A proposed business plan for a new start-up venture:

The case of “Greece in a Box”

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I hereby declare that the work submitted is mine and that, where I have made use of another’s work, I have attributed the source(s) according to the Regulations set in the Student’s Handbook.

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Abstract

The purpose of selecting the following business project, as my final dissertation in my Executive MBA degree at International Hellenic University, is to provide the guideline of what is essential for the creation of a well-structured, feasible and sustainable business plan of a new start-up company called “Greece in a box”. The company will be active in the field of food & beverage and more specifically in the field of food & beverage exports. The specific industry into consideration has been selected, due to the fact that, despite the deep economic recession, it remains one of the biggest industries in Greece with the most promising export capabilities. The contribution of the following dissertation is to review the academic methodologies required to set a comprehensive business plan and evaluate the research related to business planning and the potentials as regards to the market into consideration and its dynamics.

The ultimate goal, however, is the creation of a business venture, which will promote worldwide the Greek diet, namely the Mediterranean diet and cuisine, the Greek culture and tourism with the aim of contributing to the economic recovery of Greece by boosting the food & beverage exports as well as by increasing tourism in the Greek region.

Keywords: Business Plan, Start-Up Companies, Greek Food and Beverage Exports, Organic Market, Organic Product Consumers
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1. Introduction

Despite Greece’s developed agricultural sector, the country’s food and beverage trade balance between imports and exports have been negative over the last 10 years. With the country having to face the hardest-hitting austerity package anywhere in Europe, followed by a financial support package from the IMF and the European Central Bank, negative consumption growth is expected for the following years. Greek producers have turned to exports in order to overcome the current economic crisis. The reliance on imported products suggests that the Greek food and drink industry has not made the most of its potentials. The country’s competitive advantages, especially in the agricultural field, is able to support a food and beverage sector much larger than today. The increasing growth rates in exports indicate that Greek producers have become aware of the sector’s potentials and are turning to exports in order to increase revenue (business monitor, 2010).

The export capabilities are further busted by the global annual market growth of organic high-nutritional-value products, as consumers turn to a healthier lifestyle caring more about the nutritional value of the food they consume. The Greek cuisine and the traditional local Greek products and delicacies are globally famous for their taste, flavors and nutritional value. They support a balanced diet model, which ensures a better quality of life, well-being and fitness, not to mention their unique taste.

Indicatively over the last three years more than thirty-five thousand foreign entrepreneurs, from 145 countries all over the world, search for Greek products and export opportunities through the official Panhellenic Exporters’ Association website. Most users come from Germany, China, Cyprus U.S.A., Turkey, Britain, India, Bulgaria, France, and Italy. (Pamela Lytra, 2013). All the aforementioned factors have created a large and constantly growing market for the traditional Greek product exports as well as great business opportunities.

2. Literature Review

Literature suggests that a detailed and focused planning can guide new entrepreneurs take decisions more effectively when facing situations dealing with business plans (Cyert and March, 1992). The business plan literature review is a series of business
tools and analysis models designed to assess the strengths and weaknesses of a suggested business plan. The review will describe, summarize, evaluate and clarify this literature by providing the theoretical base of the research.

2.1 Academic Framework

2.1.1 Porter’s Five Forces

According to Wayne Calloway “nothing focuses the mind better than the constant sight of a competitor who wants to wipe you off the map.”

The Porter’s five forces model was developed by Michael E. Porter in his book, Competitive Strategy: Techniques for Analyzing Industries and Competitors in 1980. Until today it is considered one of the most comprehensive tools for analyzing a company’s industry structure in order to take strategic decisions. The collective impact of the competitive forces is so ruthless in some industries that the market is clearly “unattractive” from a profit-making point of view. According to Michael Porter, the competitiveness of an industry can be viewed as a composite of five forces (Chernev, 2014) (figure1):

1. Potential entry of new competitors
2. Potential development of substitute products
3. Rivalry among competing firms
4. Bargaining power of consumers
5. Bargaining power of suppliers

2.1.2 The 5Cs Analysis

The 5C analysis is considered the most powerful way to analyze the market environment. The 5C analysis is a scan on five key areas. It covers the micro-environmental the macro-environmental and the internal condition. When designing products or services, a corporation aims at creating value for target customers in a
way that benefits the company and its collaborators. To achieve this goal, the following key decision factors should be taken into consideration: the company's goals, the resources, the target customers, its collaborators, its competitors and the context in which the company operates and design products and services that deliver market value (figure 2).

The 5C’s analysis answers to the following groups of questions (Silk, 2006):

1. **Customers:** Who are they? What are they like? Is the company’s objective to draw different customers?
2. **Company:** What are the company’s strengths and weaknesses? What benefits can the company provide at its customers?
3. **Context:** What is happening in the industry that might change the future of the business?
4. **Collaborators:** Can the company service its customers' needs while strengthening its B2B partnerships?
5. **Competition:** Who are the competitors of the company? What are their likely actions and reactions?

2.1.3 **Marketing Mix Analysis (4Ps)**

After deciding the 5C’s framework, the company is ready to set a detailed marketing mix. The marketing mix is the set of marketing components that the firm has to use in order to produce the response it wants in the target market. The marketing mix consists of everything the firm can do in order to raise the demand for its product. The various possibilities can be collected...
in four groups of variables known as "the Four Ps": product, price, place, and promotion (figure 3).

**Product:** The product includes not only the physical unit but also its package, after-sale service, warranty, company image, brand name, value and many other factors.

**Place (distribution):** Place or distribution strategies deal with making products available to customers.

**Promotion:** Promotion includes public relations and advertising

**Pricing:** Price is what the buyer must pay to obtain a product. It is often the most flexible of the four marketing mix elements. (Lamb, Hair, McDaniel, 2012).

2.1.4 **Pest Analysis**

All organizations are surrounded by environmental factors which influence their activities. In order to analyze that environment it should be determined the impact of those factors on the firm's performance. PEST analysis is the acronym of Political, Economic, Social and Technological analysis (Figure 4) and categorizes these general environmental factors into four categories (Analoui, Karami, 2003).

**Political:** This factor is used to assess legal factors and government regulations in terms of their ability to affect the business environment and trade markets.

**Economic:** With this factor a business can examine the macro-economics that have an impact on the company.

**Social:** In the context of the social factor, a business can analyze the socio-economic environment of its market through elements like cultural limitations, lifestyle attitude, education, and customer demographics.
Technological: The Technological factor detects how technology can either positively or negatively impact the introduction of a product or service into a marketplace. These factors include technological advancements and the introduction of new technologies (Makos, 2013).

A Pest analysis examines all the environmental factors under these four heading and how they might affect an organization. It is often used in collaboration with other business analysis tools like the Porter’s Five Forces or SWOT analysis to provide a clearer insight of the situation.

2.1.5 Breakeven Analysis

Break-even analysis is used to answer questions such as "what is the minimum level of sales that will ensure the company will not experience loss" or "how much can sales decrease until the company still continues to be profitable". It is the analysis of the level of sales at which a company (or a project) will make zero profit.

Break-Even point (B.E.P.) is determined as “the point where the total income from sales is equal to total expenses (both fixed and variable).”

If all the company's expenses were variable, break-even analysis would not be relevant. But in practice, the total cost is affected by long-term investments that produce fixed costs. Therefore, a company, in its effort to make profit for its shareholders, has to estimate if the level of goods (or services) sold cover both fixed and variable costs. Total variable and fixed costs are compared with sales revenue in order to determine the level of sales value and sales volume at which the business makes neither a profit nor a loss (Tsorakidis, Papadopoulos & Zerres, 2008).

2.2 Theoretical Framework of a Business Plan

According to Barringer and Ireland “the theoretical framework of the business plan consists of a review of the literature that comprises the startup process. A business plan can be defined as a written report, typically 25 to 30 pages long, that aims at describing all the aspects of a business venture. Those aspects answer on what is the subject of the new business and how this business intends to deal with this subject. Setting a business plan usually serves two purposes. It is used for both internal and external reasons. The internal reason is to identify all the necessary aspects of the new
venture. The external reason is to raise money and attract trusted and valuable business partners.”

2.2.1 The Purpose of a Business Plan
A start-up business plan is a documentation that analyzes the basic idea and the related start-up processes underlying a business. For a businessman willing to start a new venture, a business plan serves four basic objectives. First of all, it defines the nature and the context of the business opportunity. Secondly, it presents the approach the entrepreneur plans to take advantage of the opportunity. Thirdly, it identifies the factors that will determine whether the venture will be successful or not. Finally it serves as a tool for raising capital. A business plan can be viewed as an entrepreneur’s game plan; it crystallizes the idea and the dream that triggered the entrepreneur to start the business. The business plan should describe the basic idea for the venture, lay out what is the situation now, indicate where you want to go and outline how you intend to get there. Furthermore, the business plan should explain the determinant factors of success or failure in order to help you be prepared for different situations that may occur.

While a business plan will represent the goals the objectives the vision and the mission of a firm, it will rarely match with what actually happens. Within the context of a start-up there are countless unexpected factors that can affect the final outcome (Longenecker, Donlevy, Calvert, Moore, Pretty & Palich, 2009).

3. Methodology
The current dissertation deals with a number of different chapters that have to be drafted in order to construct a well-documented business plan. In the dissertation, every critical aspect of the business will be thoroughly analyzed. Primary and secondary data analysis as well as recommendations will be presented and evaluated in every chapter.

More specifically, every strategic decision will be outlined based on the following sources:
3.1 Research, Study and Evaluation of Business Plan Related Bibliography, Articles and Online Databases

Research in bibliography, articles & online databases provide guideline and valuable information for the construction of the business plan. All this information and its results have been reviewed in order to reach valuable conclusions on the key aspects of a business plan.

3.2 Primary Data from Existing Enterprises

Useful primary data have been collected by means of sort interviews from entrepreneurs and employees of companies active in the traditional Greek food exports sector and have been taken into account in this dissertation.

The persons interviewed were:

- **Maria Mertzanidou**, works at the marketing department of Almi S.A. Maria is the social media supervisor of the company.
- **Aggeliki Ioannidou**, works as a public relations manager at the marketing department of Almi S.A.
- **Glikeria Farmaki**, works as an export supervisor at the exports department of the same company.

Almi S.A. is a B2B packaged traditional food Export Company located in Alexandria of Imathia, at a distance of approximately 55 km from the port of Thessaloniki. The company’s top clients are located in Germany, Poland, Russia and Belgium. ([http://www.almifoods.gr](http://www.almifoods.gr)).

**Elisabeth Koupourtiadou** is the owner of the company: “Trofi exceptional Greek products”. The company is located in Stockholm, Sweden. The company imports certified packaged traditional Greek products from all over Greece.

Primary data have also been collected via telephone and e-mail contact with enterprises the company of the new venture intends to collaborate with in order to extract realistic data.

3.3 Secondary Data

Various reports and statistical data related to the food sector and food exports in Greece and abroad have been analyzed throughout this dissertation.
4. Venture Description

4.1 History
What is the best thing that Greece has to offer to a traveler? Without a second thought, spectacular places to visit with exceptional architecture, glorious history that goes thousands of years ago but the most important a great variety of delicious gastronomical options to taste. Such reasons rank Greece among the top tourist destinations in the world. Countless people wish they could travel to Greece and taste the Greek cuisine on a more regular basis, but short vacation times and long distances make it nearly impossible to live that sweet life of luxury on a monthly basis. All the aforementioned gave birth to “Greece in a box”, a ticket to the gastronomy, beauty and culture of Greece at the convenience of your couch. “Greece in a box” is the best way to taste the cuisine of Greece without traveling to Greece. “Greece in a box” is an astonishing surprise that will uplift the five senses of even the most demanding.

4.2 Business Opportunity
As previously motioned despite Greece’s reasonably large agricultural sector, the country’s food and drink trade balance between exports and imports has been consistently negative over the last 10 years. The reliance on imported products suggests that the Greek food and drink industry has not made the most of its export potentials. The export capabilities can further be busted by the global annual market growth of organic high-nutritional-value products, as more and more people turn to a healthier lifestyle. The Greek cuisine and the traditional local Greek products and delicacies support a balanced diet model, which ensures a better quality of life, well-being and fitness, not to mention their unique taste. All the aforementioned factors have created a large and constantly growing market for the traditional Greek organic product exports and a business opportunity to take into consideration.

4.3 Company Summary
“Greece in a box” is based on the following entrepreneurial idea. An online platform will be created in which subscribers are invited to register. Every subscriber will have to pay a subscription. At the first stage, the subscribers will be from foreign countries all over Europe. Those registered will receive every 2 months a package with local organic products and delicacies, every time from a different region of Greece. The subscribers will not be informed about the package content but only about the region that this package comes from. In this way, the delivery of the packet will entail the
element of surprise for the recipient. The box will contain local delicacies, cosmetics and various other types of organic products. There will also be postcards depicting attractions and landscapes of the place it comes from, as well as a leaflet about the history of the place in brief. Indicatively a package from Crete might contain local delicacies like Cretan “dakos”, Cretan olive oil, Cretan “raki”, a recipe to create a dish with the products from the box, Cretan cosmetics, postcards from Knossos and other highlighted places and beaches of Crete and a leaflet about the history of the Minoan civilization. At a later stage, in cooperation with travel agencies, the company’s online platform will provide travel discount packages for the subscribers from the place the packages were sent so that they can enjoy the opportunity to visit the places depicted on postcards, taste more local delicacies and recipes and learn more about the history and civilization of the place through sightseeing tours.

4.4 Products and Services
At its first stages the Company’s aim is the delivery of packages to its subscribers every two months and every time from a different region of Greece containing the most representative organic products, of every region. The main policy, however, is to include products that do not face the danger of getting sour, being altered or disintegrated in a short period of time or out of fridge. The reason is to minimize the already high cost of transportation since transportations including fridges will render the total box cost too expensive for the purchasing public.

Some representative products that will be included in the “boxes” are listed below:

- Olive oil
- Wine
- Traditional Drinks
- Honey
- Traditional Pasta
- Cereals
- Appetizers
- Sweets
- Cookies
- Spices and Aromatic Plants
Herbs
Super foods
Nuts
Dried fruits
Cosmetics
Soaps
Postcards
History brochures
Recipes

4.5 Core Competencies and Competitive Advantage
The Major competencies and competitive advantage has already been mentioned above. “Greece in a box” is not just another e-shop of traditional organic products. “Greece in a box” is a surprising gift with a different sender every month. It is a combination of products and services. The company’s competitive advantage is that it is not focused on the purchase of the product itself but in the total service that adds value to the product. Every box is a ticket to another visual, gastronomic and cultural destination of Greece not just a simple package with organic products. The subscriber just registers and enjoys the total experience since every single detail is set for him.

4.6 Company Mission, Vision, Objectives and Goals
“Greece in a box” mission and vision, objectives and goals will summarize the company’s core values and provide direction both operationally and strategically.

Company Vision: To cater a taste of Greece in every corner of the world.

Company Mission: Dedicated to thrill the velum of every lover of Greek cuisine at the convenience of his couch with a box full of surprises.

Company Objectives: “Greece in a box” will remain firmly committed to the development, marketing and distribution of packages with the most representative traditional organic Greek products as well as travel opportunities (at a later stage), which aim at promoting the Greek beauty, gastronomy, history, culture and tourism.
**Company Goal:** The Company’s goal is to achieve the competitive advantage of outcompeting its competitors by developing an alternative more sophisticated, groundbreaking exciting and attractive way of selling traditional organic Greek products and travel packages.

5. **The Founding Team**

The two founders of the company will be the only workforce of the corporation at the early stages. To ensure that both work as efficiently as possible it is important to have clearly defined roles and responsibilities. Clear role description and personal remits will enable both partners to focus on their specified tasks. It will allow them to prioritize their workload, work on tasks they possess competitive advantage according to their skills connections and profession and reduce the chance of work duplication.

Both founders:

- Share the same company vision, mission and values
- Share the same company and individual goals
- Have identified and utilized the strengths of each partner

5.1 **Founding Team’s CVs**

**Konstantinos Gklaferis (Founder)**

Konstantinos holds a diploma in Computer and Telecommunication Engineering issued by the Technological Educational Institute of Serres and an Executive MBA by the International Hellenic University. Konstantinos works as a freelancer for the last four years in the field of computer and network support and web designing for companies and individuals. He also possesses previous experience in IT support at the IT department of Mevgal S.A.

**Maria Aleuropoulou (Co-Founder)**

Maria has studied Food Science & Technology at the Aristotle University of Thessaloniki. She also holds an MSc in Food Science and Nutrition issued by the University of Ioannina. She had been working at the quality control department of MEVGAL S.A. for six years and was promoted to assistant manager of the same department, two years ago.
5.2 Specified Roles in the Company

The specified role of each member of the founding team will be based on the field of expertise they possess a competitive advantage. Despite the fact that every activity of the company cannot be covered by the two members of the founding team, both Konstantinos Gklaveris and Maria Aleuropoulou possess the competencies and capabilities to cover the core activities successfully.

Each member of the founding team will have a different role in the business:

- **Konstantinos Gklaveris** will be the Chief Executive as well as the IT officer of the company. He will be responsible for setting contracts with suppliers and inspecting sales and marketing. Furthermore, given his experience in web-development, he will be in charge of setting the general specifications for the e-shop and supervise the company that will be selected for the development as well as the maintenance of the website. Last but not least, given his connections with trustworthy companies he will also be responsible for selecting the most appropriate partners for the outsourced activities.

- **Maria Aleuropoulou** will be the Food Technology Officer of the Company. Maria will supervise every procedure related to foodstuff. She will be in charge of contacting and selecting suppliers, setting the quality standards of the products and selecting appropriate products that do not face the danger of being disintegrated in a short period of time or out of fridge. Maria will also be in charge of setting and inspecting the standards for the transportation of the “boxes” from the suppliers to the final recipients.

5.3 Team’s Aspiration

The founding team is fully committed to giving the one hundred percent of its potentials for the development of a viable and profitable enterprise based on its core mission, vision and values. The new venture will be a primary job activity for both founders. The team members have agreed to fund the new venture with a specified amount of money for the implementation of the idea into a start-up company. The team shares the same passion and excitement for innovative entrepreneurship and the
same dream to launch a new company from scratch. The team’s ultimate goal, however, is the creation of a profitable, well-structured, feasible and sustainable corporation as well as a success story example for other start-up initiatives with the aim of promoting the Greek diet, cuisine, culture, history and tourism abroad.

6. Operational Plan

6.1 Location and Facilities
Based on the venture’s philosophy of creating a business that will promote the Greek diet, culture and tourism worldwide with the aim of contributing to the economic recovery of Greece, the location of the company can’t be other than Greece. Since no special facility requirements are needed, the company’s facilities will consist of a rather small office with the necessary equipment that will serve the purpose of the physical legal headquarters of the Company. Consequently, selecting a specified location in the Greek region is not of major importance. The only reason of opting Thessaloniki as the location of the headquarters of the company is because the residence of both founders as well as the company headquarters of most of the company’s potential associates are located in Thessaloniki.

The rent of a small warehouse will also be required for the collection of the products from the suppliers and the assembly of the packages with the deliverable products. For every new “box” delivery a warehouse will be rented for a limited time and in a different region at a convenient location.

6.2 Personnel
The corporation as a start-up will operate with the two founders being the only permanent personnel at its early stages. As previously mentioned, everyone’s role in the organization will be clearly defined. The two full-time-employment founders are expected to cover the personnel requirements of the company and reduce the start-up costs of hiring employees significantly.

6.3 Equipment
The tangible equipment of the company will be limited to only the necessary equipment the headquarters of the company require including:

- Office furniture and equipment for two employees
• Two personal computers
• Network equipment
• A network fax-printer

Two laptop computers will also be required with mobile broadband internet.

The company will also require intangible equipment such as software including Microsoft operational system licenses, Microsoft office suite licenses, an e-mail server license and an ERP database. The most important as well as expensive equipment though, the company has to acquire is a functional website.

6.3.1 Website – E-shop

The website is the core asset of the enterprise. The e-shop of the company will include the following features:

• Strong website security
• Compatibility with all devices and screen sizes
• Customer registration features
• Easy buying and navigation process
• Online payment method and fast checkout
• Product feedback and reviews

The front page of the web site will be designed with strong visuals. Large and functional product images are among the most effective ways to communicate with customers since the product image will give the customer the opportunity to get acquainted with the product. A promo video will also be created to launch “Greece in a box” in the market and intrigue the customers to purchase its product.

The website will also provide a platform for the company to launch its complete range of analytics. Through this platform the organizations will be able to easily calculate and evaluate sales effectiveness, customer base, marketing campaigns effectiveness, product mix, customer engagement and more.

6.4 Business Associates-Collaborators

Given the size and personnel number of the corporation at its early stages, a lot of activities will have to be outsourced in order to achieve a competitive advantage in
every aspect of the company. In the following section, all factors beyond the selection of each business associate will be analyzed.

In his previous entrepreneurial activities, Konstantinos Gklaveris has already established a strong team of high-quality associates most of whom will also be used in the current business venture.

6.4.1 Consulting
“Gecon Consulting”, Konstantinos Gklaveris’ past business associate, has been selected as the consulting advisor of the company. Gecon Consulting will provide consulting services for the planning and implementation of the business plan into a viable company and will help the company establish a targeted marketing plan. The most important role of Gecon Consulting, however, will be to assist the company take advantage of the running state and European funding subsidies as well as other fundraising campaigns.

6.4.2 Web Development and Web Marketing
“Fogiocom”, Konstantinos Gklaveris’ past business associate, has been selected as the web development company which will be responsible for the development of the e-shop as well as the graphic, layout design and maintenance of the site. Fogiocom and its associates with the supervision of Gecon consulting will also undertake the branding, internet marketing and advertisement of the web-site to the specified target markets.

6.4.3 Accounting
John Batos’ accounting Office, Konstantinos Gklaveris’ past business associate, has been selected as the accounting officer of the company. John Batos and his assistants with more than twenty years of experience in operational accounting, financial reporting and financial consulting for small and medium-sized corporations in Greece will be responsible for the accounting management of the company.

6.4.4 Transportation
“Skynet Worldwide Express” will be the transportation associate of the company, responsible for the transportation and the delivery of the “boxes” from a specified location to the final recipient. Having contacted with four of the biggest courier service companies in the world such as DHL, UPS, Fed EX and ACS, Skynet holds the advantage of more competitive prices. Furthermore, Skynet covers all the
company’s specified transportation requirements such as European reach, competitive delivery time, online tracking and proof of delivery. Skynet provides reliable, secure and express delivery services to over 209 countries and territories Worldwide. What’s more, its fast, efficient and reliable global express services are underpinned by a powerful and user-friendly web-based system. This system features on-line tracking, proof of delivery, electronic invoicing and smart dispatch systems.

6.4.5 Legal Protection
Aikaterini Karamfillidou and her associates, Konstantinos Gklaveris’ aunt, with her thirty-five-year experience in corporate law will be the legal counsel of the company. Karamfillidou Aikaterini will be responsible for the legal protection of the company throughout the course of its operation, as well as the legal issues concerning the establishment and the legal entity of the company at its early stages.

6.4.6 Packaging
“Patousa” graphic design office, Konstantinos Gklaveris’ past business associate, has been assigned the graphic design and selection of the deliverable “box”. Patousa graphic design office has more than six years of experience in graphic designing for packaging solutions.

6.4.7 Suppliers
The selection of the suppliers will be a really challenging task for the company. Taking into consideration that “Greece in a box” will deliver packages from a different region of Greece every time, the company will have to switch suppliers in every new package it delivers. Maria Aleuropoulou has established the following criteria a supplier should meet so that the company can achieve cooperation with high quality suppliers.

- **Quality Standards:** The producer is expected to cover high quality standards and meet the extensive framework of rules and requirements on the production, processing and handling in order to be certified with the EU organic food logo.

- **Production requirements:** The producer is expected to meet current and potential demand requirements, as well as product delivery at the desired time schedule. This will ensure that the company will deliver its products to its customers on the specified time and will not run out of stock in the case of excessive demand.
• **IT infrastructure:** Each producer should have relevant IT infrastructure for the set up of an exchanging data interface via the internet.

• **Packaging:** Producers are expected to be equipped with all the necessary quality systems and meet the regulatory requirements and specified standards for the proper packaging of the products, so that they can be sent directly to the customer.

• **Credit Policy:** Producers should provide scheduled credit policies

### 6.5 Operational Summary

Starting on May 2016, “Greece in a box” will launch a crowd-funding campaign on Kickstarter with a two-month funding deadline. At the same time, the company will proceed to necessary procedures in order to take advantage of the running state and European funding subsidies. If the crowd-funding campaign fails, the project will be terminated, signaling that there is no demand for the product by the potential customers.

After the successful completion of the crowd-funding campaign, the website developments as well as the web marketing strategy development are scheduled to begin on July 2016 and be completed by the end of September 2016. From July to September all the procedures related to the selection of the suppliers, the contract agreement, the delivery of the products from the suppliers to the company’s warehouse as well as the manufacture of the “boxes” for the first “Greece in a box” are also expected to be accomplished.

On October 2016, having already developed a fully functional website, gathered the products at the company’s warehouse and received the manufactured “boxes” the packaging of the first “Greece in a box” with the suppliers’ products is expected to begin and be completed in the same month. Furthermore, the web marketing campaign is expected to be launched. The marketing campaigns will be intensive, until the final deadline of the customer registration of the first “Greece in a box. Marketing campaigns will continue throughout the whole operation of the company.

The delivery of the first “Greece in a box” to the customers is expected on November 2016.
### 6.5.1 Milestones and Deliverables

The following milestones and deliverables have been identified in the project from the beginning until the delivery of the first “Greece in a box”.

<table>
<thead>
<tr>
<th>Project Milestones and Deliverables</th>
<th>Starting Date</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crowd-funding Campaign Launch</td>
<td>1/5/2016</td>
<td>31/6/2016</td>
</tr>
<tr>
<td>State/European Funding Seeking</td>
<td>1/5/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>Website Development</td>
<td>1/7/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>Web Marketing Strategy Development</td>
<td>1/7/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>Supplier Selection</td>
<td>1/7/2016</td>
<td>31/8/2016</td>
</tr>
<tr>
<td>Supplier Contract Agreements</td>
<td>1/9/2016</td>
<td>20/9/2016</td>
</tr>
<tr>
<td>Suppliers’ Products Arrival to the Company’s Warehouse</td>
<td>21/9/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>“Box” Design</td>
<td>1/7/2016</td>
<td>15/8/2016</td>
</tr>
<tr>
<td>“Box” Production</td>
<td>16/8/2016</td>
<td>24/9/2016</td>
</tr>
<tr>
<td>“Box” Arrival to the Company’s Warehouse</td>
<td>25/9/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>Packaging of suppliers’ products into the “Boxes”</td>
<td>1/10/2016</td>
<td>25/10/2016</td>
</tr>
<tr>
<td>Web Marketing Campaign Launch</td>
<td>1/10/2016</td>
<td>30/9/2016</td>
</tr>
<tr>
<td>Postage of the “Boxes” to Customers</td>
<td>26/10/2016</td>
<td>10/11/2016</td>
</tr>
</tbody>
</table>

### 7. Environment, Industry and Competitors Analysis

#### 7.1 Industry Analysis

According to the report of the European Parliament “the global market for organic products continues to grow. Over the last thirty years, international sales of organic foods have grown from almost zero, to over 66 billion Euros (72 billion US dollars) (figure 5) in 2013.”
Demand is mainly concentrated in two world regions: North America and Europe. The European Union is the second largest market for organic products in the world after the United States with retail sales in 2013 valued at 22.8 billion Euros (figure 6).

Organic food consumers despite the higher price of organic products prompted mainly by environmental concerns and spent over 22 billion € in 2013, helping the European organic market reach a 6% growth.
The EU continues to be a pioneer in organic agriculture thanks to strict legal protection increasing consumer demand, and support for organic production. Around one eighth of the world's organic producers that is 260,000 are locate in the EU, and in 2013 they cultivated over 11.5 million hectares which constitutes the 5.7% of the EU's agricultural area (figure 7) (figure 8).

Within the EU organic market Germany has the largest share (7.6 billion €) followed by France (4.4 billion €), the United Kingdom (2.1 billion €), and Italy (2 billion €) (figure 9)."
7.2 Competition

The European Commission conducted a public consultation for the review of the European policy on organic agriculture: Legislation and Action Plan from January 15, until April 10, 2013. One of the questions, the respondents were asked, was to indicate places where they buy their organic products. The highest number of respondents stated that they buy their organic product mainly in specialized shops (67%) and/or supermarkets (65%). A significant amount of respondents, namely 54% and 43%, satisfy their demand for organic products throughout direct purchase from organic farmers and/or in local markets. Approximately 21% of interviewees stated that they buy organic baskets from an association that markets local products. In addition, the respondents claimed also that they purchase their organic products for a farm cooperative (12%), on the Internet (7%) or other places (4%).

7.3 Porter’s Five Forces Model

Porter’s Five Forces Model is a tool to analyze the level of competition of the industry that “Greece in a box” operates. It analyzes five competitive forces that determine the competitive intensity and therefore the attractiveness of the online organic traditional product retail Industry.
**Bargaining Power Of Suppliers (Low)**
1. Competition among suppliers
2. Variety of supplier alternatives
3. Variety of Small and Medium not well established suppliers with high quality products

**Treat Of New Entrants (High)**
1. Low cost of developing an e-shop platform
2. Low start-up cost for establishing an e-shop retail company
3. Attractive market size of organic-traditional products
4. Attractive industry growth of organic-traditional products
5. Ease of customers switching for one product to another

**Rivalry Among Competing Firms (Medium)**
1. Competitors with similar products and prices
2. Large and increasing number of competitors
3. Small number of well established competitors

**Threats of Substitute Products (High)**
1. Variety of similar organic traditional products from competitors
2. Variety of substitute organic/traditional products
3. Price variation of organic/traditional substitute products
4. High product differentiation in organic/traditional products

**Bargaining Power of Buyers (Low)**
1. High number of potential buyers
2. Increasing number of online shoppers
### 7.4 Pest Analysis-Context

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>TREND</th>
<th>THREAT/OPTORTUNITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLITICAL</td>
<td>Trading with other EU countries offers a number of key trade benefits to corporations. [17]</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>Instability of the tax requirements and the legal framework in Greece.</td>
<td>Threat</td>
</tr>
<tr>
<td></td>
<td>Taxation in Greece is at an all time high.</td>
<td>Threat</td>
</tr>
<tr>
<td></td>
<td>Greek bureaucracy creates barrier against entrepreneurship</td>
<td>Threat</td>
</tr>
<tr>
<td>ECONOMICAL</td>
<td>Companies can benefit from EU funding or other programmers managed nationally through grants, loans and guarantees.[15]</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>Operating costs such as office rents leases and salaries are at an all time low.</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>Euro sinks to a twelve year lowest in value against dollar [16]</td>
<td>Threat</td>
</tr>
<tr>
<td></td>
<td>Greek recession is highly toxic for investors</td>
<td>Threat</td>
</tr>
<tr>
<td>SOCIAL</td>
<td>Environmental concerns increased the number of consumers anxious about food quality.[13]</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>Advertisement and publicity of more healthy and fit role models and lifestyle increased the popularity of organic food.</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>Increase of time spent online by internet users compared to previous years.[18]</td>
<td>Opportunity</td>
</tr>
<tr>
<td></td>
<td>The increase of organic farming is reducing the organic products’ price.[13]</td>
<td>Opportunity</td>
</tr>
</tbody>
</table>
Increase of people exposed to e-commerce. (The increase of availability of internet connectivity and the decrease of personal computer prices has increased the active internet users and consequently the number of people exposed to e-commerce and online shopping).

Technological growth. (The technological advancement of transportation, communication, logistics, supply chain management and automation is helping the company to increase efficiency and reduce costs).

The introduction of crowd-funding websites is providing funding opportunities for start-up companies [19]

8. Marketing Mix

In this section the analysis begins by presenting the designed marketing mix strategies using the 4P’s framework.

8.1 Product

“Greece in a box” is developing only a single product at its early stages. The company’s competitive advantage that distinguishes its product from similar offerings is that it is not focused on the purchase of the product itself but in the total service that adds value to the product. “Greece in a box” is not just another e-shop of traditional products and for this reason a differentiation strategy will be followed. Every “box” is not just a simple package of traditional organic products but a ticket to another visual, gastronomic and cultural destination of Greece. The subscriber just registers and enjoys the total experience since every single detail is set for him.

Special attention should be given to the packaging of the product since unpacking the product will be part of the whole uplifting experience. The company is investing in both the aesthetic and functional aspects of its packaging as a way to convey the premium luxury experience. The packaging will be part of the brand’s image. Highly aesthetic packaging is especially significant for growing start-ups because it can have
a direct impact on sales and the company's overall appeal. In fact, when it comes to what’s important for the overall satisfaction with a product, consumers rank packaging almost equal to the brand, according to studies.

8.2 Place and distribution
The product will be purchasable exclusively from the company’s e-shop. Products will be sent from the company’s warehouse, where the packaging of the “boxes” is conducted directly to its clients. Via the e-shop, customers will enjoy their online shopping experience at the convenience of their home at any time of day or night.

8.3 Price
The cost of certified organic foods is generally higher than the price of their conventional counterparts. Experts claim that one of the most important reasons is that the demand for organic food is still growing, but supply remains limited. Furthermore, the organic industry has a positive image in the minds of consumers since organic foods are believed to be safer and healthier than regular foods, and as such a marginal price premium is expected to be paid. Despite the fact that consumers are shifting expenditure and spending less disposable income on food, price premiums on organic products continue to rise (2009, Canadian food trends to 2020). Skuras and Vakrou (2000) mention a number of WTP measurement studies in which the proportion of respondents willing to pay a premium for quality food products ranged from 60% to 70%. All the aforementioned reasons justify the choice of the company to sell its product as a premium price product with high quality and image and to market it as a higher value/price product on the customers’ perception. The final price as well as the profit margin will be analysed in the financial analysis section.

8.4 Promotion
8.4.1 Socio-Demographic Profile of Organic Product Consumers
Regarding their socio-demographic profile of buyers, a study of Krystallis, Fotopoulos and Zotos in 2006 at the organic consumers' profile argued that “organic consumers who buy in larger amounts and more frequently are mainly women. The age factor does not seem to play significant role, with the younger seeming slightly more willing to buy (more and in higher prices) due to their greater environmental consciousness. Their willingness, however, does not always translate into demand due
to their lower purchasing power. On the other hand, the presence of children in the family seems to play an important role in some countries. More attention should be paid to children’s age as an organic purchasing factor. Disposable income seems to affect mainly the quantity of organics bought and not the general willingness to buy. However, despite high organic price premiums, higher or lower household incomes do not necessarily indicate higher or lower likelihood of organic purchases. Overall, although there is conflicting evidence, consumers across the EU who are more likely to buy organic food are females with children, in younger age groups, of higher education and income levels.”

8.4.2 Geographic Profile the Top European Tourism Markets for Greece

Regarding the region of visitors coming to Greece, Germany, U.K. and France are considered the top European tourism markets according to the statistical data of the Association of Greek Tourism Enterprises (SETE). The geographic profile of the top European tourism markets for Greece has been taken under consideration in order to
identify the region of potential buyers of “Greece in a box” based on their familiarity with Greece, their desire to visit Greece and as a result the likability to purchase Greek products.

8.4.3 Target Customer Segmentation for the Promotional Strategy

The Target customer segmentation for the promotional strategy will be based on the previously mentioned industry analysis as well as on the socio-demographic profile of organic product consumers and the geographic profile the top European tourism markets for Greece. Taking under consideration all the aforementioned factors, the top customers for “Greece in a box” are expected to be females with children, in younger age groups, of higher education and income levels located in Germany, U.K. and France which are considered not only the top European tourism markets for Greece but also the top organic-product buyers.

8.4.4 Promotional Strategy

The promotional Strategy of “Greece in a box” will be based exclusively in on-line advertisement methods using the following means:

Facebook and other social media Ads: Social media ads are considered a very effective advertisement tool due to their potential to target people within social media based on region, age, gender and stated interests.

Pay Per click (PPC) Ads: Search engines and many websites carry small adverts with embedded URL’s. When someone clicks on these adverts in order to be redirected to the specific URL the company that posts them is charged. Unlike traditional advertising pay per click is user activated. “Greece in a box” will only be charged for the actual click of users through the company’s website.

Blogging: The introduction of blogs enabled publishers to get their content online quickly and easily and also created a massive wealth of information for people to read and be informed. Having a variety of blogs to promote the company’s main URL or content is an effective way for “Greece in a box” website to build traffic and create a positive image.

Online Press Releases: Online press releases are the new way of releasing news all over the internet. News and articles can be picked up and placed on sites such as Yahoo News and other major news sites around the world. Not only can these online
press releases be picked up by online publications but some of them are also included in printed publications.

9. Financial Analysis

9.1 Equity Share
The start-up will be fully funded by the successful Kickstarter crowd funding campaign, which is expected to contribute 10,000€ with the aim to cover the start-up expenses, as well as by the financial contribution of the two members of the founding team targeting to cover part of the operational expenses. Mr Gklaveris and Mrs Alevropoulou will contribute 5500€ and 4500€ respectively. The capital will be divided into 1000 shares of 10€ each. The initial equity ownership of each member is presented on the following table. In case one of the members expresses the willingness to liquidate his/her shares, the rest shareholders will be given the priority to buy these shares, or vote for the potential buyer.

<table>
<thead>
<tr>
<th>Owner</th>
<th>Percentage</th>
<th>Shares</th>
<th>Initial contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Konstantinos Gklaveris</td>
<td>55%</td>
<td>550</td>
<td>5500 €</td>
</tr>
<tr>
<td>Maria Alevropoulou</td>
<td>45%</td>
<td>450</td>
<td>4500 €</td>
</tr>
</tbody>
</table>

9.2 Cost Management
The start-up expenses as well as the annual and monthly operational costs are presented as follows.
### Start-up Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Entity Incorporation</td>
<td>1000 €</td>
</tr>
<tr>
<td>E-shop Development</td>
<td>5000 €</td>
</tr>
<tr>
<td>Office Furniture</td>
<td>1000 €</td>
</tr>
<tr>
<td>Office hardware IT equipment</td>
<td>1500 €</td>
</tr>
<tr>
<td>Office Software IT equipment</td>
<td>1000 €</td>
</tr>
<tr>
<td>Crowd funding Campaign Launch Expenses</td>
<td>500 €</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,000 €</td>
</tr>
</tbody>
</table>

### Annual Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consulting Services</td>
<td>1000 €</td>
</tr>
<tr>
<td>Legal Services</td>
<td>1000 €</td>
</tr>
<tr>
<td>Accounting Services</td>
<td>1500 €</td>
</tr>
<tr>
<td>Package Design Services</td>
<td>200 €</td>
</tr>
<tr>
<td>Web Site Domain Name Subscription</td>
<td>50 €</td>
</tr>
<tr>
<td>Website Maintenance Services</td>
<td>500 €</td>
</tr>
<tr>
<td>Web Hosting</td>
<td>200 €</td>
</tr>
<tr>
<td>Office Software IT equipment Licenses</td>
<td>200 €</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,650 €</td>
</tr>
</tbody>
</table>

### Monthly Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office and Warehouse Expenses (Rent, Electricity, Water, Communication, other supplies)</td>
<td>600 €</td>
</tr>
<tr>
<td>Gross Salaries (exact withdrawal)</td>
<td>2000 €</td>
</tr>
<tr>
<td>Travel Expenses</td>
<td>1000 €</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,600 €</td>
</tr>
</tbody>
</table>
### Cost per Box

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Products included in the “Box”</td>
<td>17 €</td>
</tr>
<tr>
<td>Packaging Cost</td>
<td>1.5 €</td>
</tr>
<tr>
<td>Average Postage Expense per Box (courier Charges)</td>
<td>20 €</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38.5€</strong></td>
</tr>
<tr>
<td>With 30% Net Profit per “Box” before taxes</td>
<td>50.00€</td>
</tr>
<tr>
<td>Net Profit per Box before taxes</td>
<td>11.50€</td>
</tr>
</tbody>
</table>

#### 9.3 Break Even Analysis

The exact number of sales has been estimated so that the company reaches the breakeven point for the first year of operation including start-up expenses.

### Break Even Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Costs</td>
<td>4.650 €</td>
</tr>
<tr>
<td>Monthly Costs for One Year</td>
<td>43.200 €</td>
</tr>
<tr>
<td>Start Up Expenses</td>
<td>10.000 €</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>57.850 €</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit per Box Before Taxes</td>
<td>11.5</td>
</tr>
</tbody>
</table>

### Break Even Point

- Total Number of purchased Boxes annually: **5.030**
- Total Number of purchased Boxes per 2 Months: **838**
- Total Cash Received: **57.850 €**
9.4 Financial Projections

The projections of the financial results of the company’s activities are prepared for a period of three years. The projections of the next three years are based upon the assumptions that the company reaches the breakeven point of sales for the first year and the growth rate of 5% for the second and third year respectively.

### Cash Flow Projection (1st Fiscal Year)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription for the Purchase of the Box</td>
<td>41.900</td>
<td>41.900</td>
<td>41.900</td>
<td>41.900</td>
<td>41.900</td>
<td>41.900</td>
<td>41.900</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Paid</td>
<td>Business Entity Incorporation</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>E-shop Development</td>
<td>5.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office Furniture</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office Hardware IT equipment</td>
<td>1.500</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Office Software IT equipment</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Crowd funding Campaign Launch Expenses</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office and Warehouse Expenses</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
<td>600</td>
</tr>
<tr>
<td></td>
<td>Gross Salaries (exact withdrawa)</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
<td>2.000</td>
</tr>
<tr>
<td></td>
<td>Travel Expenses</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
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<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
</tr>
</tbody>
</table>

37
<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consulting Services</td>
<td>1.000</td>
</tr>
<tr>
<td>Legal Services</td>
<td>1.000</td>
</tr>
<tr>
<td>Accounting Services</td>
<td>1.500</td>
</tr>
<tr>
<td>Package Design Services</td>
<td>200</td>
</tr>
<tr>
<td>Web Site Domain Name Subscription</td>
<td>50</td>
</tr>
<tr>
<td>Website Maintenance Services</td>
<td>500</td>
</tr>
<tr>
<td>Web Hosting</td>
<td>200</td>
</tr>
<tr>
<td>Office Software IT equipment Licenses Subscription</td>
<td>200</td>
</tr>
<tr>
<td>Expenses of Products included in the “Box”</td>
<td>14.246</td>
</tr>
<tr>
<td>Packaging Expenses</td>
<td>1.257</td>
</tr>
<tr>
<td>Postage Expenses</td>
<td>16.760</td>
</tr>
<tr>
<td>Cash on Hand(End of Month)</td>
<td></td>
</tr>
</tbody>
</table>

|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
### Cash Flow Projection (2nd-3rd Fiscal Years)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on Hand (beginning of Quarter)</td>
<td>19972</td>
<td>29.410</td>
<td>28.689</td>
<td>38.127</td>
<td>32.756</td>
<td>42.194</td>
<td>41.473</td>
<td>50.911</td>
<td>45.540</td>
</tr>
</tbody>
</table>

#### Cash Received

| Subscription for the Purchase of the Box | 87990 | 43955 | 87990 | 43955 | 87990 | 43955 | 87990 |

#### Cash Paid

| Office and Warehouse Expenses | 1800 | 1800 | 1800 | 1800 | 1800 | 1800 | 1800 |
| Gross Salaries (exact withdrawal) | 6000 | 6000 | 6000 | 6000 | 6000 | 6000 | 6000 |
| Travel Expenses | 3000 | 3000 | 3000 | 3000 | 3000 | 3000 | 3000 |
| Consulting Services | 1000 | 1000 |
| Legal Services | 1000 | 1000 |
| Accounting Services | 1500 | 1500 |
| Package Design Services | 200 | 200 |
| Web Site Domain Name Subscription | 50 | 50 |
| Website Maintenance Services | 500 | 500 |
| Web Hosting | 200 | 200 |
| Office Software IT equipment Licenses Subscription | 200 | 200 |
| Expenses of Products included in the “Box” | 29916 | 14958 | 29916 | 14958 | 29916 | 14958 | 29916 |
| Packaging Expenses | 2640 | 1320 | 2640 | 1320 | 2640 | 1320 | 2640 |
| Postage Expenses | 35196 | 17598 | 35196 | 17598 | 35196 | 17598 | 35196 |
| Cash on Hand (End of Quarter) | 29.410 | 28.689 | 38.127 | 32.756 | 42.194 | 41.473 | 50.911 | 45.540 | 54.978 |
10. Risk Management

Risk identification is critical for the successful project management and completion. The following risk management plan is set in order to identify, analyze and respond to risk factors throughout the life of the business venture. In the following table:

- Major Potential risks are described
- A level of probability is assigned to each of them
- The impact of every risk is assessed
- Strategies are proposed to manage the risk (avoidance tactics, mitigation, contingency plans)
- The people in charge of dealing with this risk are identified

<table>
<thead>
<tr>
<th>ID</th>
<th>Risk Description</th>
<th>Consequences</th>
<th>Probability</th>
<th>Impact</th>
<th>Preventive Actions</th>
<th>Risk Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Delay at choosing appropriate suppliers</td>
<td>Small project duration overrun</td>
<td>Medium</td>
<td>Medium</td>
<td>Mitigate: In tasks with medium or high delay probability the worst case task duration scenario will be used.</td>
<td>Food Technology Officer</td>
</tr>
<tr>
<td>2</td>
<td>Delay at the delivery of the products from the suppliers</td>
<td>Small project duration overrun</td>
<td>Low</td>
<td>Medium</td>
<td>Mitigate: Incorporate a strict delivery timetable in the agreement contract with the suppliers. Avoid: Select trustworthy suppliers.</td>
<td>Food Technology Officer/ Chief Executive Officer</td>
</tr>
<tr>
<td>3</td>
<td>Supplier products Quality failure</td>
<td>Severe Project duration overrun</td>
<td>Low</td>
<td>High</td>
<td>Mitigate: Incorporate a strict product quality agreement in the contract agreement with the suppliers. Avoid: Select trustworthy suppliers.</td>
<td>Food Technology Officer</td>
</tr>
<tr>
<td></td>
<td>Delay at the completion of e-shop on time by the web-development company</td>
<td>Severe Project duration overrun</td>
<td>Low</td>
<td>High</td>
<td>Mitigate: Incorporate a strict delivery timetable in the contract agreement with the web-development company.</td>
<td>IT Officer</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------------------------------</td>
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<td>------------</td>
</tr>
</tbody>
</table>
| 5 | Delay at the design and production of the “boxes” | Small Project duration overrun | Medium | Medium | Mitigate: In tasks with medium or high delay probability the worst case task duration scenario will be used.  
Mitigate: Select partners there has been successful collaboration with in the past. | Chief Executive Officer |
| 6 | Courier company delivery delay | Customer Dissatisfaction | Medium | Medium | Mitigate: In tasks with medium or high delay probability the worst case task duration scenario will be used.  
Avoid: Select trustworthy partners. | Chief Executive Officer |
| 7 | Partner Resignation | Project Termination | Low | High | Avoid: Select trustworthy partners.  
Avoid: Incorporate a strict contract agreement to prevent resignation. | Chief Executive Officer |

11. Growth Stages

The launch of a successful product that fulfills the customers’ expectations as well as the company’s expected revenue will prompt the company to proceed to further growth. The company’s main goal will be to enhance the customer’s experience by further expanding the already marketed product and also to proceed to the launch of a new product. There will be two growth stages prior to a potential buyout of the company.
**Stage 2:** At this stage, the company, based on its vision “to cater the taste of Greece in every corner of the world”, will further expand its already launched product by enhancing its distribution channels outside Europe. Having already achieved a customer base that will enable the company to cater more than one thousand “boxes” on every new “box” launch, the corporation will possess the bargaining power in order to achieve more competitive prices that will reduce dramatically the deterrent transportation costs for the delivery of “boxes” outside Europe. Driven by consumer choice, the company will expand to the U.S. organic-food market which grows almost by 10 percent annually and represents the 45% of the global organic market (Organic Trade Association, 2013).

**Stage 3:** At this stage, the company in cooperation with large travel agencies will launch a new product called “Greece in package”. The company’s online platform will provide travel discount packages for its subscribers from the places the “boxes” were sent so that they can enjoy the opportunity to visit the places depicted on the postcards, taste more local delicacies and recipes and expand their knowledge of the history and civilization of the place through sightseeing tours at convenient prices.

12. **Exit plan**

Having reached stage 3, a potential buyout will be discussed. The founding team’s aim is to grow the company in the first ten years of operation and exhibit the appropriate performance indicators for an acquisition by a leading organic product retail company. The first step for the acquisition is to determine the worth of the business in order to make sure that the business won’t be priced too high or too low. For this reason, the enterprise will contact a business appraiser to get a valuation. The appraiser will draw up a detailed report of the business’ worth. The document will bring credibility to the demanded price and can serve as a gauge for the selling price. The profit of a potential buyout will depend on the timing of the sale. Before a potential buyout, the company will choose a period that will look appealing to the potential buyers. In this way, not only the selling profit but also the number of the potential buyers and the bargaining power of the owners will be enhanced. The company will look appealing by providing evidence of increased profits, a consistent income figure and a big customer base. Consequently, the preparation of the sale will
be made as early as possible and that preparation will help the company to improve its financial records, business structure and customer base.

13. Research Finding and Conclusion

This research has revealed the viability but also the complexity associated with the proposed business venture. The study attempted to answer the most important questions of how to start an organic and traditional product export company in Greece.

The business plan literature review provided a series of proven business analysis models and tools designed to assess the strength and weaknesses of the proposed business plan and business model.

Primary and secondary data as well as recommendations have been presented evaluated and analyzed in every chapter in order to extract valuable conclusions.

The aforementioned research resulted in setting an effective business plan for a new business venture and demonstrated how a potential business opportunity can give birth to a successful company.

Analyzing the market size and market trends in the organic product exports industry resulted in discovering great business opportunities and notable market potentials for doing business in the specified industry.

According to the research highlighted upwards despite the higher price of organic products EU consumers spent more than €22 billion in 2013, helping the EU organic market grow by nearly 6%. The European Commission introduced a specific EU organic logo in 2010 and set up an extensive framework of requirements and rules on the production, handling, processing and certification of organic foods. The EU is a pioneer in organic agriculture thanks to support for organic production strict legal protection and strong consumer demand. Within the EU organic market Germany has the largest share (€7.6 billion) followed by France (€4.4 billion), the United Kingdom (€2.1 billion), and Italy (€2 billion).

The European Union has showed that in an international level, its organic sector is well-established. The continual growth of the market, the area cultivated and the
number of operators shows the exceptional dynamics that this market has in a global context.

While organic foods are believed to be healthier and safer and than regular foods in the customers’ mind its health and nutritional benefits are still widely debated by scientists. The use of (organic) pesticides and the possible presence of residues in organically grown crops have attracted a lot of attention recently. Meanwhile, the increasing competition and the recent market entry of retail discounters such as Aldi, make analysts fear that a price war will seriously affect farmers and food manufacturers in the future.
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