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Building a start-up in Greece:
The case of an e-shop for traditional Greek products
A complete business plan

Business Project by the students of the EMBA 2012 Program:

Konstantinos Andreou Leontios 1101120010

Dimitrios Touliopoulos 1101120007

Supervisor: Prof. Dimitrios Vlachos

Thessaloniki

January 2014

Acknowledgements

This dissertation would have not been possible without the contribution of several people, who helped us during this four-month journey.

We would like to thank our supervising Professor, Dimitrios Vlachos for his valuable input on our idea and his advice on the business plan.

Special thanks to Dr. Vassiliki Grougiou for her feedback on the design and efficiency of the conducted survey.

Moreover, we owe gratitude to our team of advisors, Konstantinos Kampas & Paraskevi Kakali, who spent time with us helping to deal and resolve legal and accounting issues of the business plan.

Last but not least, we would like to thank the nearly 600 people who took the time to help us by filling out a rather lengthy questionnaire, thus providing us with valuable data.

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1. Executive Summary

Trends in the organic food market globally combined with advanced technology create a promising business opportunity.

Organic product sales are a nearly €100 billion market, which is expected to maintain growths of 6 - 10% for the following years.

Modern technology allows for an electronic platform where producers from Greece will have the chance to address this global market, presenting and selling products. The website will not be just an e-shop, but it will provide extensive information on the producers and the processes of creating organic products. What's more, the website aims to become the number one portal of information on organic products (health benefits of each, cooking recipes for them and information on Mediterranean diet).

A team of three experienced engineers, supported by a team of acknowledged professionals, has compiled a complete business plan to implement this idea and (initially) target Greece and other European countries. After careful consideration of the industry figures, a specific business model has been chosen that fits both the needs of Greek Producers and the European consumers' behavior.

A detailed Marketing Plan has also been made, based on the market analysis and data collected from a survey conducted specifically for this purpose. Segmentation based on attitudes has been chosen, so that the Marketing Mix can be more accurately selected.

The business plan will show that with limited resources (capital, human capital etc.) a sustainable business can be created with considerable growth opportunities. The rapid growth of the organic food market along with the rise of the number online consumers will push the business forward for many years to come.

It is concluded based on the analysis of all business aspects that the proposed idea has value and that the business can achieve long-term growth with detailed planning and careful steps. The online market of organic products will definitely grow and early entrance to the market can give the Company a great advantage for the future. By following the business plan proposed and adjusting to the developments of the market and technology, it is believed that the team can grow a successful business

2. Methodology

The current dissertation deals with a number of issues that a startup company (from now on referred as the Company) in Greece has to face, both practical and theoretical ones. The dissertation examines all aspects of the business plan separately, each in a different chapter. Therefore **literature review, data analysis & recommendations** will be presented separately (if applicable) in every chapter.

In general, the management decisions presented in this dissertation are based on the following sources:

2.1 Literature Review

In each chapter all relevant literature will be presented and reviewed. Moreover, literature on composing a complete business plan has been used throughout this essay.

2.2 Study & Evaluation of other business plans

Bibliography & online databases contain a number of similar business plans. Some of these plans (and their results) have been reviewed in order to reach valuable conclusions.

2.3 Experience from existing startups and entrepreneurs

Useful conclusions from various entrepreneurs (mostly through their blogs and interviews) are taken into account in this dissertation. Furthermore, a team of consultants with experience in startups has been put together and contributed in specific areas of the business plan (section 8.2)

2.4 Primary Data collection

A survey (from now on referred as the *Survey*) was conducted specifically for this dissertation. The *Survey* included questionnaires (online & paper ones) and was conducted in December 2013 in a chosen sample of 425 people. The objectives of the questionnaire were:

- To identify the demographics, lifestyles and shopping habits of people buying certain traditional products.
- To identify the factors behind their shopping decisions when it comes to these traditional products
- To find out how familiar consumers are with online shopping and their willingness to buy these products online
- To get a clear idea on how the e-shop (and the enterprise in general) should be designed to address the specific target group

A sample of this questionnaire can be in the Appendices (Figure 5 - Figure 11 in the Appendices). Data and results from this *Survey* will be presented whenever needed in the dissertation.

2.5 Secondary Data

Various reports and statistical data on the food sector in Greece and abroad, as well as journal articles and papers on marketing issues, have been used throughout this dissertation

3. Company Description

3.1 Business Opportunity

One of the few things that Greece produces and has the potential to export in order to overcome the current crisis are the various traditional organic products. Globally, the market for organic products is growing annually, as more and more people turn to healthy diets and care about the nutritional value of food they consume. What's more, Greek consumers, after the beginning of the economic crisis, have focused their attention on products "made in Greece" in order to support the local economy. These facts have created a very large and constantly growing market for these Greek products and subsequently present business opportunities. Many local delicatessen stores have been created trying to fill this "gap" in the market, but they only cover customers within their close region and only with limited variety of products.

It has also been observed that tourists who get to taste and buy several traditional products during their stay in Greece, have no way of ordering them again when they get back to their countries except from contacting each producer themselves, which is very difficult.

Therefore, the creation of an e-shop which would gather as many of these traditional producers as it could, within feasibility limits, will expand the current market of these products to people all over Greece and abroad.

3.2 General Company Description

The business enterprise is an electronic platform (e-shop), where -small and medium-producers of traditional Greek products will have the chance to present and sell their products in consumers in Greece and abroad. The website will provide all needed infrastructure & systems (e-shop, ordering & payment) to the producers to illustrate their products in the best possible way and complete the transactions between the producers and potential customers. The Company will not have a warehouse of its own but all orders will be directly forwarded to the suppliers through a fully automated system and sent directly to the customer. Products will be sold and sent worldwide but the initial target markets will be Greece and specific countries in Europe. The Company will also assume the responsibility of promoting the website (and thus traditional products) in selected markets, based on a carefully-designed marketing and communication plan.

3.3 Variety of products offered

Although the Company's goal is to include as many traditional products as possible, it has been decided that certain products, which face the danger of being altered or disintegrated with time or environmental conditions, will be initially excluded from the e-shop. Customers tend to be very skeptical towards buying this kind of products online. According to the *Survey* 47.53% of participants would be skeptical in shopping such products online because "*they are worried that products may be delivered altered or damaged*".

In order to describe the range of these products the following ten (10) major categories have been created:

- Olive oil
- Wine
- Liqueurs and Distilled Spirits
- Honey
- Traditional Pasta
- Legumes
- Appetizers
- Sweets
- Spices and Aromatic Plants
- Herbs and Superfoods

3.4 Revenue Sources

The business model proposed (will be fully presented in Chapter 11) includes three different sources of revenue:

- **Annual fee paid by the producers to the Company** in order to use the e-shop. Depending on the type of the account (basic or premium) the fee will be different
- **Commission on every sale** made through the website
- **Fees charged for optional extra services** available to the producers

3.5 Mission & Vision

Mission Statement

“The Company aims to use modern technology in order to support local producers in Greece and promote organic Greek products to customers all over the world. Our mission is not only to sell products, but to offer a unique online experience through the presentation of the Greek regions where the products originate from, the Greek producers and, naturally, the Greek products themselves. Our goal is creating a sustainable business through moderate growth”

Vision

“Our vision is to inform the world on the benefits attributed to the Greek diet & products, through a unique online experience”

3.6 Benefits for the clients

Clients will not only have the opportunity to browse through a wide range of products, but also to find out extensive information on the products, the producers and the process of making. The team’s vision is not merely selling products but selling the “story” behind each producer and product. This will be achieved through photo-stories, videos

and extensive information on the people and the processes behind every brand offered. In general, attention will be given in the whole “experience of buying”.

Customers will be able to shop by product, by place of origin or even by recipe

Customers will be able to choose products from all over Greece and have them in their door within a few days. Especially people who do not live in big cities will have access to products that they could not otherwise find in their local market.

Ratings are also a big advantage for the clients. Every potential customer will have the chance to see how people (that have already bought the product) rate the product and the producer in specific categories.

Moreover, given that consumers of such products are usually people who care about their diet and their health, the website will include nutritional tips, ideas for recipes (both written and videos) where specific products can be used, and advice from experts on healthy diet.

3.7 Benefits for the suppliers – services offered

The whole enterprise is created in order to help Greek producers promote and sell their products in markets that they didn’t have access to until now. Suppliers get to create for a small annual fee their own shop-in-a-shop, as all major modern e-shops do (eBay, Alibaba etc). The Company takes care of managing orders, shipping and payment, being able this way to offer value to producers through economies of scale. All the supplier has to do is receive the finalized order with the requested products, concentrate them and notify that the order is ready.

In addition, the Company is responsible for promoting the e-shop (and thus the products) both in Greece and in selected markets abroad, through advertising and media coverage.

Furthermore, every supplier will have the chance to take advantage (for a fee) of various services that will be offered through the website (certifications, consulting on supply chain management, consulting on marketing, packaging etc.)

3.8 Core competencies & competitive advantages

Major competencies are mentioned in the previous paragraphs. The specific enterprise will not be just a normal e-shop, but a portal of Greek’s countryside landscape, history and its products. The competitive advantage, compared to other e-shops, will be the creation of an ecosystem where everyone who cares about healthy diet, organic products and gourmet cooking will have the chance to spend time, read and watch exclusive interesting online content. It is the team’s strong belief that this will eventually lead to a substantial number of actual sales of products.

4. Incorporation & Legal Issues

4.1 Where to incorporate

Choosing a country to incorporate a business when it comes to internet ventures is not a simple task, given that the business will have associates and clients both in Greece and abroad. Moreover, the unstable business environment in Greece and the constant changes in taxation force many startups to incorporate their businesses abroad (Cyprus, UK, Delaware). Therefore the decision should be carefully made based on the following factors (*Tziralis, 2012*):

4.1.1 Cost & complexity of incorporation process

The cost of incorporation varies from €1000 - €3000 depending on the country and the exact form of the company.

Time is also an issue. In the UK the whole process can be made online in one day whereas as in Greece, despite the recent improvements, it takes approximately 15-20 days. There are other necessary tasks however (like opening a business bank account abroad) that cannot be done without the physical presence of the CEO and will also take time and extra money.

4.1.2 Operations

- The cost of operations (accounting & administrative fees) varies through different countries from €2.000 - €3.000 annually for a company with a small number of transactions. (*The World Bank, 2013*)
- Bureaucracy is tougher in Greece, but operating a company abroad requires the presence of the CEO in the country of incorporation a few times per year, which can prove more time-consuming and costly.
- A business incorporated in Greece can take advantage of the various state-supported programs for cheap labor.
- The Greek law requires at least one of the shareholders to be insured in the OAEI (Insurance Organization for the Self-Employed). That is translated to an extra annual cost of at least €2500 for (at least one of) the founders.
- The justice system in Greece is not trustworthy. It can take many years and lots of money to overcome any case in the Greek courts.

4.1.3 Company Presence in Greece

No matter where a company is incorporated, the Greek law requires that, in order to rent space & hire staff in Greece, there has to be a legal entity in Greece. Therefore, it will be necessary at some point in the company's life cycle to create a subsidiary branch in Greece, which is just as difficult and time-consuming as incorporating initially in Greece. Moreover, the company will then have to face the additional cost of translating all official papers for the Greek State.

4.1.4 Taxation

One of the main disadvantages of a business in Greece is very high taxation. Currently, there is a 26% tax on profits plus a 10% tax on dividends paid, whereas in other

countries there is an overall taxation of 10% (Cyprus) or a full tax relief for startups with profits up to €75.000 (UK). Also, it is quite difficult to plan ahead in Greece, as the tax system changes every couple of years.

4.1.5 Funding

It is common perception that incorporation in Greece can prevent funding from venture capitals or angel investors. However this is not the case as recent history has shown (Pogkas, 2013). Investors tend to impose a specific jurisdiction and make the company move to another country of their choice. Furthermore, a Greece-based company will more easily attract funds from Greek banks and EU programs directed to the promotion of Greek entrepreneurship.

Recommendation

Taking under consideration all the above factors and given the nature of the business in question, it is concluded that **the Company should be incorporated in Greece.** Despite the disadvantages mentioned above, it is better for the Company to be incorporated wherever it operates. Furthermore, most of the suppliers will be based in Greece and the transactions with them will be much easier. All other costs are more or less the same. The high taxation is something that is not so important at this point of the Company's life cycle, since it is not expected to generate major revenues for the first one or two years.

4.2 Appropriate Legal Entity

After exploring and evaluating all possible legal entities, it has been decided that the most appropriate legal form for this particular business is IKE (Private Company). The Private Company has significant advantages, such as:

- Minimum capital requirement of €1
- The shareholders' contribution can be not only in the form of money, but in the form of providing a service or providing working hours (which can prove very important in attracting high-profile partners)
- Much easier procedure of incorporating and dissolving a company

The procedures that need to be followed, as well as the required periods of time can be found in Table 13 in the Appendices (The World Bank Group, 2013).

4.3 Legal Disclaimers – Liability Protection

Given that involvement in any judicial case can prove catastrophic for any startup in Greece, it is essential that the business is protected against any such possible threat. This involves:

- **Contracts with suppliers:** Every supplier will have to sign a contract where all relevant terms will be specifically agreed. Key points are:
 - a. Agreed available quantity of products that can be disposed

-
- b. Compensation fee in case of an order cannot be fulfilled due to the producer's fault or negligence.
 - c. Producer is fully responsible for the packaging of the products
 - d. Producer is fully responsible for the quality of the products sent
 - e. Specific time limit to prepare and dispatch the order
- **Contracts with associates:** Every agreement with external associates should predict specific terms and timelines. Key points for every external associate can be found in section 7.6.
 - **Terms & Conditions in transactions with clients:** Given the nature of products sold, there should be a clear statement in "Terms & Conditions" that the e-shop is not responsible for damaged or altered products and the responsibility lies exclusively to the producer. Other than that, all usual Terms & Conditions for online sales will be used.

5. Environmental Analysis

5.1 Industry

Relying on **Porter's Five Forces Model**, the specific industry (online sales of organic products) in which the Company operates will be examined:

- **Threat of Entry:** Starting on online platform of this kind requires significant time and technological expertise. Also, it is very difficult and time-consuming to search all over the country for quality products and producers and negotiate terms with them. On the other hand, the venture does not require high capital and it does not involve any intellectual property barriers. Moreover, consumers of organic products do not appear to be loyal to brands and often change their habits. As for exit barriers, a firm can exit quite easily with no significant costs involved.
- **Power of suppliers:** The suppliers of the Company are small and medium producers of organic products. Given that there are thousands of such producers in Greece and the Company can easily substitute one producer with another, it can easily be concluded that the suppliers do not hold any real power. The only exception are producers of certain PDOs (Protected Destination of Origin) and PGIs (Protected Geographical Indication), which are few in number and get to dictate terms of sales.
- **Power of buyers:** Despite the fact that the size of orders is usually small, online buyers of organic products hold significant power in their hands. There are quite a few online shops and it is really easy for anyone to browse through online stores, compare prices and switch shops without any cost.
- **Threat of substitutes:** There are already a number of substitutes available to consumers. These include shopping in a super-market or delicatessen store, shopping in an organic open market, contacting the producer directly or even produce some of the products on their own. New substitutes are not expected to appear in the near future.
- **Intensity of competitive rivalry:** The number of competitors (online organic stores) is still small and most companies in the field are relatively small and just entering the market. However, there seem to be a couple of startups which have invested heavily in such enterprises and seem to have the capabilities to dominate the market.

5.2 Market Analysis

An analysis on the organic food market in Europe and especially in Greece has been conducted since these will be the main target markets of the Company initially.

Based on publicly available statistics and reports, organic sales in Europe grew by 9% in 2011 to reach €21.5 billion in 2012 (Soil Association, 2013), despite the drop of 1.3% in the food industry in general. This is in line with the 4-6% growth shown in recent years (Figure 3 in the Appendices). The organic food market continues to develop relatively favorably and the potential remains significant, despite the challenges of a

troubled economy and low consumer confidence. This development is driven by more and more consumers appreciating the perceived health benefits of organic food, and supported by wider distribution. Organic food currently represents less than 3% of the total European market. It is however estimated (Royal Wessanen, 2013) that mid-single digits growth will continue, to reach €26 billion in 2015 and double to €40 billion until 2023.

Per capita consumption stills remains low, varying from 1.7% to 7.8% of total food sales. However market penetration continues to increase, with more and more people consuming organic food more often. The highest per capita consumption is in Scandinavian and Alpine countries, and Denmark is the country with the highest organic market share worldwide: organic products comprise 7.8% of its food and drink sales.

As for Greece, per capita consumption is estimated to an average of €10, creating a nearly €80 million market. Given that approximately 60% of that amount is spent in super-markets, the rest 40% (approximately €32 million) is divided between delicatessen stores, open markets, online shops and direct sales from producers. Because of the absence of official statistics for these three types of stores, it can only be speculated (based on the level of online sales in Greece in general) that the online shops get no more than 1/10 of these sales, leaving a total market of at best €3.2m up for grabs. It is however predicted (Euromonitor International, 2013) that Internet retailing will grow at a constant value of 12% over the next 3 years.

5.3 Competition

The direct competitors are the various online stores that sell a variety of organic Greek products and the e-shops that few producers have created to sell their products exclusively. As mentioned above, all these e-shops amount for 4% of the total market of organic products' sales in Greece. The three most noteworthy competitors are:

- **www.greek-e-shop.gr** – The specific online store sells a variety of products, including organic ones. Through prime-time advertisements on TV, they are focusing on the “Greek” aspect of the enterprise and try to persuade traditional customers to trust electronic e-shops in order to save time & effort. Operates with its own warehouse, located in Athens.
- **www.yolenis.com** – More focused on digital marketing & social media, Yolenis focuses on the online experience that the customers will enjoy. Created by professionals of the food industry, the main concern is taste and customer satisfaction. Operates without inventory, but all products come through their HQ and are packaged there.
- **www.farmkiosk.com** – Has the business model which is closest to the Company's, with producers entering products and sending them directly to the client. Except for social media presence, no other promotion or advertising has been observed.

The indirect competitors are the rest of the sources where a consumer has buy such products, such as:

- **Super Markets** – Only few of the Super Markets in Greece have organized serious departments with organic products, with the one of AB being the best. AB has a wide network of people in Greece, who locate the best of these traditional products and cut exclusive deals with the producers. Of course, Super Markets have the capital to advertise and promote their products and the Company can in no way compete with that.
- **Delicatessen Stores** – Delis are the new trend in Greece and major cities abroad, especially cities where Greeks reside. They offer a variety of products, but their target market is restricted to the nearby residents.

5.4 Context

5.4.1 Political, governmental and legal forces

- The government's decision to reduce wages has resulted in the reduction of per capita spending and the increase of taxation
- The percentage of the Value Added Tax (VAT) changes every year, making it difficult for any company to make long-term plans.
- The Greek Prime Minister has committed publicly that in a few years every household in Greece will be connected to the Internet.
- Efforts by the Government are made to facilitate the incorporation and operation of startups.

5.4.2 Economic forces

- The economic slowdown in Greece is having an effect on retailing sales as consumers reduce spending, yet this is offset by more shoppers using the Internet to find products at lower prices
- Economic crisis is coming to an end - during 2014 Greece is expected to register minor growth.

5.4.3 Social, cultural, demographic forces

- The economic crisis in Greece has created a movement of buying "Products Made in Greece" to support the country's economy.
- Rising broadband penetration and a further reduction in Internet access billing continues to drive the positive demand of Internet retailing, despite the considerable drop of overall consumer consumption and confidence
- Internet has changed the way people communicate with each other and with brands. Everything is internet driven nowadays.
- People prefer to spend their time on social networks like Facebook and Twitter, befriending and following brands.

5.4.4 Technological forces

- New technology adoption rates are high in Europe. Broadband penetration is expected to rise over the next years in Greece and Europe in general, making it thus easier for more people to shop online. Currently only 12% of Greeks shop

online, compared to a 40 percent European average (Boston Consulting Group Greece, 2012).

- Data storage and processing technologies – through the use of advanced technologies that allow following the customers' behavior, the extensive data mining can become a competitive advantage and enable targeted and efficient communication and advertising
- New technologies come into the market helping the Company to improve the quality of online content offered
- Internet connection speed is also expected to increase significantly and this can prove beneficiary for the Company in the long term. Greater speed and greater bandwidths can enhance the online experience of consumers in the website, as it facilitates HD video viewing and faster navigation.
- Access to Internet from mobile phones is bound to increase further, increasing access and sales through mobile websites or mobile applications.

6. Marketing

6.1 Consumers' Profile

Main objective of the *Survey* conducted was to identify the demographics of people buying organic products and the underlying factors behind their decisions.

The importance of the various factors when buying such products are illustrated in Figure 1. These figures are only for people having stated that they would be willing to buy organic products online. Factors were rated from 1 to 5, with 1 being “not important at all” and 5 being “absolutely necessary”. The most important factors seem to be Taste, Price and Nutritional Value while consumers place less importance in Brand and Packaging.

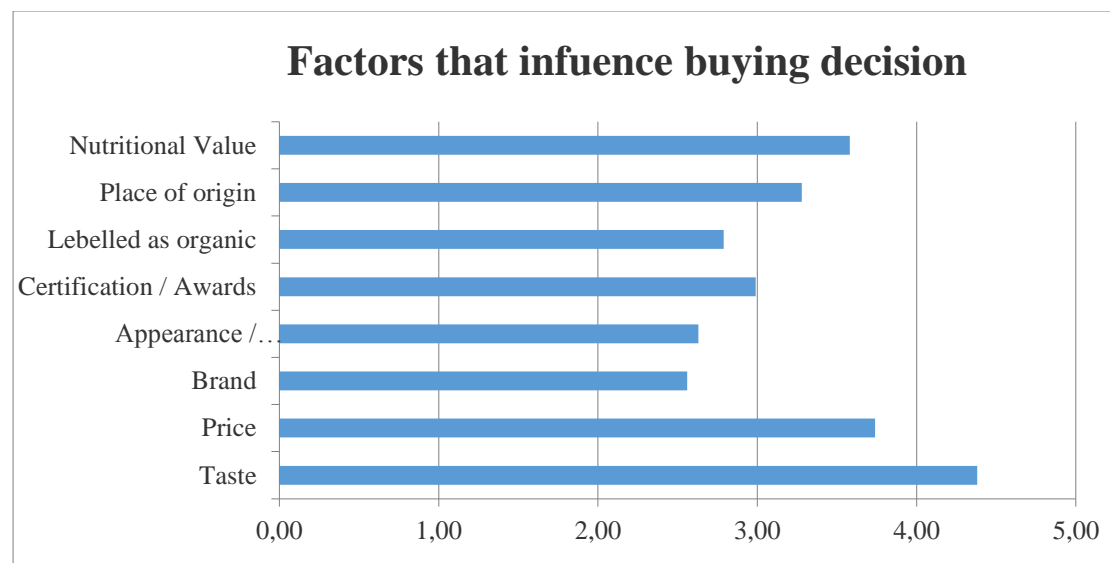


Figure 1 - Importance of factors behind buying decisions

As for the demographics of people willing to buy these products online, it seems that profile is quite age- and income-diversified. Most of them are aged from 31 – 45 years old, with average annual income of €10.000 - €20.000. There seem to be no major differences between the behavior of men and women.

Various studies concerning consumer behavior organic products have been conducted in many EU countries. Since 2000, more than 30 international surveys related to organic food consumption can be found. Most of these surveys argue that organic purchasing motives are mainly attributed to consumers' environmental and health consciousness and/or food safety and quality concerns, as well as to perceptions about specific organic product attributes, such as nutrition value, taste and freshness (Krystallis, et al., 2006)

6.2 Market Segmentation

Due to the diversification of consumers' ages and income it has been decided to implement a segmentation based on the lifestyles and attitudes of the consumers. The idea embedded is that willingness to pay for an organic product might be influenced to a greater extent by personal attitudes of economic agents instead of by the usual socio-economic variables (Sanjuan, et al., 2003).

In order to implement this lifestyle segmentation, respondents in the *Survey* were asked to rate their agreement with various statements concerning their lifestyle (Figure 10 in the Appendices). Factorial analysis was applied (Sanjuan, et al., 2003) to identify the main dimensions of consumers' lifestyles (Table 1). Lifestyles were summarized into three factors that accounted for 47% of the total variance.

Rotated Component Matrix			
	Component		
	1 Socially involved & natural food lovers	2 Life Equilibrium	3 Healthy Food Consumption
I try to eat food with no additives	,739		
I avoid eating junk food	,720		
I consider myself environmentally aware	,638		
I eat red meat moderately	,589		
I collaborate with NGOs	,323		
I try to balance my work and private life		,777	
I try to reduce stress in my life		,694	
I try to live a methodical and ordered life		,490	
I check my health periodically		,466	
I practice sports regularly		,374	
I go on a vegetarian diet			,757
I go on a low-salt diet			,663
Total Variance	19,5%	15,1%	11,7%
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			

Table 1 - Consumers' Lifestyles (Factorial Analysis)

The k-means cluster analysis technique (Malhotra, 1993) was used to identify consumers' market segments in relation to traditional food products. Lifestyle factors were used as segmentation variables. Three segments were identified in each search group. Each segment was characterized taking into account main consumers' socio-economic variables (sex, family size, age, education level, income and social class), the consumption level of traditional food products and the willingness to buy through a website. The results are shown in the following table (Table 2):

	Segments		
	1 Unlikely Consumers	2 Organic consumers	3 Likely consumers
# respondents	150	173	102
Percentage	35,3%	40,7%	25%
Clusters			
1	0,2013	-0,1180	-0,4658
2	0,5339	0,3677	0,6364
3	-1,2016	-0,4500	-0,3944
Sex			
Female	61,3%	67,6%	50,0%

Male	38,7%	32,4%	50,0%
Age			
18-30	46,7%	41,6%	42,2%
31-45	48,0%	41,0%	53,9%
46-60	2,0%	9,8%	2,0%
above 60	3,3%	7,5%	2,0%
Education			
Master	52,0%	46,2%	57,8%
University	43,3%	47,4%	36,3%
Senior high school	4,7%	5,8%	4,9%
High school	0,0%	0,6%	0,0%
Elementary school	0,0%	0,0%	1,0%
Family status			
Single	60,0%	59,0%	73,5%
Married	34,7%	38,7%	25,5%
No of kids			
None	75,3%	64,2%	87,3%
1 or 2	21,3%	30,6%	9,8%
more than 2	2,0%	3,5%	2,0%
Income			
less than 10000	30,7%	31,8%	31,4%
10000 - 20000	34,0%	29,5%	40,2%
more than 20000	14,0%	21,4%	18,6%
Willingness to buy online			
Never	61,1%	60,7%	57,2%
Likely	22,1%	22,7%	27,2%
More likely	16,8%	15,5%	14,4%
Definitely	1,2%	1,1%	1,3%
Frequency of buying			
Never	12,6%	10,2%	13,3%
Rarely	25,6%	26,3%	26,2%
Often	52,8%	54,0%	51,3%
Regularly	9,1%	9,5%	9,2%

Table 2- Consumers' Segmentation according to lifestyles

As seen above, three segments were identified among consumers. The first segment accounts for 35.3% of the sample. It includes those people who care for balance in their lives and show a mild leaning to natural food consumption. These people buy such products often, but seem unwilling to buy online. For this reason, the segment is labelled 'Unlikely consumers'. Consumers in this segment are mostly women, up to 45 years old, with no children and low-to-medium income.

The second segment accounts for 40.7% of the sample. It includes people with strongly care about an equilibrium in their lives. These people are more inclined to buy such organic products online. Moreover, they have medium-to-high income, thus higher buying power. The segment is labelled “*Organic consumers*”. Consumers in this segment come from different age-groups and often have children.

The third segment accounts for 25% of the sample. People in this segment are the most familiar with online buying, but do not seem to have great buying power. They are not very health-concerned or socially involved. The segment was labelled “*Likely Consumers*” and consists of men and women equally, with medium-to-low income and no children.

Of the three segments identified in the table above, the second segment (*Organic Consumers*) has been chosen as the most attractive one. The selected segment is chosen for the following reasons:

- It is the larger segment of all (40.7%)
- It consists of people who seem to have great buying power (medium-to high incomes)
- It consists of people greatly interested in organic products and concerned about their health and diet
- Great percentage of people in the segment are married with children, resulting to higher consumer needs and more interest on nutritional value of products. Generally for people with children, food products are considered high involvement products.
- The segment fulfills the five criteria for selecting a target market (Accessible, Measurable, Identifiable, Sustainable & Homogenous) as already explained.

6.3 Positioning

In terms of positioning, the following **Points of Parity** and **Points of Difference** were identified:

POP	POD
<ul style="list-style-type: none"> • Diversity • Security • Price • Processes 	<ul style="list-style-type: none"> • Online experience • Customer service • Business Model • Extra services offered

Table 3 - Points of Parity & Points of Difference

The Unique Selling Proposition is: “For all individuals interested in organic Greek Products, we are not just an e-shop but we provide a complete online experience, with a portal of information and knowledge on Greek products, producers and cuisine”

6.4 Marketing Mix

Based on the above segmentation, the mix should be designed in order to match this segment's specific needs. Demographics of the segment are clearly identified in Table 2, while the factors behind their decisions and the features they look for in an e-shop are also stated in the *Survey* (Figure 14 & Table 17 in the Appendices). All these facts will be used to justify the decisions taken in the Marketing Mix.

6.4.1 Products

- The website will offer a wide range of products. Products that bare the risk of going bad will be excluded because consumers have a greater fear for ordering such products online.
- Given that people in this segment are very interested in the nutritional value of products and the health benefits, extensive information about the products will be offered, along with a detailed description on the process to make them.
- Extra focus will be given on Customer Support, given that it seems to be a high priority for the selected target market
- The segment includes many families with children. Therefore, a special section with organic products with proven health benefits on kids will be created. Moreover, baskets with a group of products made for kids can be offered to attract extra attention from concerned parents.

6.4.2 Pricing

The *Survey* shows that organic products are not very price-sensitive. Consumers are willing to pay a premium in order to buy quality and proven nutritional value. This premium varies from 50% to 100% of the original price of a product (Krystallis, et al., 2006). In any case, prices of products will be set by the producers and not the Company.

The team is planning special offers and discounts in specific periods of the year, when it has been proven that people spend more. These periods are: around Christmas, before Easter and the beginning of the summer.

6.4.3 Place – Distribution

Products will be sold exclusively from the e-shop. There will also be a possibility for order via telephone. Products will be sent directly from the producers to the clients.

6.4.4 Promotion

Given the resources that the Company has, it will use a diversified communications mix to make the website known and start to create a brand:

- **Stickers:** Agreements with suppliers will include the term that a sticker with the Company's logo will be added on every product. This way, the e-shop will become known to anyone buying these products (from any source) and they will know where to find it if they like it.
- **Events:** The team will promote the Company through presentations in various events. Members of the team participate in various startup communities and by presenting the venture in such events, the e-shop can get a lot of free publicity

given that these events are often covered by the media. Furthermore, there are also a lot of events on new ideas for farmers and agricultural issues. Participating in such events can also lead to useful connections and promotion of the Company.

- **Media Coverage:** The Company does not have the funds to advertise on TV and newspapers. However, the team does have connections in local TV stations and tech reporters from national newspapers and can arrange for small interviews, so that the enterprise reaches a wider audience.
- **Food bloggers:** Certain bloggers have been identified that have a wide online audience and act as “opinion makers” in the industry. Gift baskets can be prepared and sent to them in order to introduce the Company and maybe generate some traffic through some comment on their blogs
- **Deals with Hotels:** Given that a large part of sales is targeted abroad, deals with hotels in tourist regions (Chalkidiki, Pieria etc) will be negotiated, so that the e-shop is advertised through giving some free samples (e.g. spoon fruits) in their breakfasts.
- **Collaborators:** As will be later mentioned in Section 7.4, the Company will be collaborating with dieticians, health professionals, chefs and cooking websites. Through all of these collaborators, it is expected that considerable traffic to the website will be created.
- **Social Media:** A Facebook corporate page will be created to run various customers’ engagement campaigns and also act as a customer support channel.
- **Newsletters:** Monthly newsletters will be sent to all e-mails in the Company’s database to inform consumers on new products, new producers, fresh online content added and special offers.

6.5 Budget Allocation

As can be understood from the Marketing Mix presented above, the team has decided not to allocate a lot of funds towards advertising and communications. It is the team’s strong belief that a startup’s top priority should be to create a strong “product” and not to communicate it. Therefore, the allocated budget will be **€1000**, which will be spent on gift baskets and promotional offers to hotels.

7. Operations

7.1 Organization & Structure

The Company is a start-up with very few employees. However, it is still critical that everyone's role in the organization is clearly defined and that certain procedures are implemented from the beginning of the Company, so that misunderstandings are avoided and maximum efficiency is achieved.

The roles of the four people in the Company (three founding members and one employee) are clearly stated in the next chapter on Human Capital Management (8.1.2 & Table 14 in the Appendices). As for the procedures, most of them will be automated through the website and the cloud-service used. All transactions and communications will be recorded in the web platform in order to be accessible to all members from anywhere, ensuring in this way the transparency of any action. Of course there will be a big number of voice communications, but all benchmarks, results, inquiries and status of each will be filed in this cloud-based database.

7.2 Facilities

The Company will operate without its own warehouse. As a result, the necessary facilities are very limited and they consist of just a small office space with the necessary equipment that will serve the purpose of the physical legal headquarters of the Company where all files will be kept and the invoices will be issued. For the legal entity chosen (IKE) a residential flat (one of the members' flats) could also be declared as the Company's Headquarters, thus cutting the startup costs significantly. Another option would be to rent (for a small fee) some space in one of the various co-working spaces in Thessaloniki.

Modern technology (cloud services) provide the team with the opportunity to work remotely from their own computers or smartphones, thus increasing the team's flexibility and decreasing operational costs.

7.3 Equipment

As for tangible equipment, the Company will have to acquire the necessary equipment for the office space it will use. This includes a personal computer, a fax-printer, appropriate furniture, filing cabinets etc.

The Company will also have acquire non-tangible equipment, like software (operating system, office suite, customer database software etc). Everything having to do with the website will be mentioned in the following sub-chapter.

7.4 Website – E-shop

The website will be the core of the enterprise. Following are the different features that the website will have and the relevant operational issues that stem from each one:

Front Page

Through the front page the customer will have the opportunity to choose products by category either by place of origin (via a map of Greece). A section with featured

products will also exist where producers with “premium” accounts will have the chance to promote their products. Also, in the front page there will be links to all other sections, like recipes, nutritional tips & cooking tips.

Page for every product

Clicking on any product will lead to a separate page, where all information and details on the product will be illustrated. Products will be presented with photographs taken by professionals and extensive details on the product and the way it has been produced. A link will be provided leading to the specific producer’s page. Furthermore, the same page will feature similar products and suggested recipes where it can be used. Ratings from other customers will also be featured in this page. The e-shop will also special offers for buying large quantities. Needless to say, there will also be a button to add this product to the basket.

Page for every producer

Every producer participating in the venture will have a separate page in the site. Photos and videos from the producer’s location will be shown along with the story of the producer’s business and the procedure followed in production.

Interface for the producers

Each producer will be given credentials (username & password) so that he can enter new products to the e-shop and update existing ones. The process should be as easy as possible. The producer will have to fill a set of mandatory fields and submit them. Then, the new entry will have to be approved by the administrator in order to go live on the site. Moreover, through the site, the producer will be informed of any order he has to fulfill.

Interface for the administrator

The team will have administrator credentials in order to:

- Check new entries from producers, approve them & add photographs
- Add content to the various sections of the site
- Receive and check orders
- Track orders and deliveries

Shopping Cart – Basket

After choosing products, the customer will be led to this section in order to provide his personal information (for new customers) or log in (for returning customers). Then, he will be directed to the online payment service in order for the transaction to take place.

Ratings & Feedback System

After every sale, the customer will be asked to rate the quality of the product and the services in general (quality, packaging, speed of delivery). Producers whose products get multiple bad ratings will be informed and eventually forbidden from selling their products in the platform.

Section with recipes & cooking tips

This section will provide recipes from the Greek cuisine. The team has already made contact with chefs and websites with recipes, who would be willing to cooperate with the Company and provide such content in exchange for the free publicity and referrals.

Section with health tips

The concept of this section is to inform on the health benefits of the products that are sold in the site. On a regular basis, dieticians or health professional will analyze the benefits of a particular product and offer advice on how it should be consumed. There have already been contacts with two dieticians, who would be willing to participate in order to promote their private practice.

Help section & F.A.Q.

This section will include all information on orders, deliveries, billing etc. It will also include detailed answers to the most Frequently Asked Questions.

7.5 Suppliers

The success of the enterprise relies mainly on the suppliers who will agree to work with the Company and the quality of their products. However, the suppliers have to meet some minimum requirements in order to be able to cope with what is expected of them:

- **Minimum monthly production:** The producer has to guarantee that he can be dispose a quantity of at least 50 items of each product per month. This will ensure that the e-shop will not run out of stock in case of big demand.
- **Computer Literacy:** Given that each producer has to enter the products on his own in the database and receive orders via computer, it is imperative that the producer or someone close to him is familiar with the use of computers and of course owns a computer and an internet connection.
- **Packaging:** Producers must have the capability to properly package the products, so that they can be sent directly to the customer. The Company can offer packaging solutions to producers for an extra charge.

All suppliers will be asked to sign a detailed contract with the terms of the agreement, their obligations and the specific products that they are allowed to sell on the e-shop. They will be the ones issuing the invoices for the goods sold and they will receive their payment from the Company monthly.

The Company will try to attract producers from many different locations, so that any customer can find products from his/her place of origin.

In order to protect the e-shop from cannibalization, it may be necessary to forbid producers from selling specific kinds of products (e.g. the e-shop cannot have 10 different producers from the same place selling the same kind of product)

7.6 Outside Services & Associates

In pursuit of high quality services and given the nature of the enterprise, a lot of services will have to be outsourced. In the following paragraphs all factors behind the selection of each service will be analyzed

7.6.1 Web-design Company

Since the website is the core of the business, it is essential to choose the right company to design it. Below are the factors that have been taken under consideration to reach a decision

- **Portfolio:** Previous work is usually a great indicator of what a company can do. The team is looking for an agency with experience in designing websites with similar functionalities to the one in question. Easy and intuitive navigation should be looked for in previous websites.
- **Understanding of Business elements:** It is essential for the success of the website that the web-designer understands the business model and cares to get to know the business intimately in order to reflect that in the website. The business has a very specific market segmentation (as shown earlier) and the website ought to be designed so to address this specific market.
- **Services Offered:** The Company is looking for a web-designer that will undertake the actual graphic and layout design of the site plus the Search Engine Optimization. Branding, Internet Marketing and Copywriting are not asked of the web-design company.
- **Planning Process:** A structured, systematic planning process that leads the client through the design phase will be considered an advantage. It is really helpful to have a Website Planning Guide that the web-designer and the Company can work through together.
- **Future Site Maintenance:** Given that the website will be maintained by the Company's Technology Officer, the website should be built in a platform or programming language that he can understand well.
- **Fees & Billing Method:** Except for the amount itself, the Company is interested in a deal with a small deposit and amounts paid based on milestones set in the initial agreement.
- **Time of delivery:** Time is of importance as the Company is concerned about competitor sites as mentioned in the Industry Analysis above. Therefore, the web-designer should be able to start the project right away and deliver it in no more than three months.

Recommendation

After a long and thorough market research, the company that has been chosen and fulfills the criteria is Darkpony Ltd. Darkpony is a market-oriented company, which will treat the specific project as its first priority and has agreed to involve the Technical Officer of the Company in the design, so that he will then be able to take care of the site maintenance.

7.6.2 Online Payment Service

Setting up an online payment system from scratch is a very time-consuming and costly procedure, because of all the security certificates that have to be applied. Therefore, an online payment service will be used to carry on transactions. There are many such services, like PayPal, Worldpay, Skrill, Viva etc. The team has specific restrictions and requirements concerning this service:

- **Ability to operate under the Greek Law with a Greek Tax ID:** Some of these companies require the company to have a subsidiary branch in US or UK while others have no such restrictions.
- **Pricing Plan:** Plans vary from one service to another. Some require only a monthly or annual fee, some get paid on commission on every transaction and some have mixed plans. In our case, it is better to prefer paying on commission on every transaction given that the number of transactions is not expected to be great in the first months of the operations. Moreover, the Company does not want to get committed in a long-term contract. At a later stage this can be reevaluated.
- **Brand of service:** Customers pay great attention to the security of their transactions. The *Survey* shows that “security in transactions and personal data” is the most important characteristic in an e-shop (Figure 12 in the Appendices). Therefore, it would be ideal to choose a service well-known in Greece and abroad, that potential customers would easily trust.
- **Interface in Greek:** The *Survey* shows that people over 45 years old are a quite big part of the organic products market. Given that it is possible that many of them are not very familiar with the English language, it would be that the online payment service also has a Greek interface.
- **24/7 Customer Support (and in Greek):** Based again on the findings from the *Survey*, consumers in Greece (especially aged 45 or older) are not familiar with online payments and want the “safety” of telephone support if something goes wrong (Figure 13 in the Appendices).

Recommendation

Research between all available options led to the use of [Vivapayments.com](https://www.vivapayments.com), a Greek company, which operates internationally. The specific company is the only one covering all requirements set. The only disadvantage is that it is not well-known outside of Greece, but this should not be a serious problem. [Vivapayments](https://www.vivapayments.com) charges 0,24% + €0,24 for every payment.

7.6.3 Courier Company

The way customers view the business does not stop with the website and product range; their first impressions start on the website and ends with them receiving the goods they ordered. Therefore, the quality of the courier is as important as the quality of the products. A number of factors need to be thought through:

- **Right Price & Plan:** The main concern is that the products are delivered safely and swiftly. Price is of course an issue, especially when talking about orders up

to €50, but a cheap and unreliable service can prove more costly for the Company. As for the Pricing Plan, the Company is looking for a plan which does not include a minimum number of orders, because for the first months the number of orders is unsure.

- **Tracking System:** Courier needs to offer an up-to-date online tracking system, where the Company or the client can track where the order is. Ideally, this tracking system can also be embedded in our website or e-mail to the customers.
- **Coverage Network:** Courier service needs to cover most of Greece's area, given that there will be producers from islands or small villages. International coverage is also an issue.
- **Credibility:** Enquiries to other companies and research on business forums can prove useful in assessing the credibility of the courier services.
- **Insurance & liabilities:** Different services have different policies concerning lost or damaged deliveries. Given that the items delivered are mainly food, the deal with the courier service should contain explicit terms on insurance for damaged goods.
- **Flexibility:** Given the nature of the enterprise, the courier company should adapt to the specific needs and principles of the Company and offer tailor-made solutions, instead of offering standard services.
- **Customer Service:** There always needs to be someone available that you can contact quickly and directly if something goes wrong (ideally the same person will be assigned to the specific Company)

Recommendation

The courier company that has been chosen based on the factors mentioned above is DHL. DHL was the only courier company to fully understand the idea behind the venture and develop a custom-made plan to fit the Company's needs.

7.6.4 Photographer

Photographs are an integral part of the website and cannot therefore be taken from amateurs. All photos need to have proper colors, backgrounds and lighting in order to "fit" to the design of the website. Therefore, each and every product illustrated on the e-shop needs to be photographed by a professional.

The Company is already in talks with a private College (IEK AKMI), which has a Photography department and many students majoring in photography every year. The deal includes 2-3 photo shoots a year, where the students with guidance from their teachers will take pictures of the products and then edit the photos. The Company has the responsibility of collecting all products and delivering them to the place of the photo shoot, and additionally assume the cost of any prop or material needed. The deal has advantages for both parties: the Company saves a significant amount of money while the students get to participate in a real commercial photo shoot.

8. Human Capital Management

8.1 The Founding Team

8.1.1 CVs & Professional Backgrounds

The team creating the Company consists of three engineers with prior experience in various fields:

- **Andreou Konstantinos** has studied Chemical Engineering in the Aristotle University of Thessaloniki and has received an MBA from the International Hellenic University. Konstantinos has been a Production Manager in the Titan Cement Company for the last years dealing with Operations & Supply Chain Management issues. What's more, Konstantinos has also created a startup of his own, which imports and sells alternative fuel and equipment for alternative fuel in Greece.
- **Samaras Dimitris** holds a degree in Software Engineering from the University of Macedonia plus an MSc on Information and Communication Technology Systems from the International Hellenic University. Dimitris excels in software development and is working for the last three years as a Software Engineer / Analyst in the Public Water Company of Thessaloniki (EYATH)
- **Touliopoulos Dimitris** has studied Electrical & Computer Engineering in the Democritus University of Thrace and has also received an MBA from the International Hellenic University. Dimitris has worked for years as a consultant in the field of Energy (raising capital for energy projects) and is currently a managing partner in a company specialized in planning & implementing renewable energy projects.

8.1.2 Specific Roles in the Company

Based on their expertise, each member of the founding team will have a different role in the business:

- Konstantinos will be the **Operations Officer**. He will be in charge of inspecting the ordering system, dealing with the customer support and everyday dealing with suppliers. Moreover, he will act as a sales manager contacting potential suppliers and negotiating terms with them.
- Dimitris S. will act as the **Technology Officer** of the Company. Given his extensive experience in web-development, he will be in charge of setting the general specifications for the e-shop and supervise the web-development company that will be chosen to implement the website. In addition, he will be responsible for the maintenance of the website which includes importing and editing supplier's data, uploading online content (videos, recipes, photographs) and keeping the website in a functioning condition.
- Dimitris T. will have the role of the **Financial Officer** dealing with all financial aspects of the Company, negotiating contracts with suppliers and other associates. Furthermore, he will also be involved in the sales department of the Company, trying to find as many suppliers as possible to participate in the

venture. It has been agreed that Dimitris will also act as the **Chief Executive Officer** of the Company having the final say in management decisions.

8.1.3 Team's Aspirations

Although this venture is a side project for the three founding members, they are all committed to work hard, spend all their free time and a considerable amount of money to make this succeed. The team has been brought together by their passion and excitement for entrepreneurship and innovation and the goal is to create a company, which supports creativity and initiative. Except for the obvious objective, which is for the Company to become viable and make money, the founding team wants to help small producers from Greece reach wider markets and start selling their products in other countries as well.

The team members have agreed to fund the business themselves. However, if the venture grows and needs extra capital, all founding members would have no objection of giving control to investors, with preference to venture capitals. As for the exit strategy, the team's main goal is to create a sustainable business and not try and sell it at the first chance they get.

8.2 Team of advisors

From the beginning of the implementation of the idea, the team has been getting advice and consultation from colleagues & associates, who have greater experience and knowledge in specific areas of expertise. Some of them are:

- **Kampas Konstantinos – Attorney at Law, specialized in Corporate Law:** Konstantinos is a lawyer, with extensive experience in helping to set up small and medium companies in Greece. Konstantinos will help pro bono in issues concerning the incorporation of the Company.
- **Kakali Paraskevi – Accountant:** Paraskevi has more than 10 years of experience on financial reporting for businesses in Greece. She is also an expert in the Greek Tax system. Her expertise will help both in the incorporation and the operation of the Company. Paraskevi has agreed to undertake all accounting issues of the Company in exchange for a small stake in the Company (2.5% of the equity)
- **Panayotis Katos – Business Consultant:** Panos is working in one of the major consulting agencies in Greece for the last years, narrowing the gap between an idea and its targeted market through working on business elements and fundraising issues. At this point of the Company's life-cycle, Panos has agreed to consult on the business plan and its implementation for a small fee plus a stock option plan (the deal includes the option of buying 100 shares at a fixed price of €30 until 01.07.2015)

8.3 Human Capital Needs

In order to decide whether extra personnel is needed for the Company and at what exact point of the Company's life-cycle, a thorough analysis of all relevant factors has been carried out and is presented in this section of the business plan.

8.3.1 Budget allocated to Human Capital

Based on the capital contributions of the founders and the projected cash flow (Section 12.2), it has been decided that the budget for employees cannot exceed the **amount of €6.000** for the first year of operations. This amount includes full-time employees and potential part-time consultants. The founding team would be also willing to offer **stock options (2% - 5%)** to employees, depending on their experience and the expertise that they bring into the Company. A State-funded program has been identified, that subsidizes new jobs for startups, so the Company will only have to pay half of the employee's salary.

8.3.2 Company's Needs

- **Technical Needs**

Since the design and creation of the website will be outsourced to an external associate, the workload of site maintenance and minor development can be dealt with by Dimitris S., the Technology Officer. Members of the team will also act as copywriters for the content of the website.

- **Operational Needs**

Konstantinos will be responsible for running all the day-to-day operations, such as communicating with producers, inspecting the orders, resolving any issues and dealing with all our associates. However, an e-shop of this kind will definitely need **full-time customer telephone support**, which no one from the founding team has the time to do.

- **Marketing Needs**

Given that Konstantinos and Dimitris T. both have some experience in marketing in their own firms, they will initially handle the marketing research and the marketing strategy themselves. However, the team would be interested in adding a **marketing professional with working experience in the food industry** (super-market or e-shop), to operate as a consultant on marketing issues.

- **Needs in Sales**

Konstantinos and Dimitris T. will share the workload of locating producers all over Greece, who will be willing to work with the Company. Given that this involves a lot of travelling, it may be needed at some point to find a **Sales Representative**, especially for South Greece.

8.3.3 Company's Environment

Any new member added to the staff must be able to fit right away and perform as quickly as possible. Therefore, character and aspirations of employees are critical for the selection's success. The Company will be looking for people interested in startups and innovation (preferably with experience in a startup) who will be able to take initiative and solve potential problems on their own.

8.3.4 External Environment

Assessing the general state of the economy, the situation of the labor market and the supply of relevant skilled job applicants is a major step in the recruitment process (Redman & Wilkinson, 2009).

The Company is incorporated in Greece, which is in the middle of an economic crisis. Unemployment is very high (approximately 35% in population under 30 years old) and the minimum wage has sunk (currently €580). This has resulted in a very wide pool of applicants for every available job. This means that many employees with great CVs and skills can be found at a reasonable price. However, it should be expected to receive thousands of CVs if the job is posted publicly. This could result in making the recruitment and selection process very difficult and time-consuming. Furthermore, one more downside of the current situation in the country is that a lot of graduates (and especially the best of them) prefer working abroad and companies are having trouble convincing them to stay and work in Greece.

8.4 Job Description

Given the analysis above, it is recommended that a **Customer Care Associate** should be hired from the beginning of the enterprise, while the **Sales Representative** and the **Marketing Consultant** should be added to the team at a later stage (12-15 months later). It has been decided not to ask for a specific degree as a requirement, given that the main interest is the set of skills and the personal attributes and not the degrees. The exact Job Descriptions for these positions can be found in Table 14 & Table 15 in the Appendices.

8.5 Recruitment & Selection

There is no room for mistakes when selecting people for a startup. Therefore, the process of recruiting and selecting applicants must be carefully planned. All available methods (Wilton, 2013) were evaluated and adapted to the case in question

Recruitment stage

The following recruitment channels have been chosen:

- **“Word of mouth” recommendations:** All three founding members currently work in the technology sector and have a wide network of coworkers and associates. Thus, by informing all of their friends & associates, the job vacancies will become known to a wide circle of people, who are relevant to the sector, without any cost.
- **E-recruitment:** The job vacancies will be posted in the Company’s website, with a link to an application form. Moreover, they will be posted in specific boards and forums that have to do only with startup jobs (e.g. “Startup Jobs in Greece” group in Facebook, “Open Coffee Greece” group in Facebook). There are also some online tools (like workable.com) that could be used at a fair price to find and screen applicants.
- **Networking Events:** Given that the members of the team are actively involved in the Open Coffee events and other entrepreneurship events in Thessaloniki, they will inform the members of the communities of the vacancies.
- **Links with Universities:** All three members of the team have completed post-graduate programs in the International Hellenic University in Thessaloniki. Therefore, there is a close relationship with the IHU and the Career service there. Through them, graduates of IHU can be informed of the relevant vacancy.

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- **Social Media:** The jobs will be posted through social channels, especially LinkedIn and will be forwarded to all of the team's LinkedIn contacts.

No large online agencies (like Skywalker or kariera.gr) will be used because posting there would generate a very large number of applicants, which would not be easy to handle. For the same reason, a decision against advertising in newspapers and magazines was made. Hiring an agency or a headhunter is out of the question due to the lack of funds for it.

Selection stage

Based on the specifics of the Company and the job vacancies, a mixed selection method consisting of the following steps is proposed:

- Design an **Application Form** that will allow to perform an initial screening of the candidates, based on their biographical data. Through the application form, it will be checked whether the candidate has the minimum requirements for the job (skills, experience etc). Cover letters are also welcome from all applicants. Usually in a cover letter one can get a hint of the person's aspiration and motivation.
- Based on the data acquired by the previous step, a **shortlist of candidates will be drawn**. Most promising applicants will be chosen and ranked in order of qualifications
- The next step will be **the interviewing**. If there are a lot of promising candidates (more than 100), there will be two rounds of interviewing, the first with short telephone interviews and the second ones face-to-face. Breaking the interviews into two steps can save time by only conducting face-to-face interviews with the most promising candidates. The interviews will be conducted by a panel of the three founders, so that a more objective opinion is formed. The interviewers need to be well prepared with a list of questions, so that the interviews provide trustworthy results. During the interviews:
 - Essential information from the application form will be checked
 - Personal characteristics, like interpersonal and communication skills will be assessed
 - Applicants will be asked to reflect upon hypothetical situations to explore how they might behave
 - Motivational factors that are required for effective job performance will be assessed
 - Candidates will be informed about the business and the job
 - Open questions will be posed so that candidates can talk about themselves

A list of questions that could be used in such an interview can be found in **Table 16** in the Appendix. All candidates will be assessed against the criteria set in the pre-recruitment stage. General comments, as well as marks on each desired skill will be given. Something that should also be taken under consideration is whether the applicant would fit in and whether he/she shares the team's aspirations.

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- The last stage will be checking **references** for the 2-3 best candidates, given of course their permission to do so. Talking with prior employers acts as evidence to ensure any claims made by the applicants

After completion of all these steps, the team should be ready to make a choice and send on offer letter. Psychometric or other testing was not chosen because of the lack of funds and manpower to perform such tests. However, it is believed that through this proposed process, valuable conclusions about the character of the applicants will be drawn.

9. Company Ownership

The start-up will be fully funded by the three members of the founding team. Each of them will contribute €9.750. The capital will be divided into 1000 shares of €30 each. As mentioned in the Human Capital Management chapter (8.2) Mrs. Kakali will also acquire a percentage of the equity (2.5%) in exchange for her services in the accounting department (legal entity of “Private Company” allows for contribution either in cash or in service). It should also be noted that in case of future stock options to employees or associates, the shares given will be equally divided from the three founding members’ percentages.

STATEMENT OF EQUITY OWNERSHIP			
Owner	Shares	Percent	Type of initial contribution
Andreou K.	300	30%	€9.750 in cash
Samaras D.	300	30%	€9.750 in cash
Touliopoulos D.	350	35%	€9.750 in cash
Kakali P.	25	2,5%	Accounting & Consulting Services
Total:	1000	100%	

Table 4 - Statement of Equity Ownership

10. Cost Management

In order to implement a cost management system and define the actual cost of the services offered, certain assumptions were made as there are no previous sales data to process. These assumptions are:

- The figures are estimated for a later point in the Company's life cycle when it has reached a steady state of operation (after 2-3 years of operation)
- The figures are based on similar ventures in Greece.
- Every cost has been calculated with present market values.

The method that will be used is the **Activity Based Cost Management (ABCM)** and it is chosen as the most accurate method to calculate the cost of the services offered in a multiple activity project. **Activity based costing** is a technique that attempts to assign overhead costs more accurately to products (or services) than the traditional cost methods.

The two services offered are two types of subscriptions for the suppliers: the Basic and the Premium, which are explained in detail in Chapter 11. The data required for the implementation of the ABCM are presented below:

- **The activities which take place in the Company in sequence**

Major activities are:

- Locating suppliers & negotiating deals with them
- Customer Service (pre- and post-sale)
- Website Operation
- Extra Services offered to the suppliers

- **The total amount of Overhead Annual Costs (OH)**

Category	Annual Cost (in €)
Rent, Communications, Electricity & Water	4000
Travel expenses	3000
Office supplies & maintenance	300
Advertising & Marketing	1000
Website Maintenance	600
Salaries	6000
Product Design	1000
TOTAL:	15900

- Estimated number of subscriptions sold annually

Kind of service	Number of Sales
Service A - Basic	100
Service B - Premium	20
TOTAL:	120

- The factors that drive the activities that we are going to use

Activity	Factor that drives the cost
Locating suppliers	# of suppliers
Customer Service	# of product sales
Website Operation	# of products in the e-shop
Extra Services offered	# of premium subscriptions

- How are the OH divided to the four activities (cost pools)

	Locating suppliers	Customer Service	Website Operation	Extra Services	TOTAL
Rent, Communications, Electricity & Water	800	2000	800	400	4000
Travel expenses	3000	0	0	0	3000
Office supplies & maintenance	100	100	0	100	300
Advertising & Marketing	100	0	900	0	1000
Website Maintenance	0	0	600	0	600
Salaries	0	5000	1000	0	6000
Product Design	0	0	0	1000	1000
TOTAL	4000	7100	3300	1500	

OVERHEAD COSTS

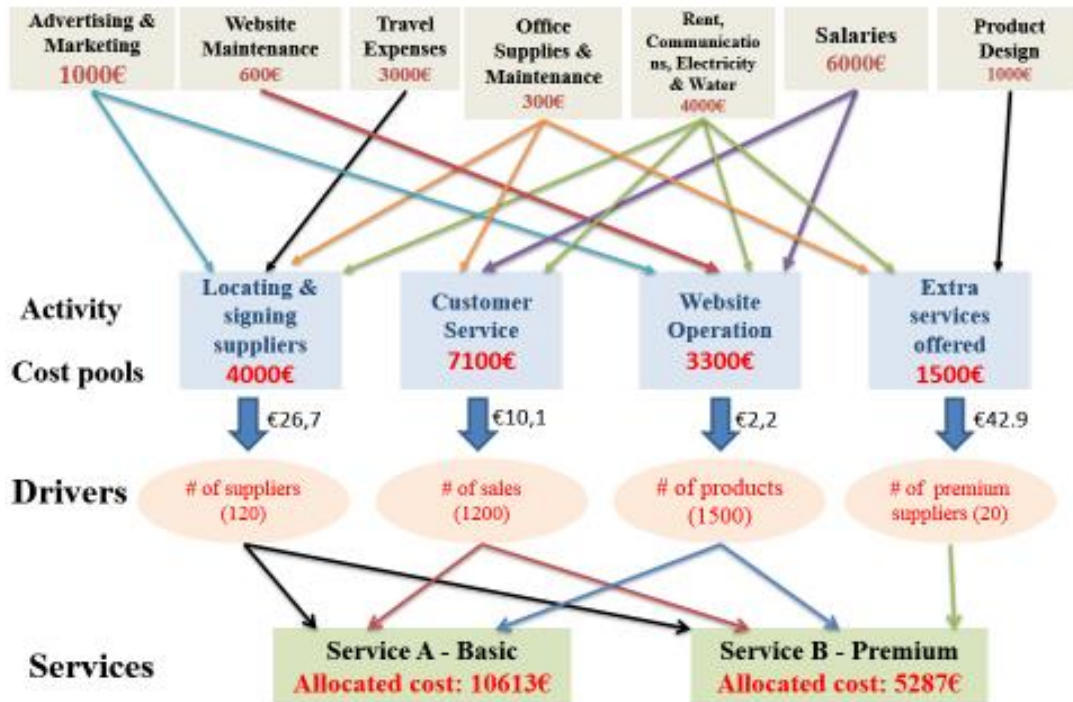


Figure 2 - Allocation of cost per service (ABCM Method)

The diagram above (Figure 2) estimates the actual cost of each service to the Company per year. The method shows that a Basic subscription costs €106.1 (€10613 divided by 100 Basic subscriptions sold) whereas a Premium subscription actually costs €264.4 (€5287 divided by 20 Premium subscriptions sold). These figures will be used in the next chapter (Chapter 11) so that pricing of these services is properly done and the appropriate business model is chosen.

11. Business Model & Pricing

Based on the Cost Management Analysis above, the Team has come up with a business model, aimed to a slow and steady route to creating a sustainable business.

The Company will approach producers and offer them a ready solution that will help them increase their sales and revenues. The number of small producers in Greece is very large, but their production and existing customer base is relatively small. Therefore, in order to develop a sustainable business it is not possible to rely only on a commission on sales, but to have a combination of a commission plus a fixed fee over the offered services.

Two types of subscriptions will be offered to the producers – suppliers. Services offered each subscription can be seen in the table below (Table 5). The Pricing of these two subscriptions was based on the actual cost of the services (estimated in the previous chapter) plus a profit that the Team has agreed on. These two different “packages” created to address producers with a different number of products, different characteristics and different needs.

	Basic Subscription	Premium Subscription
Annual Fee	€130	€300
Maximum # of products	6	15
Packaging solutions	€150	free
Marketing Consulting	€350	€100
Additional products	€10 / product	€5 / product
Featured products in front page	€5 / month	free
Commission fee	10%	7%

Table 5 – Types of services offered & Prices

In addition to all the above, the Company will be able to provide some extra services to the producers on request. Such a service will be a certification plan complied with the international standards (HASP, ISO 9001) for the products of a supplier. Certified products are more appealing to consumers and can be exported abroad. Also, as two of the team members have relevant experience & studies, consultancy services on supply chain management and marketing will be available to a producer.

12. Financial Projections

12.1 Startup Expenses

Item	Category	One Time Cost	Recurring Cost (per year)
Business Incorporation Filing	Legal	€1000	
Register Internet Domain Names (2 domains .eu .& com)	Marketing	€100	€50
Web Hosting	Web Hosting	€500	€500
Website Design Services	Web Hosting	€3000	
Office Equipment		€3000	
Total		€7,600	€550

Table 6 - Startup Expenses

12.2 Projected Cash Flow

The projected Cash Flow for the first 12 months of operation can be seen below in Table 7

Cash Flow	The Company												Fiscal Year Begins:		Total Item EST
	Pre-Startup EST	Ιαν-14	Φεβ-14	Μαρ-14	Απρ-14	Μαϊ-14	Ιουν-14	Ιουλ-14	Αυγ-14	Σεπ-14	Οκτ-14	Νοε-14	Δεκ-14	Ιαν-14	
Cash on Hand (beginning of month)	30.000	22.400	24.325	23.965	23.965	22.990	22.740	22.320	21.820	21.450	21.200	21.340	20.875	22.400	
CASH RECEIPTS															
Subscriptions Basic		2.210	520	780	520	520	650	260	390	520	520	390	390	7.670	
Subscriptions Premium		900	0	300	0	300	0	300	0	300	300	300	300	3.000	
Commissions on sales		45	50	50	55	60	60	70	70	60	70	75	100	765	
Extra charges on producers					150						350			500	
TOTAL CASH RECEIPTS	0	3.155	570	1.130	725	880	710	630	460	880	1.240	765	790	11.935	
Total Cash Available (before cash out)	30.000	25.555	24.895	25.095	24.690	23.870	23.450	22.950	22.280	22.330	22.440	22.105	21.665	34.335	
CASH PAID OUT															
Purchases (Website Design)	3.000														
Purchases (Web hosting & Domain)	600												600	600	
Gross wages (exact withdrawal)		500	500	500	500	500	500	500	500	500	500	500	500	6.000	
Outside services					100									100	
Supplies (office & oper.)	3.000	30	30	30		30	30	30	30	30		30	30	300	
Advertising					500									500	
Car, delivery & travel		300		300	300	300	300	300		300	300	300	300	3.000	
Accounting & legal	1.000														
Rent															
Telephone		200	200	200	200	200	200	200	200	200	200	200	200	2.400	
Utilities		200	200	100	100	100	100	100	100	100	100	200	200	1.600	
Insurance															
SUBTOTAL Cash	7.600	1.230	930	1.130	1.700	1.130	1.130	1.130	830	1.130	1.100	1.230	2.330	15.000	
Cash Position (end of month)	22.400	24.325	23.965	23.965	22.990	22.740	22.320	21.820	21.450	21.200	21.340	20.875	19.335	19.335	

Table 7 - Projected Cash Flow (12 months)

The projected Cash Flow for the second and third year of operations can be seen in Table 8

Cash Flow	Fiscal Year Begins: 14v-15					Fiscal Year Begins: 14v-16				
	1st Q	2nd Q	3rd Q	4th Q	Total Item EST	1st Q	2nd Q	3rd Q	4th Q	Total Item EST
Cash on Hand (beginning of month)	19.335	20.335	19.285	19.420	19.335	18.420	20.770	22.320	23.170	18.420
CASH RECEIPTS										
Subscriptions Basic	3.510	2.600	3.510	3.380	13.000	4.550	4.550	3.900	4.030	17.030
Subscriptions Premium	2.400	900	1.200	1.500	6.000	2.700	1.500	1.500	1.500	7.200
Commissions on sales	190	200	75	120	585	200	250	100	180	730
Extra charges on producers		350		150	500		350		150	500
TOTAL CASH RECEIPTS	6.100	4.050	4.785	5.150	20.085	7.450	6.650	5.500	5.860	25.460
Total Cash Available (before cash out)	25.435	24.385	24.070	24.570	39.420	25.870	27.420	27.820	29.030	43.880
CASH PAID OUT										
Purchases (Website Design)										
Purchases (Web hosting & Domain)				600	600				600	600
Gross wages (exact withdrawal)	3.000	3.000	3.000	3.000	12.000	3.000	3.000	3.000	3.000	12.000
Outside services		50	50		100		50	50		100
Supplies (office & oper.)	100	50	100	50	300	100	50	100	50	300
Advertising										
Car, delivery & travel		500		500	1.000		500		500	1.000
Accounting & legal	1.000	500	500	1.000	3.000	1.000	500	500	1.000	3.000
Rent										
Telephone										
Utilities	600	600	600	600	2.400	600	600	600	600	2.400
Insurance	400	400	400	400	1.600	400	400	400	400	1.600
SUBTOTAL	5.100	5.100	4.650	6.150	21.000	5.100	5.100	4.650	6.150	21.000
Cash Position (end of month)	20.335	19.285	19.420	18.420	18.420	20.770	22.320	23.170	22.880	22.880

Table 8 - Projected Cash Flow (2nd & 3rd year)

12.3 Break Even Analysis

The exact number of sales (Basic & Premium subscriptions) has been estimated so that the Company reaches the Break Even Point (Table 9)

Break Even Point Analysis				
		Depreciation (Website Design)	750	
		Purchases (Web hosting & Domain)	600	
		Gross wages (exact withdrawal)	6000	
		Supplies depreciation (office & oper.)	1050	
		Advertising	1000	
		Car, delivery & travel	3000	
		Accounting & legal Depreciation	250	
		Telephone	2400	
		Utilities	1600	
		TOTAL EXPENCES	16650	
			Break Even Point	
Fee	130,00€	Subscriptions Basic	78	10140
	300,00€	Subscriptions Premium	14	4200
	9%	Commissions on sales		1656
		Extra charges on producers		700
		TOTAL CASH RECEIPTS		16696

Table 9 - Break Even Analysis

13. Objectives - Control System

The existence of a control system is essential for the success of this endeavor. A schedule of reports will be implemented in order to keep track of the Company's progress in relation to specified targets, but also for auditing financial and operational results. The key factors that are to be measured and reported are presented in the following table (Table 10):

Factor	Unit
Monthly target of collaborating suppliers	# of suppliers
Annual target of collaborating suppliers	# of suppliers
Monthly number of collaborated suppliers	# of suppliers
Accumulated number of collaborated suppliers	# of suppliers
Volume of products sold	# of products
Number of products illustrated in the site	# of products
Value of products sold	€
Costs of operations	€
Top 10 list of best selling products	
Customer complaints	# and reason of complaints

Table 10 - Key reported factors

The aim is to keep the reports short and concise in order to avoid any unnecessary bureaucracy that will consume valuable time.

Setting the correct targets within the right timeframe will allow to develop and expand operations in an organized way. In order to prepare a target program, initial priorities need to be set. As described at the beginning of this business plan, one of the main objectives is to concentrate as many traditional products as possible in the web store. Thus the priorities, in a descending order, will be:

- Diversification of products
- Existence of Protected Designation of Origin (PDO) products (Table 18)
- Existence of Protected Geographical Indication (PGI) products (Table 18)
- Diversification of supplier origin
- Existence of products from respectable origins
- Diversification of suppliers within the same area
- Existence of well-respected suppliers

These will be the priorities for product and supplier target program. On the other hand it will also be needed to define priorities for the rest of the operations, which will be:

- Customer feedback
- Positive E.B.I.T.D.A.
- Positive Net Income
- Website operation
- Shipping time

In accordance with the above priorities, specific targets have been set, which are presented in the following table:

Timeframe	Target
Before launching the web site	<ul style="list-style-type: none"> • At least 2 products per category • 30% PDO products • 10% PGI products • Suppliers from 5 different prefectures (51 in total)
1st Quarter	<ul style="list-style-type: none"> • Suppliers from 3 new prefectures • 33% PDO products • 15% PGI products • <6% less than average feedback
2nd Quarter	<ul style="list-style-type: none"> • Suppliers from 4 new prefectures • 35% PDO products • 15% PGI products • <5% less than average feedback
3rd Quarter	<ul style="list-style-type: none"> • Suppliers from 4 new prefectures • 38% PDO products • 17% PGI products • <3% less than average feedback
4th Quarter	<ul style="list-style-type: none"> • Suppliers from 5 new prefectures • 39% PDO products • 17% PGI products • <3% less than average feedback
1st Year End	<ul style="list-style-type: none"> • Suppliers from 21 prefectures • 40% PDO products • 17% PGI products • <3% less than average feedback
2nd Year 1st Half	<ul style="list-style-type: none"> • Suppliers from 28 prefectures • 41% PDO products • 18% PGI products • <2,8% less than average feedback
2nd Year 2nd Half	<ul style="list-style-type: none"> • Suppliers from 36 prefectures • 41% PDO products • 18% PGI products • <2,8% less than average feedback • Positive E.B.I.T.D.A. > 3.000 €
3rd Year	<ul style="list-style-type: none"> • Suppliers from 41 prefectures • 42% PDO products • 20% PGI products • <2,8% less than average feedback • Positive E.B.I.T.D.A. > 7.000 € • Positive Net Income

Table 11- Targets & Timeframes

As mentioned before, the reporting frequency will be monthly for the factors mentioned at the beginning of this section. Every factor will be reported by the respective member of the team that is responsible for the factor's result. The monthly

reports will just present the factor without any details, and all the details will be discussed between the team members in a scheduled meeting. The same procedure will be followed for the quarterly reports that will be more detailed and future actions will be agreed and monitored in the following meetings.

Finally, traffic on the website must be monitored. Google Analytics offer a wide range of statistics about the website. These analytics will be monitored monthly by the Company's Technical Officer and reported in the team's meetings. The Technical Officer will of course be responsible of making suggestions based on these analytics on how to generate more (and more targeted) traffic.

14. Risk Management

Major risks that the Company faces must be identified, analyzed, and managed throughout the life of the project. Risks should be identified as early as possible in the project so as to minimize their impact. In the following table (Table 12):

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

ID	Probability	Impact	Assigned to:	Description	Strategies
1	Medium	High	Technical Officer	Web-design company does not deliver the site in time	1. Try to avoid this risk by choosing a trustworthy company and putting specific terms in the orders for timely delivery. 2. Avoid by contacting company very often and checking progress to make sure that there are no delays
2	Low	High	Operations Officer	Courier company delays orders & loses packages	1. Try to avoid this risk by choosing a trustworthy company 2. Mitigate risk by having specific term in contract allowing to cancel agreement in such cases and find another company
3	Medium	High	Operations Officer & Financial Officer	Suppliers seem unwilling to participate under the current business model	1. Avoid by informing on benefits and “selling” future revenues and new markets. 2. Mitigate by offering special deals to suppliers in the beginning 3. The contingency plan is to apply the current business model to other retailers that wish to create an e-shop
4	Low	Medium	Operations Officer	The direct shipping from producers to clients creates problems to clients (extra cost, shipping delays, packaging issues)	1. Mitigate the risk by constant monitoring of customer feedback and intervene whenever a problem occurs 2. Set contingency plan in motion: all products are sent to the Company’s HQ, then packaged and sent.
5	Medium	High	Operations Officer & Financial Officer	Sales & revenues significantly lower than projected	1. Avoid by constant monitoring of sales and adjusting strategies 2. Mitigate by cutting down operating costs
6	Low	Low	Technical Officer	Website generates a lot less traffic than anticipated	1. Mitigate by spending more on advertising & promotion of site 2. Avoid by focusing on SEO
7	Low	High	Technical Officer	Website crashes	1. Mitigate the risk by choosing a very reliable web-hosting company 2. Try to avoid such a crash by using backup servers

Table 12 - Risk Management plan

15. Future Growth Opportunities

Except for the obvious growth opportunities (more producers, more products in the e-shop) the team is already considering the long-term strategy of the Company. More specifically:

- **Expand into other larger organic product markets:** One of the main long-term goals of the Company is to focus on the market of the U.S. Driven by consumer choice, the U.S. organic industry grows by nearly 10 percent annually to reach \$39 billion in sales in 2013 (Organic Trade Association, 2013). Organic food market represent the 45% of the global organic market (Figure 4 in the Appendix). Entering the U.S. market requires coming up with a solution to decrease the high cost of delivering products from Greece to the U.S. Moreover, it would need different marketing and advertising tactics.
- **Target Scandinavian markets specifically:** As explained earlier (Section 5.2) the Scandinavian countries have the highest per capita consumption of organic products. Implementing a specific strategy to target these markets could lead to a significant rise of sales and revenues.
- **New kinds of products in the e-shop:** Other kinds of products could be eventually added to the e-shop like organic cosmetics, utensils, gift ideas or even books on health and cooking.
- **Bulk sales:** The team would be interested to try wholesaling organic products mainly to large markets, like U.S. and China, which are already showing great interest in specific Greek products.

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Appendices

Table 13 - Procedures required to start a Private Company (IKE)

No	Procedure	Time to complete	Associated Costs
1	<p>Obtain Tax Clearance form A7 from Tax Authority Before applying for a new company at GEMI, entrepreneurs should obtain the tax clearance form A7 with any Tax authority office. This form shows that the founders do not have any outstanding taxes and are able to start up a company.</p>	1 day	No charge
2	<p>Submit with GEMI the application of establishment and its forms Need to submit certified copy/ies of the IDs of the founder/s or certified copy/ies of the passport/s for EU Member-State citizens</p> <p>The articles of association of the company shall contain: a) the name; b) the domicile or an electronic address of the partners; c) the seat of the company; d) the object of the company; e) that the company is private; f) the contributors of the partners by category and their value, in accordance with articles 77 to 79, as well as the capital of the company; g) the total number of the company's parts; h) the initial number of the parts of each partner and the category of contribution to which the parts correspond; I) the way the company is managed and represented; and (k) the duration of the company.</p> <p>For Legal entities, there is a requirement for the submission of additional supporting documents:</p> <ul style="list-style-type: none"> • Application for the "precheck" of the company's name and distinctive title and for the registration with the respective Chamber • Application for the registration with the local Chamber • Application for the registration with GEMI • Application for the acquisition of Tax Identification Number • Submit the tax forms: M3,M6, M7, M8 <p>Need to request to send notice to the insurance organizations (OAEE) with regard to the company's establishment.</p>	10 days	EUR 195.8
3	<p>A company seal is required as all company books and records must be sealed before they are certified. Moreover, in the company seal must contain the company's tax registration number and competent tax office.</p> <p>On May 31, 2013 the Government of Greece adopted the Law 4156/2013 abolishing the requirement to make and affix the company seal for corporations. However, it is still used in practice by banks, as the Bank of Greece has not issued a circular asking the banks to not require it. Thus, companies are still required to make a company seal in their daily practice.</p>	1 day	EUR 40
4	The entrepreneur has to register the employees with IKA, once the company has been created. This is done via email by the notary.	1 day	No charge
5	Every entrepreneur has to register with the Social Security Organization for Self-Employed (OAEE) provided he is not already registered with another social security body, nor does he already have an existing OAEE number.	1 day	EUR 111 (per person)

Figure 3 - European Sales of Organic Products 2004-2011

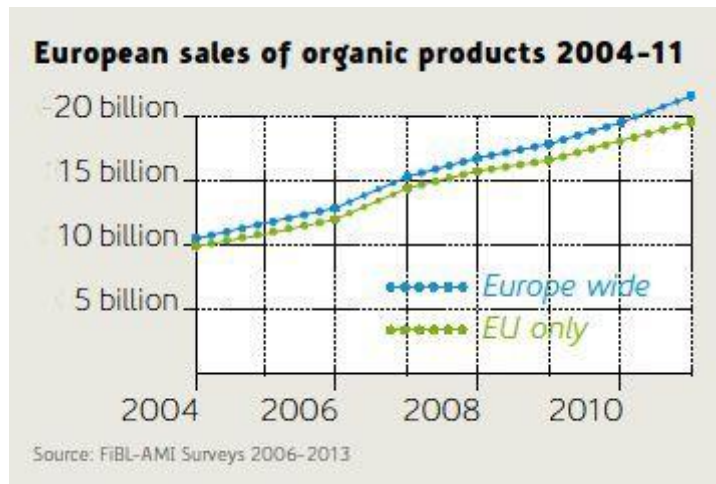


Figure 4- Distribution of organic sales worldwide

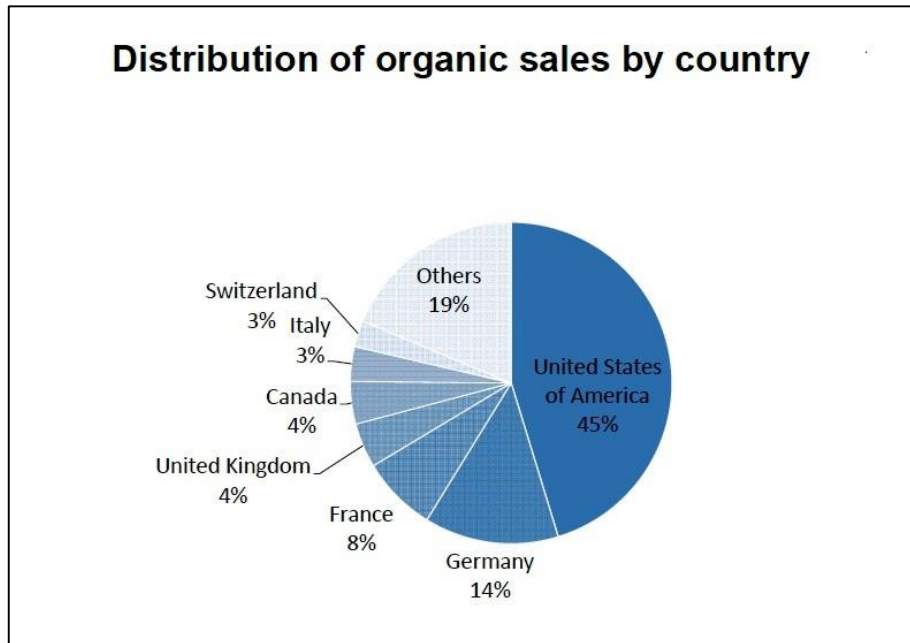


Table 14 - Job Analysis for Sales Representative

Sales Representative
We are looking for a passionate associate to join our start-up team and help us build a strong customer base This position is for our HQs in Thessaloniki, Greece The position reports directly to the Operations Officer
Responsibilities
Find, attract & engage producers from all over Greece to sell their products in our e-shop Explain and demonstrate the features and values of our business Close deals and maintain positive relationships with the producers

Requirements
<p>Must be able to demonstrate business to business sales record (2+ years) at a high level of achievement</p> <p>Proven ability to work independently and in a team environment</p> <p>Excellent relationship building / managing skills</p> <p>Experience working in a startup or a small business will be considered a plus</p> <p>Driving license</p> <p>Ability to travel 2-3 times a week</p> <p>Proven communication skills (both written and oral)</p> <p>Negotiation skills</p> <p>We expect our Sales and Operations Associates to learn quickly, apply prior knowledge to current situations, solve problems, manage time, prioritize tasks, and communicate well with peers, customers, and suppliers</p>
Benefits
<p>Competitive salary, plus performance bonuses</p> <p>Friendly work environment that encourages initiative</p> <p>Stock option plan</p> <p>Company car & expense account</p> <p>Mobile phone</p>

Table 15 - Job Analysis for Customer Care Associate

Customer Care Associate
<p>We are looking for a passionate associate to join our start-up team and provide excellent support to our customers</p> <p>This position is for our HQs in Thessaloniki, Greece (working from home could also be discussed)</p> <p>The position reports directly to the Operations Officer</p>
Responsibilities
<p>Professionally handle incoming requests from customers (e-mails & phone calls), and ensure that issues are resolved both promptly and accurately.</p> <p>Provide consistent, quality service and support in a variety of areas including but not limited to billing, equipment, user account support, and technical troubleshooting.</p> <p>Enter updates and maintain customer orders and information in the relevant informations system</p> <p>Monitor support forums to ensure a friendly, helpful community atmosphere.</p> <p>Identify ways to improve the support experience, both for our team and for our customers.</p>
Requirements
<p>2-5 years of customer service experience with supporting customers over the phone</p> <p>Experience working in a customer database</p> <p>Ability to multitask</p> <p>Excellent interpersonal skills and professional manner</p> <p>Proven ability to work independently and in a team environment</p> <p>Proven communication skills (both written and oral) in Greek and English</p> <p>Knowledge of German will also be considered an advantage</p> <p>Good understanding of a customer/user-focused environment</p> <p>Upbeat, caring and empathetic personality</p>
Benefits
<p>Competitive salary</p> <p>Friendly work environment that encourages initiative</p>

Table 16 - Potential Questions for interviews

Proposed question for the interview (in random order)
What is most important to you in the job you are looking for?
Why are you interested in working in such a small company?
Which work do you find easy, and which difficult?
If we get a reference from your present employer, what will it say about you?
What are your strengths and weaknesses?
What do you think is your greatest success? Your greatest failure? Why?
What worries you about this job? What excites you? What would you see as the key challenge?
What do you imagine yourself doing in our company?
How do you imagine yourself in 5 years from now?
What concerns do you have about our company?
Describe a time you felt you were right but you still had to follow directions or guidelines
What business would you love to start?
What would you most like to learn here that would help you in the future?
What have I forgotten to ask you?

Figure 5 - Questionnaire, Part 1

***1. How often do you buy the following products?**

	Never	Once or twice per year	Every 3-4 months	Once a month	Every week
Olive oil	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wine	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liqueurs - Distilled Spirits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Honey	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Traditional Pasta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Legumes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appetizers (sun-dried tomatoes, caper etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sweets (fruit spoon sweets, jams, bars etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Spices - Aromatic plants	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Herbs - Superfoods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***2. Where do you buy the following traditional products?**

	At super markets	At Delicatessen stores	At open markets	Directly from the producer	At e-shops on the internet	I don't buy this product
Olive oil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liqueurs - Distilled Spirits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Honey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traditional Pasta	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legumes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appetizers (sun-dried tomatoes, caper etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sweets (fruit spoon sweets, jams, bars etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spices - Aromatic plants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Herbs - Superfoods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure 6 - Questionnaire, Part 2

***3. Please rate the importance of the following factors when buying traditional products**

	I don't care about that	Not so important	Important	Very Important	Absolutely necessary
Taste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appearance / Packaging	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Awards / Certifications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Labelled as "organic"	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Place of origin	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Nutritional Value	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***4. Please select your level of agreement with the following statements concerning traditional products**

	Strongly Disagree	Disagree	Indifferent	Agree	Strongly Agree
There are many differences between brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is a specific brand / producer I prefer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would be interested in knowing how they are produced	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
They are tastier than conventional products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
They are healthier than conventional products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
They are of superior quality than conventional products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Figure 7 - Questionnaire, Part 3

***5. During the last year, how many purchases of products or services have you made online?**

None (0)
 One to three (1 - 3)
 Four to six (4 - 6)
 Seven to twelve (7 - 12)
 More than twelve (12+)

***6. Please select your level of agreement with the following statements concerning online shopping**

	Strongly Disagree	Disagree	Indifferent	Agree	Strongly Agree
It is a great advantage to be able to shop at any time of the day on the internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is more difficult to shop on the internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Shopping online is risky	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I prefer traditional/conventional shopping to online shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think shopping on the internet saves time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I will prefer online shopping only if online prices are lower than actual price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Online shopping is as secure as traditional shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I shop online only when I find great deals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Figure 8 - Questionnaire, Part 4

***7. How important do you consider the following characteristics in an e-shop?**

	I don't care about that	Not so important	Important	Very important	Absolutely necessary
Easy navigation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Full description and information for every product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ratings from other customers on the products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support via telephone	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security in personal data & transactions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ability to pay cash on delivery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In-time delivery of the orders	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ability for returns and refunds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***8. How likely do you think it is for you to buy some of the following products online (in an e-shop) in the following 12 months or so?**

	Unlikely	Not so likely	Likely	Very likely	Certain
Olive oil	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wine	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Liqueurs - Distilled Spirits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Honey	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Traditional Pasta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Legumes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Appetizers (sun-dried tomatoes, caper etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sweets (fruit spoon sweets, jams, bars etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Spices - Aromatic plants	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Herbs - Superfoods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Figure 9 - Questionnaire, Part 5

***9. Please rate the importance of the following characteristics in an e-shop for traditional products**

	I don't care about that	Not so important	Important	Very important	Absolutely necessary
Wide variety of products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Products from well-known producers / brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Products originated in different places	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Products sold exclusively in the e-shop	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extensive information on the producer of each product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Guarantee about the quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***10. Which of the following reasons would prevent you personally from ordering traditional products from an e-shop? (maximum of 3 choices)**

- I am not familiar with buying things on the internet generally
- I do not trust e-shops
- I am afraid that there will be a delay in the delivery of my order
- Not being able to touch products
- I am worried that the products might be delivered damaged or altered
- Difficulty in returning products/items
- I have undergone bad experience
- Other (Please specify) _____

***11. If you were to place an order in an e-shop, how much time would you consider acceptable from the minute you place your order until the order reaches its destination?**

- Up to 7 days
- Up to 4 days
- Up to 2 days
- Other (please specify) _____

Figure 10 - Questionnaire, Part 6

*** 12. Please rate your agreement with the following statements**

	Strongly Disagree	Disagree	Indifferent	Agree	Strongly Agree
I go on a low-salt diet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I go on a vegetarian diet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I practice sports regularly	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I avoid eating junk food	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I eat red meat moderately	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I consider myself environmentally aware	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I try to eat food with no additives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I check my health periodically	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I try to reduce stress in my life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I collaborate with NGOs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I try to live in a methodical and ordered way	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I try to balance work and private life	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Figure 11 - Questionnaire, Part 7

*** 13. Your age:**

- 18 - 30 years old
- 31 - 45 years old
- 46 - 60 years old
- over 60 years old

*** 14. Your gender:**

- Female
- Male

*** 15. Where do you live?**

- Athens
- Thessaloniki
- Other greek town (more than 10000 population)
- Other greek town (less than 10000 population)
- Other country (please specify) _____

16. Your education level:

- Master or PHD Degree
- Bachelor's Degree
- High School Diploma
- Primary School Diploma

17. Your marital status:

- Single
- Married
- No answer

18. Number of children:

- No children
- 1 -2
- More than 2

19. Annual income:

- Less than €10.000
- €10.000 - €20.000
- More than €20.000
- No answer

Figure 12 - Importance of security in e-shops based on the Survey

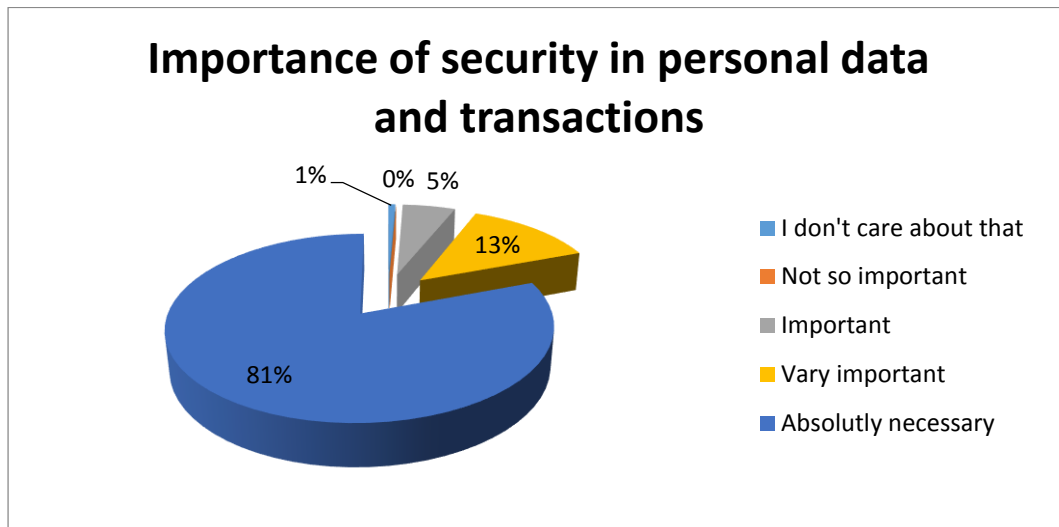


Figure 13 - Importance of telephone support on people over 45

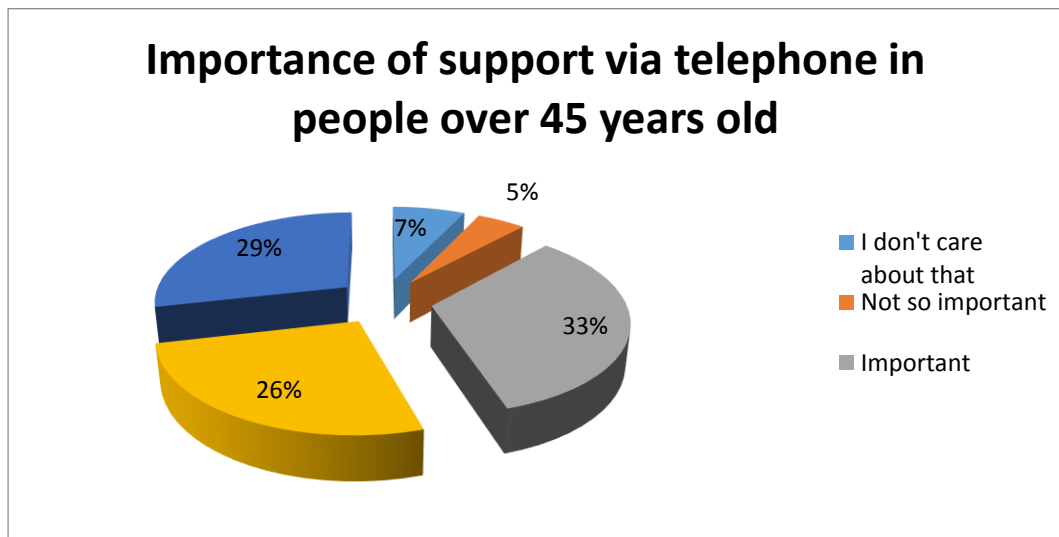


Figure 14 - Importance of factors behind buying decisions for "Organic Buyers"

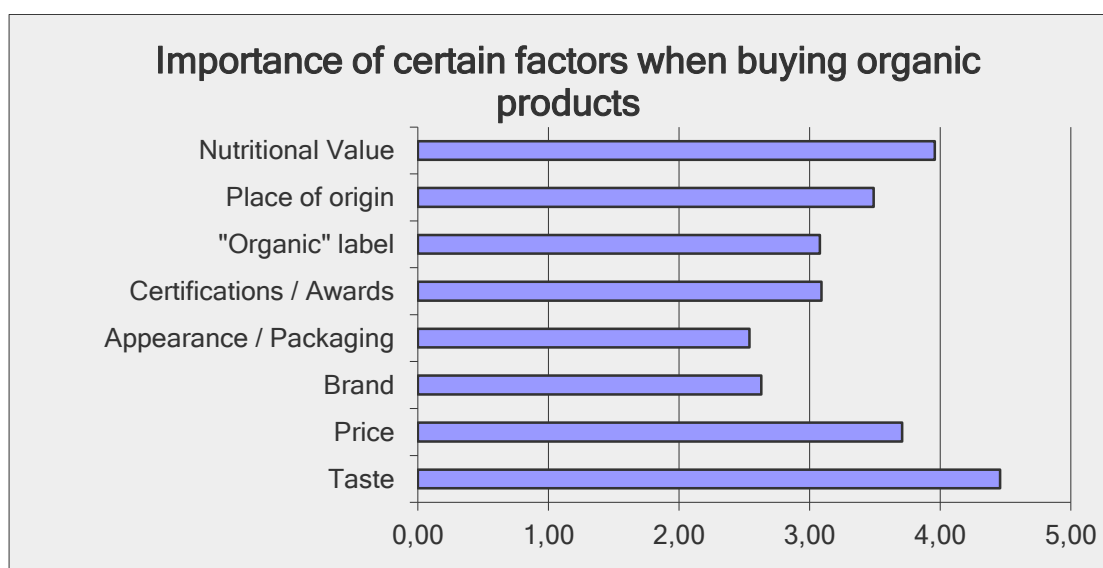


Table 17 - Importance of features in an e-shop for "Organic Buyers"

Answer Options	I don't care about that	Not so important	Important	Very important	Absolutely necessary
Easy navigation	2%	1%	24%	39%	34%
Full description and information for every product	1%	1%	13%	45%	41%
Ratings from other customers on the products	4%	8%	32%	39%	18%
Support via telephone	1%	10%	18%	44%	27%
Security in personal data & transactions	1%	0%	3%	17%	79%
Ability to pay cash on delivery	7%	7%	19%	30%	37%
In-time delivery of the orders	1%	2%	15%	41%	41%
Ability for returns and refunds	1%	1%	5%	39%	54%

Table 18 - List of PDOs & PGIs in Greece

CHEESE	OLIVES	FRUITS - VEGETABLES
Anevato	Kalamata Olive	Kiwi Pierias
Galotyri	Throumba Ampadia	Kiwi Sperchios
Feta	Rethymno Crete	Kelyfoto peanut Fthiotidas
Gruyere Agrafon	Throumba Thassos	Cherries crunchy Rhodochori
Gruyere Crete	Throumba Chios	Vostitsa currants
Gruyere Naxos	Konservolia Amfissis	Corfu kumquat
Lemnos Kalathaki	Artas Konservolia	Apples Delicious Pilafa Tripoli
Kaseri	Konservolia Atalante	Apples Zagora Pilio
Katiki Domokos	Konservolia Pelion	Apple Kastoria
Kefalograviera	Volos	Dried figs Kimi
Kopanisti	Konservolia Rovion	Potato Nevrokopiou
Ladotyri Mytilene	Konservolia Stylidas	Oranges Maleme Chania Crete
Manouri		Peaches Naoussa
Metsovone		Figs Vravra Markopoulos Mesogion
Batzos		Tsakonian Eggplant Leonidiou
Xinomyzithra Crete		

Pichtogalo Chania San Michalis Sfela Formaella Arachova Parnassus		Beans giants - elephants Kastoria Beans giants - elephants Prespa , Florina Common beans mesosperma Nevrokopiou Beans Prespa , Florina Pistachios Aigina Pistachio Megara
BAKERY	FISH	
Crethan rusk	Roe Mesolongiou	
OLIVE	OLIVE	OTHER PRODUCTS
Agios Matheos Corfu Apokoronas Chania Crete Archanes Heraklion Crete Vianos Heraklion Crete North Mylopotamos Rethymno Crete Extra virgin olive oil "Thrapsano" Extra virgin olive oil "Poros" Zakynthos Thassos Kalamata Kefalonia Kolimvari Chania Crete Kranidi Argolida	Krokees Laconia Laconia Lygourio Asklipieiou Lysvos Olympia Peza Heraklion Crete Petrina Laconia Preveza Rhodes Sitia Lassithi Crete Samos Foiniki Laconia Chania Crete	Honey Elatis Vanilla Mainalou Saffron Kozani Mastich oil Chios Mastic Chewing Gum Chios