



Development of a business plan
for the opening of dietic coffee shop
“Fit-Sweet”

Master's Degree in Management

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ABSTRACT

This final qualification work's purpose is "Development of a business plan for the opening of "Fit-Sweet cafe-confectionery". The company whose products are intended to be fundamentally different from the competitors, will be operating in Lisbon. Within the implementation of the project, it is planned to satisfy the needs of Lisbon residents in diet desserts made of organic products. Regulatory legal acts of Portugal and also scientific and educational literature were used to write the final qualifying work.

For developing a business plan of the company, and doing the correct investment in the future development of the cafe, the micro and macro environments were studied, the internal and competitive analysis were conducted. Based on the analysis, a strategic and marketing plan was drawn up.

While conducting the business plan project for a dietary food enterprise the theoretical foundations of business planning were analysed; benefits of that kind business and options for its support identified; the activities aimed at the development of a cafe-confectionery / coffee shop were developed.

The cafe will act as an individual entrepreneur, creating 8 jobs, payback period is 3 years. The main criteria for the selection of personnel are high qualifications in their field, accuracy, sociability. The primary sources of finance are own funds and borrowed capital. The main success factor is unique products: dietary, organic desserts high in protein which are currently practically absent on the market.

Keywords: coffee shop, confectionery, low-calorie, desserts, organic, healthy food, high-protein, business plan

RESUMO

O objetivo deste trabalho de qualificação final é "Desenvolvimento de um plano de negócios para a abertura de" Confeitaria de café Fit-Sweet ". A empresa cujos produtos se destinam a ser fundamentalmente diferentes dos concorrentes estará operando em Lisboa. Este projeto está planejado para satisfazer as necessidades dos residentes de Lisboa em sobremesas dietéticas feitas com produtos orgânicos, e foram utilizados atos legais regulamentares de Portugal e também literatura científica e educacional para escrever o trabalho final de qualificação.

Para desenvolver um plano de negócios da empresa e fazer o investimento correto no desenvolvimento futuro do café, foram estudados os ambientes micro e macro, foram realizadas análises internas e competitivas. Com base na análise, foi elaborado um plano estratégico e de marketing.

Durante a condução do projeto do plano de negócios de uma empresa de alimentos dietéticos, os fundamentos teóricos do planejamento de negócios foram analisados; benefícios desse tipo de negócio e opções para seu suporte identificados; foram desenvolvidas as atividades destinadas ao desenvolvimento de uma cafeteria / confeitaria / cafeteria.

O café atuará como empresário individual, criando 8 empregos, período de retorno é 3 anos. Os principais critérios para a seleção de pessoal são altas qualificações em seu campo, precisão, sociabilidade. As principais fontes de financiamento são fundos próprios e capital emprestado. O principal fator de sucesso são os produtos exclusivos: sobremesas dietéticas e orgânicas, ricas em proteínas, atualmente praticamente ausentes no mercado.

Palavras-chave: cafeteria, confeitaria, baixa caloria, sobremesas, alimentos orgânicos, saudáveis, alto teor de proteínas, plano de negócios

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LIST OF ABBREVIATIONS

4 P – Price, Product, Place, Promotion
BBC – British Broadcasting Corporation
CAGR - Compound Annual Growth Rate
CGSMC – Cost of Goods Sold, Materials Consumed
CRM - Customer Relationship Management
EBIT – Earnings Before Taxes
EBITDA - Earnings Before Interest, Taxes, Depreciation, And Amortization
EBT – Earnings Before Taxes
EU – European Union
Etc. – Et Cetera
FAO – Food And Agriculture Organization
F/A-Food Allowance
GDP – Gross Domestic Product
IAPMEI - Instituto De Apoio Às Pequenas E Médias Empresas E À Inovação
IOC – International Olympic Committee
LG – “Life Is Good” Corporation
NPV – Net Present Value
PEST – Political, Economic, Social, Technological
PWC – Price, water, house, coopers
R&D – Research and Development
SES – Suppliers and External Services
SME – Small-Medium Enterprises
SMS – Short Message Service
SSC – Social Security Contributions
SWOT - Strengths, Weaknesses, Opportunities, And Threats
UNESCO - The United Nations Educational, Scientific And Cultural Organization
VAT – Value Added Tax
WACC – Weighted Average Cost of Capital
WAI - Workplace Accident Insurance
WOM – Word Of Mouth
WPR – World Population Review
WTTC – World Travel And Tourism Council
WWL – World Wild Life

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1. INTRODUCTION

In order to achieve positive results, the activities of any enterprise begin with planning. Planning is an integral part of management, allowing to anticipate the goals, expected results of the enterprise and the required resources necessary to achieve the intended goals. The literature review shows that planning reflects the future of the enterprise and contains answers to the following questions: in which market the enterprise will be operating; who will be the main competitors; in what way the competition should be implemented; what values the organisation can offer potential consumers; how profitable the company would be.

An essential element of the planning process within the enterprise management system is the preparation of a business plan. A business plan is a document that reflects new aspects of a future organisation, taking in consideration probable problems that an enterprise may encounter, and also contemplates the effectiveness of decisions made according to the planned measures. A ready-made business plan helps answer the question of whether it is worth investing money in this business project. Therefore, the preparation of a business plan is relevant to the enterprise because it allows the entrepreneur to plan and optimise their resources to obtain the best financial result of the organisation.

Nowadays, catering plays quite an important role in the life of modern society, since the main task of this industry is to meet human needs. Choosing the area in which anyone can successfully implement a business project, many prefer the catering industry. Opening a cafe is a substantial way to start a business. There are several reasons for making such a business accessible: an increase in the funds of city residents trying to lead a modern lifestyle, chatting with friends in a cosy and comfortable environment, having birthday parties and other celebrations, and family events.

This qualification work is dedicated to developing a business plan for a catering company in the city of Lisbon. The cafe-confectionery or coffee shop specialised in diet desserts made of organic products. *The subject of the research* is “Business plan of the enterprise "Fit-Sweet cafe-confectionery/coffee shop". *The object of the study* is “Cafe-confectionery "Fit-Sweet".”

To achieve the goals, it is necessary to complete the following tasks:

1. Analyse the theoretical foundations of business planning;
2. Identify the benefits of this business and consider the opportunities to sustain it;
3. Develop a business project for catering;
4. Develop activities aimed at the development of the "Fit-Sweet" cafe-confectionery.

1.2 PROJECT STRUCTURE

The project is divided into nine chapters: introduction, literature review, methodology, project justification, business description, environment analysis, project production plan, financial analysis, and conclusions.

The first chapter is a description of the thesis and the motivation for the development of this project.

The second chapter consists of literature review about entrepreneurship and the vital role of innovation in it, global cafe culture, the goals and the importance of creating a business plan in order to have its impact on the economic growth of the enterprise.

The third chapter describes the methodological steps that should be taken to accomplish this project.

The project's rationale, as well as the industry features in general and the healthy organic food industry features were described in *the fourth chapter*. The chapter also includes an interview which was conducted to better understand potential customers' approach, their needs and desires.

The fifth chapter consists of a description of the project, namely vision, business concepts, values, mission, structures, and strategic goals of the company.

The sixth chapter is devoted to an environmental analysis and their qualitative assessment, in particular, Porter's microenvironment analysis, PEST (political, economic, social and technological), as well as an analysis of competitors and potential consumers.

A SWOT analysis (strengths and weaknesses, opportunities and threats was performed in *the seventh chapter*.

The eighth chapter is devoted to the plans and implementation strategies, operating expenses such as rental of a premise, professional equipment, expenses for suppliers, organisation structure and employees, additional operating costs of the project implementation. This chapter also describes a marketing strategy, segmentation, the marketing mix analysis, and an advertising strategy.

The ninth chapter provides a financial assessment of the company in order to determine its viability. Start-up costs of the project, its risks and profitability analysis are also conducted in this chapter.

Ultimately, conclusions were drawn from the implementation of this business plan.

2. LITERATURE REVIEW

2.1. ENTERPRENEURSHIP AND ROLE OF INNOVATIONS IN IT

For a number of years, entrepreneurship had no place in economic studies related to growth factor; although, many articles were written on the entrepreneurship's impact on the economy (Baumol, 1993; Porter, 1990). Entrepreneurship causes increased economic growth, mainly because the entrepreneur is a potential factor in the production chain. In its turn, economic growth within a country contributes to the development of entrepreneurship as it stimulates and increases aggregate demand, generating needs that create favourable conditions for the development of entrepreneurship (Kafka & Petrakis, 2016).

Entrepreneurship, being the core of innovation and competition between companies, has a significant impact on the national economy as a whole. The term "competitiveness" has always been the centre of political debate since the late 1980s and early 1990s (Krugman, 1994; Porter, 1990). A high level of productivity indicates a high rate of return, and this indicator is one of the main factors determining an economic growth rate (Martin, Navarro & Picazo, 2010).

One of the ultimate goals of economic policy is to achieve sustained and inclusive economic growth. Therefore, in order to achieve this goal, it is proposed that the governments, adopting active appropriate policy, would directly influence such key-factors as business environment, physical infrastructure, and educational infrastructure, affecting international competitiveness determined by such long-run factors as the productivity, prices and quality of goods, education, health-care, labour costs, and microeconomic environment (Khyareh & Rostami, 2018).

Economic growth due to competitiveness can be explained by the level of enterprising activity within the country. The literature review shows that entrepreneurship correlates with the introduction of innovations, market changes, deepening competitiveness and healthy competition in economic indicators of the country (Autio, Ho & Wang, 2005). One of the crucial factors of economic growth and increasing organisational structure is people and their leadership qualities. Human resources management is an essential factor of dynamic and effective development of the modern economy. (Bowen & Ostroff, 2004).

Entrepreneurs are reforming or even revolutionising the production model, using available existing technological capabilities or inventing and implementing new ones in order to keep producing new goods in a conventional or modern way by reorganising the industry and creating a source of supply. (Schumpeter, 1976). Entrepreneurs also introduce new products and new manufacturing processes in the economy of the country. At the same time, already existing companies are forced to keep innovating to stay competitive under the increasing pressure of new companies appearing on the market. As a result of this, enterprising has a rejuvenating effect on the economy (Koster & Rai, 2008).

Entrepreneurship and the creation of small and medium-sized enterprises is of great importance for further creating jobs and business opportunities in the global economy. The

quality of the enterprising should be taken into consideration by the governments, becoming thus one of the main focuses of policy. Entrepreneurial development is seen as a key factor in economic growth; and understanding its role as being a component of the whole process is vital. (Isac & Rusu, 2019). Holcombe acknowledges that an entrepreneur is the most important engine of economic growth (Holcombe, 1998). They can improve the financial performance because the more entrepreneurs appear, the more competitive the market becomes, which increases productivity and efficiency. (Carree & Thurik, 2005).

Several studies of Dutta and Banerjee suggest that small and medium-sized businesses have played a dominant role in this globalized world economy over the last few decades. The contribution of small enterprises to the country's economy cannot be overestimated due to their inherent opportunities to create capital and create jobs, the ability to nurture the spirit of technological innovation and entrepreneurship, as well as their flexibility (Banerjee & Dutta 2009).

According to the User Guide of European Commission (Europa, 2015), small enterprises have an annual turnover of less than € 10 million and employ not more than 50 people. Medium-sized enterprises operating less than 250 people and their annual turnover does not exceed € 50 million or the annual balance does not exceed € 43 million. However, if an enterprise has the access to significant additional resources, it may not be eligible for SME status. It is possible to conclude, by taking a look at the quantitative statistics from almost all countries, that SME is dominant in the economy, representing about 99% of all businesses in the EU with a significant share of total GDP and job creation. Two-thirds of the newly created jobs are owned by SME (International Labour Organization, 2013).

Entrepreneurship is closely linked to flexibility and knowledge, the two factors that are most important in today's global economy. The lack of innovation is one of the elements that can seriously affect the ability of companies to grow. Therefore, entrepreneurs should focus on the education and training process provided for each employee. It is necessary to monitor and analyse the process and the particular reaction of people employed by the organization to the education and the development in terms of their personal characteristics, type of work, social values and behaviour due to the fact that each person has different perceptions and reactions types (Beech & Brockbank, 1999). As a result, well educated people continuously work for the organisation and follow its strategy; they are sociable, loyal, active, respectful, friendly, willing, and able to learn always (Collings, 2014). Personal and professional development of people and innovations implementation are essential for organisational and economic progress. However, the measures to boost economic growth and making certain changes cannot form a whole/entire process. (Brake, Champion, Fuller, Gabel, Hatcher-Busch & Li, 2009).

New technologies and innovations are critical sources of growth in economic activity since there have been numerous diffusion studies to investigate the relation between the implementation of the results of scientific and technical innovativeness and entrepreneurial creativity. Due to the continuous dynamics of the market, fierce competition, and

increasingly demanding consumers, innovations should have an integrating and stimulating effect, being itself the centre of economic growth. The general consequence of changes caused by new technologies application is that companies must get adapted not only to constant changes but also to the accelerated change of pace (Kenworthy & McMullan, 2014).

The goal of the “Strategic plan 2016–2020 - Internal Market, Entrepreneurship and SMEs” of the Directorate-General for Economic and Financial Affairs of the European Commission is to help entrepreneurs with implementing great business ideas, get the support they need to start the process, help a business to grow and prosper in the long term, by encouraging the use of advanced technologies, business models, and improving the necessary conditions for innovation. These investments enable the development of a sharing economy as an innovative business model. European SME policy is focused on promoting entrepreneurship, encouraging innovation, creating an enabling business environment and a competitive, regulatory framework (Europa, 2020).

Often, entrepreneurs start with a simple idea and then they use the necessary resources to transform this idea into a successfully working business model. Entrepreneurship often offers the only way to a positive result without having much risk. Innovation and creativity are interconnected processes and could be changed without a prior invention. Innovation presupposes that an entrepreneur would strive to satisfy their customers better than any other competitors. Entrepreneurs try to recognise and discover new opportunities that allows them to speed up the processes of innovation and market expansion (Isac & Rusu, 2019).

2.2. CAFÉ CULTURE AND ITS IMPACT ON THE CUSTOMERS' CHOICE

Recent scientific researches were conducted in the context of a coffee shop business model including a dietetic coffee shop idea and the coffee shop culture in general. Café Culture is quite dynamic and diverging in various countries and different markets. As a result, cafe culture, its ideas and experiences change according to the context. They are divided into the three main aspects. These are the nature and the characteristics of the cafe culture itself, the resources that are being used to constitute the culture, and the process of culture formation (Deng, Ji & Wang, 2018). For instance, each cafe in any particular region has an impact on culture, formation of prices, and even on visitors' behaviour. Each country has a mentality of their own and a lifestyle accepted by the society (BBC, 2017). Thus, a closer look to Azerbaijan reality, based on researchers' observations, reveals that this is very typical to visit a cafe mainly because of having moments of leisure. In Portugal, additionally to relaxation, visiting a cafe is a daily routine habit during lunch time, in the middle of a working day. A large number of existing studies have examined that, for example, a cafe in the United States is carrying more weight to contribute to institutional support and communication than to provide convenient and acceptable public places for socialisation, when modern societies are being increasingly characterised as individualistic societies (Kleinman, 2006; Ostrom, Rosenbaum, Walker & Ward, 2007).

The following structure of Café Culture has been designed basing on previous studies (Deng et al., 2018):

1. Café Culture formed through the coordination of a set of cultural resources: values, norms, patterns, artefacts, and practice;
2. Includes three interactive dyads: brand-consumer relationship, global-local aspects, and historical-present ones;
3. Shows the dynamic characteristics of the process; (Deng et al., 2018)

The theoretical implications of Café Culture analysis are not monolithic: Café Culture itself has caused various forms while moving around the world. The managerial implications suggest that brand formatting should be seen as a dynamic, continuous design process and widespread use of hints, and not as a predefined image imposed on the audience in a one-way and top-down manner. (Deng et al., 2018).

According to the aforementioned structure, various cultural models, associated with the particular region, can be adapted and applied. Thus, in countries where environmental sustainability is fully developed, starting a cafe and promoting it using environmentally friendly products and utensils is easy. Since the last decade, the general public have been preoccupied with environmental issues, and the global environment has begun to understand the importance of a green background. Nearly 200 countries participated in a campaign to reduce and prevent marine plastic pollution (Ndiso, 2017) as well as private organisations such as the International Olympic Committee, World Wide Fund for Nature, LG Electronics, Volvo and many others have also joined campaigns aimed on curbing plastic pollution and its

adverse impact on our lives and the environment. (LG Global, 2020; IOC, 2019; Volvo, 2018; WWL, 2020).

Considering the above-stated facts, control measures should be initiated and taken by coffee houses managers in order to improve effectiveness and protect the environment, and thereby affect the personal environmental standards of their visitors. Environmental-friendly customers prefer to buy and use ecologically friendly goods and services, even if they are less convenient than alternatives (Barbaro-Forleo, Bergeron & Laroche, 2001; Han, Hwang & Jae, 2016). For example, Starbucks is working at reducing its environmental footprint and fulfilling consumers' expectations by expanding the use of recycled cups, decreasing waste and saving energy and water (Starbucks, 2020).

In addition to the obvious growing of the environmental protection measures scale, the public also began to think more about their health. Since patterns of unhealthy behaviour, including excessive energy consumption, are the main factors causing noncommunicable diseases, which at the moment generate the majority of premature mortality cases in the world (Alexander, Anderson, Bachman, Forouzanfar & Murray, 2015). Now, significant attention has been paid to the potential impact of changes in these physical microenvironments to promote healthier choices (Bignardi, Johnston, Hollands, Kelly, Marteau, Ogilvie, Petticrew & etc., 2017)

A study by several authors is aimed at (Cartwright, Jebb, Hollands, Marteau, Pilling, Pechey & Vasiljevic, 2019):

1. Evaluation of the acceptance testing, which influences the availability of products in the dining rooms in the workplace;
2. Investigation of the effect on energy acquisition by increasing the proportion of lower energy options, trying to keep the number of options available constant.

Thus, according to the replies of 127 cafe visitors surveyed seemed to find the intervention acceptable or remained indifferent to its implementation, a significant minority (about 22-24%) were dissatisfied with the changes. Around 90% of the respondents would like the changes to remain. It is worth evaluating the preferences of customers in a new format cafe, maintaining a selection of visitors at relatively low prices, changing the opinion about the taste of these products, proving that low-calorie foods are not merely healthy, doing no harm to the body but also can be tasty and enjoyable. Also calculation of calories, proteins, fats, and carbohydrates needs to be mentioned for ease of selection of potential customers (Cartwright et al., 2019).

2.3. THE NATURE, IMPORTANCE, AND GOALS OF BUSINESS PLANNING

Planning has long been considered the cornerstone of management (Fayol, 1984). Without thinking about the long term and not making an appropriate plan, the company will never reach the heights that it could achieve. (Silva, 2019). Business planning is an excellent method for companies to chart their current performance, monitor their development, and outline their future ambitions (Shende, 2019). The critical role of writing business plans is to solve the problem of lack of information for third parties, especially banks and other lenders (Berger & Udell, 1998).

Business plans are the predominant feature of managing a new venture, and are encouraged by government agencies, educational institutions and consultants, and are sometimes the main requirement when seeking financial support. Each company has the first principles thinking that manages and directs everything that it gets at the same time. Corporate finance is built on three principles: *The Investment Principle, The Financing Principle, and The Dividend Principle*. *The investment principle* determines where enterprises invest their resources. *The financing principle* determines the totality of funds used to finance these investments. *The dividend principle* answers the question of how much profit should be reinvested back into the business and how much was returned to the business owners (Damodaran, 2014).

Seminal contributions have been made by Berry. He found that of the 2,877 people who participated in the study of business planning practices, only 995 outlined a business plan. 36% received a loan, 36% received investment capital, and 64% expanded their business. On the contrary, of 1556 that did not develop a business plan, 18% received a loan, 18% - investment capital and 43% - business growth. This notable difference in the results underlines the crucial benefits that business planning can offer both beginners and experienced entrepreneurs (Berry, 2014).

The great thing about creating a business plan is that it brings vital people together into business and contemplates what the future looks like and what needs to be done to achieve a desired future status (Silva, 2019). Along with the primary goal, it is necessary to reflect other purposes which also affects business development. A well-written business plan also clarifies the details of the product or service the company offers. In addition, it makes interested parties aware what is missing on the market, and how their product or service can increase market value (Shende, 2019).

One of the most critical and complex problems that small firms are facing, is the acquisition of capital (Ang, 1992). A robust financial plan is essential for showing stakeholders that the company is in good financial health and economically viable. A company's business plan is the obvious initial expression of its goal or vision (Burke, Fraser & Greene, 2010). Consequently, a business plan leads to an expansion of market opportunities, financing opportunities, the rapid growth of firms, increased exposure, improved firm structure, a clearer vision, more information for decision making optimisation,

and a higher chance of success and survival (Ioannou, Papageorgiou, Petrakis & Zagarelou, 2019).

A business plan for starting a new type of enterprise involves the analysis and systematisation of information on the degree of business attractiveness in terms of profitability, payback, competitiveness in the market of the target audience, etc. The business plan analyses the possible risks of the project and its appropriateness as a whole. The most significant sections and indicators are project risks, market analysis (opportunities and threats), sales forecast, organization of activities, projected financial results of the project, operational plan (Golovan & Spiridonov, 2008).

According to Ioannou et al. (2019), the creation of a business plan should begin with a clearly defined goal, development opportunities, several relevant analyses, a marketing plan, and a sales plan. Considering this, several stages of creating a sustainable business plan are described below.

1. Goals and opportunities

All business plans should include a clear purpose. Also, any cooperation with external bodies which can help the business to achieve its objectives, should be reported. Specify what opportunities the offered products or services will provide, and indicate the reasons. Companies whose business models are more innovation-oriented, such as providing and developing new products, creating unique needs for customers or developing a new approach to doing business, are more likely to demonstrate higher economic performance (Holm, Migol & Tretyak, 2018)

2. Stakeholder analysis

An effective business planning process should include a relevant stakeholder analysis, such as end users, employees, local businesses, managers, suppliers. All relevant parties have an interest in the enterprise. After assessing the degree of influence and interest of stakeholders, they need to be ranked in order of importance. That will help in choosing the solution with the highest chance of successful implementation (Ioannou et al., 2019).

3. Market analysis

Market analysis must consist of an in-depth analysis of all market components. Potential stakeholders must be highlighted, as well as the target audience for products or services. The study should show potential stakeholders that the company is conscious of who will benefit from their products or services (Ioannou et al., 2019).

4. Competitor analysis

A company that wants to succeed in promoting sustainable development must be aware of competition and competitiveness. An enterprise can thereby explore potential weaknesses and strengths. Recognising probable weak places in advance will help the company eliminate them faster and improve their products or services (Ioannou et al., 2019). Competitors are the main reason why it needs engaging in strategic planning.

5. Marketing plan

The company must include its marketing plan for products or services. It is recommended to add a marketing plan in a gradual form. The marketing plan should consist of explaining in what way the company will sell its products or services, including strategies and methods the company will use (Ioannou et al. 2019).

6. Sales Plan

The sales plan should indicate the sales target, strategies used to achieve the desired results, and any decisions made by the sales department. It is advisable to make commercial offers that are attractive to markets, emphasising the very unique values of the product associated with the composition. The company must monitor and review the sales plan, verifying that all steps are accomplished. If necessary or when changing economic, financial and production conditions, it is compulsory to improve the general approach to sales (Ioannou et al. 2019).

Some people think that the business plan making is only for beginners, hence, they can avoid this phase. But it is crucial to plan one's business to remain confident. One of the most important things is to make sure that everyone in the team knows what the ultimate goal is and what plan should be used to succeed in achieving it (Silva, 2019). Without a clear, structured and valid business plan, a start-up may make wrong investment decisions, being misled by excessive optimism or high costs of unnecessary aspects of the firm's activity (Ioannou et al. 2019)

3. METHODOLOGY

In a framework of doing a Master student in Management with the program designed to acquire necessary knowledge in entrepreneurship, managerial control, strategic management, marketing management, service management, team management, financial management and much more, it has been decided to use several conceptual methods for the project "*Cafe-Confectionery "Fit-Sweet"*".

Since the project involved the implementation of specific products, the first step was to study the market through the Internet and to add to it personal observations. The information collected reinforced the idea of writing a business plan since there is no such a dietetic cafe-confectionery in Lisbon.

The second stage was the study of literature and scientific articles to collect the necessary information about entrepreneurship, innovations and the role of innovations in entrepreneurship. Also, various data on Café Culture in different countries and its influence on the choice of consumers were collected from journals and previously written articles. Preceding surveys regarding low-calorie foods and the impact of such foods on the choice of cafe visitors have also been researched.

The third stage was based on the Internet search technique, reading various forums and blogs as well. Statistical data of various countries, including Portugal, in regard to sweets use and consumption, have been examined. At the same time, several other aspects were studied, namely, sport statistics, what percentage of the population is involved in fitness, what part of the society is interested in healthy eating; also, sales statistics of low-calorie "sports" finished products in the markets, and income and unemployment rates.

After reviewing and studying the market and statistics, it has been decided to conduct the survey and better understand the goals, bases, habits of potential consumers with reference to coffee shops. In addition, typical days and hours of regular attendance, customers' purposes and wishes, as well as the opinion from customers of dietetic desserts expressed in the first person have been studied.

Figure 1 shows the structure of the analyses used in the implementation of this project.

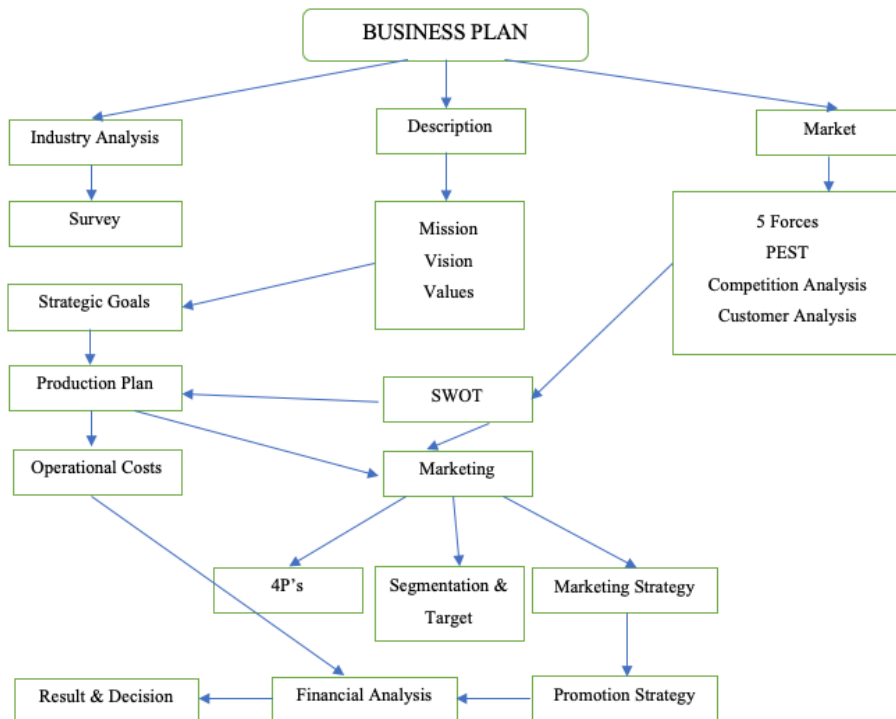


Figure 1. Structure of the business plan
Source: Self elaboration

During the implementation of the business plan, several informal interviews were conducted to collect required information. Ekaterina Rodionova, who owns a “Bowl's Bar” cafe in Lisbon city centre, and who has offered healthy food for more than four years, was provided with information about the psychology of visitors who choose healthy food, about suppliers and the most suitable products for visitors. A lawyer from NSM Advogados, Rafaela Curta, assisted in collecting legal information such as company registration, hiring employees, possible bureaucratic difficulties. Patricia Maria Sousa, an employee of the bank “Bank BPI”, kindly answered several questions about loans and lending process, interest rates, terms and conditions for medium and small enterprises in order to consider all available financing models and their conditions. Also, the particular equipment’s cost data have been obtained from various stores; the cost of raw materials was obtained in Mercado da Ribeira, also from a private supplier, Sergey Durov; while the cost of labour, and average salary information has been searched on the Internet.

4. PROJECT JUSTIFICATION

4.1. INDUSTRY ANALYSIS

Confectionery products are sweets that have a high nutritional value. They are beautifully decorated and very palatable. The composition of such products most often includes sugar or its substitutes, fats, flour, stabilisers, starch, nuts, cocoa, food colouring or other additives used to enhance the appearance of fresh and processed foods. For example, canned candy and cakes include crispbread, crackers and matzoh (unleavened bread), as well as cakes and frozen cakes, and semi-finished products.

Revenue in the section of confectionery in 2020 in Portugal will be € 3.324 million. The market is expected to grow by 1,7% annually (CAGR 2020-2025). The average consumption in 2020 is 56,9 kg per capita. In what comes to international comparisons, most of the revenue is generated in the United States (€ 161.02 million in 2020) (Statista, 2020).

All chocolate confectionery, such as chocolate cakes, bars, candies, except for white chocolate and chocolate spread, contain cacao bean products, which are cacao beans and cocoa butter, and sugar. A distinction is to be made between natural chocolate, which contains only cacao products, and chocolate with additives, such as dried milk, coffee, and nuts among the others. The five largest chocolate manufacturers in the world are Mondelez International, Mars, Incorporated, Nestlé, Ferrero SpA, and Hershey's (Statista, 2020).

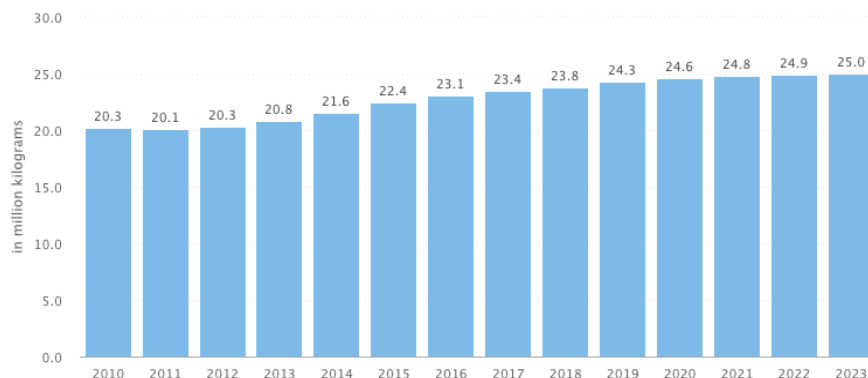


Diagram 1. Portugal chocolate confectionery segment expected volume (million kg).

Source: Statista, 2020

As it is shown in *Diagram 1*, total revenues in the segment of chocolate confectionery will amount to € 240.60 million in 2020. The market is expected to grow by 1,0 % annually (CAGR 2020-2023). The average consumption per capita in Portugal, shown in *Diagram 2*, is approximately 2,4 kg in 2020 (Statista, 2020).

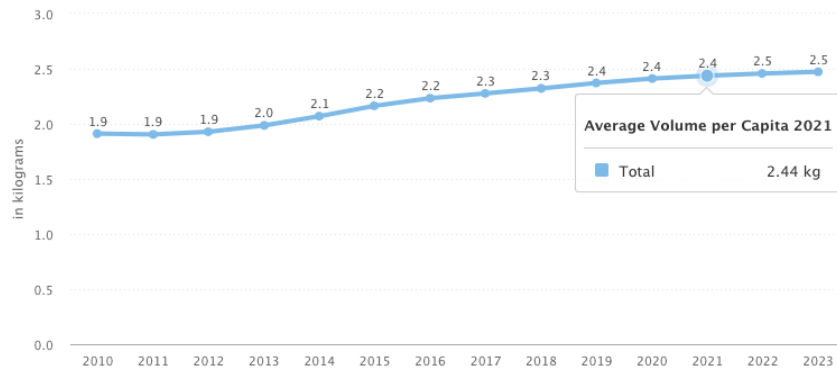


Diagram 2. Portugal average volume per capita in the chocolate-confectionery segment, kg.
Source: Statista, 2020

Portuguese average chocolate consumption number per person is lower compared to other European countries. For example, Spanish per capita consumption was 4,0 kg/year, and Swiss one was the highest in the world, about 9,0 kg/year (McCarthy, 2015). The high taxes in Portugal explain that phenomenon: it is the highest in Europe, 23,0% (compared to Spain which is 10,0%), which leads to higher prices (Alves, 2017).

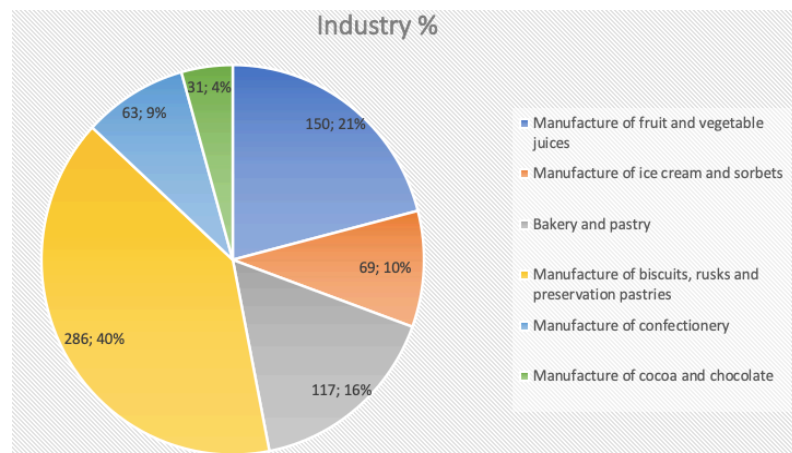


Diagram 3. Sales of products by industry in Portugal, 2018 (million, €).
Source: Instituto Nacional De Estatistica, 2018

By analysing *Diagram 3* created according to available data from Instituto Nacional De Estatistica (INE, 2018) in regard to the consumption of confectionery, chocolate, and products made of fruit, it is possible to conclude that in 2018 in Portugal, there was a high demand for ready biscuit or chocolate products (products that are sold in supermarkets), as well as for fruit juices. The third place is occupied by handmade confectionery.

On the confectionery market in Portugal in 2015–2020 there will be slightly higher growth in value terms compared to 2010–2015. In 2015, the highest share was in the category Chocolate. Hypermarkets and supermarkets are the leading sales channel on the market. Milka is the leading brand in the Chocolate category in both value and volume terms. Flexible packaging is the most commonly used packaging material in the Portuguese confectionery market (Market Research, 2016).

4.2. HEALTHY FOOD INDUSTRY ANALYSIS

The level of well-being of the population widely affects the formation of demand for sugar-free confectionery and chocolate products. The pressure on the market from the increasing influence of healthy foods means a particular shift in the demand for various cereal bars, fibre-rich cookies enriched with vitamins, and other similar products.

Latest market trends include, first of all, the strategy aimed at creation of environmentally friendly and high-quality products. Organic products are the ones made of natural, eco-friendly ingredients, compatible with the international standards and quality requirements. Growing demand for products of this class, even in times of crisis, can be explained by the fact that the taste of consumers is changing, and in this price class the most significant number of new and unique products are of interest to the consumer (Chokhani, 2019).

The legislation also affects market growth. In particular, a comparative analysis of world markets shows that a serious impetus to the development of production was given by bans on products using trans fats that are harmful to human health (Resnik, 2010). The second favourable legislative factor was the permission to use stevia in the European Union, a natural sweetener for people with diabetes (CBI, 2015). According to analysts, the demand for energy products with a high content of vegetable protein is increasing (Arizton, 2019).

The Portuguese confectionery market was one of the leading in terms of growth (Statista, 2020). High-calorie content and related health problems, a growing sport participation trend, and healthy nutrition lead to a decrease in demand for the usual confectionery. In this regard, a sufficient number of various dietetic snacks and chocolate products are presented at the points of sale of food. The limiting factor was the high price of these products and the prices of primary raw materials that imply healthy nutrition.

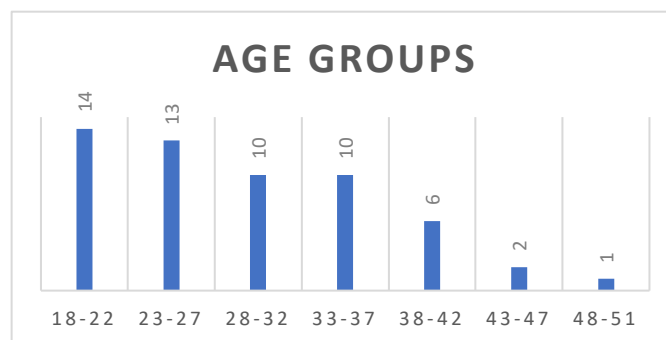
Even in megacities of various countries, it is not very easy to find healthy food patisseries. Nevertheless, given the growing trend towards a healthy lifestyle, the popularity of proper nutrition, this area looks promising. It is quite possible that at the beginning, this will not bring a significant income, but market trends prophesy success in the future. Moreover, the market is empty for now in Portugal. There is practically no competition in the field of dietetic confectionery in Lisbon, which makes it promising to organise a business aimed at an audience with an average income.

4.3. CONSUMER SURVEY

A survey has been conducted among 61 people to identify and evaluate the circle of potential consumers. The purpose of the survey was to calculate the average age, identify occupation, and probable reaction to a new product. Also, the reason why they are visiting the coffee shop and the particular hours that they find being convenient to them. The interlocutors were notified of the survey's purpose. A table with answers to the questions is provided in the *Appendix A*. The questions were as followings:

- What is your name?
- How old are you?
- What do you do for a living, are you a student, are you working or are unemployed?
- What period of the day and which day of the week do you prefer to visit a cafe?
- What is the purpose of the visit: meetings, lunch, relax, etc.?
- What do you prefer: to consume desserts in a coffee shop or having desserts at home?
- What would you choose: low-calorie desserts or traditional high-calorie ones?

Age groups of interviewed respondents are shown in *Diagram 4*. The average age of respondents is 29 years.



*Diagram 4. Age groups of interviewed respondents.
X – Age groups; Y – Number of people
Source: Self Elaboration*

· 21,0 % of consumers visit a coffee shop on weekends, 32,0 % do it every day, 46,0 % have not a specific day to visit a café (*Diagram 5*).

· 8,0 % of consumers prefer to visit a coffee shop in the morning before work in order to have coffee, tea, or eat a dessert; 14,0 % come during the work day for having lunch.

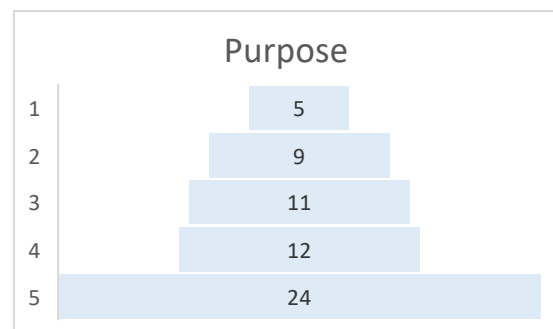
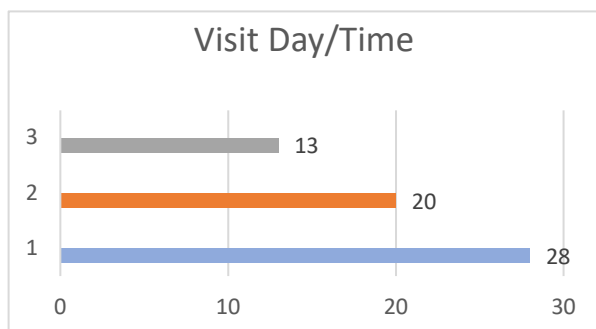


Diagram 5. Café visiting time and days.
1-Not specified; 2- Every day; 3- Weekends.
Source: Self Elaboration

20,0 % of consumers visit a coffee shop for personal meetings and business conversations, 39,0 % to relax, 18,0 % did not specify the reason (Diagram 6).

· 41,0 % of customers prefer to consume goods at the premise, 20,0 % prefer to take away, 39,0 % see no difference (Diagram 7).

· 51,0 % of consumers are not against innovations and prefer low-calorie desserts, 26,0 % prefer traditional sweets, 23,0 % are indifferent (Diagram 8).

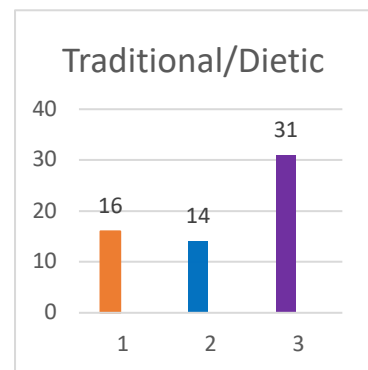
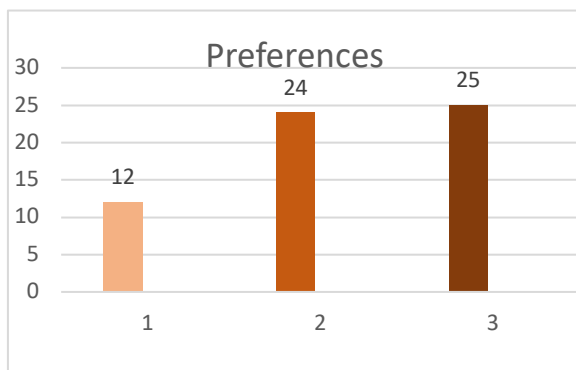


Diagram 7. Consumer preferences.
1-Take Away; 2- Indifferent;
3- Consuming at the Cafe
Source: Self Elaboration

Diagram 8. Preferences for desserts.
1-Traditional desserts; 2- Indifferent;
3- Low-calorie desserts.
Source: Self Elaboration

Below, the segmentation of age groups that are ready for innovative desserts and could be potential customers, is attached:

Age groups	Low-Calorie desserts	Traditional Desserts	Indifferent
18-22	8	4	2
23-27	8	4	5
28-32	6	2	2
33-37	6	4	0
38-42	2	1	4
43-47	1	1	0
48-52	0	0	1
TOTAL	31	16	14

Table 1. Age Segmentation and preferences of potential consumers
Source: Self Elaboration

As it can be seen from Table 1, a target audience of 25-40 year-olds is represented. Among them there are residents and non-residents, belonging to the middle and upper classes, who choose low-calorie desserts as a priority due to overweight and/or physical fitness. The selected target audience at the initial stage consists of employees from closely located offices, students, and residents from a nearby community.

5. DESCRIPTION OF THE BUSINESS

The food offer could be anything from hot gourmet meals prepared at a restaurant to buffet food. According to the government standards, a catering service is the activity of enterprises to satisfy consumers' needs for catering products, in creating conditions for the sale and consumption of catering products and purchased goods, in leisure activities and other additional services (Resnik, 2010). The commercial success of an enterprise often depends on the availability of a modern, high-quality and customer-friendly product or service (Riberolles, 2018).

The aim of the project is the opening of a diet format coffee shop in Lisbon, the most important economic, scientific and cultural centre of Portugal, a major transport hub. The city centre and its associated monuments are on the UNESCO World Heritage List (Be Portugal, 2019). The population of the Grand Lisbon is 2.942 million people (World Population Review, 2020). Since Lisbon is a leader in tourist traffic in Europe (World Travel Awards, 2019), it is relevant to say that a vital role in the development of the city is played by tourism which not only contributes towards more economic activities but also generates more employment.

The positioning of the project is carried out in the segment of environmentally friendly products with a minimum number of calories. The main distinguishing characteristics of the project are a wide range of original recipes and carefully thought-out recipes that include more protein and fewer carbohydrates, which, in turn, reduces the number of calories consumed. All food is handmade, and in the process of making only natural ingredients will be used, no semi-finished goods would be included.

Laid-back relaxing music will create a pleasant atmosphere for unhurried communication with friends and family. Opening hours of the coffee shop "*Fit-Sweet*" will be open from 10:00 a.m. to 7:00 p.m. without a lunch-break and with one day off in a week. One of distinctive attributes of the "*Fit-Sweet*" is the interior, where the main concepts are openness of the space and the noticeable impression of lightness. The idea is to combine a modern cafe interior with nature motives which will be supported by the use of short forms and light colours. The walls will be painted in neutral minty shades, using a transition shade technique that helps to merge colours together making the change of the colour invisible. In addition to natural lighting, which is a characteristic of eco-style, additional lighting is provided in the hall. It is created by lamps hanging from the ceiling. In order to emphasise the unification with nature, pots with blossoming flowers will be placed on the windowsills. Also, solid wood sculptures will be used in the interior design.

Types of services provided to the consumer in the coffee shop "*Fit-Sweet*":

- manufactured confectionery and drinks;
- sales of confectionery;
- consumption planning and coordination service
- the products manufacture, available on request;
- takeaway;

- free Wi-Fi;
- special occasions, such as birthday discounts offer;
- small get-together, corporate events, and promotional events.

The company is being created "from scratch", and has no financial history. Investment costs are directed to the acquisition of fixed assets, the implementation of a start-up advertising campaign, as well as the formation of a working capital fund, the funds from which are used to cover losses before the project returns to payback.

The project start date is 09/2021.

Sources of financing for the project: own funds of € 20 000,00.

Bank financing: € 25 000,00.

Form of doing business: individual entrepreneurship.

The full cost of the project: € 111 808,00.

The duration of the activity is supposed to be constant.

Payback period: 3 years.

The general assumptions of the project are presented in *Appendix B*.

5.1 DESIGNATION AND CORPORATE OBJECT

This enterprise is planned to be called a café-confectionary/coffee shop "Fit-Sweet". The project provides for the creation of a public catering enterprise "*Fit-Sweet Coffee shop & confectionery*" according to Decree-Law №. 234/2007 of 19 June, as it provides for a legal regime for the installation and operation of catering or drinking establishments. During the implementation of the project, it is planned to satisfy the needs of residents and tourists in organic, low-calorie pastries along with soft drinks.

5.2. LOCATION AND STRUCTURE

It looks advisable to arrange a coffee shop in the central part of the city, Sete Rios sector, in particular. The service is quite specific, so those who deliberately look for such establishments will use it. Coffee shop will be located in a rented space, previously also used as a catering establishment. The place will have all the necessary communications and meet all the requirements of supervisory authorities. The estimated total area of the premises is around 80 m² , of which approximately 50 m² are reserved as a hall with a capacity of 30 people (5 tables).

5.3. MISSION, VISION, VALUES

Our vision is to create delicious sweets, made of organic products, that do not contain a large number of carbohydrates, and consequently, are low-calorie foods. For achieving their goals "Fit-Sweet" will progress according to new trends in the world of low-calorie confectionery craft. The quality of products and services are to periodically improve, offering guests cold and hot drinks made of organic products and desserts prepared with the latest recipes without either sugar or fat, nor wheat flour.

"Fit-Sweet" is a way of life, a philosophy that unites people who value healthy nutrition, sports, quality and atmosphere, and of course, love for sweets. Three main principles of "Fit-Sweet" coffee shop are quality, care, and communication. The motto of the organisation is "Eat sweet, stay Fit!".

5.4. STRATEGIC GOALS

The main goal of the business is not a profit making from the very beginning. Within the first year, gaining a good reputation is a must, therefore, this could be considered the main goal. Within the first year, gaining a good reputation is a must; therefore, this could be considered the main goal as well as attracting customers by virtue of a high level of service and high-quality products, and thereby ensure a stable financial and material position on the target markets. Nonetheless, secondary goals are business network, expanding existing customer base, and increasing profits.

A list of goals, corresponding to the company's vision has been compiled:

- customer satisfaction due to a high level of service and product quality;
- reaching a wide range of innovative desserts;
- customer satisfaction with competitive and low prices;
- creating relationship built on trust with customers and suppliers;
- establishing long-term and transparent relations with suppliers;
- the customer base enlargement by gaining and sustaining good reputation and brand awareness;
- active cooperation with online services providing goods delivery and catering business, and also the development of own delivery service;

6. MARKET ANALYSIS

The environmental analysis allows analysing information related to business. Examining data regarding external variables permits to see the threats before they appear, and to also recognise certain opportunities modifying them to suit the goals. Below, several analyses will be carried out for the designed coffee shop.

6.1. MICRO ENVIRONMENT ANALYSIS

Porter's Five Forces analysis is a technique for a buildout of a business strategy developed by M. Porter (Porter, 1980) and industry competition analysing. The methodology identifies the five forces that determine the level of competition, and, therefore, the attractiveness of doing business in a particular industry. Based on this, a matrix of micro environment factors was compiled (Mind Tools, 2020).

<i>Factor</i>	<i>Content</i>
The threats of New Entry	Low entry barriers to the industry.
The market power of consumers	Few competitors in the industry give the firm the ability to set prices to make money.
Power of suppliers	A large number of suppliers and a large selection of raw materials.
Level of competition	Currently, the level of competition is low.
The threat of substitutes	The threat of substitute products is real.

*Table 2. Porter's Five Forces matrix.
Source: Adapted from Mind Tools Content Team, 2020*

According to *Table 2*, the appearance of competitors in the future is real since creating such an enterprise does not require large expenditures. Another threat is ready-made confectionery products sold on the market or in the specialised sports or dietetic stores. Selection of products in supermarkets such as diet bars, chocolate products with stevia, puddings, and protein drinks is growing.

Small businesses have bargaining power if they have very few competitors in the industry or region. This gives the firm the ability to charge higher prices than it can normally support and make more money. But if a business has competition, it won't be able to find customers at a higher price. This is because customers quickly switch to competitors to save money.

6.2. MACRO ENVIRONMENT ANALYSIS

PEST is a convenient and straightforward method for the analysis of the macro environment (external environment) of the enterprise (Aguilar, 1967). The PEST analysis technique is often used to assess key market trends in the industry, and the results of it can be used to determine the list of threats and opportunities when compiling a company SWOT analysis (Mind Tools, 2020).

Aspect	Environmental Factor
Political	Favorable conditions for the development of catering facilities
	Providing subsidies to small and medium-sized enterprises (IAPMEI, 2020)
	Introduced special tax regimes for small and medium enterprises (PWC, 2018)
Economic	Real disposable cash income is increasing (Portugal Economic Snapshot, 2019)
	Decreasing the level and rate of inflation (Plecher, 2019)
	Decreasing the level of unemployment (Trading Economics, 2019)
	Growing demand for sports and dietic snacks
Socio-Demographic	Growth of tourism and immigration (SEUS, 2020)
	Growth for a healthy and low-calorie diets due to healthy lifestyle (Southey, 2019)
	Increasing interest in fitness (Statista, 2020)
	Deficiency of qualified professionals (based on healthy desserts)
Technological	Development of online advertising
	Increased internet users penetration (Johnson, 2020)

Table 3. Macro environment factors.

Source: Adapted from Mind Tools Content Team, 2020

State support is equally important for small and medium enterprises. Favourable conditions are created for starting a business, such as tax concessions, as well as subsidies and grants. To some extent, socio-demographic factors within the country give no comfort, but the increased attention of tourists and immigrants does. Since 2019 Population Growth rate has been 0,39% (WPR, 2020). According to the World Travel & Tourism Council, Portuguese tourism sector is set to grow by 5,3% in 2019, more than double the European average (WTTC, 2019). It is also encouraging that for the first time in the country's history, the number of foreigners residing in Portugal has exceeded 500 000 people (SEUS, 2019). That contributes to the growth of the population, respectively, to the growth of consumers. According to economic analyses, in Portugal in 2019 the rate of inflation decreased compared to the previous year. Last year, the GDP remained unchanged, and public debt reduced. The unemployment rate in Portugal dropped to 6,1% in the third quarter of 2019 from 6,3% in the previous three-month period and got a position below last year's number of 6,7%. It was the lowest redundancy rate since the third quarter of 2003 (Trading Economics, 2019). The only threat to the macro environment may be a shortage of qualified specialists in the field of dietetic confectionery products since this is a relatively new direction in confectionery services and it requires having more skills to create unique products.

6.3. QUALITATIVE ASSESSMENT OF ENVIRONMENTAL FACTORS

Based on the assessment of environmental factors presented in *Table 2* and *Table 3*, it is possible to deduce a conclusion about the opportunities and threats from the external environment regarding the future projected enterprise and determine the adverse and favourable aspects of the venture.

<i>Factor</i>	<i>Vector</i>	<i>Comments</i>
Real disposable cash income increases	+	The population will spend more
Decreasing level and rate of inflation	+	A decrease in the cost of goods
Favorable conditions for the development of catering facilities	+	Good business climate
Providing subsidies to small and medium-sized enterprises	+	The possibility for cost recovery
Introduced special tax regimes for small and medium enterprises	+	Low tax burden
Growth of population	+	An increasing number of sold product
Growing demand for healthy and low-calorie nutrition	+	Growing profit from these products and services
Low level of unemployment	+	More consumers
Deficiency of qualified professionals (based on healthy desserts)	-	More time in finding educated professionals, training costs
The development of online advertising	+	More opportunities for cheaper promotion
Low entry barriers to the industry	-	High probability of competitors
Increase in the number of potential consumers due to the flow of tourists	+	Growth in profit
Growing demand for healthy foods	+	A growing number of consumers
A large number of suppliers and a wide selection of raw materials	+	A large selection of various suppliers and better prices for raw materials
At the moment, a low level of competition low	+	Take a leading position in an almost empty niche
The threat of substitute products is real	+	The substitute products are not hand- made desserts

*Table 4. Qualitative assessment of environmental factors.
Source: Adapted from Mageplaza, 2020*

As can be seen from *Table 4*, many factors can influence a business. Favourable conditions for the development of public catering facilities, special tax regimes and subsidies to small and medium-sized enterprises are quite essential factors. An increase in real disposable cash incomes, in population and tourism, in demand for low-calorie, organic products, and a decrease in unemployment will reflect the number of consumers. Despite the low entry barriers to the industry due to developed online advertising and the technologies for its creation, it is possible to reduce the plausible demand for substitute goods, sold in markets, and to take a leading place in the niche since the products of this business will be fundamentally different from substitutes.

6.4. COMPETITION ANALYSIS

Competition is a crucial concept expressing the essence of market relations. This is the centre of gravity of the entire market economy system, the type of relationship between producers and total volume of goods supply, and consumers in shaping prices and volume of demand. Currently, in Lisbon there are a large number of catering enterprises selling bakery and flour confectionery. However, there isn't any coffee shop specialised in low-calorie desserts in the whole city. One can find eating places specialised in low-calorie healthy food such as Go Natural (several brunches), Taska Fit, DeliBar. These coffee shops offer very few healthy desserts. Desserts are made of organic products, still they are not dietetic as planned to be accomplished at the "Fit-Sweet" coffee shop. Analysis of the competitiveness on a 5-point scale carried out by analysing reviews from the Internet (Trip Advisor, 2020; Zomato, 2020; Google, 2020) and personal observations of the researcher, is presented in *Table 5*.

<i>Comparative characteristic</i>	<i>Cafe "Go Natural"</i>	<i>Cafe "Tasca Fit"</i>	<i>Cafe "Delibar"</i>	<i>Cafe "Fit-Sweet"</i>
<i>Location</i>	5	5	4	5
<i>Price</i>	3	3,5	4	4
<i>Meals</i>	3,5	3,5	5	5
<i>Service</i>	3,5	3,5	4	5
<i>Rating from reviews</i>	2.5 out of 43 visitors	3,5 out of 40 visitors	4,1 out of 141 visitors	-
<i>Product feature</i>	Vegetarian-Friendly, Vegan Options, low-calorie food, organic desserts	Healthy, Vegetarian-Friendly, organic desserts	Vegetarian-Friendly, organic and healthy desserts	Low-calorie desserts, smoothies, ice creams
<i>Cafe features</i>	Takeaway, biodegradable packaging, 5	Takeaway, 4	Takeaway, 4	Takeaway, 4
<i>Availability of a regular customer card</i>	No cards, 0	No cards, 0	No cards, 0	Loyalty card, 5
<i>The attractiveness of the appearance</i>	4	5	4	4
TOTAL	24,5	28	29,1	32

*Table 5. Competitiveness analysis, rating on a 5 point scale.
Source: Self Elaboration*

As shown in *Table 5*, despite the lack of points for reviews, the maximum rating of 32 points was received by the "Fit-Sweet" coffee shop, which will be more competitive compared to the others. The table demonstrates that the main advantages of "Fit-Sweet" will be the manufacture of diet products and the availability of regular customer cards. Coffee shop "Fit-Sweet" is designed for middle-income and high-income people.

6.5. CUSTOMER ANALYSIS

Most of the work on a business plan involves a long and detailed study of potential customers. Company's success highly depends on how famous their clients are. The results of several reports of examined consumer trends in Portugal include:

- Prices, promotions and healthy ingredients are the main drivers of choice in the country (Alonso, 2016);

- Portuguese` interest in the impact of food on health is above the Europe average; most of the consumers choose sugar-free products (Correia, 2016);

- Regarding ordinary stores, consumers are willing to visit speciality stores. Their motive is to search for products that are not available elsewhere and to improve overall shopping (Correia, 2017);

- A Portuguese buyer is an appreciator of online stores, although food purchases are one of the lowest segments. Free shipping, more product information available and the ability to track the orders are offered, and are a stimulating factor of online purchases (Nielsen, 2017);

The "Fit-Sweet" coffee shop is located in a busy area, where there is a massive flow of potential consumers. In general, these are young people with an above average wealth. Here is a narrower segmentation of consumers:

- adults, parents with children can visit the coffee shop at any convenient time from 10:00 a.m. to 7:00 p.m. (for, schools, shopping centres, tourist attractions are located nearby);

- schoolchildren: they can visit the place after their classes; the main flow of this category clients supposedly occurs at about 2:00 p.m - 6:00 p.m.;

- youths, the majority of this category clients can drop in at any time from 10:00 a.m. to 7:00 p.m.;

- residents of nearby neighbourhoods, their attendance is expected from 10:00 a.m. to 7:00 p.m.;

- yet another category of consumers who just came to the cafe with friends to relax and escape from everyday routine. Their attendance increases from 6:00 p.m.

In the evening, people belonging to all of the above categories come to the coffee shop. Moreover, an occasional passer-by who wants to have a cup of coffee or tea with fragrant pastries or is eager for a takeaway, can drop in at a pastry shop at any suitable time.

7. SWOT ANALYSIS

The founder of SWOT analysis is A. Humphrey (2005), a management consultant, USA. He studied the causes of failures in the strategic planning of the company and in the process of studying invented a technique called "SOFT-analysis" - Satisfactory, Opportunities, Fails, Threats (Foresight Guide, n.d.). In 1963 at Harvard at a conference on business policy issues prof. K. Andrews for the first time publicly announced acronym SWOT (Chermack & Kasshanna, 2007).

SWOT is a complex of marketing and other studies of the strengths and weaknesses of an enterprise. The main task is to develop a business development strategy for the enterprise, making sure that all main factors - the driving forces for successful growth, have been taken into account. SWOT analysis suggests that for the successful development of a commercial project, the following characteristics must be taken into account:

- Strengths. These are advantages, values, unique skills. Due to this, the company increases sales, market presence, and feels confident in the competition.

- Weaknesses. Disadvantages, where and how you lose to competitors. These characteristics inhibit profit growth, hinder development, and pull back.

- Opportunities. These are opportunities that have a direct impact on the business. For example, professional development of employees, etc.

- Threats. Difficulties, external factors that do not depend on the decisions have been made.

Since the external and internal surroundings of a coffee shop changes under the influence of various aspects, which are market, economic, competitive, technological, international, political, and social factors, it is necessary to identify both weak and strong places, and also the limitations the enterprise may face, using the method of SWOT analysis (Humphrey, 2005). *Table 6* shows the SWOT analysis, the strong and weak sides of the venture depending on internal and external factors.

<p>Potential Strengths</p> <ul style="list-style-type: none"> - using high-quality raw materials for dietic desserts; - fast service; - convenient and advantageous location in the city; - a large number of suppliers and a wide selection of raw materials; - an individual approach to each client; - average price; - highly qualified confectioners; - a fashionable interior, unique atmosphere and idea; - improving the range and quality of products; 	<p>Potential Weaknesses:</p> <ul style="list-style-type: none"> - the need for frequent verification of the technical condition of the equipment; - high rent due to location; - the need to develop a special menu of selected ingredients; - no business experience; - at the initial stage, a small assortment of products; - lack of professional technologist.
<p>Potential Threats:</p> <ul style="list-style-type: none"> - low entry barriers to the industry; - increase in competitors; - inflation growth; - adverse tax policy; - increase in food prices; 	<p>Potential Opportunities:</p> <ul style="list-style-type: none"> - to take leadership due to no competition; - attracting investors, regular suppliers; - the possibility of expanding activities, opening new points in other cities; - At the moment, a low level of competition;

<ul style="list-style-type: none"> - decreasing the purchasing power of the population; - substitute products in supermarkets. 	<ul style="list-style-type: none"> - increased number of potential consumers due to location; - rising demand for healthy foods; - health issues.
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*Table 6. SWOT analysis.
Source: Adapted from Mageplaza, 2020*

The chosen location for the project is one of the essential stability factors. While the place was being chosen, good public transportation and the proximity of educational institutions, tourist accessible places, offices and business centres, and residential premises has been taken as a priority. The cardinal difference between "Fit-Sweet" and its competitors is the particular low-calorie and high-protein products offering. High quality, environmentally friendly raw materials from trusted suppliers will be used for manufacturing. Company plans to expand the range and quality of products, as well as enlarge the venture making it a nationwide chain opening more stores. This is possible through the way of effectively attracting investors. Nevertheless, only products themselves cannot guarantee success. Therefore, the company also is oriented towards providing excellent service. Smiling tidy staff, quick and efficient service, an individual approach to each client, fashionable interior design, unique pleasant atmosphere, and moderate affordable prices of products are essential factors.

Potential weaknesses are the necessity for an equipment frequent condition checking and technical assessment, and also a high need of perfect cleanliness involving constant disinfection. Another weak point is the obvious shortage of professionals, having knowledge about such products, on the labour market. But this deficiency in human resources can be quickly resolved through online training. At the initial stage, a small assortment of products is planned since it takes time to develop a special menu of selected ingredients. However, in the future, a technologist-confectioner after having completed a training course, will get improved knowledge and thus will create the necessary approach offering unique recipes. The lack of business experience of the company's director is another disadvantage, but it is planned to immediately hire a freelance business consultant and to undergo further business training.

Potential opportunities in the future is few competitors in the industry that gives the firm the ability to set prices to make money. Also health problems such as obesity gives the growing trend for sports and a healthy lifestyle. An empty market in this segment, "Fit-Sweet" accomplishes the goals and, with a proper marketing and sales policy, plans to open a second store in two years.

Low barriers to entry into an industry and inflation rates are the most significant potential threat. Low barriers to entry causes threat of increasing competition. Inflation causes an increase in food prices, reducing the purchasing power of the population. Similar finished products such as chocolates, biscuits, although being a hypothetical threat, cannot be considered an adequate alternative. Based on the SWOT analysis, it is reasonable to work on reducing the impact of external threats and on using favourable market opportunities.

8. PRODUCTION PLANNING OF THE PROJECT

The whole process of the project implementation is divided into three main stages: the preparatory stage, the growth stage, and the maturity stage. During the preparatory phase, equipment is being purchased, installed, and the developed formulations are being tested. Simultaneously, staff is being recruited and trained. The highest demands are placed on a bakery technologist. The estimated duration of the preparatory phase is three months.

At the growth stage, the project services are being actively promoted, a pool of loyal customers is being formed, recipes are being tested, and taste preferences of visitors are being examined. The duration of the stage is six months. At the maturity stage, operational activities must be carried out within the planned financial indicators. Current monitoring of results is being carried out, and necessary adjustments should be made.

During the first year, the coffee shop plans to produce on a daily basis seven cakes which will be sold by slices. Besides, it is planned to produce eight types of various cookies and candies, four types of ice creams, and eight types of smoothies and fruit juices. Also hot drinks such as coffee and tea will be offered.

A manufacturing output or a production plan and sales forecast, presented in units corresponding with the number of slices sold, for the "Fit-Sweet" are exhibited in *Appendix C*. Considering that in the first year there will be only 3 active months, 21 456 units (food & beverages) are planned to be sold, and the volume of second-year production will be increasing and 46 131 units are expected to be sold.

8.1. MARKETING

8.1.1. SEGMENTATION AND TARGET

A high-priority question is to have a clear understanding of target groups. Thus, Stephen Gould has identified several types of consumer behaviour (Gould, 1991). Having studied the theory and having a survey done, we assumingly conclude who would be a potential consumer and, therefore, we can aim our efforts at satisfying their needs. Several psychological types of potential clients that are most suitable for this particular project are shown below.

The progressive consumers, forward-thinking consumers: people who are continually looking for something new, fashionable, and fresh. What matters to them is not service nor delicious food, but emotions, movement, atmosphere, and spectators. Since the project is an innovation in itself, and taking into account the fact that the fitness industry is rapidly gaining popularity, the confectionery related to this fashionable trend will be interesting to them. A nicely created atmosphere and interior design of the coffee shop will attract this type of client. These customers are not considered being regular ones, as they would always be on the lookout for something new. However, this category of consumers is also a good advertisement since they tend to tell their wide circle of friends and acquaintances about the place that attracted their attention because of design, approach or just being trendy (WOM).

Pragmatists are people whose main criterion for choosing a restaurant is good value for money. The model of their behaviour is to choose something familiar, and the emotional connection is rather weak. Combination of cost and quality is what matters. Famous restaurants are often chosen by them, which excludes "surprises" that can have a negative connotation. This is a category of loyal consumers if they like the food and, accordingly, the price. We will build a strategy also based on such consumers.

Yet another category is *rationalists* looking for benefits, hence, they go to a place with various discounts, promotions, "offers of the day." They are pretty average, and are not eager to pay extra money for an excellent quality product. Such consumers could become loyal over time, because according to the plan, at the end of the day, products will be sold at a discount. Furthermore, this kind of consumer will be enjoying a discount for a loyal customer or promotions that the coffee shop will be offering.

The company intends to establish an emotional connection with clients, consistently receiving feedback, listening to the wishes and complaints of customers, creating an image of a "family business" for all visitors. Having concluded the survey, the company established working hours that would be convenient for visitors, from 10:00-21:00 without a lunch break which is not customary for the majority of Portuguese enterprises.

8.1.2. MARKETING MIX

J. McCarthy provided a framework using the marketing mix: The 4Ps (McCarthy, 1964). The 4Ps include Price, Promotion, Product, and Place. According to McCarthy, marketers can draw up a good business plan and noticeably improve operating results by using the right combination and variables.

Product: During the first year, the assortment and production volumes will be small, and the coffee shop intends to update and identify products that correspond to the previously outlined profile, using exclusively organic products to create low-calorie desserts. Subsequently, it is planned to expand the assortment and increase production volumes, as well as introduce such services as the manufacture of confectionery products for individual orders. Created desserts will have as their primary goal the satisfaction of the needs of potential customers, which means that the company will always create products with a lot of protein, a minimum amount of fats and carbohydrates.

In addition to dessert, hot and cold drinks, lemonade and smoothies will be offered there. In the production of healthy low-calorie ice cream, light on calories and fat, only natural products will be used: cow's milk, fruits, egg whites, etc. Fruit, vegetable, and berry juice will be used as colorants. This kind of desserts and beverages consumption on a daily basis in children provides the main needs and leads to an increasing prevalence of healthy children.

Raw materials will be procured from local suppliers cooperating directly with manufacturers. Confectionery products will be made of blanks and sold to customers on the day they are manufactured. Unused workpieces at the end of the shift are supposed to be discarded and not be used during the subsequent shifts. The coffee shop will not count on the sale of products with an expiration date close to zero, this can easily create a negative attitude among the customers.

The assortment is to be regularly reviewed by management and, considering the most demanded positions, the menu will be supplemented with new products and new trends corresponding to customer requests. In addition to desserts, customers will be offered cold and hot drinks. The menu with the number of calories, proteins, fats, and carbohydrates is presented in *Appendix D*.

Price: Pricing is targeted at middle-income and high-income consumers. Since there are no public catering enterprises of this sort in the chosen area, and the niche that the coffee shop will be oriented to, is practically free, serious competition is not expected. The strategy to be implemented by the enterprise, will be aimed at attracting potential customers by the company's products, while choosing a strategy for sustainable growth instead of maximising profit on the project. The company will adhere to the strategy, choose a lower rate of return for the faster sale of goods since the goods of this coffee shop have a short shelf life. Offering a product at a good affordable price can increase the number of potential customers.

Place: Advantages of the selected object are recreation and entertainment areas situated around, business centres, abundant passenger flow and metro station, as well as the

availability of a nearby fitness centre. Besides, there is a relatively sizeable underground parking nearby.

The selected coffee shop location has the following characteristics:

- developed residential infrastructure: multi-storey complexes;
- developed social infrastructure: kindergartens, schools, and playgrounds;
- good public transportation;
- social uniformity of the population: people of 20–40 years, with an average income, as well as students of secondary and higher educational institutions.

Promotion: It is meant to attract the attention of consumers and stimulate sales growth due to:

- quality products;
- advertising through broadcast media (radio) and via all available social media;
- location of the coffee shop in a busy place;
- developed system of discounts;
- friendliness, kindness, and decency of staff.

On the opening day and in a week after it, products for tasting will be prepared and offered, and the first 100 customers will be provided with discount cards for future purchases. We will have a spacious hall that allows celebrations and various events with a convenient location for up to 30 people in the best price category. Discounts will be also made for students; flyers offering discounts, made in agreement with certain fitness centres, will be distributed, considering that the prevailing majority of potential consumers attend those fitness centres on a regular basis. In two hours before the closing time of the coffee shop, the products will be sold at a discount. Every morning will begin with fresh confectionery production. Furthermore, there is an idea to develop in the future products made as toy food sets for children because usually parents are not willing to economise on their children.

8.1.3. MARKETING STRATEGIES

After approval of the target audience which is the main goal of the company on the market, the enterprise's focus is to develop a business marketing strategy in order to determine the nature of the company's interaction with the market, prioritise the distribution of resources (raw materials, budget, personnel, and experience). At the initial stage of the venture's progress, basic marketing strategies for company growth will be developed using the "product-market" model of I. Ansoff (Ansoff, 1957). Also, the three forms of generic competitive strategy (Porter, 1998).

Market penetration strategy, the process of entering the market with a product in an already existing market with similar products or services, is focusing on concentrated growth strategies and is effective when the market is growing fast and not yet saturated. This example takes into account the growing trend towards a healthy lifestyle and the empty market for dietetic desserts. When working with the target audience, it is necessary to increase customer loyalty and motivate current consumers to buy products more often, to invent new conditions and situations for using the product in order to achieve maximum market coverage. This is a high-cost strategy because of being associated with intensive advertising support and low-cost strategies. The company is to set the prices which will support consumer loyalty.

While doing the promotion of goods, the company will seek to invest in creating a secure connection with the target audience, in reducing of risks of the transition to competitors' products. In order to initiate a positive attitude towards the brand and frequency of its use, recommendations and product reviews will be developed forming significant differences at the product level through advertising campaigns. Potential consumers will be aware of the product through the advertisement in various spheres spreading the information about the product's apparent competitive advantage.

Product development strategy will be applied by the company in one year after opening, when the image of the company will have been formed and the consumers will have been familiar enough with the brand. The primary source of profit growth in the product development strategy will be the expansion of product lines and entry into new consumer segments.

Market Competition Strategies require an achievement of leadership in one of three areas: product, price, a narrow market niche (Porter, 1998). Aiming to generate a stable, constantly growing income, the company will first be focused on quite a narrow market because the products are rather specific and are being searched on the market by fewer people, intended to purchase such kinds of products. Despite the value of the product, the first customers will be those who prefer a healthy product to an ordinary one.

To conquer the target market, the company also plans to focus on required costs, as it will make the target audience familiarised with the brand. The coffee shop plans to erase the existing stereotype that healthy food, this also includes desserts, is not palatable and cannot replace ordinary desserts in terms of taste. There will be a small selection of desserts in the

first place. But in the future, it is planned to expand the menu and introduce new products to the loyal customers. That will help to possess a leading position, as well as enter new markets and attract new customers.

8.1.4. PROMOTION STRATEGIES

An enterprise marketing strategy consists of offline and online marketing. Effective advertisement includes all the means such as business cards, posters, and flyers, and also media and social media advertising. Besides, we are planning to incorporate an affiliate marketing approach. This means that the coffee shop can be advertised in a taxi or in a fitness centre. In turn, in the coffee shop on each table, there may be placed business cards and flyers of an affiliate service. Contemplating the marketing strategies that are planned to be implemented within the entire life cycle of the enterprise, it is necessary to list the following:

The design of the menu and the outdoor sign are also a kind of advertising. A nicely designed menu with clearly printed names of the dishes and their prices indicates a high level of service in the restaurant. The menu will also specify the main ingredients of the dish, also, calories, proteins, carbohydrates, and fats contain. A well-designed outdoor advertising, consistent with the concept of the institution, also plays a decisive role in attracting customers, for example, a human figure of a proportional sporty physique.

Working with social networks is very time- and labour-consuming. Therefore, it will be selected only one or two, which cover the target audience more than the others. As a rule, these are social networks for visuals: Instagram and Facebook. After analysing which of the social networks has a higher account engagement, a Unique Selling Proposition will be placed in the profile header on Instagram or another social network, indicating the number of calories, proteins, fats, and carbohydrates under each post. The concept of a dietary coffee shop in itself is already a unique offer.

For the website, keywords used in the text will be selected. Search engine optimisation is one of the long ways to drive traffic but it is quite useful and most importantly, free. It is better not to use keywords such as "cake to order" or "cake to order Lisbon", the competition for possessing these words is too high, and it looks extremely difficult to break into the first lines of search engines. If traffic is being directed from social networks, from advertising or from newsletters to the site, the most important way is to make it convenient for users. This should be made simple and easy, with explicit well-designed texts.

Periodically, newsletters to the email addresses of customers will be sent telling about promotions, special offers, and new products in stock. Email marketing is an excellent opportunity to increase brand loyalty. It is necessary to deliberately pay attention to the creativity of the text, as well as to sending time and particular days of the week when it should be sent. Google, one of the most popular search engines, can significantly help business growing. A Google My Business account needs to be created with all necessary information provided, indicating opening hours, address, phone number, and website (Google My Business, 2020). The patisserie will start appearing on Google Maps, which are a feature-heavy traffic generator (Google Maps, 2020).

Active mutually beneficial communication with professionals in the confectionery industry, participation in different events, exhibitions, fairs is also essential. The company should be socially active participating in various contests and competitions in the

confectionery area. Gaining certificates and diplomas will increase loyalty to the brand and make it durable.

A Customer Relationship Management (CRM) system (Sales CRM, 2020) allows to plan the objectives and monitor their implementation, keep a record of customers, store project documentation and automatise its creation, and much more. One of the advantages of the system is that it records relevant dates, for instance, birthdays of customers; and three days before the particular date sends an SMS with congratulations along with a reminder of the holiday cake buying on a fair discount base.

We will make feedback which is a powerful tool, a regular process. Constructive criticism will help to discover weak places and to improve work performance. Create a complaints book, ask clients for their feedback, both suggestions and complaints. Listen to them carefully and kindly. Effective communication with the consumers and constructive feedback improve company's work, allowing thus to save a customer making them loyal, therefore, business can succeed and thrive.

<i>Activity</i>		<i>Cost</i>		
		<i>One time cost</i>	<i>Monthly cost</i>	<i>Yearly cost</i>
Business cards, flyers	500 units		€120,00	€1 440,00
Media advertising	30 days	€2 000,00		€2 000,00
Menu designing & printing	7 units	€210,00		€210,00
Outdoor design	1 unit	€700,00		€700,00
Social media advertising	1 month	€1 500,00	€300,00	€3 300,00
Website creating		€500,00		€500,00
Website maintaining			€50,00	€600,00
Internet advertising		€0,00	€0,00	€0,00
CRM system	1 month		€65,00	€780,00
Total				€9 530,00

*Table 7. Data and prices for promotion activities.
Source: Self Elaboration*

As can be seen from *Table 7*, some advertisement expenses are to be made only once, for example, the design and creation of a menu, as well as outdoor advertising, a coffee shop sign. Advertising in the media and in social networks is planned to be launched a month before the opening; and in the future, the business will be advertised only through social networks. Although creating a website is a one-time expense, maintaining it requires monthly expenses. Business cards and flyers printing, the CRM system using, etc., involve regular monthly expenses. In the first year a total of €9 530,00 (of which € 4 910,00 is one-time expense, and € 4 620,00 is a periodical advertising cost during the year) would be spent.

8.2. OPERATIONAL COSTS

Designing a coffee shop requires several cost calculations (Start My Coffee Shop, 2019). There could be one-time expenses and also current expenses. One-time expenses are registration costs and paperwork, necessary repairs and interior design changes to be done, the purchase of furniture and necessary equipment.

It is not advisable to ignore advertisement trying to save some money on it as advertising is one of the essential factors in promoting a company on the market. A promotion campaign should be conducted monthly throughout the entire life cycle of the organisation. While it is not uncommon to charge fees for tastings, the degustations at the coffee shop are supposed to be free, therefore, part of the budget should be allocated to the manufacture of products for tastings. Marketing activities should start in a month before the opening of the coffee shop. Sales increasing becomes possible on a base of regular advertising, promotions, and discounts.

SES - Supplies and External Services		Units: Euros					
	Monthly	2021	2022	2023	2024	2025	2026
Active months		3	12	12	12	12	12
Price Growth Index		0%	0,00%	0,00%	0,00%	0,00%	0,00%
Electricity	750	2 250	9 000	9 000	9 000	9 000	9 000
Business Cards&Fliers	120	360	1 440	1 440	1 440	1 440	1 440
Rents	1 450	4 350	17 400	17 400	17 400	17 400	17 400
Communication	34	102	408	408	408	408	408
Social Security	150	450	1 800	1 800	1 800	1 800	1 800
Conservation and repair	42	125	500	500	500	500	500
Advertising and marketing	300	900	3 600	3 600	3 600	3 600	3 600
TV advertising	292	875	3 500	3 500	3 500	3 500	3 500
Other supplies and services	700	2 100	8 400	8 400	8 400	8 400	8 400
TOTAL SES		11 512	46 048	46 048	46 048	46 048	46 048

Table 8. Monthly and yearly costs for the project (VAT included)

Source: Adopted from IAPMEI.

As can be seen from *Table 8*, except for 2021 - there are only 3 active months, subsequent years operating expenses remain unchanged. Relatively the operating costs were reckoned for rent, utilities, employees' salary, tax deductions, purchase of products and services, purchase of supplies, advertising costs, repair, and equipment maintenance.

8.2.1. RENT

Director of the company took into consideration that it would be impossible to use the leased premises in a building that had not been commissioned. The landlord and the director independently of each other agree on who will bear the costs of maintaining the leased property, which is utility bills. When drafting a contract, the goals must be agreed with the landlord, and must also comply with the purpose of the premises provided for in the design documentation and technical documentation. If the purpose of the rental object is not compatible with the terms of the contract, then the contract will be considered invalid (Watts, 2019). Besides, all improvements done and associated costs must be agreed with the landlord in order to avoid negative consequences. The space should have its hot and cold water supply lines, an autonomous sewage system and fairly good ventilation. Production part and visitors area should be separated and operated separately. The premises chosen by the director correspond to all aforementioned aspects and are located in the city centre, in the Sete Rios area, and currently operate as a coffee shop. Due to its location and price, it is a suitable space, and its rent is € 1 450,00 per month.

8.2.2. PROFESSIONAL EQUIPMENT

Professional equipment must be acquired because the success of the enterprise also depends on its quality and functionality. Professional kitchen equipment significantly differs from domestic kitchen appliances. First of all, it is the scale and frequency of usage. Professional equipment should be of kind of consumer durables, functional and having high performance. Moreover, materials it is made of, must be authorised by order of the Ministry of Health for contacting with food. The final point is, any equipment for the food processing industry must comply with the public catering facilities sanitary norms and rules (McCrill, 2019).

Refrigeration equipment. The sanitary requirements are the following: most fresh foods must be stored in the refrigerator to prevent their deterioration. High-risk food should be kept at 6 °C or below, and above 60 °C to avoid food poisoning. (Go Food Service, 2020). To accomplish this project, it is also necessary to purchase vitrine refrigeration units equipped with appropriate lighting in order to demonstrate foods that look attractive.

Thermal equipment. It is advantageous to use both gas and electric cookers at the same time. Combined gas-electric cookers and ovens are indispensable in a professional kitchen.

Technological equipment includes all kinds of equipment such as utensils, instruments, and devices that simplifies and accelerates the cooking process. All the equipment must be highly hygienic and should be made of oxidation resistant materials

Additional equipment. In addition to all mentioned above, confectionery also needs flour sifters, dough sheeters, bread slicers, mixers, whipping machines and other devices for creating culinary masterpieces. Since our enterprise plans to use reusable dishes or tea utensils in large quantities, this is not achievable without dishwashers that not only wash but also create a sterilising effect. Bar equipment includes coffee machines, coffee grinders, juicers, blenders, cocktail mixers, and ice makers. Bar equipment is much smaller than kitchen appliances.

Neutral equipment includes a relatively large group of products: tables, sinks, racks, conveyors, and much more.

Buying proper equipment is an investment in a business, and only the right equipment pays off earning a profit. Equipment must have a high overall equipment effectiveness since appliances of not a very proper quality will need to be continuously repaired or substituted, as it may not withstand task loading. A selection of the necessary equipment for the coffee shop is presented in *Appendix E*.

As shown in *Appendix E*, the cost of buying equipment for a coffee shop would be € 24 136,50 considering all discounts. Equipment for "Fit-Sweet" will be purchased in a specialised store for catering (Nisbets, Fafrinog, Exponondo, Vidahl, GGMGastro); electronic goods will be purchased at the electronics stores such as Worten, Fnac, Factory Print, Maypos; office and hall furniture will be purchased in IKEA. Delivery and installation are free, maintaining cost is approximately € 500,00 per year.

8.2.3. SUPPLIERS

In a dietary menu, it is essential not to take extreme measures, eliminating carbohydrates or fats from the diet, which are essential for a healthy life. People living a sedentary lifestyle are more likely to be overweight or obese, should only limit their diet in a reasonable way following a balanced use of foods with complex carbohydrates (found in foods with a low glycemic index) and unsaturated fatty acids in their diet (FAO, 2018).

The goal of the project is creating recipes for desserts enriched with high-quality protein, and selling these products to the target audience. The nutritional value of the developed confectionery products was calculated on a base of ingredients such as a specific type of flour, sweetener, fruits and berries, low-fat dairy products, a specific type of vegetable fat, etc.

Particular attention should be paid to products distributors. It is advisable to establish long-term relationships with providers of environmentally friendly products. This doesn't seem a problem nowadays to find such a kind of supplier, deliberately and carefully choosing those who can be trusted.

They should be selected according to the following criteria:

- the products offered should not contain genetically modified foods and their derivatives;
- products should not contain thickeners, stabilisers, flavourings, colourants, food preservatives or other synthetic additives;
- harmful products must not be used during the manufacturing of products;
- products must be grown without the use of agrochemicals, growth stimulants, hormones; products should not be grown near industrial centres.

8.2.4. EMPLOYEES AND ORGANISATIONAL STRUCTURE

Choosing the staff is a critical moment when opening a coffee shop. Recruiting staff at present is not very problematic due to vacancies published in social networks and available online resources. At the very initial stage, the number of employees can be minimal. To start a business, one needs reliable people: bartender (1), cashier-waiter (1), cleaner (1), administrator (1), accountant (1), and director (1). For the production process, a technologist (1), confectioner (1), and preferably a courier (1) will be needed.

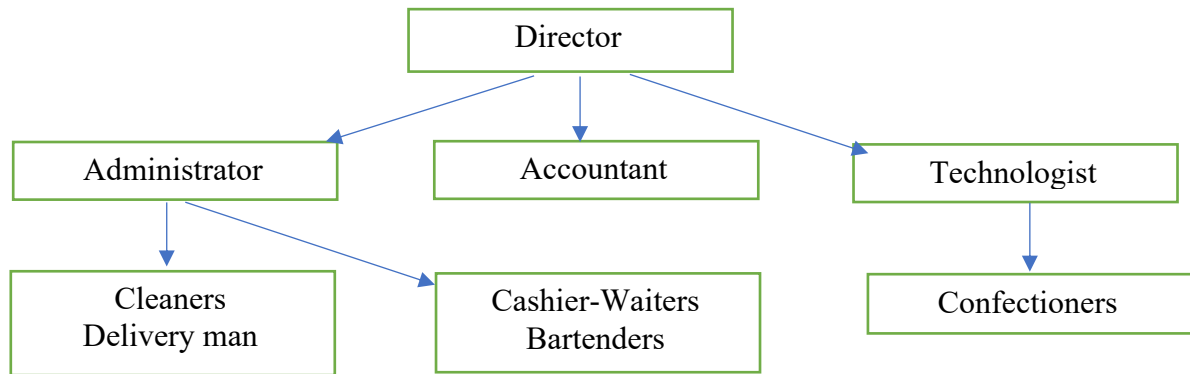
To calculate the mobilisation cost on a project, relative to employees' wages, multiply the value by 14 (months), and then divide it by 12, thus calculating its average monthly cost including pro-rata holiday entitlement, and Christmas allowance. Compensation in case of industrial accidents is amounted to 1%. Salaries for employees will be paid twice a month. In general, Social Security contributions correspond to 34,0 % of the total wage, with companies paying 23,0 % and employees the remaining 11,0 % (Nos, 2020).

The food allowance deposited in an account together with the salary is € 4,27 per day, before being subject to taxes. In order to reach the annual value that respects this subsidy, we only need to multiply an average of 24 days of food allowance per month. The organization will issue payment for lunch in a monthly salary. Also taking into account the planned increase in the volume of work, new employees will be hired annually and there will also be a 5% increase in salary. Considering the first year (7 months) employees wages cost calculation with deductions to the funds and food allowance will be € 49 775,00. Total payroll with fixed social security contributions, workplace accident insurance and food allowance is presented in *Table 9* below.

Annual Base Salary - Total Employees						
	2021	2022	2023	2024	2025	2026
Administration / Manager	5 600	11 200	11 760	12 348	12 965	13 614
Administration / Freelance accountant	1 400	2 800	2 940	3 087	3 241	3 404
Cook / Technologist	8 400	16 800	17 640	18 522	19 448	20 421
Cook / Confectioner	6 300	12 600	13 230	13 892	14 586	15 315
Bartender	4 900	10 290	10 805	11 345	11 912	12 508
Cashier-waiter	4 900	9 800	10 290	10 805	11 345	11 912
Cleaner	4 200	8 400	8 820	9 261	9 724	10 210
Delivery man	4 200	8 400	8 820	9 261	9 724	10 210
TOTAL	39 900	80 290	84 305	88 520	92 946	97 593
Other Personnel Costs						
					Unit:	Euros
Social Security						
Management / Administration	5 154	10 308	10 823	11 364	11 932	12 529
Other Staff	4 323	8 761	9 199	9 659	10 142	10 650
Occupational Accident Insurance	399	803	843	885	929	976
TOTAL OTHER COSTS	9 875	19 872	20 865	21 909	23 004	24 154
TOTAL PERSONAL COSTS	49 775	100 162	105 170	110 428	115 950	121 748

*Table 9. Total payroll with a fixed SSC, WAI and F/A.
Source: Self Elaboration*

"Fit-Sweet" will have a linear type of organisational structure which is shown in *Figure 2*. It is planned to have a day off once a week, and on national holidays the coffee shop is supposed to work but starting later than usual, the demands of workers will be considered in this respect.



*Figure 2. Organizational Structure.
Source: Self Elaboration*

The primary duties of employees:

The director prepares documents necessary for the implementation of activities to provide catering services; carries out organisation, planning and coordination of the enterprise; studies consumer demand products; negotiating and concluding contracts for the supply of raw materials; hires and supervises the employees. The director should know: The Law of the Republic of Portugal "On the Protection of Consumer Rights", the Law "On the Quality and Safety of Food Products", laws relating to public catering, decrees, orders, and regulatory documents regarding the organisation of public catering; rules for the production and sale of products and services; sanitary, hygienic, technological requirements, and so on. The director is the owner of the business, therefore, is not receiving a fixed salary.

Administrator has various roles in a coffee shop: manages day-to-day operations of the cafe, organises the entire work process in the hall; monitors daily expenses and revenues, and ordering supplies; supervises the performance of wait staff, baristas, and cleaners; also manages scheduling shifts; coordinates work of the workshop and the hall, and is engaged in the development of marketing campaigns.

An accountant maintains a document flow, analyses account information documenting financial transactions; recommends financial actions; prepares balance sheets, profit and loss statements and other financial reports; supports month-end and year-end close process; submits reports to fiscal authorities; withdraws cash amount; pays wages to the employees.

A technologist organises the labour process of the workshop; provides trainings for pastry chefs; develops new and seasonal offers; monitors the execution of the food making process and controls quality of dishes; ensures production with technological cards and other technical documentation; receives products from a raw material suppliers.

Confectioner is responsible for the preparation of all confectionery products in the required quantity, according to the technological process. The confectioners of higher categories having the highest qualification, will be hired for performing this task.

Bartender's duty is to monitor the cleanliness in the hall, and to make hot and cold drinks.

Waiter's responsibility is, following a specific protocol, to take orders from the table and give them to the kitchen and assembly areas; one of the waiter's job as a server is to be a salesperson, another is to process customer bills and collect payments from customers.

Industrial premises cleaner is responsible for maintaining cleanliness in the hall, office rooms, kitchen, and at the entrance of the coffee shop.

Courier is responsible for the delivery of fully intact product

9. FINANCIAL PLAN

Financial planning is the process of framing financial policies in relation to cost of current and fixed expenses, and long-range planning which helps in long-run survival of the company. Financial Planning is important in reducing the uncertainties which can be a hindrance to growth of the venture. This helps in ensuring stability and profitability. Financial Planning involves several goals and tasks such as analysis of the business environment, the business vision and objectives, a correlation between available resources and expenses, calculating the total cost of all resources (labour, equipment, advertisement, etc.) summarising it to create a budget. Thus, the optimal combination of profitability and liquidity of the company is being created.

9.1. SALES

Each catering enterprise establishes a margin on products of its production and purchased goods. The sales price is expressed as a purchase price to cover costs in order to make a profit. To establish the retail price for the products of the "Fit-Sweet" coffee shop, calculation cards were drawn up. To ascertain the selling price, it needs to consider all the costs required. The average cost and selling price of each type of product in the "Fit-Sweet" are presented in *Table 10* (more information could be found in *Appendix G*).

<i>Product type</i>	<i>Unit Sale Price, Euro</i>	<i>Unit cost, Euro</i>
Cakes	7,86	2,25
Candies & Cookies	3,7	1,93
Ice Creams	6,38	1,99
Cold & Hot drinks	4,16	0,3

*Table 10. Average costs for product units and average sale prices.
Source: Self Elaboration*

The revenue of public catering expresses economical relations arising out of the sale of its products, purchased goods, and the provision of catering services. Calculating the volume of the business is an important way to measure the financial performance. This will require multiplying the number of products sold by the selling price.

Volume of business		Units: Euros				
	2021	2022	2023	2024	2025	2026
Number of Months of Activity in 1st Year	3					
Price change rate		0,00%	0,00%	0,00%	0,00%	0,00%

SALES - NATIONAL MARKET

		Units: Euros				
	2021	2022	2023	2024	2025	2026
Cakes	37 902	81 521	93 746	107 808	123 976	142 573
Quantities Sold	4 824	10 372	11 927	13 716	15 773	18 139
Units sold growth rate		215,00%	15,00%	15,00%	15,00%	15,00%
Unit price	7,86	7,86	7,86	7,86	7,86	7,86
Candies & Cookies	22 644	48 685	55 988	64 387	74 044	85 152
Quantities Sold	6 120	13 158	15 132	17 402	20 012	23 014
Units sold growth rate		215,00%	15,00%	15,00%	15,00%	15,00%
Unit price	3,70	3,70	3,70	3,70	3,70	3,70
Ice Creams	11 025	23 703	27 255	31 345	36 047	41 457
Quantities Sold	1 728	3 715	4 272	4 913	5 650	6 498
Units sold growth rate		215,00%	15,00%	15,00%	15,00%	15,00%
Unit price	6,38	6,38	6,38	6,38	6,38	6,38
Cold & Hot drinks	36 541	78 564	90 347	103 900	119 484	137 405
Quantities Sold	8 784	18 886	21 718	24 976	28 722	33 030
Units sold growth rate		215,00%	15,00%	15,00%	15,00%	15,00%
Unit price	4,16	4,16	4,16	4,16	4,16	4,16
TOTAL	108 112	232 472	267 337	307 440	353 551	406 586

*Table 11. Volume of business.
Source: Adopted from IAPMEI*

The company plans to increase sales of products by 15% annually started from year 2023. There will be no seasonality of products, since the enterprise uses a product that is available for the whole year regardless of the season. Stocking time is equal to 0 days - the purchase of products will be made daily, and non-sold products will not be available for sale on the next day. Also average payment term is 0 days, payment to suppliers will be made on a daily basis (raw materials must be received daily). Since the products will be sold in the store at a retail price and will not be issued by installments to customers average receipt time also equals to 0. The company, choosing a strategy to keep prices affordable for the middle class, does not plan to raise prices for products in the current 6 years shown in *Table 11*. A gross margin of contribution calculation made at the suppositional level, for the period of the first and the second years, is presented in *Appendix C*.

According to the planned sales volume of products in the "Fit-Sweet" during the year 2021 (3 months) will be € 108 112,00, during the second year it will increase by 215% and will be totalled € 232 472,00. Then the gross margin of contribution for 2021 will be € 79 387,20, for 2022 will be € 170 685,39. Average gross margin of contribution per month for two years will be € 10 419,69 and the average price in a coffee shop is € 5,06 per product.

9.2. INVESTMENT AND START-UP COSTS

By analysing *Table 12* below, we can conclude that the initial investment costs will amount to € 100 296,00. More information about accumulated amounts of investments indicated in *Appendix H*. Total intangible assets including R&D Expenses will be € 7 800,00. Since it is planned to rent a place that has been functioning as a coffee shop, it will not require a large amount of money to redesign the space. Expenses planned to be spent as an interior designer's fees are € 500,00 and space repair will cost € 4 000,00.

Opening a coffee shop will not cause serious difficulties if guided by the advice of professionals in the process of creating business. All permits receipt and hiring staff requires a lawyer (a necessary primary legislation indicated in *Appendix F*). Hiring a business consultant would be useful for starting a business (Watts, 2019). The intended space for the coffee shop might need an appropriate repair or renovation with the help of professional designers. In addition, the plans are to hire a freelance lawyer only for this part of work (fees € 700,00), and a freelance consultant (fees € 600,00).

		Units: Euros					
		2021	2022	2023	2024	2025	2026
Intangible assets							
	Installation Expenses	1 520					
	R&D Expenses	5 000					
	Computer programs	1 280	780	780	780	780	780
Total Intangible Assets		7 800					
Tangible Fixed Assets		Years - EL		Tx. % AR	AR-Euros		
Land and Natural Resources							
Buildings and other constructions		4 500	50	2,00%	90		
Basic equipment		24 136		16,67%	4 023		
	Thermal equipment	3 363	6	16,67%	560		
	Refrigeration equipment	1 808	6	16,67%	301		
	Technological equipment	7 152	6	16,67%	1 192		
	Washing equipment	3 042	6	16,67%	507		
	Bar equipment	2 769	6	16,67%	462		
	Hall equipment	3 642	6	16,67%	607		
	Office equipment	1 625	6	16,67%	271		
	Bathroom equipment	1 735	6	16,67%	123		
Transport Equipment		41 000		20,73%	8 500		
	Investment Proposal n°	35 000	5	20,00%	7 000		
	Investment Proposal n°	6 000	4	25,00%	1 500		
Tools and utensils		7 000	5	20,00%	1 400		
Office equipment		2 450	4	25,00%	613		
Tarase Container		2 500	5	20,00%	500		
Other Tangible Fixed Assets		10 910	5	20,00%	2 182		
Total Tangible Fixed Assets		92 496					
Total Non Current Assets		100 296					

*Table 12. Project investment costs (Investment decisions).
Source: Adopted from IAPMEI.*

As already mentioned above, the basic equipment will cost € 24 136,00. Kitchen, dining and office supplies (including the cash register) are also included in the start-up costs. To facilitate the delivery of raw materials to enterprise and also the delivery of orders to customers a car equipped with a refrigeration device (€ 35 000,00) and a bike (€ 6 000,00) for the courier were also purchased. Regarding to the *Table 8* and *Table 12*, project start-up costs will amount to € 111 808,00.

9.3. PROFITABILITY ANALYSIS

Table 13 data analysis let us conclude that the net profit for the first year of operation will amount to € 9 260,00. As can be seen from the table, the volume of business is growing. despite this, net profit falls in the second year. Only starting from 2023 net profit and cash flow starts to grow. Due to the fact that, in 2021, there are 3 active months - accordingly, there are fewer sales, only 6 months of rent payment and 7 months of employees' wages. In 2022, although the company will sell the expected amount of products, the company will have to cover its investment debts. The following years, the company significantly improves its financial position. The financial plan shows that the payback period of the project will be three years.

PROFIT AND LOSS FORECAST	Unidade: Euros					
	2021	2022	2023	2024	2025	2026
Sales	108 112	232 472	267 337	307 440	353 551	406 586
Volume of business	108 112	232 472	267 337	307 440	353 551	406 586
Cost of goods sold and materials consumed	28 740	61 799	71 067	81 728	93 986	108 085
Gross Margin of Contribution	79 373	170 674	196 269	225 712	259 565	298 501
SES - Fixed Costs	11 512	46 048	46 048	46 048	46 048	46 048
Economic Result	67 861	124 626	150 221	179 664	213 517	252 453
Staff Costs	49 775	100 162	105 170	110 428	115 950	121 748
% of Sales	46,04%	43,09%	39,34%	35,92%	32,80%	29,94%
EBITDA	18 085	24 464	45 052	69 236	97 567	130 705
Amortization	5 064	21 672	23 087	24 348	21 545	10 645
EBIT	13 021	2 791	21 965	44 887	76 021	120 060
Interest and similar costs incurred	675	835	400	300	200	100
Interest and similar income earned			138	505	1 064	1 807
FINANCIAL RESULT	-675	-835	-262	205	864	1 707
EBT (Profit before tax)	12 346	1 957	21 703	45 092	76 885	121 767
Income tax for the period	3 087	489	5 426	11 273	19 221	30 442
Net Profit/Loss for the Period	9 260	1 467	16 277	33 819	57 664	91 325
<i>Operational Cash Flow Map</i>						
Free Cash Flow to Firm	-75 060	18 962	36 728	51 410	76 218	99 281
WACC	1,6%	1,6%	1,8%	1,9%	2,0%	2,0%
Update Factor	1,00	1,02	1,03	1,05	1,08	1,10
Updated Cash Flows	-75 060	18 661	35 499	48 748	70 869	90 504
Accumulated updated cash flows	-75 060	-56 399	-20 900	27 848	98 717	189 220
Net Present Value (NPV)	189 220					
Internal Rate of Return (IRR)	48,16%					

Table 13. Project Evaluation and Operational cash flow map
Source: Adopted from IAPMEI

Net profit margin is a relative indicator of economic efficiency. It characterises the percentage of the amount of profit to one of the indicators and reflects the relationship of the profit with the other indicators. The formula determines the net profit margin of the cafe-confectionery:

$$\text{Net Profit Margin} = (\text{Net income} / \text{sales}) * 100$$

NET PROFIT MARGIN	
2021	9%
2022	1%
2023	6%
2024	11%
2025	16%
2026	22%

*Table 14. Net profit margin for each year
Source: Self Elaboration*

The break-even of the enterprise depends on several factors, including the choice of the optimal volume of production and the reasonable pace of development of the enterprise. It is necessary to determine the break-even point of the enterprise. The break-even point (critical volume of production and sales) is such a volume of sales at which the revenues provide reimbursement of all costs, but do not allow making a profit, in other words, this is the lower marginal volume of output at which profit is zero.

Break-Even Point is calculated using the formula:

$$\text{Break-Even Point, euro} = \text{Total Fixed Cost, euro} / \text{Gross Margin \%}$$

WACC is calculated by multiplying the cost of each capital source - loans and equity, by its relevant weight, and then adding the products together to determine the value. As loans decrease along time, the weight of equity is higher and thus the cost of capital increases. More financial information such as Forecast Balance and WACC calculation indicated in *Appendix I* and *Appendix J*.

Forecast Operational Critical Point

	Unit: Euros					
	2021	2022	2023	2024	2025	2026
sales and services	108 112,25	232 472,45	267 336,86	307 440,26	353 550,70	406 586,38
Variation in production inventories						
CGSMC	28 739,52	61 798,88	71 067,44	81 728,31	93 986,06	108 085,37
SES Variables						
Gross Margin of Contribution	79 372,73	170 673,57	196 269,42	225 711,95	259 564,64	298 501,01
Critical point	90 376,58	228 670,39	237 419,05	246 299,48	250 002,92	243 053,06

*Table 15. Calculation of the breakeven point
Source: Adopted from IAPMEI*

The financial and economic analysis of the "Fit-Sweet" cafe-confectionery project displays that this business plan can be implemented with efficiency. If the cafe satisfies customers' needs in a high quality product, simultaneously focusing on their emotional needs, this will provide an excellent service allowing to have constant visitors, which in turn will lead to an increase in the profit of the institution.

Making the necessary investments for the implementation of the project, providing a skillful management, having the right personnel and location of the cafe, along with some other factors that are fully displayed in the project description, "Fit-Sweet" cafe-

confectionery” appears to be a profitable enterprise with high prospects for further continuous development.

Financing Plan		Unit: Euros				
	2021	2022	2023	2024	2025	2026
Funds Origins						
Gross Capital Excess	18 085	24 464	45 052	69 236	97 567	130 705
Realized Capital (inflow of funds)						
Financing Obtained	25 000					
Fixed Capital Divestment						
Divestment in RWC	10 405		1 608	1 836	2 097	2 397
Shareholder and Partner Funding / Supplies	20 000					
Financial Income			138	505	1 064	1 807
Total Of Origins	73 491	24 464	46 798	71 577	100 727	134 909
Funds Applications						
Fixed Capital Investments	100 296	4 440	4 440	8 440	4 440	4 440
Working Capital Investments		364				
Profit Tax		3 087	489	5 426	11 273	19 221
Dividend Payment						
Loan Repayment		5 000	5 000	5 000	5 000	5 000
Financial Charges	675	835	400	300	200	100
Total of Applications	100 970	13 726	10 329	19 166	20 913	28 761
Annual Treasury Balance	-27 479	10 738	36 469	52 411	79 814	106 147
Accumulated Treasury Balance	-27 479	-16 741	19 727	72 138	151 952	258 100
Applications / Short Term Loan	-27 479	-16 741	19 727	72 138	151 952	258 100
Sum Control						

*Table 16. Financing plan of the project
Source: Adopted from IAPMEI*

The source of financing of the project is own funds in the amount of € 20 000,00 and bank financing € 25 000,00. The total cost of the project will be € 111 808,00. Sales in the first year of work at “Fit-Sweet” Café and Confectionery will be € 108 112,00, net profit € 9 260,00, a payback period of the project is 3 years. With a sales revenue of € 90 376,00 for the first year, the company reimburses all the costs and expenses with the income received, while the company's profit is zero.

9.4. RISKS

No matter how accurately the entrepreneur expects the upcoming changes in the market environment, it is impossible to wholly predict what will happen in the future. All over the world, changes occur continually. Therefore, the primary task of the manager is to accomplish Enterprise risk management, maximally protecting the enterprise from the effects of risks. To complete this task, one needs to know all the information about the risks surrounding the business, creating, thus, a risk response strategy.

Investment risk is the measurable likelihood of incurring a loss or missing out on an investment. Risks can be divided into systematic and non-systematic. *Systematic risks* are those that cannot be influenced by the the object's management. Always present and include following:

- Political risks - political instability, socio-economic changes;
- Natural and environmental risks (natural disasters);
- Legal risks - instability and imperfection of legislation. It is impossible to completely protect your business but it is worth remembering that lawyers can always help;
- Economic risks - sharp fluctuations in exchange rates, government measures in the field of taxation, restrictions or expansion of exports and imports, currency legislation, etc. Inflation is always present. Depending on the growth, prices will raise, but no more than the prices of competitors.

Non-systematic risks - which can be eliminated partially or completely as a result of the impact from the management of the facility. These risks are more manageable:

- The risk of *not receiving the expected income* from the project is manifested in a negative value of NPV (the project is not effective) or an excessive increase in the payback period of the project. This group of risks includes everything related to the forecast of cash flows in the operational phase.
- *Marketing risk* - the risk of a shortfall in revenue as a result of not reaching the planned sales volume or reducing the selling price relative to the planned one. Since the profit of a project (and to the greatest extent the profit is determined by revenue) determines its effectiveness, marketing risks are the key project risks.

It is necessary to thoroughly study the market, identify the key factors affecting the project, forecast their occurrence or increase, ways to neutralize the negative influence of these factors. Possible factors: changes in market conditions, increased competition, loss of market positions, decreased or no demand for the project's products, decreased market capacity, lower prices for products, etc.

There is a likelihood of a decrease in the general level of purchasing power, but, unfortunately, such situation cannot be predicted at the proper level. It depends on many factors and events in the country. Reducing prices to the possible minimum will be helpful. Activation of old competitors, the emergence of new ones, it will be necessary to adjust the promotion methods, conduct marketing research, concentrate efforts, and increase

advertising. Also, it is essential to work with a client base constantly replenishing it, offer discounts, promotions, and bonuses to your regular customers;

- The risk of *exceeding the production cost of products* - production costs exceed the planned, thereby reducing the profit of the project. A cost analysis is needed, based on a comparison with the costs of similar enterprises, an analysis of the selected suppliers of raw materials (reliability, availability, the possibility of an alternative), a forecast of the cost of raw materials.

Cost growth will be associated with rising prices for raw materials and rent; it is possible to protect yourself by concluding a long-term commercial lease with the landlord, as well as the raw materials supply agreement;

- *Risk of insufficient liquidity* - negative cash balances at the end of the period in the forecast budget. This type of risk can arise both in the investment and in the operational phase:

- *The risk of exceeding the project budget* - more investment was required than planned. The level of risk can be significantly reduced by a thorough analysis of investments at the stage of project planning - Comparison with similar projects or industries, analysis of the technological chain, analysis of the complete project implementation scheme, planning the amount of working capital. Therefore, in particular, when attracting a loan, it is envisaged to increase the limit of funds available to the borrower, selected if necessary.

- *Low qualification of personnel* - the risk is possible and can lead to an increase in accidents and rejects, to a decrease in the rhythm and volume of production. It is neutralized by the careful selection of personnel by the founders.

- *Delayed deliveries*: this also should be secured through out the supply agreement;

- *Risk associated with equipment failure* - can occur due to a sharp fluctuation in the voltage in the power grid, non-compliance with equipment operation standards, equipment wear. The likelihood of this risk will be significantly reduced if you take the following measures: work with the equipment through a surge protector that stabilizes the voltage; familiarize employees of the enterprise with the operating standards equipment; timely inspect equipment and replace worn parts.

Risk management is one of the components of the corporate production process, therefore it must be integrated into this process, must have its own strategy, tactics, and operational implementation. At the same time, it is important not only to carry out risk management, but also to periodically review the measures and means of such management.

High efficiency in the use of resources when executing a risk management program can only be ensured within the framework of a systematic approach. This approach in risk management is the most common. One of the important components of the risk management system is the management of financial risks that any production faces in the course of its activities. At the same time, an important point is the limited financial resources. However, there is insurance against financial risks, which is quite common in developed countries. It is equally important for an enterprise to manage political, financial, technological, personnel

risks, ensure fire safety, manage actions in emergency situations, environmental protection, etc.

9.5. RESEARCH RESULTS

As a result of the studies, it has been revealed that the objectives of the project to create a “Fit-Sweet cafe-confectionery” in Lisbon were the following: creation of a profitable enterprise, establishing a base of obtaining stable profits, satisfaction of the consumer market with dietetic confectionery products, and jobs creation.

The project was performed by Lala Niftiyeva and was aimed at Individual Entrepreneurship opening . Type of enterprise`s activity: confectionery production and sale, catering products consumption arrangement, provision of various services. The objective of the work study was the cafe-confectionery "Fit-Sweet" establishment. When writing, the following research methods were used: analytical method for the calculation, descriptive statistics and inferential statistics, economic analysis, normative approach, Mathematical economics, and forecasting method.

The concept of the “Fit-Sweet cafe-confectionery” meets all the recent requirements: the modern eco-style interior design, the use of natural products, and the preparation of dietetic confectionery products according to the latest innovations.

The analysis of competitors showed that the main contingent of the “Fit-Sweet” café-confectionery would be middle-income youth. Also, when choosing a location, the emphasis was placed on the proximity of educational institutions and shopping malls. Thus, "Fit-Sweet" is located in a busy area, where there is a massive flow of potential consumers. A menu plan has been composed, with an average planned sale of 297 servings of food& beverage per day. The average price of one confectionery, smoothie or ice cream unit in the institution will be €5,06.

Based on the plan menu, the personnel calculation busy in production and sale, has been made. As a consequence, for the effective work process in the “Fit-Sweet” café-confectionery there would be a need in 1 technologist, 1 confectioner, 1 bartender, and 1 waiter. Also, 1 administrator and 1 cleaner of industrial premises would be required. The director of the enterprise will combine his post with the position of a managing administrator.

Built on the financial plan of the "Fit-Sweet" development, the first-year cost structure of the enterprise has been compounded, which is presented in *Diagram 9*.

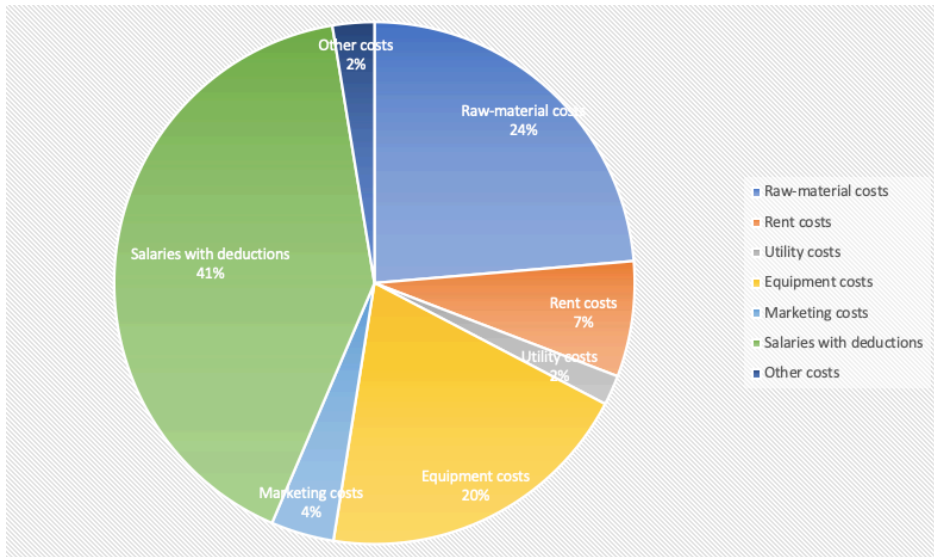


Diagram 9. Cost chart of the enterprise's first year operation
 Source: Niftiyeva Lala

Diagram 9 analysis showed that most of the expenses would be employee salaries (41%) and the purchase of raw materials (24%). Taking into account the fact that the equipment will be purchased in the first year, this expense also takes a significant place in the diagram. The second-year cost structure of the enterprise is presented in *Diagram 10*.

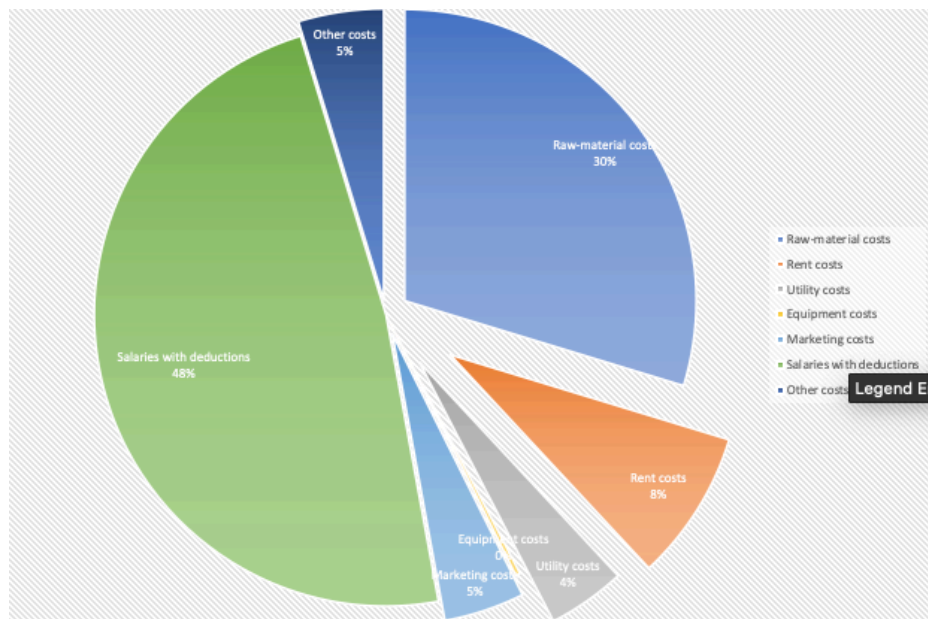


Diagram 10. Cost chart of the enterprise's second year operation
 Source: Niftiyeva Lala

Diagram 10 analysis states that during the second year of work, most of the expenses will also be related to salaries (48%). Also, raw materials (30%) and rental fees (8%), in contrast to the previous year, have grown, since the number of active months has grown from 3 to 12. Equipment this year will not be bought, but only checked. The company needs to cover the initial costs, as it was only 3 months of activity in the first year of operation.

CONCLUSION

A business plan is an essential and necessary document for any enterprise's effective trouble-free functioning. Already, most entrepreneurs have become aware of the need to plan current and future activities, as this will increase business efficiency and significantly reduce their risks. The development of a business plan will provide an opportunity to soberly assess the enterprise's characteristics, identify its strong and weak places; determine what it will take to carry out its activities, evaluate the emerging prospects; contemplate the possibility of probable difficulties and prevent them from escalating into a serious problem; get to the origin of the difficulties, which means finding a way to resolve them.

Writing a business plan is one of the first and crucial actions performed during the implementation of the project. However, it should be mentioned that there is no ubiquitous or standard form of a business plan suitable for all occasions, as there are no identical sources of funds.

Small business is of great importance for the development of the country's economy. Unlike large enterprises, it can quickly respond to changing market demands, smoothly adapting to new conditions, clearly demonstrating its own flexibility and mobility.

A business plan should:

- show that the product or service provided will find its consumer;
- establish the size of the market and potential prospects for its development;
- estimate the costs necessary for the manufacture and marketing of the products, the provision of works or services on the market;
- determine the profitability of the future production and evaluate its work efficiency.

The main goal when creating a cafe-confectionery was to arrange a cosy space for consumers to relax. The concept of the "Fit-Sweet cafe-confectionery" meets all the recent requirements: the modern eco-style interior design, the use of natural products, and the preparation of dietetic confectionery products according to the latest innovations.

Healthy food trend began a few years ago and it is not going to languish. This can be a competitive advantage for creating such a kind of business. The competitors' market analysis indicated that at present, there are no enterprises grounded on the sale of dietetic confectionery products in the Lisbon metropolitan area. The newly created enterprise has advantages over competitors in a pricing policy, in the ability to provide good discounts to customers, as well as in selling unique products of great quality with a lower energy balance.

As a result of the implementation of activities in the "Fit-Sweet" café-confectionery, the efficiency of the new commercial venture will be increasing, which will contribute to its further successful development in this business sphere. The assortment of the offered dishes should also be expanded while the quality of service would be getting improved, which will help attract new customers. By virtue of additional incentives for employees, the quality of service and the desire to achieve higher qualitative and quantitative indicators will increase.

In the cafe-confectionery, all measures will be taken to exclude any threats to health in order to ensure both staff and customers' safety and security. Furthermore, certain steps

would be made to provide environmental protection according to the corresponding laws of the Portuguese Republic.

To conclude, it is necessary to say that the tasks in the project have been completed; the goal has been achieved. Thus, the developed business plan regarding opening the “Fit-Sweet” cafe-confectionery in Lisbon can be considered economically viable, gainful, and rewarding. Based on the results, I plan to launch this business at September, 2021.

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APPENDIXES

APPENDIX A. Respondents information.

1. Name of opponent; 2. Gender; 3. Age; 4. Occupation (E-Employed, U-Unemployed, S-Student); 5. Visiting time (E/d-Every day, W-Weekends, - Not Specified); 6. Reason for visiting; 7. Preferences (- no preference or spending time in a cafe, T/a – take away, Both); 8. Preferences about deserts (1-low calorie deserts, 2- traditional deserts).

	1	2	3	4	5	6	7	8
1	Amanda	F	23	E	-	Lunch	-	1,2
2	Afonso	M	31	E	E/d	Lunch/meetings	Both	1
3	Bento	M	24	E	W	Relax	Both	1
4	Carlinhos	M	24	U	-	Lunch	-	1,2
5	Carolina	F	41	E	W	Relax	Both	1
6	Carlos	M	37	E	E/d	Lunch	Both	1
7	Cassandra	F	27	E	-	Meetings	-	2
8	Cintia	F	29	U	E/d	Lunch/relax	Both	1,2
9	Dado	M	20	S	E/d	Relax	Both	2
10	Diogo	M	23	S	-	Relax	Both	2
11	Diana	F	27	E	E/d	Breakfast	T/a	1,2
12	Diogo	M	31	E	-	Relax	-	1
13	Edgar	M	37	E	W	Relax/ meeting	-	1
14	Elisabete	F	20	S	-	Relax/meeting	-	1
15	Estela	F	32	E	W	Relax	Both	1
16	Felipo	M	19	U	-	Relax	-	2
17	Felipinho	M	23	U	-	Meeting	T/a	1,2
18	Frederico	M	45	E	-	Lunch / meeting	-	2
19	Gaspar	M	37	E	E/d	Lunch	T/a	1
20	Gertruda	F	28	E	E/d	Meeting	Both	1
21	Gloria	F	21	S	E/d	Breakfast	-	1
22	Iolanda	F	23	E	W	Relax	Both	1
23	Joao	M	33	E	W	Relax	Both	2
24	Joao	M	25	S	-	Relax/meeting	-	1,2
25	Joana	F	41	E	-	Relax/meeting	-	1,2
26	John	M	36	E	E/d	Breakfast	T/a	1
27	Jordan	M	29	E	E/d	Meeting	T/a	2
28	Leonor	F	24	E	E/d	Relax	Both	1
29	Leandra	F	27	U	-	Relax	-	1
30	Laura	F	31	U	-	Meeting	-	1
31	Lourenco	M	33	E	E/d	Relax/Lunch	Both	2
32	Manoel	M	28	E	W	Relax	Both	1
33	Marco	M	22	S	-	Relax/meeting	-	1,2
34	Marta	F	43	E	-	Relax	-	1
35	Maria	F	35	E	E/d	Meeting	T/a	2
36	Maria	F	22	S	-	Lunch/ relax	-	1
37	Marta	F	27	U	-	Relax	-	1,2
38	Margarida	F	21	U	-	Relax	Both	1
39	Marina	F	18	S	-	Meeting	T/a	1
40	Martim	M	20	S	W	Relax	Both	1
41	Neves	M	33	E	W	Relax/ meeting	-	1
42	Nicolau	M	41	E	E/d	Lunch	T/a	1,2
43	Nicolau	M	39	E	E/d	Breakfast	T/a	2
44	Nuno	M	27	E	E/d	Lunch	Both	1
45	Nurio	M	20	U	W	Relax	-	1,2
46	Patrick	M	35	E	-	Meeting	-	2

47	Raphael	M	38	E	-	Meeting	Both	1
48	Rudolf	M	20	S	-	Relax	-	1
49	Sabina	F	37	U	-	Meeting	T/a	1
50	Sebastiao	M	48	E	-	Relax	-	1,2
51	Sami	M	23	E	E/d	Relax	Both	1
52	Sergio	M	26	E	-	Relax	Both	2
53	Sonia	F	19	S	W	Meeting	T/a	2
54	Silvio	M	40	E	-	Relax	-	1,2
55	Tatiana	F	26	E	E/d	Breakfast	T/a	1
56	Tatiana	F	30	E	E/d	Lunch	Both	2
57	Tiago	M	28	E	E/d	Meeting	-	1,2
58	Tiago	M	19	S	W	Relax/ meeting	-	2
59	Tomas	M	27	U	W	Relax	Both	2
60	Vicente	M	24	E	-	Relax	Both	1
61	Vitoria	M	22	S	-	Relax/meeting	Both	1

APPENDIX B. *General Assumptions*

Project Name – “Fit-Sweet” Café-Confectionary		
Currency unit		Euros
1st year activity		2021
Number of Months of Activity in 1st Year		3
Average Receipt Time (days)		0
Average Payment Term (days)		0
Average Stocking Time (days)		0
Doubtful Provisions		0%
Permanent Cash Fund		1000
VAT Rate - Sales		23%
VAT Rate - Services		23%
VAT Rate - CGSMC		23%
VAT Rate - ESS		23%
VAT Rate - Investment		23%
Average IRS Rate		6,00%
IRC Rate		1° Ech 25,00%
Short Term Interest Rate - Application		0,70%
Short Term Interest Rate - Loan		2,00%
Long Term Interest Rate - Loan	0%	2,00%
Risk-free asset interest rate - Rf		2,00%
Market risk premium - (Rm-Rf) * or p°		0,00%
Equivalent Business Beta		100,00%
Perpetuity cash flow change rate		0,00%

APPENDIX C. *The production plan in units, unit selling and cost prices, sales, gross margin contribution*

	Unit Sale Price	Unit cost	Sale, unit		Sales		CGSMC		Gross margin contribution	
			2021	2022	2021	2022	2021	2022	2021	2022
Cakes	7,86	2,25	4824	10372	€37 916,64	€81 523,92	€10 854,00	€23 337,00	€27 062,64	€58 186,92
Candies & Cookies	3,7	1,93	6120	13158	€22 644,00	€48 684,60	€11 811,60	€25 394,94	€10 832,40	€23 289,66
Ice Creams	6,38	1,99	1728	3715	€11 024,64	€23 701,70	€3 438,72	€7 392,85	€7 585,92	€16 308,85
Cold & Hot drinks	4,16	0,3	8784	18886	€36 541,44	€78 565,76	€2 635,20	€5 665,80	€33 906,24	€72 899,96
Total			21456	46131	€108 112,72	€232 472,98	€28 739,52	€61 790,59	€79 387,20	€170 685,39

APPENDIX D. *Menu; kcal, Protein/Fat/Carbohydrates*

1. Name of product; 2. Weight of one portion, gr; 3. Product calorie per 100 gr, kcal; 4. Amount of protein, gr; 5. Amount of fat, gr; 6. Amount of carbohydrates, gr; 7. Total calories for portion, kcal; 8. Original product calories per 100 gr, kcal;

1	2	3	4	5	6	7	8
Cakes							
Snickers	120	308,6	23,7	16,7	16,8	370,32	587,4
Chocolate & almonds	120	382,5	21,8	16,8	35,9	459	2839
Tiramisu	120	154	13	6	10	184,8	249
Cottage cake	120	165	12	6	18	198	321
Blueberry cake	120	109	6	7	8	130,8	230
Strawberry-cottage-yoghurt	120	166	10	5	20	199,2	265
Cheesecake	120	201	27,4	5,1	10,9	241,2	321
Candies & cookies							
Peanut heaven	25	375,1	24	19,4	34,1	93,775	574,6
Cottage cheese cloud	35	126,9	23,7	1,7	4,5	44,415	248,1
Burphi	20	347,6	23,1	6,9	51	69,52	634
Apple marshmallow	25	124,3	15,6	3,6	8,3	31,075	318
Almond cookies	25	102	5,3	8,5	1,1	25,5	170
Chocolate muffins	45	75	2,9	3,4	8,2	33,75	240,2
Mint chocolate mousse	55	126	13,8	5,8	4	69,3	232,5
Red Fruit dessert	120	95	1,9	0,4	21,1	114	135
Ice cream							
Pistachio Protein	150	139	14,9	6,6	4,5	208,5	260
Banana	150	71	2	1	14	106,5	207,3
Red berries	150	29	1,4	0,7	4,4	43,5	159
Lemon Ginger Yogurt	150	171	3,1	1,3	36,5	256,5	359

Smoothies							
Chocolate - Banana	200	67,2	3,4	1,1	11,1	134,4	134,4
Citrus	200	143	3,7	2,4	13	286	286
Yogurt and strawberries	200	108	3,1	2	14	216	216
Tropical fruits	200	158	4,5	1,2	15	316	316
Spicy berry	200	55,3	2,7	1,1	8,3	110,6	110,6
Banana-Pineapple	200	50	0,9	0,3	10,5	100	100
Carrot	200	40	0,8	0,2	8,4	80	80
Orange juice	200	36	0,9	0,2	8,1	72	72
Hot drinks							
Coffee	50	2	0,2	0	0,3	1	1
Americano	200	9,5	0,6	0,6	0,7	19	19
Cappuccino	200	45,5	1,8	2,6	3,9	91	91
Sort of teas	200	0	0,1	0	0	0	0

APPENDIX E. *The necessary equipment for the cafe-confectionery*

<i>Equipment name</i>	<i>Qnt</i>	<i>Price per item</i>	<i>Discount</i>	<i>Total price</i>
Thermal equipment for the confectionery workshop				
Gastro M 600 60/90 CFGE gas kitchen	1	€3 171,20	20%	€2 536,96
Buffalo cabinet for 60 pies	2	€516,10	20%	€825,76
Refrigeration equipment for the workshop and bar				
Polar Series C refrigerated display cabinet	2	€467,70	20%	€748,32
Vertical refrigerator Polar Series C 400L	1	€736,00	20%	€588,80
Polar G Series refrigerator low height door 104 bottles - for bar	1	€589,00	20%	€471,20
Technological equipment for workshop and bar				
Electronic Scale Nisbets Essentials 5kg - for workshop and bar	2	€15,95	20%	€25,52
Spiral mixer Gastro M 7L	1	€1 038,51	20%	€830,81
Buffalo Shake Mixer	1	€109,90	20%	€87,92
Automatic espresso machine	1	€1 046,00	0%	€1 046,00
BPA-free kitchenaid Blender	1	€296,20	20%	€236,96
1,7L stainless steel Caterlite kettle	1	€27,20	20%	€21,76
Vogue Model Washbasin	1	€75,70	20%	€60,56
Vogue stainless steel double sink 1500mm	1	€645,00	20%	€516,00
Stainless steel work table - 100 x 60 cm	5	€179,00	0%	€895,00

Fully closed stainless steel work table 500 depth 2 Shelves	1	€717,00	0%	€717,00
Wire shelf with 4 Vogue shelves	2	€130,90	20%	€209,44
Vogue 610 x 915mm 4-wire shelf kit	2	€176,60	20%	€282,56
Shelf Starter Kits 1830 (H) x 540 (D) mm	3	€192,90	20%	€462,96
Kitchen utensils and supplies				
Confectionery supplies	1	€1 500,00	20%	€1 200,00
Utensils and cutlery for guests	1	€700,00	20%	€560,00
Equipment for the washing				
Jackstack dish storage for 52-dish table	2	€622,50	20%	€996,00
Jackstack storage shelf 100cm x40cm	1	€357,90	20%	€286,32
Dishwasher 400 x 400 mm basket	1	€1 464,00	0%	€1 464,00
Polar C Countertop Ice Maker 17kg	1	€369,90	20%	€295,92
Equipment for office premises				
Vidaxl Wardrobe 150x45x176 cm fabric	1	€36,99	0%	€36,99
Notebook, Lenovo	3	€302,35	0%	€907,05
Xerox 6515V / DNI Color Multifunction Laser Printer	1	€270,60	0%	€270,60
Swivel chair -for the accountant - director	2	€45,00	0%	€90,00
Table, black, white, 200x60 cm	2	€160,00	0%	€320,00
Bar equipment				
Bar counter	1	€1 500,00	0%	€1 500,00
Bar vitrine	1	€648,43	0%	€648,43
Mypos Mini - White	1	€129,00	0%	€129,00
Cash register	1	€406,37	0%	€406,37
Speakers	1	€85,35	0%	€85,35
Equipment for the hall				
Hanger, black, 78 cm	4	€9,99	0%	€39,96
Swivel chair,	30	€99,00	0%	€2 970,00
Table, white	5	€119,20	0%	€596,00
LED lighting system 40 lamps	6	€6,00	0%	€36,00
Bathroom				
Washbasin cabinet with 45x32	1	€338,99	0%	€338,99
White square ceramic toilet	1	€195,99	0%	€195,99
Toiletries	1	€200,00	0%	€200,00
TOTAL				€24 136,50

APPENDIX F. *Basic legislation*

- Decree-Law No. 555/1999, of 16 December, in its current wording - Legal Regime for Urbanization and Building
- Ordinance No. 113/2015 of 22 April - identifies the instructive elements of the procedures provided for in the Legal Regime for Urbanization and Building
- Decree-Law no. 220/2008, of 12 November, republished by Decree-Law no. 224/2015, of 9 October - Legal regime for fire safety in buildings
- Ordinance no. 1532/2008, of 29 December - approves the Technical Regulation on Fire Safety in Buildings (SCIE) Decree-Law no. 9/2007, of 17 January, amended by Decree-Law no. 278/2007, of 1 August - General Noise Regulation
- Decree-Law no. 36/2003, of 5 March, in its current wording - Industrial Property Code
- Decree-Law no. 48/2011 of 1 April (in its current version) - simplifies the regime for occupying public space, displaying and registering commercial messages of a commercial nature
- Decree-Law No. 10/2015, of 16 January - Legal regime for access and exercise of commerce, services and catering activities (RJACSR) and regulates specific requirements for the exercise of the Catering and Beverages activity
- Decree-Law no. 306/2007, of 27 August, amended by Decree-Law no. 92/2010, of 26 July - Regime for the quality of water intended for human consumption
- Regulation (EC) No 852/2004 of the European Parliament and of the Council, of 29 April, on the hygiene of foodstuffs
- Decree-Law No. 113/2006, of 12 June - ensures the execution and compliance, in the national legal system, of the obligations arising from Regulations (EC) no. 852/2004 and 853/2004, both of the European Parliament and of the Council, of 29 April, on food hygiene and specific hygiene rules for food of animal origin
- Ordinance no. 29-B / 98, of 15 January, amended by Ordinance no. 158/2015, of 29 May - establishes the rules of operation of consignment systems applicable to reusable and non-reusable packaging, as well as those of the system Integrated only applicable to non-reusable packaging
- Law no. 37/2007, of August 14, republished by Law no. 109/2015, of August 26 - approves rules for the protection of citizens from involuntary exposure to tobacco smoke and measures to reduce demand related to addiction and cessation of consumption

- Decree-Law No. 156/2005 of 15 September, in its current wording - establishes the obligation to make the complaints book available to all suppliers of goods or service providers who have contact with the general public
- Decree-Law No. 48/96, of May 15, republished by Decree-Law No. 48/2011, of April 1, and amended by Decree-Law No. 10/2015, of January 16 - establishes the schedule of hours operation of commercial establishments
- Law No. 144/2015, of 8 September - establishes the legal framework for mechanisms for out-of-court resolution of consumer disputes
- Decree-Law no. 26/2016, of 9 June - ensures the execution and compliance, in the domestic legal order, of the obligations arising, among others, from Regulation (EU) no 1169/2011, of the European Parliament and of the Council, of 25 October, and sets the rules for the provision of information relating to foodstuffs presented for sale to the final consumer or to collective catering establishments without prior packaging, as well as foodstuffs supplied by collective catering establishments, prepackaged for direct sales and those packed at points of sale at the buyer's request.
- Law 7/2009, of February 12 (in its current version) - Labor Code
- Law 102/2009, of 10 September, amended by Laws 42/2012, of 28 August, 3/2014, of 28 January, 88/2015, of 28 May, 146/2015, of September 9 and August 28, 2016 - August 23 - Legal regime promoting health and safety at work
- Ordinance No. 55/2010 of 21 January, amended by Ordinance No. 108-A / 2011, of 14 March - regulates the content of the annual report regarding information on the company's social activity and the period for its presentation by of the employer, at the service of the ministry responsible for the labor area

APPENDIX G. *CGSMC*

CGSMC - Cost of Goods Sold and Materials Consumed						Unit:	Euros
CGSMC	Gross Margin	2021	2022	2023	2024	2025	2026
Cakes	71,36%	10 854	23 345	26 846	30 873	35 503	40 828
Candies & Cookies	47,84%	11 812	25 395	29 205	33 586	38 623	44 417
Ice Creams	68,81%	3 439	7 393	8 501	9 777	11 244	12 931
Cold & Hot drinks	92,79%	2 635	5 666	6 515	7 493	8 617	9 909
TOTAL CGSMC, Euro		28 740	61 799	71 067	81 728	93 986	108 085
VAT	23%	6 610	14 214	16 346	18 798	21 617	24 860
TOTAL CGSMC + VAT		35 350	76 013	87 413	100 526	115 603	132 945

APPENDIX H. *Accumulated Investment Amounts*

Accumulated Amounts - Balance

	2021	2022	2023	2024	2025	2026
Intangible assets						
Installation Expenses	1 520					
R&D Expenses	5 000	8 000	11 000	14 000	17 000	20 000
Industrial Property and Rights						
Computer programs	1 280	2 060	2 840	3 620	4 400	5 180
Other intangible assets						
Total Intangible Assets	7 800	10 060	13 840	17 620	21 400	25 180
Tangible Fixed Assets						
Land and Natural Resources						
Buildings and other constructions	4 500	4 500	4 500	8 500	8 500	8 500
Basic equipment	24 136	24 136	24 136	24 136	24 136	24 136
Transport Equipment	41 000	41 000	41 000	41 000	41 000	41 000
Tools and utensils	7 000	7 000	7 000	7 000	7 000	7 000
Office equipment	2 450	2 900	3 350	3 800	4 250	4 700
Tarare Container	2 500	2 500	2 500	2 500	2 500	2 500
Other Tangible Fixed Assets	10 910	11 120	11 330	11 540	11 750	11 960
Total Tangible Fixed Assets	92 496	93 156	93 816	98 476	99 136	99 796
Total de Activo não Corrente	100 296	103 216	107 656	116 096	120 536	124 976

APPENDIX J. *Forecast Balance*

Forecast Balance

	2021	2022	2023	2024	2025	2026
					Unit:	Euros
ASSETS						
Assets						
Intangible assets	7 800	10 060	13 840	17 620	21 400	25 180
Tangible fixed assets	92 496	93 156	93 816	98 476	99 136	99 796
Accumulated Depreciation	5 064	26 737	49 824	74 172	95 717	106 362
Inventories						
Raw Materials and Subsidiaries						
Finished and Intermediate Products						
Goods						
Short-term Accounts Receivable						
Customer Debts						
Doubtful customers						
State and other public entities						
Other accounts receivable						
Cash and Bank Deposits	1 000	1 000	20 727	73 138	152 952	259 100
Deferrals						
TOTAL ASSETS	96 231	77 479	78 559	115 062	177 771	277 713
EQUITY						
Realized capital						
Other equity instruments						
Revaluation Surplus						
Reserves and Retained Earnings		9 260	10 727	27 004	60 824	118 487
Net income for the period	9 260	1 467	16 277	33 819	57 664	91 325
TOTAL EQUITY	9 260	10 727	27 004	60 824	118 487	209 812
LIABILITIES						

Provision for taxes							
Non-current Liabilities							
Long Term Financing	25 000	20 000	15 000	10 000	5 000		
Debts to fixed assets suppliers							
Supplies	20 000	20 000	20 000	20 000	20 000	20 000	20 000
Other bills to pay							
Current Liabilities							
Short Term Financing	27 479	16 741					
Debts to Suppliers							
State and other public entities	14 492	11 530	18 075	25 759	35 804	49 421	
Other bills to pay							
Deferrals							
TOTAL LIABILITIES	86 972	68 272	53 075	55 759	60 804	69 421	
TOTAL EQUITY AND LIABILITIES	96 231	78 999	80 079	116 582	179 291	279 233	

Control Line

-1 520

-1 520

-1 520

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-1 520

APPENDIX J. WACC calculations

Cálculo do WACC

Unit: Euros

	2021	2022	2023	2024	2025	2026
Passivo Remunerado	52 479	36 741	15 000	10 000	5 000	0
Capital Próprio	9 260	10 727	27 004	60 824	118 487	209 812
TOTAL	61 739,29	47 468,45	42 004,22	70 823,52	123 487,16	209 812,36
% Passivo remunerado	85,00%	77,40%	35,71%	14,12%	4,05%	0,00%
% Capital Próprio	15,00%	22,60%	64,29%	85,88%	95,95%	100,00%
Gasto						
Gasto Financiamento	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%
Gasto financiamento com efeito fiscal	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%
Custo Capital	2,00%	2,00%	2,00%	2,00%	2,00%	2,00%
Custo ponderado	1,57%	1,61%	1,82%	1,93%	1,98%	2,00%