



INTERNATIONAL
HELLENIC
UNIVERSITY

**A business opportunity in
food industry:
Natural food products that
boost health and have
healing attributes.**

Magdalini Papacharalampous

SCHOOL OF ECONOMICS, BUSINESS ADMINISTRATION & LEGAL STUDIES

A thesis submitted for the degree of

EXECUTIVE MBA

February 2017

Thessaloniki – Greece

Student Name: Magdalini Papacharalampous
SID: 11001150015
Supervisor: Professor Vangelis Souitaris

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

February 2017
Thessaloniki - Greece

Abstract

This dissertation was written as part of the EMBA course at the International Hellenic University. The purpose of this project is to develop a business plan for a start-up company that will sell food products with healing natural attributes.

Nowadays, there is an increase in diseases which are related to eating patterns and the quality of industrialized food. To this end, the aim of this dissertation is, through research, to develop a business plan for a new venture that will explore ways to improve people's health condition through their diet. The new venture is willing to establish a new philosophy in the Western world about well being and longevity. This can be achieved by the development of a series of high quality natural products (known as superfoods), which is scientifically proven, that their frequent consumption will benefit body condition, enhance long-term health and also could prevent several diseases that are related to everyday diet habits.

This analysis examines the market trends and needs in the food industry, globally and evaluates business opportunities. Research and data findings are based on information about food market and eating patterns in Europe and the USA.

Appropriate models and tools have been used in order to support the analysis of this dissertation and find practical and realistic business solutions. Additionally, there is emphasis on related literature to support facts, concepts and ideas.

During the writing process of this dissertation, I received a great support from my supervisor, professor Vangelis Souitaris, who's contribution on the structure and development was vital for its successful completion. In addition, during the process of research about scientific facts related to superfoods, the kind response of professor Koutelidakis was critical for this analysis by providing valuable research material and scientific results. Furthermore, my participation at professor's Lida Kyrgidou lecture and the course material provided, were critical for the analysis of the business plan. To conclude, I would like to thank all the people from the marketplace, potential collaborators/suppliers, who devoted their time to discuss with me and answer several questions about the food industry and market.

Keywords: health, diet, superfoods, products, business plan

Magdalini Papacharalampous
February 2017

Preface

I wish to thank International Hellenic University, all the eminent professors who taught us about so many valuable things and moreover, the prominent and inspiring President of the Governing Board of IHU, Costas Grammenos.

I also wish to thank the Programme Manager, Angeliki Chalkia, who supported our efforts in all aspects of the EMBA and had an understanding in many issues.

My appreciation also extends to all my fellow students for their support, comments, suggestions and also collaboration when needed on assignments, and more importantly for the wonderful moments we have spend together the last two years.

My gratitude also goes to my family and my friends, people who love me and who offered encouragement and support during my studies.

Contents

ABSTRACT	III
PREFACE	I
CONTENTS.....	III
LIST OF FIGURES	1
LIST OF TABLES	2
INTRODUCTION	3
CHAPTER 1. LITERATURE REVIEW	7
1.1 SOCIAL AND ECONOMIC ISSUES RELATED WITH HEALTH AND DIET	7
1.2 HISTORICAL INFORMATION	11
1.4 SUPERFOODS	11
1.5 MODELS USED FOR THIS ANALYSIS	13
1.5.1 Porter's Five-Forces Model.....	13
1.5.2 SWOT Analysis	13
CHAPTER 2. METHODOLOGY	14
CHAPTER 3. THE BUSINESS PLAN	15
3.1 EXECUTIVE SUMMARY	15
3.2 VENTURE DESCRIPTION	15
3.2.1 VISION	16
3.2.2 MISSION.....	16
3.2.3 VALUES	16
3.2.4 OBJECTIVES	16
3.3 THE MANAGEMENT TEAM	16
3.4 ORGANIZATIONAL PLAN.....	18
3.5 OPERATIONS PLAN	19
3.6 PRODUCT DESCRIPTION.....	21
3.6.1 TRADEMARK.....	21
3.6.2 PACKAGING	21

3.6.3 LEGISLATION.....	22
3.7 THE SUPERFOOD INDUSTRY ANALYSIS	23
3.8 THE SUPERFOOD MARKET ANALYSIS.....	25
3.9 PRODUCT POSITIONING.....	28
3.9.1 SEGMENTATION OF THE MARKET	28
3.9.2 TARGETING THE MARKET	29
3.9.3 PRODUCT PRICING	29
3.9.4 DISTRIBUTION CHANNELS.....	30
3.9.5 SUPPLIERS.....	30
3.9.6 COMMUNICATION CHANNELS	31
3.9.7 UNIQUE SELLING PROPOSITION (USP)	32
3.10 THE COMPETITION.....	35
3.11 FINANCIAL PLAN	36
3.11.1 PESSIMISTIC SCENARIO	43
3.11.2 OPTIMISTIC SCENARIO.....	46
CHAPTER 4. MODELS USED FOR THE ANALYSIS	49
4.1 PORTER’S FIVE FORCES	49
4.2 SWOT ANALYSIS.....	51
CONCLUSIONS	52
BIBLIOGRAPHY.....	57
APPENDIX	61

List of Figures

Figure 1: “The Greek food pyramid”	10
Figure 2: Organizational Chart of MESONISI	19
Figure 3: Operations Chart of MESONISI	20
Figure 4: MESONISI trademark, draft proposal.	21
Figure 5: MESONISI BERRIES and MESONISI TEA packaging, draft proposals.	22
Figure 6: Global launches of new superfoods products in 2015	24
Figure 7: NIELSEN survey	26
Figure 8: Drivers of food purchasing decisions in US consumers.	27
Figure 9: “STUDENT TOOLKIT”, packaging, draft proposal	34
Figure 10: “HEALING TOOLKIT”, packaging, draft proposal.....	34
Figure 11: Porter’s Five Forces model for MESONISI.....	49
Figure 12: MESONISI Milestones	53

List of Tables

Table 1: Indicative prices of superfoods products.....	30
Table 2: Shareholders, Capital raised and shares.....	36
Table 3: MESONISI Sales and Raw.....	37
Table 4: MESONISI Master Cash Budget.....	39
Table 5: MESONISI Cash Flows.....	40
Table 6: MESONISI Income Statement.	40
Table 7: MESONISI Balance Sheet.....	41
Table 8: MESONISI Break Even analysis.....	42
Table 9: MESONISI list of products, prices and average selling price.....	42
Table 10: MESONISI NPV.....	43
Table 11: MESONISI Cash Flows.....	43
Table 12: MESONISI Income Statement	44
Table 13: MESONISI Balance Sheet.....	44
Table 14: MESONISI Sales and Raw	45
Table 15: MESONISI Cash Flows.....	46
Table 16: MESONISI Income Statement.	46
Table 17: MESONISI Balance Sheet.....	47
Table 18: MESONISI Sales and Raw	48
Table 19: SWOT Analysis.....	51
Table 20: MESONISI Deliverables.....	54

Introduction

Can food cure people?

What people eat, can really affect how they feel and the overall body health condition?

Could scientific community and the food industry support this claim/concept?

Industrialization of food for mass consumption and diet habits affect negatively the health of human body. The last decades, there is an increase in diseases that are related to modern diet, which is most of the time an unhealthy diet. Unhealthy diet contains too much saturated and trans fats, cholesterol, sodium, added sugars and processed ingredients or contains too few nutrients. Unhealthy diets result in a poor nutrient-to-calorie ratio, which can result to weight gain or malnutrition as well as related health problems.¹

On the other hand, a healthy diet is one that provides sufficient levels of minerals, protein, vitamins, carbohydrate and healthy fats from a variety of foods that the human body needs to grow, maintain itself and function properly. According to the Dietary Guidelines for Americans 2015-2020,² healthy eating patterns support a healthy body weight and can help prevent and reduce the risk of chronic disease throughout periods of growth, development, and aging as well as during pregnancy. Further more researches from several scientists examine the relationship between eating patterns, health and diseases, and findings on these relationships are used to support several dietary guidance.

According to professor Dimitris Kouretas,³ when someone eats properly and has physical activity has certainly a better health, which means not only less disease, but better appearance too. Someone who cares about his diet and health becomes more attractive - and not by means of supposed beauty standards. However, the typical American and European diet often lacks of key nutrients and healthy processed food. Over time this type of diet can cause several diseases.

In addition, professor Dimitris Kouretas in his interview states that his diet includes few processed foods, and when he buys a product always reads labels and looks for nutritional composition, particularly fat and carbohydrates. But, can the average person understand food labels? As the professor comments, no he cannot, because he has not

¹ What Are the Effects of an Unhealthy Diet? by Janet Renee, MS, RD Last Updated: Apr2015
www.livestrong.com/article/200742-what-are-the-effects-of-an-unhealthy-diet/

² The Dietary Guidelines for Americans 2015-2020, eighth edition
<https://health.gov/dietaryguidelines/2015/guidelines/chapter-1/healthy-eating-patterns/>

³ Healthy Dietary patterns should be teaching at schools, KATHIMERINI, 2015, prof. Dimitris Kouretas, University of Thessaly, <http://www.kathimerini.gr/859059/article/gastronomos/gastronomia/dhmhtrhs-koyretas-h-diatrofh-prepei-na-didasketai-sto-sxoleiov>

been trained and ignores the basics about diet. For example, food industry and media promote the famous omega-3, what people should do and which products to buy in order to include it in their diet. Most people do not know that with 5 grams of walnuts per day you meet your needs in omega-3.

Additionally, as the professor suggests a Diet Course should be taught in schools from elementary to university level, because it has to do with ourselves, with our health and also with the economy of the country. Many diseases such as diabetes, cardiovascular disease and many cancers are metabolic and caused mainly by the patient's diet habits. Fifteen years ago diabetics in Greece were 40,000 and now they are 700,000. That says something.

As it can be observed from the above information, everyday diet habits affect people's health and quality of life. At the moment people cannot change Western world's life-style, norms, economy, industry, job environment, but certainly they can change their own diet. This is a personal decision and can be made by everyone. Moreover, when it is better to act proactively by preventing diseases through a healthy diet, rather than curing disease with medicines. Of course, by no means, this analysis rejects or reduces the importance of Classic Medicine and medication treatments in Humanity.

People need to adopt healthy eating patterns throughout the lifespan. All food choices have an important role in reducing diseases that are related with everyday diet habits. Changing diet to healthier food and beverage choices in combination with everyday exercise will help to achieve and maintain a good body condition and well being.

The purpose of this analysis is to examine the possibility of developing a new business in the food industry that will be able to promote and establish a new philosophy for the Western World, and to provide people with an alternative choice. A new approach for everyone, about every-day dietary habits by using practical and effective methods, without being necessary for common people to verse into Ancient Greek or Far East philosophies, to totally change their every day life-style. Neither there is a need to spend a fortune in diet clinics and more important to end up curing diseases that could be prevented by following a good diet pattern.

The proposed company will trade a series of food products (mainly raw or minimally processed) that will be beneficial and have healing attributes for the human body. Also the company will make an attempt, in collaboration with scientists, to educate people about the benefits of the products (superfoods: herbs, nuts and spices) by explaining in detail on each product's label (also information will be uploaded on company's webpage), why it is beneficial for the human body and how it can be consumed.

In most cases because of the modern way of life style (many working hours, stress, unsettled meal time and not full most of the time) people even when they want too, they cannot really apply effectively a healthy diet. The purpose of this analysis is to develop methods/products that can give the opportunity to everyone willing to take care of his diet, and as a consequence to be able to apply them in his existing diet by improving it with nutritional and healing ingredients-foods. By adopting this new philosophy, the conventional diet is not abandoned, but it can be reformed, improved and expanded. The new diet approach can be applied in every place, in every season and adopted by anyone who would like to improve the quality of his health and gain longevity.

Moreover, people and governments have the responsibility to educate young people and children to change dietary habits for better health and well being. The “Food for Health” philosophy/approach to eating patterns could lead humankind’s health into a different dimension and lead to a better world with less diseases.

Chapter 1. Literature Review

Food is intertwined with History and Civilization of Humanity and with the biology of the human body. Actually, the existence of human kind on earth depends on food. What we eat can affect greatly our health, even our feelings.

According to the World Health Organization, nutrition is the intake of food, considered in relation to the body's dietary needs. Good nutrition, meaning rich and well balanced diet, as well as regular physical activity, are the key elements for good health. Poor nutrition can lead to reduced immunity, increased susceptibility to disease, impaired physical and mental development, and reduced productivity (2015).

1.1 Social and economic issues related with health and diet

Growth and globalization has raised concerns about production and industrialization of food. Overweight and obesity have increased sharply since the early 1980s in the United States and worldwide. These factors raise health concerns as they increase risks for a variety of diseases including type II diabetes, hyperlipidemia, coronary heart disease, and certain cancers premature death (Lisa R. Young, & Nestle, M. 2007).

According to World Health Organization overweight and obesity are defined as abnormal or excessive fat accumulation that presents a risk to health. Previously considered a problem only in high income countries, but nowadays overweight and obesity are dramatically on the rise in low-income and middle-income countries too, especially in urban settings (World Health Organization, 2015).

Reports of international and national experts and reviews of the current scientific evidence recommend goals for nutrient intake in order to prevent chronic diseases. These recommendations must be considered while preparing national policies and adapting dietary patterns, taking into consideration the local situation. Improving dietary habits is not just an individual, but a societal problem as well (World Health Organization, 2015).

Fast food global chains have a great responsibility in the increase of overweight and obesity. Because the sizes of food portions, have increased in parallel with rising rates of overweight, health authorities in USA have called on fast-food chains decrease the sizes of menu items. Large portions contribute to overweight ways: they provide more calories, than smaller portions. Their observations also indicate that portion sizes are bigger in the USA than those in Europe. From 2002 to 2006 Lisa R. Young and Marion Nestle examined responses of fast-food chains to such calls by determining the current

sizes of French fries, hamburgers and sodas, at three chains (the leading ones) and comparing them to sizes, observed in 1998 to 2002. Their observations demonstrate that fast-food chains did not respond successfully to these calls and did not actually reduce the portions effectively. For example, despite McDonald's steps to reduce the sizes of its largest items, its current portions remain much larger than they were in 1955 when first introduced. In 1955 the company's only hamburger meat weighed 1.6 oz; today's largest portion weighs 8.0 oz and is 500% larger. Nevertheless, fast-food portions in Europe also are larger today than they were in 1998. (Lisa R. Young, & Nestle M. 2007).

The world is dominated by big international companies where growth and profits are their main concern. The public is bombarded with information encouraging inactive lifestyles and the consumption of unhealthy foods. The food industry has an annual advertising budget of \$33 billion, including more than \$3 billion for fast foods and \$1 billion for McDonald's alone, while the National Cancer Institute spends only \$1 million a year to encourage people to eat fruits and vegetables (Gostin, 2005).

Income and environment are also factors that affect health and eating patterns of people. Health officials can provide information about healthy lifestyles, but if individuals live in poorly designed communities, is more likely that their health will suffer anyway. Many urban environments lack safe, open, and green spaces to facilitate recreation and physical activity. They also lack easy access to inexpensive, nutritional foods. More over when most unhealthy foods are cheap, abundant and prominent in the market-place. (Gostin, 2005). There is an attempt from World Health Organization to readdress this by suggesting several laws and taxation policies to unhealthy foods, like it is already applied in the Tobacco industry and was very effective especially in changing the culture of smoking.

It is worth mentioning that for centuries rich people were fat and poor people were thin and people's main concern was how to feed the hungry. Nowadays the rich are thin and the poor are fat! It is surprising with such a wealth and prosperity in Western World people end up dying from over or wrong consumption of food.

Scientific evidence linking eating patterns to the incidence and prevention of several chronic diseases motivated health institutes and organizations globally to give healthy eating guidelines to the public. Some dietary guidelines address specific diseases, such as cancer or heart disease; others focus on overall health promotion. This situation has created a demand for nutrition education and information programs for the public (Light, Tenney, Portnoy, Kessler, Brown, Patterson, Tuckermanty, 1989). For example, in May 2004, the World Health Organization, has endorsed the "Global Strategy on Diet, Physical Activity and Health", on the part of formulation and implementation of an

effective strategy, in order to reduce deaths and disease burden worldwide by improving diet and promoting physical activity (World Health Organization, 2016).

Michael P. Milburn who has worked as a healer became increasingly cognizant of the close relationship between food and many common health problems. In the 1970s, medical doctor Denis Burkitt, who is among the first to find a relationship between nutrition and the geographical distribution of diseases, is saying: "the only way we're going to reduce disease is by adopting the diet and lifestyle of our ancestors." Burkitt emphasised the importance of dietary fiber and also coined the term "Western diseases", to describe the collection of diet and lifestyle-related diseases associated with Western and industrialized populations. He was an active campaigner for an emphasis on prevention and the important role that nutrition plays in the development of chronic, degenerative disease. In 1981 Burkitt and Trowell assembled a collection of papers exploring the concept of Western disease. It was hypothesized that the following diseases, among others, could be considered as "Western": Type II diabetes, hypertension, obesity, coronary heart disease, kidney stones, peripheral vascular disease, diverticulosis, appendicitis, and some forms of cancer (Milburn, 2004).

Globally more people now are overweight than underweight. According to the World Health Organization over 100 million people in developing countries are affected by obesity-related problems. Lifestyle patterns and traditional diet can provide protection against Western diseases, as rates of chronic, degenerative disease were historically very low in Indigenous populations. (Milburn, 2004). A crucial lifestyle factor is physical activity which interacts with dietary factors and contribute to the prevention of obesity, to reduce the risk of heart disease, stroke, diabetes type II and other health problems. Though in European Region such non-communicable diseases are increasing because of the combination of unhealthy diets and physical inactivity in most cases. There fore there is a clear need for political commitment in developing adequate nutrition policies (World Health Organization, 2003).

Mediterranean diet is considered traditional diet and is scientifically proven in many researches that is very healthy. According to Milburn and his experiments to several groups of people, a diet with characteristics of Mediterranean region food patterns (rich in olive oil, fruits and vegetables) can not only prevent but also reverse Western diseases. It is fundamental for all health authorities to endorse dietary guidelines and communicate effectively the benefits of balanced diet.

The Food and Agriculture Organization of the United Nations contributes to global health enormously. In collaboration with countries and institutes developing dietary guidelines all over the World. For example, in 1999 the Greek dietary guidelines were developed in a multi-sectoral effort involving the World Health Organization (WHO), the

Ministry of Health, Collaborating Center for Food and Nutrition Policies at the University of Athens Medical School and other non-governmental organizations. They are endorsed by the Ministries of Health, Education and Agriculture and also by the National School of Public Health. A food pyramid is used by Greece, to clearly illustrate the messages of its guidelines, which are in line with the traditional Mediterranean diet (FAO 1999). Figure 1 below, shows all levels of the Greek food pyramid explaining the variety of food people should eat in daily, weekly and monthly basis.



Figure 1: “The Greek food pyramid”

(source: <http://www.fao.org/nutrition/education/food-dietary-guidelines/regions/countries/Greece/en/>)

1.2 Historical information

Through centuries, a traditional knowledge developed in the area of health and healing especially in Ancient Greece, China and India. To understand the importance of this issue, it's worth mentioning that in traditional Chinese culture, there is no clear distinction between food and medicine. Furthermore, in India, Ayurveda is an ancient health care tradition practiced for more than 5000 years. According to the University of Minnesota about 90% of Indians still use some of Ayurveda practices (Lallanilla, 2015).

*«Let food be your medicine and medicine be your food»,
Hippocrates, physician/philosopher, 431 BC*

Hippocrates was a Greek physician, philosopher and teacher in the Age of Pericles (Classical Greece), and is considered the founder of medicine and science of nutrition, thus many historians refer to him as the “Father of Medicine”. Hippocrates turned traditional Medicine into Science and established the philosophy that healing should be aligned with nature and the structure of human body. He knew that an effective treatment must include appropriate nutrition as an integral part of the treatment. His work “The Aphorisms” was taught in many Medical Schools all over the world until the 19th century. Among his theories was that “If we could give every individual the right amount of nourishment and exercise, not too little and not too much, we would have found the safest way to health”. However, his work about dietary patterns seems that has been ignored from the majority of the medical community (Jensen, 2008).

*“If our diet is not right, no doctor can cure us. If we eat right, we don't need doctor!”
Dr. Victor J. Rosen, Clinical professor of psychiatry at Yale University, 1930*

Like Hippocrates, Rosen believed that a good diet, exercise, rest, a happy symbiotic co-existence with nature and positive thinking are the best medicines for all people. He studied the work of various contemporary European biochemical scientists, who at that time they begun to analyze and calculate the amounts of the chemical elements found in widespread food. Rosen assumed in his studies that lack or excessive accumulation of each of the fundamental chemical elements essential for human nutrition are the cause of most diseases and mental illnesses (Jensen, 2008).

1.4 Superfoods

The last decade there is an increase of awareness about superfoods. The terminology of the word “superfood” is relatively new and refers to foods that offer maximum nutritional benefits for minimal calories. They have many vitamins, minerals and more importantly many antioxidants. Though there are no standard criteria or legal definitions at the moment to classify a food as a superfood (Ware 2015). The Oxford English dictionary defines a superfood as “any food considered especially nutritious or otherwise beneficial to health and well-being”. A great range of foods are considered superfoods, for example pomegranate, acai, goji berries, sea buckthorn (hippophae), green tea, diktamo tea, ginkgo biloba, turmeric, saffron and walnuts. Overall about 100

foods have been categorized as 'superfoods' or 'functional food' which is the scientific terminology (Koutelidakis, 2015).

Superfoods improve health and also they offer wellness. Many recent scientific researches prove that superfoods are nutrient dense and diverse, have the ability to prevent various diseases, they have antioxidant effects, help the detoxification of the body and are a first-class food choice for all the people who wish to maintain their weight at a constant level. The last decade the increase in consumption of superfoods worldwide is over 20%, while the total market activity of only one of them, the sea buckthorn (*Hippophae*), estimated at \$ 30 billion worldwide (Athanasidou, 2014).

One of the most popular and well-known superfoods are blueberries and according to the European Food Information Council, have been studied by many scientists for their health properties. Berries have high concentrations of a group of antioxidant plant compounds and particularly the anthocyanins. These antioxidants have been reported to inhibit the growth of cancerous human colon cells, as well as kill them off in most cases. Further blueberries are rich in other antioxidants, which have been shown to reverse and prevent age-related memory decline in rats. Antioxidants are molecules which protect the cells in the body from harmful free radicals. These free radicals come from sources such as alcohol and cigarette smoke, and are also produced naturally in the body during metabolism. When free radicals are too many in the body, they can result in oxidative stress which, in turn, causes cell damage that can lead to age-related diseases like heart disease, cancer, and diabetes (EFIC, 2012).

According to Mr. Antony R. Koutelidakis, professor of Human Nutrition at the Aegean University, Greece, superfoods were part of the diet since the ancient times. In modern times, people eat mainly industrialized food often poor in nutrient. There is a dietary gap that in a great level could be balanced from the consumption of superfoods. The professor though is warning, that superfoods have a positive effect only when integrated into a balanced diet model, otherwise may not provide any benefit. Studies also support the statement. Super foods are not panacea. When superfoods are included in daily intake as well as combined with a healthy balanced diet such as Mediterranean, can contribute to a better body health condition (2015).

Additionally, taking superfoods in a supplement form is not the same as getting the nutrients from the real foods. Many supplements contain ingredients that can cause a strong biological effect on the body. Supplements can also interact with other medications. Taking supplements could result in vitamin or mineral toxicity, affect recovery after surgery and other side effects (Ware 2015).

1.5 Models used for this analysis

1.5.1 Porter's Five-Forces Model

In order for companies to develop strategies a widely used approach is the Porter's Five-Forces Model of competitive analysis. According to Porter, the nature of competitiveness in every industry can be examined as a mixture of five forces:

1. *Rivalry among competing firms.* This is the most powerful of the five competitive forces. As the numbers of competitors and products increases the intensity of rivalry among competitors too. Rivalry also rises when consumers can switch brands easily, fixed costs are high or when barriers to live the market are high.
2. *Potential entry of new competitors.* A company is affected whenever new companies can easily enter the particular industry. New companies frequently enter the industry with higher-quality products and lower prices thus the threat is strong.
3. *Potential development of substitute products.* Competition with producers of substitute products can be also strong. For example, producers of sugar are facing increasing competitive pressures from artificial sweeteners.
4. *Bargaining power of suppliers.* Bargaining power of suppliers affects the price or quality of products or services. Sometimes companies may gain control or ownership of suppliers in order to reduce logistics cost, save time or enhance quality of the products. The fewer the suppliers the more the power they hold upon companies.
5. *Bargaining power of consumers.* Bargaining power of consumers is high when purchasing products that are standard or undifferentiated. Consumers can better negotiate about selling price, warranty or other extras. Also when consumers are many in number, concentrated or buy in volume their bargaining power is a major force that affects the intensity of completion in an industry (David, 2015).

1.5.2 SWOT Analysis

SWOT analysis enables management teams to monitor business in depth as far as it concerns external and internal environment. The point of this analysis is to consider all strengths and weaknesses of the business (internal factors). Furthermore, to evaluate the opportunities and threats that exist in the marketplace (external factors). A good manager or marketer needs to be good in identifying opportunities that will benefit the company such as new trends, launce of hybrid products or services (Kotler, Keller, 2016).

Chapter 2. Methodology

In order to have an in-depth analysis of the facts and also to develop a business plan that will give as more as possible realistic information several methods have been used.

To begin, primary research such as visiting super markets, market in the borough, several groceries, traditional Greek food shops, delicatessen, Cretan market exhibition and organic food shops was very useful. This together with visiting trade fairs, such as Food EXPO, Fresh Food Expo, Packaging Expo in both Thessaloniki and Athens, as well as, local wholesalers and distribution companies (mainly in herbs and spices) benefited the research immensely.

Furthermore, secondary sources have used to research and develop the analysis about current trends, the industry and market place. Together with finding scientific research and facts about diet, health and superfoods to support the business idea.

Additionally, several books from author's private library about healthy diets, superfoods, herbs and also information that have been gathered from previous years, from food and trading exhibitions has been utilised to enhance the research process. As far as it impacts the corporate identity and packaging issues, the knowledge, empirical research and professional experience of the author was an advantage. This was also a benefit when needing to contact experts from the packaging, print production and marketing industry.

To conclude several discussions with the author's mother became a critical factor, especially in the first stages of this analysis. As a typical Cretan woman her knowledge on several issues about traditional food, Cretan diet, herbs and superfoods were important. Additionally, her knowledge and experience (inherited from her mother) about old Cretan nature based treatments for several diseases proved the importance and validation of the correlation between food and health.

Chapter 3. The Business Plan

3.1 Executive Summary

The purpose of this business plan is to provide information about a new venture in Greece, in the food industry that specialises in superfood products that enhance health. The business plan starts with the description of the company named MESONISI and its products. It will also evaluate the current situation and trends, and analysis of the industry competition and the markets focusing on superfoods will be conducted.

Furthermore, this plan will consist of details on the vision, mission and objectives of the company, as well as marketing, operations and other information about the organisational plan and the team. Additionally, two sections will be concerned with the financial analysis of the business, as well as models that have been used to examine several aspects of the new venture.

3.2 Venture description

MESONISI is a food trading company that will be based in Thessaloniki, northern Greece. A city with close proximity to many agricultural areas, as well as the advantage of a port, airport and rail transportation system. The success of new venture relies on current trends in healthy eating as well as the concerns of well being. It will cater for the consumers' needs by launching a new series of natural food products, with beneficial attributes minimally processed. These products are classified as superfoods and will be divided into three categories: A) herbs (loose leaf tea or premium teabags) B) nuts and dried fruits, and C) spices. All the products will be presented as healthy/natural alternatives to the processed, poor nutrition food products and diet supplements that already exist in the form of pills and syrups. Superfoods have been scientifically proven to boost your health and help to prevent several diseases, and MESONISI will collaborate with scientist to certificated the value of the products.

The source of inspiration for the development of this business idea were the biodiversity of nature, the precious natural products of Greece, and the holistic approach about health of Hippocrates, the father of medicine. MESONISI, a company with strong philosophy and values, will provide 100% natural products to the marketplace, beneficial and effective for consumers' health, creating value for society, the economy and also the environment.

3.2.1 Vision

Inspire, help and educate all people globally. To prevent and cure diseases through a good and healthy balanced diet, full of pure and natural products in order to gain well-being and longevity.

3.2.2 Mission

MESONISI is dedicated to the task of becoming a dynamic leader and innovator by developing and distributing healthy food products, which are based on nature and its rich biodiversity. As well as to promote the concept of balance and healthy diet. The adaptation of both ancient wisdom and scientific knowledge of Hippocrates aim to guarantee the effectiveness of this mission. MESONISI's Philosophy is to shape both the future of food industry and medical community by utilizing all scientific facts in the benefit of humanity.

3.2.3 Values

MESONISI relies on a core set of values in all aspects of the companies, work. Integrity, honesty, diversity, and social responsibility, are the bedrock in the relationship with customers, suppliers, employees, partners and the communities. With the utmost respect to the environment and law, MESONISI will seek to constantly grow the business both geographically and culturally.

3.2.4 Objectives

- a) Provide customers with high quality natural products
(chemical free, preservative free, no artificial colours, flavours or additives)
- b) Educate customers about healthy dietary patterns and superfoods
- c) Support producers and farmers to keep the earth and water clean
- d) Support Greek farmers who grow superfoods
- e) Keep the ethical, environmental and legal barriers when developing and marketing superfoods products

3.3 The management team

The management team is formed of three people with similar ambitions, willing to work together to achieve the common goal. They have the abilities to develop and complete the mission of the new venture. They are also committed, reliable and self-motivated. Moreover, they have diverse knowledge, experience and skills therefore the decision making can be more effective. In addition, they know each other for many years and true friendship is bonding them together with trust, loyalty and faithfulness.

Magdalini Papacharalampous, the founder and CEO of the new venture, is a Graphic Designer, who works at the Aristotle University of Thessaloniki, in the Civil Engineering Department, Division of Transportation and Project Management. She also teaches Graphic Design in the private educational sector. Magdalini holds an MBA from International Hellenic University and a BA with honors in Graphic Design from Bedfordshire University.

Previously she was a co-founder of Element, a Visual Communication Consultancy office in Thessaloniki, Greece, with another two partners, in the position of Creative Director. In her early carrier and for 12 years she was running part of the family business, a distribution company in the food industry (FAGE dietary products in the region of Rodopi, Greece). That was a great opportunity for Magdalini to gain various skills and knowledge in fields such as food trading, logistics, leadership, management, sales and marketing. Gaining enough knowledge and experience from business, design and academia, her contribution to the team, in issues related with marketing, design, management and food industry, will be valuable.

Indicative abilities and skills that Magdalini can bring into the team:

- Communication (able to clearly communicate ideas and concepts, visual and verbal)
- Able to negotiate with people and make sure everyone is happy
- Able to mediate problems between team members
- Creative thinking
- Practical
- Self-motivated
- Networking in food, advertising and design industry
- Ability to plan, organize and prioritize work

Kyriakos Sotiriou, one of the three partners and the General Manager of the new venture, is an olive tree farmer and a food agent, specialising in green olives and grains, at the region of Chalkidiki, Greece. Coming from a family of farmers, he brings in, more than 25 years, experience in the agricultural sector. He is also the president of the Agricultural Cooperative of Potidaia, Chalikidiki. In his early carrier worked as merchandiser in companies such as Pernod Richard in Greece (global leader in alcoholic drinks).

Indicative abilities and skills that Kiriakos can bring into the team:

- Getting people together to achieve goals and objectives utilizing all the available resources
- Able to manage suppliers and handle contract orders
- Flexible
- Self-motivated

- Networking in agricultural industry
- Experience in Food Fair Trades
- Experience in operations, costs, and pricing of agricultural products
- Ability to make decisions and solve problems

Andreas Nikitidis, the third partner and the Finance Manager of the new venture, is working in a Greek bank in the Private Banking division. Previously he had worked in several companies as a Finance Manager in Greece and abroad. He holds a BA in Finance and an MBA from University of Macedonia, Greece. He also participated in many conferences and seminars in finance and banking.

Indicative abilities and skills that Andreas can bring into the team:

- Expertise in finance
- Analytical, numerical thinking
- Risk management experience
- Networking in the banking sector
- Ability to implement finance and accounting systems/models
- Able to monitor and manage expenditure and financial performance

3.4 Organizational Plan

MESONISI as a start-up will simplify the organizational structure of the company, though it is important to identify the divisions and roles of people. The founder, will be the chief executive officer and the co-founder the general manager. The CEO's main responsibilities will include the development and information of the business idea (a start-up portfolio of about 15 superfood products) in collaboration with the committee of scientists. Also, the CEO will take corporate decisions and act as the centre point of communication and decision-making between the general manager and finance manager. The general manager will be responsible for the day-to-day operations, costings and pricings as well as communication with the producers and suppliers.

The finance and accounting management position will be covered by a third partner of the company and will be responsible for financial and accounting issues. The committee of scientists will be responsible for the research and development of superfood products and will meet up with CEO regularly to discuss critical scientific facts and food legislations. The committee of scientists will consist of professors, scientists, dieticians, (experts on nutrition and superfoods). The committee's agenda will also be to meet personnel from packaging and display design department to examine food safety, convenience and product design. In addition, the committee has the direct authority to develop a network of potential collaborations on a scientific basis, with institutes and organizations (e.g. collaboration with American Farm School, Thessaloniki).

Personnel will be limited in the first six months. Managers will be involved in all aspects of the processes and many services and operations will be outsourced (in order to cut down the expenses to a minimal and be more flexible). The committee will have one employee (a food scientist) and various external associates-consultants⁴ depending on the products. Figure 2 below shows the organizational structure of the company.

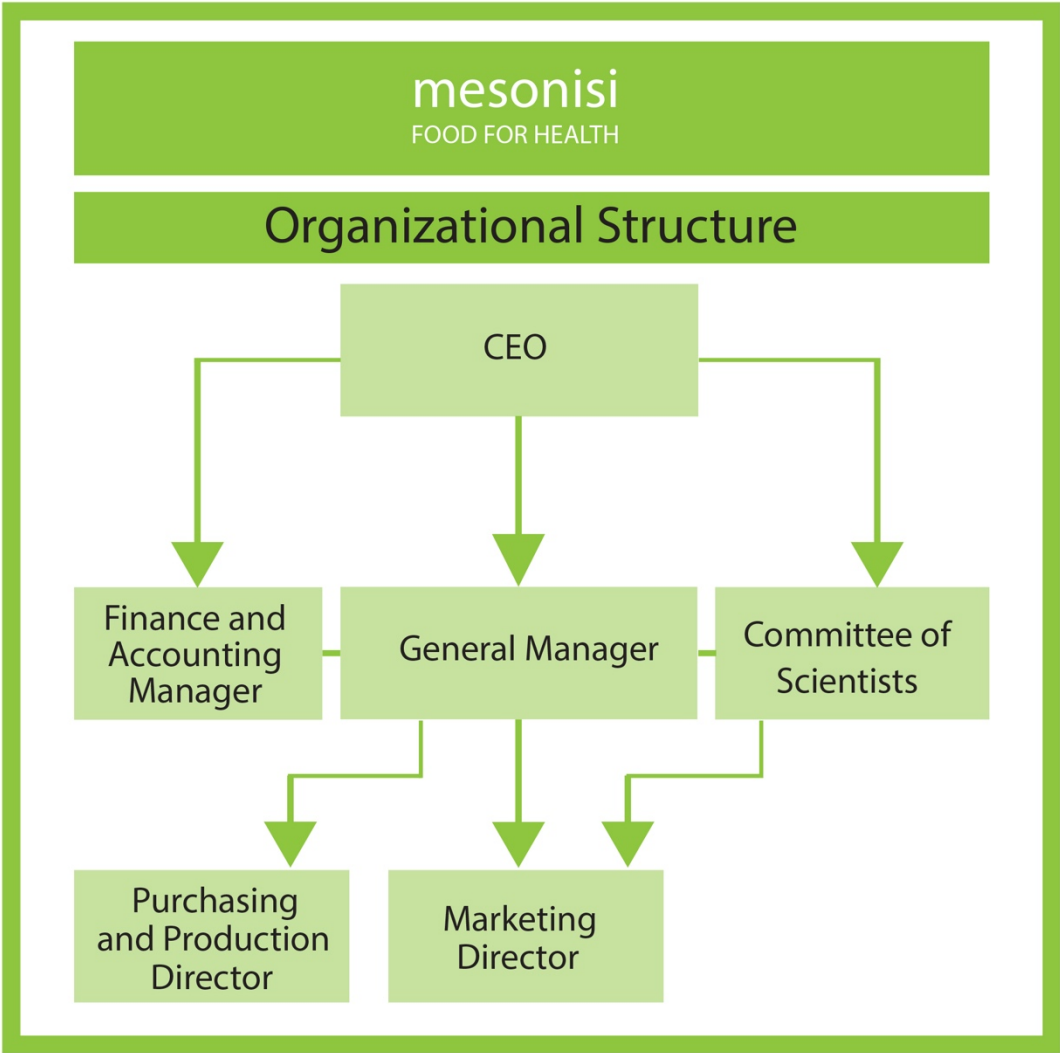


Figure 2: Organizational Chart of MESONISI

3.5 Operations Plan

The crucial point of operations is the R&D department. The product development process, which begins here, has three main steps:

1. The development of a concept/product at “kitchen scale”. This includes research and experimentation on a variety of superfoods among the scientists, dieticians, doctors,

⁴ Collaboration with experts in research on superfoods, such as professor A. Koutelidakis whose work mentioned in the literature chapter, could be ideal for MESONISI. In addition, doctor and professor of Pathology S. Karagiannopoulos and also a researcher (more than 30 years), in nutrients, dietary patterns and their affect in health.

etc. Taste testing at a small scale, among staff, friends and collaborators. Testing the percentage of beneficial effect in health, flexibility of product, convenience.

2. Production on a pilot scale: a) Production of a Superfoods Portfolio (about 15 products) b) Demonstration – sampling to potential clients, retailers and customers.

3. Manufacturing at production scale. The most “wanted” pilot products according to demand of clients will be produced in large scale.

In all food companies the product development process should follow a set of policies and procedures to ensure quality and food safety. Several requirements should be considered, related to label information, food packaging and health attributes on label, etc.

In figure 3 below the operations plan can be observed in detail. The stage of purchasing of raw materials (in bulk superfoods) is critical to find good quality products and build long term relationships with suppliers. Production and packaging process will be outsourced to different producers and manufacturers according to the needs of each product, under the MESONISI label. An emphasis will be given to Marketing and Sales department in order to establish the brand name and promote the new products.



Figure 3: Operations Chart of MESONISI

3.6 Product description

3.6.1 Trademark

Trademarks are an efficient and effective communication tool which have an influence on consumer brand awareness and their purchasing decisions. MESONISI trademark is designed (fig. 4) to convey messages about the company and add value to its products. Trademarks are a property asset of a company and therefore all the legal⁵ procedures will be followed for the MESONISI logotype, in order to be applied to the labels of all products. The following picture is a draft proposal of the MESONISI logotype. The naming process has resulted in this word as more appropriate solution for the brand identity. The name refers to a place by the sea, near Thessaloniki, at Sani, Chalkidiki. The majority of the area is an agricultural zone among with tourism development. The Mesonisi⁶ area is an isolated natural place, full of aged olive trees and a lake featuring a tiny island in the middle. The olive tree is divine, glorious and timeless. Olives, and olive oil, are the most popular superfoods, a claim supported by good global scientific research. The above information will be developed in depth, to create a good myth/story, in the process of Branding, in order to give a competitive advantage to the company and enhance MESONISI brand identity and products.



Figure 4: MESONISI trademark, draft proposal.

3.6.2 Packaging

Packaging is one of the tools in the brand building process. The products will communicate the brand identity and philosophy, and differentiate the product from its competitors. The package serves as a safe container and carries instructions of use (serving proposals) and information on nutrition and health benefits according to the

⁵ In Greece, OBI is the legally qualified institution for the protection of inventions and industrial designs. Also provides technological information about worldwide patent databases. In addition the European Trade Mark and Design Network (ETMDN) is a hub that connects National and Regional Intellectual Property Offices which collaborate to achieve a true trade mark and design system in Europe.

⁶ “Meso” means in the middle and “nisi” means island in Greek language.

specific attributes of each superfood product. MESONISI will have three main product categories: 1. Herbs 2. Spices 3. Nuts and dried fruits. As an example, there will be a series of several herbal tea products with healing attributes such as Dictamus⁷, Ginkgo Biloba⁸, Lemon Balm (Mellisochorto)⁹. Additionally, naming some products in the Spices category: Cinnamon¹⁰ and Turmeric¹¹ and in Nuts and dried fruits: Hippophae (sea buckthorn) and Goji Berry. There is a great variety of natural superfoods in each category and can be utilized gradually to develop and grow a product portfolio according to consumer demand, diet trends and more over, scientific resulting. Figure 5 below depicts two of these products. Another category of products is the TOOLKIT BOXES category, and will be analyzed in depth, in the Unique Selling Proposition section of this business plan.



Figure 5: MESONISI BERRIES and MESONISI TEA packaging, draft proposals.

3.6.3 Legislation

Legislation is a critical factor for the development and success of the company. Superfoods are natural products and cannot be patented by companies. However, there are general requirements for food, as established under General Food Law. According to EU legislations, several certificates are needed for the production, food safety, packaging and distribution of these products. For example, considering hygiene of food,

⁷ Dictamus was used in medicine in Ancient Greece for its pharmaceutical properties on stomach aches and complaints of the digestive system.

⁸ Ginkgo biloba boost mind functions, memory and brain blood circulation

⁹ Lemon Balm helps to decrease blood pressure and also relaxes

¹⁰ Cinnamon have about ten evidence-based health benefits such as anti-inflammatory properties, reduces the risk of heart disease and can improve sensitivity to the hormone insulin. Diabetes is one of the most common disease in the Western world and in most cases, is a result of bad diet.

¹¹ Turmeric (kourkoumas) is antioxidant, anti-inflammatory and anti-cancer, and promotes synthesis of new brain sells.

HACCP certificate is legally binding for food processors and recommended for farmers in their primary production. The products should comply with general requirements for food and labelling. Official information is listed on the website of European Commission on legal matters. In the case of exporting to European countries or the USA, the products need label adjustments according to different legislations. In Europe, the term “superfood” cannot be used on the label of food products and food supplements. Many companies circumvent this ban by putting the term in their logo.¹² The ability also to demonstrate Traceability¹³ is important, by documenting the value chain, for product certifications such as FairWild, Fairtrade or Organic.

In addition to the mandatory HACCP standard, EU food industries increasingly demand compliance with more comprehensive food safety standards (food safety management systems), as well as quality safety management as specified in ISO 9001:2008 (required for health ingredients). This mostly concerns large retailers and manufacturers (private label), most notably for food supplements. Examples include the International Food Standard (IFS), ISO 22000 (food safety) and ISO 31.000 (risk management).¹⁴

MESONISI should consider carefully the afore mentioned standards and certifications, though it is not necessary to have them all, because most of the operations, especially in the first three years, will be outsourcing. Even though, it is important to verify that the suppliers and collaborators comply with the required standards. This will benefit MESONISI and secure its brand name. Further more there is a need for continuously, up to date information on food safety standards and regulations through authorized organizations; such as European Commission, Codex Alimentarius, HACCP EUROPA, UNESE, Food and Agricultural Ministries.

3.7 The Superfood Industry analysis

The world is changing fast, technological achievements and changes affect all industries. An emerging trend in the 1990s was the consumption of raw food and today evolved into clear label trend which relates to products with less processed or chemically derived ingredients (Nielsen, 2016).¹⁵ Comparing to other industries food industry is stable and always attractive; food has a timeless value. The great advantage of food industry is that the needs (relating to the biological function of the human body) of

¹² http://ec.europa.eu/food/safety/labelling_nutrition_labelling_legislation_en

¹³ Traceability is based on the “one step back-one step forward” principle; companies need to trace food that is used for consumption through the value chain.

¹⁴ https://www.cbi.eu/sites/default/files/market_information/researches/product-factsheet-europe-superfoods-2015_0.pdf

¹⁵ <http://www.nielsen.com/content/dam/niensenglobal/eu/nielseninsights/pdfs/Nielsen-Global-Health-and-Wellness-Report-January-2015.pdf>

people/consumers, are exactly the same through the centuries and in a regular base (every day). Eating is vital for the existence of human kind on the planet. The dietary patterns may change according to several factors (age, cultural, trends, economy etc.) yet the human body has specific needs of nutrients to be kept alive, fit and healthy. Today, more than any other time in history, the correlation of food and health is scientifically proven. This fact, is well communicated by governments and health organizations, giving a great advantage to the development of the food industry.

According to Mintel’s survey, the industry of superfoods has grown fast between 2011 and 2015. There was a huge increase of 202% globally, in the number of new food and drink products launched having the word “superfood”, “superfruit” or “supergrain” on their label. Moreover, as illustrated in figure 6 below, in 2015 the number of launches featuring these words increased 36%. In more details, USA comes first with 30%, Australia is following with 10%, Germany with 7% and, UK and Canada with 6%. The growth in the industry comes from the consumer demand for highly nutritious products. More than seven in ten consumers in France (72%), Italy (73%), Spain (72%), and Germany (71%), agree that health-promoting benefits of natural foods, are preferable to the added benefits of functional foods. Stephanie Mattucci, Global Food Science Analyst at Mintel, said: “The popularity of ‘super’ products, is clear as food and drink manufacturers globally are tapping into a demand for these nutritionally dense ingredients.” (2016).¹⁶

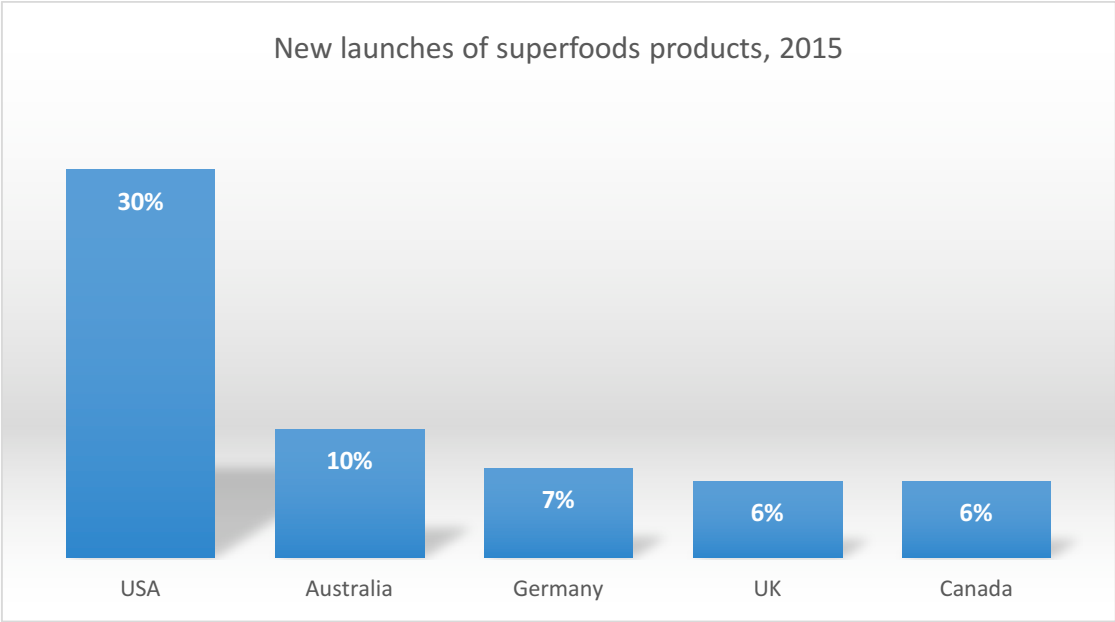


Figure 6: Global launches of new superfoods products in 2015

¹⁶ <http://www.mintel.com/press-centre/food-and-drink/super-growth-for-super-foods-new-product-development-shoots-up-globally-over-the-past-five-years>

Mintel research bring out that super seeds have also seen an increase in usage. Over the past two years, the percentage of food and drink products containing chia seeds has risen by 70%, while the percentage of food and drink products containing sunflower seeds has grown by 22% and the percentage containing pumpkin seeds has grown by 27%. Likewise, turmeric (more information is presented in Appendix A) known for its anti-inflammatory benefits said to have beauty and anti-aging properties, could be the superfood to watch. “Turmeric has potential as an ingredient in functional food and drink products and supplements, especially within products aimed at the growing senior population” as Stephanie commented. Further, in ancient grains like quinoa, there is a strong consumer interest (MINTEL, 2016).

The demand for superfoods in Europe is increasing. Though due to the lack of an exact definition and also because of the great range of products involved, specific market data for superfoods (as a category) in Europe does not exist yet. According to industry sources, superfoods are very popular and trade fairs are communicating more strongly about superfoods the last few years, for example at BioFach 2015 in Germany.¹⁷

3.8 The Superfood Market analysis

Consumers always want a variety of products and choices. Life-style trends usually affect the food industry and healthier foods became a trend in the food industry during 1990s (Nielsen, 2016). Consumer awareness and interest in healthy eating has increased greatly, making superfoods a booming market. Consumers in order to prevent or manage several health issues, are taking more active role in their health care, which includes following proper nutrition guidelines/diets and consumption of the appropriate food products. Nowadays, more than ever, consumers are educated and connected with technology. This gives them the advantage to access information about health, food, companies, products they can use to improve their diet and as consequence their health. According to Nielsen Global Health and Wellness report,¹⁸ (January 2015), The Healthy Eating Trends Around the World are the following:

- Consumers seek fresh, natural and minimally processed foods. Beneficial ingredients that help fight disease and promote good health are also important.
- Health attributes are most important to emerging-market respondents, who are also most willing to pay a premium for health benefits.
- Half (49%) of global respondents believe they are overweight, and half (50%) are trying to lose weight.
- Younger consumers are most willing to pay a premium for health attributes.

¹⁷ Superfoods in Europe, CBI, 2015, <https://www.cbi.eu/market-information/natural-ingredients-health-products/superfoods/europe/>

¹⁸ <http://www.nielsen.com/content/dam/niensenglobal/eu/nielseninsights/pdfs/Nielsen-Global-Health-and-Wellness-Report-January202015.pdf>

- Healthy categories are growing faster than indulgent categories, but there is still room for occasional treats in consumers' diets.

“There is a tremendous opportunity for retailers and food manufacturers to lead a healthy movement by providing the products and services that consumers want and need,” said Susan Dunn, executive vice president, Global Professional Services, Nielsen.

According to Nielsen survey three-fourths of consumers believe they can manage their health through nutrition and nearly one-third believe food can replace medicine.¹⁹ In figure 7 below the Nielsen survey is presented in detail.

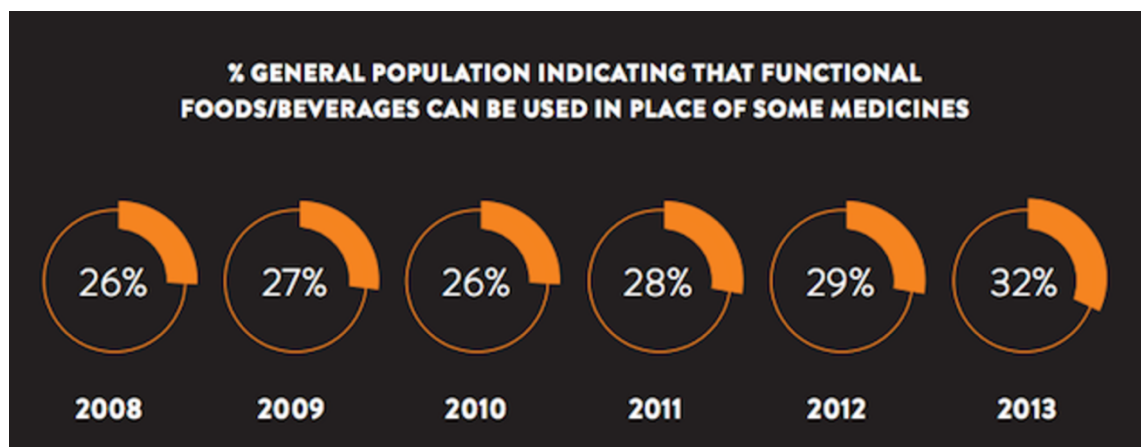


Figure 7: NIELSEN survey

Source: <http://www.nielsen.com/content/dam/niensglobal/eu/nielseninsights/pdfs/Nielsen20Global20Health20and20Wellness20Report20-20January202015.pdf>

In addition, in figure 8 below we can observe, that over the years some factors that affect how US consumers choose products are not changing. The biggest drivers of food purchasing decisions are always taste, price and healthfulness. Healthfulness increased from 60% to 64% in 2015, while price from from 68% to 71%. Taste surprisingly decreased from 90% in 2014 to 84% in 2016, though remains the top driver.²⁰

¹⁹ The Church of Superfoods gains more believers, Vanessa Wong, 2014 <https://www.bloomberg.com/news/articles/2014-08-13/kale-and-the-church-of-superfoods-gains-more-believers>

²⁰ http://www.nielsen.com/content/dam/niensglobal/de/docs/Nielsen-Global-Retail-Growth-Strategies-Report_DIGITAL.pdf

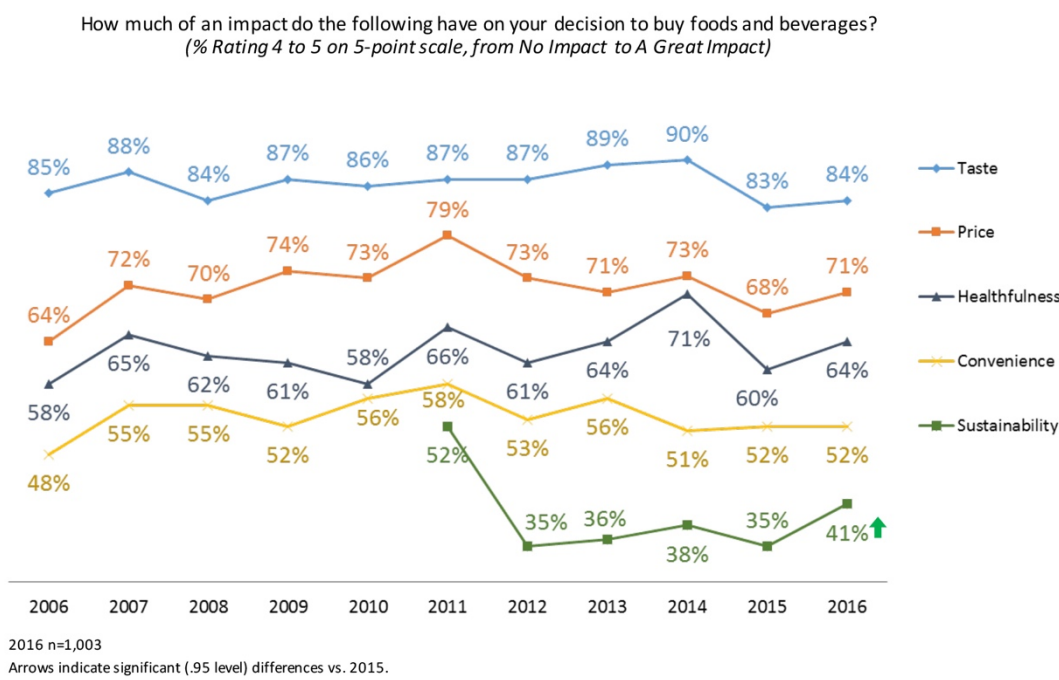


Figure 8: Drivers of food purchasing decisions in US consumers.

Source: <http://www.foodinsight.org/articles/2016-food-and-health-survey-food-decision-2016-impact-growing-national-food-dialogue>

According to CBI, the Centre for the Promotion of Imports from developing countries, (funded by the Netherlands Ministry of Foreign Affairs) many European consumers look for superfoods to live more healthily. The market offers many opportunities for superfoods with a rich nutritional composition and possible health benefits.²¹ European consumer trend to improve health with food, enhance superfoods' popularity, with 56% of European consumers using food/drink to improve their health. This trend is bigger in women (60%) than men (51%). Additionally, the demand in superfood is expected to grow 25% from 2013 to 2017.²²

The last ten years, superfoods become a marketing success story. United Kingdom seems to be a good market for superfoods as 61% of consumers have bought a food because it was labelled as a superfood. According to the International Food Information Council (IFIC) foundation, consumers are taking more steps to improve their diets. Nearly nine in 10 Americans (86%) are interested in learning more about foods that have health benefits beyond basic nutrition. "People want to take control of their health, but

²¹ Superfoods in Europe, CBI, 2015, <https://www.cbi.eu/market-information/natural-ingredients-health-products/superfoods/europe/>

²² Functional food and drink in Europe, http://www.nutraceuticalsworld.com/contents/view_online-exclusives/2014-05-27/functional-food-drink-trends-in-europe

there clearly is confusion – and the need for additional education – about which foods have the science behind the benefits [claims],” says Sarah Romotsky, registered dietician and associate director, health and wellness, at IFIC.²³

Sales increases for specific superfoods give an indication of the huge influence superfoods have on consumers and companies. Take the vegetable beetroot for example. Over the course of one year, the five largest UK supermarkets increased the number of products containing beetroots as a key ingredient by 20% (CBI, 2015).²⁴ This growth stemmed from the superfood status the old-fashioned beetroot received, when tests showed a positive influence on athletic performances and blood pressure.

Additionally, in the United States and Europe, during 1990s there was a demand for organic food and this market was growing rapidly. Growth and consolidation of natural foods supermarket chains have led to more retail sales of organic products and raised the awareness of consumers. Demographic variables such as income, age, marital status, number and age of children and education affect the organic market, thus remains small (Thompson, 1998). Organic products in most cases are more expensive than conventional products but the emerge of this market demonstrates that consumers are willing to change diet habits and pay more when it is to their own benefit. As well there is a decrease in the market place of the industrial food. People more and more tend to prefer fresh and healthier products.

3.9 Product positioning

3.9.1 Segmentation of the market

Both Mass-Market and Niche-Market consumers seek “benefits” in the food products they buy, though the word might mean different things for them. For Mass-Market consumers it means the rejection of highly processed food products and for Niche-Market/Lifestyle consumers it means food products that full of nutrients, free from allergens and usually the food is raw.²⁵ Segmenting the market is quite complicated because all people would like to eat beneficial foods that enhance their health and moreover prevent disease.

At this point of the analysis, the potential segments are: a) Individuals who prefer to manage and prevent the disease through dietary patterns and also adjust their life style

²³ <https://www.theguardian.com/media-network/media-network-blog/2014/oct/02/quinoa-chia-seeds-kale-superfoods-marketing>

²⁴ Superfoods in Europe, CBI, 2015, <https://www.cbi.eu/market-information/natural-ingredients-health-products/superfoods/europe/>

²⁵ Can Superfoods find a place in Mass Market? Aurore de Monclin, <http://www.thehmt.com/where-can-superfoods-go-from-here>

according to this. The consumption of superfoods could be vital as a means of improving their health. b) Individuals who are looking for alternatives to animal sources of protein, superfoods are rich in protein as substitutes. These could divide into smaller groups: Vegetarians, Vegans, Raw Food Eaters e.tc. c) Athletes d) Students e) Working people who live in big cities and have busy schedule (this results often in unstable or late lunch time) f) Professionals such as dieticians, physicians, doctors, etc. g) People who have a disease that can be cured, with balanced diet and consumption of specific superfoods.²⁶

3.9.2 Targeting the market

MESONISI could focus on three main consumer groups:

1. Working people (30-55 years old) who live in big cities and have busy schedule
2. Students
3. Professionals such as physicians, doctors and dieticians (these groups could work effectively via patients/clients, as ambassadors of the brand name and the products)

The above groups, according to Effective Segmentation Criteria,²⁷ are accessible (groups can be reached and served), measurable (size, purchasing power, etc.), identifiable, sustainable (large and profitable enough to serve) and homogenous.

3.9.3 Product Pricing

Superfoods classified in the lifestyle category. They are niche products that sell in low volumes but succeed premium prices. Several factors will affect the price such as operations, whole sale buying price, transportation. Cost-effective solutions can affect positively the price, overall prices in superfoods vary according to category and kind. In most cases superfoods are affordable, considering also the fact that the amount needed for daily consumption, is usually in grams. Packaging materials, design and promotion are more likely to increase the costs and affect the final price of each product. Prices in the Greek market for the same product in most cases are much lower than in other countries in Europe, thus the appropriate adjustments will be considered for the exports. The prices should be the same compared to competition and in combination with many offers and bargains to consumers as part of the marketing strategy. This will give the opportunity to consumers to buy and taste the new products and also increase the brand awareness and sales.

²⁶ In this case MESONIS is not replacing Medicine and Doctor's Medication Treatment. Though there are many people that have alternative doctors (Holistic, Ayurveda Medicine, Chinese Medicine, etc.) who give prescriptions and treatments which not include pills and give emphasis to natural sources, in many cases, superfoods.

²⁷ Marketing Management, Kotler, P., and Keller, K., 15th edition, Pearson Education, 2016, pp 285

Table 1 provides an overview of indicative prices and products. The prices are based on market research and interviews with retailers and also on approximately estimates of raw materials, operations and packaging materials.

	Superfood	Price	Grammars
1.	Hippophae	3,80 €	100gr
2.	Blueberry	6,00 €	100gr
3.	Goji Berry	4,30 €	100gr
4.	Turmeric	3,50 €	300gr
5.	Walnuts	8,50 €	350gr
6.	Gingko Biloba Tea (20 premium tea bags)	5,80 €	-
7.	Gingko Biloba Tea (loose leaf tea)	4,20 €	200gr
8.	Diktamo Tea (loose leaf tea)	4,50 €	200gr
9.	Mixed healing herbs (loose leaf tea)	7,50 €	200gr
10.	Black Corinthian Raisin	4,00 €	400gr
11.	Cinnamon	4,00 €	300gr
12.	Quinoa	3,00 €	50gr
13.	STUDENT TOOLKIT BOX (4-6 products)	20,00 €	-

Table 1: Indicative prices of superfoods products

3.9.4 Distribution Channels

Distribution channels need to be defined in order to deliver the physical products to consumers. These channels will be indirect with several distributors, wholesalers and retailers in major cities in Greece and Europe and also in Greek islands. For example retailers to collaborate in Greece could be the Ellinikon, Green family²⁸ and Pantopoleion tis Thessalonikis²⁹ and in the United Kingdom the Planet Organic³⁰. Future growth plans include exports in USA as well. As market changes and consumers adopt new purchasing methods, an emphasis should be given in direct channels via the Internet by selling products through several certified food e-platforms and MESONISI e-shop (could be designed as soon as the portfolio of products is produced).

3.9.5 Suppliers

Suppliers of MESONISI will be many and when possible the products will be purchased directly from Greek farmers. When necessary MESONISI will also import products as well. According to the needs, specific regions might be more preferable. For example,

²⁸ Ellinikon Green Family is a fast growing franchise company with food stores in many places in Greece.

²⁹ Pantopoleion tis Thessalonikis is the best food store in the city with Greek traditional, ethnical and deli food products.

³⁰ Planet Organic is the largest organic market in UK and offers food delivery across the UK and Europe.

Komotini a town in the region of Rodopi, is well known for quality nuts and spices. It is also a crossroad of imports from Turkey³¹ a country with tradition in those two food categories. Another critical factor in choosing suppliers, is origin of superfoods, for example dikamos tea is cultivated in Crete since the ancient times. Originality of raw materials can add value to the final product. Below a sort list of potential suppliers and producers:

1. KEKKERIS, a trading company, founded in 1963 in Komotini. Well known for the excellent quality of Greek traditional coffee, of nuts and dried fruits (quality and variety) as well as of oriental spices.
2. OLYMPOS HERBS, operates in the historical region of Ladadika, Thessaloniki since 1970, specializing in herbs and essential oils.³² According to the founder Alkiviadis Gregoriadis, all products are from the Greek countryside and they supply many successful companies in Greece (e.g. KORRE, APIVITA – herbal cosmetics) and abroad. A differential advantage to other suppliers is the fact that OLYMPOS HERBS has developed a series of herbs/teas (in bulk) with healing attributes. For example, mixed herbs for arthritis and for decrease of diabetes or hypertension.
3. AVRAMOGLOU, a family business founded in 1972, by Theodor Avramoglou in Thessaloniki. The company imports and distributes spices, healing herbs, tea, essential oils, superfoods, vitamins and food supplements. More famous about the quality and quantity of spices.
4. G. PAPAIOANNOU, is a farmer that produces organic Black Raisins,³³ a unique variety, cultivated in the region of Corinthos, Peloponissos, South Greece.
5. ORGANIC ISLANDS, is based in the island of Naxos, Greece and founded in 2010 by Nikos Hatziandreou. The company cultivates certified organic aromatic and medicinal plants and herbs according to European Regulations under the excellent weather and soil conditions of the island which is in the middle of Aegean Sea.

3.9.6 Communication Channels

Nowadays there are many ways³⁴ to communicate a product or a service, much cheaper and more effective. Internet and smart phone technology dominate communication between the producer and the buyer. MESONISI could take advantage of the new trends

³¹ Istanbul is famous for the Misir Carsisi (or Egyptian) Market, the most famous and maybe the largest in the world, operating since 1664, specialising in herbs and spices. Also Inebolu Organic Market is open every Sunday where many producers sell herbs and nuts as well.

³² OLYMPOS HERBS have the best laboratories in Northern Greece and they are experts in Botany and Herbology. Alkiviadis Gregoriadis, a passionate entrepreneur, is a professional herbalist and herbal therapist. OLYMPOS HERBS produces Oregano Oil a global patented product with many healing attributes.

³³ Black raisins are in the category of superfoods, they are rich in antioxidants, bioflavonoids, minerals and vitamins.

³⁴ Only a decade ago TV, Radio and print used to be the main channels of communication with consumers. Today with the rapid development of new technologies they considered “traditional”.

and technologies and use the most appropriate. As a start-up and according to SWOT analysis, MESONISI should deal with issues such as brand awareness and brand image. A marketing strategy should be designed in order to build a strong brand name and add value to the new products. The core concept of the campaign should focus on the advantages (healthy and healing attributes) and convenience (daily dose concept, packaging) of the products. Also different approaches can be designed for each target group for better impact and effective communication.

The marketing communication mix will include:

- Advertising via e-banners, newsletters, blogs, social media.
- Advertising in Food, Cooking or Lifestyle magazines (printed or on-line).
- On-line videos about superfoods and their benefits, including eating and cooking suggestions.
- Events and experiences to demonstrate the new products. Taste the real product is more convincing, these events could take place in retail shops, food festivals, Fair Trades, Universities, gyms, etc.
- Packaging will be used as a direct medium of communication. By implementing new technologies such as Augmented Reality³⁵ the product is 'able' to 'communicate' directly with the consumer through a mobile or a tablet (as illustrated in appendix B). MESONISI can present information about the product via 3D objects, animations, hyperlinks and mini interactive applications. Leading food brands have already started using augmented reality to bring experiences to their customers. The impact of communication could be enormous and brand awareness and relationships could increase rapidly. Consider Pokemon GO game (illustrated in appendix C), a 'phenomenon' globally. Another contemporary technology that can be used on labels is QR code.³⁶

3.9.7 Unique Selling Proposition (USP)

Superfoods primary benefit is the high antioxidant content. Thanks to media and the medical community consumers have a strong mind-set about the benefits of antioxidants in relation with good health and longevity. Superfoods' direct link with health is the main advantage and difference compared to other food products in the market.

³⁵ Augmented Reality technology integrates with the user's environment in real time, by using the existing environment in which overlays new information on top of it. A mixed reality of digital and physical elements.

³⁶ QR code is a barcode (2 dimensional) that stores information in dots (black and white). It is a way to create a link between the physical products (which are tagged with QR code) and the internet (a web link) using an application through a smart phone.

The differentiation in the market for MESONISI products will be the convenience of the product. The products will be marketed in the concept of the necessary “Daily Dose”: of how much nutrients/superfood are needed on a daily (or weekly) base, to keep in a good health condition the human body. According to this idea and in collaboration with scientists and dieticians, the result will be a series of boxes containing a variety of superfoods. Each superfood will be packed in daily (or weekly) quantity and grouped according to the different needs of targeted groups of people. For example, one of the boxes will be the “STUDENT TOOLKIT” (fig. 9) and can be promoted to students, as a solution to meet their daily needs in nutrients. The box will contain superfoods such as hippophae (sea buckthorn), ginkgo biloba tea, dark chocolate, turmeric and walnuts that enhance brain functions in order to give “power” for studying.

Clearly these “boxes” will support the main diet and not replace it. This information should be on the package label to avoid misunderstandings. In addition, information about health benefits of the specific superfoods, serving suggestions and recipes, could be in the form of flyers, brochures or small books inside the box. Contemporary technologies such as Augmented Reality and Smart bar codes (analyzed at 3.9.6 Communication Channels section), will be used on the labelling to help communicate better the information and promote the new practical approach for a daily healthy diet. The differential advantage of these food products is that consumers could easily respond because they don’t need to dramatically change their every day dietary habits, the suggestion is to just add these superfoods to their existing diet and improve it.

The idea is, that the consumer will use this “toolkit” during the day, every day and this will be communicated through the marketing strategy. For example, in the case of STUDENT TOOLKIT students can add these superfoods in their daily menu. In their breakfast, together with milk or yogurt they can have hippophae (among other attributes gives energy) with walnuts and a small piece of dark chocolate (both enhance productive thinking). For lunch together with main course they can have a green salad with added turmeric (works ideally as spice), dried blackberries and goji berries (full in antioxidants). During the day instead of having many coffees, students can have a cup of ginkgo biloba tea, strong or light according to the studying demands of the day. Ginkgo biloba tea can help stimulation and blood circulation of the body and improve brain functioning. It is the most popular ingredient used in medicines for older people with memory problems.



Figure 9: "STUDENT TOOLKIT" packaging, draft proposal

Furthermore, most superfoods have an additional specific link to health or healing attributes, for example heart or diabetes accordingly. More links to specific benefits could find new points of difference in the marketing strategy. Particularly when science stands to define effectively the health benefits of most superfoods. Superfoods promise of a natural and intrinsic health benefit and they will always beat added science-based ingredients in products. Likewise, "HEART TOOLKIT "or "HEALING TOOLKIT AGAINST DIABETES" boxes will be designed (Fig. 10). Diabetes is one of the main disease of the Western World. Cinnamon is the number one superfood that helps to cure the disease and also blueberry which is cultivated in Greece. The options are many, superfoods catalogue increasing day by day according to new scientific results and this can give a great advantage for MESONISI to develop new products and categories in the future.



Figure 10: "HEALING TOOLKIT" packaging, draft proposal.

3.10 The Competition

The global food industry is highly competitive and fragmented when it comes to industrialised food and drink products. International brands dominate the market. But superfoods category, is a booming market and have low barriers to entry. MESONISI will face competition from a broad range of competitors in Greece and Europe. There are many regional and local competitors and an increasing number of global competitors, too.

Direct competitors include traders and distributors specialising in superfoods products:

- David Wolfe is the superstar, the guru in longevity and superfoods “planet”. He has spent the last 22 years teaching and traveling the world, educating people on the power of raw food, superfoods, and longevity technologies. Wolfe founded in 1995 the company "Nature's First Law" selling organic food and products related to raw foodism. In 2004, the company had \$1.2 million profits with 23 employees, \$6 million in revenue in 2005. Wolfe also founded New Horizon Inc. in 2009, a company that sells products and services globally under the brand name Longevity, at the Longevity Warehouse e-commerce site. New Horizon Inc. had \$7.6M in revenue in 2013.
- SUNFOOD Products, is a leading provider of high quality superfoods (nutrient dense, raw, organic, Non GMO). A company based in San Diego ensuring alignment of Corporate governance and Business Strategy.
- EFKARPON Hellenic Superfoods, based in Karditsa, Northern Greece. A cooperative of producers (the first in Greece) of superfoods (goji berry, blueberry, aronia, hippophae).

Indirect competitors include producers and distributors of superfoods supplements:

- Since 1947, SOLGAR (a global manufacturer) is providing top-quality and in great variety supplements to consumers, such as vitamins, minerals, botanicals, food extracts and superfoods in the form of pills. SOLGAR is a leading company with innovative, science-based products that promote optimal health.
- SUPERFOODS is the first company in Greece, that introduced superfoods in pharmacies as food supplements. A portfolio of sixty products with best selling the Hippophaes.
- JOHN NOA a Greek manufacturing company of supplements and vitamins (syrup, sprays, pills) under the labels of WORTS, ORIGIN, ELIXIR, CAPS and SPORTEX.

3.11 Financial Plan

As mentioned in previous section, there are three partners in this new venture. The founder holds the 55% of the company's shares, the co-founder the 25% of shares and the third partner will join in with 20%. A more detailed analysis is presented in Table 2 below.

Name	Capital raised	Shares %
Magda Papacharalampous	30.000 €	55 %
Kyriakos Sotiriou	25.000 €	25 %
Andreas Nikitidis	20.000 €	20 %
TOTAL	75.000 €	100 %

Table 2: Shareholders, Capital raised and shares

The capital raised for MESONISI is 75.000€. The amount of 65.000€ is the capital for the firm establishment (Legal fees, R&D, Packaging, Marketing, Supplies, infrastructure, rent deposit). The amount of 10.000€ is the initial capital for operations which commence in January 2018.

The advantage of this new venture is that a large amount of money, as an investment in infrastructure, machinery and equipment, is not required. Most operations will be outsourcing and this will give flexibility to the company. Though after 2-3 years an investment in production equipment will be a good strategic decision. Another positive factor for MESONISI, is that a bank loan is not necessary for the company to start operating.

Assuming that any dramatic political and economic changes will not take place in Europe and also Greek economy will start to recover, a realistic scenario with detailed financial data³⁷, about the first three years of the company is presented below in Tables 3, 4, 5, 6, 7 and 8.

³⁷ The finances were budgeted in the way that the working capital resets at the end of year 3 for the shake of conservatism of the project.

Sales and Raw

Sales	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
1 Hippophae	200	200	200	400	400	600	600	800	800	1000	1000	1000
2 Bluberry	200	200	200	400	400	600	600	800	800	1000	1000	1000
3 Giji Berry	200	200	200	400	400	600	600	800	800	1000	1000	1000
4 Turmeric	200	200	200	400	400	600	600	800	800	1000	1000	1000
5 Walnuts	200	200	200	400	400	600	600	800	800	1000	1000	1000
6 Ginko Biloba Tea (20 premium tea bags)	200	200	200	400	400	600	600	800	800	1000	1000	1000
7 Ginko Biloba Tea (loose leaf tea)	200	200	200	400	400	600	600	800	800	1000	1000	1000
8 Diktamo Tea (loose leaf tea)	200	200	200	400	400	600	600	800	800	1000	1000	1000
9 Mixed healing herbs (loose leaf tea)	200	200	200	400	400	600	600	800	800	1000	1000	1000
10 Black Corinthian Raisin	200	200	200	400	400	600	600	800	800	1000	1000	1000
11 Cinnamon	200	200	200	400	400	600	600	800	800	1000	1000	1000
12 Quinoa	200	200	200	400	400	600	600	800	800	1000	1000	1000
13 Student Toolkit Box (6 - 8 products)	2600	2600	2600	5200	5200	7800	7800	10400	10400	13000	13000	13000
10 Inventory Sales	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
1 Hippophae	20	40	40	40	60	60	80	80	100	100	100	100
2 Bluberry	20	40	40	40	60	60	80	80	100	100	100	100
3 Giji Berry	20	40	40	40	60	60	80	80	100	100	100	100
4 Turmeric	20	40	40	40	60	60	80	80	100	100	100	100
5 Walnuts	20	40	40	40	60	60	80	80	100	100	100	100
6 Ginko Biloba Tea (20 premium tea bags)	20	40	40	40	60	60	80	80	100	100	100	100
7 Ginko Biloba Tea (loose leaf tea)	20	40	40	40	60	60	80	80	100	100	100	100
8 Diktamo Tea (loose leaf tea)	20	40	40	40	60	60	80	80	100	100	100	100
9 Mixed healing herbs (loose leaf tea)	20	40	40	40	60	60	80	80	100	100	100	100
10 Black Corinthian Raisin	20	40	40	40	60	60	80	80	100	100	100	100
11 Cinnamon	20	40	40	40	60	60	80	80	100	100	100	100
12 Quinoa	20	40	40	40	60	60	80	80	100	100	100	100
13 Student Toolkit Box (6 - 8 products)	260	520	520	520	780	780	1040	1040	1300	1300	1300	1300
Budgeted Sales	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
1 Hippophae	760,000 €	1,520,000 €	1,520,000 €	1,520,000 €	2,280,000 €	2,280,000 €	2,280,000 €	3,040,000 €	3,040,000 €	3,800,000 €	3,800,000 €	3,800,000 €
2 Bluberry	1,200,000 €	2,400,000 €	2,400,000 €	2,400,000 €	3,600,000 €	3,600,000 €	3,600,000 €	4,800,000 €	4,800,000 €	6,000,000 €	6,000,000 €	6,000,000 €
3 Giji Berry	860,000 €	1,720,000 €	1,720,000 €	1,720,000 €	2,580,000 €	2,580,000 €	2,580,000 €	3,440,000 €	3,440,000 €	4,300,000 €	4,300,000 €	4,300,000 €
4 Turmeric	700,000 €	1,400,000 €	1,400,000 €	1,400,000 €	2,100,000 €	2,100,000 €	2,100,000 €	2,800,000 €	2,800,000 €	3,500,000 €	3,500,000 €	3,500,000 €
5 Walnuts	1,700,000 €	3,400,000 €	3,400,000 €	3,400,000 €	5,100,000 €	5,100,000 €	5,100,000 €	6,800,000 €	6,800,000 €	8,500,000 €	8,500,000 €	8,500,000 €
6 Ginko Biloba Tea (20 premium tea bags)	1,160,000 €	2,320,000 €	2,320,000 €	2,320,000 €	3,480,000 €	3,480,000 €	3,480,000 €	4,640,000 €	4,640,000 €	5,800,000 €	5,800,000 €	5,800,000 €
7 Ginko Biloba Tea (loose leaf tea)	840,000 €	1,680,000 €	1,680,000 €	1,680,000 €	2,520,000 €	2,520,000 €	2,520,000 €	3,360,000 €	3,360,000 €	4,200,000 €	4,200,000 €	4,200,000 €
8 Diktamo Tea (loose leaf tea)	900,000 €	1,800,000 €	1,800,000 €	1,800,000 €	2,700,000 €	2,700,000 €	2,700,000 €	3,600,000 €	3,600,000 €	4,500,000 €	4,500,000 €	4,500,000 €
9 Mixed healing herbs (loose leaf tea)	800,000 €	1,600,000 €	1,600,000 €	1,600,000 €	2,400,000 €	2,400,000 €	2,400,000 €	3,200,000 €	3,200,000 €	4,000,000 €	4,000,000 €	4,000,000 €
10 Black Corinthian Raisin	800,000 €	1,600,000 €	1,600,000 €	1,600,000 €	2,400,000 €	2,400,000 €	2,400,000 €	3,200,000 €	3,200,000 €	4,000,000 €	4,000,000 €	4,000,000 €
11 Cinnamon	600,000 €	1,200,000 €	1,200,000 €	1,200,000 €	1,800,000 €	1,800,000 €	1,800,000 €	2,400,000 €	2,400,000 €	3,000,000 €	3,000,000 €	3,000,000 €
12 Quinoa	4,000,000 €	8,000,000 €	8,000,000 €	8,000,000 €	12,000,000 €	12,000,000 €	12,000,000 €	16,000,000 €	16,000,000 €	20,000,000 €	20,000,000 €	20,000,000 €
13 Student Toolkit Box (6 - 8 products)	15,820,000 €	31,640,000 €	31,640,000 €	31,640,000 €	47,460,000 €	47,460,000 €	47,460,000 €	63,280,000 €	63,280,000 €	79,100,000 €	79,100,000 €	79,100,000 €

Table 3: MESONISI Sales and Raw

The Master Cash Budget

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
The Sales Budget															
Budgeted Sales in Packages	2600	2600	2600	5200	15600	7800	7800	7800	10400	36400	13000	13000	13000	13000	52000
Selling Price per Package	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices	Various Prices
Total Budgeted Sale	15,820,000 €	15,820,000 €	15,820,000 €	31,640,000 €	94,920,000 €	47,460,000 €	47,460,000 €	63,280,000 €	63,280,000 €	221,480,000 €	79,100,000 €	79,100,000 €	79,100,000 €	79,100,000 €	316,400,000 €
Expected Cash Collections															
Accounts Receivable	15,820,000 €	15,820,000 €	15,820,000 €	31,640,000 €	94,920,000 €	47,460,000 €	47,460,000 €	63,280,000 €	63,280,000 €	221,480,000 €	79,100,000 €	79,100,000 €	79,100,000 €	79,100,000 €	316,400,000 €
Current Month's Sales	11,074,000 €	11,074,000 €	11,074,000 €	22,148,000 €	66,444,000 €	33,222,000 €	33,222,000 €	44,296,000 €	44,296,000 €	155,036,000 €	55,370,000 €	55,370,000 €	55,370,000 €	55,370,000 €	245,210,000 €
70% Previous Month's Sales	- €	4,746,000 €	4,746,000 €	9,492,000 €	18,984,000 €	9,492,000 €	14,238,000 €	18,984,000 €	18,984,000 €	56,952,000 €	23,730,000 €	23,730,000 €	23,730,000 €	23,730,000 €	90,174,000 €
30% Total Cash Collections	11,074,000 €	15,820,000 €	26,894,000 €	31,640,000 €	85,428,000 €	42,714,000 €	47,460,000 €	58,534,000 €	63,280,000 €	211,988,000 €	74,354,000 €	79,100,000 €	79,100,000 €	102,830,000 €	335,384,000 €
The Production Budget															
Budgeted Sales	2600	2600	2600	5200	15600	7800	7800	7800	10400	36400	13000	13000	13000	13000	52000
10% Add: Desired Ending Inventory	260	520	520	780	780	1040	1040	1040	1300	3640	1300	1300	1300	1300	0
Total Needs	2860	3120	3120	5980	16380	8840	8840	8840	11700	37700	14300	14300	14300	14300	52000
Less: Beginning Inventory	0	260	260	520	0	780	780	780	1040	2620	1300	1300	1300	1300	1300
Required Production	2860	2860	2860	5460	16380	8060	8060	8060	10660	36920	13000	13000	13000	11700	50700
The Direct Materials Budget															
Production	2860	2860	2860	5460	16380	8060	8060	8060	10400	36920	13000	13000	13000	11700	50700
Materials per Package (1:1)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Production Needs	2860	2860	2860	5460	16380	8060	8060	8060	10400	36920	13000	13000	13000	11700	50700
10% Add: Desired Ending Inventory	286	546	546	780	780	1040	1040	1040	1066	3020	1300	1300	1300	1300	0
Total Needed	3146	3380	3380	5746	17160	8606	8606	8606	11466	38220	14300	14300	14300	14170	50700
Less: Beginning Inventory	0	286	286	546	0	780	780	780	1040	2066	1300	1300	1300	1300	1300
Materials to be Purchased	3146	3094	3094	5226	17160	7826	7826	7826	10894	37440	13000	13000	12870	10530	49400

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
Expected Cash Disbursements for Raw Materials															
Accounts Payable	9,970,400 €	9,805,600 €	16,562,400 €	18,045,600 €	54,384,000 €	24,802,400 €	26,285,600 €	33,042,400 €	34,525,600 €	118,656,000 €	41,200,000 €	41,200,000 €	40,788,000 €	33,372,000 €	156,560,000 €
70% Current Month's Purchases	6,979,280 €	6,863,920 €	11,953,680 €	12,631,920 €	38,066,880 €	17,361,680 €	18,399,920 €	23,128,680 €	24,167,920 €	83,059,200 €	28,840,000 €	28,840,000 €	28,551,600 €	33,372,000 €	119,605,600 €
30% Previous Month's Purchases	- €	2,991,120 €	2,941,680 €	4,968,720 €	10,901,520 €	5,413,680 €	7,440,720 €	9,912,720 €	9,912,720 €	30,652,800 €	10,357,680 €	12,360,000 €	12,360,000 €	12,236,400 €	47,314,080 €
Total Cash Disbursements	6,979,280 €	9,855,040 €	14,535,360 €	17,600,640 €	48,970,320 €	22,775,360 €	25,840,640 €	31,015,360 €	34,080,640 €	113,712,000 €	39,197,680 €	41,200,000 €	40,911,600 €	45,608,400 €	166,917,680 €
Ending Raw Material Inventory Budget															
Budgeted Raw Material	286	520	520	780	780	1040	1040	1040	1066	3020	1300	1300	1170	0	
Unit Product Cost	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €	3,17 €
Ending Raw Material in Packages	906,40 €	1,648,00 €	1,730,40 €	2,472,00 €	2,472,00 €	2,554,40 €	3,296,00 €	3,378,40 €	4,120,00 €	4,120,00 €	4,120,00 €	4,120,00 €	3,708,00 €	- €	- €
Ending Finished Goods Inventory Budget															
Budgeted Finished Goods Inventory	260	520	520	780	780	1040	1040	1040	1040	1300	1300	1300	1300	0	
Unit Product Cost	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	6,085 €	
Ending Inventory in Packages	1,582,000 €	3,164,000 €	3,164,000 €	4,746,000 €	4,746,000 €	6,328,000 €	6,328,000 €	7,910,000 €	7,910,000 €	7,910,000 €	7,910,000 €	7,910,000 €	7,910,000 €	- €	- €
Selling and Administrative Expense Budget															
Budgeted Sales	2600	2600	2600	5200	15600	7800	7800	7800	10400	36400	13000	13000	13000	13000	52000
Variable S&A Rate	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €	0,78 €
Variable Expenses	2,028,00 €	2,028,00 €	2,028,00 €	4,056,00 €	12,168,00 €	6,084,00 €	6,084,00 €	6,084,00 €	8,112,00 €	28,392,00 €	10,140,00 €	10,140,00 €	10,140,00 €	10,140,00 €	40,560,00 €
Fixed S&A Expenses	5,600,00 €	5,600,00 €	5,600,00 €	5,600,00 €	22,400,00 €	5,600,00 €	5,600,00 €	5,600,00 €	5,600,00 €	22,400,00 €	5,600,00 €	5,600,00 €	5,600,00 €	5,600,00 €	22,400,00 €
Total S&A Expenses	7,628,00 €	7,628,00 €	7,628,00 €	9,656,00 €	34,568,00 €	11,684,00 €	11,684,00 €	11,684,00 €	13,712,00 €	50,792,00 €	15,740,00 €	15,740,00 €	15,740,00 €	15,740,00 €	62,960,00 €

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020
The Cash Budget														
Beginning Cash Balance	10,000,000 €	6,466,720 €	4,803,680 €	7,506,320 €	10,000,000 €	7,133,808 €	25,323,808 €	39,130,448 €	7,133,808 €	32,770,685 €	52,187,005 €	74,347,005 €	96,795,405 €	32,770,685 €
Add: Cash Collections	11,074,000 €	15,820,000 €	26,894,000 €	31,640,000 €	85,428,000 €	47,714,000 €	58,534,000 €	63,280,000 €	211,988,000 €	74,354,000 €	79,100,000 €	79,100,000 €	102,830,000 €	335,384,000 €
Total Cash Available	21,074,000 €	22,286,720 €	31,697,680 €	39,146,320 €	95,428,000 €	49,847,808 €	83,857,808 €	102,410,448 €	219,121,808 €	107,124,685 €	131,287,005 €	153,447,005 €	199,625,405 €	368,154,685 €
Less: Cash Disbursements														
Materials	6,979,280 €	9,855,040 €	14,535,360 €	17,600,640 €	48,970,320 €	22,775,360 €	31,015,360 €	34,080,640 €	113,712,000 €	39,197,680 €	41,200,000 €	40,911,600 €	45,608,400 €	166,917,680 €
Selling & Administrative	7,628,000 €	7,628,000 €	9,656,000 €	9,656,000 €	34,568,000 €	11,684,000 €	13,712,000 €	13,712,000 €	50,792,000 €	15,740,000 €	15,740,000 €	15,740,000 €	15,740,000 €	62,960,000 €
Total Disbursements	14,607,280 €	17,483,040 €	24,191,360 €	27,256,640 €	83,538,320 €	34,459,360 €	44,727,360 €	47,792,640 €	164,504,000 €	54,937,680 €	56,940,000 €	56,651,600 €	61,348,400 €	229,877,680 €
SUM	6,466,720 €	4,803,680 €	7,506,320 €	11,889,680 €	11,889,680 €	15,388,448 €	25,323,808 €	39,130,448 €	54,617,808 €	52,187,005 €	74,347,005 €	96,795,405 €	138,277,005 €	
Financing														
Borrowing														
Repayment														
Interest														
Total Financing														
40% Taxes														
Ending Cash Balance	6,466,720 €	4,803,680 €	7,506,320 €	11,889,680 €	4,755,872 €	- €	- €	- €	21,847,123 €	- €	- €	- €	- €	55,310,802 €
														82,966,203 €

Table 4: MESONISI Master Cash Budget

Budgeted Cash Flows

	2018	2019	2020
Operating Activities			
Cash received from customers	85.428,00 €	211.988,00 €	335.384,00 €
Cash paid for:			
Raw materials	48.970,32 €	113.712,00 €	166.917,68 €
Wages	- €	- €	- €
General operating, administrative and other expenses	34.568,00 €	50.792,00 €	62.960,00 €
Taxes	4.755,87 €	21.847,12 €	55.310,80 €
Net cash by operating activities	-2.866,19 €	25.636,88 €	50.195,52 €
Investment Activities			
Cash provided	- €	- €	- €
Net cash by investment activities	- €	- €	- €
Financing Activities			
Borrowed	- €	- €	- €
Repayment	- €	- €	- €
Interest paid	- €	- €	- €
Net cash by financing activities	- €	- €	- €
Net increase in cash	-2.866,19 €	25.636,88 €	50.195,52 €

Table 5: MESONISI Cash Flows

Budgeted Income Statement

	2018	2019	2020
Sales	94.920,00 €	221.480,00 €	316.400,00 €
COGS	49.440,00 €	115.360,00 €	164.800,00 €
Gross Margin	45.480,00 €	106.120,00 €	151.600,00 €
S&A Expenses	34.568,00 €	50.792,00 €	62.960,00 €
Operating Income	10.912,00 €	55.328,00 €	88.640,00 €
Interest Expense	- €	- €	- €
Tax Expenses	4.755,87 €	21.847,12 €	55.310,80 €
Net Income	6.156,13 €	33.480,88 €	33.329,20 €

Table 6: MESONISI Income Statement.

Budgeted Balance Sheet

	2018	2019	2020
Current Assets			
Cash	7.133,81 €	32.770,68 €	82.966,20 €
Accounts Receivables	9.492,00 €	18.984,00 €	- €
Inventory	4.746,00 €	7.910,00 €	- €
Raw Materials	2.472,00 €	4.120,00 €	- €
Total Current Assets	23.843,81 €	63.784,68 €	82.966,20 €
Non-Current Assets			
Total Non-Current Assets	- €	- €	- €
Current Liabilities			
Accounts Payable	5.413,68 €	10.357,68 €	- €
Total Current Liabilities	5.413,68 €	10.357,68 €	- €
Non-Current Liabilities			
Total Non-Current Liabilities	- €	- €	- €
TOTAL A - L	18.430,13 €	53.427,00 €	82.966,20 €
Sharholder's Equity	11.296,32 €	20.656,32 €	- €
Retained Earnings	7.133,81 €	32.770,68 €	82.966,20 €
Total Equity	18.430,13 €	53.427,00 €	82.966,20 €

Table 7: MESONISI Balance Sheet

Cross Margin in the first year is 45.480,00€, in 2019 is 106.120,00€ and in 2020 is 150.600,00€. Hopefully over time company will increase its brand awareness and product portfolio, thus the growth could pick up even more towards the second and third year of the business. The company estimates that can have net income 6.156,00€ in 2018, 33.480,88€ in 2019 and 33.329,20€ in 2020. The advantage in food industry is that products can be consumed in daily, weekly or monthly basis. Sales can increase relatively fast, if the company gain regular customers. MESONISI estimates to reach 94.920,00€ in annual sales by the end of first year and 316.400,0€ by the end of third year. Though the Taxation system is a negative factor for the overall performance and growth of the company.

A start-up usually loose money for a time period before become profitable. MESONISI as presented in Table 8, must sell 2.622 product units per quarter to break even. Also in Table 9 can be observed a detailed list of product prices and the average selling price 6,085€.

Break Even Analysis

	Fixed Cost	per quarter	Variable Cost	per package
Labour	- €		- €	
Raw materials	- €		3,169 €	AVERAGE
Utilities	600,000 €		- €	
Rent	3.000,000 €		- €	
Packaging	- €		0,450 €	
Shipping	- €		0,330 €	
Marketing	2.000,000 €			
Selling & Administrative	5.600,000 €		0,780 €	
Grand SUM	5.600,000 €		3,949 €	

Break Even Point	2622	per quarter	Average Selling Price	6,085 €
-------------------------	------	-------------	------------------------------	---------

Table 8: MESONISI Break Even analysis.

Average Selling Price of products

	Products	Selling Price	Raw
1	Hippophae	3,800 €	1,800 €
2	Bluberry	6,000 €	3,800 €
3	Giji Berry	4,300 €	2,800 €
4	Turmeric	3,500 €	1,800 €
5	Walnuts	8,500 €	6,000 €
6	Ginko Biloba Tea (20 premium tea bags)	5,800 €	2,200 €
7	Ginko Biloba Tea (loose leaf tea)	4,200 €	1,900 €
8	Diktamo Tea (loose leaf tea)	4,500 €	2,200 €
9	Mixed healing herbs (loose leaf tea)	7,500 €	4,000 €
10	Black Corinthian Raisin	4,000 €	1,800 €
11	Cinnamon	4,000 €	1,500 €
12	Quinoa	3,000 €	1,400 €
13	Student Toolkit Box (6 - 8 products)	20,000 €	10,000 €
	Average	6,085 €	3,169 €

Table 9: MESONISI list of products, prices and average selling price.

Net Present Value

The Capital investment is 10.000€ for the Net Present Value analysis, because for the calculation of NPV for this project (the initial product portfolio) that is the actual initial investment.

Year	0	2018	2019	2020	
Capital Investment and Disposal	10.000,00 €	- €	- €	- €	
Change in Working Capital (-)	- €	-11.296,32 €	-20.656,32 €	- €	
Sales	- €	94.920,00 €	221.480,00 €	316.400,00 €	
Cost of Good Sold	- €	49.440,00 €	115.360,00 €	164.800,00 €	
Other Costs	- €	34.568,00 €	50.792,00 €	62.960,00 €	
Tax	- €	4.755,87 €	21.847,12 €	55.310,80 €	
Operating Cash Flow	- €	6.156,13 €	33.480,88 €	33.329,20 €	
Net Cash Flow	10.000,00 €	-5.140,19 €	12.824,56 €	33.329,20 €	
COC 8,00%	Present Value	10.000,00 €	-4.759,44 €	10.994,99 €	26.457,79 €
Net Present Value	22.693,35 €				

Table 10: MESONISI NPV analysis

3.11.1 Pessimistic Scenario

Assuming that there will be difficulties in implementation of the plan and sales will be not satisfactory or economic crisis will increase in Greece, a pessimistic scenario with detailed financial data about the first three years of the company is presented below in Tables 11, 12, 13, and 14.

Budgeted Cash Flows

	2018	2019	2020
Operating Activities			
Cash received from customers	29.267,00 €	130.515,00 €	227.808,00 €
Cash paid for:			
Raw materials	17.246,32 €	69.240,72 €	115.392,96 €
Wages	- €	- €	- €
General operating, administrative and other expenses	26.456,00 €	40.652,00 €	49.778,00 €
Taxes	- 1.774,13 €	7.184,44 €	29.365,48 €
Net cash by operating activities	- 12.661,19 €	13.437,84 €	33.271,56 €
Investment Activities			
Cash provided	- €	- €	- €
Net cash by investment activities	- €	- €	- €
Financing Activities			
Borrowed	- €	- €	- €
Repayment	- €	- €	- €
Interest paid	- €	- €	- €
Net cash by financing activities	- €	- €	- €
Net increase in cash	- 12.661,19 €	13.437,84 €	33.271,56 €

Table 11: MESONISI Cash Flows

Budgeted Income Statement

	2018	2019	2020
Sales	31.640,00 €	142.380,00 €	213.570,00 €
COGS	16.480,00 €	74.160,00 €	111.240,00 €
Gross Margin	15.160,00 €	68.220,00 €	102.330,00 €
S&A Expenses	26.456,00 €	40.652,00 €	49.778,00 €
Operating Income	- 11.296,00 €	27.568,00 €	52.552,00 €
Interest Expense	- €	- €	- €
Tax Expenses	- 1.774,13 €	7.184,44 €	29.365,48 €
Net Income	- 9.521,87 €	20.383,56 €	23.186,52 €

Table 12: MESONISI Income Statement

Budgeted Balance Sheet

	2018	2019	2020
Current Assets			
Cash	- 2.661,19 €	10.776,65 €	44.048,22 €
Accounts Receivables	2.373,00 €	14.238,00 €	- €
Inventory	2.373,00 €	2.373,00 €	- €
Raw Materials	1.236,00 €	1.359,60 €	- €
Total Current Assets	3.320,81 €	28.747,25 €	44.048,22 €
Non-Current Assets			
Total Non-Current Assets	- €	- €	- €
Current Liabilities			
Accounts Payable	1.705,68 €	6.748,56 €	- €
Total Current Liabilities	1.705,68 €	6.748,56 €	- €
Non-Current Liabilities			
Total Non-Current Liabilities	- €	- €	- €
TOTAL A - L	1.615,13 €	21.998,69 €	44.048,22 €
Sharholder's Equity	4.276,32 €	11.222,04 €	- €
Retained Earnings	- 2.661,19 €	10.776,65 €	44.048,22 €
Total Equity	1.615,13 €	21.998,69 €	44.048,22 €

Table 13: MESONISI Balance Sheet

Sales and Raw

Sales	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	
1 Hippophae	100	100	100	100	100	300	300	600	600	300	600	800	100
2 Bluberry	100	100	100	100	100	300	300	600	600	300	600	800	100
3 Giji Berry	100	100	100	100	100	300	300	600	600	300	600	800	100
4 Turmeric	100	100	100	100	100	300	300	600	600	300	600	800	100
5 Walnuts	100	100	100	100	100	300	300	600	600	300	600	800	100
6 Ginkgo Biloba Tea (20 premium tea bags)	100	100	100	100	100	300	300	600	600	300	600	800	100
7 Ginkgo Biloba Tea (loose leaf tea)	100	100	100	100	100	300	300	600	600	300	600	800	100
8 Diktamo Tea (loose leaf tea)	100	100	100	100	100	300	300	600	600	300	600	800	100
9 Mixed healing herbs (loose leaf tea)	100	100	100	100	100	300	300	600	600	300	600	800	100
1 Black Corinthian Raisin	100	100	100	100	100	300	300	600	600	300	600	800	100
1 Cinnamon	100	100	100	100	100	300	300	600	600	300	600	800	100
1 Quinoa	100	100	100	100	100	300	300	600	600	300	600	800	100
1 Student Toolkit Box (6 - 8 products)	1300	1300	1300	1300	3900	3900	3900	7800	7800	3900	7800	10400	1300
10 Inventory Sales													
1 Hippophae	10	10	10	10	30	30	60	60	30	60	80	100	0
2 Bluberry	10	10	10	10	30	30	60	60	30	60	80	100	0
3 Giji Berry	10	10	10	10	30	30	60	60	30	60	80	100	0
4 Turmeric	10	10	10	10	30	30	60	60	30	60	80	100	0
5 Walnuts	10	10	10	10	30	30	60	60	30	60	80	100	0
6 Ginkgo Biloba Tea (20 premium tea bags)	10	10	10	10	30	30	60	60	30	60	80	100	0
7 Ginkgo Biloba Tea (loose leaf tea)	10	10	10	10	30	30	60	60	30	60	80	100	0
8 Diktamo Tea (loose leaf tea)	10	10	10	10	30	30	60	60	30	60	80	100	0
9 Mixed healing herbs (loose leaf tea)	10	10	10	10	30	30	60	60	30	60	80	100	0
1 Black Corinthian Raisin	10	10	10	10	30	30	60	60	30	60	80	100	0
1 Cinnamon	10	10	10	10	30	30	60	60	30	60	80	100	0
1 Quinoa	10	10	10	10	30	30	60	60	30	60	80	100	0
1 Student Toolkit Box (6 - 8 products)	130	130	130	130	390	390	780	780	390	780	1040	1300	0
Budgeted Sales													
1 Hippophae	380,000 €	380,000 €	380,000 €	380,000 €	1,140,000 €	1,140,000 €	2,280,000 €	2,280,000 €	1,140,000 €	2,280,000 €	2,280,000 €	3,040,000 €	380,000 €
2 Bluberry	600,000 €	600,000 €	600,000 €	600,000 €	1,800,000 €	1,800,000 €	3,600,000 €	3,600,000 €	1,800,000 €	3,600,000 €	3,600,000 €	4,800,000 €	600,000 €
3 Giji Berry	430,000 €	430,000 €	430,000 €	430,000 €	1,290,000 €	1,290,000 €	2,580,000 €	2,580,000 €	1,290,000 €	2,580,000 €	2,580,000 €	3,440,000 €	430,000 €
4 Turmeric	350,000 €	350,000 €	350,000 €	350,000 €	1,050,000 €	1,050,000 €	2,100,000 €	2,100,000 €	1,050,000 €	2,100,000 €	2,100,000 €	2,800,000 €	350,000 €
5 Walnuts	850,000 €	850,000 €	850,000 €	850,000 €	2,550,000 €	2,550,000 €	5,100,000 €	5,100,000 €	2,550,000 €	5,100,000 €	5,100,000 €	6,800,000 €	850,000 €
6 Ginkgo Biloba Tea (20 premium tea bags)	580,000 €	580,000 €	580,000 €	580,000 €	1,740,000 €	1,740,000 €	3,480,000 €	3,480,000 €	1,740,000 €	3,480,000 €	3,480,000 €	4,640,000 €	580,000 €
7 Ginkgo Biloba Tea (loose leaf tea)	420,000 €	420,000 €	420,000 €	420,000 €	1,260,000 €	1,260,000 €	2,520,000 €	2,520,000 €	1,260,000 €	2,520,000 €	2,520,000 €	3,360,000 €	420,000 €
8 Diktamo Tea (loose leaf tea)	450,000 €	450,000 €	450,000 €	450,000 €	1,350,000 €	1,350,000 €	2,700,000 €	2,700,000 €	1,350,000 €	2,700,000 €	2,700,000 €	3,600,000 €	450,000 €
9 Mixed healing herbs (loose leaf tea)	750,000 €	750,000 €	750,000 €	750,000 €	2,250,000 €	2,250,000 €	4,500,000 €	4,500,000 €	2,250,000 €	4,500,000 €	4,500,000 €	6,000,000 €	750,000 €
1 Black Corinthian Raisin	400,000 €	400,000 €	400,000 €	400,000 €	1,200,000 €	1,200,000 €	2,400,000 €	2,400,000 €	1,200,000 €	2,400,000 €	2,400,000 €	3,200,000 €	400,000 €
1 Cinnamon	400,000 €	400,000 €	400,000 €	400,000 €	1,200,000 €	1,200,000 €	2,400,000 €	2,400,000 €	1,200,000 €	2,400,000 €	2,400,000 €	3,200,000 €	400,000 €
1 Quinoa	300,000 €	300,000 €	300,000 €	300,000 €	900,000 €	900,000 €	1,800,000 €	1,800,000 €	900,000 €	1,800,000 €	1,800,000 €	2,400,000 €	300,000 €
1 Student Toolkit Box (6 - 8 products)	2,000,000 €	2,000,000 €	2,000,000 €	2,000,000 €	6,000,000 €	6,000,000 €	12,000,000 €	12,000,000 €	6,000,000 €	12,000,000 €	12,000,000 €	16,000,000 €	2,000,000 €
	7,910,000 €	7,910,000 €	7,910,000 €	7,910,000 €	23,730,000 €	23,730,000 €	47,460,000 €	47,460,000 €	23,730,000 €	47,460,000 €	47,460,000 €	63,280,000 €	79,100,000 €

Table 14: MESONISI Sales and Raw

3.11.2 Optimistic Scenario

Assuming that consumers will love the products and sales are increasing rapidly, an optimistic scenario with detailed financial data about the first three years of the company is presented below in Tables 15, 16, 17, and 18.

Budgeted Cash Flows

	2018	2019	2020
Operating Activities			
Cash received from customers	109.158,00 €	211.988,00 €	572.684,00 €
Cash paid for:			
Raw materials	61.330,32 €	114.000,40 €	290.229,28 €
Wages	- €	- €	- €
General operating, administrative and other expenses	37.610,00 €	50.792,00 €	93.380,00 €
Taxes	8.087,07 €	23.730,48 €	89.868,18 €
Net cash by operating activities	2.130,61 €	23.465,12 €	99.206,54 €
Investment Activities			
Cash provided	- €	- €	- €
Net cash by investment activities	- €	- €	- €
Financing Activities			
Borrowed	- €	- €	- €
Repayment	- €	- €	- €
Interest paid	- €	- €	- €
Net cash by financing activities	- €	- €	- €
Net increase in cash	2.130,61 €	23.465,12 €	99.206,54 €

Table 15: MESONISI Cash Flows

Budgeted Income Statement

	2018	2019	2020
Sales	118.650,00 €	221.480,00 €	553.700,00 €
COGS	61.800,00 €	115.360,00 €	288.400,00 €
Gross Margin	56.850,00 €	106.120,00 €	265.300,00 €
S&A Expenses	37.610,00 €	50.792,00 €	93.380,00 €
Operating Income	19.240,00 €	55.328,00 €	171.920,00 €
Interest Expense	- €	- €	- €
Tax Expenses	8.087,07 €	23.730,48 €	89.868,18 €
Net Income	11.152,93 €	31.597,52 €	82.051,82 €

Table 16: MESONISI Income Statement.

Budgeted Balance Sheet

	2018	2019	2020
Current Assets			
Cash	12.130,61 €	35.595,72 €	134.802,27 €
Accounts Receivables	9.492,00 €	18.984,00 €	- €
Inventory	4.746,00 €	7.910,00 €	- €
Raw Materials	2.472,00 €	4.532,00 €	- €
Total Current Assets	28.840,61 €	67.021,72 €	134.802,27 €
Non-Current Assets			
Total Non-Current Assets	- €	- €	- €
Current Liabilities			
Accounts Payable	5.413,68 €	10.481,28 €	- €
Total Current Liabilities	5.413,68 €	10.481,28 €	- €
Non-Current Liabilities			
Total Non-Current Liabilities	- €	- €	- €
TOTAL A - L	23.426,93 €	56.540,44 €	134.802,27 €
Sharholder's Equity	11.296,32 €	20.944,72 €	- €
Retained Earnings	12.130,61 €	35.595,72 €	134.802,27 €
Total Equity	23.426,93 €	56.540,44 €	134.802,27 €

Table 17: MESONISI Balance Sheet

Sales and Raw

Sales	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
1 Hippophae	300	400	400	400	400	600	600	800	800	1000	2000	2000
2 Bluberry	300	400	400	400	400	600	600	800	800	1000	2000	2000
3 Giji Berry	300	400	400	400	400	600	600	800	800	1000	2000	2000
4 Turmeric	300	400	400	400	400	600	600	800	800	1000	2000	2000
5 Walnuts	300	400	400	400	400	600	600	800	800	1000	2000	2000
6 Ginkgo Biloba Tea (20 premium tea bags)	300	400	400	400	400	600	600	800	800	1000	2000	2000
7 Ginkgo Biloba Tea (loose leaf tea)	300	400	400	400	400	600	600	800	800	1000	2000	2000
8 Diktamo Tea (loose leaf tea)	300	400	400	400	400	600	600	800	800	1000	2000	2000
9 Mixed healing herbs (loose leaf tea)	300	400	400	400	400	600	600	800	800	1000	2000	2000
10 Black Corinthian Raisin	300	400	400	400	400	600	600	800	800	1000	2000	2000
11 Cinnamon	300	400	400	400	400	600	600	800	800	1000	2000	2000
12 Quinoa	300	400	400	400	400	600	600	800	800	1000	2000	2000
13 Student Toolkit Box (6 - 8 products)	3900	5200	5200	5200	5200	7800	7800	10400	10400	13000	26000	26000
10 Inventory Sales												
1 Hippophae	40	40	40	40	60	60	80	80	100	200	200	200
2 Bluberry	40	40	40	40	60	60	80	80	100	200	200	200
3 Giji Berry	40	40	40	40	60	60	80	80	100	200	200	200
4 Turmeric	40	40	40	40	60	60	80	80	100	200	200	200
5 Walnuts	40	40	40	40	60	60	80	80	100	200	200	200
6 Ginkgo Biloba Tea (20 premium tea bags)	40	40	40	40	60	60	80	80	100	200	200	200
7 Ginkgo Biloba Tea (loose leaf tea)	40	40	40	40	60	60	80	80	100	200	200	200
8 Diktamo Tea (loose leaf tea)	40	40	40	40	60	60	80	80	100	200	200	200
9 Mixed healing herbs (loose leaf tea)	40	40	40	40	60	60	80	80	100	200	200	200
10 Black Corinthian Raisin	40	40	40	40	60	60	80	80	100	200	200	200
11 Cinnamon	40	40	40	40	60	60	80	80	100	200	200	200
12 Quinoa	40	40	40	40	60	60	80	80	100	200	200	200
13 Student Toolkit Box (6 - 8 products)	520	520	520	520	780	780	1040	1040	1300	2600	2600	2600
Budgeted Sales												
1 Hippophae	1.140,000 €	1.520,000 €	1.520,000 €	1.520,000 €	1.520,000 €	2.280,000 €	2.280,000 €	3.040,000 €	3.040,000 €	3.800,000 €	7.600,000 €	7.600,000 €
2 Bluberry	1.800,000 €	2.400,000 €	2.400,000 €	2.400,000 €	2.400,000 €	3.600,000 €	3.600,000 €	4.800,000 €	4.800,000 €	6.000,000 €	12.000,000 €	12.000,000 €
3 Giji Berry	1.290,000 €	1.720,000 €	1.720,000 €	1.720,000 €	1.720,000 €	2.580,000 €	2.580,000 €	3.440,000 €	3.440,000 €	4.300,000 €	8.600,000 €	8.600,000 €
4 Turmeric	1.050,000 €	1.400,000 €	1.400,000 €	1.400,000 €	1.400,000 €	2.100,000 €	2.100,000 €	2.800,000 €	2.800,000 €	3.500,000 €	7.000,000 €	7.000,000 €
5 Walnuts	2.550,000 €	3.400,000 €	3.400,000 €	3.400,000 €	3.400,000 €	5.100,000 €	5.100,000 €	6.800,000 €	6.800,000 €	8.500,000 €	17.000,000 €	17.000,000 €
6 Ginkgo Biloba Tea (20 premium tea bags)	1.740,000 €	2.320,000 €	2.320,000 €	2.320,000 €	2.320,000 €	3.480,000 €	3.480,000 €	4.640,000 €	4.640,000 €	5.800,000 €	11.600,000 €	11.600,000 €
7 Ginkgo Biloba Tea (loose leaf tea)	1.260,000 €	1.680,000 €	1.680,000 €	1.680,000 €	1.680,000 €	2.520,000 €	2.520,000 €	3.360,000 €	3.360,000 €	4.200,000 €	8.400,000 €	8.400,000 €
8 Diktamo Tea (loose leaf tea)	1.350,000 €	1.800,000 €	1.800,000 €	1.800,000 €	1.800,000 €	2.700,000 €	2.700,000 €	3.600,000 €	3.600,000 €	4.500,000 €	9.000,000 €	9.000,000 €
9 Mixed healing herbs (loose leaf tea)	2.250,000 €	3.000,000 €	3.000,000 €	3.000,000 €	3.000,000 €	4.500,000 €	4.500,000 €	6.000,000 €	6.000,000 €	7.500,000 €	15.000,000 €	15.000,000 €
10 Black Corinthian Raisin	1.200,000 €	1.600,000 €	1.600,000 €	1.600,000 €	1.600,000 €	2.400,000 €	2.400,000 €	3.200,000 €	3.200,000 €	4.000,000 €	8.000,000 €	8.000,000 €
11 Cinnamon	1.200,000 €	1.600,000 €	1.600,000 €	1.600,000 €	1.600,000 €	2.400,000 €	2.400,000 €	3.200,000 €	3.200,000 €	4.000,000 €	8.000,000 €	8.000,000 €
12 Quinoa	900,000 €	1.200,000 €	1.200,000 €	1.200,000 €	1.200,000 €	1.800,000 €	1.800,000 €	2.400,000 €	2.400,000 €	3.000,000 €	6.000,000 €	6.000,000 €
13 Student Toolkit Box (6 - 8 products)	6.000,000 €	8.000,000 €	8.000,000 €	8.000,000 €	8.000,000 €	12.000,000 €	12.000,000 €	16.000,000 €	16.000,000 €	20.000,000 €	40.000,000 €	40.000,000 €
	23.730,000 €	31.640,000 €	31.640,000 €	31.640,000 €	31.640,000 €	47.460,000 €	47.460,000 €	63.280,000 €	63.280,000 €	79.100,000 €	158.200,000 €	158.200,000 €

Table 18: MESONISI Sales and Raw

Chapter 4. Models used for the analysis

4.1 Porter's Five Forces

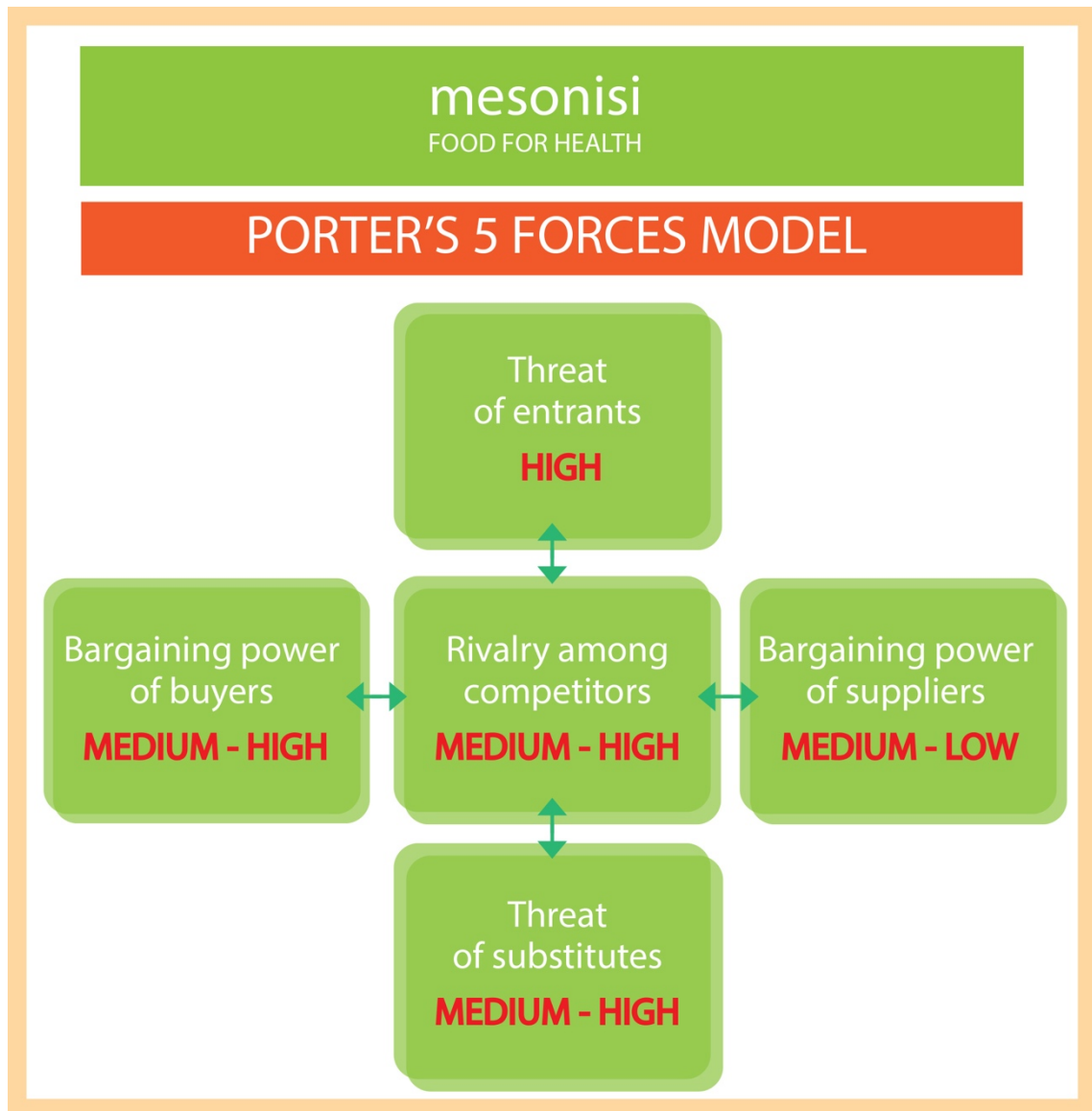


Figure 11: Porter's Five Forces model for MESONISI.

Threat of new entrants – HIGH

In order to enter the superfood market, a huge amount of initial investment is not required and there are no regulations preventing the creation of new products and companies. Many can tempt by the niche market opportunities and also the booming of the superfood market.

Bargaining power of suppliers – MEDIUM - LOW

As there are many and quality suppliers (farmers, distributors and wholesalers) in Greece and abroad, the bargaining power has reduced gravely. Raw materials/food are in abundance, even more now, where superfoods are a booming market and many farmers consider this as an opportunity to develop further their businesses. Also competitors are not being after contacts or allying with suppliers. That makes the suppliers' products even more accessible and less competing.

Bargaining power of buyers – MEDIUM - HIGH

Buyers' power can be considered medium to high, since there is a great variety of products and consumers have many other options, in most cases with similar price. There is no fixed way of commitment (e.g. membership) that could bind customers with the product or the company. Customers can easily switch from one product to another.

Threat of substitutes – MEDIUM - HIGH

Although the major substitute of natural superfoods are superfoods supplements, which are widely available, the threat considered is medium, as people tend to believe that healthy food is fresh food and not industrialized. Convenience though of superfood supplements and other products with added processed superfood ingredients is a critical factor and might affect in some cases the threat of substitutes from medium to high.

Rivalry among competitors – LOW

At the moment the competition in the superfoods industry is not cutthroat. It could be though, if in the following years, giant food international companies consider superfoods as a business development opportunity. The outcome of the industry and competitor analysis provides us with information that at the moment it is quite easy for a small company to enter the market and has a great potential to survive.

4.2 SWOT analysis

The SWOT analysis of MESONISI superfoods new venture, is presented in Table 19 below. It's worth mentioning that a major strength is that the product is natural and health beneficial. Also, the fact that these foods have long expiration date gives many advantages (e.g. costs saving) to sales department and logistics. Opportunities can be many thus the market is booming. Though, the fact that the company will be based in Greece and affected from the taxation system and the unstable economy might be a barrier for fast development. Cash flow and lack of infrastructure in the early stages can also be an obstacle.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> - Location of company. Close to agricultural regions (Northern Greece has the largest production), to transportation systems and banks. - Products are related to health - Natural products - Strong research and developing expertise - Packaging and convenience of the product - Long expiration date in products - No need for cooling in storage 	<ul style="list-style-type: none"> - Outsourcing operations - Limited working capital - Cash flow - Limited staff - Infrastructure - Lack of brand awareness - Lack of big storage
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> - Increasing demand for superfoods - Global market - Continuous Scientific research - Consumer's increase of Health awareness - Many suppliers - Low prices in rents (because of recession in Greece) - Low prices in equipment/machinery 	<ul style="list-style-type: none"> - Taxation system in Greece - Unstable economy in Europe - International food Mega brands (ease to enter the superfood market and claim market share) - Medical industry (wants people to be depended on pills) - Legislations (superfood is a new food category and there is an ongoing process of legislations in Europe) - Weather (affects quantity and prices in agricultural products)

Table 19: SWOT Analysis

Conclusions

As analysed in this dissertation, in the Western World, because of the increase in diseases that are related to eating patterns and quality of food, consumers have started demanding products that are natural, nutrient dense and health beneficial. Research and analysis of the market trends and needs in the food industry, in Europe and the USA, reveals that the business opportunities are many. Superfoods is a booming market, consumers' awareness about foods that are health beneficial is increasing.

This business plan explored ways to improve people's health through their diet, by developing a series of high quality superfood products which is scientifically proven, that their frequent consumption will enhance long-term health and could prevent diseases that are related to everyday diet habits.

The establishment of the company is a complicated procedure, each and every stage should be carefully, planned and monitored by the people in charge. A commitment to detail is needed in all stages of Operations, from Research and Development to Packaging Design, Production, Marketing and Sales. The main goal for MESONISI is to define, design and produce the initial portfolio of about 15 products. As time progresses new products will be added.

The sophisticated development of the products together with strategic collaborations with scientists, suppliers and manufactures will provide the opportunity to MESONISI to gain market share. In addition, MESONISI should focus on exports and e-sales, as part of its growth strategy. The new venture has the potential to meet its financial goals and establish a strong brand name in local and national markets. A positive factor is that the management team has a start-up capital available to finance purchasing of inventory, basic equipment and operations. The investment required for this type of company, is relatively small compared to other industries. This makes the plan feasible and low risk.

Figure 12 bellow, is describing the milestones of MESONISI in the first year. The most important stage is to gather scientific research and decide which superfoods to promote by examining their attributes and health benefits. Therefore, the product portfolio will be created in order to start the process of sampling in food stores and distributors. Design and production stages are important as well.

MESONISI MILETONES

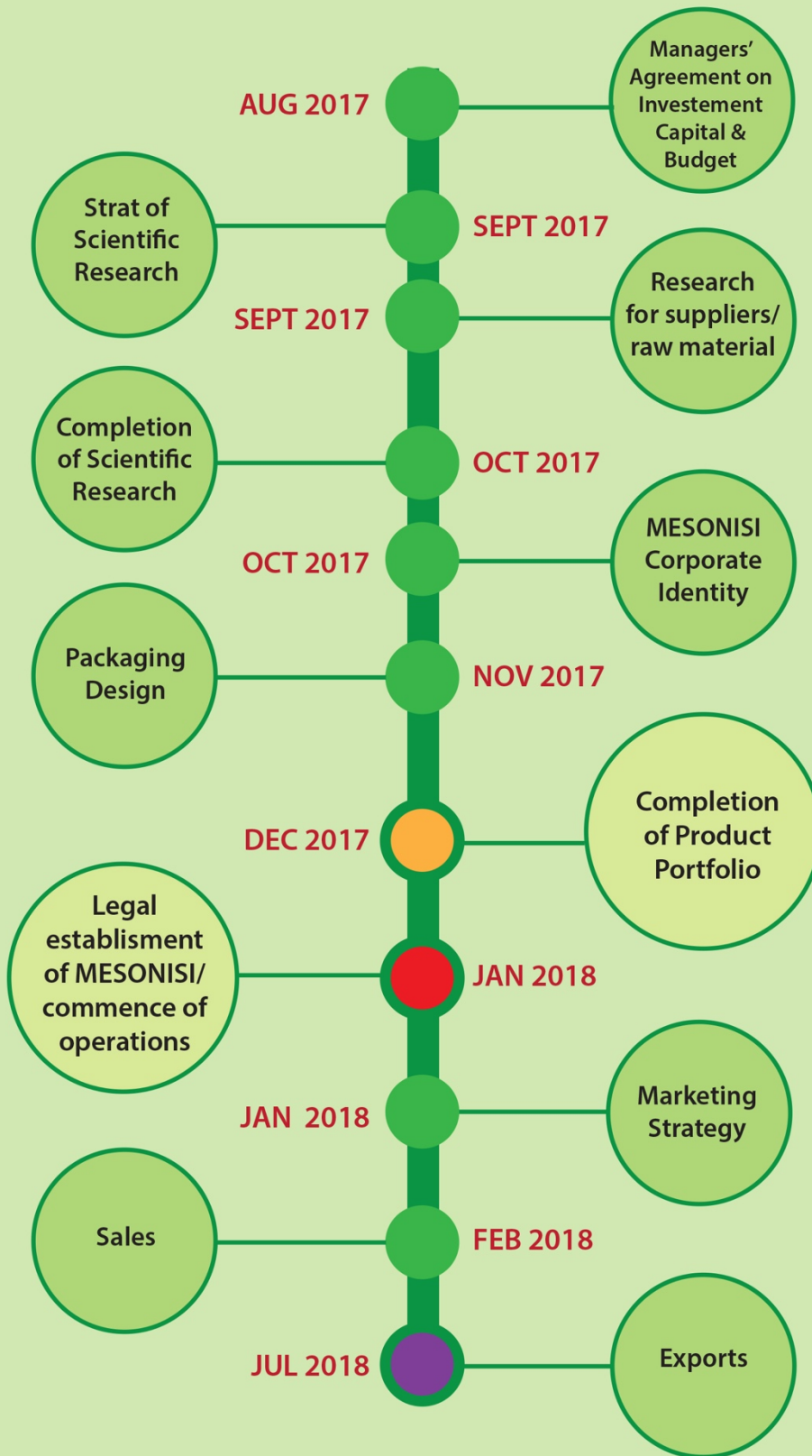


Figure 12: MESONISI Milestones

The following Table 20, presents the deliverables of the plan during the first year.

Deliverables	Target Date	Responsible
1. Scientific Results about superfoods	Oct 2017	Committee of Scientists
2. 5 Products, Category 1 (Herbs)	Dec 2017	Committee of Scientists CEO, Financial Manager
3. 2 Products, Category 2 (Spices)	Dec 2017	Committee of Scientists and Founder/CEO
4. 5 Products, Category 3 (Nuts, Dried Fruits)	Dec 2017	Committee of Scientists and Founder/CEO
5. 1 Product, Category 4 (TOOLKIT)	Dec 2017	Committee of Scientists and Founder/CEO
6. MESONISI Logotype and Corporate Identity	Oct 2017	CEO and General Manager
7. Packaging and Label Design	Nov 2017	CEO, General Manager, Committee of Scientists
8. Promotional Material (leaflets, brochures, e-banners)	Dec 2017	CEO, General Manager, Financial Manager
9. Apply Augmented Reality in Packaging	Jan 2018	CEO and Committee of Scientists
10. MESONISI wed page	March 2018	CEO, General Manager and Financial Manager

Table 20: MESONISI Deliverables

Measuring the success of this business plan and defining the key factors is vital and allows the management team to focus on the important elements, activities, operations and main goals of the new venture. In this analysis the success indicators considered to be acceptable to the management team are:

- Scientific research results schedule 2 months
- Raised capital 75.000 €
- 30% increase of sales in the the third quarter
- 13 superfood products
- 25% increase of MESONISI brand awareness in the first semester

By evaluating the business plan there are some limitations that should be taken into consideration, because they are crucial to the final outcome of the new venture. These limitations can be analysed as follows:

1. Personnel will be very limited, working hours will be many and deadlines are strict during the first six months. Management team should work over hours in collaboration with the Committee of Scientists. Until the scientists complete their research on superfoods and submit their results and proposals, the product and packaging design

process cannot start. In addition, Sales Department cannot function without the actual products.

2. The collaboration with good and trustworthy suppliers of raw superfoods is crucial for the overall outcome of the quality of the products. If raw material is not of excellent quality, the company will not easily win customers and increase market share.

3. A manufacturer with advanced machinery, food quality and safety standards and certifications (e.g. HACCP, ISO) is vital for MESONISI to ensure its brand name and to guarantee high quality products.

Furthermore, in order to mitigate the risks of the new venture, considerations to uncertain events or conditions that might occur and have an impact on the project should be identified. As previously commented in this analysis, “preventing problems instead of trying to solve them, is preferable”. Control and manage risk on several stages of the operations could avoid or decrease negative effect on the overall performance of the new venture. For example, the initial products might need readjustments or replacement by others, more popular or health beneficial (high risk). Another frequent problem in packaging is that packs or printed labels might have deviation from the mock-up and pre-production proof samples (medium risk). Weather conditions or currency exchange rates (imports of raw materials) could increase prices (low risk).

In conclusion, this analysis shows, that there are many positive factors which enhance the feasibility of the business plan. Practical and realistic business solutions have been examined. Superfood industry is developing fast and many companies already enjoy the benefits. Additionally, superfoods have a comparative advantage in relation to other food categories, because they are related to health, well being and longevity.

Clearly, the food Industry is a challenging sector and the development of new products can be exciting and profitable, yet companies should not forget that they should be socially responsible, as well.

Bibliography

Articles

Daugherty, B., Superfoods: The Healthiest Foods on the Planet [*New Resources for Nutrition Educators*]. *J Nutr Educ Behav*. 2011; 43:207.e7

Gostin, L. (2005). At Law: Fast and Supersized: Is the Answer to Diet by Fiat? *The Hastings Center Report*, 35(2), 11-12. doi:10.2307/3527755

Guthrie, J., (1999). Nutrient Contribution of Food Away From Home.
https://www.researchgate.net/profile/Joanne_Guthrie/publication/237784880_Nutrient_Contribution_of_Food_Away_From_Home/links/0c96052debd8d57eb9000000.pdf

Light, L., Tenney, J., Portnoy, B., Kessler, L., Brown Rodgers A., Patterson, B., Tuckermanty, E., (1989). Eat for Health: A Nutrition and Cancer Control Supermarket Intervention. *Public Health Reports* (1974-), 104(5), 443-450.
Retrieved from <http://www.jstor.org/stable/4628701>

McCrorie, V., The potential and dangers of superfoods. *Datamonitor*, 24-Oct-2007
Retrieved from <http://www.foodnavigator.usa.com/Suppliers2/Datamonitor-The-potential-and-dangers-of-superfoods>

Milburn, M., (2004). Indigenous Nutrition: Using Traditional Food Knowledge to Solve Contemporary Health Problems. *American Indian Quarterly*, 28(3/4), 411-434.
Retrieved from <http://www.jstor.org/stable/4138925>

Nielsen, E., Health beneficial consumer products—status and trends. *Developing Food Products for Consumers with Specific Dietary Needs. Woodhead Publishing Series in Food Science, Technology and Nutrition*, 2016, pp. 15–42
Retrieved from <http://www.sciencedirect.com/science/article/pii/B9780081003299000025>

Schneider, S. (2008). Good, Clean, Fair: The Rhetoric of the Slow Food Movement. *College English*, 70(4), pp. 384-402.
Retrieved from <http://www.jstor.org/stable/25472277>

Thompson, G. (1998). Consumer Demand for Organic Foods: What We Know and What We Need to Know. *American Journal of Agricultural Economics*, 80(5), 1113-1118.
Retrieved from <http://www.jstor.org/stable/1244214>

Young, L., & Nestle, M. (2007). Portion Sizes and Obesity: Responses of Fast-Food Companies. *Journal of Public Health Policy*, 28(2), pp. 238-248.
Retrieved from <http://www.jstor.org/stable/4498959>

Ware Megan, (2015). Superfoods: Health Benefits, Uses and Risks,
Retrieved from <http://www.medicalnewstoday.com/articles/303079.php>

Wong, V., (2014). The Church of Superfoods gains more believers. Retrieved from
<https://www.bloomberg.com/news/articles/2014-08-13/kale-and-the-church-of-superfoods-gains-more-believers>

Books

Baron, R., (2012), *Entrepreneurship, an Evidence-based Guide*, Edward Elgar Publishing Limited, Cheltenham, United Kingdom

Bessant, J. and Tidd J., (2011), *Innovation and entrepreneurship*, second edition, John Wiley & Sons Ltd, Sussex, United Kingdom

Carper, J., (!993), *Food your Miracle Medicine*, For the Greek publication: (2011), Modern Times, Athens

Fred. D., & Forest. D., (2015), *Strategic Management, Concepts and cases*, 15th edition, Pearson Education Limited, Essex, England

Dunung, S., (2010), *Starting your Business*, Business Experts Press, New York, USA

Hensrud, D., Nelson, J., (2011), *Mayo Clinic Diet for Diabetes*, Good Books, New York USA, for the Greek publication: Pedio (2013), Athens

Jensen, B., (2011), *Foods that heal*, Modern Times, Athens, Greece

Kaplan, J., (2001), *Getting started in Entrepreneurship*, John Wiley & Sons Ltd, Canada

Karagiannopoulos, S., (2000), *We are what we eat*, Modern Times, Athens, Greece

Kotler, P., and Keller, K., (2016), *Marketing Management*, 15th edition, Pearson Education Limited, Essex, England

Kuratko, D., (2007), *Introduction to entrepreneurship*, eight edition South Western Cengage learning, United Kingdom

Newspapers

Athanasiou, M. (2014, 17 December). *What are Superfoods? Kathimerini*.
<http://www.kathimerini.gr/795010/article/epikairothta/ellada/poso-soyper-einai-ta-super-foods>, site visited 2016

Karapiperi, D., (May 9, 2016), *Prof. Dimitris Kouretas, Healthy Dietary patterns should be teaching at schools*, KATHIMERINI.
<http://www.kathimerini.gr/859059/article/gastronomos/gastronomia/dhmhtrhs-koyretas-h-diatrofh-prepei-na-didasketai-sto-sxoleiov>

Internet (Organisations, Institutions, Intelligence agencies)

CBI,EU (2017), Superfoods in Europe, CBI, Netherlands Ministry of Affairs, 2015
<https://www.cbi.eu/market-information/natural-ingredients-health-products/superfoods/europe/>

European Commission (2016), Food information to consumers, legislation, 2016
http://ec.europa.eu/food/safety/labelling_nutrition_labelling_legislation_en

European food information Council (2017), The science behind superfoods: are they really super? 11 December, 2012.
<http://www.eufic.org/en/healthy-living/article/the-science-behind-superfoods-are-they-really-super>

Food and Agriculture Organization of the United Nations (FAO), (2016), Food-based dietary guidelines – Greece. <http://www.fao.org/nutrition/education/food-dietary-guidelines/regions/countries/Greece/en/>

MINTEL (2017) Super growth for super products. *MINTEL Global New Products Database*, May, 2016. <http://www.mintel.com/press-centre/food-and-drink/super-growth-for-super-foods-new-product-development-shoots-up-202-globally-over-the-past-five-years>

Nielsen Research Company (2016). Global Health and Wellness Report 2015, USA.
<http://www.nielsen.com/content/dam/niensenglobal/eu/nielseninsights/pdfs/Nielsen-Global-Health-and-Wellness-Report-January-2015.pdf>

World Health Organization (WHO), (2016) Health Topics, Obesity.
<http://www.who.int/topics/obesity/en/>

WHO (2016). Health topics, Nutrition.
<http://www.who.int/topics/nutrition/en/>

WHO (2017). Diet, Physical Activity and Health.
<http://www.who.int/dietphysicalactivity/diet/en/>

WHO (2017). Global strategy: overall goal.
<http://www.who.int/dietphysicalactivity/goals/en/>

WHO EU, (2017). Food based dietary guidelines in the WHO European Region
http://www.euro.who.int/__data/assets/pdf_file/0017/150083/E79832.pdf

U.S. HHS and USAD, The Dietary Guidelines for Americans 2015-2020, eighth edition
<https://health.gov/dietaryguidelines/2015/guidelines/chapter-1/healthy-eating-patterns/>

Internet (Other)

European Trade Mark and Design Network (2017)
https://www.tmdn.org/network/what_is_europeantmdn

Guardian (2017), Augmented Reality,
<https://www.theguardian.com/technology/augmented-reality>

Guardian (2016, Pokemon, <https://www.theguardian.com/media-network/2016/sep/08/electronic-empathy-virtual-reality-pokemon-go-oculus>

Guardian (2016), Pokemon, <https://www.theguardian.com/technology/2016/jul/21/apple-to-make-3bn-in-revenue-from-pokemon-go>

Guardian (2017), *Quinoa, chia seeds and kale: superfoods or super marketing*,
<https://www.theguardian.com/media-network/media-network-blog/2014/oct/02/quinoa-chia-seeds-kale-superfoods-marketing>

Healthy Marketing Team, *Can Superfoods find a place in Mass Market?* Aurore de Monclin, <http://www.thehmt.com/where-can-superfoods-go-from-here>

Industrial Property Organisation (2017) <http://www.obi.gr/obi/?tabid=174>

Livescience (2016). *Facts about Ayurvedic Medicine*, Marc Lallanilla, 2015.
<http://www.livescience.com/42153-ayurveda.html>

Nutraceuticalworld (2017) http://www.nutraceuticalsworld.com/contents/view_online-exclusives/2014-05-27/functional-food-drink-trends-in-europe

NHS (2016) <http://www.nhs.uk/news/2016/12December/Pages/Claim-high-fat-diets-can-prevent-diabetes-unproven.aspx>

Oxford Dictionary (2016), <https://www.oxforddictionaries.com>

QR code generator (2017) <http://goqr.me>

Renee, J., (2016) What Are the Effects of an Unhealthy Diet?
www.livestrong.com/article/200742-what-are-the-effects-of-an-unhealthy-diet/

Appendix



8 INCREDIBLE HEALTH BENEFITS OF TURMERIC



Boosts Cognitive Function

Curcumin protects brain cells by binding to and dissolving abnormal proteins.



Fights Body-Wide Inflammation

Curcumin has been proven to significantly lower levels of inflammatory markers.



Supports Cardiovascular Function

Curcumin supports heart health by promoting a healthy inflammatory response.



Promotes Youthful Radiant Skin

Curcumin promotes soft, smooth, glowing skin and fights fine lines and wrinkles.



Supports Joint & Muscle Health

Curcumin promotes a healthy inflammatory response and eases aches and pains.



Boosts Detoxification

Curcumin optimizes function of the liver, the body's primary organ of detoxification.



Promotes Healthy Mood Balance

Curcumin has been shown to be an extremely effective natural mood enhancer.



Supports Natural Weight Loss

Curcumin can enhance weight loss when combined with healthy diet and exercise.

Black Pepper Enhances Bioavailability of Turmeric

Research suggests that taking an extract of black pepper called piperine with curcumin can boost absorption, amplifying curcumin's impressive ability to curb inflammation, protect the brain and revitalize health. Despite curcumin's remarkable health benefits, it has the drawback of being difficult for the body to absorb. But according to a study published in *Planta Medica*, when 20 mg of black pepper extract is administered together with curcumin, it boosts the bioavailability of the turmeric-derived compound by 2,000%.



Appendix A: Health Benefits of Turmeric

Source: <https://mefirstliving.com/pages/health-benefits-of-tumeric-crowned-the-golden-spice>



Appendix B: Augmented reality applied in HEINZ packaging

Source: <http://www.packageinsight.com/blog/big-data-iot-and-food-packaging-the-future-of-packaging-innovation>



Appendix C: Augmented reality applied in Video Game POKEMON

Source: <https://www.theguardian.com/technology/2016/oct/23/augmented-reality-development-future-smartphone>

