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Innovative business plan: online platform that connects the small farmers to consumers

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Master in Business Administration

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ISCTE Business School

May, 2021



BUSINESS
SCHOOL

Marketing, Operations and General Management Department

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RESUMO

O presente projeto teve como objetivo a apresentação de um plano de negócios para a criação de uma plataforma online que permita aos consumidores adquirir produtos hortícolas, produzidos através de práticas sustentáveis, por pequenos agricultores locais.

Foi feita uma análise de mercado junto dos potenciais consumidores para avaliar o seu interesse em adquirir estes produtos e, junto dos pequenos agricultores, para avaliar o seu interesse em vender os seus produtos através da plataforma. Por último, foi ainda realizada uma análise à concorrência a fim de perceber se esta atividade apresenta atualmente um volume de vendas que permita a viabilidade económica e financeira do projeto.

Da análise realizada, foi possível concluir que (1) há crescimento na procura por produtos hortícolas produzidos através de práticas sustentáveis; (2) que há interesse em adquirir produtos produzidos por pequenos agricultores locais, como forma de ajudar a economia local; (3) que esta crescente procura não é acompanhada por crescentes vendas, uma vez que o acesso a estes produtos não é facilitado. A conjugação destas 3 conclusões criou uma oportunidade de negócio para dar início ao projeto.

Para dar início a este projeto será necessário um investimento inicial de 31.100€, destinado maioritariamente à criação e desenvolvimento da plataforma online.

De acordo com a análise financeira do projeto, foi possível concluir que este é economicamente e financeiramente viável, com VAL de 9.860.245€, TIR de 417.34% e um período de recuperação de investimento de 2 anos.

Palavras-Chave: Plataforma Online, Agricultura, Sustentabilidade, Plano de Negócio, Negócio Social

Classificações JEL: M13 – New firms; Start-ups

Q13 - Agricultural Markets and Marketing; Cooperatives; Agribusiness

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ABSTRACT

The objective of this project was to present a business plan for the creation of an online platform that allows consumers to purchase horticultural products, produced through sustainable practices, by local small farmers.

A market analysis was made with potential consumers to assess their interest in purchasing these products and, with small farmers, to assess their interest in selling their products through the platform. Finally, an analysis of the competition was also carried out in order to understand if this activity currently presents a sales volume that allows the economic and financial viability of the project.

From the analysis carried out, it was possible to conclude that (1) there is a growing demand for vegetables produced through sustainable practices; (2) there is interest in purchasing products produced by small local farmers, as a way to help the local economy; (3) this growing demand is not accompanied by growing sales, since access to these products is not easy. The combination of these 3 conclusions created a business opportunity to start the project.

To start this project it will be necessary an initial investment of 31.100€, mainly destined to the creation and development of the online platform.

According to the financial analysis of the project, it was possible to conclude that it is economically and financially viable, with an NPV of 9,860,245€, an IRR of 417.34% and a payback period of 2 years.

Keywords: Online platform, Agriculture, Sustainability, Business Plan, Social Business

Classifications JEL: M13 – New firms; Start-ups

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GLOSSARY

AT - Autoridade Tributária

B2C - Business to Consumer

CAP - Common Agricultural Policy

CAP - Confederação dos Agricultores de Portugal

CEO – Chief Executive Officer

CTT – Correios de Portugal

EBIT - Earnings Before Interest and Taxes

EBITDA - Earnings Before Interest and Taxes depreciation, and amortization

EU - European Union

GDP - Gross domestic product

IEFP - Instituto do Emprego e Formação Profissional

IFOAM - International Federation of Organic Agriculture Movements

INE — Instituto Nacional de Estatísticas

IRC - Imposto sobre o Rendimento das Pessoas Coletivas

IRR - Internal Rate of Return

IT - Information Technology

JEL - Journal of Economic Literature

NPO - Non Profit Organizations

NPV - Net Present Value

PDR — Programa de Desenvolvimento Rural

ROE - Return on Equity

ROI - Return on Investment

SEO - Search Engine Optimization

TOC - Técnico Oficial de Contas

UI/UX - User interaction/ User Experience

UNCTAD — United Nations Conference on Trade and Development

VAT - Value Added Tax

VRIO - Valuable; Rare; Inimitable; Organization

INTRODUCTION

The commercialisation of local products has been acquiring special importance at the present moment as it contributes to the dynamisation of agricultural activity, the creation or maintenance of employment in rural areas, the increase in producer income and the establishment of value in the regions, particularly inland areas of the country.

In order to counteract the difficulties in access of small producers to marketing processed agricultural products, as well as to improve the qualifications of all agents involved and create a climate of innovation, the development of new products, processes, technologies and organisational forms becomes an important factor in developing local production

Thus, through this Business Plan the feasibility of creating the Local Vegetable Garden Project will be studied, focused on the creation of an online subscription service that allows consumers of horticultural products to purchase vegetables produced by local farmers, with door to door delivery and personalized to the needs of each one. This service, being innovative in the market where it will be inserted, offers a differentiated value proposition, far from the proposals presented by the current competition, which will allow it to apply blue ocean strategies.

For the initialisation of this Business Plan, a theoretical framework was made concerning agriculture in Portugal, the consumption and valorisation of horticultural products, as well as the concept of marketplace and the creation of short agri-food circuits.

By collecting data from potential customers of the service, as well as from potential farmer partners, it was possible to study and understand the real needs from both perspectives. This allowed me to adjust the offer and characteristics of the service according to the needs presented by both customers and partners. Also, to complement the information collected through the questionnaires and interviews to customers and partners, a careful analysis of the external market and internal company was carried out, in order to obtain good insights for the construction of the company's strategy and objectives, as well as the definition of its vision, mission and values.

Based on the objectives defined for the company, a marketing and advertising plan, an operational, organizational and financial strategy was also structured, in order to build a successful path for the company.

With the current situation that the world and the country are going through, with effects of the pandemic caused by Covid-19, the company seeks to devote itself to solving social

problems, by providing fresh and healthy food to urban consumers; economic ones by promoting the local economy and helping the flow of products produced by local farmers and; environmental ones by reducing the distance of food transportation, saving energy and consequently decreasing the use of fossil fuels, as well as encouraging a more sustainable agricultural production. Thus, the company will rely on strategies with positive social impact and that allow its customers and partners to create strong emotional bonds.

As a result of the strategy presented, the economic and financial viability of the business has been guaranteed, with an NPV of €9,860,245, an IRR of 417.34% and a payback period of 2 years.

2. LITERATURE REVIEW

2.1 Social Enterprise

The term "social enterprise" was originated in Europe in 1970 as a consequence of the economic recession and increased unemployment, which caused a substantial decrease in government revenues and an increase in public spending (Borzaga et al., 2001; OECD, 1999).

Since then, social businesses have become very common in developed countries (F. M. Santos, 2012). There are even authors who believe that social businesses will become, in the near future, almost as important as commercial businesses (Harding 2006). These are mostly initiated through small initiatives aimed at solving local problems with global relevance, such as access to drinking water or help in creating small businesses, thus increasing jobs (F. M. Santos, 2012).

The definition of the concept of social business has been discussed over the years. Borzaga et al., (2001) defend that a social business is exclusively dedicated to the development of social and sustainable goods, with the objective of generating profit (Tsai et al., 2020), as well as Wallace (2005) who states that social businesses have as their main mission to solve social problems.

More recently, (Yunus et al., 2010) has defined the social business as something that generates enough revenue to cover its costs. In which part of the surplus is used to invest in business expansion and another part should remain in reserve for unstable future situations. While (F. M. Santos, 2012), defines a social business as a business engaged in commercial activities with the objective of exploring opportunities to bring value to society and consequently generate revenues.

The main difference between a social enterprise and a non-profit organization (NPOs) is that the social business is autonomous and does not get involved in government affairs to solve current social problems (Kim et al., 2017). However, tensions between the social and financial domains may hinder growth and competitiveness in the market (Davies et al., 2018). For example, if the financial factor starts to dominate the company, it runs the risk of seeing its mission deviate from direction (Cornforth, 2014).

The growing emergence of organizations with a social purpose has contributed significantly to social and economic welfare (Bhattarai, 2019; Muñoz & Kimmitt, 2019), and not only

changed the concept of non-profit organisations (NPOs), but also helped to bring companies closer to society by changing public government policies (McMullen, 2018).

However, from the consumer's point of view, studies have been carried out showing that even though there is a positive attitude towards social companies - to what is created by them and the services provided by them - consumer demand is not always as high as expected (Magnusson, 2013; Moody et al., 2015). And that a good way to strengthen consumer confidence in the purchase of products and/or services from social companies is to increase the transparency of organizational operations.

2.2. Farming

Agriculture is characterized by the activity of land cultivation and cattle raising. It is the business that is part of the primary sector of the economy, responsible for the extraction or harvesting of products from the land, with the objective of providing us with the primary ingredients for our food. Through the use of resources such as land, labor, knowledge, capital and entrepreneurship (Eurostat, 2019).

In the European Union, the agricultural sector is regulated by the Common Agricultural Policy (CAP) which helps to meet the challenges to which agriculture is exposed through the implementation of various standards and objectives. Within the proposed objectives for the future, the importance of climate change should be highlighted. Through the creation of rural areas, landscape and environment preservation, food care and public health (Eurostat, 2019).

In addition to this growing concern for climate change and food and health care, there has also been an increase in organic farms. The number rose by about a fifth between 2013 and 2016 (44 000 farms, more than in 2013) (Eurostat, 2019).

Organic agriculture is an agricultural production method that aims to produce food from natural processes. It has a much lower environmental impact, since it encourages the responsible use of natural resources, promoting a more sustainable agricultural production than conventional agriculture (Eurostat, 2019). The Portuguese lands, in particular, saw their organic cultivation increase 383% between the years 2000-2015 (Table 2.1) positioned itself as one of the 10 European Union countries with the highest organic growth (Table 2.2) (Willer et al., 2017).

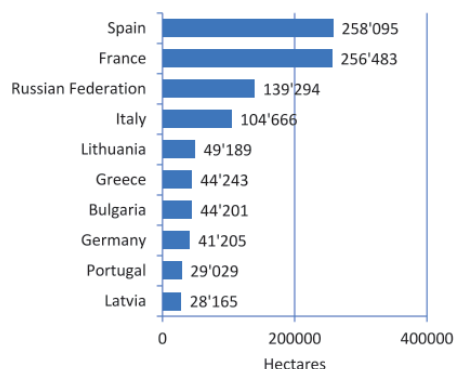
Table 2. 1 - Organic agricultural land by country 2015

Source: FiBL-AMI survey 2017 based on Eurostat and national data sources.

Country	Organic area [ha]	Organic share [%]	Increase 2014-2015	Increase 2000-2015
Albania	515	0.04%	-	-
Andorra	2	0.01%	+100.0%	-
Austria	553'570	21.3%	-0.5%	+11.8%
Belarus		Wild collection only		
Belgium	68'818	5.2%	-3.1%	+233.0%
Bosnia and Herzegovina	576	0.03%	-38.7%	-
Bulgaria	118'552	3.9%	-37.3%	+41'351.7%
Channel Islands	180	1.9%	-	-
Croatia	75'083	5.0%	-34.0%	+583'615.4%
Cyprus	4'699	4.3%	-17.3%	+8'936.5%
Czech Republic	478'033	11.3%	-1.1%	+188.5%
Denmark	166'788	6.3%	-0.6%	+5.8%
Estonia	155'806	16.5%	-0.2%	+1'478.3%
Faroe Islands	253	8.4%	-0.1%	-
Finland	225'235	10.0%	-5.6%	+52.8%
France	1'175'128	5.0%	-18.6%	+271.8%
Germany	1'088'838	6.5%	-3.8%	+99.4%
Greece	407'069	5.0%	-10.9%	+1'424.2%
Hungary	129'735	2.4%	-3.4%	+176.7%
Iceland	9'797	0.5%	+14.1%	+188.1%
Ireland	73'037	1.8%	-29.0%	+168.2%
Italy	1'492'579	11.7%	-7.0%	+43.5%
Kosovo	160	0.04%	-28.7%	-
Latvia	231'608	12.8%	-12.2%	+5'163.8%
Liechtenstein	1'107	30.2%	+2.5%	+60.4%
Lithuania	213'579	7.4%	-23.0%	+4'435.5%
Luxembourg	4'110	3.2%	+6.5%	+294.8%
Macedonia, FYROM	2'174	0.2%	+44.7%	-
Malta	30	0.3%	+13.9%	-
Moldova	28'729	1.2%	-23.1%	+4'688.1%
Montenegro	3'289	1.4%	-	-
Netherlands	49'273	2.6%	-0.2%	+52.4%
Norway	47'640	4.4%	+4.6%	+231.0%
Poland	580'731	3.8%	+13.3%	+2'539.7%
Portugal	241'375	7.2%	-12.0%	+382.7%
Romania	245'924	1.8%	+17.6%	+1'314.3%
Russian Federation	385'140	0.2%	-36.2%	+3'905.7%
San Marino		Processing only		
Serbia	15'288	0.4%	-37.6%	-
Slovakia	181'882	9.6%	-0.9%	+211.1%
Slovenia	42'188	9.1%	-2.3%	+711.3%
Spain	1'968'570	7.9%	-13.1%	+416.8%
Sweden	518'983	16.9%	-3.3%	+197.9%
Switzerland	137'134	13.1%	-2.4%	+465.9%
Turkey	486'069	1.3%	+1.2%	+714.9%
Ukraine	410'550	1.0%	-2.4%	-
United Kingdom	495'529	2.9%	+5.2%	+14.3%
European Union	11'188'258	6.2%	+7.8%	+155.2%
Europe	12'718'969	2.5%	+8.2%	+177.6%

Table 2. 2 - Europe: The 10 countries with the highest growth of organic agricultural land in 2015 (hectares)

Source: FiBL-AMI survey 2017 based on Eurostat and national data sources.



About the general growth of agriculture in the European Union, it is known that there was a slight increase in the value produced by the agricultural industry (+0.7%) in 2028, thus reaching a record 7.7 billion euros. 58% of this value was the result of the production of vegetable products (cereals, fruit and vegetables, oils, etc.) (Eurostat, 2019).

In Portugal, in recent years, there have been record figures in agricultural production, thus improving the food deficit - the difference between what we produce and what we import - at the level of 400/ 500 million euros per year (P. M. Santos, 2017)

2.3. Eating Habits

With growing concern about the health effects of food, there has been a great growth in demand for healthier food choices (Grunert, 2006). Much also as a consequence of the fact that many EU Member States are developing policy interventions as a way to promote healthier eating habits, the effectiveness of which can grow strongly among individuals (Capacci et al., 2012; Traill et al., 2010).

This growing concern on the part of consumers about their eating habits has led them to search for alternative foods, thus ending up with an increase in demand for organic agricultural production and organic food (Jaenicke and Demko, 2017).

The organic agriculture was originated in 1940 by J.I. Rodale who founded the first research institute for organic agriculture and gardening and since then it has been very developed (Biswas & A. Micallef, 2019). It is characterized by the production of high quality, healthy food that promotes sustainable practices with positive impact on the agricultural ecosystem. (AGROBIO, 2017). Organic farming provides for organic food that is defined as food originating from nature and derived from agricultural production (Sousa et al., 2012).

Especially in the last decades there has been an increasing consumption of organic food in the world, thus motivating the academic community to investigate the reasons behind this choice, as well as the barriers to organic food consumption. (Pham et al., 2018a; Ryan & Casidy, 2018). These studies report the influence of multiple causes behind the increased consumption of organic food, including health awareness (Chekima et al., 2017), social norms (Mørk et al., 2017), of ethical choice (Kushwah et al., 2019a) and environmental concerns (Ghali, 2019). And, they highlight as barriers associated with the purchase of these products, the sensitivity to price (Tariq et al., 2019) and product accessibility (Vittersø e Tangeland, 2015). In addition, studies have been carried out that relate consumers' sustainable choices to their social status, i.e. the possibility for consumers to pass on a positive image to others by choosing a more sustainable purchase (Maynard, 2007).

It should be noted that although organic farming practices are increasingly attractive and modern around the world, the main demand for these products is in North America and Europe, with the two representing approximately 96% of the entire organic market (Jaenicke and Demko, 2017a). It was in Europe that the foundations were laid for the development of organic trade, through mass organic agricultural production. The main producers and suppliers of organic markets in Europe are domestic products (dairy, vegetables, fruits and meat). (Willer,

2017a). In countries such as France, Spain, Italy, Portugal and the Netherlands, exports of organic food products are already higher than imports (Biswas & A. Micallef, 2019).

In Portugal, the organic production scenario is still at an early stage of development, occupying a very limited space in the food market (IFOAM, 2017), according to the president of AGROBIO - Portuguese Association of Organic Agriculture, about 7% of the agricultural area used in Portugal (Ferreira, 2015).

Although the number of farmers taking up organic crops has risen sharply in 2015 (Ministério da Agricultura, 2015), the production of organic cereals is almost non-existent and, therefore, it is necessary to create incentives to stimulate national production (Ferreira, 2015).

Contrary to what has been said above, despite the growth in general positive attitudes the consumption of organic products there are authors who argue that the consumption of organic products is still lower than expected (Marian et al., 2014). And the high price of organic food is often seen as the main obstacle to consumption (Aschemann-Witzel & Zielke, 2017; Jensen et al., 2011; Magnusson et al., 2003; Padel & Foster, 2005). In the US, for example, it has been estimated that organic food is 40% to 175% more expensive than conventional food (Magkos, Arvaniti, & Zampelas, 2006). Other barriers to organic consumption are originated by scepticism and lack of trust regarding the clarity of organic labels (Hughner, McDonagh, Prothero, Shultz, & Stanton, 2007; Nuttavuthisit & Thøgersen, 2017). And, in addition, there are authors who argue that the limited access to organic food also prevents greater consumption of it, since it takes consumers to sacrifice their time and energy in search of it (Hjelmar, 2011).

2.4. Profile of organic food consumers

Worldwide, consumers of organic food are mostly women (Davies et al., 1995; Food Marketing Institute, 2001), with children in the household (Thompson & Kidwell, 1998) or waiting for a child (Hill & Lynchehaun, 2002), tend to be older (Roddy et al., 1996; Schifferstein & Ophuis, 1998; Cicia et al., 2002) and residents in urban areas (Ferreira, 2015) (Brito, 2018).

Looking at the data in Portugal, according to a study of the Target Group Index (TGI), 47.7% of the Portuguese have more consideration to the purchase of organic products, being that 57.7% are women and in their great majority over 45 years. Portuguese consumers of organic products tend to be married, use the internet, enjoy going to the movies and regularly consult social networks. They are interested in outdoor activities, read and listen to music and are concerned about their diet (Marktest, 2017).

2.5. Marketplace

With the development of e-commerce, online consumption has grown a lot in recent times (Robina-Ramírez et al., 2020). This growth has not only helped to promote products through these new technologies (Salleh et al. 2010), as well as to study the consumer behaviors behind the purchasing attitudes (Kriwy and Mecking 2012) and facilitating communication between brands and consumers (Doherty and Ellis-Chadwick 2010), thus allowing the application of segmented marketing strategies to help with purchase conversion (Taylor 2003).

Currently, one of the biggest flaws in farmers who want to affirm themselves as sustainable is the lack of financing and the limitation of distribution channels, which can be strengthened by the implementation of innovative services such as Financial Technology (known as FinTech) and the digital market, thus facilitating commercial transactions in agriculture, since they make all processes more conveniente (Anshari et al., 2019).

One of the ways that organic producers have sought in recent years to overcome the purchasing/demand deficits of organic products is to associate themselves with online platforms as marketplaces, in order to bring their work closer to the final consumer. (Kawecka e Gębarowski 2015).

These online platforms help the consumer to be more aware of a healthier diet, recognizing more easily the nutritional concept, the environmentally friendly production and animals (Torjusen et al., 2001), help in the product's value proposition since it has the possibility to promote the purchase online, taking advantage of all the advantages of e-commerce (low cost, high efficiency, openness) (Grunert and Ramus, 2005). And also give a competitive economic advantage to consumers and producers (Vaarst et al. 2019) as e-commerce forces down costs (Mozas- Moral et al. 2018) through cost efficiency (Doherty and Ellis- Chadwick 2010).

From the consumer's point of view, several studies were realized to evaluate the importance of the technologies as a way to impel sales in the organic market. Through a study based on the theory of planned behavior, it was concluded that the intention to purchase biologicals increases when the purchase is possible to be carried out through an online platform (Paul et al., 2016). This advantage is even more advantageous when it comes to young consumers and organic producers (Robina-Ramírez et al., 2020).

For the producer there were also several studies carried out in order to study the attitudes that influence the producer's decision to accept to sell their products on the online market and it is worth highlighting the importance they give to the online market as a way to reduce distribution costs, since they no longer need to have an intermediary located in large food

distribution companies, thus achieving price advantages allowing them to compete at the level of large distribution chains (Robina-Ramírez et al., 2020)

Despite all these advantages presented in relation to the sale of organic products through the online market, there are still barriers that must be taken into account in order to create strategies that do not prevent the purchase (Bauer et al. 2006). Such as physical contact with this type of products, which is considered very valuable in the purchasing decision process (Jin and Phua, 2015), and that it is not allowed to have in online shopping and therefore it is necessary to create other sensory attributes that lead to purchase conversion (Verhoef and Langerak 2001).

2.6. Agri-food products in short chains

With the increasing intensification of agriculture after World War II, agricultural producers join a productivism model controlled by the processing and distribution industry (Montiel, M., 2009), and it is from here that quality levels are demanded, uniformity of the products produced throughout the year, always in increasing quantities and at lower prices for those who produce them (Renting, H., 2003).

As a way to escape this market loop, production and consumption alternatives are being created and tested all over Europe, and the shortening of the market circuits was one of the hypotheses to be put forward (Ibidem).

For François, the concept of a simple short circuit does not imply a physical distance between producers and consumers but the presence or absence of intermediaries. Thus, a short circuit is considered to exist when there is at most one intermediary between the producer and the consumer (François, M., 2000).

This new relationship established between producers and consumers requires from both new communication and networking skills, which are consolidated with regular contact through suppliers, farm visits, communication and other strategies aimed at increasing the opportunities for contact (Correia, et al., 2012).

These new relationships help increase the perceived value of food by incorporating mutual trust, respect for the environment, promotion of healthy eating, and a feeling of helping the community (Sonnino, R., 2006) (Hinrichs, C., 2000).

2.7. Chapter conclusion and summary

Social businesses - whose main mission is to help solve social problems - have been growing in recent years, thanks to major global problems that have an extreme impact on people's and planet health, and on the economy. However, this growth is not accompanied with a growth in demand for these businesses and, a way to increase this interest is through the transparency of the processes involved in the business.

Agriculture, characterized as the primary sector business of the economy, whose main purpose is to provide us with the most important ingredients of our food, has undergone major (negative) changes in recent years. Much to the fault of mass production, which brings great consequences for the health of the soil and consequently, for the people who consume these products.

And, because of these negative changes in the agricultural sector, the demand for healthier options, has skyrocketed in the last decade. Thus growing the demand for organic agriculture and integrated production, based on good agricultural practices. Portugal is among the countries in Europe that export more organic products than they import - with 7% of the agricultural area in Portugal being used for the production of organics. However, price is one of the major barriers to the consumption of organics.

Currently, the lack of access to technology is also one of the barriers to selling these products, since farmers, due to lack of financial resources and knowledge, do not have the possibility to enter digital channels. So one of the ways that has helped the sale of these organic products is the association of farmers to marketplaces. There are even studies that show that the consumer's intention to buy organic products improves when there is the possibility to buy them online, and also that farmers benefit from the possibility of selling products at more competitive prices, since their margin is not crushed by another 2/3 players in the sales process.

And, this is where the sale of products in short distribution circuits comes in, a form of distribution that brings consumers and farmers closer and improves the relationship between them, promoting an environment of trust in the sales process.

3. METHODOLOGY

For my methodology I will follow a descriptive type of research, as a way to identify and classify certain types of characteristics of the subjects. Within the descriptive methodology I will implement both quantitative and qualitative research.

3.1. Data collection

3.1.1. Questionnaire

The quantitative research will be done through a questionnaire, and will help me to acquire knowledge about potential buyers, such as: tracing their profile, understand their consumption preferences, consumption habits and if they are interested in purchasing products from Portuguese small farmers, as well as to test the validity of my value proposition. Since the main purpose of the questionnaire is to collect information from potential Portuguese buyers, it will be written in Portuguese (annex A on page 73).

3.1.2. Semi-structure interview

With the qualitative research I will be able to collect farmer's opinion in relation to my project and to the digital platform, and their ability or availability to adapt to the digital channel and to this new type of distribution, and also as a way to identify current problems in this market. This analysis will be conducted through a semi-structure interview in order to get a more precise feedback, namely about their willingness to join the platform in order to sell their goods.

3.2. Data Analysis

3.2.1. Questionnaire Analysis

230 questionnaires were conducted between 2nd and 10th January 2021, in which 64.3% of respondents are female and 35.7% are male (Annex B on page 80). In terms of age group, the segment 18-25 years represents 41.3%, while the segment 26-35 represents 42.6% and, finally, the segment 36-65 years represents 15.2% (Annex C on page 80). In terms of geographical distribution, there is a large percentage of respondents from Lisbon (40.9%) and Castelo Branco (41.3%), 6.5% from Coimbra and 3.5% from Setúbal (Annex D on page 80). Regarding the

monthly income distribution of the respondents, 65.7% of the people receive up to €1,300 and only 18.7% receive above €1,300 (Annex E on page 81).

About the food consumption habits of this sample, 99.1% answered that they usually consume fruit/vegetables (Annex F on page 81) and that they buy them more frequently in "supermarkets" (78.9%), get them through their own "vegetable garden" (50%), and from "neighbors/friends who have a vegetable garden" (32.9%) (Annex G on page 81). As for the frequency with which it acquires vegetables, 53.5% of the sample acquires them once a week, and 23.7% of the sample acquires them 2 or more times a week (Annex H on page 81).

Regarding the valorization of national products, 94.7% answered that they value national products (Annex I on page 82). However, 98.7% of the sample that consumes vegetables, answered that they would like to consume (more) products from local producers (Annex J on page 82), and that the main motivations that lead them to want to buy this type of vegetables from local producers, is to "help the local economy", according to 76.1% of the sample and to get "better quality products", according to 75.2% of the sample (Annex K on page 82). As for the barriers to the consumption of these products, the answers "Bad accessibility to producers" given by 54.6% of the sample that consumes vegetables and the "highest price" identified by 41% of the sample (Annex L on page 83).

As for the interest in acquiring products through an online platform, 75.1% answered that they would be interested (Annex M on page 83) and, of these, they answered that the way they would prefer to acquire them would be through the subscription of a basket with the possibility of replacing the products that they do not want to receive, by others that they prefer to receive, and this answer was given by 60.2% of the sample that answered that they would be interested in acquiring the products online (Annex N on page 84).

Of the sample who responded that they would be interested in purchasing vegetables, 45.6% would be willing to pay between €13 - €20 per week to receive a fruit/vegetable basket of about 7kg and 43% responded that they would be willing to pay between €6 - €12 (Annex O on page 84).

Within the characteristics presented for the service: "freshness of products", "transparency of production service", "transparency of delivery service", "period of delivery", "price" and "variety on offer", the most valued characteristic was the "freshness of products", followed by the "variety on offer" and the "Period of Delivery" (Annex P on page 84).

3.2.2. Semi-structure interview analysis

Two semi-structured interviews were conducted with two farmers in order to analyze some characteristics of their business, as well as assess their interest in joining my company. For both interviewees, the following interview was conducted, with the respective questions:

A: Semi-structured interview conducted to farmer Miguel Canêdo, 57, owner of the company "Frutas Canêdo".

1. How many years have you been working in agriculture?

"I've been working in agriculture since I was very young, since when I went to the garden to help my parents (...) I took a course in mechanics, and worked for several years in a cars office, but about 15 years ago I decided to dedicate myself to agriculture, take advantage of the land left to me by my parents and open my own company".

2. How many employees does your company have?

"In my company "Frutas Câneo" at fixed time is just me, and my wife, but I usually hire punctually some people to help me in specific tasks (...) as for example in the olive harvest (...).

3. Through which channels do you sell your products?

(...) I have a weekly market stall promoted by the city council, (...) I also usually receive orders by phone, which I then pick up at my warehouse (...) and also through my trailer, which I park every day at the end of the day in the main street (...)"

4. Who do you sell your products to and how do you characterize your customers?

"I sell my products to local mini-markets (...), but my biggest customers are the people who live here and know that what I sell is quality and fresh (...) I have a very specific customer who are the mothers who try to give healthier food (...) for example to make the baby soups (...)"

5. What are the major disadvantages of your work?

"Being dependent on the weather conditions (...), I have greenhouses that help me to regulate the production better, however it is not enough (...) also the lack of support from the chamber to encourage the production and purchase of local products.

6. Would you be interested in selling your products online? Why?

"Yes, definitely! To have an idea, I am currently using 1/4 of the capacity of my land, to produce, because I have no way to sell my production. People no longer go to the market, and what they need to buy, they buy all in one place - at the supermarket. I have a few people who don't mind diverting their route home from work to pick up a few baskets of fresh fruit and vegetables, but that's not enough. I need an online channel to sell my products".

7. Would you be interested in joining my subscription service?

“Yes, I would gain another channel of sale to the public and it would be good to have the help of a partner that could allow me to sell online, without having to worry about learning it. Besides, it would also be good on the perspective of acquiring new clients.”

B: Semi-structured interview conducted to 63-year-old self-employed farmer Georgina Andrade:

1. How many years have you been working in agriculture?

"I've been working in agriculture since my childhood, but it's only been about 15 years since I started to dedicate myself 100% to agriculture and sell my own products".

2. How many employees does your company have?

"I am the only one who works in my garden (...) sometimes I have my husband's help for the heaviest jobs, but most of the time I manage the whole garden".

3. Through which channels do you sell your products?

"They contact me by phone, sometimes asking for eggs and vegetables, but I also sell the products at the village market, every week on Fridays".

4. Who do you sell your products to and how do you characterize your customers?

"I sell to customers here on my village, to close friends and I also usually sell to the family (...) but I sell mostly on the market, to people who are looking for fresh food and who know they have no chemicals".

5. What are the major disadvantages of your work?

"The margins are so small (...) and this year Covid has made less markets, making it difficult for me to sell my products".

6. Would you be interested in selling your products online? Why?

"Yes (...) It would be a good way to sell more frequently and attract new customers".

7. Would you be interested in joining my subscription service?

“Yes, as long as it is not too difficult to adapt, because I know nothing about technology.”

3.3. Chapter conclusion and summary

It was possible to conclude through the questionnaires that nearly 100% of the sample values national products and would like to consume (more) products from local producers and that one

of their biggest motivations for the preference of products produced by local producers is based on the possibility of helping the local economy and consuming higher quality products.

However, more than half of the respondents say that access to these products is one of the biggest barriers to buying them, and that the second biggest barrier is the price of these products. Once again, this reinforces the information presented in the literature review about the reasons why the purchase of healthier products does not accompany the growth of interest in consuming healthier products.

Moreover, through the questionnaire it was possible to conclude that more than half of the sample was interested in purchasing these products through an online platform, and that the most valued feature in this service would be the freshness of the producers and the variety in their offer.

Through the interview conducted to the two small farmers, it was possible to conclude that there is interest in joining my platform as a way to monetize their land, which currently is not being monetized, due to lack of demand and sales capacity.

4. EXTERNAL ANALYSIS

External Analysis must begin with an understanding of the general environment within which a firm operates, in order to identify which factors directly and indirectly affect the company's activity, both in the present and in the future, thus helping it to define and implement an effective strategy (Barney & Hesterly, 2015).

4.1. General Environment

According to Barney & Hesterly (2015) “this general environment consists of broad trends in the context within which a firm operates that can have an impact on a firm’s strategic choices. The general environment consists of six interrelated elements: technological change, demographic trends, cultural trends, the economic climate, legal and political conditions, and specific international events” (Barney & Hesterly, 2015).

4.1.1. Technological Change

Let’s start by analyzing the technological advances in recent years and how these have a significant impact on how companies sell their products or services.

Currently it is possible to purchase any type of product or service online, using only a computer, smartphone or tablet. This ease access has greatly enhanced online shopping in

Portugal and in the rest of Europe. Many have been the studies about the growth of e-commerce and online shopping habits in Portugal and, according to an annual report from E-Commerce Europe, 75% of the Portuguese accessed the Internet in the year 2018, registering a growth compared to 2015 (65.4%) (Lone et al., 2019).

However, nowadays, and even though there is a strong growth in the use of the Internet, there is still a great discrepancy between the Portuguese and European reality when it comes to online shopping. According to the European Commission, 49% of the Portuguese who use the Internet made purchases online in 2018, while the EU average is about 61% (Lone et al., 2019). These figures place Portugal as one of the markets with the lowest volume of online shopping in Europe. This trend is stronger in the elderly population, who find it more convenient to go to a shopping mall or supermarket to do their shopping instead of opting for digital channels (Teixeira, 2020).

According to Teixeira (2020), the main reasons for this low demand for digital channels on the part of the Portuguese are due to several reasons, among them: According to CRBE, Portugal has a very large offer of shopping centers, which is superior to the European media. Allied to the extended timetable practiced by these shopping centers, making people easily available to go to these establishments.

The logistics services in Portugal show a slight weakness, namely in the delivery within the stipulated deadline. Logistics being one of the main components to the success of digital commerce. According to a study "B2C E-Commerce Index" prepared by UNCTAD (United Nations Conference on Trade and Development) concluded that Portugal ranks 43rd out of 152 countries, mainly due to the evaluation criterion "Postal Reliability Index", which combines four key components: reach score, relevance score, resilience score, reliability score.

- Lack of capacity to allocate resources to innovation activities, thus limiting investment in this area.
- The Portuguese consumer reveals levels of digital illiteracy.
- The payment of online purchases is seen by the Portuguese as an unsafe method.
- Lack of professionals to perform work in engineering, technology and computing functions. According to the European Commission, in the last 5 years the difference between the demand for the needs of companies and the supply of talent has increased by 14%, meaning a demand for 15,000 jobs without corresponding offers.
- The lack of optimization of websites for smartphones.

- Shipping costs are one of the biggest barriers to online shopping. During the pandemic there were many stores offering shipping as a way to facilitate the conversion of online sales and avoid physical contact.

There are still many national companies that consider online investment as an accessory to business, and the data presented by the CTT - Head of e-commerce, Pimenta (2020), confirm this, since he says that only 39% of Portuguese companies have presence online. This weak presence, reduce the investment in e-commerce and, therefore, the investment in improving its quality.

As a result of the appearance of the Covid-19 pandemic, (Pimenta, 2020), highlights the exponential growth in the number of ebuyers in Portugal from 10% to 15% in 2020, when compared to the previous year. And the demand for fresh products is the one that registers the biggest growth in this period of analysis, about 25%.

4.1.2. Demographics Change

According to Barney & Hesterly (2015) “Demographics is the distribution of individuals in a society in terms of age, sex, marital status, income, ethnicity, and other personal attributes that may determine buying patterns. Understanding this basic information about a population can help a firm determine whether its products or services will appeal to customers and how many potential customers for these products or services it might have”.

About the population in Portugal, it was estimated at about 10 million people, divided very evenly by gender, women representing 53% of the population and men 47% of the population (Pordata, 2020). Regarding the population growth rate, last year there was a positive migration growth rate of 0.45% and a negative natural growth rate of 0.25% (for the eleventh consecutive year). According to INE, (2019) Portugal may lose population by 2080, reaching a population of 8 million residents, which may be below 10 million already in 2042.

There has been a growing process of demographic ageing, with a decrease in the young population and an increase in the elderly population, with a proportion of 161 elderly per 100 young people. With this aging index increasing over the years, standing at 157.4% in 2028, it places Portugal in third place as one of the countries with the most aged population in Europe, with an increase in the median age of the resident population in Portugal from 43.5 to 45.5 years between 2014 and 2019 (Pordata, 2020).

As for the average disposable income of Portuguese households, there has been growth over the last 6 years (since 2014), after a period of constant decline as a result of the entry of

the crisis in 2018. Reaching a value of 34,335.7 euros in the year 2019, thus exceeding the pre-crisis income levels of 2008 in the euro area.

The average Portuguese consumer spends more money in the food, beverage and tobacco sector, and this figure has also registered a progressive increase since 2009. Registering a total of 27,435.00 euros in the year 2019.

4.1.3. Culture Trends

A third element of a firm's general environment is cultural trends. These are the values, beliefs and norms that guide behavior in a society. According to Barney & Hesterly (2015) "Understanding the cultural context within which a firm operates is important in evaluating the ability of a firm to generate competitive advantages".

Portugal is one of the oldest countries in the world, having defined its borders in 1249, when the definitive conquest of the "kingdom" of the Algarve and, having remained until today, practically unchanged. The receptivity of the Portuguese culture to the entrance of other cultures is a constant throughout our history. Having been identified, as sources of our culture, Galician, Spanish, Catalan, Italian, French, English and German (Mendes, 1996).

Portuguese culture stands out for its affectivity and imagination. Affectivity because we are a people with a deep human feeling, which is based on an affective, loving and kind temperament and, the imagination for all the Portuguese achievements coming from literature, plastic arts, theater, fado, among others.

4.1.4. Economic Climate

"The economic climate is the overall health of the economic systems within which a firm operates" (Barney & Hesterly, 2015). Portugal had recorded higher economic growth in recent years, proving to be recovering well after a complicated economic situation. However, the Covid-19 pandemic has had a devastating economic impact both for Portugal and the rest of the world (figure 4.1).

The fall in the Portuguese GDP compared to the previous quarter was the largest since 1977. If the same is analyzed in homologous periods, everything indicates, that we will register a new negative historical memory.

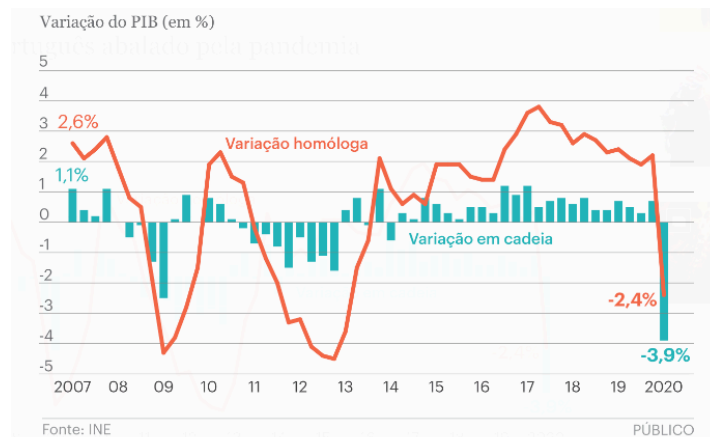


Figure 4. 1 - Portuguese GDP affected by the pandemic

Source: INE

As a result, the unemployment rate in Portugal in the third quarter of 2020, according to the most recent data from INE (2019), rose to 7.8%. The unemployed population was estimated at 404,100 (45.1% more than in the previous quarter).

It is now possible to understand some of the implications of this pandemic crisis, which has required and demands a strong capacity of companies to adapt. It is therefore important to monitor and analyze closely in order to perspective the evolution of the Portuguese economy in order to help us take future decisions.

4.1.5. Legal and Political Conditions

“The legal and political dimensions of an organization’s general environment are the laws and the legal system’s impact on business, together with the general nature of the relationship between government and business” (Barney & Hesterly, 2015).

It is known that at European level, there are 1 farmer under 35 for every 9 over 55 years old. In some member states like Portugal, Spain, Italy, United Kingdom and Bulgaria this proportion is even lower (3 to 20), however there are countries like Poland, Austria and Germany where there is 1 young farmer for every 6 over 55 years old. And these differences between countries are mainly explained by the existence of favorable legislative frameworks that have been able to promote the renewal of generations in rural areas, through incentives for the transmission of farms (CAP - Agricultores de Portugal, 2020).

In order to foster the creation of new business related to agriculture in Portugal, the Portuguese state has created some policies / supports:

- “Programa de Desenvolvimento Rural” (PDR) - Program approved by the European Commission that aims to support all Individuals or Collective Persons engaged in agricultural activity. In order for projects to be eligible for the program, they must have an investment between 1,000 and 25,000 euros.
- “Start Up Portugal”, created in 2016, with the objective of encouraging national entrepreneurship through the creation of financial incentives, ecosystems and aid to internationalization.

More recently, and in order to mitigate the effects of the Covid-19 pandemic, the Minister of Agriculture, Maria do Céu Albuquerque, recently announced a new package of measures to support the agricultural sector, worth 140 million euros, thus contributing to reducing the losses felt by farmers, helping them to mobilize funds to continue developing in the sector (Portuguesa, 2020).

4.1.6. Specific International Events

Specific events can have an enormous impact on the ability of a firm’s strategies to generate competitive advantage (Barney & Hesterly, 2015).

The appearance of Covid-19 had important business implications. The measures applied had a very strong direct impact on the economy, with a sharp drop in the country's activity and social relations, since the population was forced to adopt measures of physical distancing, thus establishing social instability.

4.2. Opportunities and Threats

The critical determinants of a firm’s strategies is the threats and opportunities in its competitive environment. If a firm understands these threats and opportunities, it is one step closer to being able to choose and implement a “good strategy” (Barney & Hesterly, 2015).

4.2.1. Opportunities

- Growing demand from the Portuguese population for alternative options to imported products;
- Exponential increases in online shopping;

- The period of crisis that Portugal is beginning to face, increasing the local consuming, helping those closest to them;
- People's interest in consuming (more) local products;
- Weak competition;
- State support for entrepreneurship;
- Support from local chambers to promote local consumption;
- Growing demand for healthier products.

4.2.2. Threats

- Few farmers have “activity open” on *Finanças* to sell their products to a company.
- Individualism of small farmers
- Direct competition already has a very broad capillarity in Portugal.
- Tax burden for farmers is high
- Supermarkets

4.3. Chapter conclusion and summary

It has been notorious the growth of online shopping in Portugal, however we are still a country with a very weak online presence when compared to the rest of Europe. But the emergence of the pandemic has increased these numbers in the last year. Portugal is also one of the most aged countries in Europe, with a ratio of 161 elderly people to 100 young people, reflecting this greatly in the ecommerce numbers.

The sector where the Portuguese spend the most of their income is in the food sector, however, with the economic crisis that has taken hold as a result of the pandemic, we can expect to see a decrease in spending in this sector (among others) in the coming months/years. Demanding a strong adaptation capacity from companies to overcome this crisis.

It is possible to conclude that the growth of online shopping is a great opportunity for the project, as well as the growing demand for healthier and sustainable products. On the other hand, the biggest threats to my business are the competitiveness of supermarkets, and the large state discount rates that farmers have to bear when opening activities to sell their products.

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5. INTERNAL ANALYSIS

5.1. Business Model Canvas

Based on the data collection and external analysis carried out, it is now possible to proceed with the internal analysis by presenting the Canvas business model (Table 5.1). This is a strategic tool that allows, in a simplified way, to create a visual map about all the main aspects of a business in a single page (Barney & Hesterly, 2015).










Key Partners  Local Farmers Municipalities Local commerce	Key Activities  Logistics and distribution of vegetables Key Resources  Human Resources Physical Resources Financial Resources	Value Propositions  Local production Door to door distribution Customized offer Fresh products Digital channel	Customer Relationships  Fast Close Transparent Channels  Online Physical distribution	Customer Segments  People who buy and eat vegetables Concerned to know the origin of the products Concerned to help the local economy
Cost Structure  Advertising and Marketing Human Resources Licenses and taxes Door-to-door distribution Infrastructure			Revenue Streams  Sale of vegetables from local farmers	

Table 5. 1 - Business Model Canvas

- **Key Partners:** All local farmers, responsible for supplying all vegetables. Links should be established with the municipalities in order to receive aid for the promotion of the project. In addition, through a strategic link, the company should take on a close relationship with local commerce by creating synergies for the promotion of local products;
- **Key Activities:** The company's key activity it boils down to collecting vegetables from the small producers, distributing them door to door;
- **Key Resources:** These resources can be divided as follows: (1) human resources, with qualified workers, in different areas; (2) physical resources, these being associated with the physical space where the logistics center will be installed, for product collection and order preparation, as well as office space; (3) financial resources, these being from own capital, state subsidies and loans.

- **Value Propositions:** The value proposition of this service relies mainly on local production. As can be concluded from the questionnaires that have been done, people have a strong motivation to buy products from local producers, and what this company will do is to bring these products closer to the customers, with the creation of a local distribution network. In this service, there is also a great benefit associated with the customization of the offer, based on customer preferences. This value proposition meets the preferences identified in the questionnaires made to potential customers, in which a good percentage said they prefer to customize their vegetable basket according to their preferences.
- **Customer relationships:** Contact with customers should be ensured with a fast and accessible service, through channels such as social networks, website and e-mail. Contact with the customer should be transparent, in order to bring small farmers and customers as close as possible.
- **Channels:** The main objective of the creation of this company is to associate the digital channel with Portuguese agriculture. With the creation of an online platform that facilitates the access of the Portuguese to fresh products produced in Portugal, and by local producers. Thus, the channels that will allow the company to be in contact with customers are digital and physical, since the order is made online and its distribution is done door to door.
- **Customer Segments:** This channel is aimed at all those who consume and buy vegetables, who are concerned to know the origin of the products they consume and, above all, who are concerned to help the local economy and hence local commerce.
- **Cost Structure:** One of the most important and inherent costs in this business is associated with the investment in marketing and advertising, to create and promote the platform. In addition to this cost, the company's cost structure will also have to bear costs associated with human resources, licenses and taxes, door-to-door basket distribution and infrastructure.
- **Revenue Streams:** The company's main source of income is in the sale of vegetable baskets, with prices adjusted to basket size and quantity of products.

5.2. Strengths and Weaknesses

The main purpose with the identification of the strengths and weaknesses of a firm arises with the need to perceive if the internal resources and capabilities allow or not allow it to explore its opportunities and neutralize its threats. If so, its resources and capabilities are evaluated as

strengths, if not, its resources and competencies are evaluated as weaknesses (Barney & Hesterly, 2015).

5.2.1. Strengths

- Marketing solutions and communication channels easily accessible;
- Local distribution route door-to-door;
- 100% Portuguese and local production;
- Offer customization;
- Customer Service;
- Concept that meets the Portuguese needs – consume more local products.

5.2.2. Weaknesses

- Small Margins;
- Dependence on weather conditions;
- Less variety than Supermarket.

5.3. VRIO Framework

The VRIO Framework is a primary tool for analyzing a firm's internal strengths and weaknesses. It stands for four questions about a firm's resources and capabilities in order to evaluate their competitive potential. This will help to better analyze business cases and situations (table 5.2) (Barney & Hesterly, 2015).

Table 5. 2 - The VRIO Framework

Is a resource or capability...					
Resources and capabilities	...value?	...rarity?	...costly to imitate?	...exploited by organization?	Competitive implications
Plataforma Digital	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Trabalhadores qualificados e	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Estrutura Agile	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Distribuição Porta-a-Porta	Yes	No	No	Yes	Competitive Parity
Serviço de atendimento	Yes	No	No	Yes	Competitive Parity

The questions are:

- Question of Value: The value of this project is in offering people the possibility to acquire local products more easily, through an online platform. Another resource that allows to explore existing opportunities in the market is the distribution channel integrated into my service.
- Question of Rarity: The direct competitiveness is weak, since there are few companies in Portugal with the same value proposition and supply in the market. The fact that this resource is not controlled by several other players in the market, allows this project to gain competitive advantage.
- Question of Imitability: Companies that have not developed an online tool, with good usability and customer service practices, will have difficulty and disadvantage in growing in a market that is increasingly evolving digitally. Thus, they will be resources and capabilities difficult to imitate, since it involves large investments on restructuring and developing.
- Question of Organization: The way a company is organized has a direct impact on the way it exploits resources and capabilities and, in this way, this company will be organized based on an Agile model, with practices that allow to respond quickly and efficiently to any situation. This structure becomes easier to be applied since the creation of the company's culture.

The companies competing in Portugal, are mostly companies created by Agricultural Cooperatives, or by groups of farmers, making them less efficient in areas that are not directly linked to the farmer, as is the case with technology. Perhaps because of this, the companies that exist today in the market have a weak presence in digital.

So, I consider that it will be costly-to-imitate my value proposal, by the other players on the market.

5.4. Chapter conclusion and summary

Through internal analysis of the company, it was possible to conclude that the company's value proposition is based on the online sale of locally produced fresh products with door-to-door distribution. Through an innovative platform, with an innovative UI/UX in the agriculture sector, since the competitors in the Portuguese market have platforms with a very weak level of usability and design.

It was also possible to conclude that, according to the resources and capabilities of the competition, my project is characterized by being costly-to-imitate since, to be imitated, it implies a series of changes at the level of structure, culture, organization, among others, that I think the competing companies will not be able to support.

6. COMPETITIVE ANALYSIS

According to Kotler et al. (2017), the marketing concept is based on the definition of objectives that depend directly on the target's needs, and on meeting these needs better than the competitors.

Thus, to develop my competition analysis, I need to start by identifying my main competitors and evaluate their offer, target, service, and position in the market, so that I can adjust my market entry based on the opportunities and threats identified. To do this, I have prepared a list of them (table 6.1).

Table 6. 1 - Competitors Analysis

		Competitor 1	Competitor 2	Competitor 3	Competitor 4	Competitor 5
		PROVE	Cabaz da Horta	Da nossa Terra	Maria do Pomar	Mercearia Bio
Company	Type of company	Created by a core of producers	Company	Created by the Penafiel Agricultural Cooperative	Company	Company
	Based	All over Portugal	Lisboa	Penafiel	Alameda	Algarve
Price	Price/ basket	The price depends on the location of the producer group. Can vary between €6 and €15	From €22	Don't have this information online	Vary between €19,50 and €49,99	Vary between €25 and €75.
	Price/Kg	1,36 €	2,44 €	--	1,93 €	2,78 €
Target	Buyers	Local consumers	Local consumers	13 canteens, 5 associations, a network of grocery stores and local consumers	Portuguese Consumers	Portuguese Consumers
Service	Service Features	Basket delivery service, available in two sizes (small and large). You can select the products you do not want to receive in the basket. Products directly from the producer to the consumer.	Basket delivery service, available in one size. Products directly from the product to the consumer.	Basket delivery service. You can select the products you don't want to receive in the basket. Products directly from the producer to the consumer.	Basket delivery service, 8 types available. They do not have a physical store, they work in digital mode. Customers can place orders for their baskets on the website or through the mobile phone application.	Mostly biological delivery service. Orders placed through the website or by phone. A list of products is made available every week
	Service Strength	Variety of contacts with farmers. A well-established position with small farmers.	They have several types of baskets and depending on the time of year, they adapt the offer (e.g., now at Christmas they include the piglet)	The project has direct help from the City Council. They manage the "Municipal Land Bank" to install farmers. It supplies schools and parish jousting. It integrates 15 local producers.	The digital channel is good. It has a very well built and user-friendly application and online platform.	All products are certified. Distribution at national and Spanish level. The digital channel is well built.
	Service Weakness	There is no distribution of the baskets door to door, it is necessary for the consumer to go to buy the basket. Means of communication with the consumer is weak. They do not promote the service and the digital channels are very outdated and confusing.	The service is only available in the Lisbon area. The site does not have much information about the products / producers	Project communication is very poor. It does not have a website for presenting the project or online information on prices. You do not have online contacts to answer questions.	It does not promote the sale of products from small farmers. Sells products from international producers.	You have a minimum order amount of € 20.00. It does not promote local consumption. Shipping costs outside the Algarve cost € 4.95.
	Products	Locally produced horticultural products and fruit.	Vegetables and fruit produced locally and depending on the season also include meat.	Locally produced horticultural products and fruit.	Horticultural products, fruit and a wide range of vegetable drinks, water and chocolate.	Horticultural products and organic fruit. It also offers pet food, organic drinks, hygiene products and recipes to help in the confection of recipes.
	Distribution	Delivery of baskets at pre-defined points (municipal markets, e.g.) or collection directly from the farm. Available in Aveiro, Braga, Beja, Évora, Faro, Lisboa, Porto, Santarém, Setúbal, Viana do Castelo e Viseu.	Limited distribution to Lisbon, Amadora, Odivelas, Sintra, Cascais, Oeiras	It is only local and only exists in the municipality of Penafiel	Deliveries made throughout the country. Delivery is free of charge over €24.5. Deliveries made in two working days throughout the country, with the exception of Almada and Seixal which are made every Wednesday.	The Algarve is the main delivery area but it makes deliveries throughout the country from €4.95.
	Availability	Weekly and biweekly	Delivery takes place on two days a week	Deliveries are made according to the orders received.	Every working day of the week.	Whenever you order and the week's orders have to be placed by 2f at 1pm.
	why customers choose it	To help local producers and thus the local economy	Fresh products directly from local producers	To help local producers and thus the local economy	For the ease of having fresh produce at home without the worry of thinking too much about what to buy.	Search for biological options
Positioning	main goal	Helping small consumers to dispose of their products by creating access channels that facilitate this distribution	It is not well defined	Promoting local products and stimulating the economy at local level	Make money	To market certified organic products, favouring local, regional and national producers.
	Customer acquisition strategy				It rewards consumers with discounts applied to recurring consumers.	Promotes the subscription of newsletters for people to keep up to date with the news.

6.1. Chapter conclusion and summary

After presenting this brief competition analysis it is possible to conclude that the competition that offers products from local producers is characterized by weaker communication with the consumer as well as its digital channels. This is an opportunity for my company.

Still, on the companies offering locally produced products, 2 of the 3 competing companies are available only in one area of Portugal, and there is no "franchising" or extension of the brands/projects to other parts of Portugal. PROVE is the only competing project that offers a greater extension, with producer clusters in 11 out of 18 districts in Portugal, with a weak point characterized by the absence of the brand's own distribution network, with consumers having to travel to buy their local fruit and vegetable baskets.

When we look at companies competing with non-local products, we see that their communication channels are better. They have websites and even mobile applications that make it easier for consumers to place their orders. However, they are not characterized by the sale of locally produced products, some of which are even imported and none promotes the subscription of weekly baskets.

7. DEVELOPMENT OF THE STRATEGY

7.1. Vision, Mission and Values

The definition of these three strategic concepts: mission, vision and values, is fundamental for the management of the company. They are the ones that manage the strategic planning presented from now on, and serve to guide the path to achieve results.

- Vision: The company aims to connect farmers and consumers, contributing to the flow of local production, without the intervention of intermediaries, thus revolutionizing the agricultural industry.
- Mission: Enhance the farmers' profession and bring closer and improve the relationship between farmers and consumers.
- Values: Ambition; Innovation; Ethics; Sustainability; Speed; Facility; Social Responsibility; Valuing Human Resources; Commitment; Proximity and Local Economy

7.2. Goals

The goals of a business plan must be tied to the mission of the company, and as a way to have a strategy oriented to achieve these goals, I'm going to use the S.M.A.R.T - Specific; Measurable; Achievable; Realistic; Timely - objectives to help me define where my company wants to go in the short/medium and long term.

7.2.1. Short/ medium term objectives:

- Build an online platform with good UX/UI that allows people to subscribe to weekly/fortnightly delivery of fresh vegetables, produced by smallholder farmers;
- Create an efficient logistics process. From stock management on the online platform, receiving customer orders, receiving produce from the small producer, preparing the baskets and ensuring assiduous deliveries;
- Establishing a good partnership relationship with local farmers, fostering their motivation for their work and for working in community, rather than the desire for individual economic growth;
- Help partner farmers to grow their production by at least 100% in the first year of partnership;
- Participate in innovation funding programmes in the agriculture sector as a way to invest in business development and improvement. Among these is the programme: PRIMA - Partnership for Research and Innovation and the programme, HORIZON EUROPE - EU Funding for Research and Innovation 2021-2027;
- To achieve that my turnover covers all initial investments in the first year of activity;
- Develop an organizational culture that fosters teamwork, knowledge sharing and, above all, is prepared to thrive in uncertainty, in order to contribute to the world in a sustainable way, providing superior value and creating meaning for society.

7.2.2. Long term objectives:

- To have the company present in 6 districts of the country until the end of 2026 (5th year of activity);

- To be the top-of-mind company for the Portuguese when it comes to buying fresh, healthy and nationally produced products;
- To be recognized as an innovative social company with a positive impact on the Portuguese economy;
- Exporting the platform to other European countries, and entering geographies such as Spain or France (where the agricultural sector is far superior to ours);
- Help grow the number of young farmers in Portugal and, consequently, the use of land for cultivation;
- Promote visits to the farms of our partner farmers, as a way to get to know our producers, the processes of cultivation and order preparation.

7.3. Chapter conclusion and summary

Setting objectives allows converting the strategic vision in a way that gives measurable materiality to the company's mission.

Both short and long-term objectives have been presented based on the characteristics of the company, and will help us focus on what is essential in order to guarantee the survival and growth of the business even with the competition and all the external conditioning factors.

8. IMPLEMENTATION PLANS

According to Kotler et al. (2017), “A brilliant marketing strategy counts for little if the company fails to implement it properly”. And it is the same when it comes to the strategy for the business, once defined, it is necessary to implement an action plan in order to achieve the objectives.

8.1. Marketing

8.1.1 Brand

The way to create a company name and logo should be: clear, descriptive, memorable, short, simple, unique and, above all, related to the service/product. And, based on these characteristics, the name: Horta Local and the logo is shown below in the figure 8.1.



Figure 8. 1 - Logo of the Company

8.1.2 Segmentation and Target Audience

The company's offer will focus on the consumer in the B2C market, whose priority is to reach customers who are concerned about the product they consume and also who like to help the local economy. In addition, our priority target market will also be the entire population living in the area where the local agriculture is exploited

8.1.3 Positioning

The position that Horta Local wants to have in the minds of consumers is that it is a company that helps value the profession of the small farms, is sustainable, innovative, technological, transparent in the communication it has with its customers and, above all, has quality in terms of both products delivered and service provided.

Therefore, our positioning strategy to differentiate from our competitors is based on technological innovation, since we will create a platform with optimal levels of usability and customization for the client, and also want to be recognized as the company that facilitates access to products produced by small local farmers at the national level.

8.1.4 Marketing Mix

The marketing mix is a tool widely used to define the competitive advantage of the company. It is composed by 4 main "Ps": Product / Service, Price, Promotion and Placement.

8.1.4.1 Service

Horta Local, is an online delivery service of vegetables, which facilitates people's access to products produced by small local farmers. This service is made to bring customers closer to small national farmers, promotes a fast and intuitive customer service. It provides the delivery of vegetables, adjusted to the needs of each customer and with a door-to-door delivery service with the possibility of adjusting the date of shipment (figure 8.2).



Figure 8. 2 - Homepage of the Online Platform

It will have a logistics center located in each of the districts where it will be present. This center will collect exclusive products from producers in that region and baskets of vegetables will be prepared according to the orders.

As a way to keep the customer loyal to the platform, we will create a points program, in which for each order, Horta Local offers points that the customer can accumulate and exchange for offers. These offers could be: extra products in the basket, discount on a subscription, among others (figure 8.3).



Figure 8. 3 - Loyalty Plan

Since one of the company's value is the valorization of the small farmer, it will be created a "Small Producer Support Fund", which will be fed by 10% of the financial result of Horta Local and by donations made by customers at the checkout, at the end of each year. This money will be used to invest in the farmers work, giving them the possibility to invest in their gardens, in equipment to help in production, among others.

On the farmer's side, this service it will allow them to build loyalty to a partner that will help them to sell their products, to get closer to their clients and, consequently, to value and invest in their profession. In addition, they will have access to technical, fiscal and legal support for the business.

8.1.4.2 Price

According to Kotler et al. (2017), pricing is one of the most important decisions in the marketing mix, and is the only element that produces revenue because all other elements represent costs and stands out for its flexibility since it is the only element whose change is possible to be made quickly.

Thus, and based on the average price charged by the competition (Table 6.1 on page 28) and the costs involved in the service, from the paper box of the basket to the price of transport, it was possible to conclude that the price that best fits the market is €13.00 for a small basket (6kg); €20.00 for a medium basket (10kg); €27.00 for a large basket (14kg); €13.00 for a fruit only basket (5kg) and €32.00 for a corporate basket (15kg) (table 8.1).

Table 8. 1 - Price per type of basket

PRICE PER TYPE OF BASKET					
	Small	Medium	Large	Only Fruit	Corporate (only fruit)
Families	2 pax	4 pax	6 pax	--	--
Variety	6-8	10-12	16-18	4-6	3-6
Kg	6	10	14	5	15
Price	€ 13,00	€ 20,00	€ 27,00	€ 13,00	€ 32,00
Price/kg	€ 2,17	€ 2,00	€ 1,93	€ 2,60	€ 2,13

Corporate (schools, care homes)			
Families	Small Units	Medium Units	Large Units
Variety	--	--	--
Kg	0 - 150	150 - 300	> 300
Price	--	--	--
Price/kg	€ 1,70	€ 1,60	€ 1,50

8.1.4.3. Promotion

Simon Sinel already said, "people don't buy what you do, they buy why you do it", so it is important that all communication and promotion of the service is based on the advantages that this service brings to those who subscribe and also to the society (TED., 2010). People will subscribe to this service because they want to consume fresh and local produce, but more than that, these people want to subscribe to the service to help the local economy, local producers, promote environmental and social sustainability, boost job creation in the most rural regions and help maintain agricultural activity in their country as well as in their specific region.

As a consequence of all these motivations, we will pay special attention to the way we communicate with our clients and how we keep them aware of the objectives achieved, as well as the impact their subscription to the platform has had on the lives of local producers.

To this end, we must ensure a close contact through e-mail marketing and posts on social networks that report regularly:

- The amount of local small farmers who saw their work valued, thanks to the revenue they obtained from the sale of their products on the platform;

- The quantity of products (in kilos), which were produced by small producers and consumed by local consumers through the platform;
- Stories and testimonies from local farmers, as a way to let customers know who is behind this service.

In addition, we want our customers to receive in their homes the products with a brief history of local farmers' families. Let them know who produces their products and their production practices. Bringing the most human side to the Portuguese table, and even giving them information on when these products were planted, how they are planted. These details matter to establish the link between the clients and the farmers.

Still about digital communication, it is essential that the online platform uses SEO tools, Google Ads, Google Analytics, as a way to analyze customer behavior and more easily segment their online campaigns in order to promote the service as well as generate more traffic to the website.

Since the company will have a very localized distribution, it will be important to establish partnerships with local stores, as a way for them to collaborate in the communication of the brand, by disseminating it in their establishments, as well as taking advantage of more traditional channels to promote our brand locally, an example of this are the channels such as: local radio, local newspaper, mail via CTT and outdoors.

8.1.4.4. Placement

Access to local products is a problem that people face nowadays. People's routine is increasingly accelerated and don't have time to run away from their routes, making it more difficult for them to purchase this kind of local products - products that have a limited distribution in time, and are less accessible than supermarkets which are already in the weekly routine of the Portuguese. This makes customers choose to purchase all the products in one place, without having to waste time changing their routes.

But according to the data taken from the questionnaire, people are interested in purchasing more local products and, consequently, helping the local economy. Thus, if the difficulty in acquiring this type of products is related to the access to them, Horta Local appears with a door-to-door distribution service, which can be adjusted to the date when the customer needs the products, always ensuring the maximum freshness and quality of the products - since, being an online service, it is not possible for people to assess the quality of the products, before acquiring them, it is essential that they trust the service and are not afraid to subscribe to the service.

8.2 Operations

The Horta Local aims to purchase vegetables from local producers, based on customer demand; logistics of preparing customer orders and door-to-door distribution to customers' homes. This whole process is replicated from region to region. The initial strategy to create the company, is to host in Sertã, and focus its distribution only in the Castelo Branco district, define the farmers partners for the business in the Castelo Branco region, and recruit all the necessary team for the project preparation. With a preparation time of about 9 months.

8.2.1 Location and Facilities

The location of the Horta Local will be, in the first year, only in the town of Sertã, which will allow the company to participate in entrepreneurial projects to help the creation of companies in the interior of the country, as well as to facilitate access to physical facilities, as is the case of SerQ¹, which will allow the company during its first years of activity to have lower fixed costs of infrastructure.

This offices, provided by SerQ, has an open space area, where the allocated team will be, thus allowing the exchange of information and ideas, meeting rooms, to receive the farmers or any other partners, also have a lunch area for employees to prepare their meals, and a warehouse, where it will be possible to have the refrigerated chests for the conservation of fresh food, receive the products ordered from the farmers, as well as set up the whole logistics process of preparing the orders and their distribution.

8.2.2 Development and Production Process

As for the development of the online platform, this will be led by Carolina Nunes and will start with an external IT team to help develop the entire platform, from website creation to stock management and logistics.

The internal team that will help develop the project, will be the CEO (Carolina Nunes), a logistics operative to help create all the logistics and distribution processes of the baskets,

¹ SerQ - Center for Innovation and Forestry Skills - It is an association that aims to stimulate innovation and differentiation, investment and company creation with the objective of promoting competitiveness

aligned with the configuration of the entire online platform, and will also have a marketing professional to help in the configuration of the brand, the contact with the farmers.

The development of the project will be conducted over 9 months, and the time (in months) needed for the development of each task is shown in the figure below (figure 8.4 and table 8.2). For more information about the company's development process, please see annex Q on page 85.

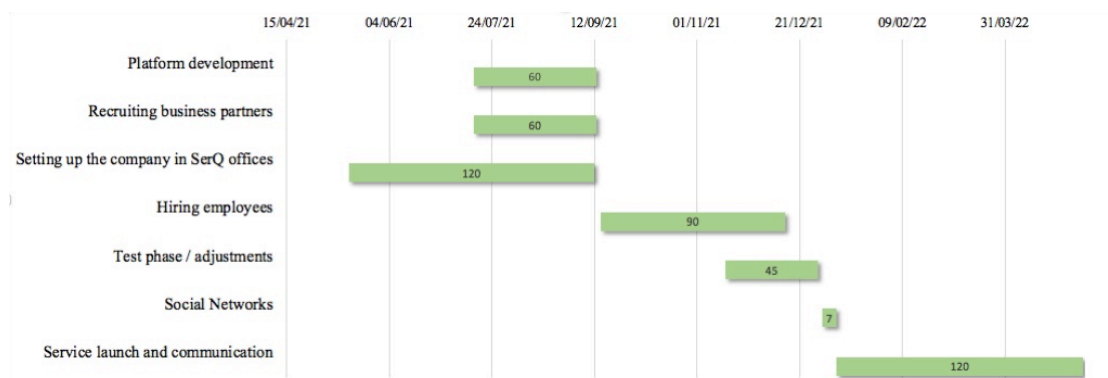


Figure 8. 4 - Development of each task by month

Table 8. 2 - Development Process of the company Horta Local

Task	Start	Duration (days)	End
Platform development	15/07/21	60	13/09/21
Recruiting business partners	15/07/21	60	13/09/21
Setting up the company in SerQ offices	15/05/21	120	12/09/21
Hiring employees	15/09/21	90	14/12/21
Test phase / adjustments	15/11/21	45	30/12/21
Social Networks	01/01/22	7	08/01/22
Service launch and communication	08/01/22	120	08/05/22

8.3 Organizational Structure

The organizational structure of a company is the main lever to achieve effective and efficient operations. *“Only by creating a coherent and complete identity can organizations thrive in uncertainty, contribute to the world, deliver superior value, and create meaning for their people”* (DiLeonardo et al., 2021). In an initial phase, and as is to be expected for a start-up, the company will have a simple structure with a small number of employees and services, which is indispensable for the creation of the company. It is important that this organization is planned

to reduce costs, increase growth and enhance both short term performance and long term organizational health.

Thus, in an initial phase the company will have a division of human resources at only two levels: Administrative and Remaining Staff and will consist of 4 operational departments, totaling 7 employees (see Figure 8.5):

- Finance department - to ensure all the company accounting, invoices to customers, invoices with partner farmers and annual sales balance;
- Commercial/marketing department - to ensure the promotion and communication of the platform, contact with farmers and contact with customers to help them answer any questions or queries;
- Logistics Department - to ensure the logistics of receiving products coming from farmers, basket preparation, stock management, basket delivery management to the distribution company;
- IT Department - to ensure technical developments to the platform and resolution of problems related to it.



Figure 8. 5 - Organizational Structure in the first year of activity

In the following years, with the entry into new regions and growth in demand, it is necessary to prepare the company to grow in departments and in people, in order to ensure good management, with qualified and motivated professionals to provide a quality, effective and efficient service. At the end of the 5th year of activity, the company will be constituted with a human resources structure at 3 levels: Administrators, Director and Operatives, divided into 6 departments, with a total of 36 employees (see Figure 8.6 and table 8.3).

The 2 departments that will emerge in the following years are created in order to perform the following functions:

- Product Department – para assegurar uma gestão 360° da plataforma, desde desenvolvimentos a nível de UX/UI, criação de novas funcionalidades para responder às necessidades dos clientes/ empresa, entre outros.
- Customer Service Department – para assegurar um atendimento especializado aos nossos clientes, assim como gestão da comunidade através das nossas redes sociais (Instagram, Facebook, Youtube e Twitter).



Figure 8. 6 - Organizational Structure in the 5th year of activity

Table 8. 3- Evolution of the company's organization over the first 6 years

	2021	2022	2023	2024	2025	2026
Months	0	12	12	12	12	12
Number of distribution centers		1	2	4	5	6
Number of employees						
Administration/ CEO	1	1	1	1	1	1
Financial Department	--	1	2	3	3	3
Marketing/ Commercial Department	1	2	3	3	4	4
Product Department	--	--	1	1	2	2
Customer Service Department	--	1	1	2	2	2
Logistics/ Operations Department	1	2	5	10	15	20
IT Department	--	2	3	3	3	4
Total	1	7	16	23	30	36

8.4 Sales Forecast

Sales forecasting is an essential tool when you want to launch a business, a new product or service on the market. According to Kotler et al. (2017), to make a sales estimate, the company should look at a sales history of similar products or similar players in the market in order to estimate a minimum and maximum sales to know its risk range.

According to the service, the sales forecast will be based on indicators, such as the level of demand and the turnover of this sector, in the market (Table 8.4).

Table 8. 3 - Number of baskets sold by PROVE (biggest competitor) in 2010

	Vila de Baía	Marco de Canaveses	Cidade de Amarante	Ermesinde	
Year	2010				Average
Population	3200	10000	56000	45000	
Baskets/ week (#)	15	30	30	60	34
Penetration rate	0,47%	0,30%	0,05%	0,13%	0,24%
Year	2020 - Assuming they doubled				
Baskets/week (#) - assuming they doubled	30	60	60	120	68
Penetration rate	0,94%	0,60%	0,11%	0,27%	0,48%

Based on the information presented by PROVE for the year 2010 it was possible to calculate an average sales penetration rate of 0.24%. And, as already seen in the information presented in the literature review, both demand and turnover in this sector have grown in the last decade, and especially in the last year. That said, it was assumed that this penetration rate doubled between 2010 and 2020, and is now 0.48%.

In 2018, this same player (PROVE) had a turnover of €3,257,142.00, with a weekly average of 4,015 consumers, 137 agricultural producers and 97 centers across the country.

Thus, taking into account the factors presented, according to the presence of the company by region, over the years, and the price to be charged for each basket, a sales forecast was prepared (see table 8.6) that allowed us to conclude that the company in its first year of activity will have a gross operating revenue of 1,007,049.89 (table 8.5).

Table 8. 4 - Sales Forecast for the first 5 years of activity

SALES FORECAST						
	2021	2022	2023	2024	2025	2026
Weeks/ Year	--	52	52	52	52	52
Baskets/week	--	942	3194	6678	10139	15917
Average Price	--	20,00 €	20,00 €	20,00 €	20,00 €	20,00 €
Basket Sales/ Year	--	979 750 €	3 322 195 €	6 944 883 €	10 544 385 €	16 553 401 €
Corporate Baskets/ Week	--	15	55	150	200	350
Average Price	--	35 €	35 €	35 €	35 €	35 €
Corporate Baskets Sales/ Year	--	27 300 €	100 100 €	273 000 €	364 000 €	637 000 €
Sales/year (€)	--	1 007 049,89 €	3 422 294,97 €	7 217 883,18 €	10 908 384,51 €	17 190 401,05 €
SALES FORECAST TO SCHOOLS & CARE HOMES						
	2021	2022	2023	2024	2025	2026
Weeks	52	52	52	52	52	52
Schools/ Week (#)	--	--	--	2	7	13
Average per school/ Week (kg)	--	--	--	250	250	300
Total per school/ Year (Kg)	--	--	--	26000	91000	202800
Care Homes (#)	--	--	--	3	15	35
Average sold per Care Homes (Kg)	--	--	--	100	150	150
Total per Care Homes/ Year (Kg)	--	--	--	15600	117000	273000
Total Sales (kg)	--	--	--	41600	208000	475800
Average price/kg	--	--	--	1,60 €	1,60 €	1,60 €
Total Sales/ Year	--	--	--	66 560,00 €	332 800,00 €	761 280,00 €
Gross Operating Revenue	--	1 007 049,89 €	3 422 294,97 €	7 284 443,18 €	11 241 184,51 €	17 951 681,05 €
VAT	--	60 422,99 €	205 337,70 €	437 066,59 €	674 471,07 €	1 077 100,86 €
Gross Operating Revenue - VAT	--	946 626,89 €	3 216 957,27 €	6 847 376,59 €	10 566 713,44 €	16 874 580,18 €

Table 8. 5 - Sales Forecast per region

CUSTOMER GROWTH PER REGION PER YEAR - CASTELO BRANCO						
	2021	2022	2023	2024	2025	2026
Weeks	--	52	52	52	52	52
Growth Rate	--	--	20%	20%	20%	20%
Population Covered**	196264					
Basktes/ week	--	942	1 130	1 357	1 628	1 953
Corporative baskets/ week*	--	15	18	22	26	31
Baskets/ year	--	49 767	59 721	71 665	85 998	103 198

CUSTOMER GROWTH PER REGION PER YEAR - COIMBRA						
	2021	2022	2023	2024	2025	2026
Weeks	--	--	52	52	52	52
Growth Rate	--	--	--	20%	20%	20%
Population Covered	429987					
Basktes/ week	--	--	2 064	2 477	3 220	4 186
Corporative baskets/ week*	--	--	35	42	55	71
Baskets/ year	--	--	109 145	130 974	170 266	221 346

CUSTOMER GROWTH PER REGION PER YEAR - LEIRIA						
	2021	2022	2023	2024	2025	2026
Weeks	--	--	--	52	52	52
Growth Rate	--	--	--	--	20%	20%
Population Covered	126897					
Basktes/ week	--	--	--	609	731	877
Corporative baskets/ week*	--	--	--	10	12	14
Baskets/ year	--	--	--	32 193	38 632	46 359

CUSTOMER GROWTH PER REGION PER YEAR - SANTARÉM						
	2021	2022	2023	2024	2025	2026
Months	--	--	--	52	52	52
Growth Rate	--	--	--	--	20%	20%
Population Covered	465701					
Basktes/ week	--	--	--	2 235	2 682	3 219
Corporative baskets/ week*	--	--	--	37	48	63
Baskets/ year	--	--	--	118 163	141 988	170 636

CUSTOMER GROWTH PER REGION PER YEAR - VISEU						
	2021	2022	2023	2024	2025	2026
Months	--	--	--	--	52	52
Growth Rate	--	--	--	--	--	20%
Population Covered	391215					
Basktes/ week	--	--	--	--	1 878	2 253
Corporative baskets/ week*	--	--	--	--	30	36
Baskets/ year	--	--	--	--	99 207	119 049

CUSTOMER GROWTH PER REGION PER YEAR - AVEIRO						
	2021	2022	2023	2024	2025	2026
Months	--	--	--	--	52	52
Growth Rate	--	--	--	--	--	20%
Population Covered	714200					
Basktes/ week	--	--	--	--	--	3 428
Corporative baskets/ week*	--	--	--	--	--	40
Baskets/ year	--	--	--	--	--	180 344

8.5 Finance – including costs analysis

According to Kotler et al. (2017), costs define the price that the company should charge for its services/products and, therefore, they are considered one of the most important elements in defining the pricing strategy. In this chapter, it is intended to ascertain the fixed and variable costs that are essential to the proper functioning of the company. These costs can be divided in the following way:

8.5.1. Fixed Costs

According to Kotler et al. (2017), “*fixed costs are costs that do not vary with production or sales level*”. According to this project, it is possible to divide fixed costs into "External Supplies and Services" and "Salaries":

For External Supplies and Services, they include all costs related to advertising, office materials, electricity and water, warehouse rent and cleaning services. In the first year of activity, the company will register a total cost of €17,593.20 and a cost of €166,141.20 in the 5th year of activity. This cost is increasing over the years, since the company's strategy is to enter new geographies every year (table 8.7 and table 8.8). It is also advisable to consult annex R on page 86 for a more in-depth analysis of the values calculated over the years.

Table 8. 6 - External Supplies and Services all over the years

			2021	2022	2023	2024	2025	2026
Months			0	12	12	12	12	12
Number of "Horta Local" centers				1	2	4	5	6
	VAT	Monthly Cost	2021	2022	2023	2024	2025	2026
Specializes Services								
Advertising and marketing	23%	1 000 €		12 000,00 €	24 000,00 €	48 000,00 €	60 000,00 €	72 000,00 €
Billing service	23%	10 €		120,00 €	120,00 €	120,00 €	120,00 €	120,00 €
Materials								
Office Supplies	23%	10 €		120,00 €	240,00 €	480,00 €	600,00 €	720,00 €
Electricity and Water								
Electricity	23%				2 400,00 €	7 200,00 €	9 600,00 €	12 000,00 €
Water	6%				1 200,00 €	3 600,00 €	4 800,00 €	6 000,00 €
Other Services								
Lace	23%	Variable per year		1 800,00 €	10 800,00 €	27 000,00 €	34 200,00 €	51 000,00 €
Cleaning, Hygiene and comfort	23%	50 €		600 €	1 200 €	2 400 €	3 000 €	3 600 €
TOTAL ESS				14 640,00 €	39 960,00 €	88 800,00 €	112 320,00 €	145 440,00 €
VAT				2 953,20 €	6 502,80 €	13 602,00 €	17 151,60 €	20 701,20 €
FSE + VAT			- €	17 593,20 €	46 462,80 €	102 402,00 €	129 471,60 €	166 141,20 €

Table 8. 7 - Cost p/ center

	Month			2022	2023	2024	2025	2026
	Electricity	Water	Lace					
Castelo Branco	--	--	150,00 €	1 800,00 €	1 800,00 €	1 800,00 €	1 800,00 €	1 800,00 €
Coimbra	200,0 €	100,0 €	750,0 €	--	12 600,0 €	12 600,0 €	12 600,0 €	12 600,0 €
Leiria	200,0 €	100,0 €	750,0 €	--	--	12 600,0 €	12 600,0 €	12 600,0 €
Santarém	200,0 €	100,0 €	600,0 €	--	--	10 800,0 €	10 800,0 €	10 800,0 €
Viseu	200,0 €	100,0 €	600,0 €	--	--	--	10 800,0 €	10 800,0 €
Aveiro	200,0 €	100,0 €	1 400,0 €	--	--	--	--	20 400,0 €
	Total Costs			1 800,00 €	14 400,00 €	37 800,00 €	48 600,00 €	69 000,00 €

The costs associated to wages will also grow over the years for various reasons, whether it is due to an increase in business volume where it is necessary to hire staff to ensure the work is carried out, due to the company's entry into new geographies, which makes it necessary to recruit operatives to manage the warehouse, orders and basket deliveries, or because I am assuming an annual salary growth of 5% at the end of the 2nd year in the company. The table of total wages cost (table 8.9) was then constructed based on these indicators. Totaling a cost of 128,798.00€ in the 1st year of activity and a cost of 801,598.00€ in the 5th year of activity. It should be noted that all salary costs do not take into account the possibility of hiring trainee employees through the IEFP, in which case the cost may be much lower.

Table 8. 8 - Monthly Remuneration and total wages costs all over the years

Monthly Remuneration	2021	2022	2023	2024	2025	2026
Rate of Growth		5%	5%	5%	5%	5%
Administration/ CEO		1 700 €	1 785 €	1 874 €	1 968 €	2 066 €
Financial Department	--	1 000 €	1 050 €	1 103 €	1 158 €	1 216 €
Marketing Department		1 000 €	1 050 €	1 103 €	1 158 €	1 216 €
Product Department	--	--	850 €	893 €	937 €	984 €
Customer Service Department	--	700 €	735 €	772 €	810 €	851 €
Logistics/ Operations Department		700 €	735 €	772 €	810 €	851 €
IT Department	--	1 300 €	1 365 €	1 433 €	1 505 €	1 580 €

Annual Wages	2021	2022	2023	2024	2025	2026
Nº of Months		12	14	14	14	14
Administration/ CEO	- €	20 400,00 €	29 155,00 €	30 612,75 €	32 143,39 €	33 750,56 €
Financial Department	--	12 000,00 €	34 300,00 €	54 022,50 €	56 723,63 €	59 559,81 €
Marketing Department	- €	24 000,00 €	51 450,00 €	54 022,50 €	75 631,50 €	79 413,08 €
Product Department	--	- €	11 900,00 €	12 495,00 €	26 239,50 €	27 551,48 €
Customer Service Department	--	8 400,00 €	12 005,00 €	25 210,50 €	26 471,03 €	27 794,58 €
Logistics/ Operations Department	--	16 800,00 €	60 025,00 €	126 052,50 €	198 532,69 €	277 945,76 €
IT Department	--	31 200,00 €	66 885,00 €	70 229,25 €	73 740,71 €	103 237,00 €
Total	- €	112 800,00 €	265 720,00 €	372 645,00 €	489 482,44 €	609 252,25 €

Other expenses	2021	2022	2023	2024	2025	2026
Social Security						
Governing Bodies	23,75%	4 845 €	6 924 €	7 271 €	7 634 €	8 016 €
Staff	23,75%	21 945 €	56 184 €	81 233 €	108 618 €	136 682 €
Workmen's Accident Insurance	1,00%	1 128 €	2 657 €	3 726 €	4 895 €	6 093 €
Food Allowance - No. of Working Days/Month x Allowance/Day	104,94	8 080 €	18 469 €	26 550 €	34 630 €	41 556 €
N.º Months Food Allowance (Months)		11	11	11	11	11
TOTAL		36 009 €	84 246 €	118 790 €	155 788 €	192 357 €
TOTAL WAGES COSTS		148 798 €	349 955 €	491 424 €	645 260 €	801 598 €

8.5.2. Variable Costs

According to Kotler et al. (2017), “*variable costs vary directly with the level of production*”, so management should charge a price that will at least cover the total production costs at a given level of production. Three variable costs were considered for this project: the cost of the vegetables, the cost of the paper box to deliver the baskets and the cost of distribution.

- Vegetables Cost – the prices of vegetables vary greatly, taking into account weather conditions and the seasons of the year. And to facilitate this cost estimation, an analysis was made of the prices charged by farmers in Portugal and it was concluded that the average price of all the products produced in agriculture per year stays at 0.66€/kg (Gabinete de Planeamento, Políticas e Administração Geral, 2021). Since my company's mission is to value the profession of the small farmer, I will increase this price to 0.80€/kg.
- Paper Box Cost – for the production of €50,000 boxes it was possible to ascertain that the cost of each box to transport the vegetables is €1.46 (annex S on page 88).
- Distribution Cost – following a contact made with an employee of a Portuguese distribution company, it was possible to evaluate the distribution option with the lowest costs for the company: between renting a distribution fleet or buying a distribution fleet. It was concluded that contracting a fleet to distribute the baskets is more advantageous compared to the fleet purchase option for the following reasons:
 - The costs of acquiring a fleet, employees, diesel, tolls, maintenance, insurance, communications, leasing or renting, etc. are much higher than the costs of renting a fleet per year;
 - When renting we benefit from a demand in the quality of the service (comply with timetables, capillary deliveries, just in time, training, quality certifications, internal audits, ghost clients, etc.);
 - By hiring this service, the company does not waste time or money to focus on the development of its business (of the platform);
 - The acquisition of cars is a large investment and depreciates a lot over time;
 - The volatility of fuel prices represents one of the main costs of a transport company, and by subcontracting a service the price is stipulated and there is no risk of fluctuations in the price of diesel for those who hire the service.

Therefore, to ensure the distribution of the hampers it will be necessary to subcontract an exclusive service, with a contract of at least two years, ensuring a turnover in transport of approximately €7,018.00 in the first year and €23,814.00 in the second year, meaning a daily

distribution cost to the company Hortal Local of €160 per car (table 8.10 on page 46). This contract will allow me to have an exclusive fleet of vans for the distribution of my hampers, with cars customised with my brand (Figure 8.7).



Figure 8. 7 - Customized transport van

Table 8. 9 - Distribution Cost

Year	2022	2023	2024	2025	2026
Baskets/ day	191	649	1358	2062	3234
Average volume/ basket (1)	0,17	0,17	0,17	0,17	0,17
Volum of a (refrigerated) car	9	9	9	9	9
Baskets/ car (2)	52	52	52	52	52
Cars/ day (3)	4	12	26	39	62
Cost of a car/ day (4)	160 €	160 €	160 €	160 €	160 €
Transport cost/ basket (4)	3,1 €	3,1 €	3,1 €	3,1 €	3,1 €
Daily Cost of Fleet Rental (4)	585 €	1 985 €	4 148 €	6 300 €	9 883 €

- (1) Volume: 60cm*50cm*55cm
- (2) Number of baskets that fit in a car
- (3) Number of cars needed to ensure the delivery of the baskets
- (4) Cost without VAT

Once the analysis of variable costs was presented, it was possible to conclude that the gross margin, of a (average) basket of 10kg is 39%, a corporate basket is 45% and a Basket for Schools and Care Homes is 31% (table 8.11). With costs of 753,575 euros in the first year of activity and 13,497,046 euros in the fifth year of activity (table 8.12).

Table 8. 10 - Cost of Good Sold

10KG BASKET COST		15KG CORPORATE BASKET COST	
Basket Weight (Kg)	10	Peso do cabaz (Kg)	15
Vegetable Cost/ kg	0,80 €	Custo dos produtos horticolas/ Kg	1,00 €
Vegetables Cost (10kg)	8,00 €	Custo dos produtos horticolas/ Cabaz	15,00 €
Paper Box Cost (1 basket)	1,46 €	Custo da Caixa	1,46 €
Distribution Cost (1 basket)	3,1 €	Custo de Distribuição	1,30 €
Total Cost/Basket (10kg)	12,52 €	Custo Total/ Cabaz (15kg)	17,76 €
Gross Margin	37%	Gross margin	45%

Baskets for School/ Care Homes	
Basket Weight (Kg)	150
Vegetable Cost/ kg	0,80 €
Vegetables Cost (10kg)	120,00 €
Paper Box Cost (1 basket)	
Distribution Cost (1 basket)	46,00 €
Total Cost/Basket (10kg)	166,00 €
Gross Margin	31%

Table 8. 11 - Variable cost forecast for the first 5 years of activity

Cost of Good Sold	Gross Margin %	2021	2022	2023	2024	2025	2026
Baskets of 10kg	39,00%		597 647	2 026 539	4 236 379	6 432 075	10 097 575
Corporate Baskets	45,00%		15 015	55 055	150 150	200 200	350 350
Baskets for School and Care Homes	31,00%				45 926	229 632	525 283
TOTAL Cost of Good Sold			612 662	2 081 594	4 432 455	6 861 907	10 973 208

VAT	23,00%		140 912	478 767	1 019 465	1 578 239	2 523 838
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TOTAL + VAT			753 575	2 560 361	5 451 920	8 440 145	13 497 046
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8.6 Working Capital

Working capital is an important indicator of a company's operating cycle as it allows an understanding of the amount the company needs to develop its activity in a normal and balanced way, since it reflects the impacts of the average time of payments, receipts and stock rotation. Based on the calculations carried out, it is possible to conclude that the working capital is positive from the first year of activity (table 8.13).

Table 8. 12 - Working Capital

	2021	2022	2023	2024	2025	2026
Working Capital Requirements						
Reserva Segurança Tesouraria		0	0	0	0	0
Clients	- €	88 956,07 €	302 302,72 €	643 459,15 €	992 971,30 €	1 585 731,83 €
Inventory	0	102 110 €	346 932 €	738 743 €	1 143 651 €	1 828 868 €
State	7 153 €	88 298 €	284 822 €	603 733 €	925 487 €	1 472 443 €
TOTAL		279 364 €	934 057 €	1 985 934 €	3 062 109 €	4 887 043 €
Recursos Fundo Manco						
Suppliers	- €	128 528,00 €	434 470,56 €	925 220,30 €	1 427 769,44 €	2 276 697,81 €
State	- €	4 026 €	8 270 €	11 887 €	15 858 €	19 819 €
TOTAL	- €	132 553,52 €	442 740,70 €	937 107,50 €	1 443 627,41 €	2 296 517,25 €
Fundo Manco Necessário	- €	146 810,82 €	491 315,85 €	1 048 826,86 €	1 618 481,82 €	2 590 525,49 €
Investimento em Fundo de Manco	- €	146 810,82 €	344 505,02 €	557 511,01 €	569 654,96 €	972 043,67 €
STATE	(7 153,00) €	(84 272,34) €	(276 551,36) €	(591 845,49) €	(909 628,87) €	(1 452 623,50) €
SS		2 811,80 €	5 776,63 €	8 303,12 €	11 076,67 €	13 843,73 €
IRS		1 213,73 €	2 493,51 €	3 584,08 €	4 781,30 €	5 975,71 €
IVA	(7 153,00) €	(88 297,87) €	(284 821,51) €	(603 732,69) €	(925 486,84) €	(1 472 442,94) €

8.7 Chapter conclusion and summary

Once the company's strategy has been defined, it is important to define the marketing plans to be implemented in order to achieve the objectives. These plans include defining the type of service, its price, promotion and placement.

The company's initial structure will be located only in the Castelo Branco district, with its headquarters in Sertã, which will allow it to benefit from lower infrastructure costs. The development process of the company will take about 9 months and will count with the help of the company's CEO, a professional in the Logistics and Operations area and a marketing professional. For the development of the platform, an IT company will be contracted. Initially, the company's organization will have only two levels: Administrative and Remaining Staff and, later, it will have 3 levels: Administrative, Director and Operatives.

Based on the market and competitor analysis it was possible to determine that the demand for healthier products produced has increased in recent years, but with a special focus on demand in the last year, due to Covid-19 pandemic. The sales forecasting method used, and which best fits this business, was the method of sales results analysis of the main competition, and it was possible to estimate a prediction baskets sales per week (table 8.14) resulting in a operating revenue of 1,007,049.89 in the company's first year of activity.

Table 8. 14 - Prediction baskets sales p/ week

	2021	2022	2023	2024	2025	2026
	0	1	2	3	4	5
Number of "Horta Local" centers	0	1	2	4	5	6
Cities/regions	--	Castelo Branco	Castelo Branco Coimbra	Castelo Branco Coimbra Leiria Santarém	Castelo Branco Coimbra Leiria Santarém Viseu	Castelo Branco Coimbra Leiria Santarém Viseu Aveiro
Population Covered	--	196 264	626 251	1 218 849	1 610 064	2 324 264
Baskets (~10kg)/ week	--	942	3194	6678	10139	15917
Corporate baskets (~15kg)/ week	--	15	53	111	171	255
Baskets/ Year	--	49 767	168 866	352 995	536 091	840 931

As for costs, it is expected that in the first year of activity the costs will be 21% fixed and the remaining 79% will be variable. To the 5th year of activity it's expected that the fixed costs represent only 8% of total costs and the remaining 92% will be represented by variable costs (table 8.15).

The company has had positive working capital since its first year of activity, which indicates that it has the capacity to pay its debts in the short term.

Table 8. 13 - Results Report

	2021	2022	2023	2024	2025	2026
Sales and Services		1 007 050 €	3 422 295 €	7 284 443 €	11 241 185 €	17 951 681 €
Cost of Goods Sold		612 662 €	2 081 594 €	4 432 455 €	6 861 907 €	10 973 208 €
Gross Margin		394 387 €	1 340 701 €	2 851 988 €	4 379 278 €	6 978 473 €
External Supplies and Services		14 640 €	39 960 €	88 800 €	112 320 €	145 440 €
Payroll Costs		148 798 €	349 955 €	491 424 €	645 260 €	801 598 €
EBITDA		230 949 €	950 786 €	2 271 764 €	3 621 698 €	6 031 435 €
Amortization and Depreciation		17 805 €	22 187 €	32 601 €	27 251 €	34 917 €
EBIT (resultado operacional)		213 144 €	928 599 €	2 239 163 €	3 594 448 €	5 996 518 €
Interest and Similar Costs	312 €	312 €	312 €	156 €		
Profit Before Tax	(312) €	212 832 €	928 287 €	2 239 007 €	3 594 448 €	5 996 518 €
Income Tax for the period		26 565 €	116 036 €	279 876 €	449 306 €	749 565 €
Net profit for the period	(312) €	186 267 €	812 251 €	1 959 131 €	3 145 142 €	5 246 953 €

9 IMPLEMENTATION PLANS

The aim here is to identify the requirements for a correct implementation, thus being necessary to fulfil a set of requirements related to location, partnerships with farmers and legal issues.

9.1 Implementation plans

In an initial phase, and in order to reduce the initial investment to a maximum, the company will have its headquarters in the district of Castelo Branco, more specifically in SerQ (Sertã)

To access this space, it will be necessary to contact the person in charge and present the business plan of my project, so that it can be analysed. At this moment, the contact with the person in charge has already been established, and he has been well received regarding the project proposal, leaving only the business plan to be delivered.

9.2 Partnerships with farmers

Partnerships with farmers have a fundamental role in this project, since without them the business does not exist. Thus, and to start the project, it is necessary to initiate contacts with small farmers in order to close annual contracts for the supply of the vegetables produced. At this stage, it is important to define criteria for selecting partners, they are:

- Farmers who have a farm area between 1ha and 2ha (hectares);
- Use predominantly own labour force;
- Promote integrated production cultivation;
- Ensure the delivery of about 1,000kg weekly, as a way for my company to be able to meet the expected demand (table 9.1). In the absence of capacity to ensure this weekly quantity, the farmer (with whom I closed a contract) will have to promote synergies with other small farmers in his region, with areas of exploitation smaller than 1ha, to help him deliver production. This is a way to help other small farmers in the region, with a smaller production capacity, to indirectly sell their products to my platform.

Table 9. 1 - Quantities needed to meet demand

	2021	2022	2023	2024	2025	2026
	0	1	2	3	4	5
Agricultural Producers needed	0	10	30	50	70	85
Average sales/ week (kg)	--	9646	32739	68437	103948	162993
Average production needed per farmer/ week (kg)	--	965	1091	1369	1485	1918

- In this way, the effort to manage the network of partner farmers is smaller, allowing me to establish contact only with the small farmer with higher production capacity (figure 9.1).

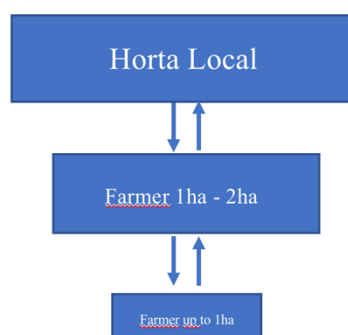


Figure 9. 1 - Network of contacts for the supply of horticultural products

9.3 Legal

To operate in the country, a company has to fulfil a set of requirements, from registering the company, to operate legally in the country, and thus be subject to legal and fiscal charges (IRC, VAT, among others). The company is also responsible for submitting tax returns, being its responsibility to hire a Certified Public Accountant (ROC) as well as the acquisition of invoicing software certified by the Tax Authority (AT). Table 9.2 presents some useful links in the licensing process and legal framework of the activity.

Table 9. 2 - Most relevant legislation regulating licensing, hygiene and food safety aspects as well as commercialization

Licensing		
Decreto-Lei nº 209/2008 de 29/10	Approves the regime for the exercise of industrial activity. Regulates the licensing of industrial activities	Câmara Municipal
Curricular 4/2008 do GPP	Registration of horticultural operators	Direção Regional da Agricultura e Pescas
Hygiene and food safety		
Portaria nº. 149/88	Establishes the rules of cleanliness and hygiene to be observed in food handling	Centro de Saúde
Decreto-Lei nº. 173/2005	Establishes the conditions of application of phytormacos, the conditions and storage of residues	Direção Regional da Agricultura e Pescas
Commercialization		
Regulamento (CE) nº. 1234/2007 de 22/10	Obligation for the producer to respect additional requirements for the marketing of products of the fruit and vegetables sector (Art. 113a)	Direção Regional da Agricultura e Pescas

9.4 Chapter conclusion and summary

It is important to establish the criteria for the selection of farmers, in order to facilitate the contact with them.

Regarding the sale of horticultural products, Portuguese law, despite the efforts made in recent years to simplify the licensing processes of economic activities, there is still a wide dispersion in the access to information that legally frames the agricultural sector.

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10 FINANCIAL ANALYSIS

In this chapter, it will be possible to understand the economic and financial valuation of the project, in order to conclude the project's viability. Before starting the financial analysis of a company, it is necessary to define some assumptions (Annex T on page 89).

10.1. Investment

The Horta Local enterprise will need €31,100 of investment in year 0, to be able to start the creation of the project and €38,196 in the 1st year of activity (table 10.1). The values presented in figure 10.1 are rounded, but were calculated on the basis of the prices presented in annexes D, E, F, G and H.

Table 10. 1 - Investment per year

Investment per year	2021	2022	2023	2024	2025	2026
Number of distribution centers		1	2	4	5	6
Tangible Fixed Assets						
Refrigerated Cabinets		14 260 €	14 260 €	28 520 €	14 260 €	14 260 €
Transport Equipment		17 086 €		17 086 €		17 086 €
Office equipment	1 100 €	5 000 €	3 000 €	1 500 €	1 100 €	2 000 €
Warehouse equipment		1 500 €	3 000 €	1 500 €	1 500 €	1 500 €
Total Tangible Fixed Assets	1 100 €	37 846 €	20 260 €	48 606 €	16 860 €	34 846 €
Intangible Assets						
IT Team to create the Platform	30 000 €					
Computer Programs		350 €	1 000 €	2 100 €	3 000 €	4 000 €
Total Intangible Assets	30 000 €	350 €	1 000 €	2 100 €	3 000 €	4 000 €
Total investment	31 100 €	38 196 €	21 260 €	50 706 €	19 860 €	38 846 €

- Refrigerated Cabinets - It will be necessary to invest in refrigerated chambers in order to be able to preserve some of the fresh food that comes in from producers. As the company expands, it will be necessary to invest in new Refrigerated Cabinets every year (annex U on page 89).
- Transport Equipment - With the need to travel to find business partners, it is necessary to have the company's own vehicle for travelling. Over the three years we will acquire 3 vans to ensure this (annex V on page 90)
- Office Equipment - In this item we present the necessary equipment so that the staff can carry out their functions. In this case, laptop computers are included. The IT team will need a larger investment in computers (annex W on page 90).

- Warehouse equipment - This item includes the costs of purchasing warehouse organization material, from pallet racks (2 per warehouse), workbenches (5), heavy duty racks, small goods transportation vehicles (annex X on page 91).
- Computer Programs - This item shows the monthly costs related to Office 365 (annex Y on page 93).
- IT Team to create the Platform - the creation of the online platform will be conducted by the Company PC4D (annex Z on page 94)

10.1.1. Depreciation and Amortization

Over the years, the assets tend to depreciate and amortise and, therefore, the table 10.2 shows the depreciation values of the investments made in each year over the years. This represents a depreciated and amortised value of €843 in year 0, and a value of €134,576 in the 5th year of activity.

Table 10. 2 - Depreciation and Amortization

Investment per year	2021	2022	2023	2024	2025	2026
Number of distribution centers		1	2	4	5	6
Tangible Fixed Assets						
Refrigerated Cabinets		14 260 €	14 260 €	28 520 €	14 260 €	14 260 €
Transport Equipment		17 086 €		17 086 €		17 086 €
Office equipment	1 100 €	5 000 €	3 000 €	1 500 €	1 100 €	2 000 €
Warehouse equipment		1 500 €	3 000 €	1 500 €	1 500 €	1 500 €
Total Tangible Fixed Assets	1 100 €	37 846 €	20 260 €	48 606 €	16 860 €	34 846 €
Intangible Assets						
IT Team to create the Platform	30 000 €					
Computer Programs		350 €	1 000 €	2 100 €	3 000 €	4 000 €
Total Intangible Assets	30 000 €	350 €	1 000 €	2 100 €	3 000 €	4 000 €
Total investment	31 100 €	38 196 €	21 260 €	50 706 €	19 860 €	38 846 €
VAT	23%	7 153 €	4 855 €	4 890 €	7 733 €	5 005 €
Accumulated values	2021	2022	2023	2024	2025	2026
Tangible Fixed Assets						
Refrigerated Cabinets		14 260 €	28 520 €	57 040 €	71 300 €	85 560 €
Cars		17 086 €	17 086 €	34 172 €	34 172 €	51 258 €
Office equipment	1 100 €	6 100 €	9 100 €	10 600 €	11 700 €	13 700 €
Warehouse equipment	- €	1 500 €	4 500 €	6 000 €	7 500 €	9 000 €
Total Tangible Fixed Assets	1 100 €	38 946 €	59 206 €	107 812 €	124 672 €	159 518 €
Intangible Assets						
IT Team to create the Platform	30 000 €	30 000 €	30 000 €	30 000 €	30 000 €	30 000 €
Computer Programs		350 €	1 350 €	3 450 €	6 450 €	10 450 €
Total Intangible Assets	30 000 €	30 350 €	31 350 €	33 450 €	36 450 €	40 450 €
Total investment	31 100 €	69 296 €	90 556 €	141 262 €	161 122 €	199 968 €
Depreciation and amortization rates						
Tangible Fixed Assets						
Refrigerated Cabinets		20%				
Cars		20%				
Office equipment		20%				
Warehouse equipment		20%				
Intangible Assets						
Computer Programs		33%				
Total of Depreciation and Amortization		17 805 €	22 187 €	32 601 €	27 251 €	34 917 €
Accumulated Depreciation and Amortization	2021	2022	2023	2024	2025	2026
Tangible Fixed Assets		7 789 €	19 630 €	41 193 €	66 127 €	98 031 €
Intangible Assets		10 016 €	20 361 €	31 400 €	33 716 €	36 729 €
TOTAL		9 371 €	31 558 €	64 159 €	99 660 €	134 576 €
Balance sheet values	2021	2022	2023	2024	2025	2026
Tangible Fixed Assets	1 100 €	31 157 €	39 576 €	66 619 €	58 545 €	61 487 €
Intangible Assets	30000	20 335 €	10 989 €	2 051 €	2 734 €	3 721 €
TOTAL	31 100 €	51 491 €	50 565 €	68 670 €	61 279 €	65 208 €

10.2 Financing

In 2021, it will be used €20,000 of equity and €22,078 of borrowed capital, totalling €42,099 to initiate the project (table 10.3). The reimbursement of the capital will start in the 1st year of activity and it is expected that the financing amount will be fully amortized at the end of the 3rd year of activity (2024).

Table 10. 3 - Financing

	2021	2022	2023	2024	2025	2026
Investment	38 253	177 854	365 765	608 217	589 515	1 010 890
Margin of Security	10,00%					
Financing Requirements	42 078	177 854	365 765	608 217	589 515	1 010 890

Funding Sources	2021	2022	2023	2024	2025	2026
Free Cash	21	220 286	870 724	2 036 115	3 223 235	5 340 731
Capital	20 000					
Other Equity Instruments						
Shareholder Loans						
Bank Loan / Other Credit Institutions	22 078					
Subsidies						
TOTAL	42 099	220 286	870 724	2 036 115	3 223 235	5 340 731

10.3 Project Valuation

To begin the financial analysis, it is important to analyse some financial statements developed. These are: the Income Statement, the Cash Flows, the Financial Plan, the Forecast Balance Sheet and, finally, the main Financial and Economic indicators of the business.

10.3.1 Income Statement

It is possible to conclude that the results presented in the year 0 are negative, since the company has no activity open yet, and has not made any sales - only investments.

The result starts to be positive from the first year of activity, reaching a net result for the period of €186,267 (table 10.4).

Table 10. 4 - Income Statement

	2021	2022	2023	2024	2025	2026
Sales and Services		1 007 050 €	3 422 295 €	7 284 443 €	11 241 185 €	17 951 681 €
Cost of Goods Sold		612 662 €	2 081 594 €	4 432 455 €	6 861 907 €	10 973 208 €
Gross Margin		394 387 €	1 340 701 €	2 851 988 €	4 379 278 €	6 978 473 €
External Supplies and Services		14 640 €	39 960 €	88 800 €	112 320 €	145 440 €
Payroll Costs		148 798 €	349 955 €	491 424 €	645 260 €	801 598 €
EBITDA		230 949 €	950 786 €	2 271 764 €	3 621 698 €	6 031 435 €
Amortization and Depreciation		17 805 €	22 187 €	32 601 €	27 251 €	34 917 €
EBIT (resultado operacional)		213 144 €	928 599 €	2 239 163 €	3 594 448 €	5 996 518 €
Interest and Similar Costs	312 €	312 €	312 €	156 €		
Profit Before Tax	(312) €	212 832 €	928 287 €	2 239 007 €	3 594 448 €	5 996 518 €
Income Tax for the period		26 565 €	116 036 €	279 876 €	449 306 €	749 565 €
Net profit for the period	(312) €	186 267 €	812 251 €	1 959 131 €	3 145 142 €	5 246 953 €

10.3.2 Cash Flows

The analysis of cash flows is essential because it helps to analyse whether or not the company is experiencing liquidity difficulties, as these can hinder the company's operations. Through the analysis of table 10.5, it is possible to conclude that the net cash flows generated by the project in year 0 are negative, resulting from the investment made in fixed assets (-€38,253).

However, as from the 1st year of activity the cash flows become positive until the end of the project's life cycle.

Table 10. 5 - Cash Flows

	2021	2022	2023	2024	2025	2026
Project Free Cash Flow						
Operating Results (EBIT) x (1-IRC)		186 501 €	812 524 €	1 959 267 €	3 145 142 €	5 246 953 €
Depreciation and Amortisation		17 805 €	22 187 €	32 601 €	27 251 €	34 917 €
Provisions for the Year						
		204 306 €	834 711 €	1 991 868 €	3 172 392 €	5 281 870 €
Working Capital Investment / Disinvestment						
Working Capital	(7 153) €	(139 658) €	(344 505) €	(557 511) €	(569 655) €	(972 044) €
Operating CASH FLOW	(7 153) €	65 299 €	490 727 €	1 435 040 €	2 602 919 €	4 310 121 €
Fixed Capital Investment / Disinvestment						
Fixed Capital	(31 100) €	(38 196) €	(21 260) €	(50 706) €	(19 860) €	(38 846) €
Free Cash Flow	(38 253) €	27 103 €	469 467 €	1 384 334 €	2 583 059 €	4 271 275 €
Accumulated CASH FLOW	(38 253) €	(11 150) €	458 318 €	1 842 651 €	4 425 710 €	8 696 985 €

10.3.3 Financial Plan

Regarding the project's financial plan, as can be concluded from the analysis of table 10.6, there is a positive cash balance. Year 0 is the year with the lowest investment, and from those years to the remaining years of the project analysis cycle, this value increases, reaching its maximum in the 5th year of activity.

Table 10. 6 - Financial Plan

	2021	2022	2023	2024	2025	2026
SOURCES OF FUNDS						
Gross Free Cash Flow	(96) €	250 537 €	991 944 €	2 322 332 €	3 678 626 €	6 098 705 €
Share Capital (Funds Provided)	20 000 €	- €	- €	- €	- €	- €
Other Equity Instruments	- €	- €	- €	- €	- €	- €
Borrowings	22 078 €	- €	- €	- €	- €	- €
Disinvest. in Fixed Capital						
Funds Disinvested in FMN	- €	- €	- €	- €	- €	- €
Financial Income	- €	- €	- €	- €	- €	- €
TOTAL SOURCES	41 982 €	250 537 €	991 944 €	2 322 332 €	3 678 626 €	6 098 705 €
FUNDS INVESTED						
Inv. Fixed Capital	31 100 €	38 196 €	21 260 €	50 706 €	19 860 €	38 846 €
Inv. Working Capital	7 153 €	139 658 €	344 505 €	557 511 €	569 655 €	972 044 €
Income Tax		- €	29 847 €	121 076 €	286 145 €	455 391 €
Loan Repayments	- €	- €	11 039 €	11 039 €	- €	- €
Financial Charges	1 148 €	1 148 €	1 148 €	574 €	- €	- €
TOTAL INVESTED	39 401 €	179 002 €	407 799 €	740 906 €	875 660 €	1 466 280 €
Annual Cash Balance	2 581 €	71 535 €	584 145 €	1 581 426 €	2 802 966 €	4 632 425 €
Accumulated Treasury Balance	2 581 €	74 116 €	658 261 €	2 239 687 €	5 042 653 €	9 675 078 €
Short Term Investments/Loans	- €	- €	- €	- €	- €	- €
Sum Control	2 581 €	74 116 €	658 261 €	2 239 687 €	5 042 653 €	9 675 078 €

10.3.4 Forecast Balance Sheet

The company starts its activity with a percentage of equity capital around 50%, as a result of the capital contribution from banks. Due to the company's excellent positive net result, in the 5th year of activity reach a financial autonomy of 70% (table 10.7). It is advisable to consult Table 10.8 for a more complete analysis.

Table 10. 7 - Summary Balance Sheet

Summary Balance Sheet	2021	2022	2023	2024	2025	2026
Total Assets	38 253 €	330 856 €	984 621 €	2 054 604 €	3 123 388 €	4 952 251 €
Total Equity	21 766 €	208 033 €	1 020 285 €	2 979 415 €	6 124 557 €	11 371 510 €
Total Liabilities	20 000 €	179 770 €	569 949 €	1 218 838 €	1 894 969 €	3 048 413 €
Total Liabilities + Shareholder's Equity	41 766 €	387 803 €	1 590 234 €	4 198 254 €	8 019 527 €	14 419 923 €

Table 10. 8 - Forecast Balance Sheet

	2021	2022	2023	2024	2025	2026
ASSETS						
Non Current Assets	31 100 €	51 491 €	50 565 €	68 670 €	61 279 €	65 208 €
Tangible Fixed Assets	1 100 €	31 157 €	39 576 €	66 619 €	58 545 €	61 487 €
Investment Property	- €	- €	- €	- €	- €	- €
Intangible Assets	30 000 €	20 335 €	10 989 €	2 051 €	2 734 €	3 721 €
Financial Assets						
Current Assets	7 153 €	279 364 €	934 057 €	1 985 934 €	3 062 109 €	4 887 043 €
Inventories	- €	102 110 €	346 932 €	738 743 €	1 143 651 €	1 828 868 €
Clients	- €	88 956 €	302 303 €	643 459 €	992 971 €	1 585 732 €
State and Other Public Entities	7 153 €	88 298 €	284 822 €	603 733 €	925 487 €	1 472 443 €
Shareholders/Partners						
Other Receivables						
Deferrals						
Cash and Bank Deposits						
TOTAL ASSETS	38 253 €	330 856 €	984 621 €	2 054 604 €	3 123 388 €	4 952 251 €
EQUITY CAPITAL						
Paid-up capital	22 078 €	22 078 €	22 078 €	22 078 €	22 078 €	22 078 €
Shares (Own Shares)						
Other Equity Instruments	- €	- €	- €	- €	- €	- €
Reserves		(312) €	185 955 €	998 207 €	2 957 337 €	6 102 479 €
Revaluation Surplus						
Other Changes in Equity	- €	- €	- €	- €	- €	- €
Net Profit for the Period	(312) €	186 267 €	812 251 €	1 959 131 €	3 145 142 €	5 246 953 €
TOTAL EQUITY	21 766 €	208 033 €	1 020 285 €	2 979 415 €	6 124 557 €	11 371 510 €
LIABILITIES						
Non-Current Liabilities	20 000 €	20 000 €	10 000 €	- €	- €	- €
Provisions						
Funding Obtained	20 000 €	20 000 €	10 000 €	- €	- €	- €
Other Accounts Payable						
Current Liabilities	- €	159 770 €	559 949 €	1 218 838 €	1 894 969 €	3 048 413 €
Suppliers	- €	128 528 €	434 471 €	925 720 €	1 428 269 €	2 277 198 €
State and Other Public Entities	- €	31 242 €	125 478 €	293 118 €	466 700 €	771 215 €
Shareholders/Partners	- €	- €	- €	- €	- €	- €
Funding Obtained	- €	- €	- €	- €	- €	- €
Other Accounts Payable						
TOTAL LIABILITIES	20 000 €	179 770 €	569 949 €	1 218 838 €	1 894 969 €	3 048 413 €
TOTAL LIABILITIES + SHAREHOLDER'S EQUITY	41 766 €	387 803 €	1 590 234 €	4 198 254 €	8 019 527 €	14 419 923 €

10.3.5 Main Indicators

The company's business growth rate has always been positive since its first year of activity, with the greatest difference in growth between the 1st and 2nd year of activity (growth of 239%), and tends to decrease in subsequent years, recording growth of 60% in the 5th year of activity.

The net return on sales is also always positive and increasing over the years, with profitability growth being more accentuated between the 1st and 2nd year of activity and the 2nd and 3rd year of activity.

ROI, the indicator responsible for measuring the return on investments, becomes positive from the 1st year of activity (ROI of 56%) and continues to grow in the following years of activity. ROE, which measures the return on equity, has also been positive since the first year

of activity (90%). Both these values are the result of the company registering a good positive net result since its first year of activity (table 10.9).

Table 10. 9 - Main indicators

ECONOMIC INDICATORS	2021	2022	2023	2024	2025	2026
Business Growth Rate			239,8%	112,9%	54,3%	59,7%
Net Return on Sales		18,5%	23,7%	26,9%	28,0%	29,2%
ECONOMIC AND FINANCIAL INDICATORS	2021	2022	2023	2024	2025	2026
Return On Investment (ROI)	-1%	56%	82%	95%	101%	106%
Return On Investment		64%	94%	109%	115%	121%
Asset Turnover		304%	348%	355%	360%	362%
Return on Equity (ROE)	-1%	90%	80%	66%	51%	46%
FINANCIAL INDICATORS	2021	2022	2023	2024	2025	2026
Financial Autonomy	57%	63%	104%	145%	196%	230%
Total Solvency	191%	184%	173%	169%	165%	162%
Coverage of Financial Expenses		683,16	2976,28	14353,61		
LIQUIDITY INDICATORS	2021	2022	2023	2024	2025	2026
Current Liquidity		175%	167%	163%	162%	160%
Reduced Liquidity		111%	105%	102%	101%	100%
BUSINESS RISK INDICATORS	2021	2022	2023	2024	2025	2026
Gross Margin		379747,46	1300741,04	2763188,04	4266957,96	6833033,21
Operating Leverage Ratio		1,78	1,40	1,23	1,19	1,14
Financial Leverage Ratio		1,00	1,00	1,00	1,00	1,00

10.3.6 Final Valuation

Based on the information presented, it is possible to conclude that the project is economically viable, given that it presents an NPV of €9,860,245, i.e. it is greater than €0, which means that this value not only allows the initial investment to be covered, but also generates a financial surplus.

The project's rate of return (IRR) is 417.34%. And this IRR is explained by the reduced initial investment in the creation of the company and also by the growing operating results recorded each year of the project.

When it comes to the Pay Back Period of the project, this will be NPV realized in two years since, once again, the initial investment for the creation of the company is low and it presents a very positive sales volume since the first year of activity. Thus, it is possible to conclude that the initial investment of the project is equalized in the 1st year of activity.

10.4 Chapter conclusion and summary

As a result of the strategy presented, the economic and financial viability was guaranteed, with an NPV of €9,860,245, an IRR of 417.34% and a payback period of 2 years.

11. CONCLUSIONS

In the last decade there has been a growth in the demand for healthier and more sustainable food options for the planet. This concern arises as a result of global problems in terms of agricultural overexploitation, in which there is an increase in the use of fertilisers and pesticides that contribute to a negative environmental impact and harm the health of those who ingest them.

Over-exploitation in this sector in the short term will also have serious economic consequences, namely on product prices, which will inevitably skyrocket if the erosion of fertile soils continues at this rate, without incentives to explore practices that favour the use of mechanisms that contribute to sustainable agriculture.

And it was based on my awareness of this problem, and being so close to the agricultural sector since I was very young, that the idea of coming up with a business plan for the creation of an online platform to facilitate customer access to horticultural products produced through sustainable practices, by small farmers, thus counteracting the social, economic and environmental consequences that involve the practice of agricultural over-exploitation.

The opportunity base for the creation of this project lies in the growing demand for healthier and sustainable food and also in the inexistence of an extremely competitive scenario, since my project, in the Portuguese market, is innovative and free of direct competition, allowing me to apply the blue ocean strategy, allowing me to explore a space in the market, creating value, in order to make my competitors irrelevant.

From the analysis developed, it was possible to conclude that both potential customers and small farmers show interest in the platform and see in it opportunities to improve their food and help the local economy - from the customer's point of view - and to make their production profitable and sell their products efficiently - from the farmer's point of view.

To ensure the growth of the business, short and long term objectives were defined that are expected to be achieved through the implementation of a strategy focused on bringing customers closer to small farmers, through a marketing strategy that allows a close-up presentation of all the processes involved from the production of the products to their delivery at home (showing transparency of service), and also through a fair strategy in terms of prices - both for the farmer who produces and for the customer who buys.

The development process of the company will take 9 months and will start on 15 April 2021, in which an initial investment of €31,100 is expected. To be able to cover this investment, a funding amount of €20,000 will be required.

Based on the financial valuation of the project, it was possible to conclude that the NPV of the project is €9,860,245, and its internal rate of return is 417.34%. The time to recover the invested capital is 2 years.

Thus, based on the information presented it is possible to conclude that the project is economically and financially viable, even though it is working with payment margins to small farmers that are higher than what is currently practiced in the market, and that, unfortunately, have put the work of these small farmers at great risk.

In the future, if the success of the business is confirmed, there will be ambition to expand the project to other geographies in Europe.

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ANNEXES

Anexx A - Questionnaire

Plataforma digital que conecta os pequenos agricultores locais à mesa dos portugueses

Este questionário destina-se à recolha de dados com o objetivo de analisar a viabilidade de um plano de negócios para a criação de uma plataforma online que permita conectar os pequenos agricultores locais aos consumidores.

Os resultados obtidos serão utilizados apenas para fins académicos (tese de Mestrado), e as respostas representam apenas a sua opinião individual. O questionário é anónimo, não devendo por isso colocar a sua identificação em nenhuma das respostas.

Obrigada pela sua colaboração.

***Obrigatório**

Género? *

- ☐ Feminino
- ☐ Masculino

Idade? *

- ☐ Menor que 18
- ☐ 18-25
- ☐ 26-35
- ☐ 36-45
- ☐ 46-55
- ☐ 56-65
- ☐ Maior que 65

Distrito de Residência *

- ☐ Aveiro
- ☐ Beja
- ☐ Braga
- ☐ Bragança
- ☐ Castelo Branco
- ☐ Coimbra
- ☐ Évora
- ☐ Faro
- ☐ Guarda
- ☐ Leiria
- ☐ Lisboa
- ☐ Portalegre
- ☐ Porto
- ☐ Santarém
- ☐ Setúbal
- ☐ Viana do Castelo
- ☐ Vila Real
- ☐ Viseu

Rendimento Médio Mensal Bruto? *

- ☐ Não aplicável
- ☐ 1€ - 670€
- ☐ 671€ - 1.300€
- ☐ 1.301€ - 2.000€
- ☐ > 2.000€

Costuma consumir frutas/ legumes? *

- ☐ Sim
- ☐ Não

Produtos hortícolas

Onde costuma adquirir frutas/legumes com mais frequência? Selecione no máximo 3 opções. *

- ☐ Supermercado
- ☐ Minimercado
- ☐ Da sua Horta
- ☐ De vizinhos/ amigos que têm horta
- ☐ Produtores locais
- ☐ Mercados locais
- ☐ Plataformas online
- ☐ Não costumo adquirir
- ☐ Outra: _____

Com que frequência adquire produtos hortícolas? *

- ☐ 1 vez por mês
- ☐ 1 vez de 15 em 15 dias
- ☐ 1 vez por semana
- ☐ 2 ou mais vezes por semana
- ☐ Não costumo adquirir

Quanto costuma gastar, de cada vez que compra produtos hortícolas? *

- ☐ 0 - 5€
- ☐ 6€ - 12€
- ☐ 13€ - 20€
- ☐ 21€ - 30€
- ☐ Mais de 30€

Valoriza os produtos nacionais? *

☐ Sim

☐ Não

Quando compra produtos hortícolas, procura optar por frutas/ vegetais produzidos nacionalmente? *

☐ Sim, só compro produtos nacionais

☐ Sim, sempre que possível

☐ É-me indiferente

☐ Não, prefiro comprar produtos importados

☐ Outra:

Gostava de poder consumir (mais) produtos de produtores locais? *

☐ Sim

☐ Não

Produtos hortícolas locais

Quais as motivações que o levam a querer adquirir este tipo de produtos a produtores locais? Selecione no máximo 2 opções. *

- ☐ Melhor qualidade dos produtos
- ☐ Ajuda a economia local
- ☐ Preço mais vantajoso
- ☐ Uma opção mais saudável
- ☐ Outra: _____

Quais as suas maiores barreiras ao consumo de produtos locais? Selecione no máximo 2 opções. *

- ☐ Nenhuma
- ☐ Preço mais alto
- ☐ Má acessibilidade aos produtores
- ☐ Qualidade inferior
- ☐ Pouca variedade de produtos
- ☐ Outra: _____

Teria interesse em adquirir produtos agrícolas através de uma plataforma online? *

- ☐ Sim
- ☐ Não

Imagine que através duma plataforma online é possível comprar frutas/legumes de agricultores da sua região.

E pode encomendar os seus produtos de duas formas:



1. Selecionar os produtos um a um



2. Assinar uma subscrição semanal de uma cesta com frutas/legumes, variando todas as semanas, de acordo com os produtos da época

Como preferia adquirir os produtos? *

- ☐ Selecionar os produtos um a um
- ☐ Subscriver a cesta semanal/quinzenal
- ☐ Subscriver a cesta mas com a possibilidade de substituir os produtos que não deseja receber por outros que prefere receber.

Quanto estaria disposto a pagar semanalmente para receber uma cesta de frutas/legumes, com cerca de 7 Kg? *

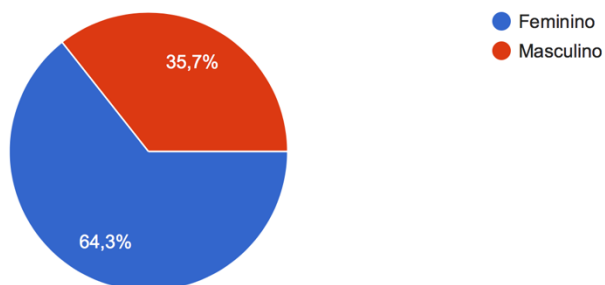
- ☐ 1 - 5€
- ☐ 6 - 12€
- ☐ 13€ - 20€
- ☐ 21€ - 30€
- ☐ 31-40€

Quais as características que mais valoriza, em adquirir produtos hortícolas de pequenos agricultores online? Classifique-as entre 1 e 5. *

	1 - Menos valorizado	2	3	4	5 - Mais valorizado
Frescura de produtos	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transparência do serviço de produção (conhecer quem produz os alimentos e como são produzidos)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transparência do serviço de entrega (conhecer todo o processo logístico desde a recolha à entrega)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Período de Entrega	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preço	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Variedade na oferta	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

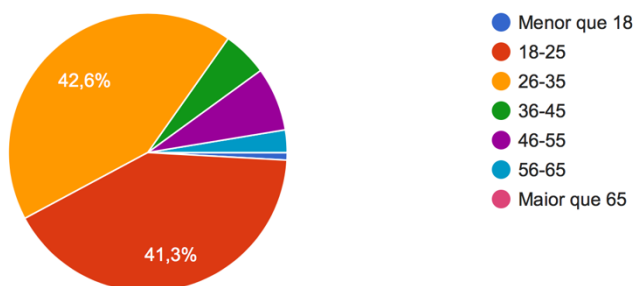
Anexx B - Gender

Género?
230 respostas



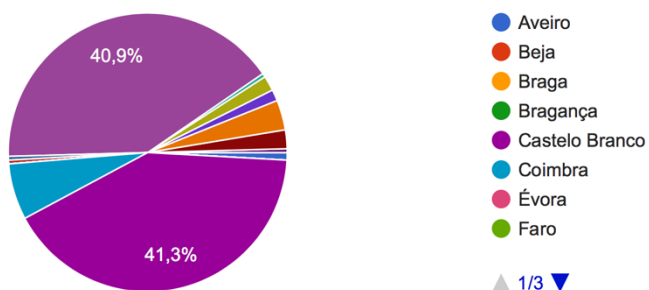
Anexx C - Age

Idade?
230 respostas



Anexx D - District

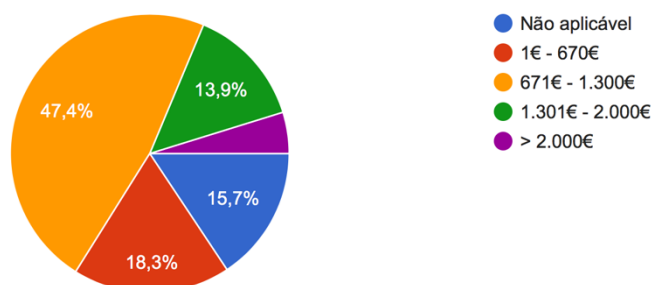
Distrito de Residência
230 respostas



Anexx E - Income

Rendimento Médio Mensal Bruto?

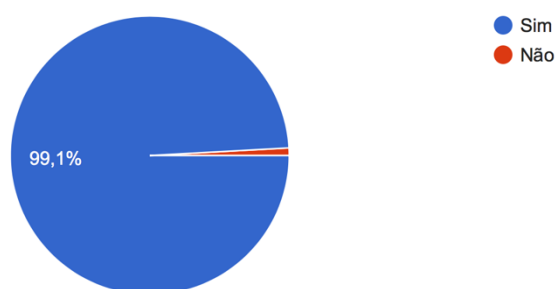
230 respostas



Anexx F - Fruits/ vegetables consume

Costuma consumir frutas/ legumes?

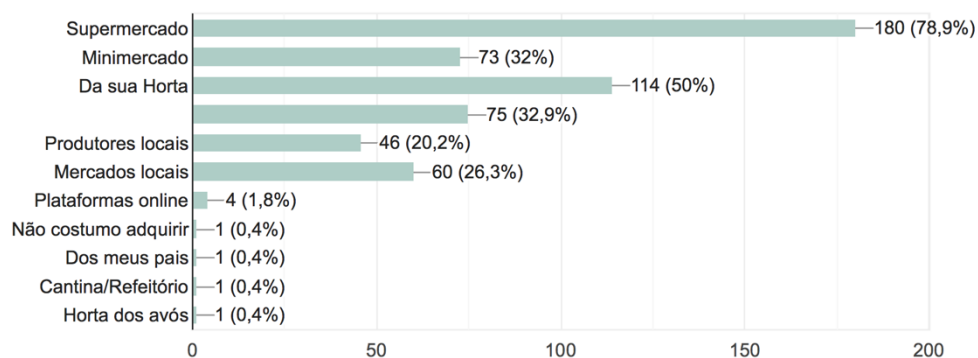
230 respostas



Anexx G - Places where the sample usually buys vegetables

Onde costuma adquirir frutas/legumes com mais frequência? Selecione no máximo 3 opções.

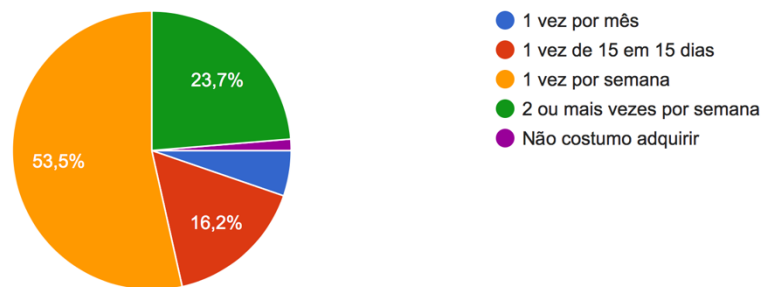
228 respostas



Anexx H - The frequency with which the sample acquires vegetables

Com que frequência adquire produtos hortícolas?

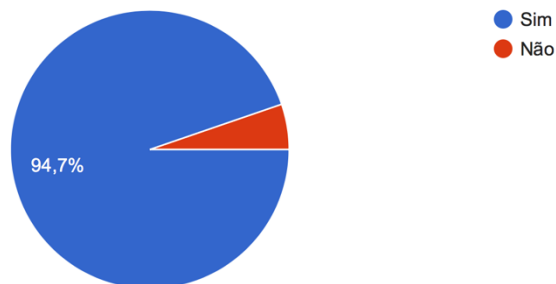
228 respostas



Anexx I - The valorization of national products

Valoriza os produtos nacionais?

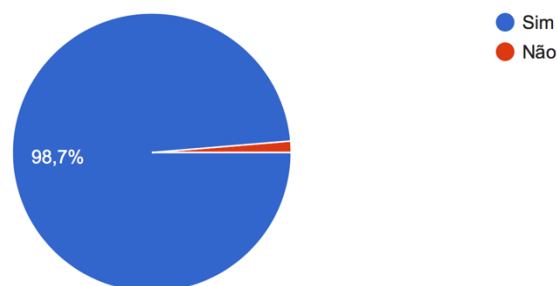
228 respostas



Anexx J - Interest in acquiring (more) products from local producers

Gostava de poder consumir (mais) produtos de produtores locais?

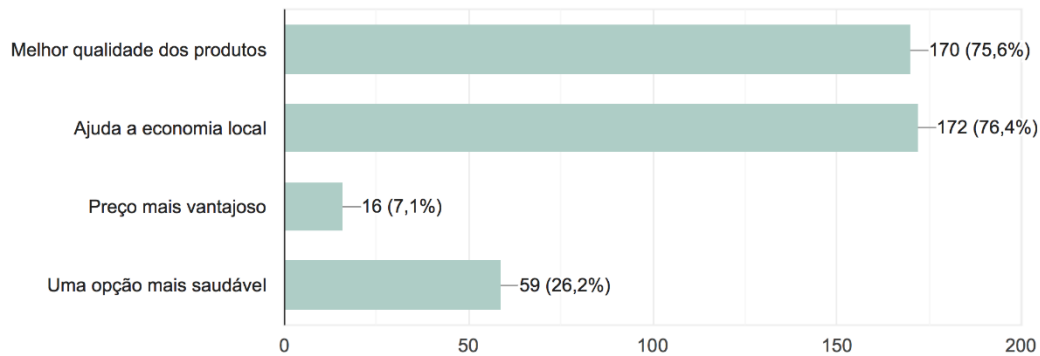
228 respostas



Anexx K - Main motivations in acquiring products from local producers

Quais as motivações que o levam a querer adquirir este tipo de produtos a produtores locais?
Selecione no máximo 2 opções.

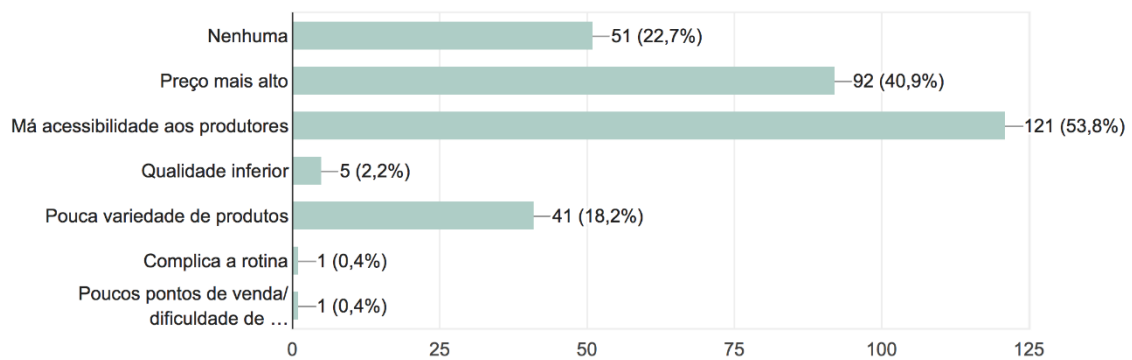
225 respostas



Anexx L - Main barriers in acquiring products from local producers

Quais as suas maiores barreiras ao consumo de produtos locais? Selecione no máximo 2 opções.

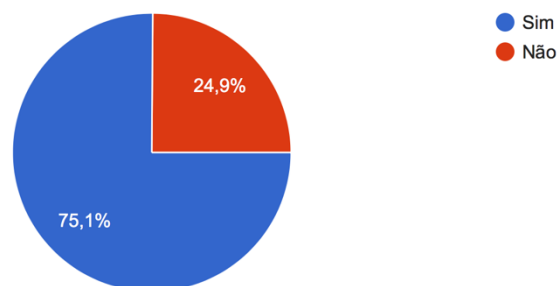
225 respostas



Anexx M - Analysis of sample interest in purchasing products through an online platform

Teria interesse em adquirir produtos agrícolas através de uma plataforma online?

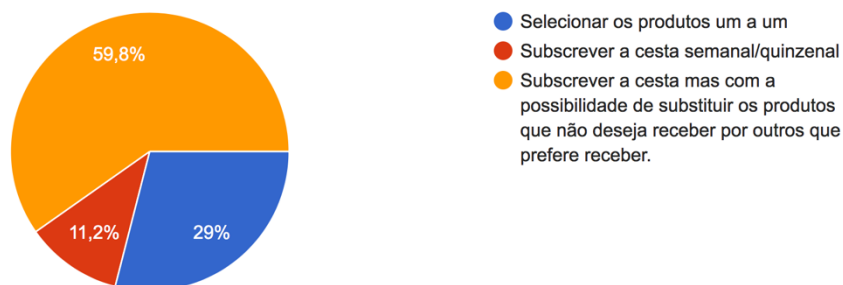
225 respostas



Anexx N - Analysis of how they prefer to acquire the products through the platform

Como preferia adquirir os produtos?

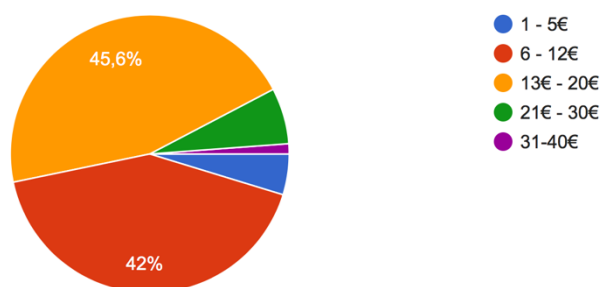
169 respostas



Anexx O - Analysis of the prices at which the sample would be willing to pay for the service

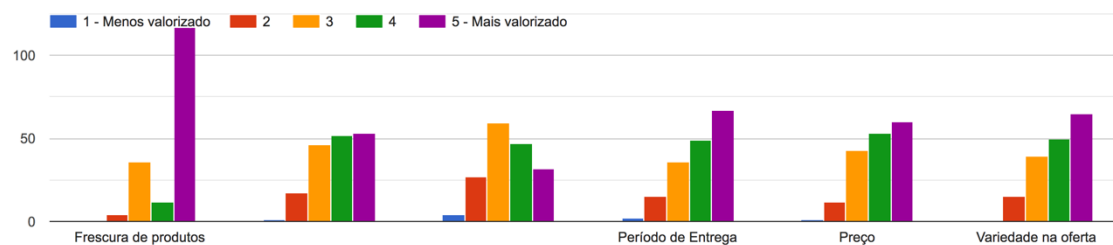
Quanto estaria disposto a pagar semanalmente para receber uma cesta de frutas/legumes, com cerca de 7 Kg?

169 respostas



Anexx P - Analysis of the most valued characteristics in the service

Quais as características que mais valoriza, em adquirir produtos hortícolas de pequenos agricultores online? Classifique-as entre 1 e 5.



Annex Q - Schedule presented by the company PC4D

pc4d.pt

Telef. +351 21 232 26 76 | email. geral@pc4d.pt

Cronograma do projeto.

Semana	1	2	3	4	5	6	7	8
• Design	Fase 1	Fase 2	Fase 2					
• Desenvolvimento				Fase 3	Fase 3	Fase 3	Fase 3	
• Implementação								Fase 4

Fase1 — Planeamento e Pesquisa

1 semana

- Planeamento do Wireframe
- Criação do site map
- Aprovação junto do Cliente

Fase 2 — UI/UX Design

2 semanas

- Criação de elementos do design
- Criação dos elementos de design para Mobile
- Crops de Imagens e criação do XHTML/CSS

Fase 3 — Desenvolvimento do Website

4 semanas

- Criação do Framework de desenvolvimento e codificação das páginas
- Desenvolver e testar características especiais e interactividade
- Testar e verificar links e funcionalidades

Fase 4 — Implementação do Website e entrega ao cliente

1 semanas

- Revisão e Upload para Servidor On Line
- Teste e avaliação Multi Browsers
- Entrega da documentação final e encerramento do Projecto

proposta de web design & desenvolvimento

5

Annex R - Warehouse location

	Sertã	Coimbra	Leiria	Santarém	Viseu	Aveiro
Warehouse location	Sertã	Eiras e São Paulo de Frades (Coimbra Center)	Pavilhão na Zicofa Leiria	Cartazo e Vale da Pinta	Repeses e São Salvador	Macinhata do Vouga, Águeda
Area (m2)	200m2	135 m2	250m2	450m2	400m2	405m2
Price	150 €	750 €	750 €	650 €	600 €	1 400 €

Coimbra:

Armazém à entrada da cidade

📍 Eiras e São Paulo de Frades, Coimbra



750 €
6 €/m²

ANÚNCIO PROFISSIONAL

ImperCasa 239 [Mostrar número](#)

Nome *

E-mail *

Número de telefone

Gostaria de obter mais informações sobre este imóvel antes de marcar uma visita.
Fico a aguardar o seu contacto.
Obrigado

Responsável pelo tratamento dos seus dados:
OLX Global B.V. [mais](#)

☐ Quero receber ofertas semelhantes

[Enviar mensagem](#)

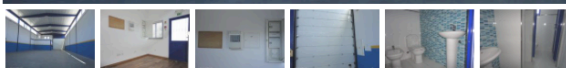
[Guardar nos Favoritos](#)

Source: <https://www.imovirtual.com/pt/anuncio/armazem-a-entrada-da-cidade-IDmbzY.html>

Leiria:

Pavilhão na zicofa leiria

📍 Marrazes e Barosa, Leiria



750 €
3 €/m²

ANÚNCIO PROFISSIONAL

Arcadas do Liz Lda 244 [Mostrar número](#)

Nome *

E-mail *

Número de telefone

Gostaria de obter mais informações sobre este imóvel antes de marcar uma visita.
Fico a aguardar o seu contacto.
Obrigado

Responsável pelo tratamento dos seus dados:
OLX Global B.V. [mais](#)

☐ Quero receber ofertas semelhantes

[Enviar mensagem](#)

[Guardar nos Favoritos](#)

Source: <https://www.imovirtual.com/pt/anuncio/pavilhao-na-zicofa-leiria-ID12aRH.html#1b2d34fb62>

Santarém:

Arrendamento Armazém

Cartaxo e Vale da Pinta, Cartaxo, Santarém



650 €

1 €/m²

ANÚNCIO
PROFISSIONAL
Medicarta Soc. Mediação I...
243 [Mostrar número](#)

Nome *

E-mail *

Número de telefone

Gostaria de obter mais informações sobre este imóvel antes de marcar uma visita.
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Responsável pelo tratamento dos seus dados:
OLX Global B.V. [mais](#)

☐ Quero receber ofertas semelhantes

[Enviar mensagem](#)

[Guardar nos Favoritos](#)

Propriedades

[Reportar este anúncio](#)

Source: <https://www.imovirtual.com/pt/anuncio/armazem-ID11lq4.html>

Viseu:

ARMAZÉM EM REPESES

Repeses e São Salvador, Viseu



600 €

2 €/m²

ANÚNCIO
PROFISSIONAL
Lugar das Casas
232 [Mostrar número](#)

Nome *

E-mail *

Número de telefone

Gostaria de obter mais informações sobre este imóvel antes de marcar uma visita.
Fico a aguardar o seu contacto.
Obrigado

Responsável pelo tratamento dos seus dados:
OLX Global B.V. [mais](#)

☐ Quero receber ofertas semelhantes

[Enviar mensagem](#)

[Guardar nos Favoritos](#)

Source: <https://www.imovirtual.com/pt/anuncio/armazem-em-repeses-IDHUSf.html>

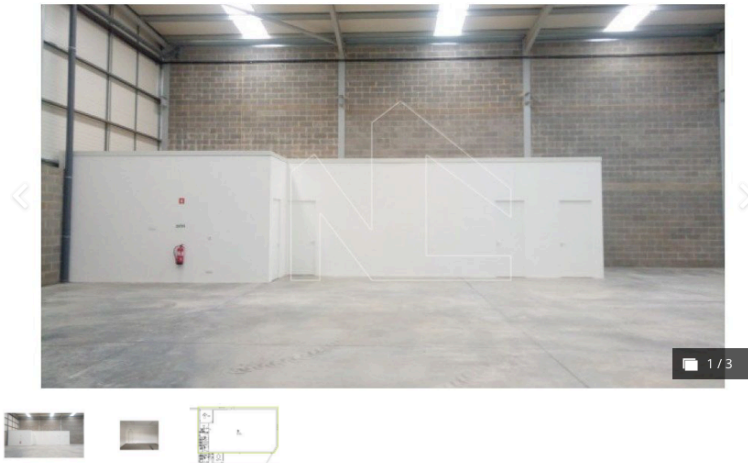
Aveiro:

Armazém Novo 500 m2

Macinhata do Vouga, Águeda, Aveiro

1 400 €

3 €/m²



ANÚNCIO
PROFISSIONAL

NC Real Estate
234 [Mostrar número](#)

Nome *

E-mail *

Número de telefone

Gostaria de obter mais informações sobre este imóvel antes de marcar uma visita.
Fico a aguardar o seu contacto.
Obrigado

Responsável pelo tratamento dos seus dados:
OLX Global B.V. [mais](#)

☐ Quero receber ofertas semelhantes

[Enviar mensagem](#)

[Guardar nos Favoritos](#)

Source: <https://www.imovirtual.com/pt/anuncio/armazem-novo-500-m2-ID11SkD.html>

Annex S - Paper Box Cost



Sandra Pacheco - 100 Metros

para mim ▾

Bom dia

terça, 6/04, 11:10



Conforme solicitado apresento nossa proposta para:

- CX cartão d/0 mod. 0312 med. Interior 600x550x500 Int. 1+1 Cor + pegas laterais
c/impressão a preto no exterior da tampa c/ 250x250mm
c/impressão a preto no interior da tampa com 400x350mm

20.000- 1,49€+iva/un

50.000- 1,46€+iva/un

Cliché: 120€+iva/un

Prazo de entrega: a confirmar após encomenda.

Atenção: modelo não é automontável. É caixa semi-americana + tampo aberto.

Atenção: material pode ter de ser entregue em várias entregas, pois a quantidade dá vários camiões

Source: 100 Metros

Anexx T - Assumptions

Monetary Unit	Euros					
Year	2021					
Average collection period (days) / (months)	30					
Average payment period (days) / (months)	30					
VAT rate - Sales	6,00%					
VAT rate - Services Rendered	23,00%					
VAT rate - CMVMC	23,00%					
VAT rate - FSE	23,00%					
VAT Rate - Investment	23,00%					
Social Security Tax - entity - governing bodies	23,75%					
Social Security Tax - entity - employees	23,75%					
Social Security Tax - staff - governing bodies	11,00%					
Social Security Rate - staff - employees	11,00%					
Average IRS rate	15,00%					
Corporate income tax rate (1)	12,50%					
Year	2021	2022	2023	2024	2025	2026
Interest rate on risk-free assets - Rf (Obrig Tesouro) (2)	3,25%	3,25%	3,25%	3,25%	3,25%	3,25%
Market risk premium = (Rm*-Rf) or p° (3)	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%
Beta U of reference companies (4)	1,48%	1,39%	0,90%	0,66%	0,50%	0,43%
Perpetuity cash flows growth rate (5)	2,10%	2,10%	2,10%	2,10%	2,10%	2,10%

(1) Defined by Law - taking into account the location and specific conditions of the activity

(2) Interest on 5-year treasury certificates (source: igcp 2019)

(3) Market risk premium for Portugal (source: Damadoran 2021)

(4) Beta of the Farming/Agriculture industry (source: Damadoran 2021)

(5) Inflation rate 2018, Sources/Entities: INE, PORDAT

Anexx U - Refrigerated Cabinets



Adicionar à minha lista de desejos

CÂMARA REFRIGERADA MERCATUS PAINEL 80MM

Marca: Mercatus
Modelo: Painei 80mm -2°C+8°C 12,63m³
 Temperatura funcionamento: -2°C+8°C
 Volume: 12,63m³
 Chapa pré-lacada
 Código: 10702026
 Porta: 700x1860mm
 Painei de chão inox: 100mm
 Dimensões exteriores: 2900x2600x2110mm
 (Outras dimensões sob consulta)

5 797,00 € sem IVA

1

+

-


ADICIONAR AO CARRINHO


Brand: Mercatus SA


 Adicionar à Lista de desejos

Source: NetFrio



Anexx V - Transport Equipment

[← VOLTAR À LISTAGEM](#)




CITROËN - Novo
Berlingo 1.5 BlueHDi M Feel


17.058€ ~~24.503€~~

 Citroën - Alcabideche
 213 703 192

[PEDIR INFORMAÇÕES](#)



01 / 01



Source: Citroën

Anexx W - Office Equipment





HP

Computador Portátil HP Notebook 14S-DQ004NP - 14", Intel Celeron, 4GB RAM, 64GB eMMC, Intel UHD Graphics

349 €

ENVIO AO DOMICÍLIO

RECOLHA
Não disponível

[ADICIONAR AO CARRINHO](#)

 Adicionar aos favoritos

Source: El Corte Inglés



Impressora Multifunções HP LaserJet Pro MFP M428DW

☆☆☆☆☆ (Seja o primeiro a avaliar)

Worten

15 ofertas Marketplace
desde €394,82

€356,99

ADICIONAR AO CARRINHO

✓ Disponível Entrega estimada em 5 a 7 dias úteis

🚚 Entrega Gratuita em Loja

📦 Ver Stock em Loja

Serviços

Source: Worten



Portátil HP Envy 17-cg1000np (17.3" - Intel Core i7-1165G7 - RAM: 16 GB - 1 TB SSD - NVIDIA GeForce MX450)

★★★★☆ (3 avaliações)

Worten

1 oferta Marketplace

BiTe Clínica

★★★★☆ (329 avaliações)

Entrega

Entrega em 3 - 5 dias

Portes desde: €0,00

€1699,90

ADICIONAR AO CARRINHO

Pergunte ao vendedor

VER TODAS AS OFERTAS

🔖 Favoritos 📄 Comparar ➦ Partilhar

Source: Worten

Anexx X - Warehouse Equipment

Porta-paletes manual 2000 kg (1 referências)



265,00 € sem IVA

> Ver preços

🚚 Entrega em 4 dias úteis

- Alto rendimento e funcionalidade
- Bomba de aço com válvula de segurança para sobrecarga
- Fácil de manipular com rodas diretrizes Ø 18 cm
- Peso 65KG

▼ ...ler mais



📄 Download da ficha técnica

Source: Raja

Estante cargas pesadas (12 referências)



Desde **119,00 € sem IVA** ?

[> Ver preços](#)

 **Entrega em 15 dias úteis**

- Montagem sem esforço com ângulos encaixáveis
- Grande capacidade por prateleira de 400 kg ou 600 kg
- Fornecida com 8 prateleiras de aglomerado de madeira
- Permite o uso independente das suas partes

✓ [...ler mais](#)


Source: Raja

Bancada de trabalho móvel (2 referências)



Desde **52,00 € sem IVA** ?

[> Ver preços](#)

 **Entrega em 48/72h em Portugal continental!**

- Equipada com 4 rodas Ø 12,5cm
- 2 das rodas têm travão
- Carga máxima de 150KG
- Tampo de melamina 22mm de fácil montagem

✓ [...ler mais](#)

Source: Raja

Carro de transporte económico colapsável (1 referências)



29,80 € sem IVA ?

> Ver preços

Entrega em 48/72h em Portugal continental!

- Carro de transporte colapsável ideal para armazém
- Ocupa pouco espaço
- Até 150KG de carga
- Segurança máxima e qualidade

✓ [...ler mais](#)

Source: Raja

Anexx Y - Computer Programs

**Microsoft 365
Empresas**

10,50 € utilizador/mês
(fidelização anual)
O preço não inclui o IVA.

[Comprar agora](#)

Source: Microsoft

pc4d.pt

Telef. +351 21 232 26 76 | email. geral@pc4d.pt

A Nossa Proposta.

€28,800 *

Web Design & Development

Desenvolvimento de acordo com as Guidelines do cliente e com o caderno de encargos fornecido.

- Desenvolvimento do Front End
- Desenvolvimento do Back End (CMS)
- Implementação nos servidores
- Alojamento (1 ano) e criação de caixas de email
- Registo e configuração do Dominio

€ 240 *

Pacote de Manutenção

Os valores Mensais para Manutenção e Gestão de conteúdos no Site, com atualização em 24h ou " Next Business day ". Valor para pack de 8h/mês



Estes preços indicados são em euros, estando sujeitos ao IVA em vigor à data de faturação.

