



CONTINUING  
EDUCATION  
CENTER



EXECUTIVE  
ACADEMY

# **Start-up Environment in Austria and Business Plan “Besorgungen Machen”**

A Master’s Thesis submitted for the degree of “Master of Business  
Administration”

**David Enrique Rodríguez Urrea**  
h1632878

supervised by:  
Prof. Dr. Robert D. Hisrich

June 30, 2018  
Vienna, Austria



## Affidavit

I, David Enrique Rodríguez Urrea, hereby declare

1. that I am the sole author of the of the present Master's Thesis, "Start-up Environment in Austria and Business Plan Besorgungen Machen.", 63 pages, bound, and that I have not used any source or tool other than those referenced or any other illicit aid or tool, and
2. that I have not prior to this date submitted this Master's Thesis as an examination paper in any form in Austria or abroad.

Vienna, 30.06.2018

---

Signature

## Professional MBA - Entrepreneurship & Innovation

<b>Author of Master Thesis:</b>	David Enrique Rodríguez Urrea
<b>Title of Master Thesis:</b>	Start-up environment in Austria and Business Plan Besorgungen Machen
<b>Supervisor:</b>	Professor Dr. Robert Hisrich
<b>Number of pages:</b>	63
<b>University:</b>	Vienna University of Economics and Business / TU Wien
<b>Year:</b>	2018

### Abstract

The main objectives of this master thesis is to both understand the actual start-up environment in Austria; its main advantages and triggers as well as the most important barriers and set-backs that they face in both the creation process and the developing process. Once the context is cleared up, then the thesis is focused on developing an Opportunity Assessment Plan for six potential business ideas until finally one of the ideas is chosen to be developed with a full business plan via a simple scoring system. 66% of the business ideas are characterized by either internet connection portals or technology driven developments which is very coherent with Austria's start-up creation in the last decade. Moreover, once the idea is well developed in the business plan, the financial structured analysis will give the final conclusion to the business development and creation. The originality of this master thesis relies on the development of the idea while including the financial, cultural and economic environment of Austria.

# Contents

<b>1.</b>	<b>INTRODUCTION .....</b>	<b>8</b>
<b>1.1</b>	<b>Problem Formulation .....</b>	<b>10</b>
<b>1.2</b>	<b>Objective of the Thesis .....</b>	<b>10</b>
<b>2.</b>	<b>AUSTRIA: OUTLOOK.....</b>	<b>11</b>
<b>2.1</b>	<b>Startups in Austria .....</b>	<b>11</b>
<b>2.1.1</b>	<b>Founders and Teams.....</b>	<b>11</b>
<b>2.1.2</b>	<b>Industry, Costumers and Markets .....</b>	<b>12</b>
<b>2.1.3</b>	<b>Employment .....</b>	<b>13</b>
<b>2.1.4</b>	<b>Financing.....</b>	<b>13</b>
<b>2.1.5</b>	<b>Economic Situation, Challenges and Expectations.....</b>	<b>14</b>
<b>2.2</b>	<b>General Indicators and Forecasts in Austria .....</b>	<b>14</b>
<b>2.2.1</b>	<b>Population .....</b>	<b>14</b>
<b>2.2.2</b>	<b>Economy .....</b>	<b>15</b>
<b>2.3</b>	<b>Austrian Products.....</b>	<b>17</b>
<b>3.</b>	<b>OPPORTUNITY ASSESMENT PLAN .....</b>	<b>18</b>
<b>3.1</b>	<b>Introduction.....</b>	<b>18</b>
<b>3.2</b>	<b>Potential Business Ideas Analysis .....</b>	<b>18</b>
<b>3.2.1</b>	<b>Business Plan 1: Concierge Service .....</b>	<b>18</b>
<b>3.2.2</b>	<b>Business Plan 2: Maid Services.....</b>	<b>19</b>
<b>3.2.3</b>	<b>Business Plan 3: Service Exchange Internet Portal .....</b>	<b>20</b>
<b>3.2.4</b>	<b>Business Plan 4: Eco-tourism in Austria .....</b>	<b>21</b>
<b>3.2.5</b>	<b>Business Plan 5: Nighttime Automobile Service Center.....</b>	<b>21</b>

3.2.6	Business Plan 6: Restaurant (Latin American Concept).....	22
3.3	Table of Evaluation – Simple Scoring System.....	23
3.4	Team’s Strengths and Weaknesses .....	24
4.	<b>BUSINESS PLAN ANALYSIS</b> .....	25
4.1	Definition of the Service Chosen Besorgungen Machen .....	25
4.2	What market need does it fill? .....	26
4.3	What is the size and past trends of this market? .....	27
4.4	What is the future growth and characteristics of this market? .....	30
4.5	Characteristics of the Target Market .....	31
4.6	Corporate Entrepreneurial Self-assessment and the Entrepreneurial Team	34
4.6.1	Why does this opportunity interest you?.....	34
4.6.2	What are your reasons for going into business? .....	34
4.6.3	What experience, education and background do you and each member of your team have? .....	34
4.6.4	What experience is needed to successfully implement the business plan?	35
4.7	Moments of Truth of Besorgungen Machen .....	35
4.7.1	Service Triangle .....	38
4.8	Competition.....	39
4.9	Action Plan.....	42
4.10	Marketing and Strategy .....	44
4.10.1	Service Strategy.....	44
4.10.2	Price Strategy.....	45
4.10.3	Brand Strategy .....	46
4.10.4	Promotion.....	48

4.10.5	Media Specification .....	51
5.	ECONOMIC ANALYSIS .....	53
5.1	Development of Investment .....	53
5.1.1	Operational Investment of the Portal.....	53
5.1.2	Fixed Operating Costs and Initial Capital.....	54
5.1.3	Variable Costs.....	55
5.2	Generalizations .....	56
5.3	Financial Study .....	56
5.4	Results of the Financial Analysis .....	63
5.4.1	Solvency Reasons .....	64
5.4.2	Reasons for Stability .....	64
5.4.3	Reasons for Productivity.....	65
5.4.4	Profitability Reasons .....	66
5.5	Financial Conclusions .....	66
6.	CONCLUSIONS .....	67
7.	REFERENCES .....	70

## List of Figures

Figure 1. Austrian Import Partners in 2016.....	16
Figure 2. Austrian Export Partners in 2016.....	17
Figure 3. No. Digital buyers WW 2014-2021 .....	27
Figure 4. Online Shopping Penetration Austria 2003-2017.....	28
Figure 5. C2C and B2C eCommerce Market Size (source: <a href="http://journal.sapub.org/ijnc">http://journal.sapub.org/ijnc</a> ).....	28
Figure 6. Share of Internet use to sell products by country 2016 .....	29
Figure 7. C2C eCommerce business model (source: <a href="http://journal.sapub.org/ijnc">http://journal.sapub.org/ijnc</a> ).....	31
Figure 8. Age Distribution in Austria 2006-2016 .....	33
Figure 9. Moments of Truth .....	36
Figure 10. Google Ads .....	52

## List of Tables

Table 1. Competitiveness Ranking Comparison: Austria vs. USA .....	9
Table 2. Evaluation of Potential Business Plans - Simple Scoring System.....	24
Table 3. Team's Strengths and Weaknesses .....	24
Table 4. Competitors' Analysis .....	41
Table 5. Knowledge perceived by Customer through the Internet Portal .....	47
Table 6. Development Investment (source: <a href="http://www.dinamicstage.com">www.dinamicstage.com</a> ).....	53
Table 7. Operative Costs (source: <a href="http://www.dell.com">www.dell.com</a> ).....	54
Table 8. Operative fixed costs (source: Domain Direct. <a href="http://www.securepaynet.net">www.securepaynet.net</a> ) .....	55
Table 9. First Year Cash Flow.....	58
Table 10. 5-year Projected Cash Flow .....	59
Table 11. 5-year Projected P&L .....	60
Table 12. 5-year Projected Balance Sheet.....	62
Table 13. Cost Analysis .....	63
Table 14. Profit Analysis .....	63

# 1. INTRODUCTION

To understand the sources of growth and economic development of an economy is very important. To reach to a conclusion of which are the most important factors that help an economy grow, we do not only have to see which are the main rubrics of the GDP. Within the recent years, many research has been developed regarding the key role that entrepreneurship and innovation has within an economy. Economic growth within a country or a region can be determined by the following forces: “an increase in factors of production, improvements in the efficiency of allocation across economic activities, knowledge and the rate of entrepreneurship and innovation.”<sup>1</sup> Basically when an economy is in an environment of efficient allocation of resources, trustworthy institutions and a stable economy, the only resource that permits the growth and sustainability of an economy is their ability to create value via entrepreneurship (creation company and value added ideas) as well as innovation not only of products but efficiency of processes as well. More specifically speaking, start-ups are seen as a critical point to develop the entrepreneurship and innovation concept within the cultural mindset of a country or region. Once a start-up has reached a certain maturity and has fulfilled with its commercial purpose, they become scalable business that contribute greatly to the economy’s growth as well as giving sustainability and improving quality of life for the community. So, the process of innovation from this perspective is critical to comprehend sustainable growth.

Nevertheless, it is imperative to understand how this type of organizations are created, and the process that they have to go through to survive. Many discussions regarding the European Union and the local governments are widely encouraged in order to incentivize the creation and development of start-ups.

Austria, which is my selected country to analyze as a promoter or not of a start-up (entrepreneurship and innovation) ideal environment, is not the best qualified in today’s terms if we compare it against countries that have an ideal setting for start-up creation. A classification made by Pilewicz and Maria<sup>2</sup>, shows the clear comparison between the United States and Austria:

---

<sup>1</sup> “Braunerhjelm, P. “Entrepreneurship, Innovation and Economic Growth”. Past experiences, current knowledge and policy implications. Swedish Entrepreneurship Forum. Paper work 2010:02. Pp 3.

<sup>2</sup> Pilewicz, T and Maria, C, “The role of start-up accelerators as a form of institutional support for early stage start-ups. Comparison study of US, Austria and Poland”. Master Thesis degree. Pp 9-11.



<i>Ranking</i>	<i>Ranking location of USA</i>	<i>Ranking location of Austria</i>
<i>The Global Competitiveness Index (World Forum, Overall Index 2015-2016 Economic 2015) –</i>	<i>3 (innovation-driven)</i>	<i>23 (innovation-driven)</i>
<i>The Global Competitiveness Index 2015-2016 - Innovation and Sophistication Factors Sub-Index (World Economic Forum, 2015)</i>	<i>4</i>	<i>14</i>
<i>Innovation Policy Capacity (Kaufmann Foundation, 2012)</i>	<i>Upper Tier</i>	<i>Upper-Tier</i>
<i>Global Innovation Index (Cornell University, INSEAD, World Intellectual Property Organization, 2015)</i>	<i>5</i>	<i>18</i>
<i>Innovation Union Scoreboard (European Union, 2015)</i>	<i>Not applicable</i>	<i>Innovation Follower</i>
<i>The Global Start-Up Ecosystem Ranking 2015 (Compass, 2015)</i>	<i>7 USA local ecosystems in the ranking within 20 ecosystems in ranking in total</i>	<i>No Austrian local ecosystems in the ranking within 20 ecosystems in ranking in total</i>

*Table 1. Competitiveness Ranking Comparison: Austria vs. USA*

Source: Pilewicz, T and Maria, C, "The role of start-up accelerators as a form of institutional support for early stage start-ups. Comparison study of US, Austria and Poland". Master Thesis degree. PP 9-11. Taken from "The Global Competitiveness Report 2015-2016", World Economic Forum, 2015, p. XV, p. 7- 8, p. 38, "The Global Innovation Policy Index", Kauffman Foundation, 2012, p. 5, "The Global Innovation Index 2015, Cornell University, INSEAD, World Intellectual Property Organization", 2015, p. 17, "Innovation Union Scoreboard 2015", European Union, 2015, p. 64- 65., "The Global Start-Up Ecosystem Ranking 2015", Compass, 2015, p. 23.

After watching very closely this chart and having analyzed Austria and the United States we could clearly see that Austria still needs to work to improve their environment and make it more appealing so that its population begin creating more start-ups, boosting up the economy and making it more sustainable. The conclusion from the analysis of this table in the paper mentioned

was that the start-up accelerators based on internal governmental policy making can contribute to creation and generation of new business and companies.

Finally, after having a revision of the environment in Austria, this master thesis will concentrate in developing a business plan for an start-up in the country and understanding the whole business process until finally having a financial decision and recommendation of the idea developed called “Besorgungen Machen” which is an internet portal service interconnection and exchange between people. Thanks to the development of the business plan, the start-up idea now has not only the financial, but also the marketing, sales and go to market plan, which makes it very beneficial to develop in in the near future.

## **1.1 Problem Formulation**

I formulated two basic problems and is to try to understand whether Austria has a proper environment for start-up construction and proper development. Moreover, the other problem mentioned is whether the idea developed after the initial Organizational Plan, “Besorgungen Machen”, can run and its financially viable or not. These problems were formulated to help understand interested start-up entrepreneurs the environment that they will encounter while developing their idea in Austria, while illustrating important tools and step by step of how to perform a business plan and reach a final financial conclusion whether the idea should be even considered to develop or not.

Moreover, the intention is to incentivize and contribute to local Austrian governmental policies in order to improve the environment existing and understand their current status.

## **1.2 Objective of the Thesis**

Based on the two problems presented, the objectives of this thesis are:

- Objective 1: Analyze and understand the start-up environment in Austria and help determine which are the best industries in which the entrepreneurs should concentrate and search for industry tendencies and resource investment.
- Objective 2: To develop the idea “Besorgungen Machen” and while the idea is being developed show the step by step of the creation of a business plan and more important the financial analysis and conclusions.

## 2. AUSTRIA: OUTLOOK

### 2.1 Startups in Austria

The question that the theoretical part wants to solve is if the environment in Austria is appropriate to invest and even consider in investing in a start-up enterprise or business.

According to a study carried out in 2016 by the European Startup Monitor (ESM) with 134 Austrian startups<sup>3</sup>, this market is mainly characterized by:

#### 2.1.1 Founders and Teams

Founders are mostly men (92.9%). The share of women initiating an Austrian startup is not only quite small (7.1%) but also below the European average of 14.8% (in which 2,515 startups were analyzed). However, what attracts the most attention is the fact that this value dropped significantly from the previous year when it was 15.5%. In a 2015 study, the OECD stated that some of the risks when starting a new business, “like attaining a satisfactory work-life balance are often more inhibiting for women than for men”<sup>4</sup>. Moreover, the lack of sufficient education and finances to be capable to set-up an own business is a factor explaining the gender gap.

The average age of an Austrian entrepreneur is 30.8 years and almost 75% of the founders are 35 years old or younger. Interesting to note is that the female founders are in average younger than the male ones (28.1 vs 31.1). Is it plausible to think that a recently graduated bachelor-student is not yet ready to assume the risk to start its own business, and a better timing is some years afterwards when more experience and knowledge is gained? Can one also think that at the same time someone around its 40’s or older is already organized and settled that has no incentive to abandon its comfortable zone (i.e. a safe job) for a riskier alternative (i.e. an entrepreneurship)? The vast majority (over 80%) of the founders started their own business in a team with an average of 2.34 people.

The proportion of non-residents founders increased considerably from 19.2% in 2015 to 32.2% in 2016. Of the latter almost 80% are citizens of other European countries.

For the majority of the founders (59.3%) this was the first time they were starting a venture, 22.8%

---

<sup>3</sup> A venture is considered a startup when it is younger than 10 years and it either features an innovative technology and/or business model or strives for a significant growth in revenue and/or number of employees (or both).

<sup>4</sup> OECD (2015), Entrepreneurship at a Glance 2015, OECD Publishing, Paris. [http://dx.doi.org/10.1787/entrepreneur\\_aag-2015-en](http://dx.doi.org/10.1787/entrepreneur_aag-2015-en)

already had started another one and for the remaining 17.8% even two or more.

The willingness of pursuing a successful startup is quite common on the founders, they indicated that in case of failure they would most likely (60.3%) found another start-up. On the other hand, 23.5% would work as an employee and 10.3% would work as freelancers or consultants.

With respect to the future of their startups, 88.8% of the entrepreneurs found it likely to continue working on them, however 75% found it also likely to sell parts of it within the next 10 years.

### **2.1.2 Industry, Customers and Markets**

The most attractive industry for entrepreneurs is the Digital one. 60.4% of the startups are related to this market; with Software as a Service (17.2%) and IT and Software Development (14.9%) as the starring subsectors. The interest in this industry grew considerably from 2015 when it represented 44%. The least appealing sector is Green Technology with a participation of just over 4%.

With respect to the markets where the startups are selling (parts of) their products and/or services, there is a strong inclination of offering them outside of Austria (76.9%). Of them, 96.7% goes to EU-member states, 22.2% to North America, 10% to Asia, 7.8% to Australia and nothing to Central and South America. What could be the reason for such a low interest in the latter market? Is there any opportunity in there?

Within the next year there is an impressive interest of the startups to internationalize: 84.6% are organizing to grow to other European countries and 39.3% want to expand to Asia or North America. The intention of expanding to Europe grew significantly from the previous year (2015) when only 48% startups were planning to do so. This means that there are important incentives and opportunities across the EU market for an Austrian Startup.

Regarding to the novelty of the product and services provided by the startup, almost 3 out of 4 startups (74.7%) consider that they represent an innovation across the European or global market. However, is in the global market (53.2%) where the majority of the innovation is introduced. Another 16.8% of the startups represent an innovation in the European countries (excluding Austria). And just 4.7% of the startups are rated as novel in the Austrian market, which is a significant drop from 2015 when the proportion was 12.4%.

Finally, it is worth to mention, that most of the startups (52.6%) are a B2B (business to business)

venture. However, the B2C (business to customer) ventures still has an important participation. Therefore, seems to be that both models are balanced and that there is no strong inclination for one or the other.

### **2.1.3 Employment**

The Austrian startups are creating 8.7 jobs (including founders). Subtracting the average number of founders, startups are employing 6.4 people, which represents an increase from previous year when they hired 4.95 people on average. Another positive aspect is that startups are planning to hire 4.1 additional employees on average within the next year.

Another aspect to highlight is that, in addition to full-time jobs, 48.5% of the Austrian startups are also offering positions for interns and/or students.

As expected most of the employees are originally from Austria (67.9%), however this share drop from 2015 when it was almost 75%. On the other hand, 17.7% of the employees come from an EU country and just 8.3% from a non-EU country.

### **2.1.4 Financing**

For financing the startup, a vast majority of the founders invested their own money (85.5%). From the external capital, the most used source is governmental funding and subsidies with a 55.4% participation, which constitutes an increase from the 48.6% in 2015. Another 20.5% of the external funding came (partly) from business angels and 30.1% from incubators, company builders or accelerators. The latter source had an important jump from the 15.7% that it represented in the previous year.

There were 28.4% of the startups that were financed solely by their own capital. Other sources of funding were: family and friends (26.5%), Venture Capital (24.1%), Bootstrapping (22.3%), bank loans (18%) and Crowdfunding (3.7%). Worth to note is that both Venture Capital and bank loans as sources for funding grew considerably from the previous year when they represented 10.1% and 11.1%, respectively.

Finally, more than 3 out of 4 startups (77.8%) are planning to raise external funds within the next 12 months.

### **2.1.5 Economic Situation, Challenges and Expectations**

The economic situation of the startups that had already completed a full fiscal year can be considered as positive: 82.1% of them generated revenue and 26.8% had an annual turnover over 250,000 EUR.

When asked about the perception of their current business situation, 29.2% of the Austrian startups rated it as good and 62.2% as satisfying. There was a deterioration of the present situation with respect of the evaluation in 2015 when 38.5% of the startups had a “good” perception and 57.1 a “satisfying” one.

On the other hand, when evaluating their future business situation, a vast majority (77.5%) of the startups rated it as positive and just a 20% as consistent. Among the most important items that represent a challenge for the startups are: sales and customer acquisition (62.8%), managing growth (50%), product development (44.2%) and raising capital (33.7%). Important to note is that the second category was of a less concern in 2015 (34.9%).

## **2.2 General Indicators and Forecasts in Austria<sup>5</sup>**

### **2.2.1 Population**

In 2010 Austria had 8.36 million inhabitants and in 2016 already 8.74 million. During this 6 year-period the annual growth rate increased from 0.34% to 1.31%. However, the forecast expects a drop to a rate of 0.55% by 2022, which is translated in 9.12 million inhabitants.

When looking at the age structure of the Austrian population, it can be observed that the proportion of both kids (between 0-14 years old) and adults (between 15-64 years old) have been shrinking from 15.76% in 2006 to 14.1% in 2016 and from 67.74% to 66.88%, respectively. This behavior is expected to persist in time as the average age of the population is projected to be 49.9 by 2050, while it was 43.2 in 2015.

On the other hand, life expectancy has increased approximately 2.5 years in the 10-year period from 2005 (79.33 years) to 2015 (81.84 years). Concerning fertility and death rate, one could say that they have been quite constant during these same 10 years. In 2015 fertility rate amounted to

---

<sup>5</sup> The data and information portrayed in this section is based on a report from Statista. “Economic Data in Austria”. See: <https://www.statista.com/study/40291/austria-statista-dossier/>. Consulted on the 21<sup>st</sup> of April.

1.47 (children born per woman) and death rate to 9.6 (deaths per 1,000 inhabitants). Lastly, Austrian population is composed by almost 2/3 of urban population (66.03% in 2016).

## 2.2.2 Economy

- *Gross Domestic Product (GDP)*: In 2016 the Austrian GDP in current prices was \$390.96 billion U.S. dollars and an optimistic recovery of the economy projects an increase of more than 46% by 2022 to \$572.67 billion. Likewise, the GDP per capita in current prices is expected to rise from \$44,733.41 U.S. dollars to \$62,781.08 in 2022. After a dramatic 0.03% growth rate of the real GDP in 2013 (when the global crisis was hitting most countries), the Austrian economy has recovered and already in 2016 was growing at a rate of 1.45%. The growth rate is expected to be 2.9% in 2017, 2.64% in 2018 and 1.95% in 2019. For the posterior 3 years it is projected to stabilize in 1.5%.

Concerning the distribution of the GDP across economic sectors in 2016, the service sector was responsible for the vast majority (70.73%) of Austria's production. In the second place comes the industry sector which contributes with a 28% and in the last position, the agricultural sector with 1.27%. It is worth to mention that in spite of the low share of agriculture in GDP, it supplies almost 80% of the domestic food demand<sup>6</sup>. On the industrial and commercial side, the iron and steel jobs, chemical plants and oil corporations are the largest industrial enterprises in the national sphere. The service sector has been supported by the development of Austria as a finance and consulting marketplace; especially relevant to the East economies and their entry to the European Union. Moreover, Travel and Tourism is a big contributor to Austrian economy, accounting for a 15.6% of GDP in 2016.<sup>7</sup>

- *Employment*: In line with the distribution of the GDP across economic sectors, 4.53% of the Austrian labor force was employed in the agricultural sector, 25.76% in the industry sector and 69.7% in the service sector in 2015. The total employment in 2016 was 4.22 million and is estimated to go up to 4.39 million in 2019.

In 2017, the unemployment rate in Austria was at 5.7% and is expected to drop to 5.2% by 2022. The unemployment is affecting more the young population, in which the unemployment

---

<sup>6</sup> Economy of Austria. Wikipedia. Available at: [https://en.wikipedia.org/wiki/Economy\\_of\\_Austria](https://en.wikipedia.org/wiki/Economy_of_Austria). Consulted the 1st of April

<sup>7</sup> Economic Impact Research. WTTC Organization. Available at: <https://www.wttc.org/-/media/files/reports/economic-impact-research/countries-2017/austria2017.pdf>. Consulted the 2nd of April.

rate amounts 10.6%.

- *Inflation:* As part of the effect of the global crisis, the annual inflation rate in Austria was 0.81% in 2015 and 0.97% in 2016. Then, it recovered in 2017 to 2.23% and it is expected to oscillate in the range 2.11-2.2% in the following 5 years.
- *International Trade:* In 2017, Austria had a deficit in its trade balance of \$7.82 billion U.S. dollars, in which the import of goods amounted to \$175.84 billion and the export of goods to \$168.02 billion. As displayed in Figure 1 and Figure 2, the most important trade partner is Germany. In a significant minor proportion, Italy and Switzerland are also relevant partners. The Czech Republic and the Netherlands have a role on the import side and U.S. and Slovakia in the export side.

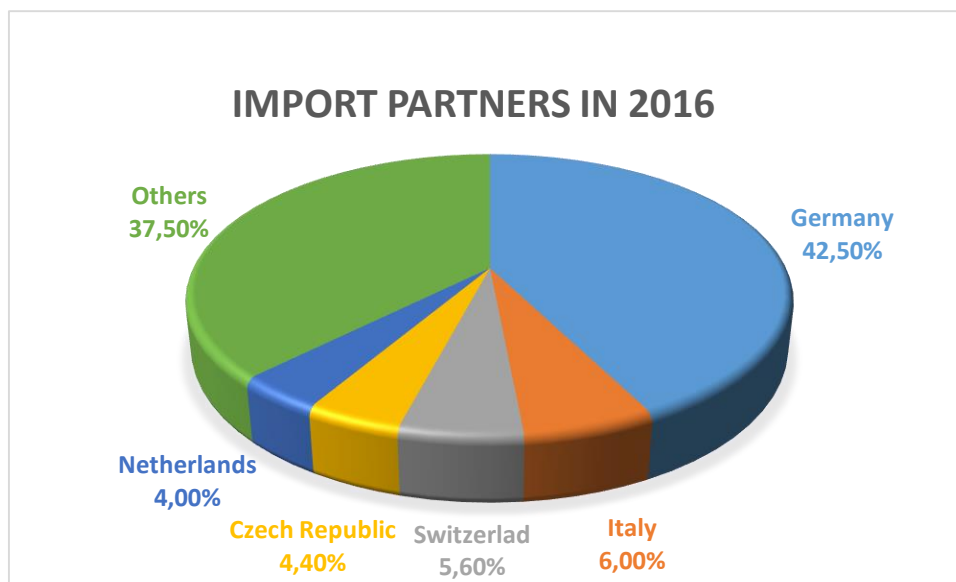


Figure 1. Austrian Import Partners in 2016.



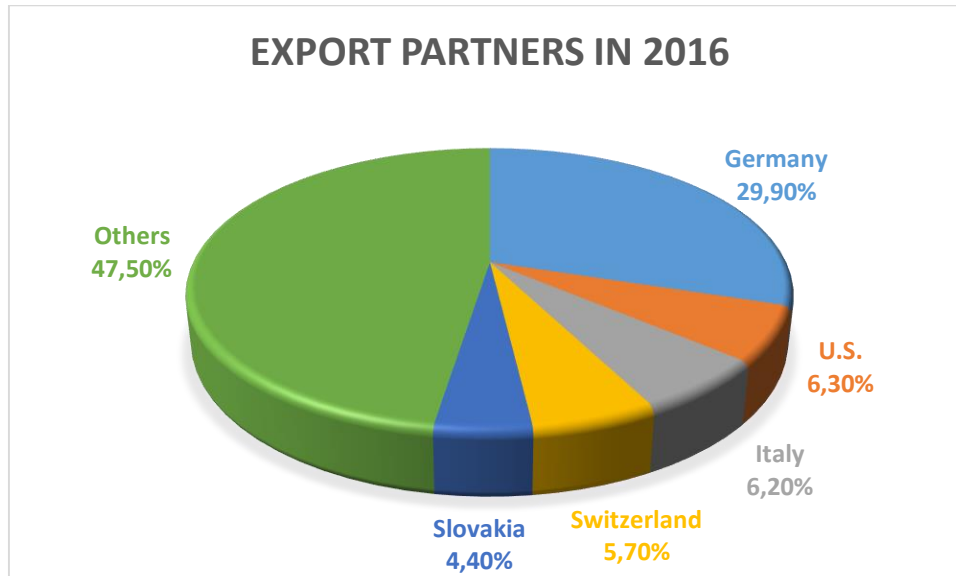


Figure 2. Austrian Export Partners in 2016.

- National Finances:** National debt increased 13.7% from \$305.45 billion U.S dollars in 2012 to \$347.4 billion in 2016. For the next 6 years it is expected a relatively constant behavior around \$341 and \$346 billion. However, in relative terms, the government debt in relation to the GDP is expected to drop from 83.7% in 2016 to 64.9% in 2022. On the other hand, government expenditure accounts for 50.53% of the GDP in 2016 and it is projected to slightly drop to 49.24% by 2022. Finally, it is important to note that the Austrian budget balance in relation to the GDP has been negative since 2012. However, after a deep in 2014 of -2.72% it recovered to -1.54% in 2016 and it estimated to further improve to -0.35% in 2022.

## 2.3 Austrian Products

In a survey conducted by Statista<sup>8</sup> it was concluded that products made in Austria are ranked 17th in the world with an index score of 72. In general, Austrian products possess a positive reputation both in Europe and Asia. In particular, its neighbors Switzerland and Germany rank Austrian products very high.

As shown in Figure 3, Austrian products are mainly associated with high quality (27%), advanced technology (18%) and excellent design (17%). On almost all characteristics, Austria gets slightly above-average scores. The Achilles' heel of Austrian products rests in its price-performance ratio.

<sup>8</sup> MADE-IN-COUNTRY INDEX (MICI) 2017. Statista paper. Available at: <https://www.statista.com/page/Made-In-Country-Index>. Consulted the 21st of April.

Moreover, there is still no strong connection between products made in Austria and innovation (uniqueness -also known as novelty- accounts only for 13%).

So, overall to the question of; is Austria providing a positive and interesting environment to begin a start-up? The conclusion is yes. Even though some of the social security taxation disincentives business in general, the products, innovativeness and market makes of Austria a very interesting scenario to push for a start-up company.

### **3. OPPORTUNITY ASSESMENT PLAN**

#### **3.1 Introduction**

We are a group of three entrepreneurs hereby present our opportunity analysis in the objective of evaluating and identifying the opportunities for six potential business ideas.

Our potential business ideas consisting Concierge Services, Maid Services, Service Exchange Internet Portal, Eco-Tourism in Salzburg, Nighttime Automobile Service Center, and a Latin American Restaurant. The goal of the opportunity assessment plan is to basically understand within the ideas that we have and believe are interesting to develop, which is the most attractive and viable depending on the population's interest and demographic characteristics. So, the objective is basically to find out which is the one that can become more successful and develop it.

#### **3.2 Potential Business Ideas Analysis**

##### **3.2.1 Business Plan 1: Concierge Service**

People are normally living a very busy and stressed life. The Concierge Service is basically a Management service for your private and professional life, depending on your needs. Work, family, friends, personal life are always subject to improve with the time efficiency. The personal or Private Concierge service will basically help you give a hand as an assistant and lifestyle management team for those who need a personal assistant at home as much as at work. The idea is to aid corporates and individuals in developing a highly efficient team, that can help manage their time effectively and so basically maximize the abilities and per se results in their

personal and professional life. Today's world which is basically very competitive, it is necessary for companies to provide this type of service to their employees so that they can find a balance between their personal and professional life, so their professional commitment is higher and their loyalty to the company also grows.

The idea is to provide the following services:

- Home & family
- Entertainment
- Errand running
- Domestic
- Personal
- Travel and corporate.

The idea is to focus on the person, and with it guarantee higher profits for the company with more engaged employees overall. Moreover, from the corporate perspective, this service can also help the companies and the employees to coordinate meetings, arrange business accommodations, travelling, courier services, even a virtual secretary in order that they outsource the most so that they focus in their core competences. Finally, our idea with home and family is that the company provide a service for babysitting, child assistant, maids, delivery food, food shopping, key holding, garden maintenance, pet service between others. Also, for the entertainment section, the idea is that the service can provide with restaurant reservations, outdoor activities, music, sports, purchasing airplane and train tickets between more.

### **3.2.2 Business Plan 2: Maid Services**

Cleaning is important, whether it be cleaning our home, our workplace, our environment or even our desk. Cleaning promotes hygiene, keep us free from disease. It also reduces respiratory problems by reducing dust in our surrounded environment. Speaking about cleaning may sound all too easy but is everyone doing it, or able to do it consistently, while there are so many daily things to fulfill as responsibilities and commitments such as work and family. Parents that come home from work are often too exhausted to bother about cleaning the house when making dinner and taking care of the kids alone has already taken almost all their time in the night. Hiring maids in most of the agencies in Austria may require expensive costs, long waits for foreign domestic helpers and painful adjustment. With our services, people can now say goodbye to all these

difficulties and begin to live their lives as comfortable as they wanted. We will offer a Maid Service Full and Part Time, employing domestic helpers is just a phone call away. Also, we provide you with well-trained domestic helpers.

For as low as EUR 10 per hour, you can have a maid to help you with tedious home cleaning, office cleaning, baby sitting and other household chores. All our helpers will have completed intensive training at specialized training centers in house cleaning to ensure they can be excellent in performing their duties. Our services are safely ensured as all our helpers are professionally trained and trust worthy. Other than that, they are reliable, flexible, affordable, and with instant service where helpers are readily available to provide you with efficient services. The fact also that we can not only create a network that will provide a problem solver for people but will also ensure security and transparency.

### **3.2.3 Business Plan 3: Service Exchange Internet Portal**

Besorgungen Machen is an internet portal that operates 24 hours a day, 7 days a week, which as a base service offers the opportunity for people or companies that need to run any type of errand to search for a person or company that disposes the time to run any type of errand they are being asked. As a differential factor from the competition that exist today in Austria, is that we basically offer any type of service needed. The competitors´ services are limited to house tasks helps (such as cleaning, walking or taking care of pets and taking care of young children and seniors), while Besorgungen Machen will not limit the service and focuses its strategies towards the exact need that the person is actually needing. In addition to this Besorgungen Machen will offer online, offline advice and a complete portfolio according to the client's needs.

The attributes that stand out from Besorgungen Machen are the speed, the ease and the security in the purchase, and the indirect attributes that the customer will value is the variety of services that can be found, and the saving of time used to make the purchase in comparison with traditional commerce.

The direct attributes mentioned above will be the value offer of Besorgungen Machen, since the client is not used to finding these services from a local company, and that additionally offers benefits such as:

- Local customer service during office hours
- Service providing throughout the country
- Competitive prices and agility in the purchase.

The target customers will access Besorgungen Machen because it offers value satisfactions that are financially incalculable, since it gives them the possibility of saving time in errands and activities that require time investment and ultimately quality of life which constitute both psychologically and intangible assets that are scarce in the current era.

### **3.2.4 Business Plan 4: Eco-tourism in Austria**

Austria is probably one of the most complete countries in which you could provide any type of eco-tourism, with cities like Vienna, Salzburg, Innsbruck and Linz you will have tourism for every season in its very peak. Innsbruck and Salzburg due to the fact that the alps and the more than 150 lakes that they have in their surroundings, make these town cities in a paradise for eco-tourism. Vienna and Linz are more industrial, but both have the characteristics that are almost surrounded by the Danube and all the main activities, cultural and outside activities are planned near this river. In this country you will find the best tourism spot where we have our beautiful “islands”, nature, mountain, agriculture and a unique culture. We provide visitors easy access to rainforests, endangered species, and nature centers such as Schönbrunn Zoo, which serves as the perfect base for exploring animals in danger of extinction. Other than that, we also provide Eco Tour such as jungle trekking, adventure to different parks, experiencing Austria’s flora and fauna by catching a glimpse of one of the highest mountains in the world (The Alps).

Our goal is to preserve the nature and ecosystem by going green, at the same time promoting our Austria’s tourism and cultural aspects.

### **3.2.5 Business Plan 5: Nighttime Automobile Service Center**

Nighttime operating automobile service center is aimed to cater the white collar workers who need to get their car serviced outside the working hour. This business model is best suited to developed city center as an established city center usually associates with a large quantity of white collar

workers. Their income might enable them to acquire luxury car. However, they do not possess the luxury of time to service their car under business hours. Let alone the various inconveniences that come along for servicing their car in business hours. For instance, a salesman's mobility might be highly affected due to car servicing under business hours as they rely heavily on self-transportation. The concept of this business model is further supported by the improvement on living standards associated with developed city center. For developing areas, car, is in fact a necessity for transportation. However, for people who could afford it, car means more than transportation. It reflects the owner's background and personality. It is a symbol of status, an entertainment investment and expression of taste and passion. This is highly applicable to these white collar workers, especially male. A car can be seen as a toy to man, but with much heavier price tag. A child spends time with their toy, so do guys with their car and nighttime operating automobile service center provides them such opportunity as it is outside of business hours.

An ideal location for nighttime operating automobile service center should be walking distance from a mall. A normal service which includes oil change, basic checking, body cleaning, and tires alignment usually take one to three hours. Walking distance to a mall would offer customers to kill their time in wider choices and in a more enjoyable fashion. For instance, customer could pass their car to the service center and walk over to the mall for dinner, a session of movie or even shopping. This allows the customers to multi task while saving precious time in the process. On economic point of view, this business model allows slightly larger profit margin than conventional automobile service center due to its rarity and lack of competition. Besides, customers would not mind to pay a little bit extra for the byproducts of such service, time flexibility and conveniences. This business model does not only bring positive impacts on economics, but to social as well, in some extent. It is a perfect platform for college students who major in automotive related business, to practice and work in a part time basis. This definitely helps on their respective career in the future as it sharpens their skill and understanding on real life working environment. The idea will be to put this business near Mirabell Palace in Salzburg or in Stephansplatz in Vienna.

### **3.2.6 Business Plan 6: Restaurant (Latin American Concept)**

Restaurant industry has consistently gaining yearly sales in Austrian Market. The town in which I live in which is Salzburg, receives more tourists per capita than any other city in the CEE countries. Today's consumers regard food prepared away from home as a necessity.

Convenience, a need for socialization, and gains in real disposable income has led consumers to spend more of their food dollars in restaurants. There are four broad food attitude segments among today’s restaurant patrons that we have researched and come out with which are:

- Adventurous diners are consumers who are most enthusiastic about trying new types of foods and ingredients.
- Traditional diners who are least experimental and tend to live in smaller cities. They are often older, less frequent patrons who enjoy comfort foods.
- Health-conscious diners are more concerned about what they eat when dining out. They make food choices based on health concerns as well as specialized diets such as vegetarian, high protein or low carbohydrate, etc.
- Carefree diners who want to enjoy eating and forget about eating healthy. Consumers under this category are typically males/consumers and/or under age of 50.

The biggest advantages for our group to undertake this restaurant business will be the skills, knowledge and experiences among one of our group members that has had experience creating a restaurant since the beginning. With our previous working experiences in the field of sales and marketing, food and beverage, and even running a family restaurant, we have a firm base and confidence tight in our hands. Also another important aspect about the restaurant is that we could fill a gap that is already there, and basically offering Latin-American cuisine.

**3.3 Table of Evaluation – Simple Scoring System**

<b>Factors</b>	<b>Min. score</b>	<b>Personal &amp; Corporate Concierge Service</b>	<b>Maid Services (Full Time/ Part Time)</b>	<b>Service Exchange Internet Portal</b>
Personal fit	5	6	5	6
Degree of risk	3	4	6	4
Funding needed	5	4	6	6
Ease of start-up	4	4	6	6
Short-term potential	3	5	5	5
Level of preparation	6	5	7	7
Competitive threats	4	5	6	5
<b>Total</b>	<b>30</b>	<b>33</b>	<b>41</b>	<b>49</b>

<b>Factors</b>	<b>Min. score</b>	<b>Eco-Tourism</b>	<b>Nighttime Operating Automobile Service Centre</b>	<b>Restaurant</b>
Personal fit	5	5	5	6
Degree of risk	2	5	7	5
Funding needed	5	6	7	6
Ease of start-up	4	6	7	6
Short-term potential	3	5	5	5
Level of preparation	6	7	7	7
Competitive threats	3	6	7	6
<b>Total</b>	<b>30</b>	<b>40</b>	<b>45</b>	<b>41<sup>9</sup></b>

Table 2. Evaluation of Potential Business Plans - Simple Scoring System

Based on our table of evaluation in the above, the potential business idea that possesses the highest scores at 49 points is the Service Exchange Internet Portal (Besorgungen Machen). The highest point represents the highest potentiality and opportunity of the business idea. Therefore, we have decided to choose Besorgungen Machen as our potential opportunity.

### 3.4 Team's Strengths and Weaknesses

Teams can have areas of strengths because of the team personality as a whole and because of the contributions of individual personalities on the team. Likewise, team weaknesses can result from different team personalities as a whole and of individual team members.

<b>Team's Strengths</b>	<b>Team's Weaknesses</b>
Structured and organized	May not be aware of new trends
Innovative, creative and teamwork	Different cultures and practices
Possess working experiences	Reliability of data and plan predictability
Achieves practical results	Unclear performance expectations
Have unique selling points	May make assumptions without knowing all information
Financially stable	May have different opinions and strategies
High enthusiasm	Lack of consistency

Table 3. Team's Strengths and Weaknesses

<sup>9</sup> Group Assignment. Entrepreneurship MBA. Full time MBA ESADE Barcelona. Opportunity Assessment Plan. This table and analysis was taken and developed from this paper.



Our team consists of three people. One person is an Austrian who has a wide experience in sales and IT. In today's world that is fundamental to begin any type of start-up. We have a person that has a wide experience and education in finance. She has experience not only in the financial sector, but then went into creating her own restaurant back in Colombia, where she was born. And me, whose basic background is Economics and Law, with a field experience in Sales, makes us a very strong team.

## **4. BUSINESS PLAN ANALYSIS**

### **4.1 Definition of the Service Chosen Besorgungen Machen**

Besorgungen Machen is an internet portal that operates 24 hours a day, 7 days a week, which as a base service offers the opportunity for people or companies that need to run any type of errand to search for a person or company that disposes the time to run any type of errand they are being asked. As a differential factor from the competition that exist today in Austria, is that we basically offer any type of service needed. The competitors' services are limited to house tasks helps (such as cleaning, walking or taking care of pets and taking care of young children and seniors), while Besorgungen Machen will not limit the service and focuses its strategies towards the exact need that the person is actually needing. In addition to this Besorgungen Machen will offer online, offline advice and a complete portfolio according to the client's needs.

The attributes that stand out from Besorgungen Machen are the speed, the ease and the security in the purchase, and the indirect attributes that the customer will value is the variety of services that can be found, and the saving of time used to make the purchase in comparison with traditional commerce.

The direct attributes mentioned above will be the value offer of Besorgungen Machen, since the client is not used to finding these services from a local company, and that additionally offers benefits such as:

- Local customer service during office hours
- Service providing throughout the country

- Competitive prices and agility in the purchase.

The target customers will access Besorgungen Machen because it offers value satisfactions that are financially incalculable, since it gives them the possibility of saving time in errands and activities that require time investment and ultimately quality of life which constitute both psychologically and intangible assets that are scarce in the current era.

## **4.2 What market need does it fill?**

We are serving the unmet need of a smart search between private persons to either get a service at home or to delegate tasks by creating an online portal where people needing a service meet others willing to provide it.

The type of services includes - but is not constrained by - the following:

- a. Courier/Post services and running errands:
  - Pick up from a third party and deliver to the person: food and drinks from restaurants, groceries from supermarkets, packages or documents from the Post or other sender, medicine from a pharmacy, clothes from laundry etc.
  - Pick up from the person's home and deliver to another place: packages or documents to the Post or other destination, paying bills,
- b. Services at home:
  - Health: therapies, administering an injection, fitness courses, etc.
  - Hair saloon: haircut, hair dye, manicure, pedicure, etc.
  - Learning: languages and other educational lessons, cooking classes, etc.)
  - Others: massages, washing the car, childcare, etc.
- c. Household services: plumbing, cleaning, gardening, electrical tasks, taking care of pets, etc.

### 4.3 What is the size and past trends of this market?

Consumer-to-consumer eCommerce (C2C eCommerce) is the online transaction of goods or services between private consumers. The transaction is facilitated by a third-party site that takes care of the details of the transaction, such as the payment. The aim of C2C eCommerce is to “enable consumers to sell directly to other consumers without having to go through a middleman.”<sup>10</sup> Well-known examples of such platforms facilitating C2C transactions and interactions are Etsy, eBay, Craigslist, Taobao, Amazon, and Kickstarter.

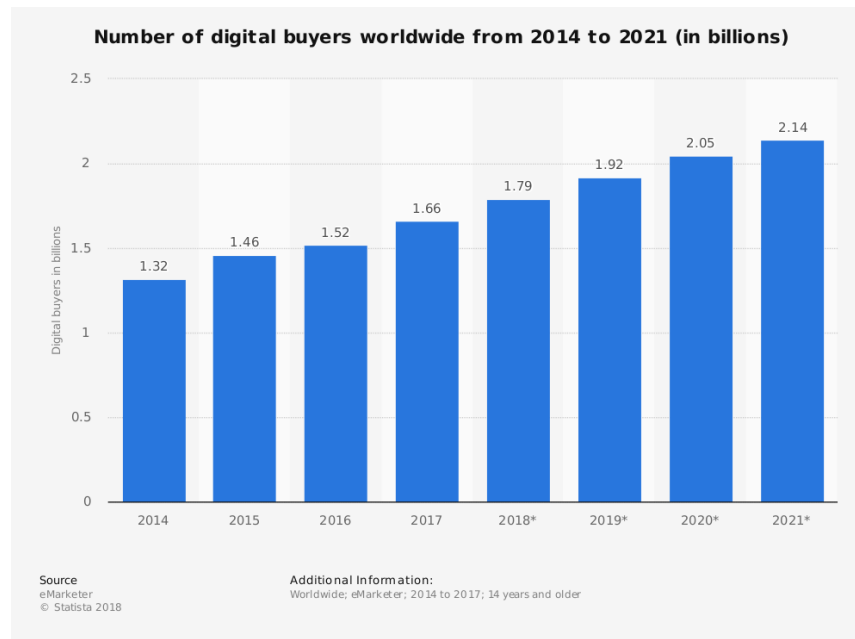


Figure 3. No. Digital buyers WW 2014-2021

The graph above shows that from 2014 there has been an upward trend in the number of digital buyers worldwide, reaching 1.66 billion users in 2017. Moreover, the graph below, which displays the online shopping penetration rate in Austria, reveals that in the first quarter of 2017, 70 percent of the Austrian population over 14 years old used internet for online shopping. Approximately 14 years back the penetration was only of 27%.

<sup>10</sup> Consumer to consumer e-commerce. Statista analysis. Available at: <https://www.clarity-ventures.com/articles/what-is-consumer-to-consumer-ecommerce>. Consulted on the 21st of April.

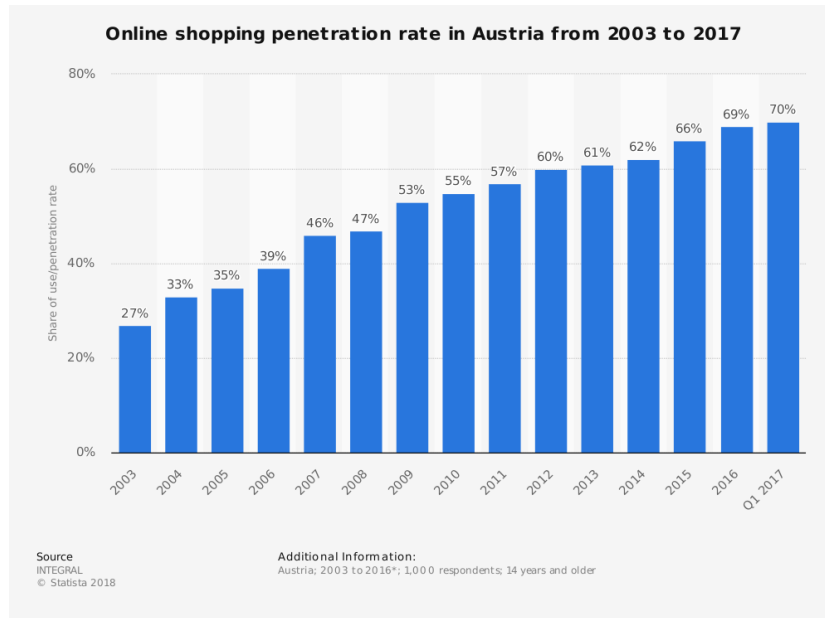


Figure 4. Online Shopping Penetration Austria 2003-2017

Comparing the C2C eCommerce with the B2C eCommerce segment in 2014, we can see in the figure below that C2C segment had a 105 billion dollars' market size as compared to the 71 billion dollars one for the B2C segment. Moreover, it also evidences the rapid increase that the C2C market has had since 2004.

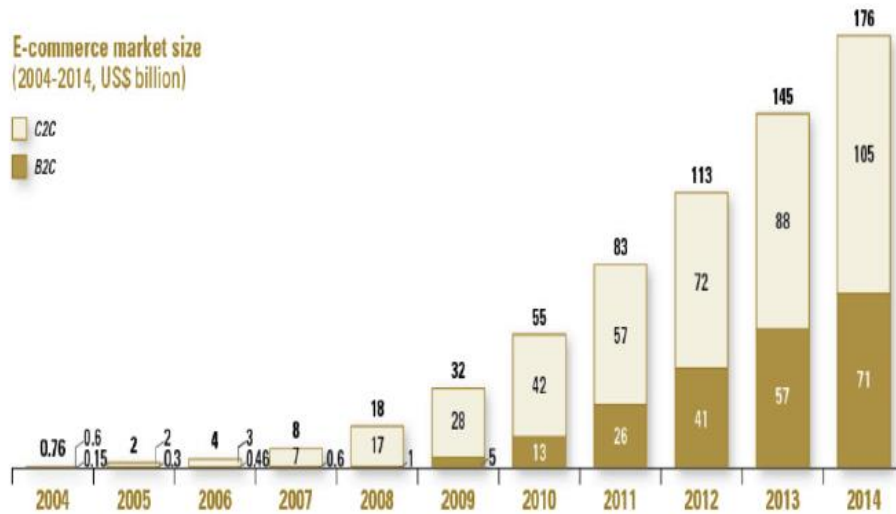


Figure 5. C2C and B2C eCommerce Market Size (source: <http://journal.sapub.org/ijnc>)

In spite of the increased interest of users in the C2C market, there is still space to grow. We can see in the graph below that in 2016 Denmark is the country where the use of online sales of goods

and services between private individuals is more common (35% of individuals). Austria is below the European Union – 28 countries average (18%) with only 11% of individuals using the internet with this purpose.

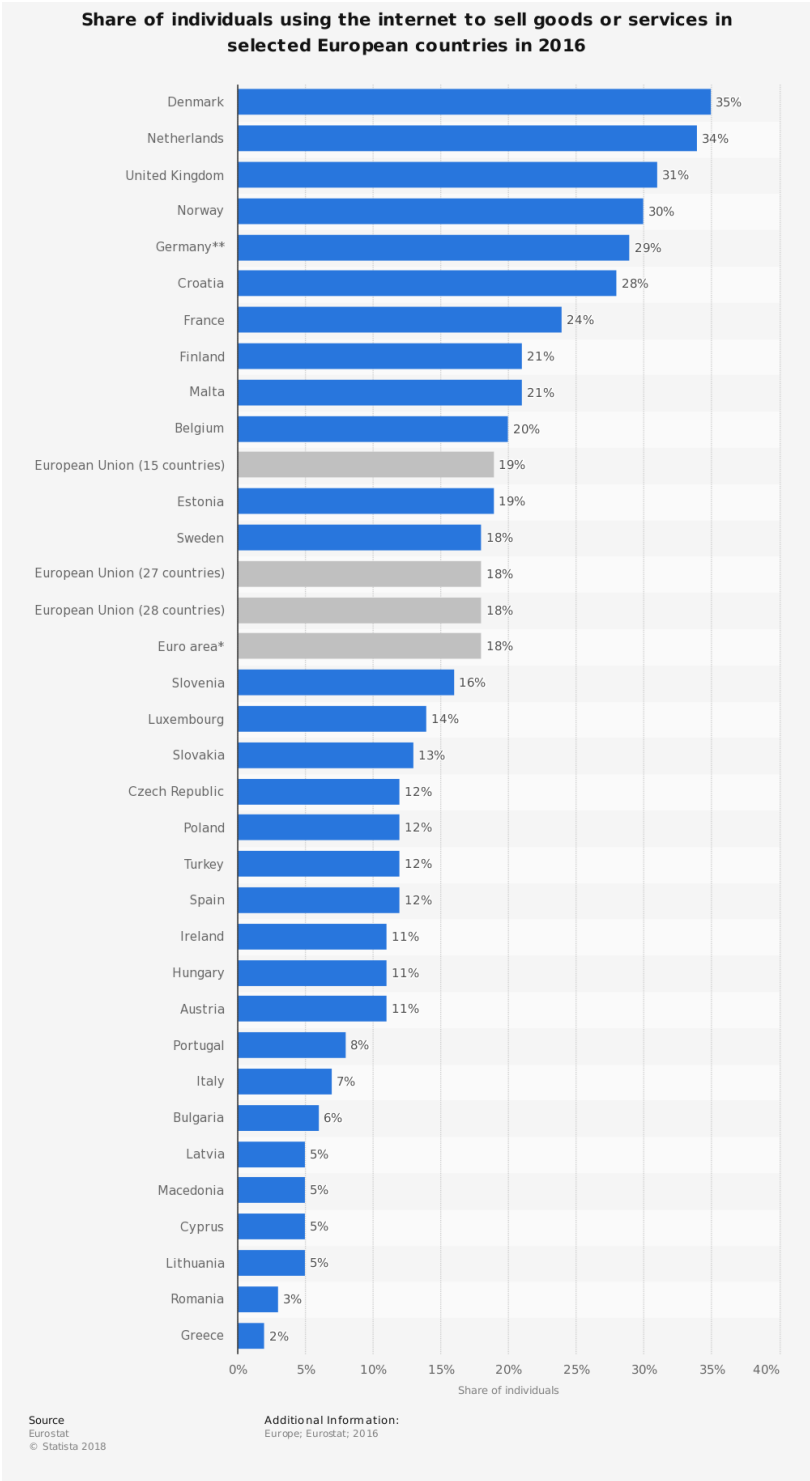


Figure 6. Share of Internet use to sell products by country 2016

## 4.4 What is the future growth and characteristics of this market?

The C2C market is characterized by:

- The fact that allows consumers to interact directly with each other through an online platform
- The platforms for such transactions are usually provided by third parties
- The third party may charge a transaction fee or commission and provides a secure and convenient payment method.
- C2C websites have no control over the quality of goods or services provided as they only act as intermediaries
- The same customer can be both a seller and a buyer

As the first graph above shows, it is expected that in 2021 over 2.14 billion people worldwide buy goods and services online, which entails a notable increase of almost 29% in just 4 years. Also, some trends in the market are creating a positive growth scenario for the C2C e-commerce segment. First, eCommerce has renewed the idea of impulsive shopping<sup>11</sup> by facilitating the access to a wide range of products and services online for the customers. Therefore, the excitement of discovering something new, appealing and/or unique may create an opportunity for innovative C2C eCommerce forms. Second, through social selling (also known as S-commerce), in which the ability of leveraging social with the aim of translating the interaction into sales is exploited, C2C eCommerce is stimulating its business growth. Lastly, the concept of an eCommerce seller has changed as anyone with the right product or service can be a seller. This means that nowadays there is a market for talented and innovative individuals, who can simply offer online their products or services online and increase their scope considerably. In sum, these factors and the recent evolution of the C2C eCommerce market makes it very plausible that a promising and bright future is on its way for the sector.

---

<sup>11</sup> a situation when the need for the product is surpassed by its price, availability, temptation, social-conscience and several others such factors (definition retrieved from Trends to look out for c2c e commerce industry in 2018. <https://retail.economictimes.indiatimes.com/re-tales/trends-to-look-out-for-c2c-e-commerce-industry-in-2018/2710>). Consulted on the 22<sup>nd</sup> of April.

## 4.5 Characteristics of the Target Market

As already mentioned the C2C eCommerce is a “business model where two individuals or consumers transact or conduct business with each other directly. Generally, an intermediary/third party maybe involved, but the purpose of the intermediary is only to facilitate the transaction and provide a platform for the people to connect to each other”<sup>12</sup>.

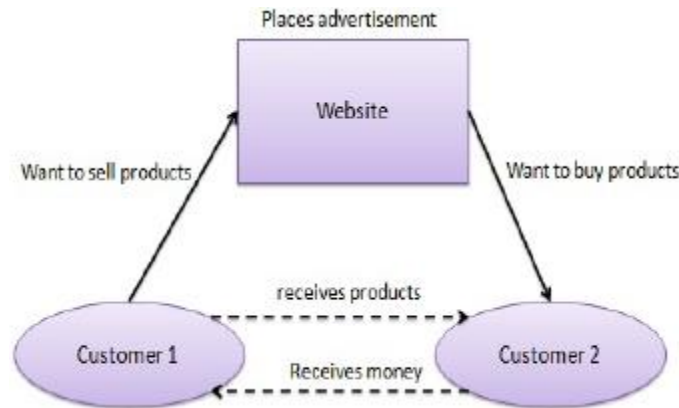


Figure 7. C2C eCommerce business model (source: <http://journal.sapub.org/ijnc>)

Therefore, our business model is structured as a two-sided market in Austria, with the following two target segments:

- a. **Individuals looking for help with their necessities or requests:** people with a lack of time that are willing to delegate certain jobs or tasks to be done in order to use their time in other productive activities. Also people that find practical to have services and products at home. The ideal customer is seeking out convenience, more free time to spend with their friends, family, work, etc. to reduce stress and make their daily life easy.

*Geographic:* Austria – segmented by cities

---

<sup>12</sup> Dan Cudjoe, “Consumer-To-Consumer (C2C) Electronic Commerce: The Recent Picture”, School of Economics and Management, Beijing University of Technology, Beijing, China, 2014. Published online at <http://journal.sapub.org/ijnc>. Consulted on the 23rd of April.

*Demographics:*

- Age: 15 or older. The population of this group at the beginning of 2017 amounted to 7,509,125 persons<sup>13</sup>.
- Gender: male and female
- Marital Status: Married, single, widowed, with or without children
- Education: High school, college, university
- Occupation: student, business or entrepreneur person, working person, retired
- Income: over 1,000 euros
- Social condition: middle and high class

*Psychographics - Lifestyle*

- Busy: incapable of doing on their own all that they would like due to lack of time, needing assistance to get some tasks done.
- Stressful: packed with schedule of things to do from business, work, family, to friends and personal life
- Health and wellness concerns: interested in being healthy and concerned on physical and mental wellness
- Free time concerns: seeking more time with family/personal activities and leisure spaces.

- b. Individuals offering their time to carry out a job or activity:** people that can't find a fixed job or that having one wants to use more productively its free time. Also people that are looking for a higher income by providing a door-to-door service.

*Geographic:* Austria – segmented by cities

*Demographics:*

- Age: between 15 and 64 (the also known as Working Age Population). At the beginning of 2017 this group consisted of 5,883,608 persons<sup>14</sup>. According to

---

<sup>13</sup>Population Change by demographic characteristics and by population age and sex. Statista analysis. Available at: [https://www.statistik.at/web\\_en/statistics/PeopleSociety/population/population\\_change\\_by\\_demographic\\_characteristics/population\\_by\\_age\\_and\\_sex/036031.html](https://www.statistik.at/web_en/statistics/PeopleSociety/population/population_change_by_demographic_characteristics/population_by_age_and_sex/036031.html). Consulted on the 24th of April

<sup>14</sup> Statistics for Austria. Statista analysis. Available at: <https://fred.stlouisfed.org/series/LFWA64TTATQ647S>. Consulted on the 25th of April



image below<sup>15</sup>, this group corresponds to almost a 67% of the Austrian population.

- Gender: male and female
- Marital Status: Married, single, widowed, with or without children
- Education: High school, college, university
- Occupation: student, working person, unemployed, retired
- Income: over 0 euros
- Social condition: low to middle class

### Psychographics - Lifestyle

- With significantly free time: willing to employ its time in productive activities and assisting others to get their tasks done.
- Skillful: able to perform an activity such as hair dresser, therapist, cooker, teacher, etc.

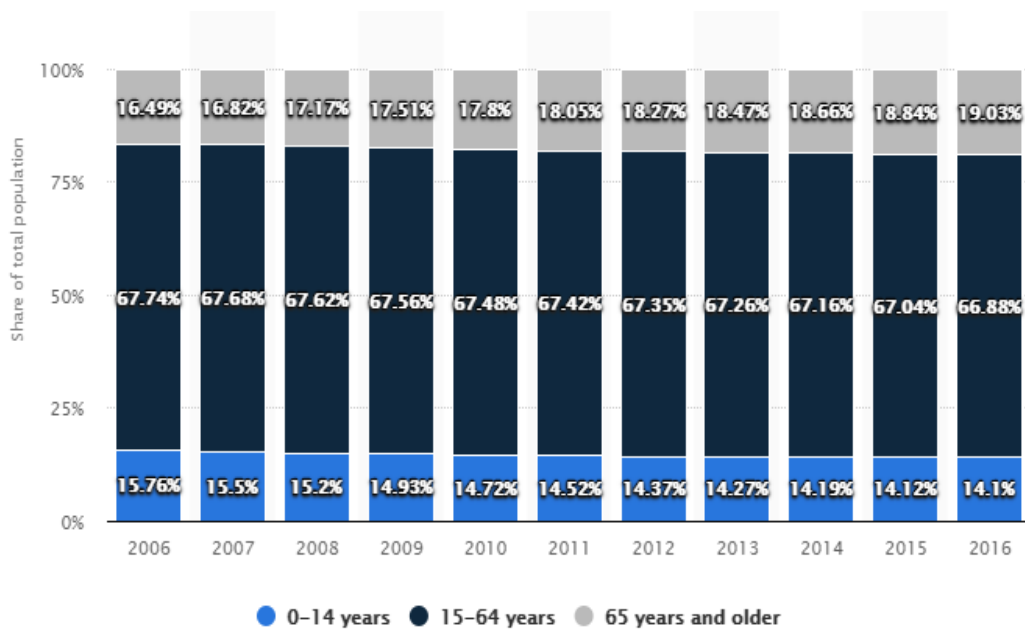


Figure 8. Age Distribution in Austria 2006-2016

<sup>15</sup> Age Structure in Austria. Statista analysis. Available at: <https://www.statista.com/statistics/385829/age-structure-in-austria/>. Consulted on the 26th of April.

## **4.6 Corporate Entrepreneurial Self-assessment and the Entrepreneurial Team**

### **4.6.1 Why does this opportunity interest you?**

We have faced inconveniences when looking for several services in Austria. We come from a country where the North American influence is immense and services such as delivery food, errands done by third parties and easily purchase services by internet is a normal trend and behavior. During this MBA and overall with our network in Austria we have found out that this type of services is beginning to be highly demanded and to take advantage of the upcoming trend of purchasing goods and services online that has become a common practice among many people around the world is our goal. Some choose to make online purchases for convenience, others because of the competitive price offered by some e-commerce platforms. Digital buyers are on the rise and can be influenced by a range of digital resources when shopping, such as brand emails, product reviews and overall quality and diversity of services. The main advantage of C2C commerce is that it offers shopping from home comfortability for buyers and work without any advertisement or legwork for the sellers.

### **4.6.2 What are your reasons for going into business?**

People nowadays are packed with schedule of things to do from business, work, family, pets, to friends and personal life. Therefore, any product or service intended to optimize time has a great value for anyone.

We believe there is an unmet demand in a highly growing market combined with low cost of implementation which makes it very attractive for our beginning of our start-up path.

### **4.6.3 What experience, education and background do you and each member of your team have?**

We are a group of 3 entrepreneurs. Our educational background is the following:

BSc. Economics  
MSc. Quantitative Finance  
IT and Law Training

We are young, enterprising people, with the ability to analyze and solve problems, with technical, human, conceptual and managerial skills such as negotiation, communication, vision, teamwork and decision making. We also have experience in sales and commercial management of tangibles and intangibles for the mass market and specialized products for the industrial market; additionally, with an academic education based on administration and finance which allows us to have the specialized knowledge to carry out the project.

We are people, honest, ethical, responsible, fair, authentic, spontaneous, respectful and creative.

#### **4.6.4 What experience is needed to successfully implement the business plan?**

- A Fluent German speaker is needed, preferably with Austrian legislation knowledge.
- A technical expert in creating web pages and all the IT requirements that a web page like we want to build needs.

### **4.7 Moments of Truth of Besorgungen Machen**

Each time a person enters the portal, it makes an assessment of the quality of the service during its purchase process. The total of these perceptions creates an image of the experience lived by the client. The way to ensure that the client evaluates with positive concepts the service offered by the internet portal, is managing correctly all the moments of truth. For purposes of the Internet portal, the moments of truth can be defined as the moments in which the client (user) has contact with our page. To offer a better service to the client, it is necessary to control each of these moments of truth.

Below is a map of each contact that a user has when entering the portal to make a purchase.

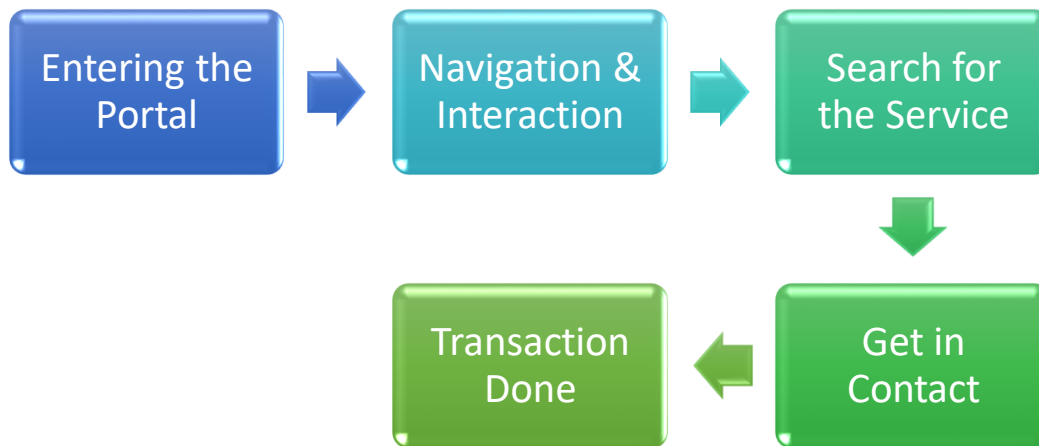


Figure 9. Moments of Truth

- **Entering the Portal**

The access and ease of finding a web page are very important when positioning an e-commerce site. In the same way that a physical store requires a good location and infrastructure, a virtual store needs its users to access the portal in an easy and fast way. The portal [www.besorgungenmachen.at](http://www.besorgungenmachen.at) will be connected to the most important search engines of the Internet such as Google, Altavista, lycos etc, which will allow an average of 600 daily visits to the portal at first stage.

Users can also find access to the portal through social networks such as Facebook, hifive, myspace, twitter, Instagram, snapchat and free email services.

- **Navigation and Interaction**

The time in which the person remains on the page is directly proportional to the probability of finding the person that provides the service he or she requires, so an important indicator of the loyalty power of the website is the average duration of a visit that is not more than the minutes a person in the portal. The greater the duration of the visit, the more likely it is that the contents of the portal are more attractive to users. The accessibility to the contents as well as the functionality must be one hundred percent efficient. For this reason, the portal offers integration and assembly services based on Web work platforms

2.0 and Web 3.0, which integrate already recognized tools such as Google, OpenSocial, Wordpress and social network engines that allow the besorgungenmachen.at portal to be directed towards collaborative and interactional models according to this decade and the next.

- ***Search for Service***

In the sale by Internet the limitations are clear: the product is not touched, it cannot be proved, the monitor is small, the image does not come out well, the connection is bad, etc. That is why the service that is being looked for and is offered will be displayed in a clear way, with all the necessary information and with as many details as possible so that the buyer knows the particularities of the service well. At first stage one of our most important key factor is the interaction with the service provider and seeker. Each one of the service providers will be evaluated by the service seeker and ultimately this ranking will be visible for all the future service seekers in the web-page so the service provider will be stimulated to provide a good quality service.

In addition to a good design, it is necessary to keep the page visible in terms of search engine rankings, change its contents so that they are in line with reality and create new functions that keep customers in touch and in touch. This is why, within the besorgungenmachen.at strategy, the portal design will be defined with a critical success factor. It is important to have an innovative and unique design that facilitates the search of products in order to ensure an optimal stay time in the portal.

- ***Media Specification***

The portal [www.Besorgungenmachen.at](http://www.Besorgungenmachen.at) will be connected to the most important search engines of the Internet such as Google, Altavista, lycos etc, which will allow an average of 600 daily visits to the portal. Users can also find access to the portal through social networks such as Facebook, hifive, myspace, twitter and free email services.

In addition to this, the purchase of keywords will be negotiated with the main search engines in order for the portal to appear as the first option after typing any of the words previously purchased with these engines. The following are the words that would be purchased:

- "Besorgungen "

- "Errands"
- "Time saving"
- "Special"

Systems like google Adwords allow to advertise sponsored. It also has huge numbers of customers with websites of all types and from all over the world. These ads are displayed in a relevant way in the user's search results (for example, if the user searched for "gifts", advertisements referring to "gifts" will appear). AdWords not only appears in the Google search engine, but also in those sponsored by Google such as Gmail and others.<sup>8</sup>

Finally, within the communication strategies, we intend to carry out advertising campaigns with social networks, specialized media and television that show the benefits of buying through our portal.

- ***Get in Contact***

This is one of the most delicate moments in the chain. In this moment of truth, it seeks to provide an exclusive benefit for the service seeker and thereby obtain a competitive advantage. We are clear that if it is not easy to get in contact through the portal with the service provider, service seekers will leave for the competition or choose to physically run the errands themselves. This is why the portal offers methods and resources to make the contact process easy and attractive. Besorgungenmachen.at is a portal that offers a quick, comfortable and pleasant service seeking experience. It is essential then to have a way to get in contact also with us in case they have any type of assistance and if they don't feel quite satisfied with the transaction that is being held at the moment.

#### **4.7.1 Service Triangle**

- ***Strategy***

More than selling a service online, the generic strategy of Besorgungenmachen.at is to deliver a moment, and quality of life time to that person who doesn't have the time to perform the errands and is sacrificing family or personal time to perform these activities.

- ***Technology***

The portal is supported on a technological tool that today allows to be at the height of any other e-commerce portal in the world. Additionally, to facilitate the selection of the service, Besorgungenmachen.at offers online advice where a specialized advisor will guide the client to the most appropriate service for that person.

- ***HR***

The virtual stores allow having a small and flat organizational structure. Basically the staff focuses on design and technology issues in order to offer innovative solutions to our customers.

## **4.8 Competition**

The competition of our future internet portal, Besorgungenmachen.at has one important front: similar web pages that have positioned themselves in Austria in different services but will benefit from our market entry and could eventually support their web-page with the same services we do. There are basically two direct competitors in this frame which are; “Betreut.at” and “haushalthilfe24.at”. Betreut.at is a website that belongs to the “Care” enterprise that provides services in almost every country in 12 countries in Europe and the United States and that focus on providing care giving to young children and senior adults. Nevertheless, they have also entered the market of taking care of the pet and search for help for household activities. With the database so important, this is definitely our biggest threat in the future. Hauhilfe.at on the other hand, is a company that is recently established in Austria (January 2018) and provides the same service besorgungenmachen.at is aiming to provide but with household activities and not with daily errands. We consider ourselves complementary to our competitors, but we are susceptible of being copied very easily which is basically our biggest threat.

With the market trends going more and more into internet web portal transactions, more and more companies are becoming aware of the huge market that it will become. Nowadays, it is fundamental to provide strong aspects such as security in transactions, in the system, due to the

fact that here is no reliability in the Austrian pages to perform transactions and likewise people perceive that it is not the same to see, try, feel and use the service to be given as to choose it over the Internet.

Following a table in which several direct competitors are analyzed and different aspects of each are compared:



Name	URL	Theme	Categories	Focalization	Bonus	Positive Aspects	Negative Aspects	To Highlight
Betreut.at	<a href="http://www.betreut.at/">http://www.betreut.at/</a>	Caring Help	8	Caring services. Not focalized yet in errands.	No	Significate people database. Ease of use. International company, well renowned.	When moving through the different services it is not clear how to contact the service provider afterwards.	Highlighted in Google. It is in almost all Europe as well as the United States
Haushalthilfe24	<a href="http://www.haushalthilfe24.at/">http://www.haushalthilfe24.at/</a>	Household service	5	Help with the household tasks.	No	Important database, ease of use. Google analytics well used.	Only in Austria	Highlighted in Google.
Mamiexpress	<a href="http://www.mamiexpress.ch/">http://www.mamiexpress.ch/</a>	Caring help service	4	Caring web page where a woman provides help in household and caring children.	No	Important database.	Not so big database. Only in Austria.	Not Highlighted in Google.

Table 4. Competitors' Analysis

## 4.9 Action Plan

### **Step 1: Establish the business structure**

- a. The first step to beginning Besorgungen Machen is confirming what different services the business we will be doing. We still have a grand variety of options of which we need to focus our attention in ow or two.
- b. Include what it will offer, the market, the funding, and who will be a part of the business from the beginning.
- c. Establish the structure of the business, if it will be a sole proprietorship or a partnership. Determine what role each partner in the business has.
- d. This first step should take us approximately 3 months and we will require an amount of 10.000 euros for legal and accounting consultation.

### **Step 2: Register the business**

- a. Next is to register the name of the business Besorgungen Machen via Service Austria.
- b. Besorgungen Machen in Austria must be registered as an online type of Business Registry.
- c. Now the business will be capable of conducting the services needed to go to market in Austria.
- d. This step could take approximately one to two weeks and will require no investment.

### **Step 3: Investment proposal and financing**

- a. Once established Besorgungen Machen can then send a proper investment proposal that outlines what the investment money will be used for.
- b. Confirm financing agreements. Our main idea is to present the idea to business angels and in a next step depending on the success of the funding, we could go to venture

capitalists.

c. This step will probably take one to two months and will not require much investment. Only the time investment of the founders and the legal and technical expert that speaks fluently German.

#### **Step 4: Developing a Marketing Campaign and Strategy and Attracting service seekers and offerors**

a. The design of the web page is crucial for the success of the business. It not only has to be attractive visually speaking, but also very intuitive to use and very efficient technically speaking.

b. Besorgungen Machen can begin finding perspective service seekers and offerors via a social media campaign. We plan to distribute the information and make Besorgungen Machen well known via facebook, Instagram, Snapchat and LinkedIn.

c. Revenue Stream has to be very clear by now. It will be a freemium type of model just like LinkedIn, where users (job seekers and job offerors) can enter without any payment, but if they would like to post a job or a service they will need to pay and several other advantages as a premium model.

d. This step can take up to 4 to 5 months and will probably cost over 100.000 EUR.

#### **Step 5: Open up the business to the public**

a. After all registration requirements have been met and all legal, marketing and strategic requirements have been completed Besorgungen Machen is now ready to begin conducting business with its first clients.

## **4.10 Marketing and Strategy**

### **4.10.1 Service Strategy**

The social and commercial object of Besorgungen Machen we have summarized it in the following lines:

Besorgungen Machen allows the people to seek for that particular service or need that they either don't have the time for or simply need to use the time more efficiently. At the end our value proposition is saving time at the time of performing an errand or perform any activity. These activities and time efficient moments are priceless. Besorgungen Machen offers advice to choose from a wide variety of options, the gift for a special person sent in an original packaging or even an errand that can be done by your neighbor.

The portal that we propose in this work, offers its potential customers the possibility of buying a service, selecting it from a wide range of offerors of services within various price ranges. Once the service has been arranged and purchased, the buyer can select if it is sent to himself to make the delivery personally in case of a gift or a personal errand, or send it directly to the person that needs it, along with the personalized needs proposed.

If the person who is buying the service, is not sure about which will be the best option, the portal offers two possibilities: one is a search engine of people that offer different type of services and when the time passes everyone will have feedback from previous customers so providing a good service is guaranteed or at least incentivized , where step by step the buyer will be asked the key data of the person who will provide the service, such as gender, age, background, experience and the reason for the service, among others, once analyzed these data, the portal will offer several possibilities of products according to the characteristics delivered by the user, giving him ideas to find the right service and service provider, this option also has a chat in which we can provide personalized advice. The second possibility offered by the portal when the buyer is not sure of whether he wants to use the service or not, is a Besorgungen Machen bonus. This bonus, for the first time that the customer is using the platform will receive a voucher of 100% money back guaranteed if the service provided was not fulfilled satisfactory, giving the clients the sense of quality and back-up whenever they would need it.

The intangible benefits that customers get from this portal is the savings in time and money that involves going personally to visit large shopping complexes to either buy something that they need instantly or even to que for a line for a service that they are looking for, plus you get added value the logistics of the whole process and arrives to your destination.

We want these intangible benefits are not the only reasons why customers buy on this site, but because we also hope to create a fashion, a trend to purchase through web portals that will boost e-commerce in the country. We hope to create in the people a sense of social recognition and status when buying gifts and purchasing services through the portal, this through massive advertising campaigns and by including our service in the advertising of our suppliers, since we would become more than a mass distribution channel for these, in a partner strategic sale.

#### **4.10.2 Price Strategy**

The products and services that the user will find in Besorgungen Machen will be varied and of different types, seeking to offer a variety of prices that fit your budget. The price of the products and services that will be found in Besorgungen Machen will be defined by different aspects:

- *Costs:* As a first step, the costs of the development of the web and of course the person that is providing the service must be covered. Since we are not manufacturers, we can discard the costs associated with manufacturing and calculate directly on the cost to which Besorgungen Machen pays to its service suppliers.
- *Logistics:* At the cost of the service, we must add the costs of logistics such as the local land distribution between the service provider and Besorgungen Machen and the local land or air distribution between Besorgungen Machen and the recipient as the case may be. We must also add the packaging costs and other added values that we will offer to customers in case they decide to give gifts.

- *Value of the gift for the client:* We must estimate or calculate the value that the gift has for the buyer, which in this case goes beyond the monetary amount he pays for it, because it is not an object for personal use but to give it to another person, so it implies a sentimental and psychological value of social recognition; In addition, the value that the customer sees in the object that he is buying increases when he sees all the added services offered by Turegalo.com. All these values are translated into the amount of money that the customer is willing to pay for the gift that he is going to buy. Moreover, we need to make the same calculation in case the customer goes for an errand or a service that the service providers will perform for the customer.
- *Price of the competition:* We must maintain a constant monitoring of the sales prices of our competition, both virtual and traditional, that is, from other portals, as well as from the traditional trade where gifts are bought (shopping centers, chain stores, etc.) ). Due to the fact that still there is no competition for a service provider yet, we would need to create a market and establish a range of prices so we can assess our customers.

### **4.10.3 Brand Strategy**

The goal of Besorgungen Machen is to install and position the brand in the minds of all consumers and that they perceive the portal as something that will benefit them.

In an increasingly saturated market, the moment of delivery and the time saving will be the positioning factors that makes the difference in the mind of the buyers and the final customer.

The brand will support this sale promise since in addition to the product (errand) Besorgungen Machen will lodge intangible benefits that the buyer will receive through the purchase.

As for the logo design, the main idea is to hire a company that basically knows about branding, but the main idea is that the logo is composed of two fundamental colors that directly impact on the unconscious of people: red and orange. The color red is a bright color that according to the theory of colors is linked to the beginning of life, suggests vitality, enthusiasm, passion, agitation,

strength, sex, heat, fire, blood, love, intensity and virility, being associated with Energetic feelings, with passionate or erotic excitement, is the most sensual color of the entire chromatic circle. As for the orange, the logo wants to highlight the joy, the youth, the heat, the summer. According to the theory of color this is the color of the meat and the friendly color from the fire of the home. It is vibrant as sunlight, exotic as tropical fruits, juicy as orange, suggests informality in the deal and friendship.

Additionally, the logo has on its left side a figure that refers to the packaging of a gift adorned with stars which signify joy, surprise and evoke special dates such as Christmas.

Buying on the Internet has led to the incursion of new forms, styles, environments and procedures that directly affect the behavior of the consumer since the purchase process through the Internet follows a different pattern of purchase decision with respect to an article in a shopping center.

Below are the types of knowledge that the consumer can perceive through the Internet portal through the Besorgungen Machen brand.

Attribute Packages	Benefits Packages	Value Satisfaction
<ul style="list-style-type: none"> <li>• Attractive design</li> <li>• Wide and broad portfolio</li> <li>• Innovative service</li> <li>• Easy to use</li> <li>• Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Time saving</li> <li>• Availability</li> <li>• Personalized purchases</li> </ul>	<ul style="list-style-type: none"> <li>• To acquire a good service</li> <li>• Happiness and joy</li> <li>• Used for every service and errand to be made</li> <li>• Flexibility on own needs</li> </ul>

*Table 5. Knowledge perceived by Customer through the Internet Portal*

When we talk about attributes, we refer to the characteristics of the product or services. The benefits are related to the functional or psychosocial needs and the values or perceived risks allude to the possible undesirable consequences.

#### 4.10.4 Promotion

- ***Communication Plan***

To counteract the effects of the competition with which our industry tells you, with Besorgungen machen we want to offer exclusive and differentiated advantages, based on a communication strategy so that it is a useful and necessary tool to be in contact with all our clients.

For this, we will base ourselves on two main and differentiated axes: external communication and internal communication. In both cases, the company must be aligned with the strategies of the business and with the action plans to be developed.

- ***External communication***

We rely on clear and concrete objectives, which are our starting point, and flexible so that they allow us to adapt easily to change, in terms of interests, strategies and guidelines to achieve the evolution and adaptability of the company to the environment. Therefore, the goals are defined as follows:

- To keep our suppliers and strategic partners informed in a timely manner, with clarity, transparency and timeliness, with respect to our strategies and action plans to be developed, as we will do and the results of our actions.
- To make presence on Internet pages highly consulted and used by people who mostly belong to the segment of the business such as Facebook and Second Life so that we pause on these pages constantly and manage to attract the attention of these users.

- ***Internal communication***

As with external communication, objectives must be established to keep the areas of the company informed about everything concerning the business.



We want the communication strategy of the company to be based on:

- Keep informed the people who work in the company in a timely manner.
- Develop creative communication elements that allow improving and increasing the attractiveness of the company and creating the feeling of belonging to it so that it is subsequently projected to our users.
- Make proposals for new communication channels

In terms of communication we must also anticipate market changes for what we propose:

- Daily analysis of the main commercial, local and national newspapers with special attention in those news that may affect the company in economic, financial and social issues.
- In-depth examination of brochures, official publications or of other companies that may affect the proper functioning, as well as of the main specialized magazines, reserved bulletins, etc., through which the image of the economy and politics can be completed. the areas that affect the company.
- Analysis of foreign publications, both newspapers and magazines, which, due to their importance, are worthy of an awareness of their judgments and opinions on economic, financial, socio - political issues, and especially in those activities more directly related to the entity.
- Knowledge and information of the various opinion bodies, of the people that comprise them, of their positions, of their interests as well as of their sphere of influence and their habitual reactions so that, when these could be harmful to the company, they can anticipate to and modify them, with reasons of reason and documented information.
- Preparation, design and management of internal or external publications aimed at workers and customers.
- Support in third parties (outsourcing) development of advertising materials, promotion,

especially in the initial stage of the business as we want to position ourselves in young people to see in our page something innovative, often used.

- ***What we want to communicate in Besorgungen Machen***

Our portal is aimed at young, dynamic and current people who seek ease and practicality in everything they do. That is why Besorgungen Machen offers a wide variety of products to send gifts and services such as errands or cleaning in a special way for special people, being very original, fast and above all through secure transactions. So, even if our main purpose is to direct it to young and energetic people, on the other hand people that tend to have spare time are seniors, which could play a very important role to our platform.

Besorgungen Machen has a wide network of suppliers, which allow us to offer variety, style and design among the products to choose for that person special, this offer of products is accompanied by an organized logistics scheme that allows us to offer and send our gifts and services opportunely and especially adjusted to the budget of our users.

Besorgungen Machen will be recognized for its design, originality, freshness, accessibility and ease of use, since users can access our page from the main search engines, from the most visited pages by the target to whom we are going.

- ***Positioning***

We want to position ourselves as a means of communication between users, in which they can express their feelings, mainly on special dates, giving them the opportunity to get closer to the people they want with novelty details, in eye-catching and original packaging. Also, for people for whom their time is valuable and very scarce, our brand needs to position as time efficient and problem solver seeker.

We want to achieve this scheme based on a logistical infrastructure that supports the demand and the particularity of each of the orders that users make.

We seek to impose our business idea as a fashion, we want to position ourselves in the hearts and minds of our users so that when they think of giving a gift we are their first choice. Also for

people that are needing a particular service such as an errand, we need to be the first choice in a decision making process that can take less than 2 minutes<sup>16</sup>.

We want to achieve this through campaigns of expectation mainly on the Internet, since this will be our field of action, with demos of our gifts and services, so that we call the attention of our users and achieve an important voice and reminder when sending. a gift.

- ***Media plan***

Our media plan takes place from where a starting point and path that leads to the end pursued, which is the allocation of resources to achieve the best way, and more quickly and cheaply the above objectives.

We will make an online media plan that will help us achieve better results, since we can measure these results based on return on investment so that we can identify the effectiveness of the campaigns in relation to the cost of the same. Carrying out an online media plan offers important benefits with respect to other media, the results are totally controllable and measurable with a much cheaper cost of acquisition.

We know that users navigate fundamentally through three types of media: online newspapers, search engines and general portals, and specialized websites; to carry out the media plan we will base ourselves on the following systems of work.

#### **4.10.5 Media Specification**

The portal Besorgungen Machen will be connected to the most important search engines of the Internet such as Google, Altavista, lycos etc, which will allow an average of 600 daily visits to the portal. Users will also find access to the portal through social networks such as Facebook, hifive, myspace, twitter and free email services.

In addition to this, it will be negotiated with the main search engines the purchase of keywords in order that the portal appears as the first option after typing any of the words previously purchased with these engines. The following are the words that would be purchased:

---

<sup>16</sup> Zeng Quin. "How should we communicate the marketing plan". Editorial Edition. Quinn. Page 65.

- "Gifts " in English and in German
- "Details" in English and in German
- "Special" in English and in German
- "Errand" in English and in German
- "Help" in English and in German
- "Free time" in English and in German
- "Delivery" in English and in German
- "Household" in English and in German

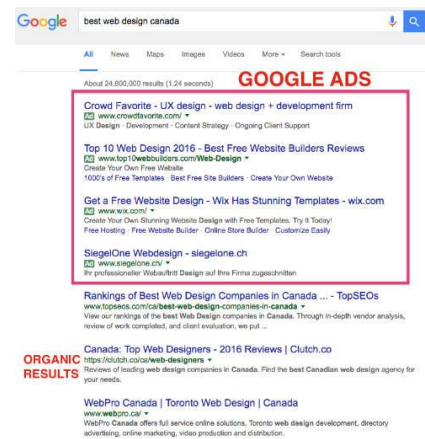


Figure 10. Google Ads

Systems like google Adwords allow to advertise sponsored. It also has huge numbers of customers with websites of all types and from all over the world. These ads are displayed in a relevant way in the user's search results (for example, if the user searched for "gifts", advertisements referring to "gifts" will appear). AdWords not only appears in the Google search engine, but also in those sponsored by Google such as Gmail and others.

Finally, within the communication strategies, we intend to carry out advertising campaigns with social networks, specialized media and television that show the benefits of buying through our portal.

## 5. ECONOMIC ANALYSIS

Besorgungen Machen seeks to be a profitable company that generates constant growth, for this the economic study for the first three years will be projected, detailing the income and expenses for the first year and projecting them to the following four under the premises of growth proposed in the strategic planning and projecting expenses based on inflation projections for the next four years.

The detailed economic study for the first year of Besorgungen Machen is based, as a first measure in estimating the initial investment for the development of the project, and from this final amount, calculate its amortization over three years. Subsequently, normal operating costs and operating income are calculated to estimate the cash flow that will occur throughout the first year.

### 5.1 Development of Investment

The development investment consists of the design and implementation of the portal, taking into account all the expenses related to the design and construction of the web page in an appropriate language, the design of the product database, the user rights of the system for online purchases, and structural costs for the development of procurement logistics to suppliers and deliveries to customers. The following table gives an estimation of these costs.

<b>DEVELOPMENT OF INVESTMENT</b>	<b>COSTS</b>
Design and construction of the webpage	EUR 2.000
Commercial work to accomplish the contract with the suppliers and service providers	EUR 1.000
Logistics work to make the development and structure of the deliveries and support scenarios	EUR 200
<b>Total Development Investment</b>	<b>EUR 3.200</b>

*Table 6. Development Investment (source: www.dinamicstage.com)*

#### 5.1.1 Operational Investment of the Portal

Within the operative investment of the portal all the costs of legal constitution of the company will be included, the costs caused by the physical constitution of the company like purchase of

furniture, and physical adjustments to the facilities where the company will operate. A more detailed description of these costs can be found in the following table.

<b>OPERATIVE INVESTMENT</b>	<b>COSTS</b>
Constitution Costs	EUR 400
Stationery	EUR 200
Instalation costs (wifi, electricity, phone, etc...)	EUR 500
Furniture and mobiliary expenses	EUR 800
<b>Total Operative Investment</b>	<b>EUR 1.900</b>

*Table 7. Operative Costs (source: www.dell.com)*

### 5.1.2 Fixed Operating Costs and Initial Capital

Within the operating costs we will take into account the costs derived from the daily operation of the company, such as public services, rent, payroll, and other associated expenses. Some of these expenses will be discriminated monthly and others annually as the costs of the domain, hosting (hosting the portal), and advertising and marketing.

The advertising and marketing costs will be estimated as 20% of the annual profits, and likewise it will be calculated for the first year in the following way: of the EUR 200.000 projected to be sold in the first year, it is estimated to have a 20% profit they represent EUR 40.000 and of this sum, again 20% for advertising and marketing expenses represent EUR 8.000, which will finally be invested in the development of the media and marketing plan specified in a previous chapter in this document. On the other hand, computer equipment, software licenses and other electronic items calculated in EUR 5.000 will be acquired through leasing for financial reasons generating a monthly fee of EUR 175 for 36 months with a purchase option of 1% (EUR 40).

The following table summarizes the operative fixed costs:

<b>OPERATIVE FIXED COSTS</b>	<b>MONTHLY</b>	<b>ANNUAL</b>
Rent	EUR 800	EUR 9.600
Water	EUR 80	EUR 960
Telephone and Internet	EUR 150	EUR 1.800
Energy	EUR 100	EUR 1.200
Administration	EUR 80	EUR 960

Messenger Service	EUR 800	EUR 9.600
Payroll	EUR 3.700	EUR 44.400
Accounting Services	EUR 800	EUR 9.600
Other operating expenses (Supplies and consumables)	EUR 100	EUR 1.200
Leasing pc equipment	EUR 491	EUR 5.894
Domain expenses		EUR 70
Publicity and marketing		EUR 20.400
<b>TOTAL OPERATIVE FIXED COSTS</b>		<b>EUR 105.684</b>
<b>OPERATIVE COSTS MONTHLY AVERAGE</b>		<b>EUR 8.807</b>

*Table 8. Operative fixed costs (source: Domain Direct. [www.securepaynet.net](http://www.securepaynet.net))*

Since the investment of the development, the operational investment and the fixed operating costs of the first three months must be covered before starting the process, the estimated total initial investment is EUR 34.121 and this will be the estimated capital to start the company.

### 5.1.3 Variable Costs

The variable costs of Besorgungen Machen are presented only for each transaction that is made, that is, that are caused by the business object of the company. Variable costs include the logistics of receiving the purchase order from the customer and also the extra expenses for each service that is being pursued, the issuance of the purchase order by Besorgungen Machen to the supplier, the logistics of collecting the product sold, its packaging, and transportation to the end user, in addition to the costs banking and transactional commissions caused by the purchase and sale of the product.

Since the products and services that will be marketed in Besorgungen Machen are very varied, and if each of these is associated with the possible combination supplier-end customer we will have a very large number of possibilities to analyze the variable costs of each, then, for the calculation of the variable costs, some generalizations will be made regarding the location of suppliers, and of final users, the size, the weight, and the cost and final sale price in order to calculate an average of variable costs. Moreover, the fact that there is of course not only products but services offered, the variable costs must be very well revised.

## 5.2 Generalizations

To generalize the characteristics of the gift, we will assume that it has a size of 20x20x10 cm for a volume of 4.000 cm<sup>3</sup> and that its weight does not exceed 1.000 gr. As one of the added values of Besorgungen Machen will be the customization of the packaging or service, the gift will have a package allusive to the occasion and then it will be packed again with the necessary conditions to be sent or transported by a courier company, this will then increase its volume up to the following measures: 30x30x15 cm for a volume of 13.500 cm<sup>3</sup>.

Assuming that all suppliers are local Austrian or in the worst case scenario from Germany, transportation from the supplier to the Besorgungen Machen central would be done by means of a motorized messenger permanently, for this reason high messaging costs were included in the fixed monthly costs, and transportation to the end user would have a variable cost for the client depending on the destination and will be discriminated against from the final sale price. The special packaging (gift) will cost approximately EUR 2 per unit and packaging for shipments will cost EUR 1 per unit.

Within the generalizations for the calculation of the costs, we analyzed that the users would spend in the purchase of the item or service between EUR 30 and 100 since these were the results thrown by the study of markets made for this project; therefore, we will assume that the average gift will be sold at EUR 62 and that its cost will be at EUR 40 to have a 35% margin for costs and profits. In this order of ideas, to reach the projected EUR 200.0000 of sales in the first year, 3.225 gifts or services must be sold, for an average of 268 service or gifts sold monthly, taking into account that sales are seasonal, an issue that was analyzed earlier in this document.

## 5.3 Financial Study

The following financial study contains the cost analysis from which the detailed cash flow for the first year is generated and then it is projected to the first five years. For each of the projected years, the profit and loss statement and the balance sheet are calculated. For purposes of the economic study, we evaluate the financial statements of the first year, by calculating the financial ratios in order to identify the viability of the project.



## DETAILED CASH FLOW FIRST YEAR

	Annual Estimate	Year 0	January	February	March	April	May	June
<b>INCOME</b>								
Sales	200.000		5750	12250	12250	12250	12250	42000
<b>OUTCOME</b>								
RENT		800	800	800	800	800	800	800
WATER		80	80	80	80	80	80	80
TELEPHONE-INTERNET		150	150	150	150	150	150	150
ENERGY		100	100	100	100	100	100	100
ADMINISTRATION		80	80	80	80	80	80	80
DELIVERIES			800	800	800	800	800	800
PAYROLL		3700	3700	3700	3700	3700	3700	3700
ACCOUNTING SERVICES		800	800	800	800	800	800	800
CONSUMABLES		100	100	100	100	100	100	100
DOMAIN COSTS		70						
Canon LEASING PC'S		491	491	491	491	491	491	491
MARKETING & ADVERTISING	20400	586,5	586,5	1249,5	1249,5	1249,5	1249,5	4284
ESTIMATED VARIABLE COSTS	94316		2712	5777	5777	5777	5777	19806
AMORTIZATION	10000		8333	8333	8333	8333	8333	8333
DEVELOPMENT INVESTMENT	3200		267	267	267	267	267	267
OPERATIVE INVESTMENT	1900		158	158	158	158	158	158
PROVISION FOR TAXES								
<b>TOTAL OUTCOME</b>		7.550.691	19157	22886	22886	22886	22886	39950
			800	800	800	800	800	800
<b>CASH FLOW</b>	-129816		-13407	-10636	-10636	-10636	-10636	2050
INICIAL BALANCE		120000	106593	95957	85321	74686	64050	66100
<b>FINAL BALANCE</b>		106523	95887	85251	74616	63980	66030	106523

<b>ESTACIONALITY</b>		0,06125	0,06125	0,08	0,06125	0,06125	0,21
<b>SALES ESTIMATE</b>		100%	100%	100%	100%	100%	100%

	Annual Estimate	July	August	September	October	November	December	TOTAL
<b>INCOME</b>								
Sales	200.000	42000	12250	12250	12250	12250	12250	200000
<b>OUTCOME</b>								
RENT		800	800	800	800	800	800	9600
WATER		80	80	80	80	80	80	960
TELEPHONE-INTERNET		150	150	150	150	150	150	1800
ENERGY		100	100	100	100	100	100	1200
ADMINISTRATION		80	80	80	80	80	80	960
DELIVERIES		800	800	800	800	800	800	9600
PAYROLL		3700	3700	3700	3700	3700	3700	44400
ACCOUNTING SERVICES		800	800	800	800	800	800	9600
CONSUMABLES		100	100	100	100	100	100	1200
DOMAIN COSTS								70
Canon LEASING PC'S		491	491	491	491	491	491	5894
MARKETING & ADVERTISING	20400	4284	1249,5	1249,5	1249,5	1249,5	1249,5	20400
ESTIMATED VARIABLE COSTS	94316	19806	5777	5777	5777	5777	5777	94316
AMORTIZATION	10000	8333	8333	8333	8333	8333	8333	100000
DEVELOPMENT INVESTMENT	3200	267	267	267	267	267	267	3200
OPERATIVE INVESTMENT	1900	158	158	158	158	158	158	1900
PROVISION FOR TAXES								
<b>TOTAL OUTCOME</b>		39950	22886	22886	22886	22886	22886	305100
<b>CASH FLOW</b>	-129816	2050	-10636	-10636	-10636	-10636	-10636	
INICIAL BALANCE		68150	57515	46879	36243	25608	14972	
<b>FINAL BALANCE</b>		68080	57445	46809	36173	25538	14902	

Table 9. First Year Cash Flow

**IRR FIRST YEAR**

**-5,53%**

### PROJECTED CASH FLOW 5 YEARS

	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>INCOME</b>						
Sales		200000	220000	242000	266200	292820
<b>OUTCOME</b>						
RENT	800	9600	9648	9696	9745	9793
WATER	80	960	965	970	974	979
TELEPHONE-INTERNET	150	1800	1809	1818	1827	1836
ENERGY	100	1200	1206	1212	1218	1224
ADMINISTRATION	80	960	965	970	974	979
DELIVERIES		9600	9648	9696	9745	9793
PAYROLL	3700	44400	44622	44845	45069	45295
ACCOUNTING SERVICES	800	9600	9648	9696	9745	9793
CONSUMABLES	100	1200	1206	1212	1218	1224
DOMAIN COSTS		70	70	71	71	71
Canon LEASING PC'S	491	5894	5923	5953	5983	6013
MARKETING & ADVERTISING	1249	20400	20502	20605	20708	20811
ESTIMATED VARIABLE COSTS		94316	94788	95262	95738	96217
ACQUISITION OF SECURITIES		13736	16270	19459	23273	29847
AMORTIZATION PREOPERATIVES AND CONSTITUTION		100500	101003	101508	-	-
PROVISION TAXES		5.393	8.443	21.350	38.729	59.535
<b>TOTAL OUTCOME</b>	<b>7.550</b>	<b>229179</b>	<b>233279</b>	<b>247242</b>	<b>255480</b>	<b>277299</b>
<b>CASH FLOW</b>						
	-7.550	-29179	-13279	-5242	10720	15521
Initial balance	120000	90821	77542	72300	83020	98541
<b>FINAL BALANCE</b>	<b>112450</b>	<b>83271</b>	<b>69992</b>	<b>64750</b>	<b>75470</b>	<b>90991</b>

*Table 10. 5-year Projected Cash Flow*

IRR

**44,61%**

**PROJECTED PROFIT AND LOSS 5 YEAR PERIOD**

	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
Operational Income	200000	220000	242000	266200	292820
Operational Costs	94316	99031	103983	109182	114641
<b>Gross Profit</b>	105684	120969	138017	157018	178179
Operative Expenditures	23225	24386,2	25605,5	26885,8	28230,1
Depreciation Expenditures	10050	10100	10150	0	0
<b>Operative Profit</b>	72409	86482,7	102261,4	130132,1	149948,8
Non-operational income	740	777	815,8	856,6	899,474625
Financial Costs	1790	1879,5	1973,4	2072,1	2175,7
<b>Profit before Taxes</b>	69.879	83.826	99.472	127.203	146.874
taxes	60000	66000	72600	79860	87846
<b>Net Profit</b>	9.879	17.826	26.872	47.343	59.028

*Table 11. 5-year Projected P&L*

**PROJECTED BALANCE SHEET 5 YEAR PERIOD**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Current Assets					
Cash	23.899	35.299	56.176	104.549	183.936
Inventories	8.950	10.601	12.679	15.165	18.660
Temporal Investments	13.736	16.270	19.459	23.273	29.847
<b>Subtotal Current Assets</b>	<b>46.586</b>	<b>62.172</b>	<b>88.315</b>	<b>142.988</b>	<b>232.444</b>
Property Plant and equipment					
Pc's	17.812	17.812	17.812	23.156	23.156
Furniture and fixtures	1.000	1.700	1.700	2.300	2.300
Accumulated Depreciation	-6.037	-6.107	-6.107	-7.948	-7.948
<b>Subtotal PPE</b>	<b>12.775</b>	<b>13.405</b>	<b>13.405</b>	<b>17.507</b>	<b>17.507</b>
Other Assets					
Permanent Investments	0	0	19.459	23.273	29.847
Deferred	25.971	25.827	17.336	7.494	
<b>Subtotal Other Assets</b>	<b>25.971</b>	<b>25.827</b>	<b>36.796</b>	<b>30.768</b>	<b>29.847</b>
<b>TOTAL ASSETS</b>	<b>85.332</b>		<b>138.517</b>	<b>191.264</b>	<b>279.799</b>

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Current Liabilities					
Notes Payables	1.342	1.590	1.901	2.274	2.799
Financial Obligations	5.894	5.894	5.894	130	0
Wages payable	7.529	7.755	7.830	7.905	7.905
Taxes Payable	21.978	26.033	31.135	37.238	47.755
Interests Payable	5.393	8.443	21.350	38.729	59.535
Dividends	0	2.696	4.221	10.675	19.364
Other financial obligations	268	318	380	454	559
<b>TOTAL LIABILITIES</b>	42.406	52.731	72.715	97.408	137.920
<b>EQUITY</b>					
Common Stock	34.121	34.121	34.121	34.121	34.121
Legal Reservation	3.412	3.412	3.412	3.412	3.412
Retained Earnings	0	2.696	6.918	17.593	44.810
Years Profit	5.393	8.443	21.350	38.729	59.535
<b>TOTAL EQUITY</b>	42.926	48.673	65.802	93.855	141.879
<b>TOTAL LIABILITIES AND EQUITY</b>	85.332	101.405	138.517	191.264	279.799

Table 12. 5-year Projected Balance Sheet

## COST ANALYSIS

Gifts and services in the year 685

<b>VARIABLE UNIT COST</b>	
KAGE	3
PURCHASE OF THE PRODUCT OR SERVICE	40
<b>TOTAL VARIABLE UNITARY COST</b>	<b>43</b>
<b>FIXED COSTS</b>	
MONTHLY	8.954
PER UNIT	13
<b>TOTAL FIXED COST</b>	<b>56</b>

*Table 13. Cost Analysis*

<b>AVERAGE SALE PRICE OF PRODUCT OR SERVICE</b>	<b>62</b>
<b>CONTRIBUTION MARGIN</b>	<b>19</b>
<b>EQUILIBRIUM POINT</b>	<b>471</b>
<b>Monthly Average Sales</b>	<b>16667</b>
<b>Total Monthly Cost</b>	<b>15843</b>
<b>Profit</b>	<b>823</b>
<b>Profit over cost</b>	<b>5,20%</b>
<b>Profit over Sales</b>	<b>4,94%</b>

*Table 14. Profit Analysis*

### 5.4 Results of the Financial Analysis

One of the most useful and most common methods in financial analysis is the so-called financial ratios method, also known as the simple reasons method.

This method consists of "determining the existing relationships between the different items of the financial statements, so that through a correct interpretation, you can obtain information about the company's previous performance and its financial position for the near future".

To analyze the financial projection of Besorgungen Machen, the financial reasons for the first year of operation have been calculated, and these have been divided into four groups:

### 5.4.1 Solvency Reasons

With the solvency ratios we will measure the ability of the company to fulfill its short-term obligations.

- *Current solvency = short-term current / passive assets = EUR 1.10*

Interpretation: The company has EUR 1.10 of current assets for each euro of current liabilities, which indicates that short-term debts are covered to operate without cash deficits if the inventory is sold quickly or debts can be paid with it.

- *Acid test = circulating asset - inventories / short-term liability = EUR 0.89*

Interpretation: The company has \$ 0.89 of readily available assets for every euro of current liabilities, which would express that the debts are slightly high with respect to current assets, if the inventory cannot be sold quickly or pay the debts with it.

### 5.4.2 Reasons for Stability

With the reasons for stability we can observe the relationship between the money that the partners have invested and what the business owes and where the money is invested.

#### ***Origin of capital***

- *Total liabilities / stockholders = 1.24*
- *Short-term liabilities / stockholders' equity = 0.43*
- *Long-term liabilities / stockholders' equity = 0.81*

Interpretation: Since the long-term liability is considerably higher than the short-term liability, it can be deduced that the company has high current solvency, and it will be advisable to evaluate the possibility of restructuring and negotiating the long-term debts to settle them in the short term.



- *Investment of capital = fixed assets / equity = EUR 1.14*

Interpretation: EUR 1.14 has been invested in fixed assets for each euro invested by the partners in the business. To be a marketer, this value is quite high, but considering that it was calculated with respect to the first year of operation, it is understood that this financial reason was high due to the start-up costs of the company and tends to decrease over time.

- *Value of capital = stock capital / social capital = EUR 1.26*

Interpretation: for every euro invested in the business, EUR 1.26 of profit has been generated. This value is very low, but considering that it was calculated over the first year of operation, it is an acceptable value.

### **5.4.3 Reasons for Productivity**

The reasons for productivity measure the efficient use of the company's resources.

Analysis of the sales level:

- *Net sales / stock capital = EUR 13.12*

Interpretation: for each euro of capital invested, EUR 13.12 have been sold, it is a reasonable amount since the company is a commercializing company.

- *Net sales / working capital = EUR 14.06*

Interpretation: for each circulating euro, EUR 14.06 have been sold, as the difference is very low with the previous financial ratio, it shows that the short-term debts are not significant for the sales level.

#### **5.4.4 Profitability Reasons**

Through these financial reasons we will analyze if the company gives adequate returns on the investment considering the risk of the same.

- Net income / equity = EUR 0.29

Interpretation: Partners have earned EUR 0.29 for each euro invested in the business. Again this value is very low, but considering that calculated on the first year of operation, is an acceptable value. And it is understood that it tends to grow over time to a value of EUR 3.24 in the fifth year.

- Net income / net sales = EUR 0.02

Interpretation: For each euro sold, EUR 0.02 remain of profit. This value is extremely low, and is due to the high pre-operating costs, of constitution and those generated by the purchase of the items to sell; its value will be increased over time by increasing the volume of sales and ending the amortization of the investment of the partners scheduled for three years.

### **5.5 Financial Conclusions**

The financial behavior of Besorgungen Machen is the typical one of a marketer in its early years, showing a sufficient solvency of working assets due to the fact that liabilities increase proportionally with sales volumes, more are not enough, or are barely enough to cover the preoperative and operational costs, especially taking into account that it has been planned to remunerate the investment to its partners progressively during the first three years of operation.

## 6. CONCLUSIONS

The concept of Internet was explained in detail and the differences that exist between the different services offered within this global network, revealing their origins, limitations and trends. The panorama that this trend faces towards the next century was raised, and especially the challenges to overcome for Austria as a country and as a set of entrepreneurs of different sizes, sectors and industries.

The most striking aspect of the Internet in recent years is the growth of which we have witnessed. It is evident that the speed with which this technology advances is of magnitudes never before seen in any other industry. This growth makes the Internet become a topic of interest for any society that seeks new frontiers and opportunities.

After analyzing and studying some of the most used tools currently available in the computer market to develop websites in general and in particular a Virtual Point of Sale, it is easy to get an idea of how quickly the Internet changes. The tools that cause commotion in the technological field today may become obsolete tomorrow. Making this subject, one of great complexity and endless in terms of their study.

The concept of Electronic Commerce was explained, a topic that few people dominate and in which many corporations are interested. To achieve a better understanding of Electronic Commerce, each component and stage of development was described, the different tools and technologies currently used for its application, and the scope and limitations that characterize it today.

When understanding the importance of the Marketing strategy, and the application of different non-technical principles in the creation of a Virtual Point of Sale, it became clear that to achieve the success of a project of this nature, it is necessary more than the domain of the different technologies available; It is necessary that the entire business is involved in the development, that the staff of the different areas provide their knowledge, experience and creativity, in order to generate synergy and lead to the birth of a website that not only sales, but also serve as a business card to network users and potential customers at first stage in Austria; to inform, encourage interest in visitors and benefit both the public image of the organization and its development and growth.

It is clear that Internet sales attract a large number of companies that hope to expand their borders and increase their profits, however, it was explained that the launch of a product on the Internet is not necessarily a guaranteed success since the unique characteristics of Internet as a means of communication and those of the Point of Sale as such, make it ideal for certain projects but at the same time less profitable for others.

During the investigation and compilation of information about the subject, it was evident that there is a great variety of publications that aim to define Electronic Commerce and the creation of a Virtual Point of Sale, some of them focus on the technical aspect (transaction protocols, security, programming languages and installation of networks and servers among others), other publications focus on the administrative and marketing aspect (advertising, public relations, customer service, among others). After an intense investigation, it was clear that there was a need for a bibliography that defined the Electronic Commerce from its fundamental principles and offered a clear explanation of the creation of a Virtual Point of Sale in Internet covering all its aspects.

To establish the requirements for the creation of a Virtual Point of Sale on the Internet, as well as to define its most important elements, the way in which an organization should conduct itself to initiate sales on the Internet and maintain a successful point of sale, a Simple model, which can be used by any business to plan a Virtual Point of Sale, evaluate its chances of success, design it, implement it, make it known and maintain it.

#### **ADVANTAGES OF THE BUSINESS MODEL AND A VIRTUAL POINT OF SALE**

- a.** Organization: The business model provides the necessary bases to create a Virtual Point of Sale on the Internet in an organized and strategic manner, setting clear objectives and following specific steps.
- b.** Macro Vision of the Project: By using this business model, a much more general and global point of view of the project is provided, facilitating the creation of a Virtual Point of Sale.
- c.** Synergy: The business model manages to concentrate the efforts of all the areas and departments involved towards the same objective, adding resources and working as a team.
- d.** Competition: Thanks to the fact that the business model manages to cover all industries and has great flexibility in terms of company size, micro and small companies can compete with others of a larger size and infrastructure.
- e.** Control: The business model provides the ability to control with order and logic all points to cover from Planning to Innovation and Maintenance of a Virtual Point of Sale on the Internet.

#### **DISADVANTAGES OF THE BUSINESS MODEL AND A VIRTUAL POINT OF SALE**

- a.** Resistance to Change: When changing or entering into a new form of work and technology on the part of human resources there is a natural tendency towards rejection, which is why it is necessary to establish methods that encourage the harmony of teamwork and the introduction of a new technology.

- b.** Internal Security Risks: As mentioned in the fourth chapter, when implementing a Virtual Point of Sale, appropriate internal security measures must be taken to prevent employees with access to the system from misusing their privileges.
- c.** Local obstacles: In some cases, a business can be covered with certain obstacles in the creation of a Virtual Point of Sale on the Internet. In Austria, a poor quality of the postal service can create a bad positioning of the company, increase the distribution costs and hinder the capture of the national market.
- d.** Technological uncertainty: Due to the rapid advancement of Internet technologies, keeping updated and adopting a certain technology can represent a barrier to create a Virtual Point of Sale on the Internet.
- e.** Expert Staff: The creation and management of a Virtual Point of Sale on the Internet requires the work of specialized and properly trained personnel. Costs in this area can increase considerably and limit a company to enter the Internet.
- f.** Technological Requirements in other systems: Since a Virtual Point of Sale interacts with other systems of the company, it is necessary to do a lot of programming to achieve this goal. For many companies it may be a determining factor to create a Virtual Point of Sale on the Internet.

## **PERSONAL OPINION**

But the most important point that is obtained after all the technical and economic study, is the security that this investment, for the scenario proposed, is a viable investment with many possibilities to be carried out, fundamentally with personal resources or in an extreme case using the mechanisms of the WU and TU universities to incubate it inside the facilities and the several partnership incubators.

It should be noted that from my point of view the best way to start a business of this type is to use both support of the WU and TU universities and take advantage of its knowledge resources, because if even with initial investment itself the project is viable, definitely incubation process would be more successful because of the high know-how and idea development knowledge.

## 7. REFERENCES

### Literature Positions

1. Bangs, David, 2005. Business plans made easy, 3rd ed, Jr. [Irvine, Calif.]: Entrepreneur Press, c2005.
2. Barringer, Bruce, 2015. Preparing effective business plans: an entrepreneurial approach. 2nd ed. Boston: Pearson.
3. Barrow, Paul and Brown, Robert. The business plan workbook. 8th ed.
4. Blackwell, Edward, 2017. How to prepare a business plan: your guide to creating an excellent strategy, forecasting your finances and producing a persuasive plan London, United Kingdom; New York, NY: Kogan Page.
5. Butler, David, 2014. Business planning for new ventures: a guide for start-ups and new innovations. New York, NY: Routledge, 2014.
6. Dan Cudjoe, 2014. Consumer-To-Consumer (C2C) Electronic Commerce: The Recent Picture, School of Economics and Management, Beijing University of Technology, Beijing, China, 2014.
7. Gale, Michael, 1995. Business plans handbook: a compilation of actual business plans developed by small businesses throughout North America. Detroit, MI: Gale Research, Inc., 1st ed.- c1995-, annual.
8. Hill, Brian, Power, Dee, 2013. The pocket small business owner's guide to business plans. York, NY: Allworth Press.
9. Karlson, Carolyn, 2006. Writing and presenting a business plan 2nd ed. Editor: James S. O'Rourke. Australia; Mason, OH: South-Western Cengage Learning.
10. Kiku Jones, 2009. Consumer-to-consumer e-commerce: An Emerging Stream of Research. University of Tulsa, USA.
11. Kogan, Page, 2015. Philadelphia.
12. Krishna, Vijay, 2002. Auction theory. Academic press. print.
13. Lasher, William 2005. The Perfect business plan made simple. New York: Broadway Books, c2005.
14. Mckeever, Mike, 2016. How to write a business plan? 13th ed.. Berkeley, CA: Nolo Press.
15. Pinson, Lina, 2008. Anatomy of a business plan: the step-by-step guide to building your business and securing your company's future, 7th ed. Tustin, CA: Out of Your Mind, c2008.

16. Yutaka, Kurihara, Nobuyoshi Y., Sadayoshi T, 2005. Global Information Technology and Competitive Financial Alliances. Idea Group Inc.
17. Zacharakis, Andrew, Spinelli, Stephen, 2011. Business plans that work: a guide for small business. New York: McGraw-Hill, c2011.
18. Zehle, Stefan, Friend, Graham, 2009. Guide to business planning. 2nd ed. New York : Bloomberg Press, c2009.
19. Zheng Qin, 2009. Introduction to E-commerce. Tsinghua University Press, Beijing and Springer-Verlag GmbH Berlin Heidelberg.

### **Electronic sources**

1. Age Structure in Austria. Staatista analysis.  
<https://www.statista.com/statistics/385829/age-structure-in-austria/>
2. Betreut web page in Austria.  
<http://www.betreut.at/>
3. Business ideas, category of passion and interest.  
<http://www.businessideas.net/businessideas/category/interest-or-passion/retail>
4. Business Venture Description. Liberty Concierge.  
[https://www.slideshare.net/JessicaCarroll4/business-plan-final-draft?from\\_action=save](https://www.slideshare.net/JessicaCarroll4/business-plan-final-draft?from_action=save)
5. C2C consumer-to-consumer.  
<http://www.mbaskool.com/business-concept/marketing-and-strategy-terms/1582.c2c.html>
6. C2C/consumer-to-consumer. <http://www.ismailsyria.com/2013/03/>
7. Chinese ecommerce (2013). <http://www.traveltradechina.com/index.php>
8. Classified Advertising Categorization. <http://en.wikipedia.org/wiki/classified-advertising>
9. Consumer to consumer e-commerce. Statista analysis. <https://www.clarity-ventures.com/articles/what-is-consumer-to-consumer-ecommerce>
10. Consumer-to-consumer (C2C) e-commerce: Definition, business model & examples. Taught by Donna Swarthout. Retrieved at <http://education-portal.com>
11. Customer- to- customer. <http://en.wikipedia.org>
12. Customer-to-customer electronic commerce (C2C). <http://www.investopedia.com>.
13. Dan Cudjoe, "Consumer-To-Consumer (C2C) Electronic Commerce: The Recent Picture", School of Economics and Management, Beijing University of Technology, Beijing, China, 2014. Published online at <http://journal.sapub.org/ijnc>

14. E-commerce Models <http://www.eservglobal.com/uploads/files/index.pdf>
15. Haushilfe 24 web page in Austria. <http://www.haushilf24.at/>
16. Head Concierge page in UK. <http://www.headconcierge.com/>
17. How the consumer-to-consumer (C2C) e-commerce model works.  
<http://fikobservatory.com>
18. Internet Made by B2B, B2C and C2C. <http://b2b.salesandmarketing.ws/2005/10/internet-made-b2b-b2c-and-c2c.html>
19. Malaysian Business Ideas. Top of the Industry.  
<http://www.malaysia.gov.my/EN/Relevant%20Topics/IndustryInMalaysia/Business/IKS/IKSTrainingProgramAndDevelopment/MECD/Pages/MEDC.aspx>
20. Mami Express web page in Austria. <http://www.mamiexpress.ch/>
21. Parttimermaid page in UK. <http://www.parttimeraid.com/>
22. Population Change by demographic characteristics and by population age and sex. Statista analysis.  
[https://www.statistik.at/web\\_en/statistics/PeopleSociety/population/population\\_change\\_by\\_demographic\\_characteristics/population\\_by\\_age\\_and\\_sex/036031.html](https://www.statistik.at/web_en/statistics/PeopleSociety/population/population_change_by_demographic_characteristics/population_by_age_and_sex/036031.html)
23. Statistics and Market Data on C2CE-commerce.  
<http://www.statista.com/markets/413/topic/983/C2C-e-commerce>
24. Statistics for Austria. Statista analysis.  
<https://fred.stlouisfed.org/series/LFWA64TTATQ647S>
25. Trends to look out for c2c e commerce industry in 2018.  
<https://retail.economictimes.indiatimes.com/re-tales/trends-to-look-out-for-c2c-e-commerce-industry-in-2018/2710>