range of conclusions. While on the one hand, most of the websites have a good design and good usability, many fail to provide relevant information such as contact persons within the various organizations. More than half of the agencies

surveyed offer only a general email address, which gives potential investors a picture of lack of transparency. Most websites also lack multiple foreign language translations – an area where this index gives particularly high weight – the vast majority of sites offering only English as an alternative language.

Special mention for design and usability go to Navarra,

•LinkedIn: Slightly fewer than half of the studied EDAs have LinkedIn profiles, although more than three-quarters of these profiles have been updated within the last month. País Vasco leads other regions with its regular updates, while Tuscany, Piemonte, Aragón and Bolzano/Bozen are also active LinkedIn users.

•Twitter: Twitter usage among Italian and Spanish regional

Static Website	Dynamic Website	Social Networks	SEO
 Invest in Navarra Catalonia (ACCIÓ) Invest in Trentino Invest in Tuscany Invest in Torino Piemonte	 Catalonia (ACCIÓ) Invest in Tuscany Invest in Trentino Aragon Exterior Invest in Murcia	 Basque Country (SPRI) Invest in Lombardy Bolzano (BLS) Aragon Exterior ERVET	 Catalonia (ACCIÓ) Castile- La Mancha (IPEX) Invest in Torino Piemonte Invest in Lombardy Invest in Anadalucia

Cataluña, Tuscany, Trentino and Torino. As for static content, EDAs which stand out for providing the most relevant information and for providing relevant contact persons responsible for each department are Bolzano/Bozen, Umbria and Andalucía.

4.2 Second Criterion Results: Dynamic Online Content

Looking at the dynamic online content, while many of the EDA sites offer news services that are more or less relevant, many lack blogs that provide higher value-added information for investors, and in most cases lack information about attendance at future trade fairs and organizing events. Finally, many are also missing contributions from experts in various industries.

On the other hand, half of the EDAs analyzed have developed promotional videos that showcase the advantages of the region for foreign investors. The majority of these videos show in an entertaining way – in English – information of interest to potential investors using graphically appealing images and animation techniques. Standout examples are provided by Cataluña's and Tuscany's promotional videos focused on specific industry sectors, and by the creativity of the promotional video developed by Aragon.

4.3 Third Criterion Results: Social Networks

The results of the analysis of the various social networks by the EDAs studied offer quite revealing information.

EDAs mirrors almost exactly LinkedIn usage, with Trentino being the only region to have a Twitter profile but no LinkedIn profile. Bolzano/Bozen, Piemonte, Lombardy, Castilla la Mancha and País Vasco actively tweet on average at least twice per week. These same regions, plus Aragon, making the most use of Twitter best practices ("retweets", "hashtags", mentions and visuals). Despite their frequency of tweets and use of Twitter best practices, half of the EDAs have fewer than 1,000 followers, and País Vasco leads the ranking with 3,900 followers

•Google+: The vast majority of EDAs studied lack a profile within this network. Only País Vasco and Tuscany have active Google+ profiles, and together they share fewer than 70 users in their "circles."

•Facebook: The use of Facebook by the EDAs, though more widespread than Google+, remains weak, with only one-quarter of the studied EDAs having profiles. However, once there is an official profile, the frequency of publication and the number of followers reach substantial numbers, with Valenciana being by far the most active EDA on Facebook, with regular updates and over 9,500 "friends." Aragon and Bolzano/Bozen are also very active on Facebook, with over 2,600 and 1,000 "friends" respectively.

•Youtube: Because of the value that the existence of promotional videos carries in conveying a region's relative advantages to foreign investors, the presence of video

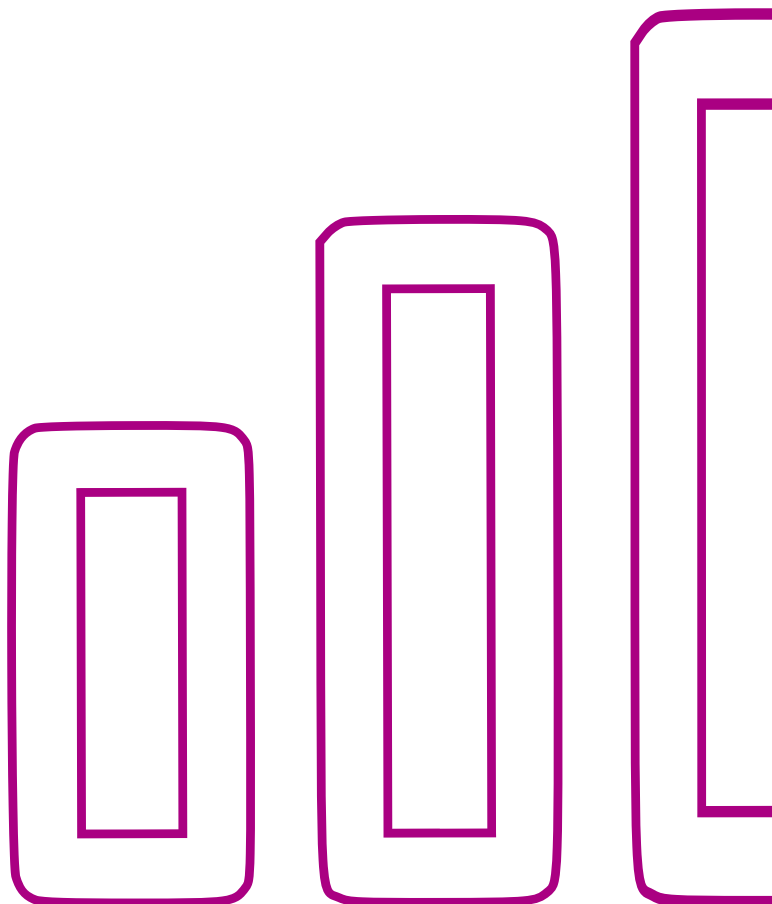
content on YouTube has been considered to be very important. However, the analysis shows that only seven EDAs actively promote videos about their region on YouTube, of which five actively promote regularly produced video content that is directly relevant to foreign investors. The regional EDAs of Tuscany, Lombardia, Cantabria, País Vasco, and Valenciana are particularly aggressive in their distribution of relevant promotional videos through YouTube.

4.4 Fourth Criterion Results: SEO

The results of our study demonstrate variation in SEO effectiveness both across the five different search terms, as well as across the three different search engines utilized. In general, the EDAs examined typically perform best in Google search results, with Bing and then Yahoo! following in order. Typically, approximately half of the agencies appear in the top 10 search results for information on incentives, or when looking directly to the agency using the words "invest in." The search terms "energy costs" and "labor costs," however, provide results that are substantially poorer, with most EDAs either turning up in search results several pages deep or not at all. "Infrastructure quality" returned results substantially better than "energy costs" and "labor costs," but lower than "incentive" and "invest in."

The regions that performed the best across all search terms used include:

- Google: Castilla la Mancha, Cataluña and Andalucía
- Yahoo!: Piemonte, Lombardy and Cataluña
- Bing: Cataluña, Navarra, Piemonte, Lombardy and Extremadura





5. Conclusions

Results from the OMIX 2016 Italy and Spain show that EDAs have a tendency to focus on one, two or even three areas of their online media strategy – such as focusing on their static website, or focusing on social networks – rather than taking a holistic approach to a cross-platform strategy that addresses all four areas.

It should come as no surprise that certain regions that have already attracted substantial FDI, and that already possess significant international awareness rank highly in this index. This stands to reason, as these regions already understand the importance of attracting FDI, and have already invested the time, resources and understanding of FDI dynamics into developing an effective online image. But, as we have seen, with a clear strategy and with a clear understanding of what potential investors are looking for, even relatively unknown regions can be effective at using online tools to attract FDI. Therefore, the ultimate objective of this study is not only to identify causal relationships and to perceive trends. Our goal is also to guide the EDAs in how to get more visibility on the Internet and how to reach out to potential investors in a more effective way.

Following are some of the conclusions, observations and advice we can deduce the OMIX 2016 Italy and Spain:

International investment means speaking the language.

Most of the analyzed EDAs only have an English translation in addition to their native Italian or Spanish, which is very restrictive in Europe, with so much trade interaction among

non-English speaking countries. Also missing is a better adaptation of the web pages focusing on high value-added markets with substantial investor potential such as Germany or France in Europe, or China in Asia.

Whom can I talk to?

Transparency is one of the most important characteristics when it comes to conveying an image of professionalism and confidence to foreign investors. Establishing a presence in a new country involves considerable uncertainty, and it is vital to facilitate as far as possible the direct contact within the agency with the people responsible for investment promotion. The OMIX 2016 Italy and Spain shows that many agencies do not give direct contact information for key figures within the agency, instead using “Contact Us” forms, which while convenient for the agency, often prove frustrating for potential investors who have immediate questions, and who want to speak directly with informed decision makers. This lack of direct contact information also impacts the content of location lists developed by site-selection consultants, who will often not consider engaging with regional EDAs that do not provide contact information.

It is all about content

Blogs, newsletters, news feeds or services, when they are used properly, all provide enormous value to website visitors. At the same time, these features also have a key relationship with successful SEO. Although many of the analyzed EDAs make good use of their news sections, few offer a blog that serve as a source of knowledge on FDI in their region. Blogs

or articles written by experts in the various strategic sectors in the region provide extremely useful and relevant content, as do referrals to publications that may be of interest to foreign investors, where the agency contributes a personal vision of the region as well as empirical data demonstrating the region's relative advantages.

So, what else have you done?

Good site planning ensures that the information contained within the website adds value to investors. In this respect, many static websites and dynamic online content lack the presence of success stories and testimonials from businesses that have invested in the region, with the notable exception of Tuscany, which maintains an extensive collection of both written and video testimonials. Also lacking on many websites are tools or benchmarking information to enable comparisons among competing regions.

A video is worth a thousand words

Although five of the EDAs studied have achieved the highest score for the availability and content of promotional videos, there are still many agencies that either lack them entirely, or that only offer video aimed at promoting the country's exports or tourism sectors. Today, the low cost of producing quality promotional video productions, combined with the existence of specialized consulting firms that can create appealing content of interest to foreign investors, makes the development of video with entertaining and relevant information at an affordable cost a viable possibility.

Twitter and LinkedIn leading the pack

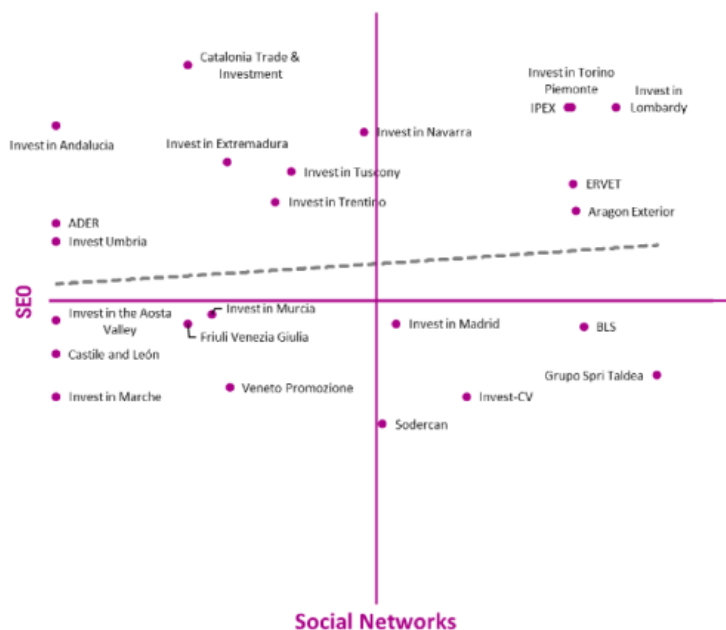
Half of the studied EDAs have a Twitter profile, and most publish "tweets" regularly, and have low (for Twitter) but respectable numbers of followers typically numbering from the low hundreds through the low thousands. LinkedIn is actively used by almost as many agencies as Twitter, and given the network's more professional character in which there are a large number of profiles of senior business executives, has a much greater potential for attracting favorable attention among potential investors. However, as with many websites, relevant contact information for leadership within the EDAs is often lacking.

The correlation between social networks and SEO

Unlike the results of the OMIX 2014 Latin America, OMIX 2016 Italy and Spain shows a substantially diminished correlation between activity in social networks and SEO results. While this diminished relationship would be

interesting to study, it is beyond the scope of this report to determine the causation, other than to speculate that as social networks mature, they are developing into a marketing tool separate from other online presence in the form of a static website or dynamic online content.

Correlation between social networks and SEO



Expanding relevant website content to maximize SEO

It has been observed that many of the EDAs appear in the top 10 search results when terms such as "invest in" or "incentives," and to a lesser degree "infrastructure quality," plus the name of the agency are used. However, searches using the terms "energy costs" or "labor costs" typically bring up substantially diminished results (with the notable exception of Cataluña, which consistently scored within the top-10 results using most search terms on all search engines used). We would recommend that EDAs consider using these terms with more frequency in both static websites and dynamic online content in order to improve these SEO results.



6. Annexes

Each of the measurement parameters utilized in OMIX 2016 Italy and Spain has involved one of two types of evaluation: subjective or objective assessment. All values were measured on a scale of 1-4, with 4 being the highest score. After the assessment of each of the different parameters, these scores were weighted according to the weighting table below, and were added together to give an aggregate total score. Finally, given the large number of measurements, this aggregate has been converted to a scale of 0-100 (optimal promotional level, or “OPL”) for better understanding. Using this final OPL, Geovadis has been able to establish a final ranking of each of the EDAs, according to their different evaluation criteria.

Objective / subjective assessment

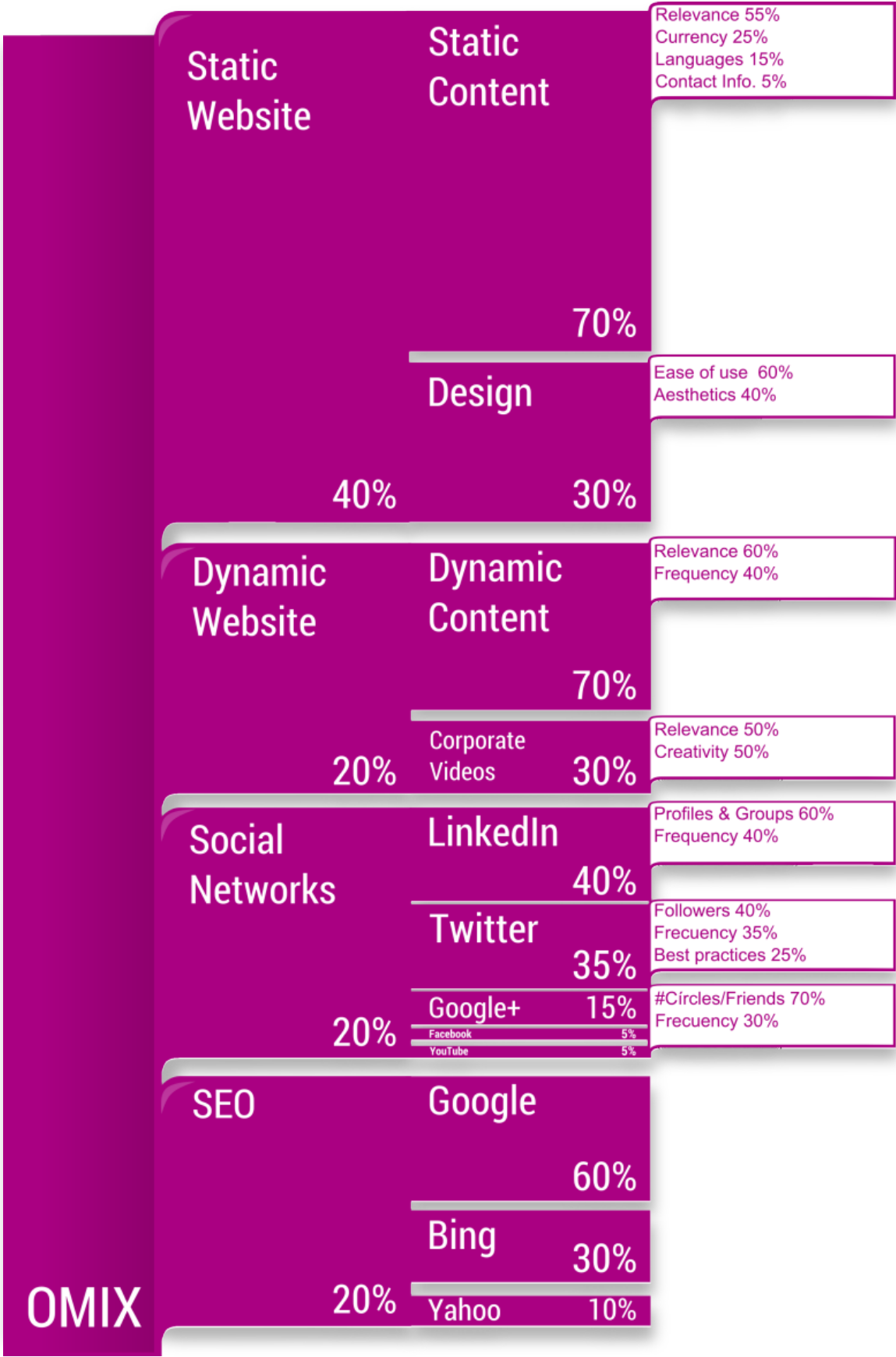
Certain parameters are complex to measure objectively because they are based on the subjective consideration of aesthetic or creative considerations, as in the case of the relevance of content or the use of best practices in social networks. Therefore, measurement parameters that have been evaluated subjectively have been scored on the following scale:

•Null	0
•Poor	1
•Basic	2
•Good	3
•Excellent	4

Weighting

The weighting of each of the evaluation criteria, sub-criteria and parameters has been made taking into account the importance of each within the overall calculation of OMIX 2016 Italy and Spain. Such relevance has been established by Geovadis based on studies and publications on online marketing, and on the professional expertise of its team of consultants, with a combined 30+ years of experience in international trade and FDI attraction. The following table shows the weighting of each parameter evaluated in this study.

Criteria weightings



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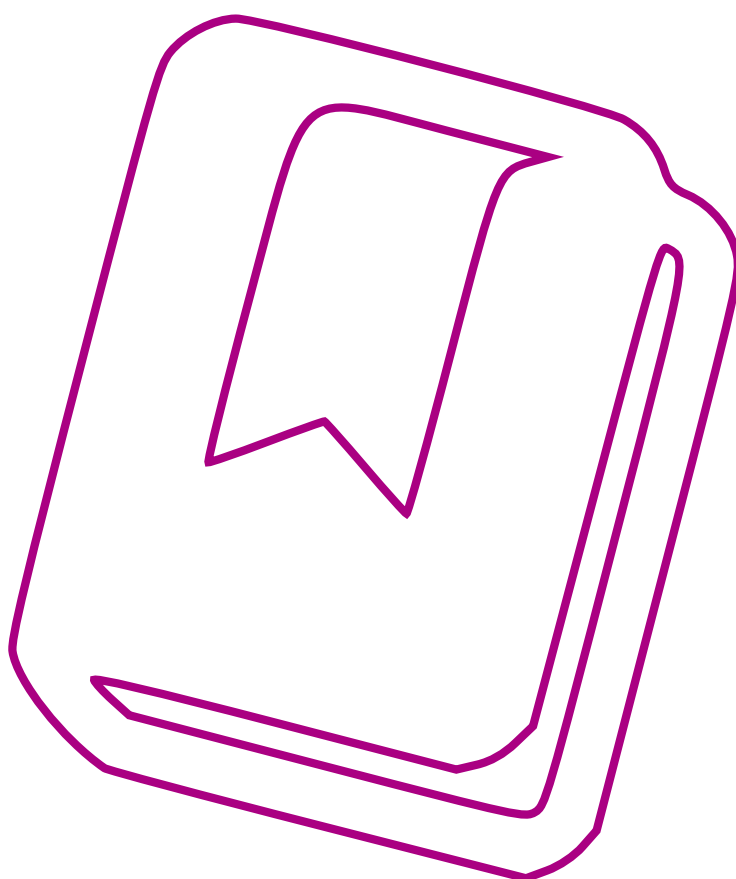
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About Geovadis

Ever since Geovadis' founding in 2012, our mission has remained constant — to provide a refreshing new solution to the traditional world of foreign direct investment (FDI) and market entry. Our integrated approach provides you with the best of two worlds: performance-proven services for investment promotion agencies (IPAs) and companies investing abroad on the one hand and cutting edge tools and new media solutions on the other. We call it FDI 2.0. No matter whether your region is searching for new investors in specific industries, your agency needs a new face to the market, or your company requires support in finding the most cost/risk attractive business location in a predefined region – Geovadis is the right partner for your challenge.

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