

Czech University of Life Sciences Prague

Faculty of Management

Department of Management



Bachelor Thesis

**Business plan to establish an online trading company in
Prague**

Damandeep Singh

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

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BACHELOR THESIS ASSIGNMENT

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Business plan to establish an online trading company in Prague

Objectives of thesis

The main objective of this thesis is to provide a systematic business plan to provide affordable and good products to expat workers, residents, and international students in the city of Prague through the medium of e-business.

Methodology

The thesis will be divided into two parts. The first part will comprise of the theoretical part, focusing on a review of current literature regarding the topic. It will be followed by the practical part in which the business plan is developed.

The definitions, literature and other explanations regarding various strategic analyses, business model, marketing and financial analyses will be taken from academic sources, academic publishers or online library sources. Besides these sources some related articles maybe used to gather the information.

In the practical part a business plan will be drawn up. This will be based on a survey conducted within the targeted market to determine consumer behaviour, and used for financial estimations and to project sales forecast.

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Blackwell E. (2017), How to prepare a business plan, London UK.: Kogan-Page, 200pp., ISBN-13: 978-0749481100

Gabay, J. (2010), Make a Difference With Your Marketing. London UK.: Hodder education (Teach yourself), 368pp. ISBN 978-1-444-10026-6

Harris L., Dennis C., 2002, Marketing the e-business, London: Routledge. 368pp., ISBN-13: 978-0415256001

Jelassi T., Enders A., Martínez-López F.J., 2014, Strategies for e-business, London: Pearson., 780pp. ISBN-13: 978-0273757870

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The Bachelor Thesis Supervisor

Ing. Richard Selby, Ph.D.

Supervising department

Department of Management

Electronic approval: 15. 3. 2020

prof. Ing. Ivana Tichá, Ph.D.

Head of department

Electronic approval: 16. 3. 2020

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 22. 03. 2020

Declaration

I declare that I have worked on my bachelor thesis titled "**Business plan to establish an online trading company in Prague**" 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 23rd March 2020

Damandeep Singh

Acknowledgement

I would like to thank my family for their encouragement. I would also like to thank my supervisor Ing. Richard Selby, Ph.d, for his support, guidance and advice that very important and crucial during writing of this thesis.

Podnikatelský plán na založení online obchodní společnosti v Praze

Abstrakt

Tato bakalářská práce pojednává o plánu zahájení podnikání. Hlavním cílem společnosti je překonat jazykovou bariéru pro expaty žijící v hlavní městě České republiky v Praze. Podnikatelský plán má spojit neorganizovaný sektor do shluku potravin. Práce bude definovat a analyzovat různé části podnikatelského plánu, jako je shrnutí, popis společnosti a operační plán s následnou podrobnou interpretací primárních průzkumů této práce. Doporučení a plány rozšíření jsou založeny na analýzách a výpočtech, které jsou součástí studie prostřednictvím provedených rozhovorů. Z výsledků této studie vyplynulo, že většina korespondentů, kteří by kupovali jakoukoli nabízenou službu prostřednictvím online kanálů, je mezi 24-35 lety, převážně ženy, a vydělává 40 000 - 50 000 Kč měsíčně. Společnost má obrovskou příležitost vzhledem k nízké konkurenci a schopnosti vyřešit problém respondentů. Mezi hlavní zjištění této bakalářské práce patří vysoká ziskovost, výše požadované počáteční investice a nízká rivalita v průmyslu.

Klíčová slova: E-Business, Podnikatelský plán, Expatriate

Business plan to establish an online trading company in Prague

Abstract

This bachelor thesis work constructs a business start-up plan. The main aim of the company is to overcome language barrier for the expats who live in the capital city of the Czech Republic, Prague.

The business plan is to connect unorganized sector into a cluster of potraviny. The thesis will define and analyze different parts of the business plan such as executive summary, description of the company and an operational plan followed by detailed interpretation of the primary surveys are among the achievement of this thesis. The recommendation and expansion plans are based on the analyses and the calculations that are part of the study through interviews conducted. As results of this study, it was seen that majority of correspondents who would buy any of offered services through online channels are between 24-35 years old, mainly females earning 40.000 – 50.000 CZK per month.

The company has a huge opportunity, given low competition and ability to solve the problem of respondents. High profitability potential, amount of required initial investment, low rivalry in the industry are also among the key findings of this bachelors' thesis.

Keywords: E-Business, Business plan, Expatriate

Table of content

1	Introduction.....	10
2	Objectives and Methodology.....	11
2.1	Objectives.....	11
2.2	Methodology.....	11
3	Theoretical Part as Business Plan.....	12
3.1	Theory on Business Plan.....	12
3.1.1	Porter’s 5 force anlaysis.....	15
3.2	Marketing Mix 4PS & 4Cs.....	18
3.3	Types of Business Entities.....	20
3.3.1	Sole traders.....	21
3.3.2	Partnership:.....	21
3.3.3	Limited liability:.....	22
3.3.4	Joint Stock Company:.....	22
3.4	Online Trading.....	23
3.5	Market Segmentation.....	24
3.6	SWOT Analysis.....	25
3.7	Forecasts and Financial Plan:.....	26
4	Practical Part of the business.....	28
4.1	Executive summary.....	28
4.1.1	The company.....	28
4.1.2	Market Potential.....	29
	Political:.....	30
	Economic:.....	30
	Social:.....	33
	Technology:.....	34
4.1.3	Competitors.....	34
4.1.4	Financial and sales estimation.....	34
4.1.5	Break even analysis.....	36
4.1.6	Income Statement.....	36
4.2	Results and Discussion.....	37
4.3	Analysis.....	38
5	Conclusion.....	47
6	References.....	49
7	Appendix.....	51

List of Tables

Table 1: Recurring expenses.....	34
Table 2: Prices of products available on the grocery store.....	34
Table 3: Sales Estimation (CZK in Billion).....	35
Table 4: Break-even analysis (CZK).....	36
Table 5: Number of orders.....	36
Table 6: Revenue of the company.....	37

List of Figures

Figure 1: Porter's Five Force Model.....	17
Figure 2: Population and Growth rate of population.....	30
Figure 3: Revenue of the company.....	37
Figure 4: Gender of the respondents.....	38
Figure 5: Age Structure.....	39
Figure 6: Income group.....	39
Figure 7: How often do you make online purchase.....	40
Figure 8: How often do you buy services such as house and/or cleaning.....	40
Figure 9: How often do you buy services such as handyman, locksmith and repair.....	41
Figure 10: How often do you buy services such as constructor, plumber and electrician.....	41
Figure 11: Would you buy above mentioned services online.....	42
Figure 12: Availability of potravín products in your neighborhood.....	43
Figure 13: Local language proficiency.....	43
Figure 14: Ease of legal advisory.....	44
Figure 15: Products needed in e-commerce services.....	44
Figure 16: Preferred payment options.....	45

List of abbreviations

Czech Social Democratic Party: ČSSD

Czech Statistics Office: CSO

Free on Board: FOB

Value Added Tax: VAT

Gross Domestic Product: GDP

1 Introduction

In the wake of globalization, with increasing integration among the countries, the number of people migrating towards the western world is at high level.

In this thesis, Czech Republic, capital city of Prague has been considered to study. Prague has been considered as it is an ideal example. In March 2020, there were 10,703,551 people living in Czech Republic, out of which around 40 percent of the people are migrants.

There are several challenges faced by the expats, out of which language barriers is one of the most common barriers which people face in daily life. A great deal of challenge is faced by the expats when they have to interact with the locals for the grocery, services such as handyman, cleaning and repair jobs.

The objective of the thesis is to find a solution for the expats, specifically to overcome language barrier. In this bachelor thesis, a business plan of an online service is provided where expats can order potravín, handyman, repair, and constructor. While preparing business plan during the thesis, certain assumptions, and limitations is considered. The aim of the business is to provide all the facilities that require human interaction, with a solution of breaking language barrier.

The study has considered and analyzed external environment as well, in which, competitors are analyzed. Furthermore, a primary survey was conducted to present the respondents need regarding the needs from the business.

2 Objectives and Methodology

2.1 Objectives

To also evaluate the financial position of the company. The main objective of this thesis is to provide a systematic business plan to provide affordable and good products to expat workers, residents, and international students in the city of Prague through the medium of e-business.

2.2 Methodology

The thesis will be divided into two parts. The first part will comprise of the theoretical part, focusing on a review of current literature regarding the topic. It will be followed by the practical part in which the business plan is developed.

The definitions, literature and other explanations regarding various strategic analyses, business model, marketing and financial analyses will be taken from academic sources, academic publishers or online library sources. Besides these sources some related articles maybe used to gather the information.

In the practical part a business plan will be drawn up. This will be based on a survey conducted within the targeted market to determine consumer behaviour and used for financial estimations and to project sales forecast.

3 Theoretical Part as Business Plan

A business plan is a powerful tool for getting potential investors. It gives a clear roadmap toward company's products/services and acts as a benchmark against which to measure future progress of the business. The importance of business plan is a collection of pages with the power to set ideas apart from the crowd. The business plan must include an opening statement on business entails, the amount of money invested, and the usage of the funds. The business owner has to provide some insight into the market that the business is aimed at. It is a fact that most investors think that business success relies on locating a sizeable market and selling to it. After implementation of opening statement and analysis of the target market. The firm is ready to give some information about the seller. It will give an added advantage to include details of any relevant training or qualifications of the owner, as well as, overview of the entrepreneurs' previous achievements. The description of the unique selling points of the product is also proven to be beneficial to the customers. The accurate facts and precise figures have proven to be beneficial to gain investment.

3.1 Theory on Business Plan

An excerpt from the book "how to write a business plan" by Edward Blackwell, the bank will need a complete forecast as it will expedite the process of negotiation. A spreadsheet which describes in detail of the amount of money that is required is a prerequisite. Armed with this knowledge, is considered helpful to negotiate with the banks about the amount that has to be repaid. The main purpose of the cash flow is convincing the lender, apart from that it also helps in fledging a business. It helps in giving a real-world impact of the financial situation. This knowledge prompts to recalibrate and make different, more effective decisions. Multiple forecasts with variation in respect to the manner in which funds can be allocated. It also helps in making more profit from the business in the future. Furthermore, the forecast is useful even after securing the funding, as the document is used to keep an accurate overview of finances and track the breakeven. As retail business is not complicated, the banker will need lesser explanation for the working of the business. However, the banks will want to know the plan to the market that one will have to capture in order to make a decent profit. Footfall in the on the website will also enhance the market. Outlining this policy is the business plan is crucial banks know that stores often lose money through making buying decisions.

Technology has been part of our lives since last three decades, however, the millennials may find it tricky to remember a world without the internet. This relative newness means that today's business is still learning how to make the best use of it. Online company that become indispensable to our daily life such as Facebook or Amazon, there are hundreds of others that have made fatal mistakes. Thus, it becomes inevitable to describe the plan to avoid the pitfall. There certain mistakes such as jumping straight into buying a particular website design without understanding the needs and functionality of it. Another typical error is buying a website that has been designed using technology on exclusively by the designers, which increases the cost and delays in case of any modifications are needed. The lender will want to have an explicit idea of the footfall on the website. The method of getting to the website holds an important aspect. As the website could be reached via social media or search engines. The percentage of website visitors who do click away instantly, is called the bounce rate. Lastly, business plan should address the website conversion rate. This refers to the proportion of people who visit the website and also buy something. The prospect of gathering all this information might seem daunting, the websites web analytics tools should make finding these various statistics and rates quite straight forward.

The business plan can avoid making costly financial mistakes by understanding what type of borrowing the business requires. Preparing the business plan with clarity, brevity and a focus on figures. Presenting the information in the best way possible will give an undivided attention to the business plan. The business plan should be brevity, avoid using a long word when a short one will do and don't back each line with lot of ideas. Secondly make sure the business plan as brief as possible. The potential investors will disengage if the plan is overly long with unnecessary detail. In case of confusion regarding the length of the business plan. A good rule of thumb that the amount of money the length of the business plan is directly proportional to investment needed. A great business plan is your key to unlocking funding for the new project. To secure investment, one will need to demonstrate an understanding of your Industries challenges and address specific topic such as the market for the goods, flow forecast and the presence of money. Express ideas in simple language that focuses on precise figures and avoids vague statements will help in expediting the process of gaining investment (Blackwell, 2017).

According to (Berg & Knights , 2019), millennials are increasingly looking to spend their money on experience rather than products. People are spending large amount of money on concerts, restaurants, and personal education than the previous generation. The retail

industry is facing unprecedented challenges. Across all markets and sectors, retailers are shifting their business models and customer engagement strategies to ensure their survival. The increase in number of online shopping, is at the center of many of these changes and opportunities. The research explores the e-commerce success strategies, providing original insight at a time when the company is on the cusp of revolutionizing itself even further. The plan explores whether the business has what it takes to become a credible potraviny retailer, and as it transitions to bricks and mortar retailing, explores whether the business stores can be as compelling as its online offering and innovations such as legal advisory and services such as repairman, handyman and constructors will fundamentally change the way consumers shop.

The primary goal of certain business is to create wealth which is achieved by utilization the firms' value through optimum utilization of its resources over time. It can be done by accumulation of assets continuously. For accumulation a company needs resources and capital. For any investor to invest in the company requires a prerequisite of knowing the financial position and performance of the selected company to forecast the future of their investment (Wahlen and Wieland, 2011).

Carslaw et al. (1991) analyzed the effective use of cash flow statement as a part of financial statement analysis. They suggested ratios to be used to analyze and evaluate cash flows. They emphasize the use of cash flow ratios along with traditional balance sheet and income statement ratios to provide a better understanding of financial performance of the company. Irrespective of the amount of loan that is needed financial document is a must. This all-important forecast is simply prediction of what your financial activities will look like in the future. It is typically expressed as a spreadsheet with one column for each month. For every column, an entry has to be made one will have coming in from sources suggest sales. Then you set this incoming money against any outgoing payments, one predicts to make for costs such as overheads, whatever salary one will pay themselves and any employees one might have. A thorough cash flow forecast is a central part of any good plan.

Business plans do not guarantee the success of a new business proposal, but they are likely to increase the chances of avoiding failure. The business-planning process not only provides essential evidence to investors and lenders and makes the finance application more likely to be successful, but it also:

- forces the owners to think long and hard about the proposal, its strengths and potential weaknesses – it might actually dissuade some people from progressing with their proposal, thus avoiding a near-certain business flop
- gives the owners and managers a clear plan of action to guide their actions and decisions, at least in the early months and years of the business. (Stimpson and Farquharson, 2012)

3.1.1 Porter's 5 force analysis

Porter has provided a model that models an industry as being influenced by five forces. The analysis will help the business to understand the following:

1. Barriers to entry

This means with the ease at which other firms can enter the market and compete with other firms. This threat of entry is greater when:

- Economies of scale are low in the industry
- The technology needed to enter the market is relatively cheaper
- Distribution channels are easy to access for instance, retail shops are not owned by existing manufacturers in the industry.
- The importance of product differentiation is low, so extensive advertising may not be required to get established.

2. The power of buyer:

This refers to the power that customers have on the producing industry. For example, if there are four major supermarket groups that dominate this segment of retailing, their buyer power over food and other producers will be great. Buyer power will also be increased when:

- There are many undifferentiated small supplying firms for instance, many small farmers supplying milk or chickens to large supermarket business.
- The cost of switching suppliers is low.
- Buyers can realistically and easily buy from other suppliers.

3. The power of suppliers

Suppliers will be relatively powerful compared with buyers when:

- The cost of switching is high for instance, personal computer to Macs.
- When the brand being sold is very powerful and well-known, for instance, Cadbury's chocolates or Nike shoes
- Suppliers could realistically threaten to open their own forward- integration operations, for instance, coffee suppliers open their own cafes
- Customers have little bargaining power as they are small firms and fragmented, for instance, dispersed around the country as with independent petrol stations.

4. The threat to substitute

In porter's model, 'substitute products' does not mean alternatives in the same industry such as Toyota for Honda cars. It refers to substitute products in other industries. For instance, the demand for Honda Cars. It refers to substitute products in other industry. For instance, the demand for aluminium for cans is partly affected by the price of glass for bottling and of plastic for containers. These are substitutes for aluminium, but they are not rivalling in the same industry. Threats of substitutes will exist when:

- New technology makes other options available, such as satellite TV instead of traditional antenna reception
- Price competition forces the customers to consider alternatives for instance lower bus fare might make some travelers switch from rail transport
- Any significant new product leads to consumer spending that results in less being spent on other goods- for example, increasing spending on mobile (cell) phones by young people reduces the available cash they have to spend on clothes.

5. Competitive rivalry

This is the key part of this analysis- it sums up the most important factors that determine the level of competition or rivalry in an industry. It is based on the other four forces, which is why it is often illustrated in the center of the five force. Competitive rivalry is most likely to be high where:

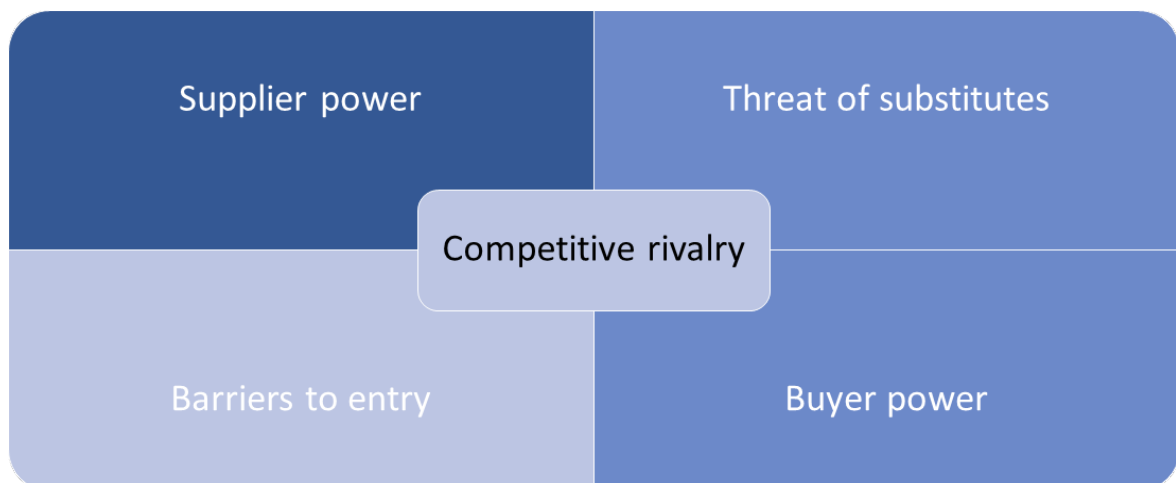
- It is cheap and easy for new firms to enter an industry
- There is a threat from substitute products
- Suppliers have much power
- Buyer have more power

When a business develops core competencies, then it may gain competitive advantage over other firms in the same industry. To be commercial and profitable benefit to a business, a core competence should:

- Provide recognizable benefits to consumer
- Not be easy for other firms to copy, example a patented design
- Be applicable to range of different products and markets.

According to Prahalad and Hamel, core competencies lead to the development of core products. Core products are not necessarily sold to final consumers. Instead they are used to produce a large number of end-user products. For instance, Black and Decker, it is claimed, has a core competence in the design and manufacture of small electric motors. These core products are used in a huge variety of different applications from power tools such as drills, to lawn owners and food processors.

Figure 1: Porter's Five Force Model



Source: Peter Stimpson and Alastair Farquharson, Cambridge international AS and A Level, Business.

3.2 Marketing Mix 4PS & 4Cs

The marketing mix comprises of four inter-related decisions- the 4 Ps. These are product design and performance, price, promotion including advertising and place, where and how a product will be sold to consumers:

- Consumer require the right **product**. This might be an existing product, an adaption of an existing product, an adaption of an existing product or a newly developed one.
- The right **price** is important too. If set too low, then consumers might lose confidence in the product's quality; if its sets too high, then many will be unable, or unwilling afford it.
- **Promotion** must be effective- telling consumer about the product's availability and convincing them, if possible, that your brand is one to choose.
- **Place** refers to how the product is distributed to the consumer. If it is not available at the right time in the right place, then even the best product in the world will not be brought in the quantities expected.

Marketing mix, as a tool that is used for product positioning in the market, it was originally introduced as 4Ps of marketing and since then it is one of the key components of every marketing. plan. These four Ps are, product, price, place and promotion. With the changing environment, this concept was also updated with three new elements which are, people, process and physical evidence. All these different components would constitute the offer together. If we would take a closer, consider these parts of marketing mix would be as listed below. The operational plan in business plan should be explaining how the business is structured, what kind of resources are required for its production of service or products and how these resources are used to achieve the strategic goals of the company. It basically explains where the money is spent. In financial terms, it shows the most operational expenditure items and tools as well as the capital expenditure items as parts into the business plan. Some of the questions that are crucial to answer in this part would be as listed below.

- What is the general approach to manufacturing? What are the sources of raw materials?
- Which processes will be used in manufacturing? What are the labor requirements?

How will suppliers and vendors be used? (Friend, Graham, and Zehle, 2010). Since the business plan will be most likely be used to attract investment and plan further stages before the idea would be commercialized it is very important that the products or services would explain in depth so the potential problems that will outcome during the later steps could be solved or prevented in advance. Being said that, it is also very important to keep the simplicity high to make it understandable but it should also be fancy so it could attract the attention of reader. (Ford, Bornstein and Pruitt, 2007) Furthermore, a good operational plan should contain a description of its organizational structure, including an organizational chart which would help readers to understand if the organization would have a functional, matrix or divisional structure. In addition, human resources activities as a big part of operational costs such as payroll etc. as well as the cost and the structure of most operational and capital expenditure items such as, office space, machinery and plant should be included in this part. (Friend, Graham, and Zehle, 2010). Legal form of business and other documentation formalities would be another point which should be covered in operation plan part of the business plan. In this part, number of staff to cover shifts, vacancies, sickness, number of managers per staff, salary levels, are trained staff available or do staff must be trained to be able to carry on the operations of the company, recruitment costs, staff turnover rate, working hours should be explained as well. (Friend, Graham, and Zehle, 2010).

The role of customer- 4 C's

Some business analyst considers 4C's as an alternative view of the key elements of successful marketing. These can be summarized as:

- **Customer solution:** what the firm needs to provide to meet the customer's needs and wants
- **Cost to customer-** the total cost of the product including extended guarantees, delivery charges and financing costs.
- **Communication with customer-** providing up-to-date and easily accessible two-way communication links with customers to both promote the product and gain back important consumer market research information.
- **Convenience to customer-** providing easily accessible pre-sales information and demonstrations and convenient locations for buying the product.

3.3 Types of Business Entities

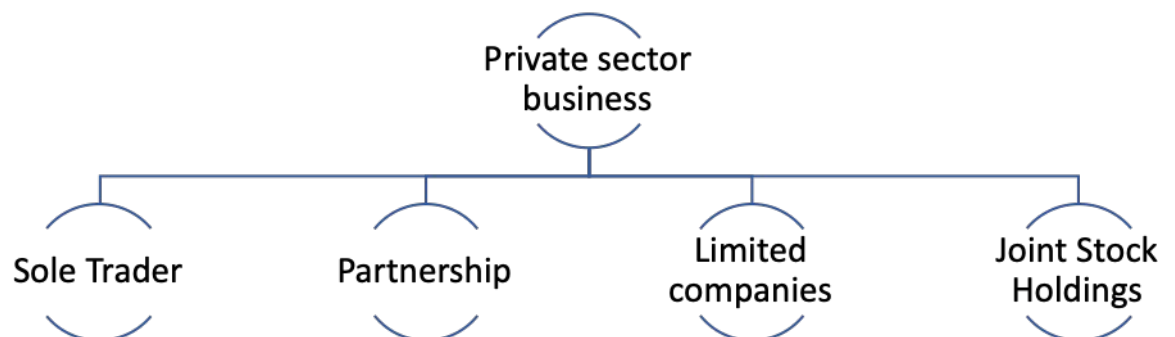
In Czech Republic, individual operations are obliged to register a legal entity to conduct business operations. There are several types of legal entities can be registered as a corporation in Czech Republic.

Legal entities are as follows:

1. Limited Liability company,
2. Joint Stock Company,
3. General Commercial Partnership,
4. Branch Office,
5. Co-operatives,
6. Civic Association,
7. Budgetary Organizations,
8. Contributory Organizations and
9. Foundations. (Czechinvest, 2017)

The list of the types of entities are the ones that are commonly used, and it is also believed that the more aligned with the business idea it will be easier to explain in this bachelor thesis.

In this bachelor thesis, we have covered the description of the below mentioned businesses:



3.3.1 Sole traders

This is the most common form of business organization. Although there is a single owner in this business organization, it is common for sole traders to employ others, but the firm is likely to remain very small. Because of this, although they are great in number, sole traders account for only a small proportion of total business turnover. All sole traders have unlimited liability. This means that the owner's personal possessions and property can be taken to pay off the debts of the business, should it fail. This can discourage some potential entrepreneurs from starting a business. Another significant problem is finance for expansion. Many sole traders remain small because the owner wishes to remain in control of their own business, but another reason is the limitations that they have in raising additional capital. As soon as partners or shareholders are sought in order to raise finance, then the sole trader becomes another form of organization altogether. In order to remain a sole trader, the owner is dependent on their own savings, profits and loans for injections of capital. This type of business organization is most commonly established in the construction, retailing, hairdressing, car-servicing and catering trades.

3.3.2 Partnership:

The partnership agreement does not create a separate legal unit; a partnership is just a grouping of individuals. Partnerships are formed in order to overcome some of the drawbacks of being a sole trader. When planning to go into partnership, it is important to choose business partners carefully – the errors and poor decisions of any one partner are considered to be the responsibility of them all. This also applies to business debts incurred by one partner – in most countries there is unlimited liability for all partners should the business venture fail. In the Czech Republic, it is possible to set up limited liability partnerships. It is usual, although not a legal requirement, to draw up a formal Deed of Partnership between all partners. This would provide agreement on issues such as voting rights, the distribution of profits, the management role of each partner and who has authority to sign contracts.

3.3.3 Limited liability:

Limited Liability company is called as ‘s.r.o or společnost s ručením omezeným’ in the local language. The ownership of companies is divided into small units called shares. People can buy these and become shareholders – part owners of the business. It is possible to buy just one share, but usually these are owned in blocks, and it is possible for one person or organisation to have complete control by owning more than 50% of the shares. Individuals with large blocks of shares often become directors of the business. All shareholders benefit from the advantage of limited liability. (Czechinvest, 2017).

3.3.4 Joint Stock Company:

This type of entity shows similar specifications with joint stock companies in other European countries. With original name is called as ‘a.s or akciová společnost’. These are not the same as a merger, but they can lead to mergers of the businesses if their joint interests coincide and if the joint venture is successful. The reasons for joint ventures are:

- Costs and risks of a new business venture are shared – this is a major consideration when the cost of developing new products is rising rapidly.
- Different companies might have different strengths and experiences and they therefore fit well together.
- They might have their major markets in different countries and they could exploit these with the new product more effectively than if they both decided to ‘go it alone’.
- In Czech Republic, a joint stock company is expected to have at least 3 stakeholders, with easily tradeable shares. Instead of small and medium enterprises, it is usually used for large companies.
- In case where registration is not public, a minimum 2 million CZK is must. In cases, where the corporation is public the minimum registered capital has to be 20 million CZK. (Czechinvest, 2017)
- Furthermore, stakeholders are expected to follow several mandates have to followed to register all kind of legal entity.
 - opening a bank account for the legal entity,
 - obtaining related business licenses and
 - presenting criminal records are some these things (Czechinvest, 2017).

3.4 Online Trading

E-Commerce is an online business model, wherein, the good and services are purchased over the internet, transfer of money can happen over the same platform. It is an abbreviation of electronic commerce, helping to the break barriers of distance. Ecommerce started in 1991 as the prerequisite for ecommerce is a good internet facility. The only deficiency is a threptic effect of shopping that one misses out on internet purchases.

There are six types of e-Commerce activity

- 1) Business to business is an ecommerce transaction that one business does with another business. For instance, retailer buys from a wholesaler, as the motive behind purchase is to sell it out further.
- 2) Business to consumer is a transaction when it directly sells to the final customer or consumer. Customer is one who purchases the products whereas, consumer is one who consumes the products. For instance, parents who purchase toys are the customer whereas food items purchased for own consumption is a consumer.
- 3) Consumer to consumer is the transaction happening between consumers for instance used car or furniture sold by the consumer to another consumer.
- 4) Government to Business is a transaction that pays to the business in instances where government gets software updated by a business entity.
- 5) Business to Government is a transaction that occurs when a business pays to the government in instance where they get their business licenses updated and pays the fees online.
- 6) Consumer to Government is the transaction that occurs when individuals pay their parking fees online that is also known as C2G transaction.
- 7) The primary goal of certain business is to create wealth which is achieved by maximizing the firms' value through optimum utilization of its resources over time. It

can be done by accumulation of assets continuously. For accumulation a company needs resources and capital. For any investor to invest in the company requires a prerequisite of knowing the financial position and performance of the selected company to forecast the future of their investment (Wahlen and Wieland, 2011).

- 8) Carslaw et al. (1991) analyzed the effective use of cash flow statement as a part of financial statement analysis. They suggested ratios to be used to analyses and evaluate cash flows. They emphasize the use of cash flow ratios along with traditional balance sheet and income statement ratios to provide a better understanding of financial performance of the company. Irrespective of the amount of loan that is needed financial document is a must. This all-important forecast is simply prediction of what your financial activities will look like in the future. It is typically expressed as a spreadsheet with one column for each month. For every column, an entry has to be made one will have coming in from sources suggest sales. Then you set this incoming money against any outgoing payments, one predicts to make for costs such as overheads, whatever salary one will pay themselves and any employees one might have. A thorough cash flow forecast is a central part of any good plan.

3.5 Market Segmentation

Market segmentation is used for identifying and divide the market into different groups based on similar characteristics needs that are different than other groups, is an efficient tool requires a very good understanding of customer needs and demands better than the competitors. In order to have a successful marketing plan, targeted market segment should be chosen very carefully. Therefore, there are some key points that needs to be well studied in this part. These points would be,

- Market segments should be measurable by the size and the purchasing power,
- Market segments should be easily identified from one another with their differences,
- Market segments should be within the accessibility range of the company in terms of communication and distribution,
- Market segments should be big enough to justify the cost that is needed to reach them,

- Market segments should have unique responses to the action compared to another segment. (Kotler and Keller, 2012)

While there are different markets such as B2B, B2C, B2G, C2C etc. for sure there are different kind of segmentations. Since the practice of the market segmentation will be based on customer market related segmentation methods could be listed as, Geographic: Regional, Physical size, Population, Climate, etc. Demographic: Age, Gender, Income, Occupation, Education, Nationality, etc. Psychographic: Activities, Hobbies, Opinions and ideas, Attitudes, etc. Behavioristic: Brand loyalty, Usage rate, Readiness to buy, etc. A comprehensive survey was conducted to evaluate the market segmentation of the Czech Republic (Kotler and Keller, 2012)

3.6 SWOT Analysis

SWOT analysis can be defined as “the overall evaluation of a company’s strengths, weaknesses, opportunities, and threats is called SWOT analysis. It’s a way of monitoring the external and internal marketing environment.” (Kotler & Keller, 2016)

With the purpose to increase the ability of earning profit, SWOT analysis allows the companies to the develop business opportunities, as a very common analysis to monitor the environment of the business unit. (Kotler and Keller, 2012)

It consists of two main components that are called as, external environment that includes opportunities and threats and internal environment that includes the strengths and weaknesses. (Kotler and Keller, 2012) Only essential and necessary factors should be included in SWOT analysis and these factors should be listed in accordance with the importance. (Friend, Stefan, & Zehle, 2010)

Some of the factors that should be in SWOT analysis are shown below but no limited to

- Strengths: Market dominance, Core competencies, Economies of scale, Low-cost position, Leadership and management skills, Financial resources, Manufacturing skills and technology, Research and development, Brand and reputation, differentiated products, Patents and copyrights.
- Weaknesses: Low market share, Few core competencies, Old plant, High cost base, Weak balance sheet and cash flow, Low R&R capability, Undifferentiated product, Weak positioning, Quality problems, Lack of distribution and Skills gap.

- Opportunities: Technology innovation, New demand, Diversification opportunity, Market growth, Demographic and social change, Favorable political support, Economic upswing, Acquisition and partnerships, Cheap funds and Trade liberalization.
- Threats: New market entrants, Competitive price pressure, Higher input prices, changing customer needs, Consolidation among buyers, Threat from substitutes, Capacity growth outstrips demand growth, Cyclical downturn, Demographic change, Regulation and legislation and Threat from imports. (Lynch, R., 2000).

As a snapshot of the business and its environments SWOT is a well understood and easily communicated analysis. Therefore, it gives the management a good understanding of the industry and the business itself, while it provides the input the generation of strategic options. (Friend, Graham, and Zehle, 2010). Apart from all these analyses and tools which were mentioned above, a benchmarking analysis will also be conducted to determine the strengths and the weaknesses of the competitors that are serving to the same niche. As a widely-used management tool, benchmarking analysis has been recognized as appropriate tool to identify and enhance marketing capabilities of the companies. (Vorhies and Morhan, 2005).

3.7 Forecasts and Financial Plan:

In order to have a business plan, financial estimations and forecasts are some of the crucial factors that needs to be considered. If these financial projections and forecasts are well studied and justified, attractiveness of the business plan will increase without doubt. Therefore, an analysis of start-up cost budget, operational costs, a projection of profit or loss table and various profitability analyses such as break-even point analysis and return on investment will be taking place in this chapter. Aim of these calculations is to determine what is the required amount of initial investment before conducting the business and earning profits. That is the reason why there will be registration expenses, website development expenses, costs of hiring experts such as lawyers etc. taking place. Costs that could change in accordance to operation which is also variable costs will be evaluated in this part. Mainly, wages, rents, maintenance, marketing and advertisement costs will be included.

Projection of Profit or Loss Table:

To evaluate the success of the business, a one-year projection of profit or loss table will be taking place in within this part. These estimations will be calculated based on the market estimations and questionnaire that was done among the target market. In another word, primary research of this thesis work will be used here.

Breakeven Point Analysis:

A break-even point analysis is very important to businesses to show where they stand with different amount of production or sales. How much profit or loss they will have will be guiding them to determine optimum level of output. This analysis has three main inputs which are, fixed costs, variable costs and sales costs. A brief formulation of this analysis would be; A break-even point analysis is very important to businesses to show where they stand with different amount of production or sales. How much profit or loss they will have will be guiding them to determine optimum level of output. This analysis has three main inputs which are, fixed costs, variable costs and sales costs.

4 Practical Part of the business

4.1 Executive summary

This business plan has been developed to present to the prospective investors, which will assist the owner to raise the 150,000 CZK of equity capital. The capital is needed to initiate the business operations and developments of its complete product line.

4.1.1 The company

The company, as a start-up business will be based in Prague, which is in capital city of Czech Republic. The company will be providing a platform to many potraviny/ groceries stores such as Indian groceries stores, African groceries store, etc. based in Prague, to sell the products on the website.

With depth studies of this market, through primary interviews conducted, it was seen that there is a huge gap between the organizations that are offering mentioned services and the foreigners in Prague. Small number of competitors in the market, language barriers as well as accessibility of these organizations were the reason of this gap. The aim of the company overcome the language barrier and to provide comfortable and hassle-free experience of shopping. Furthermore, contacts of handyman, locksmith and other service provider will be mentioned. The company will require 4/5 employees majorly for web designing and delivery person. Digital marketing strategies such as emails, videos and social media pages will be adopted to cover wider scope of the market.

The company focuses on implementing lean business planning method, which is about frequent course corrections, consistent tracking, and taking small steps. The lean plan includes what adds value to management, to avoid waste. The plan is streamlined for internal use and optimize the business. A lean plan has four essential parts:

- A bare-bones description of strategy for management use only. It is probably just bullet points, avoiding an elaborate text. It is a reminder for the team.
- Another bare-bones description of the important tactics; again, for management use. The plan defines tactics the company executes strategy, such as pricing, marketing, product or service development, financing, and so forth.
- A measurable and trackable schedule for regular monthly reviews, plus assumptions, milestones, tasks, and the numbers and performance indicators that

the company wants to track. Milestones can include dates, deadlines, number of customers, and budgets. Tasks can include responsibility assignments and budgets.

- Essential forecasts including sales, spending, and cash flow.

4.1.2 Market Potential

As the market in this study is based in Czech Republic. In this part of the study, we have identified the country's population and the market segmentation that will have an impact on the e-commerce market that we are evaluating. It is considered to be a pre-requisite before getting down to the primary research results.

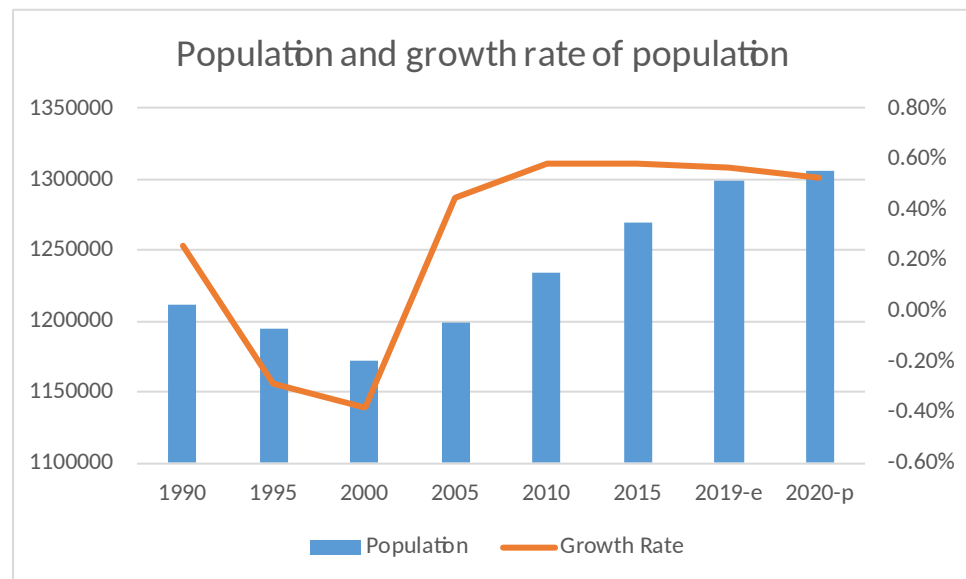
According to BBC News, in 1990, after four decades of communist rule the country emerged to become a robust and a country with rich-heritage. Till 1993, Czech Republic was part of Czechoslovakia and was one of the first countries in former eastern bloc to acquire status of developed economy.

According to European Union, Czech Republic is a member of the union since 2004. There are 21 members in European parliament. European Union also pays to fund programmes and projects in the country such as building infrastructure, developing the research and protecting the environment.

According to Czech Statistics Office, Prague is the capital and largest city of the country. The population is estimated at 1.3 million people and is spread out in ten various districts. As any other city, population is densely populated in the centre and southern areas of Prague. Old town area is close to the centre of the city and historic landmarks. Prague 2, second tier municipality, is an upcoming area and a place to live for young professionals' upper middle-class inhabitants and international residents.

In the world heritage site of UNESCO, Prague has been listed as a city rich in museums and historical landmarks. Prague is culturally rich place and attracts many international events, inviting foreign events. It is a hospitable place which has 14% of Prague's inhabitants being foreigners. The city has older population than the young population. Around 44 percent of the male population is single, implying lesser young population in the future (Czech Statistical Office , 2019). Hence, the developed city must create favourable environment for expats to grow in terms of population.

Figure 2: Population and Growth rate of population



e-estimated and p-projected

Source: Czech Statistics Office (CSO), 2019.

PEST Analysis

In this study pest analysis covers political, economic, social and technological situation of Czech Republic.

Political:

The political system of the Czech Republic is a multi-party system. Since the dawn of 1993, the two largest parties were the right-wing Civic Democratic Party (ODS) and center-left Czech Social Democratic Party (ČSSD). This model changed in early 2014, with the rise of a new political party ANO 2011 which led to weakening of both major parties.

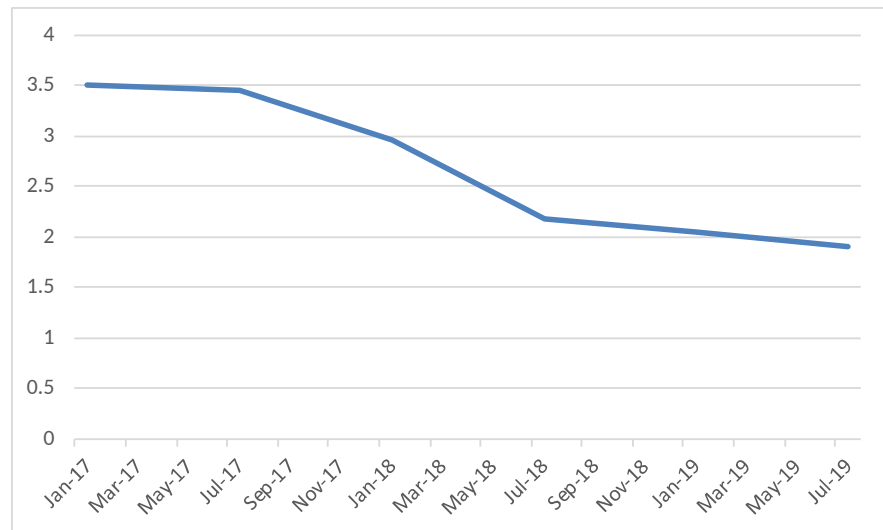
Economic:

We have considered factors such as unemployment, inflation and tariff under consideration:

1. Unemployment: In February 2019, the unemployment level was mere 2.9%, much lower than Germany at 3.8% in Germany and the European Union at 7.7%. The major factors driving the employment market in Czech Republic growth of

manufacturing industry. The production of cars, by companies such as Toyota, Peugeot, Citroën, Škoda, and Hyundai, is a crucial in reducing the unemployment rate in the Czech economy. According to OECD report, in terms of the economic activities of the individuals 15-64 years old, Czech Republic seems to be in a better off condition than the neighboring countries.

Figure 3: unemployment rate 2018-19

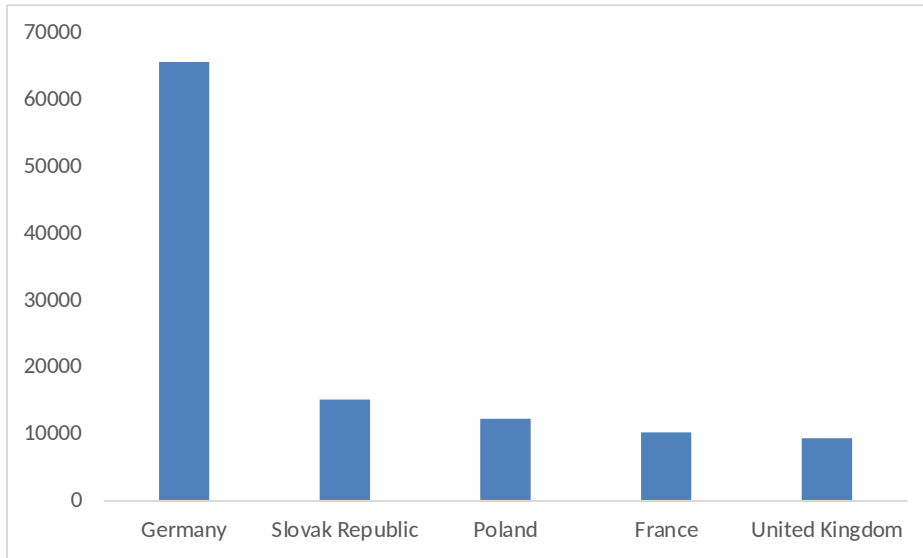


Source: CIEC data, 2019

2. Inflation: In Czech Republic inflation is based on consumer price index. In January 2020, inflation rate increased to 3.6%. The inflation in Czech Republic is at its highest compared to past few years. It is majorly driven by the prices of food and non-alcoholic beverages
3. Interest rate: Overall 2.25% interest rate in market economy parameters of Czech Republic is higher given the inflation in the country. The interest rate seems to be relatively acceptable when compared to rest of the countries in the world.
4. Tariff: The combined value of exports and imports is equal to 151.7 percent to GDP. The average applied tariff rate in 2 percent. The Czech Republic implements a number of EU-directed nontariff trade barriers including technical and product-specific regulations, subsidies, and quotas. The government has gradually reduced bureaucratic barriers to investment. Banks are well capitalized and stable, keeping the financial sector remains resilient.
5. Exports and imports: The total value of exports Free on Board (FOB) is US\$ 202,522 million and the total value of imports (FOB) is US\$ 184,924 million.

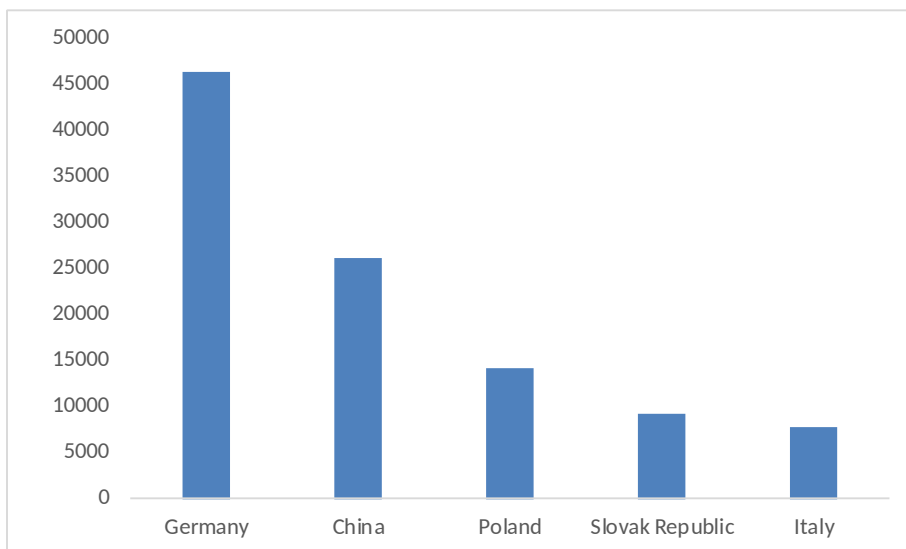
Trade is carried out on 4,382 products are exported to 214 countries; 4,510 products are imported from 231 countries.

Figure 4: Czech Republic Export (US dollar) in 2018



Source: World Integrated trade solution, 2018

Figure 5: Czech Republic Import (US dollar) in 2018



Source: World Integrated trade solution, 2018

6. Taxes: Value Added Tax (VAT) is around 21%, subsidized rate of VAT is 10% for Czech Republic, whereas, corporate tax is 19%. Since the last five years, consumer spending is around 50% of the Gross Domestic Product (GDP).

According transparency international, the Corruption Perceptions Index measures countries and territories based on the level of corruption in the public sector. A country or territory's score indicates the perceived level of public sector corruption on a scale of 0 (highly corrupt) to 100 (very clean). In 2019, Czech Republic scored 56 points out of 100. With respects to independent Czech National Bank's monetary policy and the membership of European Union.

There are strict rules on when a registration can be permitted. Common scenarios which require a Czech VAT registration include:

- Import of goods into Czech Republic from outside the European Union
- Buying and selling goods in Czech Republic
- Selling goods from Czech Republic which are delivered to customers outside of Czech Republic (business or private customers)
- Acquiring goods in Czech Republic from another EU country (Intra-community acquisitions)
- Holding inventory in Czech Republic for sale, distribution or consignment
- E-commerce sales of goods to consumers, subject to Distance Selling VAT registration thresholds
- Organizing events in Czech Republic where attendees or delegates must pay admissoio

Social:

The age structure will most probably stay the same level of 20 to 55, as it could be seen with an increase in trend population of foreigners will likely to follow the growth trend during the coming years.

Technology:

Level of R&D expenditure, up gradation in the production method, rate of adoption of new technology. (Friend, Graham, & Stefan, 2012)

4.1.3 Competitors

Expats.cz is a competitor for the e-commerce business. The company is owned by Mr. Howlings. The company is registered as Howlings S.r.o. The company has capital investment of 200,000 KC, more than half of it from Mr. Howlings and the rest from other investors. In Czech Republic, the company is a leading English language media network. The company has reached more than 300,000 visitors each month. As the company provides vibrant media outlet which is a need of the hour. The company publishes most diverse and interesting content of Prague and Czech Republic. The company also helps in portraying the country in front of the rest of the world. As the content provided is in English, which is a global language, the content is available to wider audience, at global level. It gives an international perspective and thus has 190,223 monthly users as of 1st March, 2020.

4.1.4 Financial and sales estimation

The initial costs represent an investment, which is estimated at 150,000 CZK of equity capital. This capital is needed to start the business operations of grocery online store.

Table 1: Recurring expenses

Service Expenses	CZK
Registration of the company	20,000
Logo and internet handling	50,000
Employees- web designer	30,000
Total	100,000

Table 2: Prices of products available on the grocery store.

Asian/African	CZK
Spices (Varies according to the spices)	25-130
Preserved sweets	150 – 200
Sauces and chutney	80 – 150
Flours	60 – 100
Pulses	40 – 60
Snacks	70 – 100
Tea, drinks & beverages	50 – 100
Cheese	50 – 100

Wines	200 – 300
Pasta	30 – 50
Ice creams	80 – 120
Sea food	150 – 200
Sausages	50 – 80
Oil	150 – 200
Accessories	100 – 200
British	
Drinks	30 – 60
Candies/ Chocolates	40 – 80
Snacks	80 – 120
Frozen Fish and chips	120 – 150
Sauces / Pickles	75 – 100
Baby products	175 – 250
Books	450 – 550
Services	
Handyman/locksmith/repair	700 – 1000
Cleaning	300 – 500
Translator	1200 – 1500
Plumber/electrician	800 - 1200

Source: various grocery stores

Note: these prices are average prices and will vary as per the quality and the availability of the products

Table 3: Sales Estimation (CZK in Billion)

Year	2014	2015	2016	2017	2018	2019	2020-e
Online	26.1	34.0	37.0	42.3	45.6	49.1	63.1
Offline	40.9	47.0	49.0	47.7	49.4	51.1	42.1
	67.0	81.0	86.0	90.0	95.0	100.2	105.2

Source: e-commerce in Czech Republic (Swagat, 2020), (Store, 2019), (Shop, 2020)

4.1.5 Break even analysis

The break-even point formula is calculated by dividing the total fixed costs of production by the selling price minus the variable cost per unit. The monthly break-even calculation equal to 127. Thus, company need to sell at least 127 items per month to make certain profit, as out of total fixed cost 70,000 is one-time cost which is not reoccurring.

Table 4: Break-even analysis (CZK)

Total Fixed Cost	100,000
Average variable cost per unit (Asian/ African)	86-140
Average variable cost per unit (British)	139-187
Average Cost for services rendered	750-1050
BEP	127

Source: author's calculation

4.1.6 Income Statement

The estimated monthly sales over the next three years are shown in table below. The income of statement is based on no. of order multiplied by the average price of the goods. No. of order is estimated to be increasing on an average of 3%, 4% and 5% CAGR during the forecast period.

Table 5: Number of orders

	2021	2022	2023
January	120	166	256
February	124	173	269
March	127	180	282
April	131	187	296
May	135	194	311
June	139	202	327
July	143	210	343
August	148	218	360
September	152	227	378
October	157	236	397
November	161	246	417
December	166	256	438

Source: author's calculation

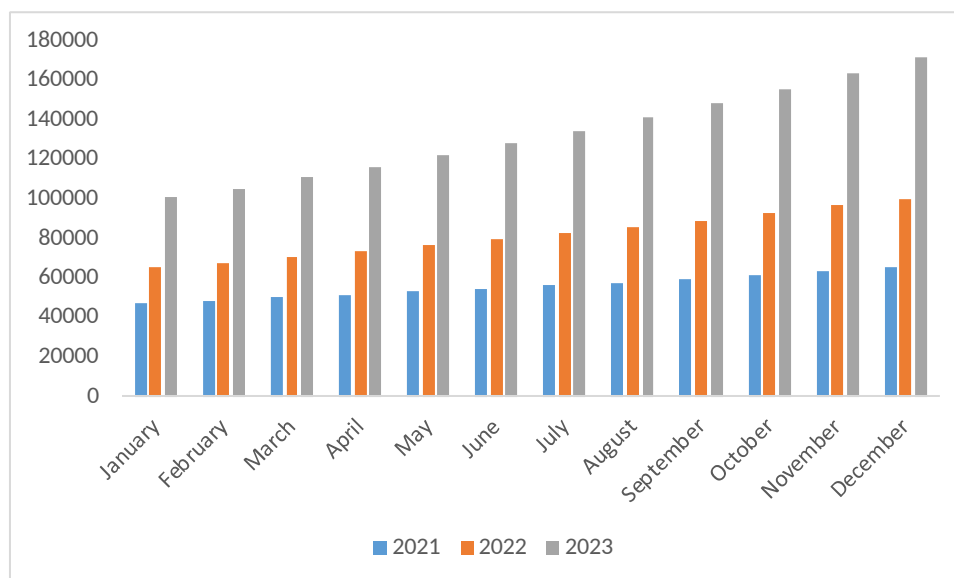
Table 6: Revenue of the company

	2021	2022	2023
January	47040	65072	100352
February	48451	67675	105370
March	49905	70382	110638
April	51402	73197	116170
May	52944	76125	121978
June	54532	79170	128077
July	56168	82337	134481
August	57853	85630	141205

September	59589	89056	148266
October	61377	92618	155679
November	63218	96322	163463
December	65114	100175	171636

Source: author's calculation

Figure 3: Revenue of the company



Source: author's calculation

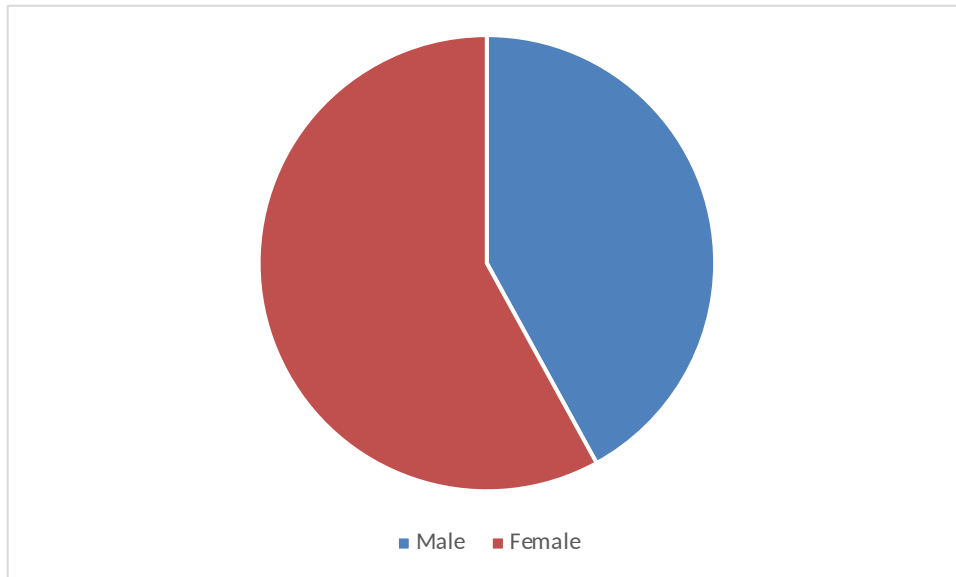
4.2 Results and Discussion

According to e-commerce statistics and trends the estimated amount spent on online shopping by Czech in 2019 the online sales estimation of the grocery is around 49.1 CZK billion. Based on the data available for previous years 2015 was 81 Billion CZK as compared to 67 Billion CZK in 2014 and at least 42% of Czech shoppers have shopped online in 2015 as compared to 39% in 2014. We have estimated that in 2020 is around 63.1 CZK billion, amid covid-19, a large group of grocery buyers have shifted to online. This seems to have major shift in the buying pattern amongst the consumers.

4.3 Analysis

Furthermore, as a primary research practice there was a survey which can be seen in appendix part was conducted to estimate the revenue and cashflow. Results from survey that was conducted among the target market can be seen below. As we wanted to consider view of all the respondents, we have considered all the aspects of the target audience.

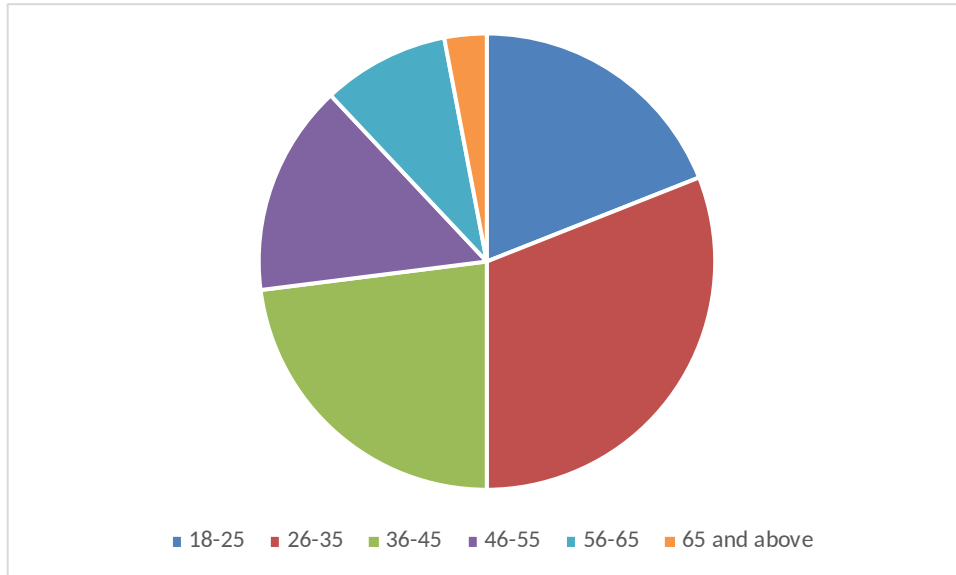
Figure 4: Gender of the respondents



Source: primary survey, 2019

There were 97 female respondents and 71 male respondents as the researcher wanted to consider all the views so balance of male and female was kept while conducting the survey.

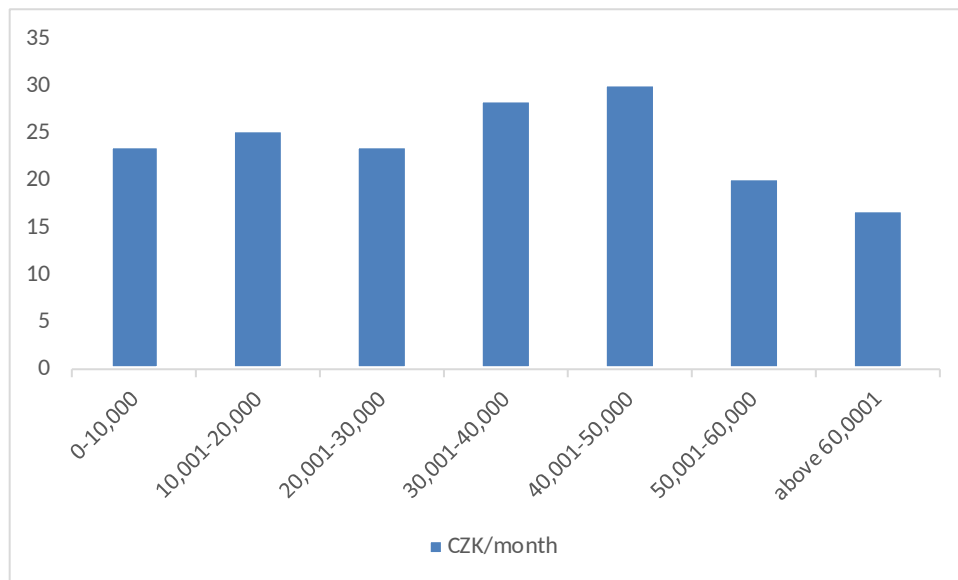
Figure 5: Age Structure



Source: primary survey, 2019

The age structure of the respondents was majorly from the age group of 26-35. So, they were majorly working professionals who had less time and have money to buy products online.

Figure 6: Income group



Source: primary survey, 2019

The respondents majorly belonged to 40,001 to 50,000 gross income so these people could afford and wanted to have household cleaning, repair and other such services at home through e-commerce.

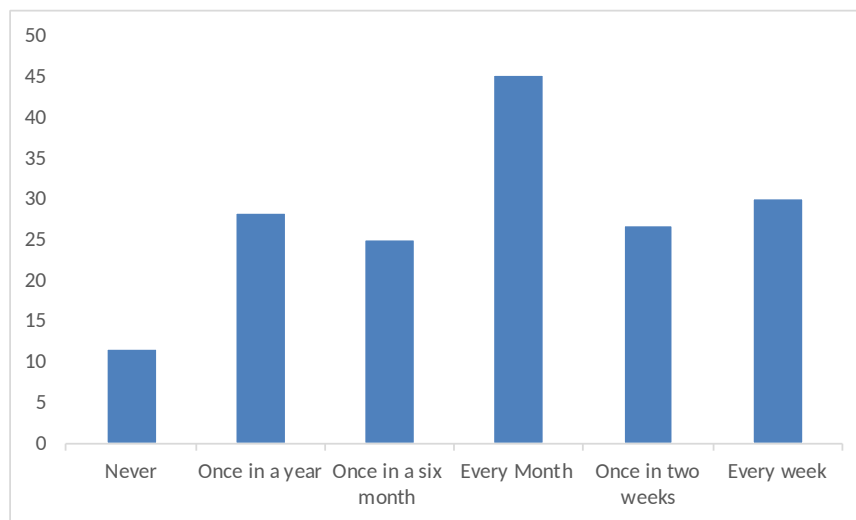
Figure 7: How often do you make online purchase



Source: primary survey, 2019

Online purchases were majorly done by younger generation, to attract the elder generation and lower middle-income groups. The company must have certain offers to be able to increase and or promote their ecommerce sites.

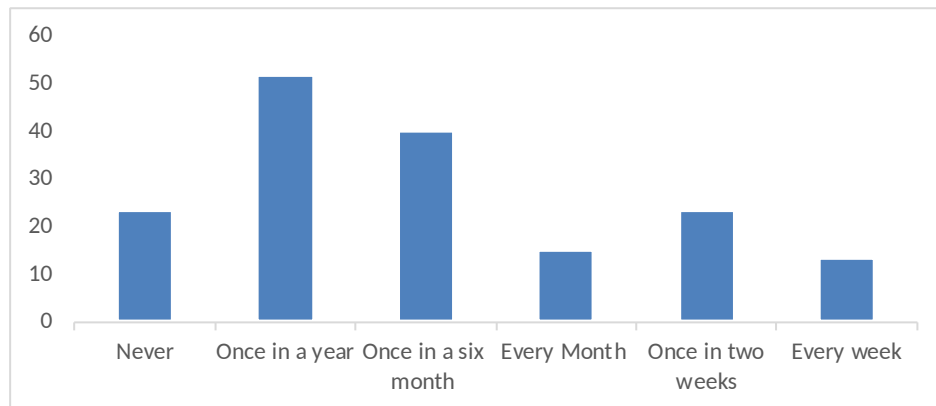
Figure 8: How often do you buy services such as house and/or cleaning



Source: primary survey, 2019

Majorly respondents had called for services such as house cleaning once in a month. Certain respondents had called for house cleaning only once in a year. Majorly during their national festivals or any big event taking place.

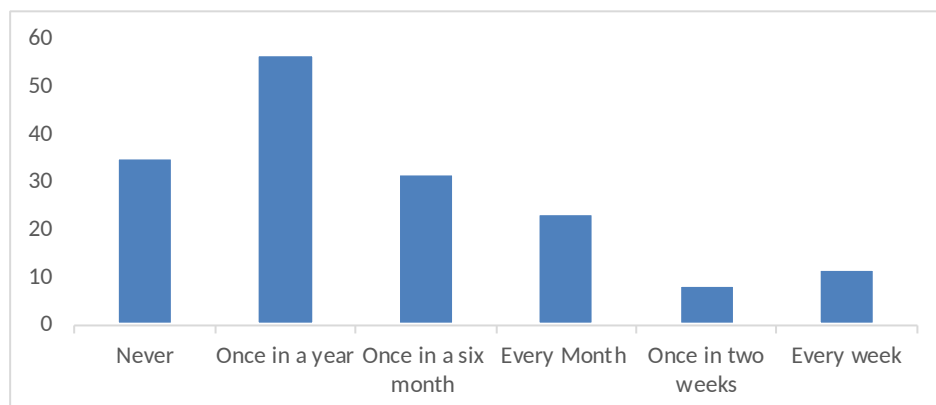
Figure 9: How often do you buy services such as handyman, locksmith and repair



Source: Primary Survey, 2019

Almost half of the respondents had called for a handyman, locksmith or for repair through online, once in a year. As, respondents were more inclined on getting all repair work done in one go rather than calling for repair man every week. As, the idea of repairing everything in one go is convenient and cost effective.

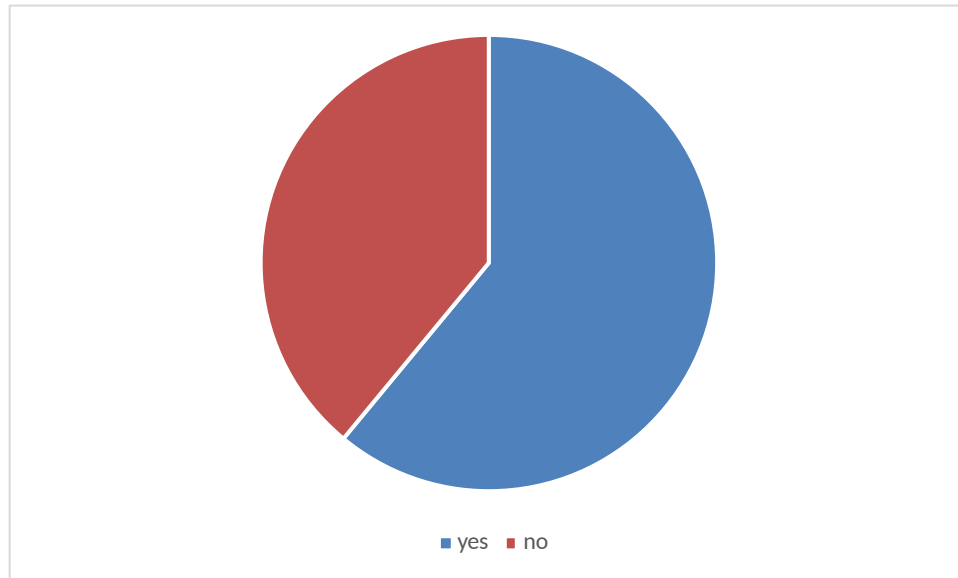
Figure 10: How often do you buy services such as constructor, plumber and electrician



Source: Primary Survey, 2019

Out of 168 respondents, only 57 respondents had called for a constructor, plumber, and electrician for repair through online, once in a year. 32 respondents had never called for a constructor, plumber or electrician online. As, respondents were more inclined on getting all repair work done in one go rather than calling for repair man every week.

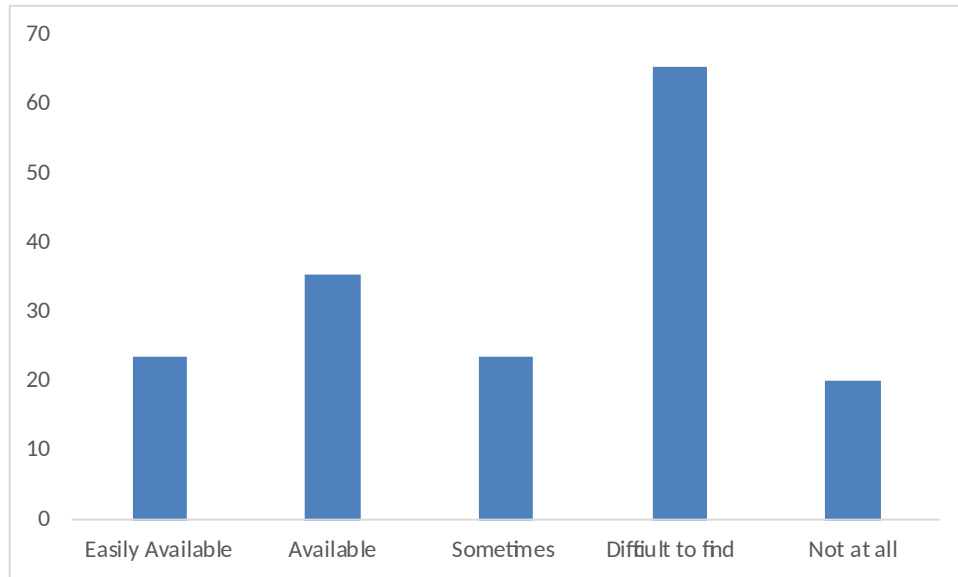
Figure 11: Would you buy above mentioned services online



Source: Primary Survey, 2019

More than half of the respondents are willing to call for such services online. Almost 40 percent of the people are not willing to try calling for services online as they are apprehensive about the payment method and the security that can be breached through overall data.

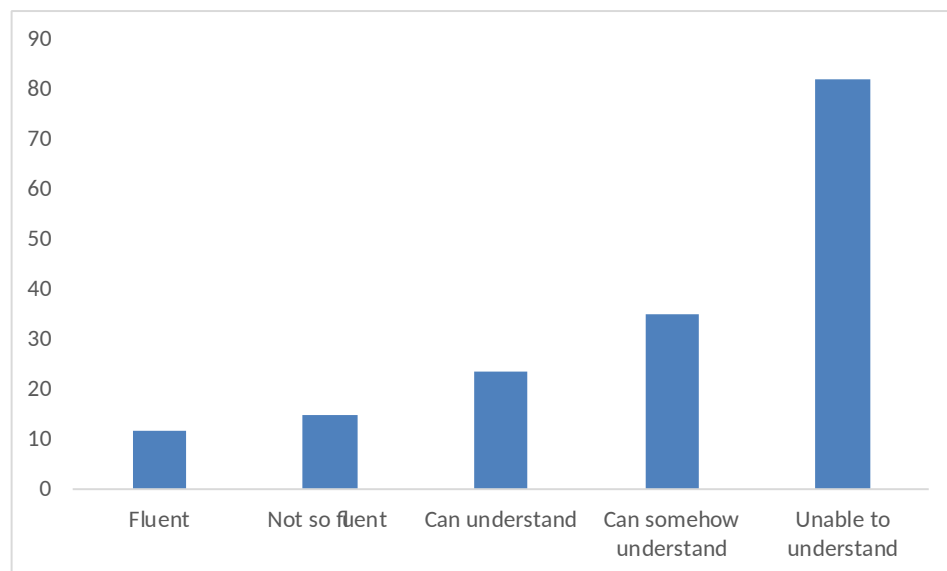
Figure 12: Availability of potravín products in your neighborhood



Source: Primary Survey, 2019

As Czech Republic has highly diversified, which makes it difficult to find potravín nearby for immigrants. Thus, these respondents prefer to order potravín online which will be convenient, budget friendly and time saving. The biggest challenge that respondents faced during potravín shopping is the language barrier. Online potravín shopping will help in breaking this barrier and facilitate the respondents in a great way.

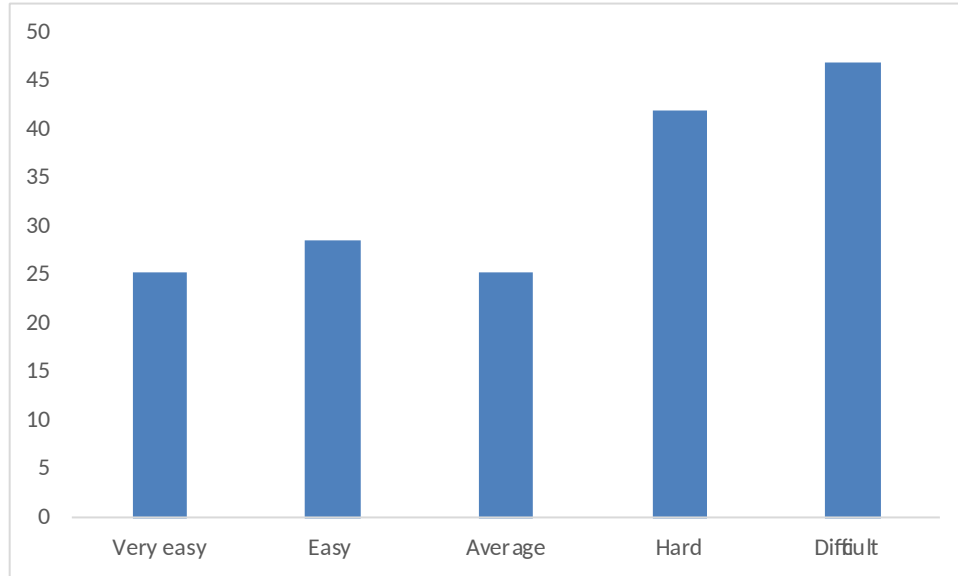
Figure 13: Local language proficiency



Source: Primary Survey, 2019

Language barrier is one of the major targets of the company to break. As most respondents have said that language barrier is the most difficult part to fight for them. Thus, the company plans to solve this problem with innovative methods.

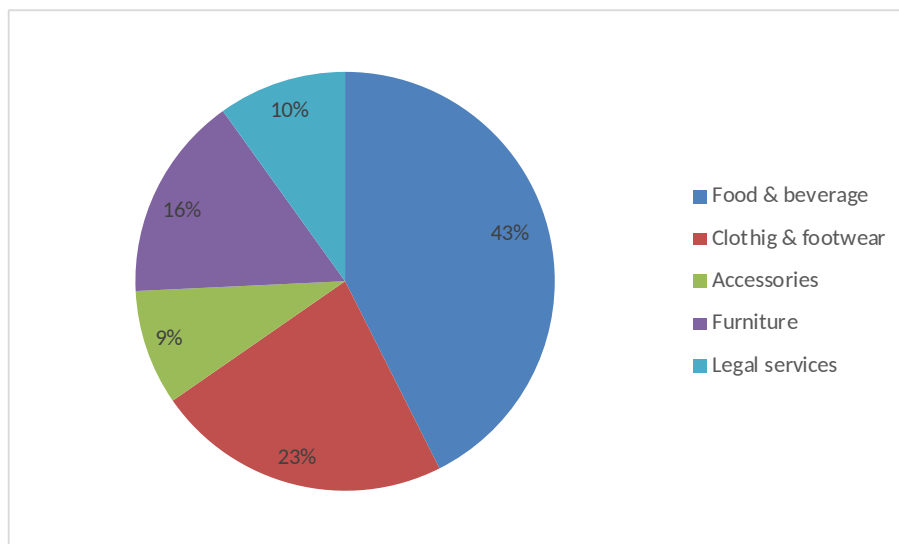
Figure 14: Ease of legal advisory



Source: Primary Survey, 2019

Majority of the respondents consider gaining legal advisory difficult and will prefer to get some assistance in the line. The respondents have stated that the experience is seamless, frictionless, and must leave them feeling satisfied.

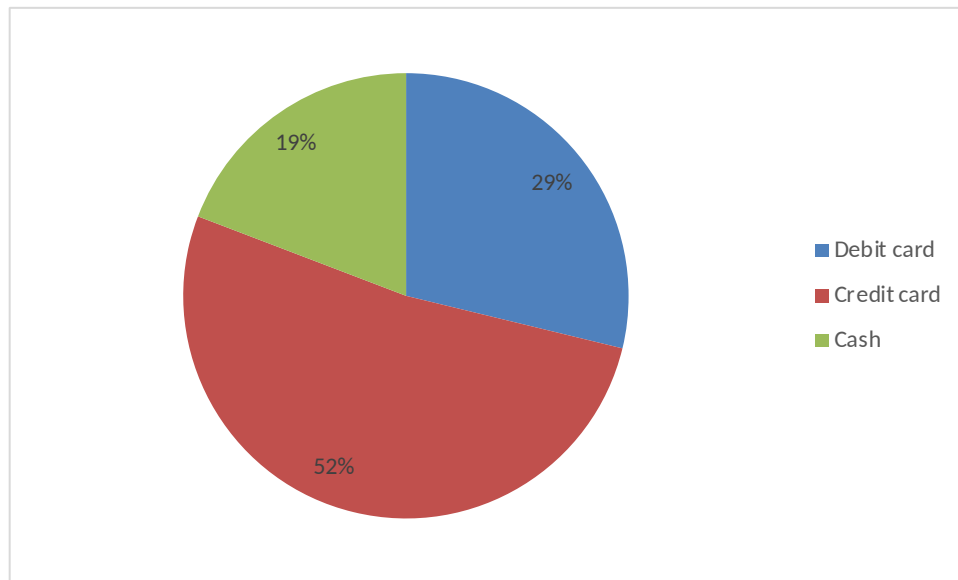
Figure 15: Products needed in e-commerce services



Source: Primary Survey, 2019

Majority of the respondents prefer to purchase food & beverages and furniture online. Profits margins for food items are slim, and the special requirements for storage and delivery put additional pressure on the supply chain. Thus, the company will have to also diversify in being available in terms of services so that profit increases and so does their wide spread.

Figure 16: Preferred payment options



Source: Primary Survey, 2019

Credit cards are the most preferred payment option as the customers receive discounts and cashback. The company can benefit from the massive amount of customer data it will possess. As the company can give special offers to the customer on their special days. As this will help them build its loyalty.

Respondents requirement:

The business must continuously improve and strive for better technology that underpins the shopping experience.

Expansion plans:

As the company continues to build its brand, moving into new sectors such as food and fashion, its willingness to embrace new technology, drive innovation and take risks will become most important- especially the delivery part of the business.

The business plans are to expand the company, where it will become most important to have a clear idea of its target customers and provide a shopping experience that truly sets them apart from the competition. This implies putting increased focus on the community and leisure aspects of the in-store experience, bringing together activities such as shopping, coworking, eating, and learning under one roof.

Recommendations

The business plan is expected to be able to penetrate in the market quite easily. However, the easy to adopt the model of business and entry level barriers is posing a risk to the expansion plan of the company. The company must focus on its competitive advantage and focus on increasing the added value.

The company has to be quick by increasing the market share, before the competitors can react to this market penetration. The goal can be achieved by creating a brand loyalty and sustain its market share with the increasing the repetitive purchases of existing customers.

The technological developments costs less than the neighbouring countries, the company has an added advantage which must be harnessed to benefit the company with increased profit levels and early break-even point.

A strategic process was conducted a selection process to collect vendor. This will assure better feedback from the customers as the delivery person is trained on the quality and other added values such as punctuality, safety and communication skills.

While penetrating the market, it is also vital to be vigilant on the competitors as both competitors those were taken into consideration has several years of experience and capabilities to launch a product easier than anyone else.

5 Conclusion

As conclusion, it can be claimed that this bachelors' thesis meets all its objectives that was defined in the objectives part and methodology explained was considered for meeting these objectives.

As subject of this thesis, an online trading business idea was defined, literature review was conducted research on an adjacent market, various number of analyses took place and recommendations were made.

In theoretical part, most common business types of business entities in Czech Republic was defined, several types of business plans were explained, components of the business plan such as;

- Executive summary,
- Description of the company,
- Operations / Products,
- Marketing plan,
- Operational Plan,
- Forecasts and Financial Plan were introduced.

In practical part, financial estimates and sales estimations are made based on the secondary available. Break even point states that when the facility is able to sell 127 items it will be able to break even for the variable cost. Whereas, for the total cost to be at break even point will be in around 2023. Based on the assumption the the no. of orders will increase by at a CAGR of 3%,4% and 5% for 2021,2022 and 2023, respectively.

A survey was designed, distributed, conducted and processed as a mean of primary research to determine the consumer behaviour in the lines of business idea. Furthermore, as a mean secondary research, different websites, statistical data sets, social media sites, libraries, governmental agencies' publications were used to develop the business plan components of the company. Furthermore, various strategic analyses were done to explain the rivalry and the key players in the market.

Based on the conducted researches and analyses, a relevant, realistic and up to date data came out as a result that explains the industry, market, competitors and the customers.

Among these components, various tools took place as analyses such as;

- PEST analysis to define the macro environment,
- Porter's 5 analysis to explain the rivalry and key characteristics of the market,
- SWOT analysis to come to a determine the company's position in the market,
- 4Cs & 4Ps was define the expected calendar for company's actions.

Furthermore, at the end, recommendations were made to improve the results of the company based on the researches, analyses and the calculations that was done.

Conclusively, all the primary and secondary objectives of this master thesis work have been successfully achieved and presented.

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7 Appendix

1. Gender
 - a. Male
 - b. Female

2. Age
 - a. 18-25
 - b. 26-35
 - c. 36-45
 - d. 46-55
 - e. 56-65
 - f. above 65

3. Gross Income
 - a. 0-10,000
 - b. 10,001-20,000
 - c. 20,001-30,000
 - d. 30,001- 40,000
 - e. 40,001-50,000
 - f. 50,001-60,000
 - g. above 60,001

4. How often do you make online purchases
 - a. Never
 - b. Once in a year
 - c. Once in six months
 - d. Every month
 - e. Once in two weeks
 - f. Every week

5. How often do you buy services such as house and/or cleaning
 - a. Never
 - b. Once in a year
 - c. Once in six months
 - d. Every month
 - e. Once in two weeks
 - f. Every week

6. How often do you buy services such as handyman, locksmith and repair
 - a. Never
 - b. Once in a year
 - c. Once in six months
 - d. Every month
 - e. Once in two weeks
 - f. Every week

7. How often do you buy services such as constructor, plumber and electrician
 - a. Never

- b. Once in a year
 - c. Once in six months
 - d. Every month
 - e. Once in two weeks
 - f. Every week
8. Would you buy above mentioned services online
- a. Yes
 - b. No
9. Availability of grocery products in your neighbourhood
- a. Easily available
 - b. Available
 - c. Sometimes
 - d. Difficult to find
 - e. Not at all
10. Local language Proficiency
- a. Fluent
 - b. not so fluent
 - c. can understand
 - d. can somehow understand
 - e. Unable to understand
11. Ease of legal advisory
- a. Easily available
 - b. Available
 - c. Sometimes
 - d. Difficult to find
 - e. Not at all available
12. products needed in online trading services
- a. Food & beverage
 - b. Clothing & footwear
 - c. Accessories
 - d. Furniture
 - e. Legal services
13. Preferred payment options
- a. Debit card
 - b. Credit card
 - c. Cash