

EFACEC visibility recommendations

A business report by EEM consultants in collaboration with the University of Copenhagen

EEM CONSULTANTS

EFACEC

visibility

Recommendations

In collaboration with the University of Copenhagen

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Disclaimer

This project was established and sponsored/funded by EFACEC, in collaboration with the Program of Portuguese and Brazilian Studies at the University of Copenhagen, as an attempt to better the image of the company in Odense Denmark. While constructing this document, the content is believed as correct, neither EFACEC nor the University of Copenhagen, nor any of the students nor the employees, make any guarantee expressed or implied, or assume any legal responsibility for the accuracy and completeness of this document.

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Executive summary

This report was commissioned as a collaboration between the University of Copenhagen and the company EFACEC, with the purpose to emend its image, in the specific case of *Odense Letbane*. EFACEC lacks visibility, due to pragmatics of the contract established. EFACEC wishes to expand its activities in the Danish/Nordic market, and an innovative marketing solution could enhance the company's visibility here. The proposed suggestion of this report is a Danish site linking to EFACEC's already existing homepage in combination with social media with emphasis on the Danish context.

This report is based on research in the following areas:

- A: Prior foreign contract experiences
- B; Environmental policies, in Europe, as well as in the Danish environment.
- C; Knowledge gained from meetings with *Odense Letbane's* marketing department, visits to EFACEC, Odense and the company's plants in Maia and Arroiteia.

The intention of this structure is to establish a basis for branding the company in Denmark and present EFACEC's image according to Danish recommendations and expertise concerning future socio-economic planning in Denmark.

The 3-step model (A B C) is meant to accommodate EFACEC's original demand as well as to add suggestions for possible gains not only more visibility in Denmark, but in the Nordic Sphere as a whole. The recommendations for a website is the outcome of findings and conclusions from sections A, B and C as presented in the full report.

The Danish context

EFACEC is a Portuguese company, specialized in green energy solutions, which has had diverse experiences and good references from past projects on an international scale, and has a long history of cooperation with many companies. EFACEC has gradually and diligently expanded its activities and is present in various parts of the world. Presently, EFACEC wishes to broaden its businesses in the Nordic countries and specifically in Denmark. Now EFACEC is entering a new region, where English, a foreign language for both parties, is the means of communication. Each time information passes from one language to another some distortion may occur, and in the case of passage through two foreign languages, there is a risk of valuable information being "lost in translation". This problem could be, if not eliminated, at least reduced by a focused internet-presentation in Danish.

Denmark is currently among EFACEC's top ten markets. Here the company has engaged in various projects on a consortium basis. At the moment, the company has two ongoing projects, the light rail construction of Odense Letbane and the prolongation of the Copenhagen Metro to Sydhavn. In the case of, Odense, EFACEC is not a visible partner due to the contract establishment and because it is an unknown foreign Portuguese company in Denmark. Additionally, the national image of Portugal also complicates the branding of EFACEC in Denmark, famous for its wine and tourist sites, rather than for innovative technologies.

EFACEC in collaboration with the University of Copenhagen and the program of Portuguese and Brazilian studies contracted the students from the program of Portuguese and Brazilian studies, with the intent to better the image of EFACEC in Odense and in the greater Denmark. Yet, at the same time the company expresses that the invisibility makes the construction process easier. According to the project manager in Odense, EFACEC does not want to be a protagonist, although some profiling would be desirable.

In considering this task, a broader aspect needs to be considered. In order to expand in the Danish/Nordic market EFACEC is required to gain more visibility through an innovative marketing solution by a Danish site to the already existing homepage in combination with social media specialized on the Danish context. In Denmark, EFACEC has the opportunity to use a different strategy than the major competitors, by marketing itself as a small size company with high focus on client/partner satisfaction and a company with technological and innovative skills, that offers custom-made innovative green energy solutions.

EFACEC should focus on becoming visible in its own right in Denmark, where the solutions it offers are the ideal answer to the nation's policies for the future. A homepage presentation of EFACEC in the Danish language, responding to specific Danish priorities and values could become a useful tool for EFACEC's ongoing market dialogue and contribute to the company's visibility in Denmark, indeed all of Scandinavia; to a high extent the Scandinavian countries share societal values, such as Sustainability, Planning for the Future, Green Energy, Security and Reliability, and generally Small Scale, Custom-made Local Solutions are preferred.

Method and Methodology

Information about the issue was obtained through visits to Odense Letbane and EFACEC in Odense, the Oporto plants, and the Metro do Porto company.

Relevant marketing theories were applied to identify EFACEC's characteristics. Research of Danish and European Environmental & Transportation policies, furthermore studies of EFACEC's homepage completed our vision. Based on observations a SWOT-analysis helped to focus on aspects to be addressed. Consultations with primary target groups in Denmark lead to the recommendation and outline of a Danish homepage.

Summary of data

Collection of empirical data in *Metro do Porto* and *Odense Letbane* as well as at EFACEC's plants, offices and homepage, lead to an initial working hypothesis: in Denmark this company needs visibility. To further investigate into the field, the study was divided into 3 parts:

- A. Marketing strategies in the internet-era through the Six-Marketing Model and the Relationship Marketing Ladder.
- B. European and Danish Transport & Environmental policies for the future, through data-mining reports for 2030 and 2050.
- C. Meeting the Danes, identification of values and priorities.

The reasons for collecting the data, three way, are supported by the following observations: EFACEC has a long history of successful partnerships in many parts of the world. However, in Odense, the consortium, lead by Spanish COMSA, is in charge of communication. EFACEC needs to reinforce its profile in this context, because the success of the light rail project is largely dependent on EFACEC's qualities, which could be summed up as follows:

- EFACEC is reliable; problems may occur during operation and maintenance, but they will be solved.
- EFACEC pays attention to the client's special needs, providing custom made solutions.
- The EFACEC software is a guarantee for secure and stable functionality.
- EFACEC provides green solutions for the future.

Analysis and Recommendations

A. Marketing strategies in the internet-era

In Denmark, and in a broader context, the Nordic countries, the EU commission directives shall be applied with the goal to achieve de-carbonization by 2050, by means of investments in secure and sustainable energy solutions for a greener future. The Danish regional and governmental markets opt for precisely these innovative climate and energy friendly solutions, which EFACEC offers.

EFACEC is a company with a history of more than 70 years, high technical competence and knowledge in the innovative area of energy solutions. However, EFACEC encounters bigger competitors in the Nordic market. Portugal is not famous for innovative technology, but rather for its wines, tourist sites and culture. This national image makes it difficult for a Portuguese firm to compete with bigger well known companies, branding itself in the Nordic countries as an innovative technological company.

Currently, EFACEC is involved in two transportation projects, the construction of the light rail *Odense Letbane* and the prolongation of the Copenhagen Metro to Sydhavn.

In Denmark, two light rails have been constructed since the beginning of the 21st century: The Copenhagen Metro and the Aarhus Letbane, which have been widely discussed in the Danish media, with rumors about the company in charge having connections to money laundering and to drug trafficking, and to salary dumping. This picture has partly affected the Danish population's opinion of foreign companies working in Denmark.

In view of this context, a strong and manifold marketing strategy is of importance to keep up with the Danish market dialogue, in order to brand EFACEC as a highly qualified, competent and trustworthy company which offers exactly those innovative green energy solutions that the Danish market opts for.

On a restricted marketing budget EFACEC's main strategy relies on its references from prior projects together with a close dialogue with customers, in order to learn from previous challenges. Moreover, EFACEC offers custom-made solutions to their clients' needs and wishes, something that the major actors in the field do not prioritize.

EFACEC relies highly on customer relationships and client satisfactions, which seem to be the key factors in winning future tenders/projects.

For EFACEC the six-market model approach (Ballantyne et al. in Figure 1), seems like a suitable market strategy, due to its emphasis on the customer-vendor relationship, with the service/ product to its customer as the target, which is the core element of the model. This approach focuses on long term success, by recognizing the customer appreciation, longevity, and quality, with frequent and persistent communications combined with highlighting the preservation of existing customer relations.

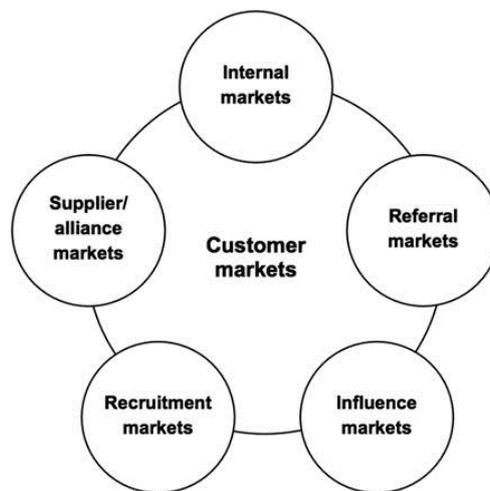


FIGURE 1. The Six-Market Model

This approach is well combined with the Relationship Market ladder (Payne in Figure 2), which emphasizes the difference in market activities, in combination with a focus on partner and customer relationships.

The Relationship Marketing is a company behavior, which gives priority to establishing, maintaining and developing customer relationships in order to achieve success.

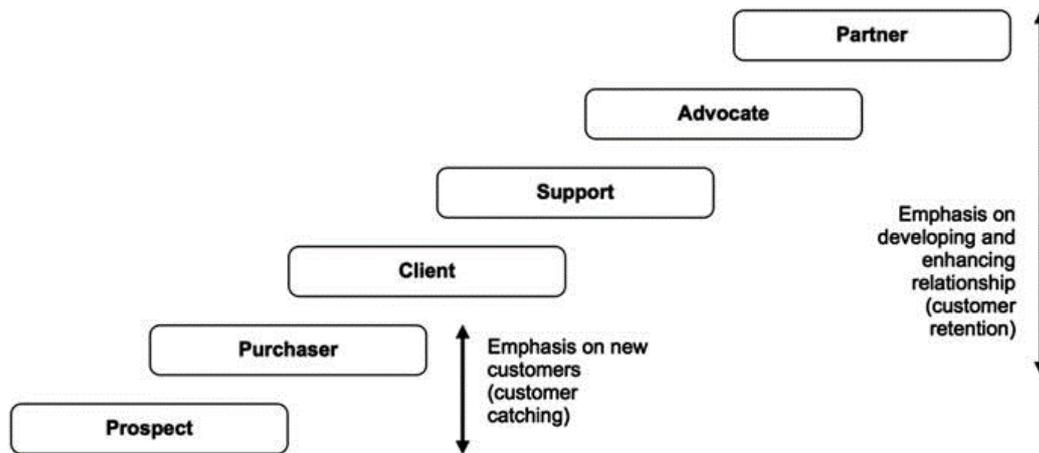


FIGURE 2. The Relationship Marketing Ladder

Today, a presence on the internet is an important element in marketing approaches/strategies, not only as a means to compete with rival companies, but also as a tool to brand itself on the markets. Although it can be an expensive strategy especially for smaller businesses or companies with strict budgets, one must realize that it is hard to compete in today's society without being present on the internet in a way which is relevant to the actual market.

For EFACEC the references from previous projects are an important factor when it comes to winning new tenders, which is central for them in terms of branding/marketing themselves as a reliable, skilled and innovative company, which prioritizes the customers-vendor relationship. For EFACEC the relationship dialogue is an important way to meet client satisfaction and to learn from previous projects. Moreover, EFACEC emphasizes the importance of the company's customer-vendor relationship and the client satisfaction as important for competing with the major companies on the market.

A homepage in Danish, based on the Six-Market Model and The Marketing Ladder in combination with Social Media, Instagram or a blog, would be a good approach for EFACEC, taking into consideration the company's marketing budget.

B. Danish transport policies for the Future

For EFACEC to be able to be competitive on national and international markets the company must be ahead of stronger competitors in order to win tenders. EFACEC as a smaller company has already managed to do business, form consortiums and compete in new countries and markets.

Through the consortium established around *Odense Letbane* and further the newly gained work on the Subway in Copenhagen, EFACEC is entering a new market sphere and wants to expand its activities in Denmark.

EFACEC, as an almost unknown company in this new context, with a different culture, business structure and political setting could benefit from an inside market analysis of the Danish political environmental goals.

In 2014, Denmark, along with the other EU countries, adopted the 2030 climate and energy framework, including a 27% improvement in energy efficiency. Denmark's climate policy (laid out by a majority of political parties) aims for a resource efficient society with a renewable based energy supply and significantly reduced greenhouse gas emissions from all sectors. The Danish government's 2050 target shows the necessity of combining sustainable electricity production and smart public transportation. Under the slogan "Sikkert og grønt fremad" (*forward, secure and green*) **Trafikstyrelsen** (the Danish Transportation Authority) presents a vision according to which vendors must be: "efficient, innovative, secure and green".

The public-private partnership **State of Green**, founded by the Danish Government, the Confederation of Danish Industry, and a number of cleantech businesses, states that "Given the complex process of knowledge sharing and relation building between companies, customers and institutions, strong foundations for networks and partnerships are crucial for the output."

Two main focuses for the actual transportation planning in Denmark may be of special interest to EFACEC.

1. Nationally, in the context of public transport the aim has been to electrify the rails for long stretches between the cities of Fredericia - Aalborg, Roskilde - Kalundborg and southwards from Ringsted, a total of 9 rails will be electrified, as part of the larger public transportation project Femern. Femern is the Danish, German, Swedish, immersed tunnel, the longest underwater tunnel built to unite transportation for both trains and cars and it is set to be finished by 2028. No known tender of the actual transport signaling has been published yet, only consortiums handling the construction of the tunnel have been published so far. And through the webpage, Femern suggest and describe their interest in future consortiums and a great need of subcontractors.

This knowledge supports the need for EFACEC to be more visible, to remain a strong competitor, aligned with larger scale companies. To be able to present themselves in a Danish mature market as a top choice to future tenders. This can be seen in comparison to the high amount of Tenders provided online by Banedanmark.com, illustrating a busy market.

Being a small country, Denmark often needs to collaborate across borders and cultures. Therefore it is also worth noting the newly formed “Nordic Road and Rail BIM Collaboration” which is a collaboration between the countries Sweden, Norway, Finland and Denmark, created to share results and investigate how to support common Nordic BIM goals on a large international arena regarding public road and rail administration.

2. Various political parties address the capital’s and smaller scale communities’ contributions to the climate deal through specific goals. For example the Social Democratic Party has set as a goal to have a “car free” Copenhagen by 2030, contributing to the bike policy and the wish for a green city with more shared transportation. It is also worth mentioning that the Socialist People’s Party joins the mindset of Great Britain, Norway, Germany and France who altogether wish to prohibit sales of diesel and gasoline cars in the near future, whereas current Danish political goals are set to be 2030.

The market has space to grow, as no “shared” electric cars are seen in other larger scale cities than in Copenhagen, and charging stations are still few and far between along the Danish high roads. This is an opportunity for EFACEC, suggested through the general environmental & traffic policy 2030 presented earlier. This can be interesting in a future perspective, as the Danish consumer is being offered more and more information from car companies expanding their production of an increasing number of electric car models. And, as the larger cities in Denmark, Aalborg, Aarhus, Odense and Copenhagen, have no more room for cars, shared options will be the future.

Denmark is overall a country heading towards a green profile, and will have a leading position not only in the 2030 goals, but also in the extended 2050 goals.

C. Meeting the Danes

As stated earlier, EFACEC relies highly on customer relationships and client satisfaction; and due to Denmark’s pronounced adhesion to the framework of The International Environmental Policy programs 2030 and 2050, the possible mutual benefits from partnerships are obvious. In the following, information gathered from meetings with *Odense Letbane*, expert

consultation with the head of the international department of SMED (The Danish Federation of Small and Medium Sized Enterprises) and a SWOT analysis based on meetings with EFACEC, seen from a Danish perspective, will lead to recommendations for EFACEC in terms of an internet presentation in Danish in connection to EFACEC's already existing homepage.

Odense Letbane

From the very beginning, *Odense Letbane* has reached out to all inhabitants and businesses along the upcoming light rail route, as well as to central personalities in Odense. The local written and audiovisual media have cooperated actively in informing about the project, its immediate consequences and its long-term importance for the city and its surroundings.

For the Fall of 2018, Odense Letbane is planning a 'design event' in order to explain and illustrate that the consortium they chose were the ones that presented the best project. In February, the Head of Communications at Odense Letbane stated that communication in English with COMSA is sometimes a challenge. She is not always certain about her messages being understood and whether she can expect a follow-up. Sometimes things tend to repeat themselves, and this takes time.

Obviously, a Danish web presentation describing the main features of EFACEC would be helpful for Odense Letbane's communication department in their task of explaining why they chose the consortium, at least regarding EFACEC's part, and it would represent an act of courtesy to inform the general Danish public in their own language.

The Municipality of Odense

When asked about how the Municipality of Odense calls for vendors for major public projects, the Head of Operation Engineering answered that when politically decided, major projects must be announced in "*EU Tidende*". At the same time, the Municipality engages in a market dialogue, reaching out to relevant companies. At such a preliminary stage, it could be useful for EFACEC to make themselves known by an internet presentation in Danish.

A professional opinion

A similar point of view was obtained from a consultation with the Head of the International Department of SMED (The Danish Federation of Small and Medium Sized Enterprises), who

considers it essential for a modern company to be present and visible on the internet. The Danish public is not aware of the state of the art of EFACEC, and already being visible for positive reasons can mean a world of a difference in future competitions, not to speak of media ‘shit storms’ like the ones that hit Ansaldo at Metro Cph.

SWOT Analysis

In order to identify the main contents of the suggested EFACEC homepage in Danish, a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis was carried out.

	Strengths	Weaknesses
Internal factors	<p>Flexibility. Tailor made solutions. Listen to their clients, follow up. Small scale growth. Experience in metro construction. “Family” company with faithful employees. Open for collaboration. EFACEC is new to Denmark, if anything goes wrong, only COMSA is known and will be blamed by media.</p>	<p>Small company, needs partners. New communication and marketing department, none in Denmark. Language barriers. Not visible in Denmark. The Danes don’t know EFACEC.</p>
	Opportunities	Threats
External factors	<p>Close relationship with client. Tailor made products. Skilled negotiators. Transparent policies. Green and sustainable solutions. The future for public transport. Great references. In Northern Europe, the contract is respected by both parties. New market - new possibilities Denmark in need of modern public transportation (2030/2050 plan) DK needs charging stations for e-cars and buses.</p>	<p>Difficult to compete with big companies. Insufficient finances for the marketing department. Unknown company in Denmark. Difficult to <i>Google</i> EFACEC Odense. (Other) foreign companies have a bad reputation of not keeping their contract and hiring non-union foreign workers. The major shareholder presents a political problem.</p>

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Based on the SWOT analysis, combined with arguments from the Head of Área Commercial in Oporto (Figures 3 and 4) and taking into consideration Danish needs and opinions, the following recommendations are proposed for the content of an EFACEC homepage for the Danish market.

Why Efacec

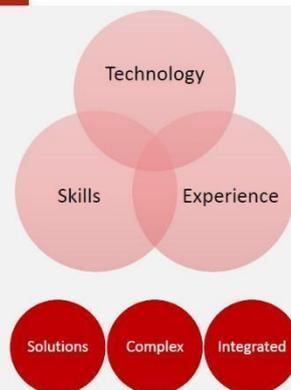
- ✓ Highly skilled project management teams
- ✓ Capacity to share risks and responsibilities
- ✓ More than 30 years of experience in the Rail Market
- ✓ Successful customer partners, worldwide, in different activities
- ✓ Technical expertise as Solutions and Product Manufacturer

OUR GOAL IS TO EXCEED CLIENT'S EXPECTATIONS



Why are we different?

- Experienced Resources on a wide range of technologies
- System Integration Skills
- Providing Advanced Solutions in Challenging Contexts
 - Control Centers Migration and Upgrade
 - Systems Expansion
 - No Disturbance on Operations
- Achieving High Degree of Customer Satisfaction



FIGURES 3 and 4

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Suggestions for a Webpage for the Danish Market

A Danish web presentation of EFACEC is an important tool for EFACEC to become more visible in their new target Market, Denmark and the Nordic countries. At the moment, when you search for EFACEC on the search machines, it is difficult to find the projects in which EFACEC took part. With the help of the Danish homepage, combined with tags on the search machines, it will become easier to localize EFACEC's ongoing projects, and furthermore, contribute to the image of EFACEC in Denmark. The company's transparency policy is very important in order to prevent media "shit-storms", similar to the ones that occurred in connection with previous constructions of light railways in Denmark. In such cases, it is of great importance to offer exact and attractive information, in Danish and responsive to Danish values, instantly available by targeted tagging.

A Danish web presentation of EFACEC should be a mainly static page, like the *produtos*, *sistemas*, *mobilidade* and *missão - visão* part of <http://www.efacec.pt/quem-somos>. It should give general information in Danish, with a Danish scope, and about the presence of EFACEC in Denmark. All further information and breaking news should be available by linking to the pages in English/French/Portuguese on www.EFACEC.pt.

It should be edited and maintained by EFACEC's usual web designer, but with linguistic and cultural assistance from a Danish consultant, and further updates should be based on the official Environmental and Transport reports. The static front page should present EFACEC as an experienced, trustworthy partner for a society aiming at securing a green, sustainable future, and accessible transportation for all. The profile presented should reflect the fact that Denmark's future transportation and environmental plans are based on more electric car sharing and electrification of the railroads.

EFACEC's special qualities of interest for the Danish mindset should be highlighted:

EFACEC is flexible, they listen to clients and, partners and can develop tailor made solutions when needed. If problems occur, their specialists will follow up with short notice, all over the world.

EFACEC is a clean-tech enterprise with diverse experience in metro construction; they play a leading part in developing "green highways" with super-fast recharging of batteries for e-cars.

Apart from the outlined front page, the following items are recommended:

- A focused reference page about projects in Denmark / Scandinavia and Danish/ Scandinavian consortia partners. This page should offer a link to EFACEC's partnership pages on <http://www.efacec.pt/en/institutional-partnerships/> and <http://www.efacec.pt/en/suppliers/>
- A Curriculum (CV) with a focus on the electric mobility, and public transportation as it meets criteria for Denmark's future goals and processes within green environment and transportation policies.
- Success rates in graphs, demonstrating EFACEC stability within public infrastructure, examples being: Metro in Oporto, and the little delays due to EFACEC's signaling systems and generally good functionality due to maintenance from EFACEC
- A presentation of DK staff with photos, contact info, office hours and languages spoken.
- EFACEC's already existing Banner function, should operate on the Danish edition as a Good news update, a banner version with Nordic context.
- Tags: for search machines to "find" the Danish EFACEC-page, EFACEC should provide the web designers with relevant search tags in Danish, Norwegian and Swedish.

Conclusion

To summarize our recommendations, all point in the same direction: we advise EFACEC to supplement their homepage with a section directed toward the Danish public, decision makers, possible business partners and the media. We make a point of using the Danish language and a focus on aspects that interest the Danish/Nordic public, as a summarized and complementary alternative to EFACEC's presentation in English. Our suggestion is based on observation and fieldwork, depicting a market ripe for green, sustainable, secure and environment friendly solutions, on one side and on the other side a company highly qualified to respond to these demands.

In Denmark, and from a larger perspective, in the Nordic countries, EFACEC has a possibility of succeeding because of its experienced Marketing approach, as a trustworthy company with high focus on the client/partners relationship and customer satisfaction through

a close and continuous dialogue. And, since Denmark is currently among EFACEC's top ten markets, the mind mapping of European and Danish Transport and Environmental policies demonstrates great possibilities for future market opportunities, and should be considered as an accessible market for EFACEC to invest in. This supports the recommendation of making EFACEC visible according to Danish Standards by means of a Danish homepage.

As the identification of Danish priorities and values demonstrate, an internet presence, focused on the Danish market, would accommodate existing and possible partners and provide correct information to the Danish media about EFACEC, its products, visions and mission.

The proposed homepage would be an affordable and attractive platform for EFACEC to make itself known to this market, and show that Portugal is not only beaches, wine and history, but also *clean-tech*, today and in the future.