



Impact evaluation

Customised services

RESPONSIBLE OF THE EVALUATION

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2018

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1. Objective of the evaluation

Ex-post impact evaluation of ICEX's customised services to gather evidence on their effectiveness in the medium term.

2. What are customised services?

These are services that respond to specific, timely requests for information from ICEX clients (Spanish companies and institutional organizations involved in international trade) or for one-off support for trade promotion activities in target markets. The network of Spanish Economic and Commercial Offices abroad (Ofecomes) is essential for the provision of these services.

3. What is the purpose of customised services?

Immediate (short-term) objective: to improve specific aspects of a company's commercial operations.

Mediate (medium-term) objective: to translate these commercial improvements into changes in company behaviour or the acquisition of new skills for developing international markets.





The intervention logic behind each type of customised service indicates that they vary substantially in terms of operations and objectives. Consequently, differentiated impact evaluations were conducted for each type of service.

4. Services evaluated

- Business Meeting Agenda
- Logistical Support
- Partner Identification, which includes the following service types:
 - Identification of Business Partners
 - Identification of Business Partners with Market Information
- Customised Information, which includes the following service types:
 - Legal Information, Trade Regime Information, and Other Specific Information
 - Customised Foreign Market Information
- Reverse Missions (currently named invitations to Spain)



5. Evaluation questions

5.1. Questions on program efficiency

- a) Has ICEX provided the services in an efficient manner?
- b) Could efficiency be improved without compromising the effectiveness of the customised services?

5.2. Questions on program implementation

- a) Do the offered services align with the needs of client companies?
- b) Are there any shortcomings in the provision of services?

5.3. Questions for the impact evaluation

- a) Have the customised services been effective?
- b) Have they been effective for all types of companies? If not, which types of companies have found them ineffective, and why?
- c) When was the effectiveness of the services observed: in the short term or the medium term?
- d) In what ways has this effectiveness been demonstrated?
- e) Do companies recognize the added value of the services provided?
- f) In which specific aspects do they recognize this added value?
- g) Is this effectiveness aligned with the objectives defined for each type of service and with the needs expressed by client companies?



6 Evaluation fact sheet

Target population: Spanish companies with international market potential.

Universe: 4,929 unique customised service clients.

Time frame: 2012-2014.

Sample: 1,953 unique clients.

Sampling method: simple random sample.

Response rate: 39.60%

Fieldwork: between February and June 2016

Impact estimation technique: implicit question (counterfeit counterfactual). Two additional questions, called “benefits” (interpretable as value for money) and “additionality”, have been added to the implicit questions in the questionnaire, which make up the value-added section.

A logistic regression model was constructed to check which impact and outcome variables designed to capture effects on the company after receiving support affect the recognition of additionality and benefits of public intervention.

The analysis was conducted based on service type and client type. This analysis included a client impact analysis, an analysis of motivations for contracting customised services, and an analysis of how well the services overcome the barriers faced by each type of company



7 Quasi-experimental design

	2011	2012	2013	2014	2015	2016
NON-RANDOM	O1	X	O2			O3
NON-RANDOM		O1	X	O2		O3
NON-RANDOM			O1	X	O2	O3

NON-RANDOM: Self-selection; non-random assignment to the study group

X: Implementation of the treatment: Customised service provision

O: Observation of variables

O1: Expectations prior to requesting the service

O2: Achievements after receiving the service



8 Client segmentation

Segmentation technique: two-phase clustering based on the characterization variables included in the survey and variables collected from INFORMA D&B.

There are five well-defined client types:

- Type 1. Growing companies with quality management systems that request affordable customised information and access to clients in order to continue their international expansion.
- Type 2. Traditional exporters that need to invest more resources in developing intangibles and promotional activities to boost sales in established markets and increase their margins.
- Type 3. Well-trained companies with quality management systems that enter new markets within two to three years through effective marketing efforts while systematically improving their competitiveness.
- Type 4. Micro-enterprises that receive orders from abroad and need to grow in size to actively pursue internationalization, relying primarily on ICEX support to retain clients.
- Type 5. Competitive and expanding micro-enterprises that require targeted support to access information and brokerage services in their target markets.



9 Ofecomes segmentation

Segmentation technique: factor and cluster analyses based on Ofecomes' activity variables and standardized public indicators: ICT Development Index (IDI), Corruption Perception Index (CPI), the Global Competitiveness Index (GCI) from the World Economic Forum, World Audit indices, and World Development indicators.

Weighting was applied according to by-country distribution of services provided by each Ofecome.

The following six types of Ofecomes were identified:

- Type 1. Small offices that serve a large number of countries with low levels of economic and technological development.
- Type 2. Small offices that serve countries with limited access to information and low institutional quality.
- Type 3. Offices in large countries with decentralized business activities and easy access to business information.
- Type 4. Small offices that serve more than one small country with intermediate levels of development.
- Type 5. Offices that serve large countries with very high levels of social, institutional, and political development.
- Type 6. Offices that serve a small number of countries with decentralized business activities and high levels of social, institutional, and political development.



10. Efficiency in the provision of customised services

The provision of services is consistent in terms of quality and delivery times across service types and geographic areas.

The rate of acquiring new clients is below 50%, with an expected client retention of three years, leading to a gradual decline in requests for customised services.

Virtually all customised service clients would recommend hiring them from ICEX and would be willing to use another service themselves

11. Program implementation

Micro-enterprises (Types 4 and 5) request stronger, more customised support from ICEX and the Ofecomes network with a view to offering customised itineraries tailored to their specific needs. In contrast, other companies seek improvements in the quality of the reports provided and a stronger external network, as this network is in charge of effectively delivering these services.

There is a demand for greater consistency in the provision of services to ensure that product quality and usefulness do not depend on the individual responsible for preparing or supervising it.





12. Overall effectiveness of customised services

Three out of four companies recognize the added value of the service provided, and more than half report positive outcomes resulting from the service within the first year after its provision.

The service has primarily helped with entry into new markets, although companies also report that contracting customised services has contributed to improvements in products, processes or company management (innovation), as well as in their marketing strategy.

There is strong evidence though that companies' immediate outcomes fall short of expectations regarding effective client access and access to relevant, hard-to-obtain information.

13. Effectiveness of the meeting agenda service

More than half of the companies report seeing results in less than a year. Companies highlight their added value in terms of their usefulness for entering new markets and initiating innovation processes.

There is a demand to improve the systematization of agendas. Standardizing the preparation process is recommended to foster more client dialogue and make Ofcomes managers' involvement in overseeing the process more visible.



14. Effectiveness of the logistical support service

Nearly half of the companies report positive outcomes within the first year of receiving the service. The service is credited with facilitating market entry within the first six months.

There is evidence of other effects (improved market knowledge), but these are not attributed to the service if they are achieved more than six months after the service is provided.

Client companies that use logistical support services request that ICEX prepare customised itineraries tailored to their needs.

We recommend that companies that use logistical support services be offered follow-up steps to complement the service and monitor its effectiveness.

15. Effectiveness of the reverse mission service

The only users were institutional clients, who report outcomes ranging from adequate to high in all areas, as well as increased confidence in engaging with foreign markets thanks to the service.

We recommend that the service be maintained without significant operational changes.



16. Effectiveness of the partner identification service

Nearly half of the companies report observing effects within the first year. They credit the service with helping them enter the market within six to twelve months, as well as improving their market knowledge and marketing strategy.

There is evidence that companies request reports that are more closely tailored to their needs and expectations in order to enhance their usefulness. Companies also request more direct contact with the service team.

The recommendations for the meeting agenda service also apply here.

17. Effectiveness of the customised information service

Nearly seven out of ten companies report positive outcomes within the first year of receiving the service. In particular, these services have helped companies to improve their marketing strategy, especially within the first six months of receiving the service, as well as to make improvements (innovation) within the first year.

There is evidence of a demand for more consistency in service provision.

The evidence suggests that companies will not request this service again unless the content of the information is guaranteed to be more closely aligned with their needs and expectations. Improved quality control is recommended to ensure this higher level of consistency.



18. Recommendations of the evaluation

Explore the possibility of expanding the customised services portfolio, which may require resizing the area in charge of managing the services and/or strengthening the external network.

Make customised services delivery more systematic and enhance the training of Ofecomes staff in managing client expectations, so that the information provided to clients aligns with the actual outcomes and quality that ICEX can offer.

Consider adjusting the customised services tariff scheme to take into account both a company's willingness to pay, which may depend on its type, and the difficulty of accessing information in target markets.

Refer type 4 companies (micro-enterprises with a low level of internationalization) to introductory, training, or educational programs, or at least offer them this option when they request a service.





19. Compliance with recommendations

The recommendations set out in this evaluation have been accepted as necessary and feasible by both the organization and those responsible for providing the Customised Services. The implementation of these recommendations has enabled improvements to be made in the provision of services, bearing in mind that the improvement process is ongoing, thanks to other evaluations that are either already underway or will be launched if necessary.

20. Procurement information

The following public tender was issued for the preliminary quantitative analysis:

- File: 302/2016 (main product)
- Company awarded the contract: ABAY ANALISTAS ECONÓMICOS, S.L.

The fieldwork and descriptive analysis were carried out by means of a below-threshold contract awarded to the company WEBTOOLS, S.L.