

Czech University of Life Science Prague
Faculty of Economics and Management
Department of Economics



Bachelor Thesis
Setting up of an organic food grocery

Anna Květoňová

© 2018 CULS Prague

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Anna Květoňová

Economics and Management

Thesis title

Setting up of an organic food grocery

Objectives of thesis

This thesis is focused on illustrative setting up of a new business, which will sell the organic food to direct consumers.

The main aim of this thesis is to find out the possibilities, how to establish an organic food grocery, including all steps of setting up of a business, such as market research, calculations, searching for the area and last but not least the seeking for a suppliers, who would like to cooperate with this grocery shop.

As a conclusion, it should be evident, if it is or is not worth it to set up an organic food grocery in Neveklov and what are strengths and weaknesses in this kind of business.

Methodology

As a resources used for both, theoretical and practical part, will serve mainly a technical literature (listed in the List of literature), the questionnaire used for a market research and also interviews with Ing. Ivana Jiráčková, owner and operator of an organic food shop.

Concretely will be used following methods: method of aimed questioning, comparison, analysis of the questionnaire (statistical quantitative methods), interviewing.

The proposed extent of the thesis

40 – 60 pages

Keywords

setting up, organic food, grocery

Recommended information sources

EREAUT, Gill. Analysis and Interpretation in Qualitative Market Research : Analysis in Interpretation in Qualitative Market Research, SAGE Publications, 2002. ProQuest Ebook Central, .

GRANT M. Robert, Contemporary Strategy Analsis, Reprinted January 2010, Published by John Wiley & Sons Ltd, ISBN 978-0-470-74710-0

HINGSTON, Peter. Začněte podnikat. Z anglického originálu vydaného r. 2001 (nakl. Dorling Kindersley) přeložil: LANGMAJER, Josef

KLEIN, Štěpán. Produktivní podnikatel. 1. vydání Praha: Perfectia, 2015, 352 s., ISBN: 978-80-260-7836-4

PHELLAS, Constantinos N., BLOCH,Alice and SEALE,Clive, Structured Methods: Interviews, Questionnaires and Observation

SACHDEVA, J.K.. Business Research Methodology, Global Media, 2008. ProQuest Ebook Central,

SVĚTLÍK, Jaroslav. Marketing – Cesta k trhu Zlín: EKKA, 256 s., ISBN: 80-900015-8-0

Zákon č. 242/2000 Sb., Zákon o ekologickém zemědělství

Zákon č. 455/1991 Sb., Zákon o živnostenském podnikání (živnostenský zákon)

Expected date of thesis defence

2017/18 SS – FEM

The Bachelor Thesis Supervisor

Ing. Jiří Mach, Ph.D.

Supervising department

Department of Economics

Electronic approval: 14. 11. 2017

prof. Ing. Miroslav Svatoš, CSc.

Head of department

Electronic approval: 14. 11. 2017

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 05. 03. 2018

Declaration

I declare that I have worked on my bachelor thesis titled “Setting up of an organic food grocery” by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 14th March 2018

Anna Květoňová

Acknowledgement

I would like to thank to Ing. Jiří Mach, Ph.D. for his supervision and advices during my work on this thesis. I would also like to thank all people, who I cooperated with, especially Ing. Iva Jiráčková and Mrs. Pavla Traugottová (Bio Vavřinec company).

Setting up of an organic food grocery

Abstract

This bachelor thesis was worked out to discover, if it would be efficient and profitable to set up the organic food grocery in a town called Neveklov, which is located in the central Bohemia. For the final decision, it was necessary to analyse the business environment with the use of appropriate tools (Porter's five forces analysis, PEST Analysis) as well as the possible demand (market research). In this bachelor thesis we can also find interview with entrepreneur Ing. Iva Jiráčková, which was a valuable contribution when talking about organic food grocery.

This bachelor thesis also discusses the possibilities of the real establishment – business premises, basic founding costs and also the possible suppliers of organic food products.

Nowadays, it would not be efficient and profitable to establish organic food grocery in Neveklov. However, this may change within the period of several decades, when the needs of people change. It is also necessary to remark, the establishment of a small business premises dedicated to selling organic food products would not be financially demanding, especially the rent would be quite low (around 7.000,- CZK per month), the most expensive would be the very first purchase of the goods.

Keywords: organic food, grocery, setting up, market analysis, market research

Založení obchodu s biopotravinami

Abstrakt

Tato bakalářská práce byla vypracována za účelem zjištění efektivity a výnosnosti založení obchodu s bio potravinami v městečku Neveklov, které se nachází ve středních Čechách. Ke konečnému rozhodnutí bylo zapotřebí analýzy obchodního prostředí za použití vhodných nástrojů (Porterova analýza pěti sil, PEST analýza), stejně tak jako analýza případné poptávky (průzkum trhu). V této bakalářské práci můžeme také naléznout rozhovor s podnikatelkou Ing. Ivou Jiráčkovou, který byl velkým přínosem k tématu založení obchodu s bio potravinami.

Tato práce se také věnuje možnostem případného založení – hledání vhodných prostor, počáteční náklady či hledání případných dodavatelů.

Každý faktor, který by mohl ovlivnit založení tohoto podniku, byl zanalyzován a na základě výsledků bylo učiněno konečné rozhodnutí o založení podniku.

V dnešní době by nebylo efektivní a ziskové založit v Neveklově obchod s biopotravinami. Nicméně, tato skutečnost se může změnit v průběhů několika následujících desetiletí, když se změní potřeby obyvatel. Je také důležité poznamenat, že založení malého podniku prodávajícího biopotraviny, by nebylo finančně náročné. Konkrétně nájemné by bylo docela nízké (kolem 7.000,- CZK za měsíc), nejdražší pak bude počáteční náklad na zakoupení zboží.

Klíčová slova: Bio potraviny, maloobchod, založení podniku, analýza trhu, průzkum trhu

Contents

1	Introduction.....	11
2	Objectives.....	13
3	Methodology	14
3.1	Survey	14
3.1.1	Interviewing.....	14
3.1.2	Questionnaire.....	15
3.2	Market Research, Comparison	16
3.2.1	Qualitative Research	16
3.3	PEST Analysis.....	17
3.4	Porter’s Five Forces	18
4	Theoretical Part	20
4.1	Setting up of Business in Czech Republic	20
4.2	Necessary steps when setting up a business.....	20
4.2.1	Entrepreneurial Intention (business plan).....	20
4.2.2	Market Research	21
4.2.3	Financing of Business	22
4.3	Marketing	23
4.4	Ecological Agriculture - Definition of Terms	24
4.5	Denoting of bio-products and bio-foodstuff.....	25
4.6	History of Organic Farming	25
5	Practical Part	26
5.1	PEST Analysis.....	27
5.1.1	Political Factors	27

5.1.2	Economical Factors.....	27
5.1.3	Social Factors.....	27
5.1.4	Technological Factors	28
5.2	Porters Five Forces	29
5.2.1	Threat of new entrants.....	29
5.2.2	Supplier power.....	29
5.2.3	Buyer Power	29
5.2.4	Threat of Substitution.....	30
5.2.5	Competitive Rivalry	30
5.3	Suppliers and Goods	31
5.3.1	Bio Vavřinec Benešov.....	31
5.3.2	Eggs from domestic breeding.....	31
5.3.3	PROBIO s r.o.....	32
5.4	Business Premises.....	33
5.4.1	Renting suitable business premises.....	33
	Electricity Supply	33
5.5	Financial Plan	34
5.5.1	Financial demands.....	34
	Equipment of the shop	34
	Source: own calculation based on the supplier website: https://www.uniregaly.cz/ ...	34
	Estimated costs for the very first purchase of goods.....	34
5.5.2	Financing.....	35
5.6	Results of the Research	36
5.6.1	Questionnaire.....	36
	Questionnaire Evaluation.....	36

	Conclusion of the questionnaire	37
	5.6.2 Interview.....	38
	Introduction.....	38
	Evaluation	40
6	Discussion and Conclusion	42
7	List of used Sources.....	44
8	Attachments.....	45

1 Introduction

As the title “Setting up of an organic food grocery” already says, this thesis is dealing with the issue of setting up of a new entrepreneurship – a very specific one. Nowadays, organic food is still becoming more and more popular. But is it available for everyone? The answer is no. In many smaller cities, although there is a demand for organic groceries, there is no supply of them. How is this possible? Why is this field of entrepreneurship not very popular? Is it possible to run this business even with a small group of demanders? These rhetorical questions will be giving this bachelor thesis the main direction.

For this imaginary business was chosen a small city called Neveklov, located approximately 50 kilometres from Prague. In Neveklov, there live about 2, 5 thousands of inhabitants and it will be found out, if this size is enough to build a successful business with organic food.

This thesis is going to be divided into two parts – theoretical and practical.

In the theoretical part, there will be described, what exactly is organic food and which conditions are necessary for trading it. Next components of theoretical part are going to be terms, under which can be set up a business in the Czech Republic and also the way, how to do it.

The practical part will be focused on the setting up itself, including mainly following steps:

- Market research to find out, if there is a demand for organic food
- Searching for suitable commercial premises
- Searching for suppliers, who would like to cooperate with this grocery and sell their products here
- Analysis of financial demands
- Ways, how to raise the funds
- Establishing itself

Of course, these steps are all only demonstrative and no real business is going to be established.

As resources used for both, theoretical and practical part, will serve mainly a technical literature (listed in the List of literature), the questionnaire used for a market research and also interviews with Ing. Ivana Jiráčková, owner and operator of an organic food shop.

2 Objectives

This thesis is focused on illustrative setting up of a new business, which will sell the organic food to direct consumers. The main aim of this thesis is to find out the possibilities, how to establish an organic food grocery, including all steps of setting up of a business, such as market research, calculations, searching for the area and last but not least the seeking for suppliers, who would like to cooperate with this grocery shop.

As a conclusion, it should be evident, if it is or is not worth it to set up an organic food grocery in Neveklov and what are strengths and weaknesses in this kind of business.

3 Methodology

In following paragraphs there are described the methods used for creating of this bachelor thesis.

3.1 Survey

“Survey research is one of the most important areas of measurement in applied research. The broad area of survey research encompasses any measurement procedures that involve asking questions of respondents. A "survey" can be anything from a short paper-and-pencil feedback form to an intensive one-on-one in-depth interview. Surveys can be divided into two broad categories: the questionnaire and the interview. Questionnaires are usually in written format that the respondent completes. Interviews are completed by the interviewer based on what the respondent says. Sometimes, it's hard to tell the difference between a questionnaire and an interview. For instance, some people think that questionnaires always ask short closed-ended questions while interviews always ask broad open-ended ones. But you will see questionnaires with open-ended questions (although they do tend to be shorter than in interviews) and there will often be a series of closed-ended questions asked in an interview.” (Sachdeva, J.K., 2008).

3.1.1 Interviewing

“The interview is the primary data collection technique for gathering data in qualitative methodologies. Interviews vary based on the number of people involved during the interview, the level of structure: the proximity of the interviewer to the participant, and the number of interviews conducted during the research.”(Sachdeva, J.K., 2008).

“The interview is a more flexible form than the questionnaire and, if intelligently used, can generally be used to gather information of greater depth and can be more sensitive to contextual variations in meaning. The classical survey research tradition, geared to producing quantitative data, is generally associated with interviews where the wording and order of questions are exactly the same for every respondent. Variation in responses can thus be attributed to respondents and not to variability in the interviewing technique. Wording the questions in the same way for each respondent is sometimes called standardising. Asking the questions in the same order is called scheduling. Interviews, however, can be non-

scheduled, though still partly standardised. This is sometimes called a semi-structured interview. Here, the interviewer works from a list of topics that need to be covered with each respondent, but the order and exact wording of questions is not important. Generally, such interviews gather qualitative data, although this can be coded into categories to be made amenable to statistical analysis.” (Kothari, C.R.. Research Methodology: Methods and Techniques, New Age International Pvt. Ltd., Publishers, 2004)

3.1.2 Questionnaire

“This method of data collection is quite popular, particularly in case of big enquiries. It is being adopted by private individuals, research workers, private and public organisations and even by governments. In this method a questionnaire is sent (usually by post) to the persons concerned with a request to answer the questions and return the questionnaire. A questionnaire consists of a number of questions printed or typed in a definite order on a form or set of forms. The questionnaire is mailed to respondents who are expected to read and understand the questions and write down the reply in the space meant for the purpose in the questionnaire itself. The respondents have to answer the questions on their own.

The method of collecting data by mailing the questionnaires to respondents is most extensively employed in various economic and business surveys. The merits claimed on behalf of this method are as follows (Kothari, C.R., 2004):

1. There is low cost even when the range is large and is widely spread geographically.
2. It is free from the bias of the interviewer; answers are in respondents’ own words.
3. Respondents have adequate time to give well thought out answers.
4. Respondents, who are not easily approachable, can also be reached conveniently.
5. Large samples can be made use of and thus the results can be made more dependable and reliable. “

In this case, the questionnaire will be probably given in two different ways:

- a) Posted on the internet (spread between young people mostly)
- b) Put printed to local shops in Neveklov – the agreement of owners will be necessary, hopefully there will not be any problems and the questionnaire will reach older (not “internet-friendly”) population as well

The main aim of the questionnaire is going to be to find out, if people of Neveklov know about organic food, are interested in it and would like to be able to buy it directly in the town.

3.2 Market Research, Comparison

Market researching is closely connected with the method of comparison. The main aim here is to find out, how different is the organic food from food, which is commonly available in grocery shops.

3.2.1 Qualitative Research

Through the qualitative data analysis will be analysed the results (outcomes) of the questionnaire. The analysis will help to decide, whether the results are or are not relevant and if they should be taken as decisive.

Table no.1: Difference between Qualitative and Quantitative Research (Sachdeva, J.K., 2008):

Research Agenda	Qualitative	Quantitative
Focus	Understand and interpret	Describe, explain and predict
Involvement	High as researcher is participant and catalyst	Researcher keeps himself away to reduce bias
Purpose	In-depth understanding, theory building	Describe, predict and test theory
Sample design	Non-probability, purposive	Probability

Qualitative studies are usually evaluated on the basis of: 1) trustworthiness and 2) authenticity (Silverman, 1993; Bryman and Bell, 2011). Trustworthiness is assessed in terms of the following dimensions:

- **Credibility** : This examines the extent to which you have followed the accepted procedures in conducting qualitative investigations. Usually, you must send your interview transcripts to your respondents for them to confirm that you have correctly understood what they have told you. In other words, your research will achieve greater credibility when your respondents have validated the data you have collected. This is referred to as respondent validation.

- **Transferability:** This requires you to provide a detailed account of the context within which your study has been conducted. This will enable future researchers to compare your study with theirs in order to determine whether your findings hold true in other contexts.
- **Dependability:** This requires that you keep detailed records of all phases of the research process: problem formulation, selection of research participants, fieldwork notes, interview transcripts, et cetera. These materials will provide evidence that you have done the study in the prescribed manner. In other words, the dependability criterion reinforces credibility and transferability criteria.
- **Confirmability:** This requirement adds further weight to the three previous criteria of trustworthiness. It requires you to demonstrate that you have acted in good faith all along in the research process. In other words, you do not have any other interest in the research than to understand the reality that you set out to investigate.

(Kuada, J., 2012)

3.3 PEST Analysis

PEST (or STEP as well) stands for Political, Economic, Socio-cultural and Technological factors, which are analysed as a part of strategic management, during the planning of long-term work, such as planning of new projects, entering the market, introduction of a new project or a bigger investment into the business.

According to the Wiley Encyclopedia of Management, edited by Professor Sir Cary L Cooper, where there is to PEST analysis devoted one whole chapter, the definition of PEST analysis is as follows: “PEST is an acronym for four sources of change: political, economic, social, and technological. PEST analysis is a powerful and widely used tool for understanding strategic risk. It identifies the changes and the effects of the external macro environment on a firm’s competitive position. The external environment consists of variables that are beyond the control of a firm, but require analysis to realign corporate strategy to shifting business environments. Firms operate as part of a larger ecosystem. They are vulnerable to a variety of exogenous factors, which can have a major impact on the firm’s competitive positioning. Strategists seek to understand external factors and evaluate how business models will have to evolve to adapt to their environment. The impacts of external

factors are mitigated through pre-emptive strategy, and opportunities are exploited in the wake of new competitive positions that may be created in the process.” (Wiley Encyclopedia of Management, edited by Professor Sir Cary L Cooper)

“PEST or PESTEL analysis is a simple and effective tool used in situation analysis to identify the key external (macro environment level) forces that might affect an organization. These forces can create both opportunities and threats for an organization. Therefore, the aim of doing PEST is to:

- find out the current external factors affecting an organization;
- identify the external factors that may change in the future;
- to exploit the changes (opportunities) or defend against them (threats) better than competitors would do “

<https://www.strategicmanagementinsight.com/tools/pest-pestel-analysis.html>

3.4 Porter’s Five Forces

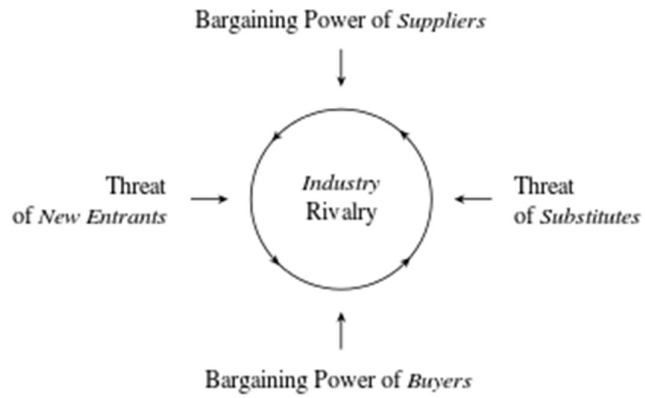
“Porter’s five forces of competition framework views the profitability of an industry (as indicated by its rate of return on capital relative to its cost of capital) as determined by five sources of competitive pressure. These five forces of competition include three sources of “horizontal” competition: competition from substitutes, competition from entrants, and competition from established rivals; and two sources of “vertical” competition: the power of suppliers and power of buyers.” (Contemporary Strategy Analysis, Robert M. Grant, Reprinted January 2010)

“We now understand that Porter’s five forces framework is used to analyse industry’s competitive forces and to shape organization’s strategy according to the results of the analysis. But how to use this tool? We have identified the following steps:

- Step 1. Gather the information on each of the five forces
- Step 2. Analyse the results and display them on a diagram
- Step 3. Formulate strategies based on the conclusions”

<https://www.strategicmanagementinsight.com/tools/porters-five-forces.html>

Picture no.1 – Scheme of Porters Five Forces:



https://en.wikipedia.org/wiki/Porter%27s_five_forces_analysis

4 Theoretical Part

4.1 Setting up of Business in Czech Republic

In the Czech Republic entrepreneurs have to follow a special law – Corporate Law (90/2012 Sb.). In this law, there are described the rights and duties of self-employed people.

4.2 Necessary steps when setting up a business

When setting up of a business, it is necessary to follow some steps, which lead to better decisions and to the best possible outcome.

Of course, the first step is to choose the field of business – there is a difference between setting up of steel company and hairdressing salon.

So the goal is clear – to set up functional profitable business in set sector. Now let's take a closer look onto the steps, which help to reach this goal. Following ideas described Peter Hingson in his book *Starting Your Business, 2001* (Czech version “Začnětě podnikat” was used in this case).

4.2.1 Entrepreneurial Intention (business plan)

Although this document may seem as useless to somebody, the truth is the exact opposite. Entrepreneurial intention is a really necessary part when planning a business. It can be described as detailed, in-depth scheduling document, which describes (both in words as well as in numbers) the project of businessman. Its main aim is not only to summarize our ideas, but the entrepreneurial intention is the first thing our possible investor will be interested in.

Business plan does not relate only to setting up of a new business, it can be also used by already working firms – when they come with a new idea, new project. By big and successful firms can be the business plan remade each few years.

According to Hingson (2001), the business plan should show the enthusiasm for the project and should point out following four aspects:

- 1) Realized market research
- 2) Proper schedule
- 3) Financial prognosis and controls
- 4) Competency and readiness of everybody working on the project

4.2.2 Market Research

Market research is a process of analysis, if the idea of business is really worth it and it divides into two parts – market analysis and analysis of the competition.

a) Market Analysis

Market means, in this point, all our possible customers – people or firms, which may want to buy the product/service, we are going to sell/provide. Main aim of the market analysis is to find out, if there really is a demand for it. At the beginning, the research should be made in a national scale – information can be found for example in professional journals/magazines or on trade shows. Nowadays can become big helpers also internet and television.

Speaking about internet and television, good businessman should know and follow the trends, and these two mass media types are full of it – especially social websites.

After the national scale research comes the local research, which help to specify the target group of the business – potential customers. Easiest way, how to find out, if people are interested in buying of our product/service is to spread the questionnaires in surroundings of our expected future place of business. As by any research, even here is valid, that the more people we involve into the research, the more relevant the results will be and of course the right age group should be chosen. For example, it would be irrelevant to ask 70 years old women, if they would be interested in new opened PC repair shop. Of course, there may be some exceptions, but it would be definitely better to ask young and middle-aged people, who (in 21st century probably) use PCs in their everyday life.

b) Analysis of the Competition

Through the analysis of competitors (firms, which already provide/sell the same service/product, as we want to in our future) we can find out, which are the strong and weak sides of this type of business, what to avoid and how we should behave on the market.

The easiest type of competitors analysing is the direct observation. After defining and finding concrete competitors, the simplest thing to do is to go near their shop and observe.

What to observe?

- Number of people, who visit the shop

- Number of obvious customers (they may carry shopping bag with the logo or something)
- If there arrive for example some suppliers and write down names of these firms (nowadays most of these bigger suppliers have a firms cars with huge logos)

However, the activity of the firm is not the only thing we are interested in. We are much more interested in the total items the firm offers and also their prices. In this case we can ask someone to pretend to be their possible customer and find out at least some prices for us. Next way, how to find out the spectre of items sold and the prices is to take a look, if the firm does not take a part at some kind of a trade show. There it is possible to go as a customer and ask about firm's possibilities and prices without anybody knowing.

According to the market research should be made a summary, which should focus primarily on following topics (Hingson, 2001):

- Interest (are people interested in the idea?)
- Target group (what is the real target group, is it interested?)
- Competitors (who are the main competitors, what are their advantages, what are their disadvantages and how to use them, how to be better)
- Should the business really be set up?

4.2.3 Financing of Business

When we, after all previous steps, come to a conclusion, that the business should definitely be set up, the biggest worry enters – how to finance this business?

There are four possibilities to finance the business:

1. Own resources

Own resources are the first and the most important ones. When someone starts a business, he definitely has to have significant amount of savings, but it probably will not be enough. So now comes the time for re-evaluation of real needs of the entrepreneur or his family. Some things probably will be sold or replaced with cheaper ones, as Hingson mentions: "Luxurious property including the antiques, stereo systems, cameras and jewels you can sell to get cash. If you own a quite new car, the next possibility is to sell it and replace with cheaper, older one (alternatively with a pick-up, which may become advantage for the

business). Of course, if the future business demands long journeys, then the old car with a lot of driven kilometres will probably not be the right choice. If you need a big amount of money and you are an owner of a house, you may consider selling it and buying or renting a smaller, modest home.

2. Borrowing from friends and relatives
3. Borrowing from banks
4. Government (or EU) grants

4.3 Marketing

“In order to achieve a true market orientation, a company needs to make the customer the epicentre of its business perspective. At the same time, those within the organization must also become involved, and become supportive, with these marketing efforts.

A true competitive advantage can be realized if there is a commitment to engage in the following actions (Fojt, 2005):

- focus on your customer – know who you want to target, understand your customer’s needs, and provide the necessary products/services to enhance the value that you can bring to your customer;
- know your competition – be able to identify who your principal competitors are, but also understand what their strengths and weaknesses are, as well as their marketing strategies and capabilities;
- coordinate all marketing efforts with other functions within the organization – marketing is not meant to be an isolated function, but rather should share/disseminate information with finance, manufacturing, customer service, etc.;
- market orientation – such a strategy tends to enhance overall performance and increases a company’s value to its customers.”

However, the term “Marketing” contains much more than these 4 recommendations. Let’s take a closer look and take it from the beginning. It is very often mistaken for the terms such as advertisement or selling.

Marketing can be described as “*the process of management, whose outcome is the knowledge, foreseeing, influencing and in the final phase satisfying the needs and wishes of the customer in effective and advantageous way while achieving the goals of the company as well.*”. (Světlík J., 1992). This definition may look a bit clumsy, however, it contains and shows the real meaning of marketing.

4.4 Ecological Agriculture - Definition of Terms

When talking about the ecological agriculture, it is necessary to define the conditions, which are adjusting the ecological growing and breeding. In the Czech Republic, there are special laws, which have to be followed, when someone wants to run an ecological farm. To understand these laws properly, the mainly used terms have to be explained. Chosen following terms are described in the law *Methodical instruction for ecological agriculture (655/93-340.)* for its purposes and explication.

- a) Bio-product: direct agricultural product, gained as an output of ecological agriculture, dedicated to direct consumption or as a raw material for next manufacturing
- b) Bio-foodstuff: food industry product, made out of bio-products and other allowed ingredients and additional matters specified by the *instruction*
- c) Certification: the activity of certification commission, which compares and the entrepreneur’s behaviour with the conditions described in the law
- d) Entrepreneur in ecological agriculture: physical or legal person, who runs an agricultural primary production, produces, buys or stores bio-products and bio-foodstuff in order to put them into the business circulation and a person, who trades them
- e) Putting into the business circulation: offering for sale, selling or other forms of offering for consumption, storing, transportation for the necessities of trading and import for the purpose of selling

In this Methodical instruction can be found the conditions for vegetable production (such as the sowing advancement, the choice of crops or fertilizing) and conditions for animal husbandry (such as principles of ecological breeding, stabling, reproduction or veterinary care) as well. Conditions adjusting the animal husbandry are also differed into paragraphs

according to animal, because each breed of animal has different needs and different issues, which have to be considered.

However, according to the *Law about Ecological Agriculture (242/2000 Sb.)*, these laws adjust primarily the conditions for the producers of organic products or organic foodstuff:

“The duty stated according to the paragraph 1 does not apply on retail stores, which only sell the already packaged and marked bio-product, bio-foodstuff or other bio-products to direct consumer and on persons, which provide in the sphere of ecological agriculture their services abroad.”

4.5 Denoting of bio-products and bio-foodstuff

All bio-products and bio-foodstuff must be denoted properly. Properly means, in this case, in keeping with the regulations of the European Union. The graphical sign used for marking looks as follows and can be used only according to the EU regulations.

4.6 History of Organic Farming

“The organic system of farming was developed in Europe over 100 years ago by proponents such as Rudolph Steiner in Austria, Albert Howard in the United Kingdom, and Hans-Peter Rusch and Hans Müller, who developed “biological agriculture” in Switzerland. The first use of the term “organic farming” appears to have been by Lord Northbourne in the United Kingdom. It derives from his concept of “the farm as organism”. He differentiated between what he called “chemical farming” and “organic farming”. Sir Albert Howard’s concept of soil fertility was centred on building soil humus with an emphasis on a “living bridge” between the soil and the life it contained (such as fungi, mycorrhizae and bacteria), and on how this chain of life from the soil supported the health of crops, livestock and humans. Steiner went on to propose “biodynamic agriculture”, a method of organic farming that has its basis in a spiritual view of the world, using approaches such as fermented herbal and mineral preparations as compost additives and field sprays and the use of an astronomical sowing and planting calendar. This farming method became popular in Australia.” (Blair R., 2011)

5 Practical Part

The practical part is dedicated to the process, which is necessary to be made before establishing a business. Business will in this case mean a shop with organic food products for the purpose of earning money.

The main products I would like to include would be milk products, cereals, bakery products and eggs, all in bio quality. However, these products are possible to be bought either in local shops (mostly not in bio quality) or from the farmers around the town.

Therefore, it is necessary to analyse the environment, do the market research and decide, whether it is worth it to establish the business or not.

5.1 PEST Analysis

5.1.1 Political Factors

There are two possibilities, how the politics may affect an organic food grocery shop.

The first: the whole shop can be affected by a new law, which will influence all the entrepreneurs and their businesses.

The second: some new law adjusting the conditions for bio-products may be authorized.

For both, the problem does not have to be directly the Czech government, it is necessary to take into consideration the European Union as well.

Of course, nowadays the EU as well as the Czech Republic has its regulations and laws, but in the future, it is possible, that some new laws or regulations will be introduced.

5.1.2 Economic Factors

As the main economic factors, which may influence the business can be considered for example the interest rate (when having a bank loan with not fixed interest), the inflation (the whole economy of each country is affected by the increase of the price level) or the average income in the region.

Because the bio-products are usually more expensive than common products, it is necessary to know, that the people living in the region may afford to buy it. This is connected with the welfare of the citizens.

5.1.3 Social Factors

Sociological factors are especially the trends of healthy and “bio” eating. Identification of these seems easy, however, the definition is very difficult, and they are very unpredictable. More and more young people tend to live healthy and spend a lot of time in the fitnesscenter. This trend is really unpredictable and the development of spread of the healthy lifestyle is impossible to be marked (for example young people may be influenced by bloggers or youtubers, older people/adults may start to exercise and live healthy because of their state of health... There can be many reasons impossible to collect, count and describe).

5.1.4 Technological Factors

Technological factors may affect the organic food production with new technologies of the food processing. Nowadays the producers try to maintain as much vitamins and nutrients in used food as possible (for example the Raw Food – the system of food process is established on not exceeding the temperature of 48 degrees centigrade, so all positive matters stay in the foodstuff). Maybe in the future new (and perfectly nutrition harmless) processes and ways of food processing will be developed.

5.2 Porters Five Forces

5.2.1 Threat of new entrants

One of the biggest advantages of small city (village) is, that no more than one shop of a kind would be able to be run there. In Neveklov, there functionates the typical “village scheme”: the square is the centre of everything. Shops, restaurants, bars, cinema, post office, ATM, municipal authority. Everything is located at one place. There is no possibility, that somebody would come with the idea of setting up a competing business. This works in bigger cities, where the demand may be divided for example according to the place of residence and more than one shop may operate in the city without disturbing each other’s business. However, Neveklov is too small for this and the buying power is hardly sufficient for one shop.

5.2.2 Supplier power

When talking about the organic food, it is generally quite difficult to find suitable suppliers. It is necessary to specify, that in this branch, it is usually the most efficient to buy the goods from local farmers or local processors. These commonly do not have a very big power.

Bigger producers with bigger power may however cause the difficulties when it comes to the contracts concluded with them. Each firm has its own conditions and especially in this branch it can possibly happen, that the supplier will want to protect its brand name and limit the purchaser. Therefore it is again better to seek out that kind of a small local producer, who will be glad to cooperate (to have at least some distributor) without any redundant restrictions.

5.2.3 Buyer Power

The number of potential customers is impossible to estimate, unfortunately there are no sources, which would describe the population and its age. However, the target group for this shop would be the women in productive age, who live healthy and protect the nature. If they fulfil these requirements, we can say, their buying power would be quite high, because of their beliefs. They will also be willing to pay for the high-quality food products.

As for the pressure put on the businessman, it will be very high. Neveklov is a small town, where there everybody knows each other, and it is very easy to spread a rumour in there –

the word-of-mouth is very strong here. One dissatisfied customer may influence a lot of people in his surroundings.

5.2.4 Threat of Substitution

In the field of organic food, the substitution may have a lot of forms. In the countryside people live especially in family houses, which each has its own garden, where there it is possibility to grow different types of plants – usually not only flowers, but the edible crops as well. Regarding the milk and meat, you can very often find a private entrepreneur – farmer, who sells his production to local people for a very good price. We can see here the residue of barter system: somebody, who has f.e. cows will sell milk to someone, who is f.e. craftsman. Craftsman receives the milk for better price than in the shop, and when the farmer needs help, he will help him for a better price as well.

There are not many possibilities, how to prevent this, however, probably only higher quality or better price for regular customers would help. Next possibility is to buy as much goods from the local farmers as possible – they will get their money and the products will get to the same customers as well, but possibly with lower difficulty for the farmer.

5.2.5 Competitive Rivalry

As already mentioned several times, Neveklov is a small town, where there each type of shop has only one shop. The closest competitors are located in Benešov, which is 15 kilometres distant from Neveklov. Here we can find two different shops with similar assortment – “Health food shop” and “Organic food grocery shop”. Next competitors are located in Sedlčany, where there we can find the “Farmer’s shop”. These two cities are for the citizens of Neveklov very important, because there are located the closest supermarkets, such as Penny, Lidl or Billa and many people from Neveklov are used to go there for so called “big shopping”, therefor the customers loyalty is very uncertain – if they travel approximately 15 kilometres for shopping, they may would like to buy everything in one city.

5.3 Suppliers and Goods

5.3.1 Bio Vavřinec Benešov

Bio Vavřinec (full name Bio Vavřinec a Kosař s.r.o.) is a farm located near to Benešov, in small village called Okrouhlice. This farm was established in the year 1993 and since then has only operated according to the principles of bio farming. Currently it is using 450ha of agriculture land, which contains 260ha of arable land. Each year, there is a bit different usage of this arable land, but commonly we can find here wheat, rye, lupine or spelt. This farm currently has no own mill. As for the meat production, this farm grows cattle for the milk production. The variation of their milk products is very wide.

From this farm, it is possible to buy milk, meat and cereal products. However, they do not offer any fruit or vegetables.

According to Pavla Traugottová, the sales representative of Bio Vavřinec, they usually do not sign any contract with their trading partners – they have the contract only with a few of the biggest purchasers. For the needs of small shop there would not be any necessity to sign the contract. All orders are received per e-shop, preparation of the order lasts at least one working day. Each client must be registered in this e-shop to get the wholesale prices. The e-shop wholesale prices are usually 30% lower than the common prices (there are some exceptions, where there the sale is only 20%). To conclude this supplier, for the small shop it is very good, that no contract is sign, because that could lead to sale duties. However, the wholesale prices are given only as a “good word” and are guaranteed by no signed document.

5.3.2 Eggs from domestic breeding

As I have already mentioned, in the countryside, there are a lot of private farms, which also sell their products. That's why I decided to take a closer look, if there is a possible cooperation with some of them. When talking about the natural goods, eggs are one of the most common in the countryside. Mrs. Margita Hašková is one of the hen breeders in the neighbourhood and would be willing to cooperate with the organic food shop. However, eggs from her farm are not classified as a “bio agriculture product” (because of the complicated administrative process, as she explained), but only as a “domestic product from a courtyard”. This would be necessary to state when selling these eggs.

5.3.3 PROBIO s r.o.

PROBIO is the organic food producing firm, which was established in the year 1992. It is the first and also the biggest producer of organic food products, they are running two farms, three mills, laboratory, different warehouses and packing plants with more than 150 employees. They offer more than 1 500 different food products in the bio quality, they focus not only on the wholesale sell around the whole Czech Republic, but also abroad. Their products are sold under three following brands: Bioharmonie, Biolinie a Naše bioafarma.

For the cooperation, usually agreements are signed. Each customer becomes different conditions according to the amount of merchandise bought.

5.4 Business Premises

5.4.1 Renting suitable business premises

For running a regular shop, it is necessary to have business premises. The question is, if to only rent some, or buy them. In this case, I decided for renting them. The reason is as follows: Neveklov is a small city, with limited offer of real estate. It is almost impossible to buy here any (both residential and commercial) premises.

Currently it gives only one free premise for rent in Neveklov, so I decided to use it for my purpose. It is owned by a natural person and has the size of 52m² (room of the size of 8m x 6,5m). The lease agreement is to be signed for an indefinite period, the notice period is 3 months.

Owner requires the monthly rent in amount of 100, - CZK for 1 m², which means 5.200,- CZK for the whole premise. Electricity must be arranged with the suppliers individually. The water for usage of sanitary facilities is included, if the consumption of water increases noticeably, the additional charge will be arranged individually.

Electricity Supply

The most usual electricity supplier is the ČEZ Group. According to their offer on their website (<https://www.cez.cz/cs/elektrina.html>), the average monthly payment is from 1.800,- to 2.000,- CZK.

According to this, we can assume the total monthly costs around 7.000,- CZK.

5.5 Financial Plan

5.5.1 Financial demands

Equipment of the shop

After evaluation of the needs of the business premises equipment, I chose the most important furniture necessary for the basic running the business. The equipment is stated in the following table:

Table No. 1: The evaluation of equipment costs

Item	price	units	total price
Counter	4 290,00 Kč	3	12 870,00 Kč
Rack	2 966,00 Kč	7	20 762,00 Kč
Cooling cupboard (refrigerator)	29 420,00 Kč	1	29 420,00 Kč
Wire stand	2 990,00 Kč	2	5 980,00 Kč
Cashbox with EET software (Registered Sale Information)	15 990,00 Kč	1	15 990,00 Kč
Notebook	estimation		20 000,00 Kč
Printer	estimation		3 000,00 Kč
Other equipment (cleaning tools, office equipment)	estimation		5 000,00 Kč
	In total		113 022,00 Kč

Source: own calculation based on the supplier website: <https://www.uniregaly.cz/>

Estimated costs for the very first purchase of goods

The shop also needs basic selection of goods for the first opening. Of course, the variety of the products will increase and improve when the shop is already in operation and the needs of real customers are known. The following table contains a short basic estimation of the financial demand for the first purchase.

Table No. 2: Estimation of merchandise costs

Product	Estimated expenses
Milk products	10 000,00 Kč
Cereals, flours	45 000,00 Kč
Legumes	25 000,00 Kč
Nuts, dried fruits, seeds	13 000,00 Kč
Eggs	400,00 Kč
Food complements	15 000,00 Kč
Total estimated expenses	108 400,00 Kč

Source: own calculation

5.5.2 Financing

The most expensive parts of establishing a shop would be equipment of the shop and the first purchase of goods, these two items would add up to approximately 250 000,- CZK.

Part of this may be covered by own resources, another part would probably require a bank loan. When taking the loan from Komerční Banka, a.s. in the amount of 200 000,- CZK, it will be repaid in 5 years, considering the monthly payment in the amount of 3 914,- CZK. The detailed calculation of this loan is stated in the attachments.

This means, from the first month of operation of the shop it would be necessary to earn at least 10 914, - CZK to repay all liabilities.

5.6 Results of the Research

5.6.1 Questionnaire

The questionnaire is in this case dedicated to find the basic opinion of citizens of Neveklov about organic food. After evaluation of this questionnaire it should be clearly figured, if people are or are not interested in having organic food grocery in this town, their meaning about the organic food, their demand for it and also the relationship between demographic characteristics and the opinion.

For the distribution of this questionnaire was used the Facebook group called “Neveklov a okolí- inzerce, diskuze, kultura,...”, which is used by the citizens of Neveklov for communication about the news in the town, for advertising or just discussing any topic connected to life in the town. As already mentioned, Neveklov is a small town, so I had no problems with asking people to answer the questionnaire.

The questionnaire was given to respondents in Czech language, both version of the questionnaire (Czech and English) are stated in the attachments (Attachment No.2 and Attachment No. 3) .

As for the conclusion, if people are not interested into buying the organic food, there is no reason to establish this grocery. Where there is no demand, the business can not operate and profit.

Questionnaire Evaluation

As I have already mentioned, this questionnaire was very short and easy to answer, therefore the majority (90 %) of respondents finished it within 5 minutes. From all respondents I chose a random sample of 100 people. This sample contained 70 % of women and 30 % of men. Majority of this sample was in the age between 15 and 25 years, followed by 14 % for people in age of 26-35 and also 14 % in age 36-45 years. The main condition for filling in the questionnaire was the familiarity with the term “organic food”, which excluded two percent of respondents, who did not know this term (so there was no necessity for them to carry on answering).

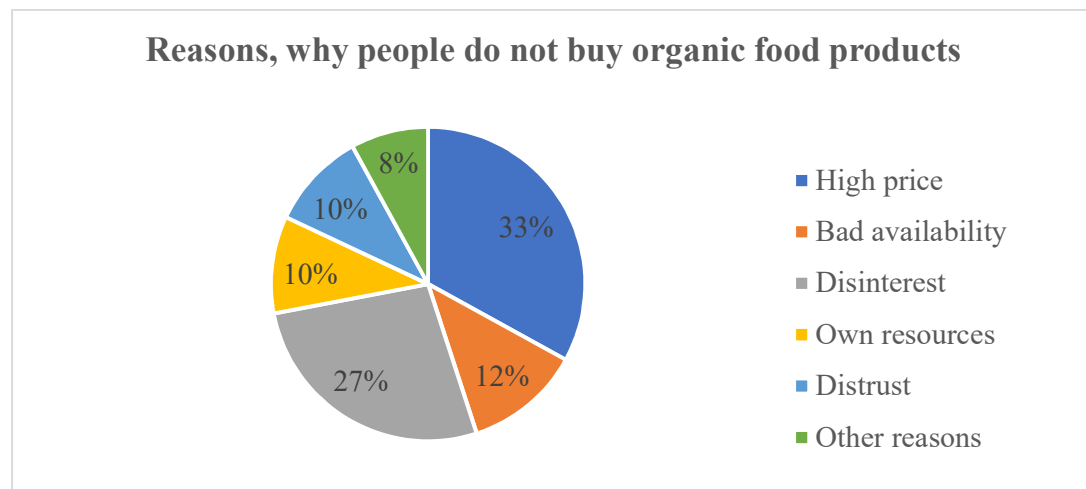
As for the experiences with buying organic groceries, 66 % of respondents sometimes buy them. However, as for the frequency of purchasing, none of the respondents buys organic

groceries very often (3 times a week), only 20 % buy them once a week and the rest (80 %) buys them only approximately once a month, which is quite insufficient for running an organic food grocery. This leads to question, how to improve these numbers? According to the results of questionnaire, 52 % of respondents would like to have larger selection of products and 31 % voted for lower price. Answers of the remaining respondents were immeasurable.

Conclusion of the questionnaire

To conclude the results of the questionnaire, we can see that women are more interested in this topic than men, specially women in the age between 15 and 25 years. However, their amount of interest is not enough sufficient reason for buying organic groceries more frequently than once in a month, which is very poor finding. This is, according to respondents, caused by bad accessibility (12 %) and sufficient amount of own sources (10 %) – please see following Graph No. 1. These are the findings, which are improvable. However, what is not improvable is the opinion, that organic groceries are too expensive (33 % of respondents) and the fact, that 27 % of respondents are not interested in buying organic food. Of course, the interest may be influenced by some trend, such as healthy eating in connection with exercising, but this type of lifestyle is more common in bigger cities, not in villages, where there personal (and technical as well) development takes longer time. Therefore, I would say, people would not buy enough groceries for successful operation of the business.

Graph No. 1: Reasons, why people do not buy organic food products



5.6.2 Interview

Introduction

As for the research, I decided to make an interview with a real entrepreneur, who specializes on the selling of organic food products. I decided for Ing. Iva Jiráčková, whose shop, which is located in the town of similar size as Neveklov, I personally visited several times.

The interview was done in Czech language, has 10 straight questions and each one was discussed for a while. This helped for better imagination, what the running of this type of business is like, what are the advantages and disadvantages and helped me with the final decision about efficiency of establishing new shop. The whole version of the interview in both languages (Czech and English) is situated in the attachments.

Before I start with the evaluation of the interview, I would like to outline the background of Mrs. Jiráčková's life: she has been vegetarian since her young age, her family (5 kids, 4 of them already adults) follows this movement as well; before she started her own business, she worked as a medical staff member; it has been 10 years since she has established the shop.

Full wording of the interview

1. Why did you decide to establish organic food grocery?

“Because of our own lifestyle, we missed a shop in our neighbourhood, we had to travel to Benešov or Prague for every shopping, mostly during the weekends. This was very time consuming. Then, more and more of our family friends asked me about our lifestyle and about the recipes – we are vegetarians, our meals are different than what people are used to. Finally, the establishment of the shop helped a lot of people, they did not have to travel long distances to buy good quality food and waste their time. We also educated local inhabitants about why they should choose organic food products, why they are important. “

2. In which form was the business established?

“My husband is an entrepreneur, so our new firm started to operate underneath his already working firm.”

3. *What were your crucial products? Why?*

“The basic products were those which are essential for life, such as high-quality cereals, legumes, non-meat products, high-quality dairy products and organic vegetables. Besides that also nutritional supplements and herbs.”

4. *Which products are your best sellers?*

“Although the demand is various, the best sellers are grains and legumes. Because the number of vegetarians and vegans is increasing, we sell non-meat and dairy products a lot. After that we sell products for people with diabetes and with celiac disease and natural sweeteners (for example stevia).”

5. *Does it happen, that customer requires a product, which you do not have at your shop?*

“Yes, that happens a lot, but I am always trying to find the way to provide these products. Mostly I can order these products through warehouse or e-shop. Luckily, there are many providers in this branch.”

6. *Do you profit mostly from permanent customers or from one-time visitors of your shop?*

“Clearly, we are mostly dealing with permanent customers, however during summer we are affected by tourism. We also have some seasonal customers, who have recreational facilities nearby, where they spend weekends or whole summer and are coming to our shop. Every such a meeting is joyful, we are happy when people are coming back to us.”

7. *Do you have some product you sell only after the order from client?*

“Of course, as I have already said, some goods are too specific and are not sold very often, so sometimes it happens, the expiration date runs out and the product must be thrown away, which causes additional costs and we cannot afford this. These kinds of goods we sell only after the order.”

8. *What is your motivation in the business?*

“I did not establish the shop because of the profit, but I wanted to feel helpful, to help the people. I usually meet customers, who want to talk to me, want to learn something new about the healthy eating. These people have different thoughts, different beliefs, they are working

on themselves. This is my motivation into the future and this is also the main motivation of the owners of these types of shops – not the profit, but the awareness of healthy lifestyle.”

9. Do you have any recommendations for some future entrepreneurs in this field?

“To try selling some homemade products, for example to have their own bakery. According to my experiences, it will not be easy way, it takes a long time to run the business profitably.”

10. Do you see future in the organic food grocery?

“Yes, of course I do. More and more people are interested in the organic food products, there are more and more vegans and vegetarians, which is very good and I am happy that people think about what they eat. “

Evaluation

The main reason, why Mrs. Jiráčková decided to establish this shop was the insufficient supply of the healthy and good quality product, which her family needed for their lifestyle. She started to be annoyed by the necessity of traveling to another city or to Prague for buying these kinds of food. As her friends started to be interested in this kind of lifestyle as well, she started to think about her own shop with the supply of the high quality (and organic) food products, which would also provide the consultancy of this issue and would be helpful to others. Finally, she rented the premises from the municipality and her husband, who is also entrepreneur helped her with establishing of the shop.

The main (and original) assortment of this shop were high quality cereals, legumes, high quality milk products, food complements and medical herbs. These products are nowadays the crucial product, which are sold the most, together with meatless ready-to-cook meals (meatless, because nowadays more and more people are interested in the vegetarian or vegan style of life). The natural sweeteners (such as for example stevia) fall into very often sold products as well. Increasingly well-liked are also the food products dedicated for diabetics and celiacs.

Of course, not all sold products have their place in the permanent offer of the shop. These are usually those products, which are very specific and are not sold on the daily basis. Then it can happen, that the expiration date runs out and the product must be thrown away, which causes losses. In this case, the products are ordered from e-shop or wholesale only in case, somebody asks for them.

All the information above are of course very interesting for a potential future entrepreneur in this branch, however, the most important for my project is the following final part. According to Mrs. Jiráčková (and experiences of her colleagues), it takes approximately 7 years for the shop to start making profit, which is quite a long time. This type of entrepreneurship is for a person, who believes in and follows the healthy lifestyle, is interested in it and has it as a full-time job and hobby at once. It is more like a method how to help people to find a way to more natural form of eating, how to connect people with the nature again, not a way how to make a fortune.

This will influence me a lot during the decision, if it would be worth it to establish the shop in Neveklov or not. Of course, the final verdict must be done after considering all of the pros and cons.

6 Discussion and Conclusion

At the beginning, it is necessary to say, that bio agriculture has been on the increase in recent years. According to Šejnohová H., 2015, the number of farms with competency to sell their bio products has between the years 2008 and 2014 increased more than three times. This is very good number, wide range of suppliers is desired. On the other hand, the overwhelming majority of the farmers does not have their own manufacturing facility and sell their production to other manufacturers. This causes higher costs, which are reflected in the price of final product. As my research shows, price is the major reason, why people do not buy organic food products. However, even in this sphere the development appears, but unfortunately quite slowly. I think, this would be influenceable by higher demand – farmers would not have to worry, if they will sell their products. However, there is a big difference between demand in big cities and small town. This is because in the small towns, lot of people have their own gardens with the possibility of growing their own plants, which affects the demand a lot – according to my questionnaire (page 36), 10 % of respondents have their own resources of organic food. This and also other findings influenced the final decision about the (non)establishing of the organic food grocery, as described in following part.

The main aim of this thesis was to analyse, if it is wise and advantageous to establish organic food grocery in Neveklov. Using the methods of research (interview and questionnaire), Porter's five forces analysis and PEST Analysis I came to the conclusion, that this type of business is not convenient.

People in Neveklov are quite sceptical to organic food and it is not a noticeable part of their needs. Of course, this does not mean, there would be no demand for the bio products. The rate of the demand is just not sufficient enough to establish a shop with organic food. However, suppliers for this type of shop are available, so in the future it should not be a problem to find providers when establishing this shop.

Very influential was also the interview with Ing. Iva Jiráčková, who has been running organic food grocery for ten years. According to her, it took 7 years for the shop to start making the profit, which is a very long time, because the founding costs (equipment of the shop and the very first goods purchase) are not very high and are solvable by a small bank

loan. People in small towns usually do not appreciate the hard work of the others and it is very difficult to break through their scepticism to new things.

Organic food grocery requires experiences with healthy lifestyle, not only in the branch of food industry and agriculture, but the health service as well. This type of business is not for everybody, it calls for the total enthusiasm even though the outcomes are uncertain, and the shop may in a sort of way operate as a charity.

Nowadays, it would not be efficient and profitable to establish organic food grocery in Neveklov. However, this may change within the period of several decades, when the needs of people change, Neveklov will expand (nowadays new building sites in the periphery) and the availability and price of organic groceries may decrease.

It is also necessary to remark, the establishment of a small business premises dedicated to selling organic food products would not be financially demanding, especially the rent would be quite low (around 7.000,- CZK per month), the most expensive would be the very first purchase of the goods. However, if the demand is not very high, for this type of shop there would not be necessary any big storeroom, which will also save money.

7 List of used Sources

1. EREAUT, Gill. *Analysis and Interpretation in Qualitative Market Research : Analysis in Interpretation in Qualitative Market Research*, SAGE Publications, 2002. ProQuest Ebook Central, .
2. FOJT Martin, *Marketing*, Emerald Group Publishing Limited, 2005
3. GRANT M. Robert, *Contemporary Strategy Analysis*, Reprinted January 2010, Published by John Wiley & Sons Ltd, ISBN 978-0-470-74710-0
4. HINGSTON, Peter. *Začněte podnikat. Z anglického originálu vydaného r. 2001 (nakl. Dorling Kindersley) přeložil: LANGMAJER, Josef*
Praha: Euromedia Group – Knižní klub, 2002, 192 s., ISBN:80-242-0838-5
5. KLEIN, Štěpán. *Produktivní podnikatel. 1. vydání*
Praha: Perfectia, 2015, 352 s., ISBN: 978-80-260-7836-4
6. PHELLAS, Constantinos N., BLOCH,Alice and SEALE,Clive, *Structured Methods: Interviews, Questionnaires and Observation*
7. SACHDEVA, J.K.. *Business Research Methodology*, Global Media, 2008.
ProQuest Ebook Central,
8. SVĚTLÍK, Jaroslav. *Marketing – Cesta k trhu*, 1992
Zlín: EKKA, 256 s., ISBN: 80-900015-8-0
9. Zákon č. 242/2000 Sb., *Zákon o ekologickém zemědělství*
10. Zákon č. 90/2012 Sb., *Zákon o obchodních korporacích*
11. ŠEJNOHOVÁ H., DARMOVZALOVÁ I., PETERKOVÁ J., RÁDLOVÁ L.,
Statistická šetření ekologického zemědělství - Základní statistické údaje (2015)

8 Attachments

No.1: Official mark for denoting organic food in Czech Republic

Grafický znak, kterým se označí bioprodukt, biopotravina a ostatní bioprodukt

Značka – popis barev a písma

Černobílá verze



Barevná verze



POUŽITÉ PÍSMO
AvantGarGotItcTEECOn

SPECIFIKACE POUŽITÝCH BAREV
PRO OFFSET:

tmavě zelená barva: PANTONE GREEN 100 % (CMYK: 100/0/100/0)
světle zelená barva: PANTONE č.361 – A, (CMYK: 25/0/25/0)

PRO APLIKACI FOLÍ:

tmavě zelená: PMF série 500 č.572
světle zelená: PMF série 500 č.574

No. 2: Questionnaire in the Czech language

Dotazník:

1. Jakého jste pohlaví?
Žena/ Muž
2. Kolik Vám je let?
 - 0-15
 - 16-25
 - 26-35
 - 36-45
 - 45 +
3. Slyšel(a) jste někdy o biopotravinách?
Ano/ Ne – pokud ne, není potřeba pokračovat ve vyplňování dotazníku, pokud ano, prosím pokračujte
4. Kupujete biopotraviny?
Ano/Ne
5. Pokud ano, jak často?
 - Celkem často (alespoň jednou týdně)
 - Velmi často (vice než třikrát týdně)
 - Někdy (cca jednou měsíčně)
6. Co by Vás přimělo kupovat biopotraviny častěji?
 - Lepší dostupnost těchto potravin
 - Nižší cena těchto potravin
 - Větší výběr
7. Pokud biopotraviny nekupujete, co je hlavním důvodem?
 - Vysoká cena
 - Špatná dostupnost v místě bydliště
 - Nezajímám se o tento typ potravin
8. Co Vám (obecně) v nabídce bioobchodů chybí?
 - Pečivo
 - Ovoce
 - Zelenina

- Sladkosti
- Maso
- Mléčné výrobky
- Uzeniny
- Vejce

No.3: Questionnaire in English

1. What gender are you?
Male/ Female
2. How old are you?
 - 0-15
 - 16-25
 - 26-35
 - 36-45
 - 45 +
3. Have you ever heard about organic food products?
4. Yes/ No – if the answer is no, there is no need in filing other questions, if yes, please carry on filling in
5. Do you buy organic food products?
Yes/No
6. If yes, how frequently?
 - Quite often (at least once a week)
 - Very often (more than three times a week)
 - Sometimes (approx. once a month)
7. Is there anything, what would make you buy organic food more?
 - Better availability of these products
 - Lower price of these products
 - Wider choice
8. If you do not buy organic food, what is the main reason for this?
 - High price
 - Bad availability in your town

- I am not interested in this type of food
9. Which products do you miss in organic food groceries?
- Bakery goods
 - Fruit
 - Vegetable
 - Sweets
 - Meat
 - Dairy products
 - Meat products
 - Eggs

No. 4: The interview with Ing. Iva Jiráčková in Czech Language

1. Proč jste se rozhodla založit obchod s biopotravinami?

„Vzhledem k vlastnímu životnímu stylu nám scházela obchod, na každý nákup jsme museli jezdit do Benešova nebo do Prahy, především během víkendů, bylo to dost časově náročné. Poté se postupně naši známí se začali vyptávat na recepty a náš způsob životního stylu, tím, že jsme vegetariáni, naše stravování je poněkud rozdílné. Nakonec založení obchodu pomohlo hodně lidem, nemuseli dojíždět do vzdálených měst a ztrácet tím svůj čas. Také jsme tím přispěli osvětě, bylo zapotřebí naučit místní obyvatele, k čemu jsou tyto potraviny dobré a proč jsou pro ně důležité.“

2. Pro jakou formu podnikání jste se rozhodla a proč?

„Můj manžel je podnikatel, firma tedy vznikla pod jeho již založenou firmou – s.r.o.“

3. Pro jaké stěžejní produkty jste se rozhodla? Podle čeho jste se rozhodovala?

„První základní sortiment jsou potraviny nejpodstatnější pro život jako jsou kvalitní obiloviny, luštěniny, bezmasé produkty, kvalitní mléčné výrobky, kvalitní bio zelenina. K těmto základním potravinám přidat výživové doplňky, bylinky a další produkty.“

4. Jaké produkty se prodávají nejvíce?

„I když zájem je velice rozmanitý, nejvíce asi obiloviny, poté luštěniny a kvalitní mléčné výrobky, bezmasé polotovary. Tyto výrobky hlavně protože přibývá vegetariánů a veganů. Dále se často prodávají produkty pro diabetiky a celiaky a také přírodní sladidla (například stévie).“

5. *Stává se, že zákazníci poptávají nějaký produkt, který vám se ale nevyplatí prodávat?*

„Stává se to často, ale snažím se najít nějakou cestu. Pokud se dá podobný produkt objednat, tak to udělám. Skoro se nesává, že by nebylo možné produkt objednat přes velkoobchod nebo e-shop. Naštěstí je v tomto odvětví dostatek dodavatelů.“

6. *Profituje Váš obchod hlavně ze stálých zákazníků, nebo se jedná spíše o jednorázové návštěvy Vašeho obchodu?*

„Samozřejmě se nejčastěji jedná o stálé zákazníky, ale přes léto se nás dotkne i turistický ruch a také máme sví sezónní zákazníky, kteří mají v okolí rekreační objekty, kde tráví víkendy, popřípadě celé léto a jezdí nakupovat k nám do obchodu. Každé takové shledání je radostné, těší nás, že se k nám lidé vrací.“

7. *Nabízíte některé zboží pouze na objednávku – nemáte ho skladem, ale je možné ho zakoupit přes Vás?*

„Samozřejmě, jak jsem již říkala, některé zboží je tak specifické, že se neprodává tak často a stane se, že mu projde datum spotřeby, což nám způsobuje zbytečné náklady navíc, zboží pak musíme vyhazovat, a to si opravdu nemůžeme dovolit. Takové zboží je možné zakoupit na objednávku.“

8. *Co Vás motivuje k pokračování v tomto podnikání?*

„Založení obchodu nebylo z důvodu obchodování ale pocitu platnosti, za účelem pomoci lidem. Často si povídám se zákazníky, kteří se chtějí dozvědět víc, popovídat si. Občas jsou různě duchovně zaměřeni a pracují na sobě. To je moje motivace nadále. Myslím, že je to také podnět pro vznik těchto obchodů v malých městech. Majitelé obchodů žijí tímto životním stylem, často jsou to výživoví poradci a snaží se o osvětu.“


9. *Máte nějaká doporučení pro někoho, kdo by chtěl založit obchod s biopotravinami?*

„Zkusit si nějaké produkty pěstovat či vyrábět sám – například zkusit domácí pekárnu. Každopádně to nebude lehká cesta. Z mojí zkušenosti vím, že dobu trvá, než se tento obchod se zdravou výživou zajede a lidé se naučí do nich chodit.“

10. *Vidíte v tomto odvětví budoucnost?*

„Ano, samozřejmě vidím. Přibývá lidí se zájmem o biopotraviny, přibývá veganů a vegetariánů. Lidé zajímá kvalita jejich jídla, což je samozřejmě dobře, mám z toho radost, že se lidé starají o to, co jí.“

No. 5: Loan Calculation



Consumer Loan Calculator

Loan amount: CZK

Maturity: 5 years

Loan type:

Number of insured co-applicants:

Statement type:

Calculation Result	Repayment Schedule										
<p>Annuity instalment 3,914 CZK / monthly</p> <p>Fixed interest rate from 5.90 % p.a.</p> <p>APR * 6.16 %</p> <p>Total amount to be repaid * 231,644.28 CZK</p>	<p>You can get your Personal loan quick and easy with the preapproved credit limit in MojeBanka or Mobilní banka.</p> <p>The figures and assumptions used in the Model Example calculation:</p> <ul style="list-style-type: none">The credit shall be drawn down in a lump sum, on the day of creating this calculation.The regular instalments shall be paid on each 20th day of a month.The first annuity repayment shall be made as at 2018-5-20.The interest rate shall be 5.90 % p.a. <p>APR included the following fees:</p> <table><tbody><tr><td>• Fee for processing and assessing the loan application</td><td>490.00 CZK</td></tr><tr><td>• Monthly charge for maintaining the loan (monthly)</td><td>0.00 CZK</td></tr><tr><td>• Fee for sending statements of the credit account (monthly)</td><td>0.00 CZK</td></tr><tr><td>• Current account administration (monthly)</td><td>0.00 CZK</td></tr><tr><td>• Current account statement (monthly)</td><td>0.00 CZK</td></tr></tbody></table>	• Fee for processing and assessing the loan application	490.00 CZK	• Monthly charge for maintaining the loan (monthly)	0.00 CZK	• Fee for sending statements of the credit account (monthly)	0.00 CZK	• Current account administration (monthly)	0.00 CZK	• Current account statement (monthly)	0.00 CZK
• Fee for processing and assessing the loan application	490.00 CZK										
• Monthly charge for maintaining the loan (monthly)	0.00 CZK										
• Fee for sending statements of the credit account (monthly)	0.00 CZK										
• Current account administration (monthly)	0.00 CZK										
• Current account statement (monthly)	0.00 CZK										

50