TRAINING PROGRAMME

May, 2023

PROJECT INFORMATION

Project acronym:

BLOSSOM

Project title:

BLOSSOM - Basic competences as literacy, numeracy & digital skills focused on business development.

Project Number:

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Sub-programme or KA:

KA220-ADU - Cooperation partnerships in adult education

Website:

https://blossom.erasmus.site/

CONSORTIUM:

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Introduction

Women's employment promotion is crucial for corporate success and economic growth, in addition to promoting gender equality. A key objective of EU2020, according to the EC, is to boost women's employment and labor force participation. However, the employment rates of women are still lower than those of men in every member state, with a particularly large disparity in CY (where the gender pay gap is 14% for 2014), RO, PL (where the employment rate gap is 14.4% in 2018), GR, and SP. The large discrepancy is further highlighted by the average number of hours worked by men and women in paid and unpaid employment across all of Europe. Only 53% of all working hours are spent by women in paid jobs, compared to 76% by men. The National Statistics Institute reports that the wage disparity between men and women in Spain is 21.9% as per the most recent survey on wage structure conducted in 2017, and a report by OCED and PwC finds that women make, on average, 12.2% less than males. According to Eurostat, the employment rate for women in Romania between the ages of 20 and 64 is 60.6%, whereas it is 78.9% for men.

According to an OCED analysis on women entrepreneurs, they make 30–40% less than males do even though their enterprises make a significant contribution to household incomes and economic growth. All governments have identified promoting entrepreneurship as a critical policy objective that will result in the creation of long-term jobs and accelerate the growth of corporate innovation. In order to help people achieve their own personal fulfillment, it is crucial to promote entrepreneurship and urge people to think again about their professional goals.

As an answer to above, the BLOSSOM project aims to help women to develop their entrepreneurial skills, particularly on literacy, numeracy and digital skills which are essential to survive successfully in the business environment and to give women motivation and to regain their self-confidence, aspirations and desires for the future.

The BLOSSOM training programme in the form of a TOOLKIT is the main outcome of our project and constitutes the central focus of all the activities we will carry out. This toolkit will provide easy access to classroom activities, lesson plans and related web resources. Each module includes: - A description of the module - Basic training materials - Lesson plans with handouts - Recommended websites for further information - A glossary for the unit. Considering our target group, this programme is designed to be accessible, simple, practical and attractive. The materials developed in this programme aim to develop basic skills (such as business literacy, numeracy and digital skills), but also to provide high quality employability-oriented learning.

The aim of this training programme is twofold: 1)To encourage lifelong learning and promote skills development; 2)To stimulate progress in business literacy, numeracy and digital skills towards higher qualifications, to provide basic skills and key competences needed to successfully carry out entrepreneurial activities, for which the level normally exempted according to the EQF should be level 4. The training programme will be available on the e-learning platform, in English and in all national languages of the partners.

Module 1 – Business Literacy

This module is aimed at informing the learner with the knowledge and the methods to generate and manage business literacy. The expected learning outcomes include:

- Introducing the basic terminology about the business literacy
- Familiarizing with planning a business, business management system, branding, soft skills in business, client management
- Raising the awareness about the need for planning a business
- Development of tools and techniques for innovative problem solving
- Improvement of soft skills in business
- Practicing activities aimed at managing and retaining your clients
- Enhancing business branding awareness
- Improve knowledge of best practices

Module 1 "Business Literacy" is focused on introducing fundamental concepts and skills required to succeed in the business world. The module is divided into five sessions. The first session, "Planning a business," covers the essential steps in developing a successful business plan. The second session, "Business Management System," introduces the key components of a successful business management system. The third session, "Business branding," discusses the importance of creating a strong brand identity. The fourth session, "Soft skills in business," focuses on developing the interpersonal skills required for success in the workplace. And finally, the fifth session, "Client management," covers the essential skills required to manage client relationships effectively.

This module is divided into five sessions:

- Session 1: Planning a business
- Session 2: Business Management System
- Session 3: Business branding
- Session 4: Soft skills in business
- Session 5: Client management

In each session you will find:

- different content files with the required explanations for you to understand and achieve the business literacy
- practical exercises you should develop by yourself and then compare it to the proposed solution

Session 1. Planning a business

Chapter 1. Basics of planning

What is planning?

Referring to the definition of planning, we can say that planning is the first basic function of management, which prevails over other functions. Planning consists of establishing and setting goals and determining the methods by which these goals and objectives are to be achieved.

In business, planning, and management are key competencies for the development of the company. The more time you spend on analysing and planning the business, the greater the chance of success.

Why planning is important?

Planning is aimed at guiding your business to specific goals. It should identify all aspects necessary to achieve your results and potential risks that may arise in the course of achieving them. Only a good plan prepared based on relevant data and taking into account the most important deviations that may occur during its implementation is the best way to achieve success.

Where to start? Steps for successful business planning:

Business idea analysis

When starting to plan a business, the key is to analyse the business idea. The decision to start a business should not be made hastily, on the contrary, it should be well thought out. Finding the 'why' is an important factor in business planning. Citing a statement from Awake Consulting and Coaching CEO Glenn Gutek "It is good to know why you are launching your business. In this process, it may be wise to differentiate between [whether] the business serves a personal why or a marketplace why. When your why is focused on meeting a need in the marketplace, the scope of your business will always be larger than a business that is designed to serve a personal need." It is essential to analyse the market you plan to enter and think about how you can stand out from the competition. Your product or service should meet the needs of a defined, real group of recipients. Very often the cause of failure in the development of the business is a situation in which the needs of the customer are different from the ideas of the originator. Some business ideas require special knowledge or skills. It is crucial to verify that you have sufficient knowledge in a particular area. You must remember that not everything can be learned quickly or found on the Internet. You may also realize that in order to implement your business idea you may need the appropriate authorizations or licenses.

It may turn out that the product you want to release is banned in your country, or its release requires specialized permits or tests. Such products may be, for example, those from outside the European Union. It is also worth checking, for example, whether you are violating someone's rights. Overlooking such things can prove very costly.

Verify unique selling proposition

A unique selling proposition is a company strategy that makes the customer think of your company first when thinking of a product. It is worth taking care of this part of your marketing, as it will allow you to identify niches that are key to your business. You should focus on this strategy if you want to operate in an industry where there is a lot of competition. An example of a USP might be:

- Unique design, unique product patterns
- Use of unique technology for production
- Acting as a first mover in a particular industry

At the business idealizing phase, it is crucial to analyse your costs (fixed and variable) so that you will see that they can be covered by the revenue generated by your business.

Research the target market, and competition and determine the price and distribution channels.

If you already have a business idea and have analysed it in depth - congratulations! Another indicator of good preparation for market entry is the ability to answer questions: Who? Where? Why? How?

Avoid the mistake of not knowing who your potential customers would be. It is very important to identify your target audience. To do this you can conduct primary research - by reaching out to potential customers, setting up a focus group, conducting a survey, or secondary research - here you can use already available sources.

Based on market research or analysis, determine who would be your ideal customer, creating a so-called Persona. A persona is a hypothetical character described in great detail, your ideal customer you want to reach. In the description of the persona, you need to identify such things as age, gender, income, marital status, size of the town he/she comes from, size of the household, as well as such aspects as where he/she shops, what he/she reads or what sites he/she browses on the Internet.

In addition, it is also worthwhile for you to build a psychological profile of such a prospect, i.e., what kind of personality he/she has, attitudes, what kind of lifestyle he/she leads, and what interests he/she has.

It may be that you are unable to create a persona because, for example, your knowledge of the market is too small. In such a situation, a good solution would be to reach out to potential customers who are already using or could potentially benefit from the services or products you want to market. You can do this by browsing forums, discussions, and social networks. Focus on the opinions of such people, on their statements. On this basis, you are able to build a profile of a potential customer, and this in turn will translate into specific marketing activities.

Remember that market research needs to be done regularly so that you can be alert to emerging trends, as well as pay attention to customer needs which can also change over time. It's essential that before you launch a product or service, ensure that you know how you will track interactions, and sales and draw conclusions.

In identifying your target market, the key is to understand what your products or services can offer potential customers. To do this, you need to determine what features the product or service has, and

Features of the service/product	Benefits for the client
The beanie is made of merino wool	The customer will receive a cap that will keep him/her warm or cold days
Beanie has a unique design	The customer will have a non-repeatable copy

what benefits will result for the customer. A table of benefits will prove best here. See an example that identifies the features and benefits of handmade beanies.

Analysis of the market and its dynamics

In simplest terms, a market is a group of current or target customers for your product or service. It is thanks to the target market that your business will make money, so it is important to correctly define the target group. We can distinguish three main types of market:

- Consumer market - this group includes households and individuals who buy goods for their own use, examples of consumer products are foodstuffs
- Business market - this group includes organizations or companies that purchase products from you to use in the production of other products or for use in their business
- The intermediary market - this group includes metallurgists and retailers who purchase products and resell them at a profit

The starting point is to study the size of the market. You need to estimate how big the market you want to enter is and such factors as market shrinkage, market stagnation, or rapid growth. Next, check how many competitors are in your market. Often by specifying your potential audience, you also specify your market.

Determine if there are any barriers to entry

Knowing the barrier to entry is important to succeed in business. Based on their analysis, it is possible to determine how much it will cost to enter the sector you are interested in and whether it is at all possible and sensible to engage in a startup in a particular industry. Examples of barriers to entry:

- High capital requirements - energy, manufacturing
- Brand loyalty - when the consumer is convinced that the current product is unique and irreplaceable
- Economies of scale - a fledgling entrepreneur may have competition from more experienced companies that produce the product at a lower price
- Transition costs - costs associated with switching from one product to another, such as when a customer has already paid for some service upfront

- Ownership factors - copyrights or patents that block the manufacture of a product
- Access to distribution channels - companies that are already in the market have exclusive rights to work with major suppliers
- Legal regulations - necessary permits, regulations, or licenses

Check out the market segmentation opportunity

The market contains a huge group of different buyers that you need to segment in order to find that group that will be interested in the products or services you offer. Market segmentation is the division of the market into smaller segments in order to reach your specific target group. It will increase sales effectiveness by tailoring your marketing strategy to the buyers who will buy your product or service. The task of market segmentation is also to identify the uninterested group so that, under specific marketing efforts, you can convince them of your service or product, or remove them from the list of potential buyers altogether.

Larger markets are most often segmented based on factors such as:

- Geographic - local, regional, national, or international
- Demographic – the consumer market, criteria such as age, race, religion, gender, income level, occupation, education, marital status or family size are taken into account the business market, criteria such as company size, geographic location, annual revenue, number of branches, age of the company, number of employees, branch of the economy
- Psychographic Consumer market - interests, hobbies, professional work, lifestyle
- Business market - employee relations, innovation, industry leader, business style, management style, employee friendliness
- Behavioural - depending on the motivators used by customers, e.g., Loyalty, brand, quality of service

In market segmentation, the most common factors considered are demographics and geography.

This allows you to determine if your potential audience has access to your product/service or if they have enough money to take advantage of your offer. Next, you will build a promotional campaign based on psychographic and behavioural factors.

In the next step, you need to determine what is important to your customers. Here you may find it useful to have a table that determines what will be the decisive factor motivating customers to buy or use the service you offer.

	High impact	Medium impact	Low impact	None
Price				
Quality				
Brand				
Variety of services				
Seller				
Customer service				
Special offer				
Promotional campaign				
Packaging				
Convenience of use				
Convince of purchase				
Location				
Guarantee				
Store, office decor				
Payment terms				
Other				

Source: https://6krokow.pl/zbadaj-rynek-konkurencje-oraz-okresl-cene-i-kanaly-dystrybucji/

Looking at the table below, it is important for you to decide in which part of the table your business will be located.

	Current product	New product
Current market	Market penetration	Product development
New market	Market development	Diversification

Market penetration also known as a pricing strategy; assumes that sales success is achieved when the largest possible group of customers buys a large number of products. The decisive factor here is a low price, which, while generating maximum sales, also generates a large market share. Thanks to proper market penetration a particular product can find a group of new buyers, without losing the current ones. The strategy that is used to attract customers from competitors is to increase the range of services or more aggressive marketing. The decisive factor here is the low price, which, while generating maximum sales, also generates a large market share. With proper market penetration, a particular product can find a group of new buyers without losing current buyers. The strategy that is used to attract customers from competitors is to increase the range of services or more aggressive marketing.

Speaking of market penetration, it should be mentioned that there is both a fast penetration strategy and a slow penetration strategy. They depend on the willy-nilly amount of investment in promotion. Depending on whether the market is large or small, the process of gaining influence in the market is faster or slower.

When you decide to penetrate quickly, you need to keep in mind such factors:

- market capacity - making sure there is demand for the product/service category in question
- having funds for promotion - rapid market penetration will not be possible without a large amount of money for advertising
- consumer characteristics - assume that the customer is driven by price rather than product specifications
- competition - it is important to orient yourself among competitors in a particular market segment

If you want to choose a strategy of slow market penetration you should make sure that:

- among consumers here is awareness of the existence of a given product/service
- target customers belong to the group of customers not resistant to promotions
- customers appreciate the advantages of the product/service

You can also penetrate the market not only through a low price compared to the competition. You can gain large market shares by:

- Improving your service or product
- Changing distribution channels
- Expanding your sphere of influence to foreign countries

Once the reputation of the product is good AND established, it is worthwhile for you to consider successively increasing the price, ultimately focusing on appreciating the loyal customers who return to you.

However, you need to be aware that market penetration can also contribute to negative effects such as associating a low price with inferior product quality. In times of lower profits, depletion of financial resources. Undercutting of prices by competitors.

Market development involves entering new markets (regional, domestic, foreign). This can be done in three ways:

- By entering the current product
- Improving the existing product by giving it new features visible to the buyer
- Changing the means of sales and promotion to suit the expectations of potential customers

Product development is a marketing strategy that is based on introducing a new product/service to an existing unchanged market. To strengthen your position in the market you should consider introducing new products/services to your offerings. A product development strategy has a strong impact on business operations and consists of elements such as:

- Planning to match your offerings with customers
- Informing customers that the offer is available on the market
- Ensuring delivery of the product
- Pricing of products

Diversification involves taking action in a business-oriented toward expanding its sphere of operation. Usually, it involves expanding the product range, nevertheless it can also involve acquiring new suppliers, and customers, and introducing a new way of production. The goal of diversification is to develop the company by making full use of its current resources and capabilities. Verify the seasonality of the product/service.

Some products or services have a certain seasonality. Take winter clothing, for example - it is known that it will sell during the winter season. Similarly, if we take nail styling or hairdressing services. The greatest interest is during the Christmas and holiday seasons. You can check the seasonality of your business using the Google Trends tool, which shows what the interest in a product is over time.

Plan the company's distribution channels and location

The company's distribution channels are very important in terms of gaining the attention of consumers and leading them to purchase. The choice of channels should take into account the needs of customers and the character of the product or service. The distribution channel is the process by which the product or service reaches the buyer.

If your product or service is offered through inappropriate channels, even if they are of the highest quality, you will not be able to win many customers. Distribution channels also include the ordering of the product, its promotion, negotiation, transfer of ownership, payment of receivables AND other market information about the product. Speaking of distribution channels, we can't forget about the location of the company. These two aspects are closely related, as the location also largely determines how many customers you will be able to attract, which in turn is related to the sale of products or services. If you want to set

up a service salon such as a beauty salon, location will be of great importance. In this type of business, direct contact with customers is crucial, as the distribution channel is limited (there is no possibility to get treatments via the Internet). A good location will guarantee you more customers. A salon that is located in a busy place will be noticeable, easy access whether by private car or public transportation is also important. A very similar situation applies to stores with different assortments, from a grocery store to a clothing store.

Going back to distribution channels, it is important for you to consider how you will sell your products. The possibilities are many.

Online distribution channels

1. Own online store: it might be necessary to hire specialists such as a computer graphic designer, programmer or e - marketing specialist but is worth it. A mobile website or app is also worth considering here.
2. Selling products through social networks such as Instagram, Facebook. The lack of costs of conducting such sales is definitely an advantage, unfortunately, the disadvantages are limited payment options and often lack of trust of customers
3. Selling products through auction platforms like eBay. You can sell anything on such platforms, which is undoubtedly a plus, but if you are looking to promote your personal brand, basing your sales only on auction platforms will not be a good step
4. Selling products through sales platforms has the advantage of incurring costs only in the form of commissions, depending on the platform this commission may vary
5. Selling through price comparison sites, in this case the advantage is certainly the large number of people using such platforms, and consumer trust. Unfortunately, in order to use this solution, you must have your online store integrated with a specific comparison site.
6. Selling with the help of affiliate programs, the customer gets acquainted with the offer on the partner's website, which uses a hyperlink to redirect the customer to the store's website, or the customer makes a purchase directly on the partner's website. If the product is purchased in this way, the partner receives a commission.

Offline distribution channels - that is, real sales

1. Own store - as mentioned earlier, depending on what kind of business you want to do, the location of the store is important. Relationship type: producent - own store - consumer
2. Delivering your products to the store. Relationship type: producer - patron store - consumer
3. Direct sales
4. Cooperation with wholesalers - you deliver the product to the wholesaler (intermediary) and it passes to specific stores for further distribution
5. Direct sales - direct contact with the customer, to present your product you need to send invitations to potential buyers for demonstrations, presentations to show that the presented product is cheaper than in the company store

It is possible to combine online and offline distribution channels, for example by setting up an online and a stationary store. Undoubtedly, such an option offers great opportunities for

business development, because you can reach a customer who will prefer to come to your stationary store and buy a product, but you can also reach a customer who will prefer to buy online with home delivery.

Pricing policy

Every company has its own pricing policy. It is very important. When entering the market, you must remember to adjust your prices accordingly. The matter is much simpler when there is no competition in the market. However, if the market you want to enter already has players, the pricing policy must be adjusted just for them.

How to do it?

You can select from three pricing strategies:

1. Low-price strategy - involves setting the cheapest price to always outbid the competition. The goal of the strategy is to quickly increase product sales. However, it is very risky on the grounds that in the long run it may reduce your profitability and deprive you of funds for growth. You may also fail to build sufficient sales scale with this strategy, or you may also lose the opportunity to create promotions and price reductions. So, when is it worth introducing a low-price strategy? It is worth considering this plan of action when you have the opportunity to purchase goods at a much lower price than your competitors, or when your fixed or logistics costs are lower. What is important here is that you get to know your competition well and prepare for this strategy so that you are not beaten.

2. Balanced pricing strategy - you set your prices at a level similar to your competitors, but at the same time try to differentiate yourself with other elements such as, for example, speed of delivery, quality of service.

3. High price strategy - you set prices above those of the competition and at the same time try to present the product as superior. Usually, the strategy is used for products that are novelties or the most sought-after versions among the product already existing on the market.

Marketing strategy

In starting a business, an important step is to study the marketing strategy of the competition. It is worth observing such aspects as the place of advertising, frequency, and what arguments your competitors use to convince you of their products or services. With this knowledge, you will know where to place your advertising budget and which marketing channels are not used by your competitors but can be used by you. By analysing your competitors, you can find ways to improve or strengthen your products or services. Awareness of the market structure will allow you to make informed decisions and differentiate your offering from the competition.

Estimate the revenue and expenses of the future company

A well-prepared business budget is essential. You can't operate with the idea that somehow it will work out because that's the road to a certain demise. The budget should include the

exact funds you need and how they should be spent so that you have the ability to start and grow your business. When planning the budget, consider how much money will come into the business, and the amount you need for ongoing maintenance.

Chapter 2. Vision for a business

If one does not know to which port one is sailing, no wind is favourable. – Seneca

Source: https://mymeadowreport.com/reneefishman/2020/5-reasons-why-having-a-vision-is-important/

What is a vision for a business?

Vision shows the essence of the existence of the business, the philosophy of its operation, the values to which it adheres, and the force that sets it in motion.

Vision can be:

- Vision statement is a promise to the environment that shapes a company's development strategy or management. Vision statement should set a company apart from the competition.
- Vision is a bold aspiration and an ambitious dream.
- Vision is a justification for the existence of a business, the reason for which it was created.
- Vision is a signpost for employees and the manager and at the same time the direction of the company's aspirations
- Vision is a goal to reach.

The vision sets the direction of most decisions and facilitates daily and strategic choices, helping set goals and strategies for achieving them. It is an indispensable point for

developing a plan. A bold and ambitious vision motivates and engages the team. The company vision should be in harmony with the company's values and standards of operation.

Why is the vision important?

- Gives directions
- Gives a passion and unites the team in action
- Gives a clear message to the customers about the company image
- Gives consistency, strengthens rules and standards
- Thrills, engage, and motivate the team
- Prevent a lot of mistakes, especially the expensive one
- Avoid wasting resources- with a clear vision you won't waste money or , energy on working with inadequate professionals or wrong clients.

What are the benefits of the company's vision?

1. Reliable corporate image
2. Strong position in the market
3. Clearly defined organization of the business
4. A higher value for the customer
5. The specified direction of action
6. Stronger motivation to perform

A company's mission and vision, but what's next?

Working on a business vision seems very difficult because it requires going into a different mode of looking and thinking. Having certain values and aspirations is insufficient if they are not reflected in reality. In order to do so, it is worth developing a company strategy that takes into account its vision. The right strategy should be distinguished by systematic and dynamic action because only in this way you can achieve the set goals. There is no doubt that the company's vision and strategy are linked and they are key elements of any successful business. Clearly defined goals carried out on the basis of the strategy can result in becoming a successful market leader.

Case study

Mercedes Benz

Challenge:

Mercedes Benz is a brand known for producing premium cars. For this reason, there is a perception that only the very wealthy can afford to buy a Mercedes Benz vehicle.

In order to reach a more mass customer base, the brand took on the challenge of launching its first-ever three-row SUV, the Mercedes Benz GLB. Producing a car aimed at young families was an opportunity to reach a new target group without compromising the brand's prestige.

Solution:

Mercedes Benz marketing team realized it needed to go online.

Mercedes Benz's marketing efforts moved to LinkedIn, which the marketing team identified as a platform for mobile professionals to fit in with the Mercedes Benz brand

Interactive activity

1. Multiple choice

Question:	Answer:
A brief description presenting the idea of the future of the company, its goals, and ambitions is:	Road Map
	A road map provides a strategic plan or framework that outlines the future direction of the company, its goals, and ambitions. It serves as a guide or blueprint for the organization, detailing the key initiatives, milestones, and objectives the company aims to achieve over a specific period. A road map helps align the efforts of the team and stakeholders toward a common vision and ensures that everyone understands the intended path forward.
Options: 1. Corporate Strategy 2. Company Culture 3. A Road Map 4. Company Purpose 5. Revenue Goals	

2. Matrix choice (drag and drop)

Types of pricing strategies:		Correct answers:
Options:		The low-price strategy involves setting the cheapest price to outbid the competition
Low-price strategy	set up prices above the competition and at the same time try to present the product as a top class.	High price strategy set up a price at a level similar to your competitors
Balanced pricing strategy	involves setting the cheapest price to outbid the competition	Balanced pricing strategy involves setting the cheapest price to outbid the competition
High price strategy	set up a price at a level similar to your competitors	

3. Sorting choice

Arrange the following steps in correct order to plan a successful business: • Develop your business plan • Secure funding • Identify competitors • Conduct market research • Launch your business • Build brand identity • Define your target audience • Create marketing strategy	Answer: 1. Conduct market research 2. Define your target audience 3. Develop a business plan 4. Identify competitors 5. Create marketing strategy 6. Secure funding 7. Build a brand identity 8. Launch your business

Recommended websites/links

- https://www.youtube.com/@TheEFQMChannel
- https://www.youtube.com/watch?v=qSVqDNOkOTo
- https://www.youtube.com/watch?v=8qyqHtc4cOM

Glossary

1. **Economies of scale -** refer to the cost advantages that a business or organization can achieve as it increases its level of production or scale of operations.
2. **Distribution channels -** refer to the various routes or paths through which goods or services are delivered from producers or manufacturers to end consumers.
3. **Market capacity -** refers to the total demand or potential size of a market for a particular product or service within a given geographical area or customer segment.

Session 2. Business Management System (BMS)

Managing a company's resources is essential for long-term performance and maturity. Therefore, it is recommended to use a 'Business Management System' according to the type and size of the organisation in order to make the right decisions in a systematic and structured way.

Learning Outcomes

In this session you will learn:

- what a management system is,
- how to identify weaknesses in your organisation,
- what models exist and
- what the basic elements are that allow us to obtain the necessary information, both internally and externally

Chapter 1. Business Management System, an overview: what is it?

Roughly speaking, a company's management system is defined as the "*overall scheme of processes and procedures used to ensure that the organisation performs all the tasks necessary to achieve its objectives*" [1] (EFQM).

These processes are necessary to give coherence to the company's daily activities in order to achieve its objectives, and to plan for present and long-term effects (economic and non-economic). In other words, the management system is a tool for controlling the company.

In practice, all organisations use a system to manage their business, although their knowledge varies: some do it unconsciously or by pure practice; others have a documented system for annual audits; and few are implementing a system structured by a specific management method *(see the different types in the third Chapter).*

Source: Canva

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1 Ogalla Segura, F. (2006). *Sistema de Gestion: Una Guia Practica*. Diaz de Santos.
https://books.google.cl/books?id=o56PsqNYIDAC&lpg=PA20&dq=sistemas%20de%20gestion%3A%20una%20gu%C3%ADa%20pr%C3%A1ctica&lr&hl=es&pg=PA18#v=onepage&q=sistemas%20de%20gestion:%20una%20gu%C3%ADa%20pr%C3%A1ctica&f=false

Finally, the benefits of a defined management system in the company are:

Chapter 2. Elements for the development of the Business Management System

There are certain elements of management that you need to be aware of in order for the organisation's growth to be balanced. These elements will help you identify the company's current situation and areas of weakness, regardless of the management model you choose to implement *(see next Chapter).*

ESSENTIAL

Essential Management Elements are those whose absence prevents a coherent alignment between **what the company does and what the company wants to be.**

1 MISSION

The mission states what the company works for, what need it satisfies by offering products or services. A well-defined mission is necessary for workers to identify with what they do and with the company.

2 VISION

The vision specifies what the organisation wants to be (who it wants to address) and allows the clear identification of strategic objectives. The planned objectives must be focused on achieving the vision.

3 VALUES

The values constitute the set of actions and ethical behaviour developed by the organisation and are fundamental concepts for the development of the policy. They are the company's own identity.

4 POLICY AND STRATEGY

These are the processes that the company intends to carry out in order to achieve certain objectives. Policies and strategies are aligned with the mission and vision, and focused on the assumption of values.

5 INNOVATION

A company is subject to change derived from the development of the business process; strategic changes to achieve the vision; technological changes. It is important that the organisation is prepared to accept these changes and to deal with them in an innovative way.

6 CORPORTATE SOCIAL REPUTATION

Reputation is given by the way it behaves with those with whom it relates (stakeholders, shareholders, suppliers). It is a competitive advantage.

7 COMMUNICATION

Communication enables the deployment of the policies and strategies defined to achieve its objectives. Communication has a spiral tendency, so the company needs more maturity to inform than it needs to inform.

FUNDAMENTAL

They allow the strategies defined by the organisation to be **directed and operated** successfully.

✓ **Process management.**

Process management allows the processes performed by the organisation to be clearly identified, like a 'map'. Managers have to think globally in order to be effective locally. The most important source of information is provided by this map, which, on the one hand, shows the value chain of business processes, and on the other hand, how each process affects the ability to satisfy stakeholder requirements.

✓ **Scorecards**

Scorecards are the tool for measuring how business processes create value for current and future customers, and how they should leverage internal capabilities and investments for improvement. Scorecard objectives and indicators are derived from the organisation's vision and strategy.

In scorecards, the performance of the company is viewed from four perspectives in the form of a systematic diagram: (1) financial; (2) customer; (3) internal process; and (4) training.
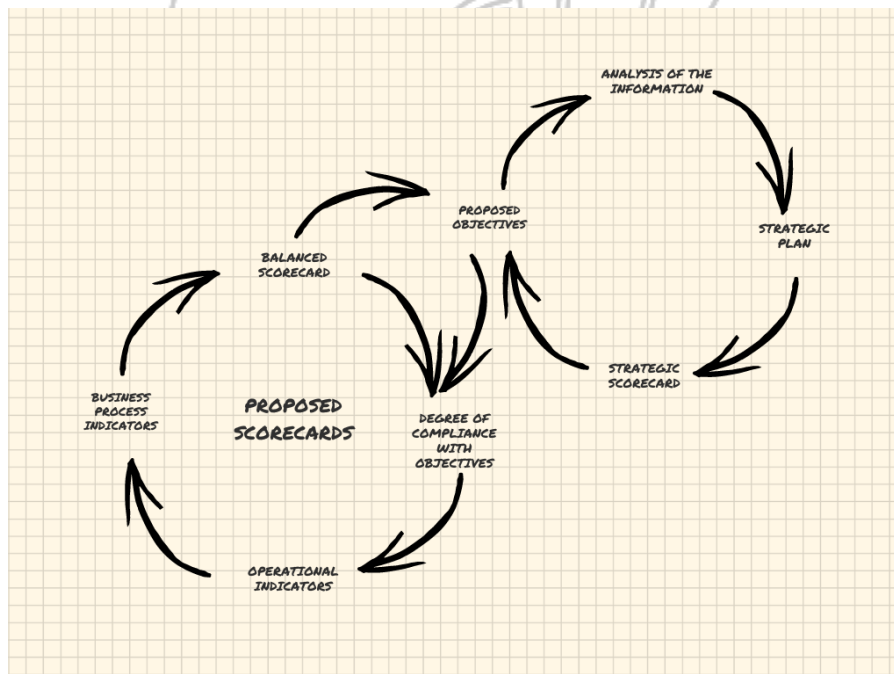
Source: Ogalla Segura, F. (2006). *Sistema de Gestion: Una Guia Practica*. Diaz de Santos. P. 19.

- Local or operational scorecard. It allows daily monitoring of the status of a specific activity (purchasing, finance, logistics) within the value chain. It is a source of information for the business management scorecard.

- <u>Business management scorecard</u>. It allows monitoring the evolution of the organisation by business processes or key areas. It uses specific indicators to achieve the organisation's objectives (global indicators such as production, deadlines and incidents; process indicators such as performance and productivity; external resource indicators such as price and innovations; economic and financial indicators such as costs and turnover).

- <u>Strategic control panel</u>. This is more general. It allows senior management to monitor the impact of strategic changes as they occur. It is the diagnostic tool that provides information on the situation with respect to the positioning of the company in the market and in the environment. The key indicators to be monitored can be identified during the strategy formulation stage.

✓ **Business process value chain.**

A company's value chain examines the activities necessary to create a product or offer a service and divides the organisation into its most relevant strategic activities. Its purpose is to understand how costs work, the current sources and where differentiation lies. It does this by identifying the customer and their relationships; visualising relationships and simultaneity of organisational activities; allocating local and overall activity time; defining indicators; etc.

shutterstock.com · 1648022803

Source: https://www.shutterstock.com/image-vector/integrity-target-purpose-strategy-core-600w-1648022803.jpg

STAKEHOLDERS.

Stakeholder relationships are means to achieve the organisation's goal. Stakeholders can be:

- Consubstantial. Employees, shareholders and investors, strategic partners.
- Contractual. Customers, suppliers and subcontractors, financial institutions.
- Contextual. Public administration, opinion makers and knowledge creators; communities, society.

Source: Canva

The organisation must attend to the needs of stakeholders, as they are essential to drive the balanced growth of the company in order to achieve the proposed vision. Furthermore, it must be able to measure the results achieved and the relationship with the proposed objectives and decide what to do to create competitive advantages and defend itself against competitors in the market.[2]

Chapter 3. Business Management Models.

The use of management systems is increasing and has become common practice in all, mostly Western, companies.

The major widespread models are the EFQM Model and the ISO Model, also called **models of excellence**. However, in recent years a new model of excellence has emerged within excellence called 'sustainable development' which, although it shares qualities with the previous ones, approaches the management system from a different perspective. It should be noted that implementing a model in its entirety is virtually impossible; these models are ideal.

Models of excellence present a framework for making a successful company excellent in terms of its performance. They are common in Western countries, where ad hoc awards have been created to recognise excellence. The most widespread and developed are the EFQM Model and the ISO Model.

EFQM Model (https://efqm.org/the-efqm-model/)

The EFQM model is a practical tool developed by the European Foundation for Quality Management to help organisations establish an appropriate management framework **on the basis of self-assessment.**

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2 Ogalla Segura, F. (2006). *Sistema de Gestion: Una Guia Practica*. Diaz de Santos.
https://books.google.cl/books?id=o56PsqNYIDAC&lpg=PA20&dq=sistemas%20de%20gestion%3A%20una%20gu%C3%ADa%20pr%C3%A1ctica&lr&hl=es&pg=PA18#v=onepage&q=sistemas%20de%20gestion:%20una%20gu%C3%ADa%20pr%C3%A1ctica&f=false

It is based on eight concepts and nine criteria that allow the company to measure where it stands, identify areas for improvement that bring it closer to excellence and see how to implement the necessary changes. In other words, self-assessment.

The three basic questions to implement the EFQM Model are the following:[3]

01 WHY	02 HOW	03 WHAT
Why did we decide to set up this organisation? Why did we follow this strategy?	How are we going to convey our purpose and carry out the strategy?	What can we achieve in the future? What have we achieved today?
DIRECTION	EXECUTION	RESULTS

Source: https://efqm.org/the-efqm-model/

✓ **THE FUNDAMENTAL CONCEPTS**

Companies, regardless of their sector or size, need to know and accept eight fundamental concepts to achieve excellence.

1. Results orientation.

An excellent manager must analyse the expectations and needs of his or her stakeholders, as well as the behaviour of competitors first, in order to achieve results that fully satisfy everyone. It is about combining flexibility and adaptability.

2. Customer orientation.

An excellent manager must consider how to increase customer loyalty. It is about creating value for the current and potential customer.

3. Leadership and consistency of purpose.

In other words, inspiration. A culture of governance, behaviour and performance must be established and followed by all members of the organisation.

4. Management by processes and facts.

Define a set of clear, robust, interdependent and interrelated systems, processes and data based on the needs and expectations of all stakeholders.

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3 EFQM, Private Foundation (n.a.). *Organisational Change Management*. EFQM. https://efqm.org/

5. People development and implementation.

Encourage the contribution and professional development of employees. For example, by using recognition or rewards.

6. Continuous learning process.

The organisation must have the capacity to learn constantly. Internal and external *benchmarking* is encouraged.

7. Innovation and improvement.

The organisation must foster an innovative mindset, capable of accepting ideas from all stakeholders and generating added value. To learn about open innovation techniques, visit https://opi-project.eu/.

Drs. Singhal and Hendricks, in their research conducted in 2000.

The study looks at five years of activity of over six hundred quality award winning companies, concluding that they experienced significant improvements in:

- *Their stock market value*
- *Their operating income*
- *Sales*
- *Number of employees*
- *Asset growth*

8. Partnership development and organisational social responsibility

The organisation must be transparent and accountable to its stakeholders, communicating its performance and adopting inclusive behaviour.
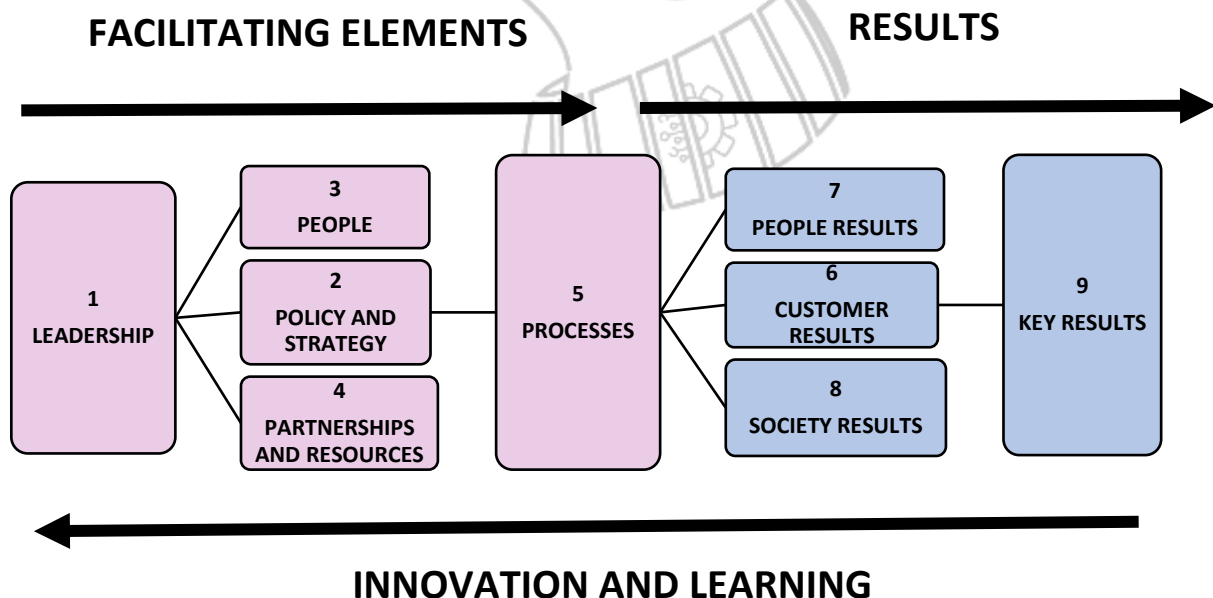
✓ **THE NINE CRITERIA**

There are 32 sub-criteria and 298 areas to complete. For the moment, we will focus on the criteria.

Source: Cilla Álvarez, A. (2004). El modelo EQFM de excelencia. *Anuario Jurídico Y Económico Escurialense*, *37*, p. 596.

A. Facilitating agents.

There are five of them, and they answer the question of *what does the organisation do?* They are improved using the information obtained from the results.

1.   Leadership.

An excellent leader is clear about the organisation's mission and vision and develops the systems necessary for the organisation's long-term success. He/she is consistent with the organisation's purpose; and is flexible enough to refocus the direction of his/her organisation in times of change.

2.   Policy and Strategy.

The strategy and policies to achieve it must be focused on the organisation's stakeholders, taking into account the market and sector in which it operates.

3.   People.

An excellent organisation develops the potential and involvement of its employees, individually and as a whole, and promotes fairness and equality.

4.   Partnerships and Resources.

An excellent organisation plans its current and future needs and manages external partnerships, suppliers and internal resources in balance between the organisation, the community and the environment.

5.   Processes.

Processes are improved to fully satisfy its customers and generate added value.

B. Results.

They are a consequence of the "*enabling agents*". The organisation achieves outstanding results in its customers, people, society and key elements of its policy and strategy.

To measure results, two sub-criteria are used: perception measures and performance indicators. The former refers to the general perception of the organisation with regard to its image, services, products, customer service, etc. and are generally obtained from surveys, reports, press articles. The latter are used to understand and improve organisational performance and thus predict and anticipate society's perceptions.

6.   Customer Results.

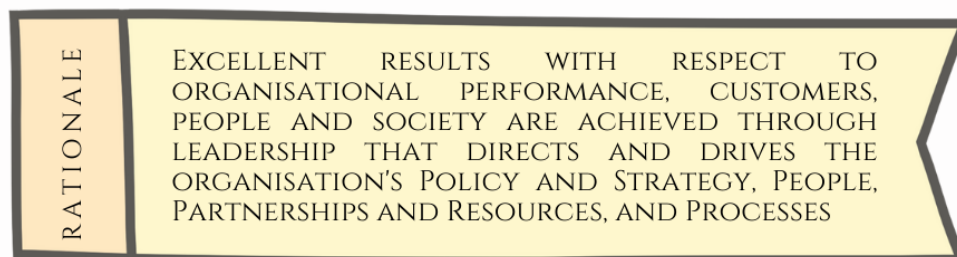Refers to the customers' perception of the organisation.

7. People Results.

In this case we measure the perception of employees, not customers, and refers to achievements, motivation and involvement, and employee satisfaction with the company.

8. Society Results

These measure society's perception of the organisation as a responsible member of society (environmental impact, inclusiveness). In this case, performance indicators refer to congratulations and awards received.

9. Key Results.

Key results can be economic and financial as well as non-economic. They are defined by the organisation and agreed in its policy and strategy. [4]

> RATIONALE
>
> EXCELLENT RESULTS WITH RESPECT TO ORGANISATIONAL PERFORMANCE, CUSTOMERS, PEOPLE AND SOCIETY ARE ACHIEVED THROUGH LEADERSHIP THAT DIRECTS AND DRIVES THE ORGANISATION'S POLICY AND STRATEGY, PEOPLE, PARTNERSHIPS AND RESOURCES, AND PROCESSES

ISO Standards (https://www.iso.org/home.htm)

ISO standards are a set of standards defined by the International Organisation for Standardisation that act as a frame of reference for different states by specifying requirements for improvement.

For management systems, the ISO 9001 Standard stands out in its latest version of 2015. The **ISO 9001:2015** Standard applies to quality management systems with the aim of continuous improvement through compliance with its requirements. Excellence is measured through the satisfaction of the customer and other stakeholders (suppliers, process outsourcing).[5]

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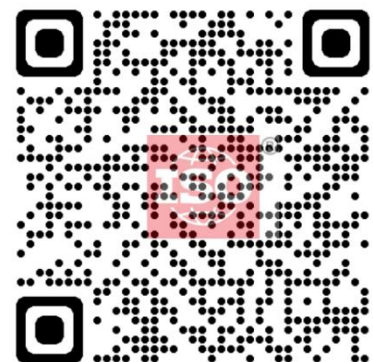
4 Cilla Álvarez, A. (2004). El modelo EQFM de excelencia. *Anuario Jurídico Y Económico Escurialense*, *37*, 581–605.

5 International Organization for Standardization. (n.a.). ISO. https://www.iso.org/home.html

It is built on **7 basic principles:**

1. **Customer focus.**

ISO 9001: 2015 is based on customer satisfaction. The main objective is to satisfy them and exceed their needs. It is the base point as it will not only attract new customers, but also retain the trust of existing customers and contribute to the long-term success of the company.

2. **Strong leadership.**

Strong leadership is essential to ensure that everyone in the organisation understands what the company's mission and goals are intended to achieve.

3. **Engagement of people working with the company.**

Competent and committed people are needed to create added value.

4. **Process approach.**

Ensure complementarity and interdependence of activities as processes. It is necessary to create a system of links between people, teams and processes to achieve more coherent and predictable results and improve efficiency.

5. **Continuous improvement.**

Excellent organisations must react quickly to changes in the internal and external environment.

6. **Evidence-based decision making.**

Decision-making based on the analysis and evaluation of available data to combat uncertainty.

7. **Relationship management.**

Companies should identify the important relationships they have with stakeholders and establish a plan to manage them for sustained success.[6]

In short, **ISO 9001:2015** promotes the adoption of a process-based approach to enhance customer satisfaction. It is structured as follows:

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6 International Organization for Standardization (2019). *ISO 9001:2015 How to use it, 2*nd Ed.
https://www.iso.org/files/live/sites/isoorg/files/store/en/PUB100373.pdf

1. **Scope**
2. **Normative References**
3. **Terms and Definitions**
4. **Context of the Organisation,** both internal and external. We talk about fundamental elements such as vision, mission, threats and opportunities, weaknesses and strengths (SWOT analysis).
5. **Leadership.** Top management is the protagonist in informing all members of the importance of the management system and encouraging their participation in achieving excellence.
6. **Planning:** provides an understanding of what, who, how and when to act. It includes preventive and corrective measures.
7. **Support needed to meet goals.** E.g. resources, competence, awareness, communication.
8. **Operation:** the organisation plans and controls its internal and external processes, the changes that occur and the unintended consequences of these changes.
9. **Performance Evaluation:** defines when to check performance, to determine what, how and when to monitor or measure something.
10. **Improvement:** here are non-conformities, corrective actions and continual improvement.

The *ISO 9001:2015 How to use it guide*[7] has collected 3 tips for implementation, which might help.

"Tip 1 - Define your objectives. Why do you want to implement the standard?

Tip 2 - Make sure senior management is on board. It is crucial that everyone - from the top down - is supportive of the initiative and its objectives.

Tip 3 - Identify your organisation's key processes for meeting your

objectives as well as your customers' needs. Within each of these processes, make sure you understand your customers' requirements and can guarantee that these are met - each and every time. This will form the basis of your quality management system".

Although ISO 9001:2015 is the most widespread model in management systems, the ISO Standards include other complementary models to address an organisation's quality and aim for sustainable success, such as ISO 9000:2015 and ISO 9004:2018.

- **ISO 9000:2015**[8] contains detailed explanations of the seven quality management principles and definitions used in ISO 9001, plus many useful tips on how to ensure they are reflected in the way you work.

- **ISO 9004:2018**[9] provides guidelines that transcend ISO 9001:2015, as it takes into consideration the effectiveness and efficiency of processes. It is the achievement of continual improvement, measured through customers and stakeholders' satisfaction.

C. Sustainable development models.

Companies that choose to use a *'sustainable development'* management model also work under the budget of excellence. The difference with the previous ones is that they must align the goal of obtaining economic benefits with the commitment acquired to contribute to the fight against climate change, solidarity and wealth creation. In short, they must adopt **ethical attitudes** and behaviour in identifying their processes that contribute to the eradication of growing social differences.

The fundamental principle of sustainable development is stakeholder satisfaction. There are EFQM and ISO models, such as ISO 14001, which works as an international reference framework for environmental management. The company adopting this type of system is willing to manage its environmental responsibilities in a systematic manner without compromising the needs of future generations to meet their needs. The pillar is **sustainability**. This model is applicable to any organisation and applies to the environmental aspects of its activities, products and services that the organisation determines.[10]

There are other environmental certificates such as the Global Recycled Standard; the EU Ecolabel.

In conclusion, the former models aim for the company to achieve excellence from results, and the latter presents a framework for the successful company to achieve excellence from ethical commitment. [11]

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8 See https://www.iso.org/standard/45481.html
9 See https://www.iso.org/standard/70397.html
10 See https://www.iso.org/iso-14001-environmental-management.html
11 Ogalla Segura, F. (2006). *Sistema de Gestion: Una Guia Practica*. Diaz de Santos.
https://books.google.cl/books?id=o56PsqNYIDAC&lpg=PA20&dq=sistemas%20de%20gestion%3A%20una%20gu%C3%ADa%20pr%C3%A1ctica&lr&hl=es&pg=PA18#v=onepage&q=sistemas%20de%20gestion:%20una%20gu%C3%ADa%20pr%C3%A1ctica&f=false

Case study

Repsol is one of the largest global multi-energy suppliers, with a workforce of more than 24,000 employees of over 70 different nationalities. Repsol became a member of the European Foundation for Quality Management in 1996 and decided to take on the commitment to advance towards business excellence by adapting its management system to the EFQM model standards. Among its implementation, the self-assessment policy that it is progressively using to implement the EFQM model stands out.

It can be read on the company's website (https://www.repsol.com/). For Repsol, self-assessment is made up of eight phases.

1. From the first to the third to the **preparation phase.**
2. From the fourth to the sixth to the **evaluation phase.**
3. From the seventh and eighth to the **improvement phase.**

In the end, improvement programmes result, not only from these self-assessments, but also from the mechanisms established in the quality systems (customer complaints, internal or external audits), or any other source of information that detects possible areas for improvement, all with the participation of the entire organisation.

In this context, Repsol prioritises those programmes that go beyond the Business Units in the search for greater benefit for the company, facilitating the exchange of information between units, identifying possible synergies and increasing teamwork initiatives.[12]

To see more companies that use the EFQM model as a quality management system, see https://efqm.org/case-studies/.

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct qualities/definitions of Business Management Systems. A business management system…	Correct ones: 1. .. is the set of processes and procedures used to ensure that the organisation performs all the tasks necessary to achieve its objectives. 2. … enables long-term objectives to be adapted to new circumstances.
Options: 3. .. is the set of processes and procedures used to ensure that the organisation performs all the tasks necessary to achieve its objectives. 4. … enables long-term objectives to be adapted to new circumstances. 5. .. is a system that dispenses with innovation, as all changes are predictable. 6. .. is used to define the strategy	

12 Solano, E. T., Marí, J. H. G., & Casado, N. S. (2014). La política de calidad de Repsol: El modelo EFQM. *Revista De Contabilidad Y Dirección*, *19*, 117–129. https://repositorio.upct.es/bitstream/10317/7389/1/pcr.pdf

that the leader is going to follow with his employees	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain essential elements in management systems that are essential to know in order to align coherently what the company does and what the company wants to be. Link these elements with their definitions.	It specifies what the organisation wants to be ➜ Vision It specifies what the company works for ➜ Mission It specifies the processes that the company intends to carry out ➜ Policy It specifies the ethical behaviour that the company follow ➜ Values
Options:	

Vision	It specifies the ethical behaviour that the company follow
Policy	It specifies what the company works for
Mission	It specifies the processes that the company intends to carry out
Values	It specifies what the organisation wants to be

3. Sorting choice

Question:	Answer:
The EFQM business management model is based on nine basic criteria. Order them accordingly:	1. Leadership 2. Policy and strategy 3. People 4. Partnerships and resources 5. Processes 6. Customer results 7. People results 8. Society results 9. Key results
Options: Leadership People Processes Key results People results Policy and strategy Customer results Society results Partnerships and resources	

Recommended websites/links

- https://www.youtube.com/@TheEFQMChannel
- https://www.youtube.com/watch?v=qSVqDNOkOTo
- https://www.youtube.com/watch?v=8qyqHtc4cOM

Glossary

1. **Management system** - is a structured framework or set of processes and practices designed to coordinate and oversee the activities of an organization efficiently and effectively. It involves planning, organizing, directing, and controlling resources and operations to achieve the organization's goals and objectives.
2. **Shareholders** - are individuals or entities who hold shares of stock in a corporation. They have ownership rights and are entitled to a portion of the company's profits, known as dividends, if and when they are distributed. Shareholders also have the right to vote on certain corporate matters.
3. **Investments** - refer to the allocation of resources, typically money or capital, with the expectation of generating future income, appreciation, or some other form of return. It involves committing funds to various assets, such as stocks, bonds or real estate etc.

Session 3. Business Branding

Business branding is the process of creating a strong and significant favourable perception of a company and its given products or services in the minds of consumers-customers, by the usage of elements, such as its logo and mission statement, as well as numerous marketing communication tactics.

A good branding strategy enables a company to stand out from the competition and build a devoted customer base.

Learning Outcomes

Upon the completion of this section you will learn:

- To define what brand branding and its different aspects, such as the business identity
- To discuss the importance of branding and its role
- The meaning of brand personality
- Ways of selling a brand

Chapter 1. The definition of brand identity – brand awareness – brand equity – brand promise

What is brand identity

Brand identity refers to all the materials and content that an enterprise design – develops, for the purpose of creating the perfect business image for potential customers – consumers. In general, the methods and strategies of creating a strong brand identity includes actions such as:

- ➢ The **designing of a unique – creative logo**
- ➢ The **creation – development** of efficient visual materials and elements that will be used potentially in the future
- ➢ The **creation** of a strong product – service

Benefits of an effective brand identity for an enterprise

Through the development of a strong brand identity – strategy, an enterprise is has the following advantages:

- ✓ **Can attract and pursue new personnel:** A strong brand identity enables a company to recruit and retain potential employees with more ease. When applying for a job, it is very typical for a job seeker to study internet evaluations and criticisms of a firm.
- ✓ **A barrier to the publication of unfavourable words and actions:** Having a strong brand identity, especially over time, may be useful since it allows enterprises to have an added

barrier against acts of unwanted exposure. Maintaining a strong brand identification enables the associated firms to obtain a second change in the event of a future error.

✓ **Price increases in the enterprise's products are tolerated:** When a firm has a strong brand identity, it is free to experiment with the prices of its products or services. For example, regardless of price, it is very typical for someone to purchase a product with a certain emblem that belongs to a strong corporate brand. As a result, a company with a strong brand identification can raise the price of its products without having to fear about prospective customer objections.

✓ A strong brand identity establishes a corporation as the **leading representor** of a product (for example, a technology product) in the worldwide market

Image by Gerd Altmann from Pixabay

The definition of Brand awareness

<u>Branding awareness</u> is a marketing phrase that relates to the capacity and capability of a consumer to recognize a product material or an offered service, just by reading or hearing its name. Simply put, brand awareness is the extent to which customers are familiar with the **characteristics or image of a given brand of goods or services.**

Levels of Brand awareness

1) The **first level** of brand awareness refers to the ability of someone of recognizing the corporates – enterprise name
2) The **second level** of brand awareness refers to the ability of someone of recognizing an enterprise of by its provided products or services
3) The **third level** of brand awareness refers to the ability of someone recognizing an enterprise by reading or hearing a slogan – catchphrase or just by observing a specific logo

Overall, the level of success for an enterprise is <u>proportional to the level of its corporate brand awareness</u>.

The definition of brand equity

The degree of the effect that a company brand may have on present or anticipated - potential consumers is referred to as **brand equity**. In their effort to create and maintain a positive disposition in their customers - consumers eyes, businesses all over the world are establishing their brand, primarily through the creation and development of positive **impressions** and **experiences**, typically by using certain luring methods and strategies, in

order to increase the sale rate of their products - services. Typically, the procedures of developing and giving enticement to potential customers are accomplished through:

➢ Sensitization campaigns
➢ Marketing promises

Benefits – advantages of a strong brand equity

A strong brand equity gives an enterprise the following advantages among its rivals:

➢ **Recognition of a company among its competitors:** With a high brand equity, a firm may completely separate itself from its competitors, even if they are selling the same product or service. People typically do not care about the quality of a product at this pace of recognition. Instead, they are just concerned with the product's branding
➢ **An enhanced level of client familiarity with a brand:** An high degree of familiarity results in the formation of <u>Emotional Connections</u> between consumers and a delivered product, which has the unintended consequence of the development of a very loyal client base
➢ A high business equity acts as a ''**safety cushion**'' in the event of a probable fault in product or a poor service quality, e.g.

Definition of brand promise

Brand promise is the process by which an enterprise is able to continuously fulfill the demands and expectations of the global consumers. In general, a brands promise includes the experience that a potential customer receives, after the procedure of interacting with a certain company and its products. In simple words, it is what a consumers expects from a company when they are buying or renting a product or service.

The process of development of a company's brand promise

Many big corporations, Nike for instance, bases its smooth process of operation on the creation and maintenance of ingenious brand promises. But what is the process of a company to create an effective brand promise? The detailed steps of developing a strong brand promise can be summarized below:

1) In order to create an effective brand promise, a company has to <u>understand at first what expectations and desires its target audience has. What they want and what they do not want in simple words</u>

Image by John Hain from Pixabay

2) A corporation, while developing a brand promise, it must be able to <u>deliver and fulfil these promises to the consumers</u> due to the fact that unfulfilled corporate promises lead to negative impacts

3) It is extremely important for an enterprise to create a brand promise that <u>aspires uniqueness, inclusiveness and positivity</u>

Source: Evan Tarver. (2022). *Brand Identity: What it is and how to build one.* Investopedia: https://www.investopedia.com/terms/b/brand-identity.asp

Source: Deanna deBara. (2022). *What is brand identity? And how to develop a great one.* 99 Designs: https://99designs.com/blog/tips/brand-identity/

Source: Khoros Staff. (2019). *3 surprising benefits of a seriously strong brand.* Khoros: https://khoros.com/blog/benefits-of-a-seriously-strong-brand

Source: BMedia Group. (2022). *Why is brand awareness important.* BMedia Group: https://www.bmediagroup.com/news/why-is-brand-awareness-important/

Source: Marketing Evolution. (2022). *Brand equity: What it is & why it's key to your business.* Marketing Evolution: https://www.marketingevolution.com/marketing-essentials/what-is-brand-equity-marketing-evolution

Source: Cole Scott. (2021). *Top advantages of a strong brand equity.* FuseboxOne: https://www.fuseboxone.com/blog/top-advantages-of-a-strong-brand-equity

Source: Martina Bretous. (2021). 3 easy steps to build your brand promise [+10 examples]. HubSpot: https://blog.hubspot.com/marketing/brand-promise

Chapter 2. Brand Personality

The definition of Brand Personality

The totality of a brand's emotional, behavioural and psychological trends and characteristics that are able to endure as distinctive and eccentric, over the duration of its existence, is what is referred to as a brand personality. Overall, there are certain qualities and traits that appeal to humans, who operate under the identity of consumers. The identity of brand actually includes its overall personality. By actively nurturing the consumers – customer's impressions, through the effective process of market communications, the traits of a brand personality can be transferred – communicated through its **tone of voice**, through its **liaison style** and through **behavioural patterns**. In simple words, the brand personality refers to the human characteristics that consumers attribute to a brand.

The multiple types of an enterprise's brand personality

Customers are particularly **devoted** to unique and specific brands for a variety of reasons and conditions. Customers may believe that they **share distinctive and similar features** with a certain brand for instance. In other words, there is an unofficial relationship between an enterprise's brand and the qualities - characteristics of an individual - customer.
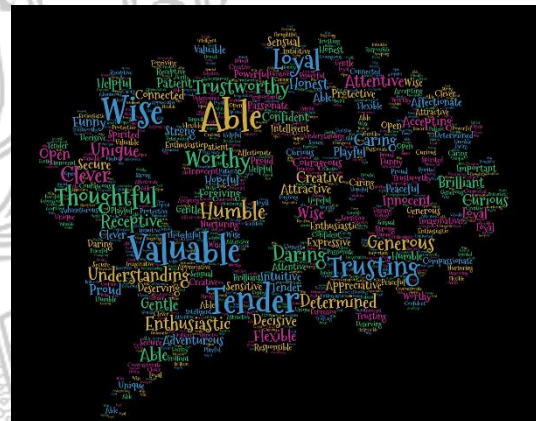
Examples of brand personality

The following examples can summarize the traits of a brand personality

1) **Excitement**, which is associated with the traits of youth and carefreeness.
2) **Sincerity**, which resembles kindness, innocence and trustworthiness.
3) **Ruggedness**, which is personalized by athletic and outdoorsy characteristics.
4) **Competence,** which is characterized by attributes such as leadership, achievement and influence.
5) **Elegance,** which is related to sophistication.
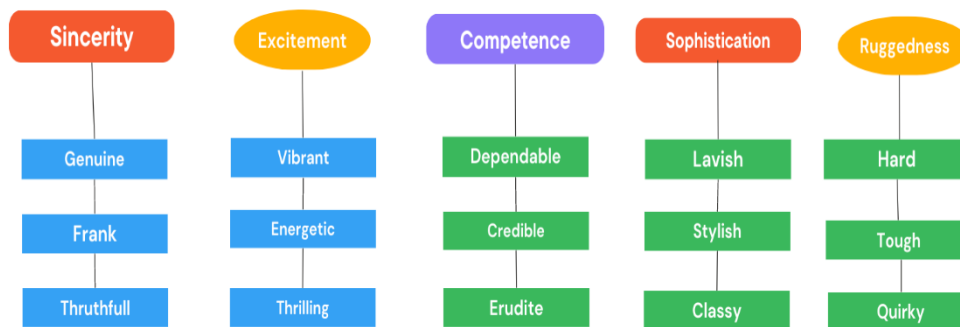6) **Desirability,** which is related to allure and prestige.

Elements of brand personality – Brand personality dimensions

Brand Competence, Brand Sincerity, Brand Excitement, Brand Sophistication and Brand Toughness – Ruggedness are the **five fundamental elements** of brand personality. Many businesses opt to utilize a brand character to communicate their brand personality and to aid in their brand storytelling process. The traits of each dimension of Brand Personality is described in the following graph:

Elements – Dimensions of Brand Personality

Sincerity	Excitement	Competence	Sophistication	Ruggedness
Genuine	Vibrant	Dependable	Lavish	Hard
Frank	Energetic	Credible	Stylish	Tough
Thruthfull	Thrilling	Erudite	Classy	Quirky

attractiveness

Source: Canva

Importance of brand personality

In today's global economy, brands are clambering over one another in the hopes of engaging, authentically, with their distinct audiences - consumers. As a result, it is necessary for an enterprise to have a clearly defined and compelling brand identity in order to keep its internal structure healthy and, most crucially to maintain its competitive spirit.

By giving an enterprise's brand some certain but distinct personality features, it acquires the following benefits:

1. Greater level of **attractiveness** to the consumers perception
2. Greater level of **approachability**

They will come a time, depending on the level of the brand attachment, that customers will be speaking about a company, as if they are speaking about a person.

Ultimately, a strong and well-established brand personality may contribute to the growth of an enterprise's brand equity by differentiating the firm from its rivals while retaining a competitive edge.

Strong and relevant examples of brand personality

For the further understanding of the Brand Personality process, some illustrative examples will be given bellow, regarding the brand personality of big companies. Jennifer L. Aaker, a Stanford marketing and branding specialist, created the **Brand Personality Framework**. She proposed a basis for conceptualizing the brand personality, using a five-dimensional model in a significant study, published in the Journal of Marketing Research in 1997. These dimensions are:

- **Sincerity**: This personality type, like Patagonia, is ethical, trustworthy, and down-to-earth

- **Excitement**: These brands, such as Red Bull or Tesla, are frequently aggressive, inventive, and energetic

- **Competence**: brands with this personality characteristic are intelligent, like Volvo or Microsoft

- **Sophistication**: These brands, such as Chanel, are frequently upper-class, glamorous, and endearing

- **Ruggedness**: Rugged brands such as Harley-Davidson and Land Rover are known for being robust and outdoorsy.

Each dimension is further defined by a brand's personality qualities, and it is this resulting blend of **attributes** that define and identifies a brand.

The aim of evaluating where a brand sits on the brand personality spectrum is to identify the **personality traits and qualities** that are compatible with a brand's positioning, purpose and values.

Source: Matthew Paul. (2022). Brand Personality: Definition, examples, and how to define yours. The Branding Journal: https://www.thebrandingjournal.com/author/matthew_paul/

Source: Aaker, J. The Brand Personality Framework

The process of development a brand personality

In order for entrepreneurs and their associated firms – brands, to design and develop a successful brand personality, they must consider **key characteristics** such as:

➢ The **visual and experiential identity** of a brand resonates its personality. A powerful brand personality has a distinct appearance. Images and other visual components can be embedded in the mind of the prospective consumer.

➢ The brand's **communicational style - pattern** reveals its individuality – the manner and means through which a company conveys its brand, whether through text or audio-visual means. A brand's temperament is determined by its **key personality attributes.**

➢ A brand's approaches and strategies **exemplify** its brand identity. The way a brand operates in relation to its global location should reflect its brand personality characteristics.
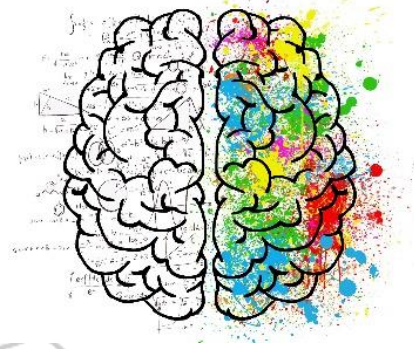
Source: McAllister Marketing. (N.D). The importance of Brand Personality. McAllister Marketing: https://mcallistermarketing.com/the-importance-of-brand-personality/

Chapter 3. Designing a strong corporate identity – Methods of selling – promoting a brand

Definition of a strong and relevant corporate identity

A powerful and successful company brand ''bridges the gap'' between businesses and prospective - future customers. This occurrence is related to the formation of a memorable recognition patterns about an enterprise's personal identity. A good corporate identity may act as a **positive linking tool** between the brain and thoughts of customers and a corporation's brand – corporate identity. In general, having a strong corporate identity allows a company to thrive optimally in a highly competitive global marketplace that is always evolving. Additionally, a strong corporate brand may improve both the **conscious** and **subconscious** perceptions of a company's clients.

Image by Gerd AltMann from Pixabay

Steps of creating a strong corporate identity

➢ Because branding and identity are unlikely to appeal to everyone, the **first step** in building a great corporate identity - business brand is identifying the ideal customer- consumer target audience.

DETERMINATION OF THE IDEAL CONSUMER

➢ The development of a unified profile that incorporates colour palettes, typefaces, and visuals is the **second part** of developing a distinctive corporate brand – corporate identity. This profile can be modified by features such as sophistication, tranquillity and so on

DEVELOPMENT OF A COHESIVE PROFILE

➢ The **third stage** relates to an enterprise's corporate personality and involves many aspects of morals, ethics and emotions, as it aims to determine how a client truly feels about a corporation and its given goods or services.

PROMOTION OF A CERTAIN CHARACTER AND ACTIONS

➢ Regarding the **fourth** and final step, it is crucial for a corporate brand to adapt, according to the societal requirements of its consumers – customers and to be consistent through changes.

BEING CONSISTENT THROUGH CHANGES IN THE COURSE OF TIME

Source: Canva

Source: Indeed Editorial Team. (2022). *How to create a strong corporate identity in 6 steps.* Indeed: https://www.indeed.com/career-advice/career-development/create-corporate-identity

Definition of selling a brand

An enterprise's established brand, as well as its delivered items, may be marketed and sold in a worldwide marketplace. But marketing a brand includes more than simply displaying a list of features. It requires creating a customized message and explaining why a certain firm is well-known.

The process of marketing the brand of an enterprise can be summarized into the <u>following steps – actions</u>:

1) **Self-acknowledgement** → the statement of what the brand stands for and what it symbolizes.

2) The **development of a key message** → the creation of a catchphrase that is no longer than a few phrases, in order to effectively interact with prospective - future customers.

3) The **identification of the proper target audience** → one of the most essential laws of brand selling processes and marketing in general is the provision of something that the clients demand - want. A potential entrepreneur must first select a target audience <u>that is looking for what he or she has to offer</u>

4) The **usage of various and multiple communicational channels** → In order to sell – promote their brand, entrepreneurs must do more than have an enticing brochure - they have to advertise their brand. They have to market their company brand necessitates in all-encompassing marketing approach that includes a strong and successful digital presence (such as a current website, active Social Media accounts, and a corporate blog with frequent articles)

5) **Being consistent – having consistency** → The most powerful brands in the world are containing the trait of consistency in their acts, regularly reaffirming it via their endeavours

Source: Connor Brooke. (2022). How to sell your brand. Business2Community: *https://www.business2community.com/branding/how-to-sell-your-brand-0203108*

Source: Bonline. (N.D) The importance of a strong corporate identity for business. Bonline: https://www.bonline.co.za/the-importance-of-a-strong-corporate-identity-for-your-business/

Case study

The example of Apple

Everyone has a good idea of who Apple is. Apple is an American technical company and the world's largest corporation. It was founded in 1976 by Steve Jobs and Steve Wozniak and now, Apple employs more than 164.000 people worldwide. Apple's income has surpassed 365 billion dollars only in 2021.

Source: Canva

Disclaimer: I do not own any of these photos. Please note that all images and copyrights belong to their original owners. No copyright infringement intended.

How Apple rose into prominence?

Apple rose in prominence in the worldwide marketplace by developing a **strong brand identity**, including a simple yet powerful logo that hasn't changed throughout the years. As indicated in earlier chapters, having a strong brand identity leads to the acquisition of a deterrent against unfavourable remarks. In addition, Apple is a pioneer in the field of brand awareness. Its renowned phrase, "Think different," is recognized everywhere and by everyone.

Furthermore, Apple is famous for its well-known **brand equity**, which means that Apple has a significant influence over prospective and future consumers - customers by consistently creating positive <u>experiences</u> and <u>impressions</u>, such as the perception of **quality** and **safety** that its products provide.

As stated in earlier chapters, Apple is able to consistently meet its consumers' expectations and subjective demands in terms of the **brand promise**. Considering its brand personality, Apple encompasses numerous facets of brand personality, as customers associate Apple with **innovation**, while still recognizing the prevalence of **simplicity**. Apple's brand is mostly focused on emotions. The perception of Apple by consumers and customers is referred to as its brand personality. Furthermore, while charging such high prices for its products, Apple has managed to reflect the traits of **simplicity** and **honesty**.

Source: Kristina Mišić. (2020). Apple Case Study: What can brands learn from Apple? Medium: https://medium.com/markupgrade/apple-case-study-what-can-brands-learn-from-apple-3c91ea4a49ac

Source: Graham Robertson. (N.D). Apple case study: How Steve Jobs built Apple around simplicity. Beloved Brands: https://beloved-brands.com/apple-simplicity/

Interactive activity

1. Multiple choice

Question:	Answer:
Select the correct answers. What kind of traits does the sophisticated dimension of a brand personality include?	Correct ones: 7. Lavish 8. Glamorous 9. Stylish
Options: 1) Dependable 2) Vibrant 3) **Lavish** 4) **Glamorous** 5) Frank 6) Credible 7) **Stylish** 8) Thrilling 9) Exhilarating	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain steps - phases that need to be followed accordingly, in order to create a <u>strong corporate identity</u>. Link in the appropriate ranking:	Determination of the ideal consumer – target audience ➔ Step one – phase The development of a cohesive profile ➔ Step two The promotion of certain characters and actions ➔ Step three – Third phase Being consistent through changes in the course of time ➔ Step four – Fourth phase
Options:	
Step one – First	The development of

phase	a cohesive profile
Step two – Second phase	Determination of the ideal consumer – target audience
Step three – Third phase	Being consistent through changes in the course of time
Step four – Fourth phase	The promotion of certain character and actions

3. Sorting choice

Question:	Answer:
For the purpose of effectively selling a brand, entrepreneurs need follow specific steps. Order them with the appropriate ranking:	10. The definition of what purposes the brand stands for and what it represents 11. The development of a smart catch phrase 12. The identification of the proper target audience 13. The usage of the multiple communicational channels

Options:	14. Having consistency in the mandatory actions
- The development of a smart catch phrase - The definition of what a purposes the brand stands for and what its represents - Having consistency in the mandatory actions - The identification of the proper target audience - Usage of multiple communicational channels	

Recommended websites/links

- https://www.universitylabpartners.org/blog/effective-ways-to-brand-your-business-for-success
- https://www.youtube.com/watch?v=kSAR1fvmPMg&ab_channel=CoreyNelson
- https://www.youtube.com/watch?v=Wwu3Qvs31vk&ab_channel=InvestorsTradingAcademy

Glossary

1. **Logo -** is a graphic symbol, emblem, or mark that represents a company, brand, organization, product, or service.
2. **Marketing -** is the strategic process of promoting, advertising, and selling products, services, or ideas to target customers or clients.
3. **Brand identity -** refers to the collection of visual, verbal, and experiential elements that represent a brand and distinguish it from its competitors.

Session 4. Soft skills in business

Introduction

Soft skills are an important asset for businesses, since they enable effective communication, problem solving, understanding and empathy between staff, but above all between the important business-ccustomer rrelationship. This module is divided into three chapters: The first chapter analyses the most important hard and soft skills in business based on surveys for 2022. The second chapter focuses on the important leadership. Skill and characteristics of the leader, while the third chapter presents public speaking practices in order to communicate effectively.

The expected learning outcomes for learners of this material are to:

- Identify the necessary soft and hard skills of nowadays
- Cultivate the skill of leadership
- Develop public speaking skills

Chapter 1. Soft vs Hard Skills

It is a fact that the conditions of these days have changed the way in which we perceive the concept of work. The coronavirus pandemic has created a new reality in the labour market.

Academic and technical knowledge, the so-called "hard skills", while they are what will get a candidate to be interviewed for a job, are not what will keep them in that position or rather, they are not the only ones that will keep them there.

Employers are now seeking for more essential skills such as communication, empathy, the ability to manage problems or situations that cannot be predicted, and critical thinking. These skills are part of the so-called soft skills (soft or horizontal skills) and are considered as factors of long-term success in the workplace. These skills became more imperative during the coronavirus pandemic as an unstable, uncertain and constantly changing situation was created.

In today's highly competitive age, it is of the utmost importance that one possesses skills that can set one apart from the ever-increasing crowd of academic degree holders. Among a multitude of qualified individuals, the possession and use of soft skills can be a determining factor in whether or not a job is found. Soft skills, often also called "people skills", "social skills" and "interpersonal skills", are skills that refer to the combination of a person's interpersonal communication skills, personal beliefs, emotional intelligence and basic personality characteristics. These competencies are not limited to the workplace or a specific field of expertise. They are widely applied in daily life and in various professional areas. Most importantly, soft skills can be cultivated and developed throughout our lives.

Hard Skills / Soft Skills

	Hard Skills	Soft Skills
Definition	Hard skills, or technical skills, are learned through education or hands-on experience. These are concrete, measurable abilities that are often specific to a job.	Soft skills, or people skills, are traits and abilities that you develop throughout your entire life. Soft skills speak to how and why you are motivated to do certain things.
Examples	• Foreign languages • Adobe Creative Suite • Healthcare-related certifications or licenses • Programming languages (JavaScript, etc) • Website development • Content development • Copywriting • Copyediting • Budgeting • SEO marketing • Statistical analysis • User interface (UI) design • Proofreading	• Communication • Critical thinking • Adaptability • Creativity • Problem-solving • Organization • Willingness to learn • Leadership • Dependability • Work ethic • Teamwork • Time management • Decision-making

The most wanted hard and soft skills

The adoption of automation and the automation of many processes in businesses is constantly changing the required skills among the staff. Thus, there is an increasing need for non-technical skills, but equally necessary for effective participation in work. According to the World Economic Forum's Future of Work Report, 50% of workers will need to update their skills and their abilities by 2025, due to the increasing adoption of new technologies.

The professional networking and job search platform LinkedIn has identified the highest in demand hard and soft skills for 2022, using data from its millions of members.

In order to find the most in-demand skills, LinkedIn analysed job postings in three months' worth of posts, with these appearing in 78% of posts. The aforementioned data was compared to the top skills professionals had in 2015. LinkedIn finds that skills have changed about 25% since 2015 and are expected to change by 41% by 2025.

As digital developments continue to transform the labour market, technology-related skills are already and are expected to be even more important in the future, than ever. Specifically, the hard skills with the greatest demand for 2022 are:

- Blockchain
- Video design
- Cloud computing (Microsoft Azure, Amazon Web Services
- Web analytics

- AI
- UX Design
- Business Development
- Affiliate marketing
- Online Sales

However, even candidates with exceptional hard skills need the soft skills to stand out and succeed in the workplace. In fact, 57% of leaders believe that soft skills are more important than hard skills, including Sheryl Sandberg (Facebook CEO) and Eric Schmidt (Google Executive Chairman)

To identify the most sought-after soft skills, LinkedIn conducted a survey asking 2,000 business leaders what soft skills they would like to see in their employees. These are the soft skills they declared:

- The sense of efficiency
- Organizational skills
- Communication skills
- Emotional intelligence
- Social intelligence
- Versatility
- Flexibility
- Team spirit
- Solidarity with others
- Sense of initiative
- Creativity

Chapter 2. The power of leadership

What is leadership?

As a term, leadership refers to both a process and an attribute.

As a process, leadership according to Burada is influencing the actions the behaviour of a small or large, formal or informal group of people by a person (leader) in such a way that they (voluntarily) willingly and with appropriate cooperation try to implement goals that derive from the team's mission, with the greatest possible efficiency.

As a quality, leadership is the set of characteristics attributed to someone who is considered to use influence successfully.

A leader is best
when people barely know
he exists,
when his work is done,
his aim fulfilled,
they will say:
we did it ourselves.
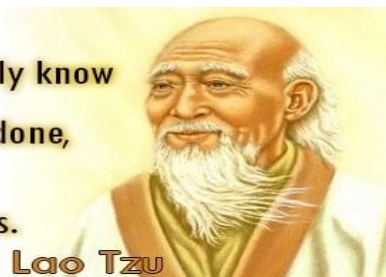
Lao Tzu

Photo Source: QuotesGram

Management has four basic functions:

- Programming
- Organisation
- Leadership/ Mentoring
- Control

Management includes leadership. A good leader may not be a good manager, but a good manager should be a good leader.

Modern business practice suggests that both roles are equally important. The modern leader, at any level, is called upon to combine individual characteristics in order to truly help the people under his charge. To better understand this, let's see how John Kotter (Konosuke Metsushita Professor of Leadership, Harvard University) defines the two roles:

Management is a set of processes that support the operation of an organization. They assist in every day functioning of the organization and reaching the numerical goals of the quarter. The process involving planning, budgeting, filling and specifying jobs, measuring performance, and solving problems when results did not go according to the original plan.

Leadership is the alignment of people with the vision which, by extension, means consensus, communication, motivation and inspiration.[13]

Leader and Manager

Leadership and management are complementary and mutually influencing functions- roles, equally necessary for the effectiveness of executives and the organisations they manage. Management mainly deals with complexity in modern organisations, while leadership deals with the changes of the modern world.

The main differences between the characteristics of a manager and a leader are presented in the table below:

MANAGER	LEADER
Appointed	Arises
Uses legal – "given" power	Uses personal power
Gives instructions, commands, rewards, punishments	Has a vision, inspires, convinces

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13 Kotter, J. P. (1990). A force for change: How leadership differs from management. The Free press, New York, NY.

Controls	Gains trust
Emphasises on processes, systems and logic	Emphasises on people, emotions and feelings
Moves in predefined – standard frames	Opens horizons, expands frames
Accepts and manages the status quo	Challenges the status quo, makes changes, innovates
Accepts reality	Research reality
Has short term perspective	Has long term perspective
Does things right	Does the right things

*Source: LEADER KAI MANAGER *Mbourandas (2002) Management, Athens, page. 315*

Despite all the positive traits a leader can have, **there are key differences between a leader and a manager.** Among the most essential ones is that **the manager or supervisor is appointed** (due to years of experience, seniority, etc.) while **the leader emerges from the crowd**; essentially, his leadership characteristics make him stand out. The manager uses the power that is legitimate because it has been given to him due to his position in the business environment, while the leader uses this personal power. The manager gives instructions-commands- rewards- punishments and motivates others through subordinate needs to fulfill professional goals. On the contrary, **the leader inspired, conveys a vision, persuades and motivates through ideal values and higher needs giving a common goal to all who want to achieve, each for his own personal reason but also all together as a real team with common goals and visions.**

What characterises effective leadership?

According to Ron Heifetz[14], effective leaders:

- ✓ Ask
- ✓ See
- ✓ Listen
- ✓ Admit their mistakes
- ✓ Mobilize

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14 Source: Harvard Business Review Leadership

Leaders ask why!

## The Golden Circle

WHAT
Every organization on the planet knows WHAT they do. These are products they sell or the services

HOW
Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

WHY
Very few organizations know WHY they do what they do. WHY is not about making money. That's a result. WHY is a purpose, cause or belief. It's the very reason your organization exists.

WHY
HOW
WHAT
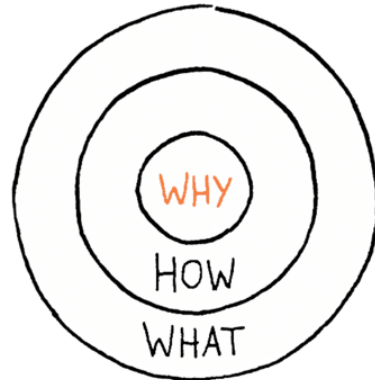
Source: Simon Sinek

Recommended video to watch

https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action?language=en

Leaders see everyone around them, regardless of ideas, beliefs, social or financial characteristics !

James Erson Painting
'Christ's Entry into Brussels'
(1889)

Expressionism

The history of democracy and socialism in a spam of two centuries and how 'masses' are perceived.

Photo source: Fine Art America

Leaders Empathize

Leadership without emotional intelligence is like a dance without rhythm!
Πηγή:(Boyatzis, 2003)

Empathy is
seeing with the eyes
of another,
listening with the ears
of another,
and feeling with the heart
of the another

- ALFRED ADLER -
| TheMindsJournal

MINDJOURNAL

Photo Source: The Minds Journal
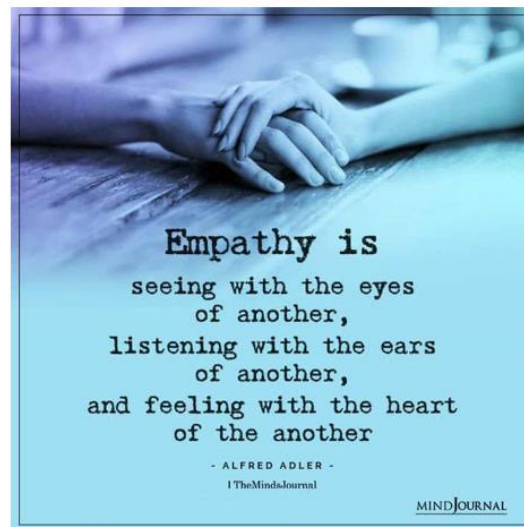
Mistakes are the stepping **stones to success.**

John C. Maxwell

Photo Source: QuoteFancy

Leaders admit their mistakes

Photo source: Shutterstock

Leadership in a period of crisis

Harvard professor Ron Heifetz and his colleagues distinguish the difficulties in exercising leadership in times of crisis and suggest the following actions:[15]

Support customisation

Managers today face two conflicted requirements. They must act to meet today's challenges and must adapt what they do an how they do it in order to thrive in tomorrow's world. They need to develop "next-step practices" while seamlessly implementing today's best practices.

Accept the lack of balance

When the sense of urgency is missing, difficult changes are much less likely to be made. But also when people feel too much discomfort, then they either react or leave or freeze. The art of leadership in today's world requires handling the inevitable conflict, chaos, and confusion of change so that discomfort becomes productive rather than destructive.

Create leadership

The ability of a business does not usually come from some sweeping new initiative dreamed up by the company's management, but from the accumulation of small adaptations that

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15 Heifetz, R., Grashow, A. & Linsky, M. (2009). Leadership in a (permanent) crisis (Ηγεσία σε μόνιμη κρίση). Harvard Business Review, issue July August.

came from the whole company, from its various micro-environments. Even great success it the product of many experiments, one of which leads to progress.

Take care of yourself

Firstly, you must allow yourself to be both optimistic and realist. This will create a healthy tension that does not allow the optimism to become denial and realism to develop into cynicism. Secondly, you must have refuges in which you can think about the events and distance yourself from them. A refuge can be a place or an activity that allows you to escape and review your reactions.

Thirdly, open up to trusted friends to whom you can talk about your work and explain to them the reasons that lead you to your actions.

Fourth, be emotionally open to your work. A proper expression of feelings can be an effective tool for change, especially when done with the right attitude. Maintaining balance shows others that even though there is an emotional charge, the situation can be controlled.

Finally, don't get lost in your role. If your life is defined by a single endeavour, no matter how important your work is to you and others, then you are vulnerable when things change. You also miss out on other opportunities for fulfilment.

LAO TZU

CHANGE YOU MIND…   AND EVERYTHING ELSE WILL   FOLLOW

Chapter 3. The "Art" of public speaking

Rhetoric, according to Aristotle, is the ability to find existing persuasive arguments for any subject. It is the art of "in speaking" with the purpose of persuasion. Speech is a basic means of communication but also a great power. It has the power to present the great small, the small to make big, the old to make new, and the recent to make obsolete. It is certainly a talent, a gift of nature, but it has developed into an art and science that is taught and studied and entered into rules.

Today, the spoken word is experiencing a revival. With the help of technology, through video recording and free distribution and access on the world of wide web, many speakers are gaining audiences of tens of thousands and often millions from around the world, and more and more TEDx conferences are being organised. For example, Sir Ken Robinson's famous speech "How school kills creativity" has approximately 75 million views.

https://www.ted.com/talks/sir_ken_robinson_do_schools_kill_creativity?language=e

When we talk about rhetoric, we refer to the skilful use of spoken language, both in the context of prepared speeches and in situations where spontaneous and improvised speech production is required. The classical tools of the orator (Finding, Order, Word, Memory and Response) as well as the basic dimensions of persuasion according to Aristotle, (Ethos, Reason, Passion) are fundamental elements of dealing with rhetoric which ultimately enhances decency, equanimity and self-confidence.

The skill in rhetoric, which is cultivated through a variety of exercises in non-formal education and through the systematic practice of rhetorical events (expressive reading, spontaneous speech, group discussion, persuasive speech, contest of counterargument/aetiology, etc.), is necessary for developing confidence in public speaking through good use of body language, voice, eye contact, developing critical thinking and evidence-based argumentation, as well as teamwork. Debates in particular, cultivate research skills on current but also timeless issues and the general formation of the personality of the participants in them, strengthening their broad-mindedness, reducing their intolerance and enhancing their status as citizens.

A characteristic speech that is a notable example in the history of rhetoric is Martin Luther King's speech on August 28, 1963, in the presence of 200,000 protesters, where they met at the Abraham Lincoln Memorial to demonstrate their opposition to all forms of discrimination. King will deliver his speech, beginning with the phrase "I have a dream…". https://www.youtube.com/watch?v=3vDWWy4CMhE
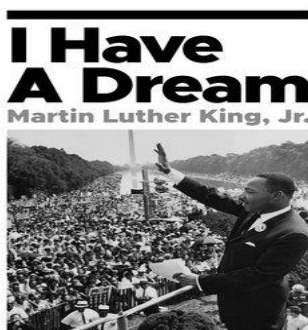
Source: Alexandria Library

Tips on public speaking

Preparation

Proper preparation is a prerequisite for a successful speech. Thorough preparation also gives confidence and assurance of success. If you seem to own your subject, you become more objective and more persuasive, Make sure you know and are sure of the message you want to convey.

Write and rewrite your speech until you are sure you have stripped it of everything unnecessary. Study and research before you start writing. Be prepared and prepare again so that you know your subject "with our eyes closed". You must know and appear to know more than you are saying.

Use short sentences and paragraphs and as simple words as possible. Borrowing quotes, words, observations or conclusion from other people's speeches, presentation or writing is legal. Passing them off as your own is unethical and illegal. Practice reading or saying your speech in front of a mirror. Record or videoscope yourself and study your speech. Correct any mistakes.

Speech

Check both the venue where your speech will be held and the composition of the audience. Breath control is of a great importance in speaking. With appropriate breathing exercises, learn to breath properly, thus stimulating your body, brain, thinking and speech.

Avoid reading your speech from a written text since you will limit the eye contact you have with the audience as well as your body from moving freely. Besides, it gives the impression that what you say in not fresh. Try to speak from notes or from an outline you have prepared. In this way it is felt that you are speaking from the heart. Don't sugar coat your speeches.

Use examples and illustrations, they make the speech more lively. If you can't have a dialogue with the audience, use dialogue through your speech. It becomes more spectacular. If you have found what the audience is interested in, talk to them about it. Don't make a show of spirit. If you panic, take two or three deep breaths and look at your notes. Remember that the audience wants you to succeed and overcome every obstacle.

Approach every public speech with great responsibility. Everything you say and everything you present (brochures, films, slides, etc.) will continue to exist for quite a long time after your speech is finished.

Be careful when you talk of think you are talking without microphone. Respect the time that have given you to speak. Always ask what time you should finish and what will happen if you can't catch up to this time.

Photo Source: Dawn

Body language

Much of the impression you make depends on "body language". That is, the way you express yourself with your head, face, eyes, and hands or even with small steps. From these, the audience evaluates your seriousness, reliability and personality.

You must adopt a decent, upright, modest, free and natural attitude. Gestures reflect your emotions, so they should be comfortable and natural. Excessive and unnatural movements tire the listener and show weakness of arguments. At the same time, the complete lack of gestures freezes the speech and makes it boring.

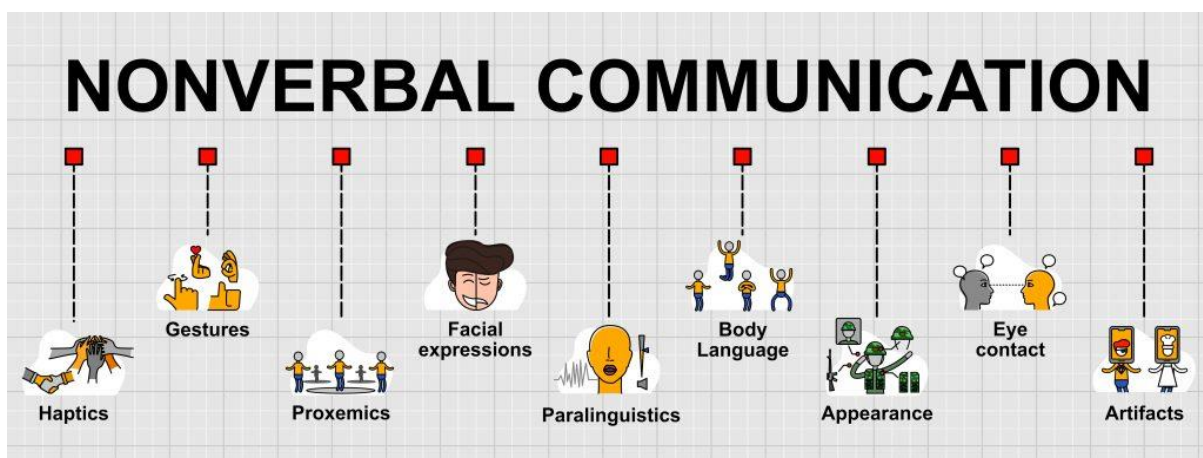You need to make eye contact with the audience as much as possible.

Photo Source: Aralia Education Technology

Pauses in speech are an important element. They help you to take the necessary deep breaths, but also to prepare your next thought. They also help the listener to assimilate and deepen what he hears. The colour, volume and tone of the voice are of great importance in speech. By varying the tone of your voice and by using the appropriate timbre, you charm, conquer and persuade the listeners. Raise or lower the tone of your voice but don't shout. Public speaking is not a demonstration.

Big disadvantages are considered fast and non-pausing speech, bad articulation and monotony, missing syllables and half-finished sentences.

Dramatize your speech (cry, laugh, get emotional), but in moderation and where is necessary. Embrace your speech with emotion but don't overdo it, you will be ridiculed. Ask the audience to participate, e.g. to applaud or stand for some reason.

At the end of the speech, give the audience time for questions and feedback, as well as your contact information so they can get in touch with you or the organisation you represent.

Case Study

Source: https://www.grantthornton.com.cy//

Grant Thornton Cyprus is one of the leading professional services firms in the country. Founded in 1942, the firm became a member of Grant Thornton in 1982. It offers a full range of specialist insurance, tax, advisory and outsourcing services to clients – from public companies and multinationals to private enterprises, across a wide range of industries.

Grant Thornton Cyprus has established learning as a strategy and investment, providing its people with high-quality learning programs that enhance individual and organizational capabilities. The Learning and Development Policy is an integral part of the company's strategy for its staff, who participate in tailored programmes about continuous personal development in order to maintain their technical knowledge, professional skills, soft skills and values.

Grant Thornton's development program also includes a range of soft skills development programs (e.g., Professional and Personal Leadership, Human Resource Management and Performance for Success, Mentoring skills for young Managers).

The 4 leadership training programs are noteworthy:

- Senior Leadership Programme (SLP)
- Advanced Leadership Programme (ALP)
- Emerging Leadership Programme (ELP)
- Exceptional Coach Programme

More information about the programs can be found here: https://www.grantthornton.com.cy/careers/the-grant-thornton-difference/learning-development/

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct definition of soft skills. Soft skills..	Correct ones: 1. …. Are traits and abilities, that to you develop your entire life. 2. … speak to how and why you are motivated to do certain things.
Options: 3. …. Are traits and abilities, that to you develop your entire life. 4. … speak to how and why you are motivated to do certain things. 5. .. are learned through education or hands-on experience. 6. .. are concrete measurable activities that are specific to a job.	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain leadership activities that are recommended in periods of crises. Link these activities with their descriptions.	Act to meet today's challenges and adapt what you do and how to thrive in tomorrow's world. ➔ Adaptation The art of leadership in today's world requires handling the inevitable conflict, chaos and confusion of change so that discomfort becomes productive rather than destructive ➔ Accept the lack of balance Even great success is the product of many experiments, one of which leads to progress.➔ Create Leadership Be optimistic, take care of your
Options: | Adaptation	Even great success is the product of many experiments, one of which leads to progress.
Accept the lack of balance	Act to meet today's challenges and		

	adapt what you do and how to thrive in tomorrow's world.	emotions and reactions, talk to friends and enjoy your habits.➔ Take care of yourself
Create Leadership	Be optimistic, take care of your emotions and reactions, talk to friends and enjoy your habits.	
Take care of yourself	The art of leadership in today's world requires handling the inevitable conflict, chaos and confusion of change so that discomfort becomes productive rather than destructive.	

3. Sorting choice

Question:	Answer:
Public speaking contains a serious of steps. Order them accordingly:	15. Research and Study 16. Write your speech 17. Practise your speech 18. Check the premises 19. Provide Speech 20. Questions/ Feedback 21. Contact details.
Options: Provide Speech Write your speech Check the premises Research and Study Questions/ Feedback Contact details. Practise your speech	

Recommended websites/links

- https://www.youtube.com/watch?v=ioocNc-HvTs (On Leadership Ronald Heifetz)
- https://www.linkedin.com/learning/stories-every-leader-should-tell/great-leaders-are-great-storytellers
- Sinek, S. (2009). How Great Leaders Inspire Action, Speech on Ted. https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action?language=el

Glossary

1. **Public speaking -** is the act of delivering a speech or presentation to an audience. It involves the effective communication of ideas, information, or opinions in a clear, engaging, and persuasive manner.
2. **Cloud -** often referred to as "the cloud," is a model for delivering computing services over the internet on-demand. It involves the storage, processing, and management of data and applications on remote servers rather than on local devices or traditional physical infrastructure.
3. **Video design -** refers to the process of planning, creating, and producing visual content in the form of videos. It involves combining various elements such as graphics, animations, text, audio, and video footage to convey a specific message.

Session 5. Client Relation Management System (CRM)

Any startup business faces significant challenges in attracting and retaining clients. You work incredibly hard to promote your brand and draw in new customers through pricey marketing, branding, and advertising. The term "client relationship management" describes how a business interacts with its customers and how it goes about creating a fruitful business partnership. Consistent revenue, client retention, and brand reputation are all benefits of effective client relationship management.

After completing this session student are able to:

• Know what client relationship management (CRM) is and why it is important for a business

• Build a basic client management strategy

Learning Outcomes

In this section you will learn:

1) Understand your client's needs.[16]

2) How to keep clients happy[17]

3) How to deal with "difficult" clients[18]

4) How to retain your clients

5) Create your own client management system.
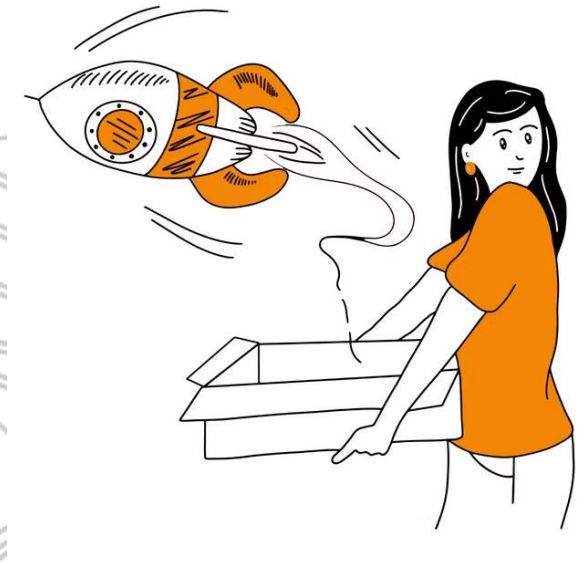
Chapter 1. Client vs. Customer. Understand Your Client's Needs

Customer vs. Client

Anyone who buys a good or expert service is a client. Client-business relationships may require more time and call for frequent feedback exchanges as part of a bigger project. Due of the complexity of the goods and services purchased, such as seeking legal counsel for a specific situation or a unique format for their portfolio website, they frequently get more individualized attention than customers.

Despite being frequently used simultaneously, the terms have varied meanings depending on the type of business you are in. Clients are a typical occurrence for advertising agencies, web development businesses, law firms, and architecture studios. If you manage a restaurant, store where clients come in, make a single purchase, and then leave after making their payment they are customers. On the other hand, if you consider design firms, who not only sell goods or services they also have a steady clientele with ongoing tasks.

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16 https://www.digiteum.com/understanding-client-needs/
17 Simon, Richi. (2017). Constructing Happiness: Role of Meaning Making, Constructive Living and Client System. 10.4018/978-1-5225-5918-4.ch008.
18 Chappell, David. (2019). Difficult Clients. 10.1002/9781119540106.ch29.

With this distinction made, there is another obvious fact that you may have already noticed: a company is almost certainly having many consumers, but only a small number of them will become long-term clients.

Read on to learn how to perform client management at its best and for the long term.

Consider the requirements of your clients.

In every relationship in life and business, the quickest way to difficulties is to not pay attention to your client's requirements. Therefore, gaining someone's trust is the first essential step in nurturing them.

A positive first impression is important. The partnership process will go effectively once your client believes in your abilities and commitment to meet their needs. On the other side, if you are reluctant to divulge information, you will wind up with a skeptical client who will probably choose a different business at the very first point of difference.

You simply need to earn each client's loyalty in order to succeed.

Consider taking the following three practical actions to achieve this:

Share the outcomes of your prior initiatives

Sharing examples of your prior work is the best way to demonstrate your experience. If you have worked on similar projects, explaining in detail how you have assisted others in succeeding, transforms you into a trustworthy advisor they can rely on.

Past recommendations can assist you in building trust and allay your clients' concerns about your experience. A client can understand from one feedback whether you are sincere, meet deadlines, communicate clearly, and offer tailored answers to their concerns.

Apply examples from your experience and knowledge while guiding clients to make them understand what to expect once you start working with them. When discussing the developments and the project strategy, be open and honest. Sharing a detailed plan with clear milestones, but you also you need to let the customer know if there might be revisions to the timeframe or additional charges so, they will not be caught unprepared.

Manage (and go beyond) client targets

Make sure you have understood clients' aspirations from your very first contact with a prospective client:

What is the client's requirement for this project?

- What are the goals of the work with the client?

- What could be the risks that you need to take into account?
- What are the expected requirements for quality from your client side?
- What they are expecting to be delivered when the job is finished?

All products development begins with a client meeting. What matters to your clients may not be the same for you. These conversations with your client are also meant to avoid any circumstances in which you learn you need to improve your product because you failing to completely comprehend your client's requirements. A critical error is that one does not want to refuse and irritate the client. Nevertheless, always saying "yes" ultimately proves to be the wrong move since it raises the client's expectations over what is reasonable and may cause you will disappoint them. As a result, ensure that the client understands what they are getting from the beginning and, crucially, what they are not obtaining.

There are three major aspects to concentrate on while you make the arrangements with the client in your discussion: deadline, costs, and complexity. These can help you as provider to succeed and understand the "three limitations" in the client management.

Be accurate when predicting how long the job will take to complete. A reasonable deadline can allow you sufficient time to complete all the key deliverables and address any potential customer adjustments. Similar to this, providing precise cost estimates will assist you avoid having to request additional funds in order to purchase additional resources or add a staff person in order to meet the deadline. Last but not least, master that initial meeting mentioned above to make sure your client objectives are under control, and in order for the scope.

A strong communication

Consider to be prompt in communication. If you can provide every single project detail to your client on time, you will be able to handle any client management issue or need, without any further problems. Ensure you go through all until they have no more questions. Start this process from the very first meeting.

Most customers detest asking difficult questions and dislike having to wait days for a response. Be accommodating and considerate of their time. Try to respond to all emails and phone calls. Above all, try to consider your client's working habits. Beyond everything, make an effort to follow your client's working habits. Some clients might want updates as quickly as feasible, while others might want a set time for a meeting. To demonstrate your focus on detail and readiness to adjust your schedule to match their schedule, ask about their preferences from the start of your interactions.

Clear communication is the secret to satisfied customers. Everything should go smoothly when both of you have common evidence with regard to the objectives, anticipations, and progress. There should not be any more issues as long as the objectives, deadlines, and progress have all been outlined.
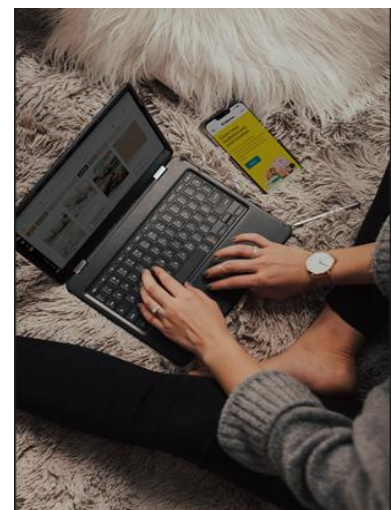
Chapter 2. How to Keep Clients Happy

Every client has a different idea of what it means to be satisfied: to get what they requested for, you should deliver on time, stay informed, or achieve all of these things at once. However, there seem to be a few typical ways businesses are measuring that their clients are satisfied and that they may use your services again:

Demonstrate an interest in solving potential problems successfully

Extra consideration for the client is very beneficial. Be proactive as a consequence a problem arises. Before informing the client of the problem, develop a few solutions. Getting a professional opinion is one of the main reasons people opt to collaborate with an expert.

Genuinely caring about your clients' success is the best way to keep them as clients. That is very simple. People can tell if you are sincere, and they would like to collaborate with you if you are.

Less spoken than delivered

Professionals frequently exhibited the willingness to go above and beyond what was promised. Of course, the only way to accomplish this is to be reasonable and make fewer promises. Do not exaggerate your abilities or make false claims about your past performance. If you deliver much more than the client requested, they will be positively surprised that they got more value for their money:

The deal must be fulfilled, but you must also present yourself in the most favorable way possible.

Taking clients by surprise and going above and beyond your call of duty has a wonderful effect on customer satisfaction.

Regularly check client's expectations

It is crucial to have established client expectations close to the start of your collaboration. Regarding what is and is not a part of your contract, be very specific. Business owners are advised to have their client's approval of the budget and schedule before it starts. You always can make reference to that document if a dispute arises.

Acknowledge your errors

Mistakes are inevitable. However, acknowledging an error you made can help you build a stronger connection with a client—as long as you solve it.

The client would be willing to work with you because they knew you would take

responsibility for any mistakes that were made because you were prepared to address the mistake immediately.

Avoid skipping deadlines

A task completed ahead of schedule increases your credibility in the eyes of your client. Three aspects may be beneficial in regard to meeting deadlines:

> • Avoid putting things off - Launch new initiatives as soon as you can to avoid missing out on potential opportunities in the future.

> • Don't push too hard on yourself - If you are unsure that you can complete a deliverable well, it is sometimes better to say "no."

> • When working on more complicated assignments, negotiate a sufficient time buffer. Then, make an effort to submit your work earlier than expected.

Be convincing

Regardless of your line of work, maintaining the functioning of your partnership requires being decisive during relationship with your client. Any hesitation can lead a client to question your sincerity and your expertise in the subject. Strong problem-solving abilities are useful in the interactions with your clients as they build trust which is an ability necessary in any professional setting.

Entrepreneurs must provide simple solutions that enable smart decisions. Lack of clarity can undermine the rapport that your company has built with clients besides undermining your knowledge and leading them to doubt about your decision.

Respect the ideas and suggestions of the client

While you are happy with the product you created, it can be simple to argue with a client not entirely satisfied with the final product. However, constructive criticism is still very important when tailoring your work to your client's idea. The connection will only strengthen after you implement the changes they suggest.

Whether you agree with their vision or not, you must always put their needs first when managing a client. Most of the time, the client is enthusiastic about the product and would like to contribute or personalize it. Even if their ideas contradict yours, you still need to consider them. If circumstances permit, you may present a valuable second version of your product.

Chapter 3. How to Deal With "Difficult" Clients

The majority of client management consultants concur that a client's perceived needs alone should not be used to categorize them as "difficult." So, identifying potential points of contention is the first step in determining whether a client is worth the effort.

One of the aspects to consider is respect for your abilities, goods, or services.

The initial conversations enable you to identify clients who have unrealistic goals, those who need everything completed immediately, and those who demand a lot for little money.

The significance of agreements

When it comes to longer developments with your clients, a contract is necessary as it specifies all the requirements and terms of the relationship with the client, avoiding unfavorable instances such as when the customer expects more for the agreed amount or pay less.

Regardless of the size of the assignment, establish at the very beginning a signed contract as a backup plan.

The first and only way to deal with issues like a client who does not pay on time, a client who complains about the quality of the work, or asking for too many variations that were not discussed in advance is to make clear each of the deliverable terms in a signed agreement. Before beginning any work, have this official document signed by both you and the client. Keep a record of all communications, even if you speak with someone over the phone, to ensure compliance. Confirm conversations with a follow-up email as you may have the record of them in case you ought to make reference to it.

Listen attentively and speak clearly

When issues arise, active listening will certainly assist to comprehend the client's requirements so that no details—the main reason for the majority of mistakes—are omitted from the conversation. The secret to getting customers to express their preferences or dissatisfaction is listening, which also helps to create a shared understanding of how the product has been developed:

Listening is the most crucial component of handling difficult customers. It is an essential competency in client relations. Clients typically express their frustration for a reason, even though they occasionally fail to be specific about it. As they speak, pay close attention, and repeat what you hear. If you have the wrong idea of what they meant, they will try to clarify by rephrasing what they meant. You can solve the actual problem at hand and get to the root of the issue by learning to be an active listener.

Prior to beginning your work, do not forget to let your clients ask questions, understand everything that went into the product, and specify their demands. Assuming that they absolutely know what their clients want by utilizing their own regulations and expertise, businesses frequently fail to spend the time to understand their clients' concerns.

When a client is unhappy, they want to feel heard, treated with respect, and comprehended. You should show them that you understand their point of view, even if you do not necessarily agree with it. For example, you could indeed express regret that a client

is unhappy without necessarily acknowledging that you are to be blamed for their unhappiness.

Asking the client about their needs and how you could resolve the problem is a brilliant way to accomplish this. They would become more manageable and do not make absurd requests if you let them explain what they would like you to do. Thus, start a discussion about alternative solutions or justify why what they are asking cannot be supplied.

Addressing financial concerns

Everyone has financial misunderstandings occasionally. Practically speaking, most clients want to get the most out of the price they initially agreed upon. Therefore, client relationship management professionals have several ways to guarantee they are paid fairly:

You may establish standard rates and always demand initial payment to avoid any payment issues. If a client is dissatisfied with your work, you also provide a money-back warranty, but it is better not to start a work unless a client signs a financial commitment . This strategy reduces the likelihood of investing the time only to have a client disappear after a work is finished.

Remain calm

Unavoidably, your client will make unreasonable demands, so the best course of action is to maintain your calm. Try to understand the disagreements while keeping your calm, then offer a reasonable solution. In order to recognize when there may be a disagreement or conflict of interests, try to comprehend and detect differences in work standards and style. For instance, no matter how angry a client makes your team, you need always maintain your composure and work to address the root cause of the stress. The second crucial step is to address them using information and facts; this keeps the conversation from becoming tense or accusatory and maintains a constructive direction.

Unfortunately, there are times when avoiding extremely difficult clients requires screening them prior engaging. It is better to avoid working with people who are hard to please or who believe they should not be expected to pay for a service if you can spot them early on. However, some clients may seem challenging at first, but once you learn what they need, they turn out to be wonderful. There are also other difficult clients you need to be informed about, and to figure out how they prefer to communicate once you manage to understand them they are simple to work with.

You ought to have a set of requirements and criteria for our clients. You might want to check to see whether the clients you 've chosen share some of these qualities in order to maintain a successful and stress-free relationship. Work with clients who understand your methodology because, as you have probably noticed, dealing with clients who do not understand your policy, results in unpleasant outcomes. Inquire about the expectations of your clients. This not only helps you learn more about their expectations, but also enables you to assess how well you match their requirements.

Chapter 4. How to Retain Your Clients[19]

You have now made your clients happy and cleared up any confusion.

Next, what? Keep them as a devoted client.

After the completion of your initial collaboration, satisfied clients are more inclined to ask for your services again. Here are a few recommendations for managing clients that you can start using right away:

Setting goals will help you get the client satisfaction you need. Have a person continually monitor the client's experience to achieve that. What needs to be strengthened? Show commitment. Customers are very appreciative of all efforts made to meet their needs. Never stop thinking of new ways to serve them better. Provides your client with an update on how the product has improved as well. It thus gives them a perspective that demonstrates the importance of having them as your client. They are more likely to collaborate with you again in the future and even endorse you to others once they have concrete data and outcomes to work with.

Giving more than your competitors do is the simplest—or the most obvious—way to keep customers coming to you. This essentially takes additional duties or simply working longer hours to finish everything on time or even earlier: Even though, you are not obliged to go further than your own responsibility or to work on the weekend or for longer than eight hours. However, if you take a broader view, you can gain a competitive edge since it will give customers the feeling that they are receiving a high-quality service. Always send a follow-up email to clients at the completion of a project to encourage them to keep in contact throughout social media, endorse you to their contacts, and get in touch with you directly if they require additional help.

Gaining clients' loyalty is a profitable venture[20]

Client relationship marketing can help you advance your business relationships with reliable clients. On the other hand , the majority of people who are not looking for your kind of service or product will not like to be advertised. Client loyalty is a different story. They are constantly seeking a tailored offer or a unique service that you can offer them as part of your client management service.

Additionally, there are many marketing strategies you can use to strengthen your client relationships:

- Conduct a survey to measure your brand awareness

- Personalize email marketing activities

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19 Tonge, Jane. (2023). Winning and keeping clients - networking processes and perceptions in public relations consultancies.

20 Stanmore, Tabitha. (2023). Chapter 4 - Clients. 10.1017/9781009286695.006.

• Bonuses and rewards schemes

• In-person gatherings and events

You have the necessary tools for client management, including Google Docs for collaborative real-time editing, your email provider, Dropbox for file sharing, and a variety of supplemental applications to expand your team's working space.

However, only a small portion of all the tools mentioned have video conferencing, a crucial feature that keeps online communication feeling alive. There are many choices available, including standard Skype in addition to Zoom or Google meet.

If you need to work on several projects and clients at once, you need to use all of these tools. A digital system like the ones mentioned is a great helping hand for any business working with more over three clients simultaneously.

You still need to come up with a strategy so you can manage all upcoming interactions, even if you only work with one or two clients. Start by:

1. Describing the procedure for client management

Understanding the needs of the client is the first step in any client management process, as has already been stressed. What do they hope to gain from the collaboration? How about their objectives? How do they envision working with you? From the first meeting through the project's completion, take into account what their requirements will be.

Make a task list that roughly outlines the business and client managerial process in order to document this. Here is an example of a straightforward list you can create to contain each stage of this procedure for a project involving web design:

- The initial client consultation
- The website design phase
- Website development
- Quality assurance checks
- Online presence

You can better understand each stage of the client service process, address a client's needs, and resolve any issues by taking a look at these phases. Later, these basic task lists will be transformed into comprehensive lists, each of which will include other additional tasks and subtasks.

2. Preparing what you need.[21]

Start considering everything you will need to complete and manage client relations now that you are informed of all of the client requirements. At this point, keep in mind the following:

What you will use to manage and organize your contacts: for example, paper, excel sheets, or any other free instruments

How you will share files: You can use Dropbox or Google Drive but be sure to create backups of everything.

How you will interpret the findings; for instance, using Google Data Studio to have a smart and prettier reporting. Spend a little more time generating a summary for the client that stands out because everyone values a clear data explanation.

Additionally, be sure to give your clients access to enough support materials so they are aware of all product-related developments. Midway through the product development, you may discover something you need their assistance with, or you need additional information they should give you. Put these in a to-do list, email, or agenda.

3. Develop a customized client management system.[22]

If you do not have one, you will have to manage clients manually even though there are project management tools that let you create client management as Gantt Charts. To avoid having your team concentrate on one product while neglecting the others, think about how to link tasks to the appropriate clients.

Spreadsheets are still a viable option for managing your clients' projects, needs, and resources.

Even with all the client demands, tasks, and communication channels in place, you are still not finished. The current client management system is useful once you have the client's approval to begin working.

Conclusion

This could take some time to develop a client-centered mindset. The concrete steps already outlined will assist you in setting up your own solution, whether you choose to operate manually to manage fewer clients or utilize project or work management software to automate the procedures
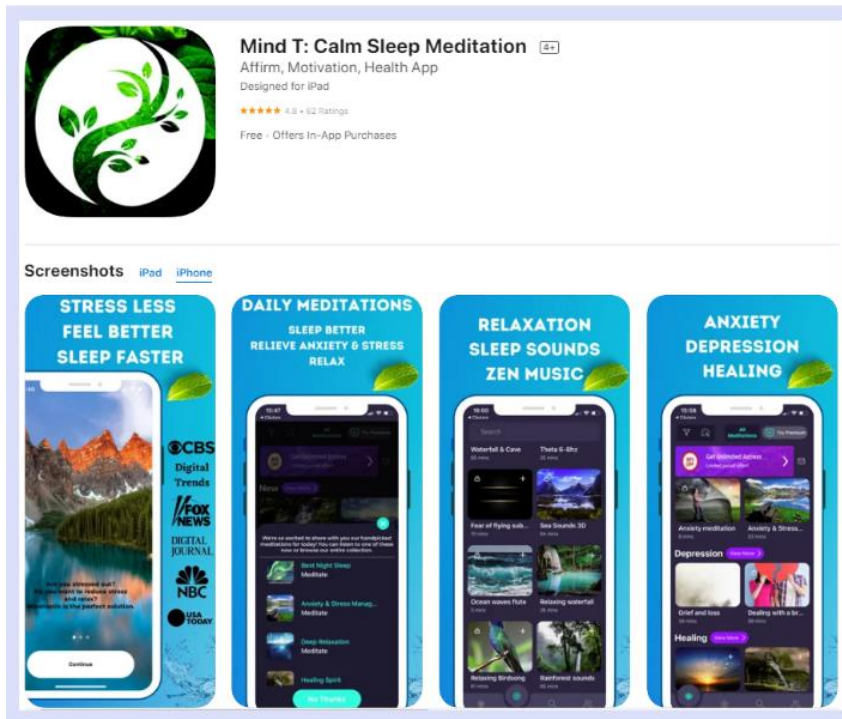
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21 https://www.projectmanager.com/guides/gantt-chart
22 https://www.paymoapp.com/blog/work-management-software/

Case study

MindTastik Meditation App

Source by Milena Ionescu

Milena Ionescu founded the MindTastik Meditation App. Developed in 2019, the MindTastik project is a meditation app that aims to help users improve themselves, overcome daily mental obstacles, get better rest, and feel better overall. This app cover topics like insomnia, quitting smoking, overcoming flying phobia, and hypnobirthing for expectant mothers.

This app stands out from the competition because each meditation you'll find there is in-depth (i.e., long enough to produce the best results) and includes a follow-up meditation.

One will also be given mindfulness exercises to aid in the integration of their meditation experience.

Together with the other smaller apps, MindTastik generates about 35,000 USD per month.

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct qualities/definitions of Client Management Systems. A business management system…	Correct ones: 10. .. is the set of processes and procedures used to ensure that the organisation performs all the necessary tasks with clients to achieve its objectives.
Options: 11. .. is the set of processes and procedures used to ensure that the organisation performs all the necessary tasks with clients to achieve its objectives. 12. … identifying potential points of conflict in determining whether a client is worth the effort. 13. .. a signed contract as a backup plan. 14. .. taking the time to listen to a client's concerns to understand what your client wants	

2. Matrix choice (drag and drop)

Question:	Answer:
In order to align with what your business does and how your business would like your clients to be managed, there are some client management essentials that must be understood. Link these elements with their characteristics.	Consider the requirements of your clients. ➔ Understanding client's needs Demonstrate an interest in giving more than your competitors do ➔ Keep client happy Identifying potential points of conflict ➔ Deal with "difficult" clients
Options: | Understand your client's needs	Identifying potential points of conflict		

Keep client happy	Consider the requirements of your clients.	How to link your tasks to the appropriate clients ➔ Develop a customized client management system
Deal with "difficult" clients	Demonstrate an interest in giving more than your competitors do	
Develop a customized client management system	How to link your tasks to the appropriate clients	

3. Sorting choice

Question: A task list that roughly outlines the business and client managerial process includes the following options. Order them accordingly:	Answer: 22. The initial client consultation 23. The website design phase 24. Website development 25. Quality assurance checks 26. Online presence

Recommended websites/links

- https://www.digiteum.com/understanding-client-needs/
- https://www.igi-global.com/chapter/constructing-happiness/208538
- Chappell, D. (2020). *Professional practice for architects and project managers*. John Wiley & Sons.

Glossary

1. **Target -** refers to a specific group of individuals or entities that a company aims to reach and engage with its products, services, or marketing efforts. This group is often referred to as the target audience or target market.
2. **Deadline -** refers to the specific date or time by which a particular business-related task, project, or goal must be accomplished.
3. **Profit -** refers to the financial gain or benefit that a company realizes from its operations after deducting all expenses and costs.

LESSON PLAN: Module 1 "Business Literacy"

Item	Contents
Module 1. Sessions (brief presentation)	**1. Planning a business** In this session students will gain the basic knowledge how to analyse and research the market while preparing and managing the budget. They will find out the explanation of market development and market strategy. This session will show as well why is important to analyse the business idea first. At the end of the session student will know how to research the target market and competition and define target customers. **Methods/Activities**: This session will include 2 activities. One of them they are multiply choice is testing knowledge of what is vision for a business and the second activity Matrix is checking understanding of pricing strategy. **Extra resources**: The YouTube video shows how to turn the idea into business plan➔ https://www.youtube.com/watch?v=VVxwEG5LRRg%C4%87 The YouTube video is explaining the difference between strategy and planning➔ https://www.youtube.com/watch?v=iuYlGRnC7J8 **2. Business Management System (BMS)** In this session, the student will understand what a management system is; and will learn to identify the weak points of their organisation. They will study which models exist and will understand which are the basic elements that allow them to obtain the necessary information, both internally and externally, for the management of their company's resources. The specific contents are: 1. Business Management System, an overview: what is it? 2. Elements for the development of the Business Management System 3. Business Management Models **Methods/Activities**: This session includes 3 activities. A multiple choice to introduce the concept of the Business Management System; a matrix where the user will have to link the essential elements with their definitions; and finally, a sorting choice to order the EFQM criteria. **Extra resources**: Official YouTube channel of the EFQM model ➔

Item	Contents
	https://www.youtube.com/@TheEFQMChannel
	Overview of how the ISO 9001 model works ➔ https://www.youtube.com/watch?v=qSVqDNOkOTo
	Overview of how the ISO 14001 model works ➔ https://www.youtube.com/watch?v=8qyqHtc4cOM
	3. Business branding
	The third session of the "Business Literacy" module covers the subject of "Business Branding", which is the process of creating a strong and significant favorable perception of a company and its given products or services in the minds of consumers-customers, by the usage of elements, such as its logo and mission statement, as well as numerous marketing communication tactics. A good branding strategy enables a company to stand out from the competition and build a devoted customer base. Upon the completion of the ''Business Branding'' section, the participant students will be able to define what brand branding is and its different aspects, such as the business identity and to discuss the importance of branding and its role. Moreover, the participant student will learn the meaning of business personality and ways of selling a brand.
	The specific contents are: 1. The definition of brand identity – brand awareness – brand equity – brand promise 2. Brand Personality 3. Designing a strong corporate identity – Methods of selling – promoting a brand
	Methods/Activities:
	This session includes 3 interactive activities. The first interactive activity is asking the participants to select the correct answers, regarding the question of ''what kind of traits does the sophisticated dimension of a brand personality include?''. The second interactive activity is a matrix choice, which is asking from the participants to drag and drop to the appropriate ranking the phases – steps that are needed in order to create a strong corporate identity. The third interactive activity includes a sorting choice question which is asking the participants to sort to the appropriate ranking the mandatory steps that are needed in order to sell their business brand effectively.
	Extra resources:
	An online article – guide which include further methods – strategies for entrepreneurs to brand their businesses➔ https://www.universitylabpartners.org/blog/effective-ways-to-brand-your-business-for-success
	A YouTube video explaining the meaning of brand personality➔

Item	Contents
	https://www.youtube.com/watch?v=kSAR1fvmPMg&ab_channel=CoreyNelson
	A cartoonish - animated YouTube video explain the meaning of brand equity➔ https://www.youtube.com/watch?v=Wwu3Qvs31vk&ab_channel=InvestorsTradingAcademy
	4. Soft skills in business
	Soft skills are an important asset for businesses, since they enable effective communication, problem solving, understanding and empathy between staff, but above all between the important business-customer relationship. In today's highly competitive age, it is of the utmost importance that one possesses skills that can set one apart from the ever-increasing crowd of academic degree holders. Soft skills, often also called "people skills," "social skills" and "interpersonal skills", are skills that refer to the combination of a person's interpersonal communication skills, personal beliefs, emotional intelligence and basic personality characteristics. These competencies are not limited to the workplace or a specific field of expertise. They are widely applied in daily life and in various professional areas.
	This session is divided into three chapters: The first chapter analyses the most important hard and soft skills in business based on surveys for 2022. The second chapter focuses on the important leadership skill and characteristics of the leader, while the third chapter presents public speaking practices in order to communicate effectively.
	The expected learning outcomes for learners of this material are to:
	1. Identify the necessary soft and hard skills of nowadays
	2. Cultivate the skill of leadership
	3. Develop public speaking skills
	Methods/Activities:
	This session includes 3 activities. A multiple choice to define soft skills; a matrix where the user will have to link certain leadership activities that are recommended in periods of crises with their definitions; and finally, a sorting choice to order steps for effective Public speaking.
	Extra resources:
	On Leadership by Ronald Heifetz ➔ https://www.youtube.com/watch?v=ioocNc-HvTs
	Course Stories Every Leader Should Tell, LinkedIn➔ https://www.linkedin.com/learning/stories-every-leader-should-tell
	How Great Leaders Inspire Action, Speech on Ted by Sinek, S. 2009 ➔

Item	Contents
	https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action/comments **5. Client management** Any startup business faces significant challenges in attracting and retaining clients. You work incredibly hard to promote your brand and draw in new customers through pricey marketing, branding, and advertising. The term "client relationship management" describes how a business interacts with its customers and how it goes about creating a fruitful business partnership. Consistent revenue, client retention, and brand reputation are all benefits of effective client relationship management. The specific contents are: 1. Understand your client's needs 2. How to keep clients happy 3. How to deal with "difficult" clients 4. How to retain your clients 5. Create your own client management system **Methods/Activities:** This session includes 3 activities. A multiple choice to define a client relationship management; a matrix where the user will have to link certain client management essentials with their definitions; and finally, a sorting choice to order steps for your own client management strategy. **Extra resources**: Online articles – guide which include further modalities of understanding your client's needs, client systems and how to deal with difficult clients ➔ https://www.digiteum.com/understanding-client-needs/ Simon, Richi. (2017). Constructing Happiness: Role of Meaning Making,Constructive Living and Client System. ➔ https://www.igi-global.com/chapter/constructing-happiness/208538 Chappell, D. (2020). *Professional practice for architects and project managers*. John Wiley & Sons.
Exercises	The format of the exercises you will perform in each session is listed below. Exercises: Interactive activity 1. Multiple choice 2. Matrix choice 3. Sorting choice

Methods

Below is a brief description of the variety of methods that can be implemented while delivering the lessons. Combining these methods could also be effective for the learner:

Peer to Peer Learning: provides an informal and engaging learning environment. The potential benefits of peer-to-peer learning are documented in the educational literature as active-learning approaches.

Experiential Learning: an approach that requires a non-traditional learning environment that blends teaching and assessment techniques. It is recommended that experiential learning to be at the core of the course module enabling the student to benefit from a practical but safe learning environment thus still exposing them to real life business challenges.

Classroom: traditional teaching style

Online learning: Access to learning activities and experiences via the use of some technologies through online: Classroom Learning, video, webinars, podcast or other useful media

Student reflection: The practice of reflection should be common in order to ensure the students analyse their engagement with the content and context of the course. It also serves as a reference guide after the completion of the course/module

Facilitation: Effective facilitation by lecturers and mentors will drive a significant portion of the learning outcomes. The facilitators should guide and allow discussion, debates and student interactions to help them achieve learning goals

Self-Directed Learning: Timetable learning where the students with guidance from teacher, decide what and how they will learn. It can be done individually or with group learning, but the overall concept is that students take ownership of their learning.

Gamification: Games have been frequently seen as a valuable way of engaging young people. They have the potential to become environments for skill development and social participation, by creating in-game and out-of-game spaces in which meaning-making processes are activated, knowledge is shared and participants feel recognized and awarded. In addition, most games provide an immersive game system in which exploration, problem-definition and problem-solving are encouraged, stimulating creativity, persistence, systems thinking and other skills associated to learning. **Serious games** (i.e., games with an explicit educational aim and content) in particular have the potential to foster learning by offering authentic simulated settings and by mimicking real-world scenarios which integrate economic and technological aspects. Moreover, serious games can generate meaningful, unpredictable and uncontrollable events in order to engage users holistically and elicit users' adaptation in simulated gameplay scenarios. Notably, multiplayer serious games can engage users in collective learning and action, promoting participation.

Module 2 - Numeracy Literacy

This module is aimed at informing the learner with the knowledge and the methods to generate and manage numeracy literacy. The expected learning outcomes include:

- Understanding what initial capital means
- How to calculate initial costs
- Identifying sources of finance
- What and how to create a budget
- The importance of budget planning
- Interpreting statistical results
- Understanding the basics of Microsoft Excel data analysis software
- Understanding the significance of refining your pricing strategy
- Improve knowledge of best practices

Module 2 "Numeracy" is focused on developing numerical and financial literacy skills essential for managing a successful business. The module is divided into five sessions. The first session, "Initial capital," covers the different sources of initial capital, such as personal savings, loans, and investments. The second session, "Budget management," provides an overview of budgeting principles and how to create and manage a budget effectively. The third session, "Data analysis," introduces learners to data analysis techniques to improve decision-making and identify trends in business performance. The fourth session, "Financial metrics," covers essential financial metrics used to evaluate business performance. Finally, the fifth session, "Pricing strategy," provides an overview of different pricing strategies, including cost-based pricing, value-based pricing, and dynamic pricing.

This module is divided into five sessions:

- Session 1: Initial capital
- Session 2: Budget management
- Session 3: Data analysis
- Session 4: Financial metrics
- Session 5: Pricing strategy

In each session you will find:

- different content files with the required explanations for you to understand and achieve the numeracy literacy
- practical exercises you should develop by yourself and then compare it to the proposed solution

Session 1. Initial Capital

Introduction

Financial planning in business concerns the planning and methodology for managing finances for the purpose of profitability. The initial capital is a very important parameter since it concerns the start-up costs of the business. Of course, the needs of each business are different, but the ways of evaluating and finding financing are common.

This module is divided in three chapters: the first chapter analyses the initial capital for business activity. The second chapter focuses on gaining knowledge to calculate start-up costs, and the third chapter presents sources of finance for starting a business.

The expected leaning outcomes of this material for learners are to:

- Understand what the initial capital means
- Calculate initial costs
- Identify sources of funding

Chapter 1. What the initial capital means?

The importance of the initial capital and the financing

Necessity

The first step for aspiring entrepreneurs is familiarity with the initial capital and the sources of capital raising from the beginning stages of the operation of the business. The lack of funding sources and the lack of liquidity can lead to failure of very inspired products and services.

New companies in the early stages face many challenges, among them high uncertainty and high risk of failure, the short life horizon that does not allow the extraction of reliable data for investors and the caution of investors due to the prevailing perception that there is a high credit risk for these companies.
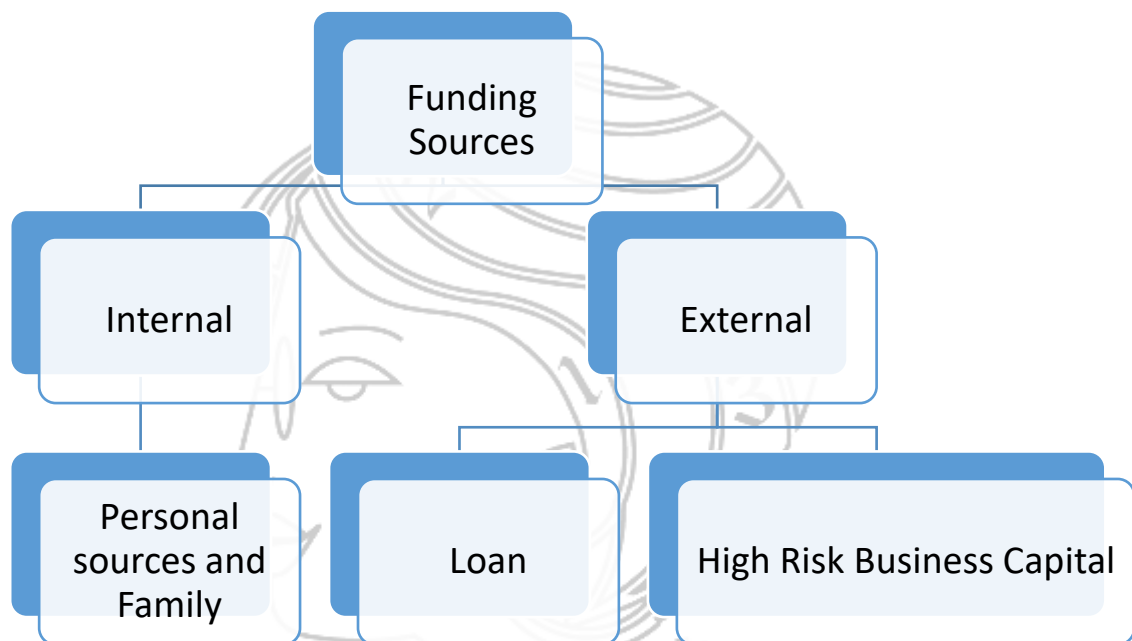
The greater the business growth, the more necessary the financing is.

In the initial stages, leasing or sharing equipment can help with liquidity, at some point it will be of course necessary to purchase the equipment. The longer the product development cycle (e.g., biotechnology, games), the more necessary the knowledge of alternative sources of financing and the need to design a financing plan.

Initial capital

The initial capital is defined as the initial investment or money used to start a business. The capital can come from a bank loan, government grant, outside investors or personal savings of the business owner. This money is used for start-up costs which vary according to the object and needs of the business.

The entrepreneur and the medium-sized business have at their disposal various methods of financing, which are divided into internal and external methods.

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                      ┌─────────────────┐
                      │    Funding      │
                      │    Sources      │
                      └─────────────────┘
                ┌──────────────┴──────────────┐
         ┌────────────┐                 ┌────────────┐
         │  Internal  │                 │  External  │
         └────────────┘                 └────────────┘
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    ┌──────────────┐        ┌────────────┐     ┌──────────────────────────┐
    │   Personal   │        │    Loan    │     │ High Risk Business Capital│
    │ sources and  │        │            │     │                          │
    │    Family    │        └────────────┘     └──────────────────────────┘
    └──────────────┘
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Internal sources of finance include the entrepreneur's personal capital, usually in the form of savings, a second mortgage or perhaps money borrowed from family and friends (the 3F-family, friends and fouls).

External sources of financing can be drawn from various sources: short-term and long-term bank loans, Venture Capital Companies or business angels.

Funding sources are discussed further in Chapter 3.

Financing at the various stages of business development

For the vast majority of start-ups, trying to raise capital through funding rounds is the only way to get them up and running.

The are different types of funding stages, depending on the stage of development of a company, the industry in which it operates and the level of interest among potential investors. Each different round, however, works on roughly the same logic where "outside

parties" invest cash in growing business, usually receiving in return equity or partial ownership of the company.

A start-up for example, is looking for funding sources in the first funding stages, which include seed funding and investments from angel investors. Then there are other rounds of funding, also known as funding series A, B, C, etc.

Each funding stage can also differ in terms of participants (different types of investors), duration and amount of investments. The more established a business is, the lower the risk for potential investors, which makes it easier and faster to find financing, but also the larger the investment capital.

The different Funding Stages

Research	Development	Start	Utilization
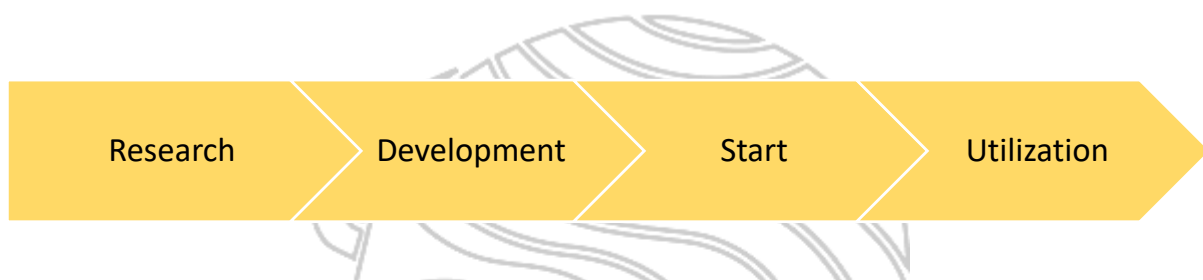
Pre-Seed Funding

The specific stage is also known as "bootstrapping", as the most common "pre-seed" investors are the founders of the company themselves. Because it concerns the early stages of setting up a business, typically, no equity investments are made and this stage is often not included in funding rounds.

Depending on the nature of the business and the initial cost of developing the business idea, this stage can be completed very quickly or take a long time. The amount that can be raised at this stage is relatively small.

Seed Funding

After the "pre-seed" stage, it is time to plant the first seeds for a start-up to "bloom". As 29% of start-ups fail because they run out of capital during bootstrapping, the seed funding stage is critical to getting a company off the ground. This is, essentially, the first official financing stage of a business, which will allow it to cover the costs of launching its products, the costs of advertising and the marketing actions, as well as to start recruiting or to proceed with further market research.

Seed funding helps a company finance its first steps. This is the reason, however, why investors run a high risk by investing at this stage, as there are still no revenues, nor guarantees for the company's success.

The most common sources of funding at the seed funding stage are angel investors, friends and family, crowdfunding and micro VCs (venture capitals). Several companies do not proceed after this stage to other rounds of financier, as they gain the necessary capital for a happy start, already from this funding stage.

Series A Funding

At this specific financing stage, a business is no longer looking for resources to start, but to grow further.

Having acquired a solid and valuable database of its customers, its revenue and the efficiency of its business model, it can choose Series A financing to optimize a product, a service or its customer service, strengthen its marketing strategy and the engagement of its audience, as well as to enter new markets.

In this funding stage even more powerful investors "enter the game", such as super angel investors and venture capitalists. In this round, it is therefore important that a company presents a documented business plan and an operational business model, which is expected to bring long-term profits to investors as well.

Usually, Series A funding rounds raise approximately, from 2 to 15 million euros.

Series B Funding

Businesses that already have a strong lead generation and have proven in practice that they are properly prepared for success and expansion on a larger scale, can also move to the next funding stage, the Series B financing round.

Funds raised from this round of financing are often used to hire new employees, purchase additional equipment and buildings, and expand the business into global markets. The main Series A funding investors are venture capitalists here too, however, the estimated investments almost double at this stage, exceeding 30 million euros.

The Series B funding round looks similar to the Series A in terms of processes and dominant "players". This is mainly because the same investors who participated in the previous round are attracting a new wave of venture capital and companies that specialize in large-scale finar
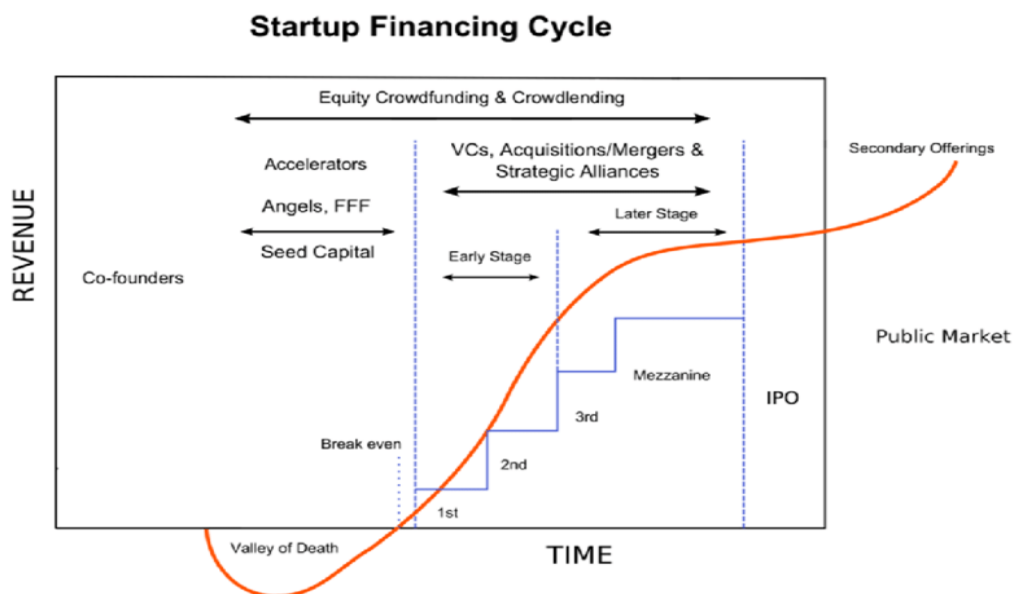

Photo Credit: ResearchGate

Series C Funding

Companies seeking funding sources at the Series C funding stage are already quite successful in their industry and the markets in which they operate. At this stage, they are essentially looking for new capital to stand out from the competition and "thrive" at the fastest and most efficient rate possible.

Thus, Series C funding focuses on scaling a company. This can be done either by acquiring new companies, or by merging with other companies, or by opening branches in other countries.

As the companies vying for a "share of the pie" in Series C funding are already established, investors face little risk. This is also the main reason why at this stage, more and stronger investors appear in the foreground, such as large risk capital companies (late-stage VCs), investment banks, private companies of global scope, etc.

At this point, a company can raise significant investment capital, which often exceeds 100 million euros, while the estimated average profit reaches 50 million.

Usually, a company will not advance to the next funding stage after Series C funding round but can use the capital raised from it to boost its valuation in anticipation of an IPO (initial public offering) – that is, to place its shares in public circulation on the stock exchange.
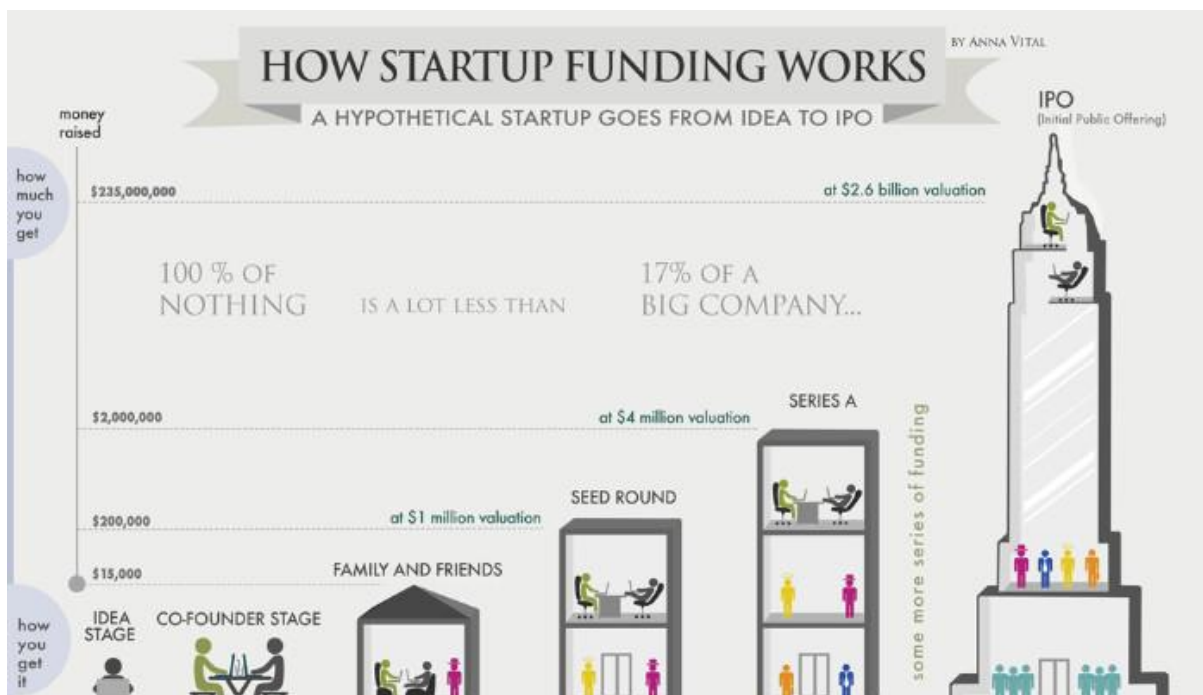

Photo Credit: LinkedIn

Chapter 2. Calculate of the Initial Capital

Funding a start-up is undoubtedly the first and most critical part of starting a business. It is also a process that requires understanding and knowledge. The business must maintain sufficient cash resources to pay the bills that appear. When the company does not succeed in this area, it means that it has exhausted its liquidity and is in a very difficult financial

situation. The irony is that this can happen even when the business is making decent profits during that period.

For this purpose, every aspiring entrepreneur must know the categories of expenses that arise and the cost to the business.

VARIOUS PURPOSES OF STARTUP FUNDING


Working Capital

Product Development

Prototype Development

Raw Materials and Equipment

Team Hiring

Legal and Consulting Services

Sales and Marketing

Licenses and Certifications

Office and Admin Spaces

Photo Credit: DexV

Startup funding can be used for various purposes, some of which include:

- Working capital
- Product development
- Prototype development

- Raw materials and equipment
- Team hiring
- Legal and consulting services
- Sales and marketing
- Licenses and certifications
- Office and admin spaces

These are some of the general purposes that startup funding can fulfil, there can be business-specific purposes too.

Knowing the costs makes it much easier process to estimate the cost to the business. Thus, the cost concerns the entire value of all those factors of production (land, labour, capital) that are combined to create goods and/or services, which the company resells for profit.

Chapter 3. Funding Sources

In the process of finding sources of financing for the development of an idea or business, we must be aware that not all types of investments suit all business levels of development of the companies concerned. These investments are3 mainly used until the company is able to have cash flow in order to become sustainable or until it is at a level where it can request more financing.
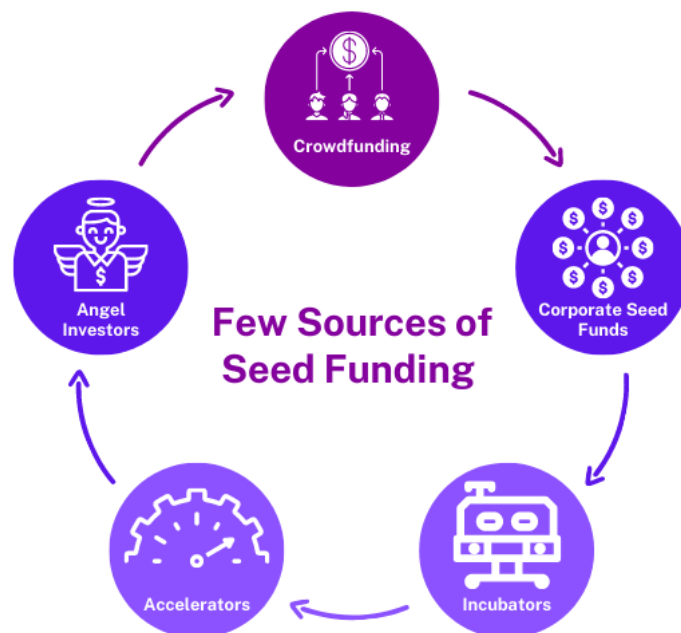
Let's look in detail at the different categories of funding sources.

Bootstrap

In bootstrap financing, the founders build their company from scratch with their own funds and without any external funding, covering the expenses of the business exclusively from its revenues. In this case, the founders take all the financial risk on themselves, often with very limited resources.

Friends, Fools and Family (FFFs)

This category constitutes the simplest of those included in seed funding, since it is mainly composed of the first individuals who will show trust and will believe in the proposed idea. These people, due to the feeling of trust they experience towards the idea / company as well as towards the people composing it, they invest in the company at its very beginning and following its registration, where there is no proof of success.

Only 1% of start-ups manage to receive an investment via venture capital for their initial idea. This leads to the conclusion that investments coming from the «3Fs» are especially important at the early stages of a company. Inevitably, a young and new entrepreneur, even if a bank loan has been secured, will have to also secure their own contribution in order to kick start the company and show that they are taking a risk as well. For this exact reason, an entrepreneur must develop a network of individuals who will support and believe in them prior to proceeding to the idea implementation.

Bank Loans and Bank Overdraft

Bank loans refer to a long-term form of financing where it is predetermined by the bank: the interest rate, the amount of the instalment, the duration of the loan and the assets given as security to the bank and which will be collected before the shareholders are paid off in case the company collapses. Bank loans are easier for established businesses as they are more likely to service the loan.

Bank overdraft is a short-term form of financing and is very popular among businesses. This is about withdrawing cash even when the account balance is zero. It is considered a flexible form of lending, but with a much higher interest rate and is indicated in cases of seasonal fluctuations. Caution is required as the amount of the loan must not exceed the limit agreed with the bank. In addition to the exorbitant interest rate, the bank can also charge a commission and request guarantees, but also adjust the overdraft to a loan. Finally, it is not a permanent source of funding, it satisfies short-term, seasonal or emergency needs.

Angel Investors also known as business angels

An «Angel Investor» is an investor who is willing to fund, via capital, a start-up company or the entrepreneur himself. This type of investment is usually smaller in amount compared to that one can acquire via venture capital. However, this smaller amount does not make this type of investment less considerable as it can
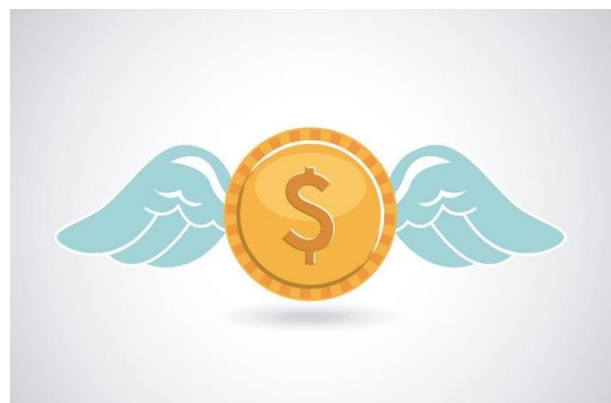
represent a significant source of funding and cash flow, especially in timed where such company is facing financial issues. It is important to note that at the very beginning of building a company, cash-flow is a usual and significant problem faced. By finding and using an investment coming from an Angel Investor, the company significantly minimizes the danger of low or none cash-flow during its initial period. This type of funding can assist importantly with the timely payment of responsibilities such as working capital, including employee payments, whether those are just the shareholders or / and other staff. Furthermore, such an investment provides the company with the chance of starting with a proper and effective marketing strategy, since it provides the funds to proceed with means of marketing such as paid advertisement.

Contrary to venture capitalists, Angel Investors invest their own funds (hence the lower amounts). Moreover, a fundamental difference between the two aforementioned typed of investments, is the fact that angel investors do not solely focus on gaining profit from their investment, but rather to the success of the company they have invested in. This type of approach is also the reason these investors are characterized as "angels". It is not uncommon that these investors are in the circle of contacts of the company, meaning the company's shareholders and directors. In the cases where, these investors do not fir the previously mentioned profile, several times these can be skilled entrepreneurs, with significantly more experience, who are looking to continue being active in specific entrepreneurial fields, thus providing further assistance, other than financing, by providing management services and, therefore, expanding the company's network via their own acquaintances and contacts. With the provision of capital, knowledge and contacts from these "angels" a start-up can bloom faster and easier and convince future investors to invest further in it, thereby establishing the company's viability.

Examples or Business Angels: Thomas Alberg (Amazon.com), Ian McGlinn (Body Shop), Paul Allen (Microsoft)
Ευρώπη: EBAN (www.eban.org)

Incubators - Accelerators

Incubator firms (Incubators) are considered those which aim at making profit through handing out capital and funding to companies needing it. Usually, they take up on the role of mediator between angel investors, venture capitalist, the government or other investment funds and the interested companies seeking investment to be injected in it. Incubators differ in their strategy and operating ways. Specifically, they provide services through a specific physical space through which the interested company can directly come in contact with them while others are also active through the internet.

Incubators are also called, in some cases, "Accelerators", in which cases they help start-ups which are not in financial or cash flow trouble to move on forward to the next level of their financial cycle. In these cases, usually, there is a physical space where the selected start-ups are invited to go where they attend courses with regards to how to upscale their products and / or services as well as how to run their business, for a specific period of time. At the end of each training period, a "pitch day" takes place whereby the participating start-ups pitch / present their products and services to interested investors, with the aim of receiving further funding in the form of private investment. This type of incubators is widely known and spread in field of ICT businesses and which are active and conduct business on the

internet.

It is also important to note that, a significant number of such accelerators possess their own funds in order to invest on those start-ups, while some others have developed a strong network of contacts and collaborators with prospective investors in order to be able to raise the necessary funds. Furthermore, they have immediate access to networks of lawyers, financiers and economists, while they maintain close relations with ambitious entrepreneurs to whom they provide other services as well. Thus, the interested company ensures access, note only to capital, but also to networks, services and clients as well as the experience of the incubators themselves.

The table summarises the most important advantages/services offered in Incubators.

Table 2. Benefits of Incubators
Access to sources of funding
Expertise
Management and organizational skills
Innovation
Manage Competitive Advantage
Assess and Address Business Risks

Crowdfunding

Crowdfunding refers to how the business can raise funds from the public (i.e., the "crowd") by publishing the details of the business or project on crowdfunding websites and other social media platforms.

Despite the lack of a consistent taxonomy, crowdfunding models can be categorized under:

- **Donation based:** donating small amounts to meet the larger funding aim of a specific project while receiving no financial or material return in exchange
- **Reward based:** donating small amounts to meet the larger funding aim of a specific project with the expectation of receiving a tangible (but non-financial) reward or product in return
- **Peer-to-Peer lending (subdivided into consumer and business lending):** borrowing from a number of lenders via an online platform, each lender lending a (small) amount in return for financial compensation
- **Equity based:** a way of security capital through the participation of interested investors in a company in exchange for ownership through privileged shares.

Photo Credit: Crowdfunding for Culture

In most cases, such investments are made possible through specialized web platforms. The procedure is composed of three actors, namely the initiator proposing the idea, the groups of investors supporting the idea and the platform itself acting as a mediator between the other two parties. Additionally, it is important to mention the fact that these platforms can be of general or specialized interest.

In the cases of such investments, entrepreneurs already have secured the necessary capital via angels and / or venture capitalists, bank loan etc. in order to start their activity and already have tangible results which renders them able to convince future investors to invest in their companies. Here the investment aims at the development of the company and the expansion of their turnover.

Such funds can be created, most of the time, in developed markets where the necessary and proper information is available, which ensures the investor of the safe character of any type of investment in a company.

Crowdfunding platforms
Indiegogo
Kickstarter
Brainpool
Companisto
Backerkit
FundAnything
Experiment.com
Tilt.com
Bitcoin

Photo Credit: TheBooMoney

Co-funded by
the European Union

Private investing

They are about venture capital or venture capital or equity capital or private equity. They involve a high business risk and a medium/long-term horizon, thus, they are looking for the prospect of a significant growth in turnover for 5 years. They are equity backed rather than debt and the investor requires a high rate of return for the risk they take and the involvement in product development. They are usually managed by banks, insurance funds, other institutions and foreign investors.

A typical example is Steve Jobs for the iPad in Dragon's Den:
https://www.youtube.com/watch?v=QKsPLPZPkEI

What are Private Equity Investments (PEI)?

Private Equity Investments (PEI) are a source of investment funds from wealthy individuals and institutions. The main objective of such investments is the acquisition of ownership of a company by the investing party. Usually, the investment horizon varies between four and seven years. At the end of this period, an agreement can be renewed or abandoned.

Funds acquired through any type of PEI are usually exchanged for shares in the company receiving the investment. It is important to note that such financing ranges from a few hundred thousand to millions, depending on the nature of the business and the purpose of the investment.

One can find interested investors who are ready to invest in start-ups through private equity firms or through specialised online platforms whose sole purpose is to help find the right investor for each business. The party interested in investing should always conduct a strong sense of entrepreneurship in order to make the right choice for a successful long-term partnership.

Venture Capital

Venture Capitals are resources that are provided to start-ups as well as SMEs by private investors with the aim of long-term growth.[23] The reason why venture capitalists invest in start-ups is the high level of control they usually ask for in that company[24] and the high rate of expected return,[25] since these individuals understand the important role of these newly established businesses in the restructuring and development of the economy and see their potential long-term growth. In addition, it is important to note that there is a noticeable preference for high-growth companies such as those involved in the development of digital services and products, as well as those involved in the positive sciences (e.g. Biotechnology).[26] However, this does not mean that companies operating in other sectors, with the aim of growth, are not eligible for the acquisition of venture capital investments. In addition to the resources received from venture capitalists, these partnerships can also

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23 Investopedia, "Venture Capital", http://www.investopedia.com/terms/v/venturecapital.asp
24 Wikipedia, "Venture Capital", https://en.wikipedia.org/wiki/Venture_capital
25 Encyclopedia, "Venture Capital", http://www.encyclopedia.com/topic/Venture_capital.aspx
26 Accredited Investor Markets, "The Differences between Private Equity and Venture Capital, David M. Freedman, http://www.accreditedinvestormarkets.com/article/the-difference-between-private-equity-venture-capital/

include management and technical expertise as well as the provision of connections from investors and expert groups to help the investee grow, thus ensuring sustainability and high growth.[27] Such an investment can last from 5 to 10 years, until the point where the business is now on the market and it is considered viable and/or has been rejected by other parties.[28]

Case study

Gravity is a cutting-edge venture-building incubator situated in Nicosia, Cyprus that fosters and propels innovation. Through constant interaction, we empower founders to make a real impact and shape the entrepreneurial community of tomorrow. Their approach focuses on building startups from early stage to mature ventures by assisting them in all the necessary steps and being with them throughout their journey.

Gravity is a member of Business Angel Europe (BAE)

Services provided:

- Idea Validation
- Business Modeling
- Pitching
- Testing
- Mentoring
- Commercialize
- Product Design
- Prototyping
- Minimizing risks and reaching market standards.
- Funding
- IPR

27Investopedia, "Venture Capital", http://www.investopedia.com/terms/v/venturecapital.asp
28 National Venture Capital Association, USA, "Ecosystem – Funding Innovation",
http://nvca.org/ecosystem/funding-innovation/

Interactive activity

1. Multiple choice

Question:	Answer:
Note the correct definition of Initial Capital. You define the Initial Capital as…	Correct answer: …. the initial investment or money used to start a business.
Options: 7. …. the money that is used throughout the existence of a business. 8. … the money to promote the business. 9. … the initial investment or money used to start a business. 10. .. the capital to expand the business.	

2. Matrix Choice(drag and drop)

Question:	Answer:
There are 4 crowdfunding models. Link the models to their descriptions.	A way of securing capital through the participation of interested investors in a company, in return for ownership through privileged shares.➔ Equity based
Options: 	Donating small amounts towards the larger funding goal of a specific project with a tangible (but non-financial) reward or product in return.➔ Reward based Donating small amounts to achieve the larger goal of funding a specific project, without any compensation.➔ Donation based Lending from a number of lenders via online platform, each lender lending a (small) amount in exchange for financial compensation.➔ Peer-to-

Equity based	Donating small amounts to achieve the larger goal of funding a specific project, without any compensation.
Reward based	A way of securing capital through the participation of interested investors in a company, in return for

	ownership through privileged shares.		peer lending
Donation based	Lending from a number of lenders via online platform, each lender lending a (small) amount in exchange for financial compensation.		
Peer-to-peer lending	Donating small amounts towards the larger funding goal of a specific project with a tangible (but non-financial) reward or product in return.		

3. Sorting choice

| Question:

The business during its development includes some stages for financing. Put them in the correct order: | Answer:

   27. Research
   28. Start
   29. Development
   30. Utilisation |
|---|---|
| Options:

Start
Research
Utilisation
Development | |

Recommended websites/links

- https://en.wikipedia.org/wiki/List_of_highest_funded_crowdfunding_projects
- http://www.goodnet.org/articles/7-incredibly successful-crowdfunding-campaigns/
- http://www.onlinemba.com/blog/the-top-25-crowdfunding-success-stories/

Glossary

1. **Capital -** refers to the financial resources or assets that are invested in a business or used to generate income or wealth. It represents the funds available to a company for its operations, investments, and growth.
2. **Start-up -** is a newly established business or company that is in its early stages of development. Start-ups are typically characterized by their innovative business ideas, disruptive potential, and growth-oriented mindset.
3. **Liquidity -** refers to the ease and speed with which an asset or investment can be converted into cash without causing a significant impact on its market value. It is a measure of the ability to access cash quickly and efficiently.

BLOSSOM
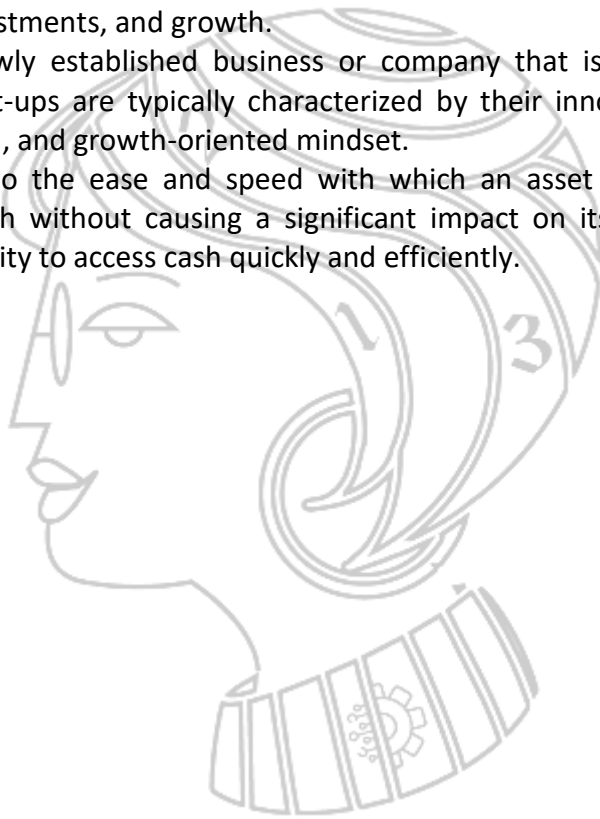
Session 2. Budget management

Numeracy literacy refers to the ability to understand and manage personal and business finances effectively. It involves knowledge and skills related to budgeting, saving, investing, borrowing, and managing debt, as well as understanding financial products and services such as credit cards, loans, and insurance.

Learning Outcomes

In this session you will learn:

- How to make a budget according to your company needs
- Why is financial planning important and how to do get the best out of it
- Which are the best ways of making financial decisions

Chapter 1. The importance of creating a budget

Managing personal finances can be challenging, but one of the most effective ways to gain control over your money is by creating a budget. A budget is a plan that outlines your income and expenses, helping you to understand where your money is going and make informed decisions about how to spend it. In this chapter, we'll discuss why creating a budget is so important and the steps involved in developing a budget that works for you.

✓ Benefits

Source: Canva

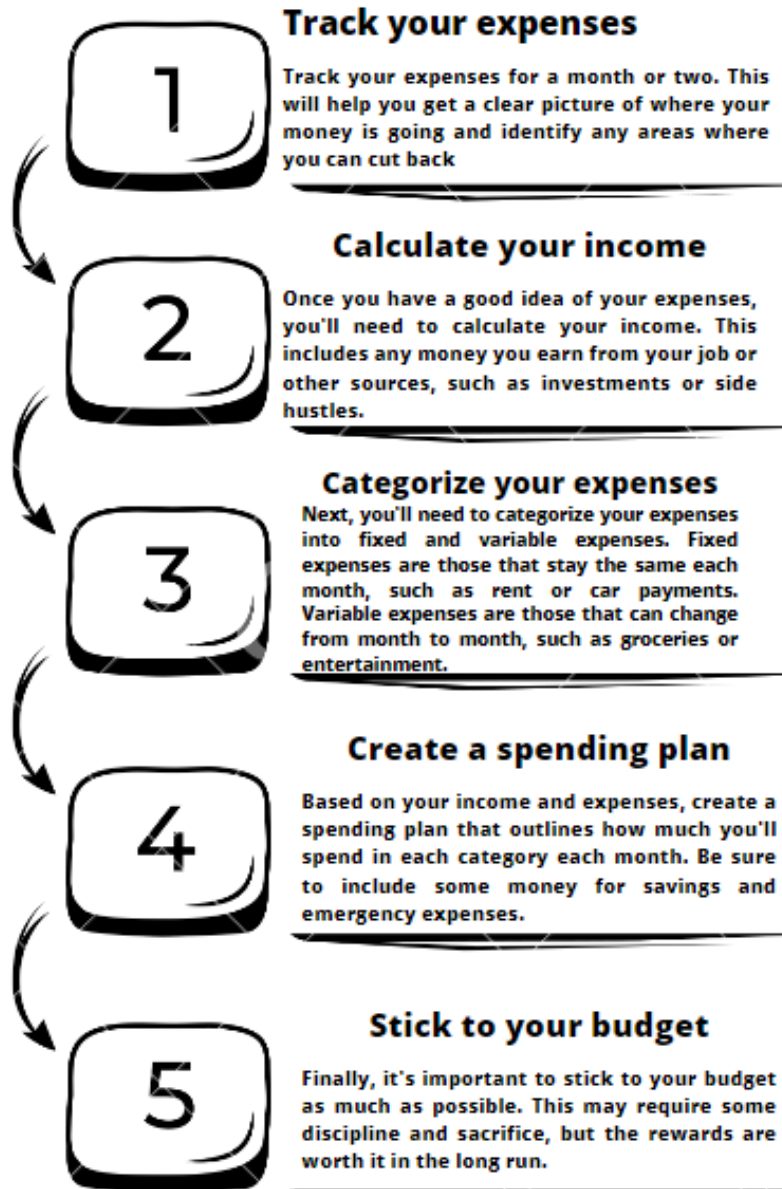There are numerous benefits to creating a budget, including:

1. **Gaining control over your finances**: When you create a budget, you're taking a proactive approach to managing your money. You'll be able to see exactly how much you're earning and spending, which can help you identify areas where you can cut back or make changes.

2. **Reducing stress**: Financial stress is a common problem for many people, but creating a budget can help alleviate some of that stress. By having a clear plan for your money, you'll feel more in control and less anxious about your finances.

3. **Achieving financial goals**: Whether you're saving for a down payment on a home, paying off debt, or building up an emergency fund, a budget can help you achieve your financial goals. By setting realistic targets and tracking your progress, you'll be more likely to stay on track and make progress towards your goals. [29]

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29 Choudhury, K. (2021, March 24). *What are the benefits of budgeting? Cabot Financial. Retrieved March 3, 2023, from https://www.cabotfinancial.co.uk/money-management/money-management/what-are-the-benefits-of-budgeting*

✓ Steps for creating a budget

Creating a budget may seem overwhelming at first, but it's a straightforward process that can be broken down into a few simple steps: [30]

Track your expenses

1

Track your expenses for a month or two. This will help you get a clear picture of where your money is going and identify any areas where you can cut back

Calculate your income

2

Once you have a good idea of your expenses, you'll need to calculate your income. This includes any money you earn from your job or other sources, such as investments or side hustles.

Categorize your expenses

3

Next, you'll need to categorize your expenses into fixed and variable expenses. Fixed expenses are those that stay the same each month, such as rent or car payments. Variable expenses are those that can change from month to month, such as groceries or entertainment.

Create a spending plan

4

Based on your income and expenses, create a spending plan that outlines how much you'll spend in each category each month. Be sure to include some money for savings and emergency expenses.

Stick to your budget

5

Finally, it's important to stick to your budget as much as possible. This may require some discipline and sacrifice, but the rewards are worth it in the long run.

Source: Canva

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30 White, A. (2022, September 8). *How to create a budget in 5 steps*. CNBC. Retrieved March 3, 2023, from https://www.cnbc.com/select/how-to-create-a-budget-guide/

✓ Example

Joanna is a recent college graduate who started working as a marketing assistant in a small firm. She earns a salary of $40,000 per year and has some student loans to repay. She is excited about her new job and the prospect of earning a steady income; although she is also worried about managing her finances effectively and paying off her student loans. Joanna decided to create a budget to manage her expenses and achieve her financial goals.

Joanna started by listing all her income sources, including her salary and any additional income she earns. She then listed all her expenses, including rent, utilities, groceries, transportation, entertainment, and student loan payments. Joanna prioritized her expenses and allocated her income to the most critical areas, such as rent and utilities.

After creating her budget, Joanna realized that sticking to it would require discipline and commitment. She decided to adopt some strategies to help her stick to her budget:

1. Tracking Her Expenses: Joanna tracked her expenses using a budgeting app on her phone. This helped her understand where her money was going and identify areas where she needed to cut back.

2. Prioritizing Her Expenses: Joanna prioritized her expenses and made sure to allocate her money to the most critical areas first. She made sure to pay her bills on time and avoid unnecessary expenses.

3. Reducing Her Debt: Joanna used the debt snowball method to pay off her student loans systematically. She made larger payments towards her smallest loan first and worked her way up to larger loans.

4. Saving Money: Joanna set a savings goal of $5,000 and allocated funds towards her savings account every month. She also cut back on unnecessary expenses such as eating out and entertainment.

After six months of sticking to her budget, John noticed some significant improvements in her finances. She was able to pay off one of her smaller student loans, which gave her a sense of accomplishment and motivation to continue paying off her debt. She also managed to save $3,000 towards her savings goal and reduce her discretionary expenses by 20%. By sticking to her budget and adopting effective budget management strategies, Joanna was able to achieve greater financial stability and work towards her financial goals effectively.

✓ Conclusion

Creating a budget is a powerful tool for managing your finances and achieving your financial goals. By gaining control over your money, reducing stress, and developing a clear plan for your future, you'll be on your way to financial stability.

Chapter 2. Strategies for sticking to a budget

Creating a budget is an important step towards achieving financial stability, but sticking to it can be challenging. The key to successfully sticking to a budget is developing strategies that work for you and incorporating them into your daily routine. In this chapter, we'll discuss some effective strategies for sticking to a budget and making the most of your money.

✓ Set Realistic Goals

One of the biggest challenges in sticking to a budget is setting realistic goals. It's important to be honest with yourself about what you can and can't afford, and to set goals that are achievable based on your income and expenses. If your goals are too ambitious, you're more likely to become discouraged and give up on your budget altogether.

✓ Avoid Temptation

Another challenge in sticking to a budget is avoiding temptation. There are many things that can tempt us to spend money, such as sales, promotions, or social events. To avoid overspending, it's important to stay focused on your goals and develop strategies for dealing with temptation. For example, you might try avoiding stores or websites where you're likely to overspend, or finding free or low-cost alternatives to expensive activities.

✓ Find Ways to Stay Motivated

Sticking to a budget can be a long-term commitment, and it's easy to lose motivation along the way. To stay motivated, try setting small, achievable goals and rewarding yourself when you reach them. You might also try tracking your progress and celebrating your successes, or finding a support system of friends or family members who can encourage you along the way.

Source: Canva

✓ Automate Your Savings

Another way to stick to your budget is by automating your savings. This involves setting up automatic transfers from your checking account to your savings account each month. By making savings a priority, you're more likely to stick to your budget and achieve your financial goals. [31]

31 Barg, C. (2021, April 8). 15 little budget tips for anyone who has a hard time sticking to theirs. BuzzFeed. Retrieved March 3, 2023, from https://www.buzzfeed.com/charisbarg/how-to-stick-to-a-budget

✓ **Be Flexible**

Finally, it's important to be flexible when sticking to a budget. Life is unpredictable, and unexpected expenses can arise at any time. Rather than giving up on your budget altogether, try to be flexible and adjust your spending plan as needed. This might mean finding ways to cut back in other areas or finding new sources of income to cover unexpected expenses. [32]

✓ **Conclusion**

Sticking to a budget is not always easy, but with the right strategies, it is achievable. By setting realistic goals, avoiding temptation, finding ways to stay motivated, using cash envelopes, automating your savings, and being flexible, you can make the most of your money and achieve your financial goals. So why wait? Start incorporating these strategies into your budget today and take control of your financial future.

Chapter 3. Advanced budget management techniques

While creating a budget and sticking to it are fundamental aspects of effective financial management, there are also advanced techniques that can help individuals take their budget management to the next level. In this chapter, we will explore some advanced budget management techniques that can help individuals save money, reduce debt, and achieve their financial goals.

✓ **Zero-Based Budgeting**

Zero-based budgeting is a budgeting technique where every expense is justified and accounted for, starting from zero. Instead of basing your budget on your previous expenses, you start from scratch and create a new budget every month. This technique helps individuals identify unnecessary expenses and allocate their money more effectively. [33]

✓ **The Envelope System**

The envelope system is a cash-based budgeting technique where individuals allocate cash into different envelopes for different expense categories. For example, there could be an envelope for groceries, entertainment, and transportation. Once the cash in each envelope runs out, individuals know they have reached their spending limit for that category. This technique helps individuals avoid overspending and track their expenses more effectively. [34]


Source: Canva

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32 Idem

33 Ramsey Solutions. (2022, October 18). How to make a zero-based budget. Ramsey Solutions. Retrieved March 3, 2023, from https://www.ramseysolutions.com/budgeting/how-to-make-a-zero-based-budget#:~:text=Zero%2Dbased%20budgeting%20is%20when,%2C%20a%20job%2C%20a%20goal.

34 How to use the envelope budget system. Capital One. (n.d.). Retrieved March 3, 2023, from https://www.capitalone.com/learn-grow/money-management/envelope-budget-system/

✓ The 50/30/20 Rule

The 50/30/20 rule is a budgeting technique that involves dividing your income into three categories: 50% for essential expenses, 30% for discretionary expenses, and 20% for savings and debt repayment. This technique helps individuals prioritize their expenses and allocate their money more effectively. [35]

Source: Canva
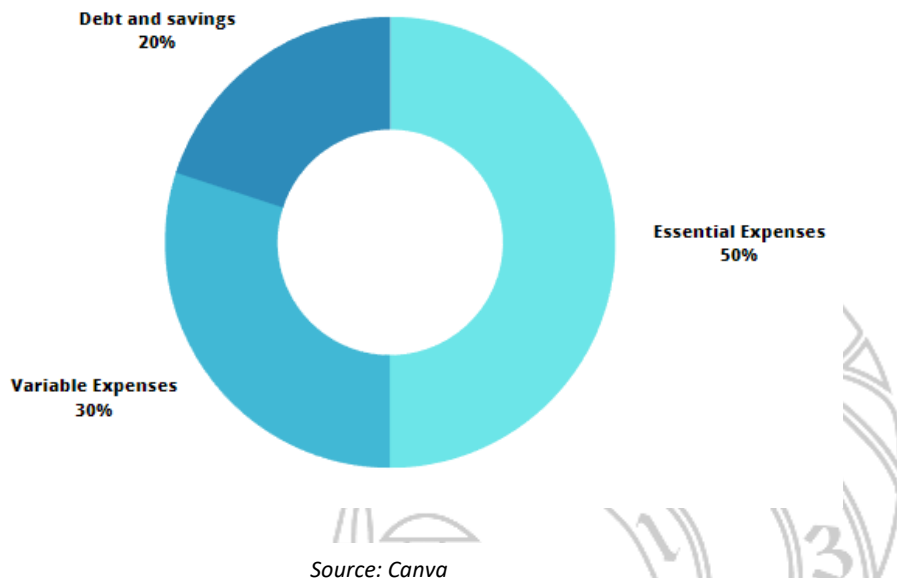
A short educative video about this method can find here:

https://campaigns.luminusfinancial.com/money-thing/budgeting/

✓ The Debt Snowball Method

The debt snowball method is a debt reduction technique where individuals pay off their debts from smallest to largest, regardless of interest rates. This technique helps individuals gain momentum and motivation by paying off smaller debts first and working their way up to larger debts. [36]

✓ The Cash-Only Method

The cash-only method is a budgeting technique where individuals only use cash for their expenses and avoid using credit cards or other forms of payment. This technique helps individuals avoid overspending, track their expenses more effectively, and reduce their debt. [37]

Source: Canva

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35 Dodds, C. (2023, March 1). Using the 50-30-20 rule to power your household budget. Encyclopædia Britannica. Retrieved March 3, 2023, from https://www.britannica.com/money/what-is-the-50-30-20-rule

36 Ramsey Solutions. (2022, December 15). How the debt snowball method works. Ramsey Solutions. Retrieved March 3, 2023, from https://www.ramseysolutions.com/debt/how-the-debt-snowball-method-works

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✓ Conclusion

Advanced budget management techniques can help individuals take their budget management to the next level and achieve their financial goals. Whether it's zero-based budgeting, the envelope system, the 50/30/20 rule, the debt snowball method, or the cash-only method, these techniques can help individuals save money, reduce debt, and prioritize their expenses effectively. By incorporating these advanced techniques into their budget management strategies, individuals can achieve greater financial stability and achieve their financial goals more quickly.

Case Study

An example of a company that uses a budget method for their finances, in this case a zero-based budget, is Takeda, a pharmaceutical company.

They drastically changed their method, and followed a 6-step process to implement this method:

1 Visualization of data

2 Value the main target section for budgeting.

3 Calculate the total cost of a section in a given time

4 Zero based budget that section through the planning of all the costs of it

5 Adjust expenses according to the budget needs (cut unnecessary or extra expenses...)

6 Control & monitoring
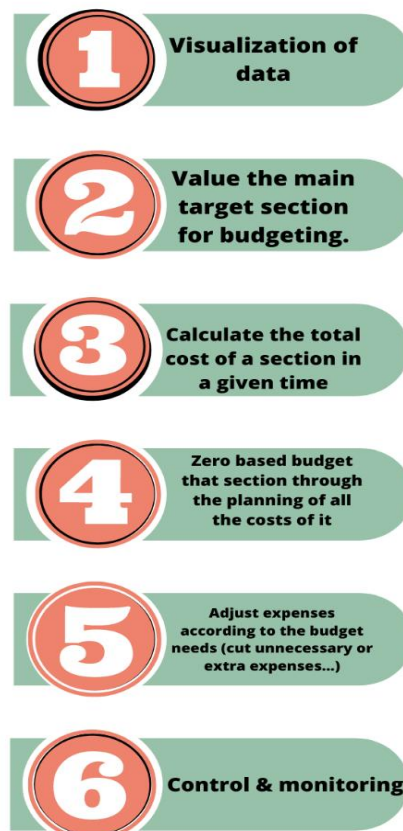
Source: Canva

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37 Pant, P. (2021, December 28). Want to save money quickly? try a cash-only budget. The Balance. Retrieved March 3, 2023, from https://www.thebalancemoney.com/how-cash-only-budget-can-help-your-finances-4107098

The conclusions the company reached after implementing this method were:

It was a very disruptive change, which meant they needed to manage excellently their stakeholders and invest on communication through all the affected parts of the company.

- They had to focus on key cost items to show a quick and material result, which then extended to other sections that had a lesser immediate impact.
- Even after years of using the method they were still saving money, which shows it's not just a short-term solution.

Source: https://youtu.be/a6YThQZCMx4

Interactive activity

1. Multiple choice

Question:	Answer:
The 50/30/20 method consist in…	Correct ones: 1. Dividing your expenses in 50% for essential expenses, 30% for discretionary expenses, and 20% for savings and debt repayment 4. An advanced method for budgeting through the prioritization of spending.
Options: 1. Using 50% of your income in expenses, 30% in paying debt and saving the rest 3. Saving half of your income and dividing the rest in the different expenses	

2. Matrix choice (drag and drop)

Question:	Answer:
Link each description with the advanced method for saving listed	
Options:	Every expense is justified and accounted for, starting from zero. → Zero-based budgeting
Envelope Method / Individuals only use cash for their expenses and avoid using credit cards or other forms of	Individuals only use cash for their expenses and avoid using credit cards or other forms of payment. → Cash-only method

	payment	Individuals pay off their debts from smallest to largest, regardless of interest rates. → The debt snowball method
Zero-based budgeting	Individuals pay off their debts from smallest to largest, regardless of interest rates	
Cash-only method	Individuals allocate cash into different envelopes for different expense categories	Individuals allocate cash into different envelopes for different expense categories. → Envelope method
The debt snowball method	Every expense is justified and accounted for, starting from zero.	

3. Sorting choice

Question:	Answer:
There are 5 steps to create a budget, order them.	1. Track your expenses 2. Calculate your income 3. Categorize your income 4. Create a spending plan 5. Stick to your budget
Options: Create a spending plan Calculate your income Track your expenses Categorize your income Stick to your budget	

Recommended websites/links

- An educative video explaining the different budgeting methods: https://youtu.be/-WxNLsYtNSk
- A video on mistakes to avoid when trying to stick to a budget: https://youtu.be/8LsD73abBYo

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- A list of the best budgeting apps for different purposes:
https://www.forbes.com/advisor/banking/best-budgeting-apps/

Glossary

1. **Budget -** refers to a financial plan or forecast that outlines the projected income and expenses of an individual, household, organization, or project over a specific period. It serves as a tool for planning, managing, and controlling financial resources.
2. **Income -** refers to the money or earnings received by an individual, household, or business through various sources. It represents the inflow of funds or resources that contribute to the overall financial position.
3. **Debt -** refers to an amount of money borrowed by an individual, organization, or government from a lender, with the agreement to repay the borrowed amount over a specified period, usually with interest. It represents a financial obligation or liability owed by the borrower to the lender.
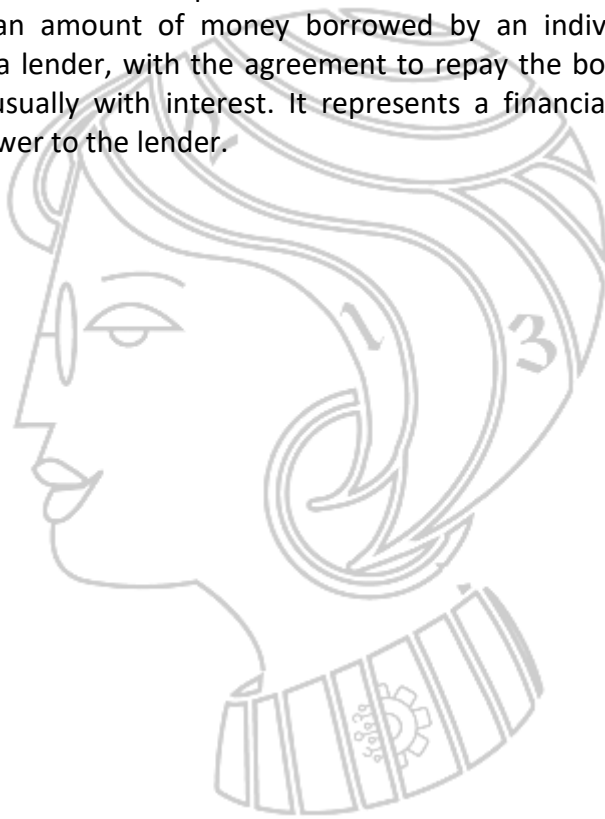
Session 3. Data Analysis

The process of **data analysis** is critical to an enterprise's optimal functioning and well-being, as it allows the company to perform strategic decisions and actions, in an efficient and accurate way, such as the measurement and reduction of costs as well as the process of making far better decisions and to provide an effective customer service, based on the traits and needs of the consumers, through the collection and use of data.

Learning Outcomes

In this section you will learn:

- Define the basic different statistical tests – methods
- Define the different types of data
- Interpret statistical results
- The fundamentals of Microsoft Excel data analysis software

Chapter 1. The process of data analysis in business, an overview – The benefits of data analysis

Introduction to data analysis

The procedure of data analysis in the business environment can be simplified as the processes of <u>collecting, analyzing and reporting</u> useful information and data, with the purpose of acquiring an effective insight and better understanding, in order for businesses to make more efficient strategic decisions, achieve major and important goals and solve potential problems that may arise within their internal function.

The process of the activities required for the implementation of data analysis, regarding enterprises, are separated into particular and critical axes, which are independent but interrelated. These crucial axes can be summarized below:

- The **Collective – Competitive** data intelligence, which is the practice of gathering and evaluating information and data about potential **rivals'** activities and actions, in order to provide the groundwork for the acquisition of a competitive edge 🗄

- The **Financial data gathering** and analysis, with the goal of establishing and evaluating possible profitability indicators. This study is often conducted using financial sheets, such as cash-flow or spending indicators €

- The **Research components of data analysis**, for the identification of market patterns and the collection of information, in order to generate the necessary knowledge regarding the availability of a product or a possible market gap 📋

> The **Risk Management process**, which is an action capable of recognizing and analysing potential hazards that a company may face in the future, such as financial and legal errors or probable workplace accidents.

> The **Definition and analysis of the engaged stakeholders**, which are the acts of recognizing the tendencies of possible stakeholders in order to get their support and develop a strong relationship, based on dependability.

❖ **What are the benefits of the procedure of data analysis and data science –Why it is important in business?**

The numerous business related methods of data analysis may provide many benefits to entrepreneurs who use them in a regular basis, with the purpose of achieving a far more effective management of their enterprises.

The **procedures of collection**, **interpretation** and **analysis** of data in business, can give the following capabilities to entrepreneurs in order to:

Source: https://pixabay.com/illustrations/online-web-statistics-data-3539412/

✓ **Adjust their practices of promoting their brand**, in order to provide a more holistic consumer experience: By gathering the essential data from their consumers and analyzing the results, businesses may create tailored marketing for a product or service in order to attract the already interested clients. This is often accomplished through **behavioral data analysis**, which clarifies how customers engage with the brand, in a simplified manner.

✓ **It makes the process of decision making** more efficient and comprehensive: A corporation can utilize the process of data analysis to make effective choices, such as minimizing the financial expenses or losses, or predicting possible market shifts, by interpreting data and the market tendencies. This technique is carried out using **predictive statistical analysis**, which is focused on forecasting future occurrences or trends.

✓ The use of data science can assist a corporation in **order to minimize potential future risks**, such as legal liability or safety consequences. For example, an organization that has relocated its premises to an unknown area, might utilize statistics, such as the yearly theft incidents, in order to estimate the level of protection that it is required.

✓ Data analysis can lead to **innovation since** the process of data collection helps a company's comprehensive department to improve an already existing product or service.

Source: Fiverr guides. (2022). Business data analysis. Fiverr: https://www.fiverr.com/resources/guides/data/business-data-analysis

Source: Nikita Duggal. (2023). Top 7 benefits of big data and analytics and reasons to consider it. SimpliLearn: https://www.simplilearn.com/benefits-of-big-data-and-analytics-article

Chapter 2. Types of data analysis and the morphology of data – data interpretation

Data analysis tactics and methodologies in the entrepreneurial environment can be separated into two primary areas and subsections. In general, a data analysis may be described as follows:

- ✓ **A Quantitative data analysis**: This data analysis approach is typically utilized with variables such as numbers and is used to provide a response to questions such as:
    1. **How many?**
    2. **How much?**

- ✓ **A Qualitative data analysis:** The data utilized for this method's implementation varies significantly from those used for the quantitative data analysis. For example, the variables utilized in the execution of Qualitative data analysis are made up of names, symbols and pictures and are used to answer questions like:

Source: https://pixabay.com/illustrations/analytics-google-data-visits-page-3680198/
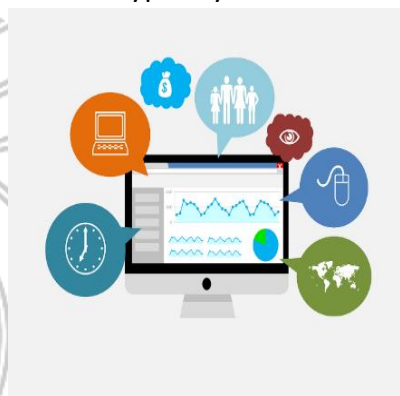
1) How and why something has happened?

The **Qualitative** and **Quantitative** data and information, for the implementation of data analysis in the sector of businesses are divided into the following (see the following graph):

Types of data used in data analysis in businesses
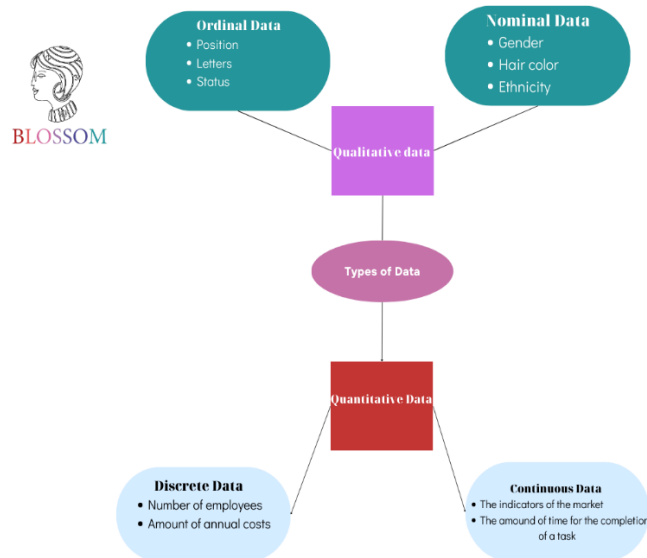
Source: Canva

Source: Silvia Valcheva. (N.D). 6 types of data in Statistics & research: Key in data science. Intellsport: https://www.intellspot.com/data-types/

Methods of Data analysis in businesses

The approaches and tactics, employed by businesses to ensure the successful deployment of data analysis may be classified into the following four **major areas**:

✓ **Descriptive data analysis**

The first primary approach is called **Descriptive data analysis** and the information and variables utilized for this method are generally addressing the question of **"what happened".** The significance of Descriptive data analysis is enormous and critical, since it provides a thorough account about the circumstances that happened in the past. The following activities comprise a Descriptive data analysis:

➢ The gathering of the necessary data (data aggregation)
➢ The mining of data (the process of data analysis)
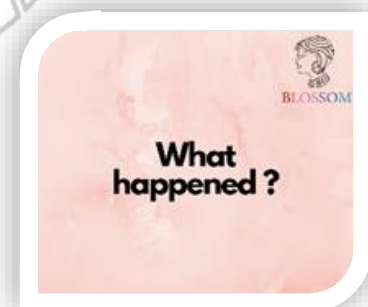
How can an enterprise perform a Descriptive data analysis?

The steps that enterprises need to follow in order to perform a descriptive data analysis are the following:

➢ They need to define their objectives and desired achievements - goals

➢ The have to collect the obligatory data

➢ They must ''clean'' the data that they have gathered. This procedure often comprises of the removal of unnecessary data and information that may provide the aforementioned businesses with useless summaries

➢ The process of data analysis

➢ The interpretation of the results

➢ Communication of the attained outcomes to a reliable group, such as stakeholders, etc.

✓ **Diagnostic Statistical Data analysis**

The second technique is known as **Diagnostic Statistical Data Analysis**. Since it addresses the question of ''**why something has occurred**'', this method of data analysis is extremely important. The steps of the Diagnostic Data Analysis are the following:

Why it has happened?

➢ Data discovery
➢ The process of drill – down of data
➢ Data mining
➢ Correlation of data

✓ **Predictive Data analysis**

This statistical analysis approach focuses on ''**what is likely to happen in the future''**, over a time span of 1-2 years. The information utilized for this data analysis technique is critical, as it helps enterprises to construct and develop strategies, based on the correlation of many variables, such as **demand**, **pricing history** and **consumer patterns**.

What it is likely to happen?

The steps of a Predictive Statistical Analysis

The activities, needed for the implementation of a Predictive Statistical data analysis can be summarized in the following steps:

➢ The definition of the desired outcome of a business

➢ The gathering of all he mandatory data and information, in order to become variables

➢ The procedure of ''purification'' of superfluous data
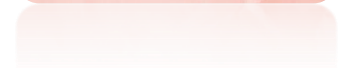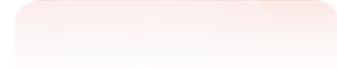
➢ The use of software or the assistance of an expert data analyst in order to implement predictive data analysis

➢ The process of evaluating the aforementioned actions and activities. Was the prediction model effective?

✓ **Prescriptive data analysis**

The fourth data analysis approach is called **Prescriptive** and it is used to identify the type of an occurrence, the reasons behind it and what is needed to be done as the following step. The following activities explain the phases of implementing a <u>Prescriptive data analysis</u>:

What is needed to be done?

➢ The classification of the problem - occurrence
➢ The definition of the necessary data and information
➢ The development of the required analytical model based on the information gathered (raw data and information)
➢ The implementation of the developed data analysis methodology
➢ The review and validation of the results obtained

Source: Canva

Source: Catherine Cote. (2021). What is predictive analytics? 5 examples. Harvard Business School Online: *https://online.hbs.edu/blog/post/predictive-analytics*

Source: Devin Pickell. (2021). What Is the Data Analysis Process? 5 Key Steps to Follow: *https://www.g2.com/articles/data-analysis-process*

Source: Emily Stevens. (2022). The 4 types of Data Analysis (Ultimate Guide). CareerFoundry: *https://careerfoundry.com/en/blog/data-analytics/different-types-of-data-analysis/*

Source: Gitanjali Maria. (2018). How to use predictive analytics: 5 steps to get started. GetApp: *https://www.getapp.com/resources/how-to-use-predictive-analytics/*

Source: Tom Robertson. (2020). What is Descriptive analysis; Steps to do this. QuickStart: *https://www.datascienceacademy.io/blog/what-is-descriptive-analysis;-steps-to-do-this/*

Source: George Lawton. (2021). 5-step predictive analytics process cycle. TechTarget: https://www.techtarget.com/searchbusinessanalytics/tip/5-step-predictive-analytics-process-cycle

The Process of the Interpretation of data (results) of the analysis

The practice of analyzing and defining the nature of the data that will be utilized for the execution of a statistical data analysis or the activity of explaining the extracted findings, using a variety of methodologies, may be characterized as <u>data interpretation</u>.

To begin with, the process of data interpretation is incredibly important since it may assure the success of a business, by providing it with the following benefits:

➢ An efficient decision-making procedure
➢ An efficient detection of future requirements and trends
➢ The lowering of a company's expenditures without sacrificing other key aspects of the business

➢ May serve as a help tool for the company's optimal internal functioning and the identification of prospective problems inside the organization. For example, in which areas of operation does the organization thrive and which areas does it fall short?

Source: Image by pch.vector on Freepik

Methods of data Interpretation

The activity of Data Interpretation is separated into two major groups based on the morphology of the data that is going to be analysed. These are the categories:

✓ The **Qualitative data interpretation**, which includes the following techniques and activities:

1) The observation of the behavioral patterns, which occurred within a group of the analysis
2) The defining of the focus group for the purpose of interpreting data features, usually through a conversation with targeted questions
3) Customized or group interviews, which enable the relevant department of a company to accomplish the so called ''targeted data segmentation''

Source: Image by rawpixel.com on Freepik

Source: Bernardita Calzon. (2023). A guide to the methods, benefits & problems of the interpretation of data. DataPine: https://www.datapine.com/blog/data-interpretation-methods-benefits-problems/

Following the acquisition of the required data, the interpretation process proceeds with the following tasks:

❖ The content analysis of the collected data
❖ The thematic analysis of the collected data
❖ The narrative analysis of the collected data
❖ The discourse analysis of the collected data

Source: Image by vectorjuice on Freepik

✓ The **Quantitative data interpretation**, which include the following activities and procedures:

❖ The definition of the statistical mean of the data and information
❖ The degree of the statistical standard deviation
❖ The degree of the statistical frequency distribution

Following the obligatory data segmentation phase, the quantitative interpretation procedure begins, with the use of the following approaches and tactics:

❖ The Statistical Regression analysis
❖ The Quantitative Statistical Cohort Analysis
❖ Quantitative Statistical Predictive Analysis
❖ Quantitative Statistical Prescriptive analysis
❖ Quantitative Statistical Conjoint analysis
❖ Quantitative Statistical Cluster Analysis

Source: Image by storyset on Freepik

Interpretation of the statistical results

A company must follow five crucial processes, in order to derive relevant and reliable findings from the data analysis technique, in order to accomplish an efficient interpretation of the statistic results. During the data analysis procedure, an enterprise's response department must ensure the following factors:

❖ The statistical significance of the retrieved findings - the experiment's created outcome. Is it connected to a particular cause?
❖ The derived result's practical importance
❖ The potential decision errors that may have happened - referring to the possibility of drawing the incorrect result when completing a hypothesis test (type 1,2,3 error)

Chapter 3. Microsoft Excel Data Analysis

The **Microsoft Excel** program is one of the most widely used digitals tool for data interpretation and analysis. The responsible departments of a corporation can undertake a basic degree of data analysis by using this software, offered by Microsoft. Furthermore, this digital tool enables the responsible individual to make **graphs**, **reports**, and track **spending** and **financial charges**.

Microsoft Excel Data Analysis
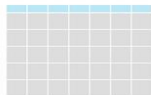
It allows the creation of pivot tables

Can play the role of a solving tool for optimal solutions

The development of what if scenarios

BLOSSOM

Additionally, Microsoft Excel's data analysis features enables users to construct and produce:

A **Microsoft Excel** PivotTable, which is a user-friendly tool for swiftly summarizing vast volumes of data. A PivotTable may be used to analyze numerical data in depth and to answer unexpected queries about relevant data and information.

An **Optimum solution,** which is a possible solution, in which the goal function achieves its greatest (or minimum) value, such as the highest profit or the lowest cost.

The What-**If Analysis**, which is the act of altering the values in cells to examine how such changes affect the results of the spreadsheet calculations.

How to an enterprise can perform an simple Microsoft Excel Data analysis

This data analysis option, provided by Microsoft Excel is still difficult, but there others methods, surely more laborious. The steps of implementing a successful data analysis, with the use of this program, can be stated as follows:

At the **first step**, an enterprise has to gather the needed data and information, for the implementation of the data analysis. The responsible department of the company has to bear in mind the intentions of the selected data.

The **next step** is to integrate the obtained information and data into the Excel Spreadsheet. Typically, this process is carried out automatically (For more information you can visit this link)

The **third step** is the critical part of sorting the obtained data and information that will be used in the data analysis process. Microsoft Excel allows users to arrange their data in several ways:

1) Alphabetical order
2) By number
3) By the colour of the cells of the column and to proceed by sorting them out depending on the colour

The **next phase** is the analysis of the uploaded data, using the methods of Counta, C-CONCATENATE and so forth. Microsoft Excel allows its users to add, remove and alter submitted data, as well as turn resulted data into graphs, charts or Pivot tables.

The benefits of Microsoft Excel Data Analysis

The data science software of Excel, provided by Microsoft, like the rest of the aforementioned statistical analysis approaches is critical since it offers a simpler but less sophisticated data analysis choice. Companies that undertake the process of data analysis, using Microsoft Excel, are capable of executing the following activities more easily and thoroughly:

❖ The management of the financial aspects of the enterprise

❖ The planning and allocations of tasks (especially for the Human Resources departments)

❖ The management of a product or service, especially through the usage of pivot tables
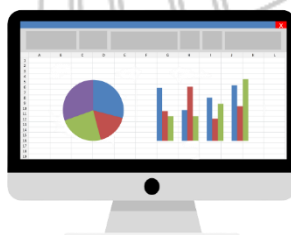
Source: Eric Rosenberg. (2022). The importance of Excel in business. Investopedia: https://www.investopedia.com/articles/personal-finance/032415/importance-excel-business.asp

Source: The Excel Experts. (N.D). What is Excel analysis? The Excel Experts: https://www.theexcelexperts.com/what-is-excel-data-analysis/

Source: Excel Easy. (N.D). Data analysis. Excel Easy: https://www.excel-easy.com/data-analysis.html

Case study

Timberland is a large American manufacturer that specializes in outdoor footwear retail and was founded in Boston - Massachusetts in 1952. Being one of the largest corporations in the industry of retail, the company also offers other products such as watches, eyeglasses, and leather goods. Timberland is one of the major footwear supply companies, employing over 3000 employees.

How did Timberland reach this level of success? Through data analysis and data science

Before attaining this level of success, Timberland struggled from 2006 to 2012, losing a large chunk of their market share, particularly in America. The corporation was on the verge of financial collapse and destruction.

Fortunately, the firm was able to discover the tendencies and trends of the interested consumer audience through the process of data gathering and analysis (Timberland collects data from 18.000 people each year from eight countries all over the world). Timberland was able to handle its challenges by adjusting its goods to the aforementioned obtained information through the examination of the collected data. This is how Timberland defined its archetypal consumer, the urban dweller, and created its signature yellow boots.

Source: Steve Caldwell. (2017). 5 businesses that benefit from data science. Retail Dive: https://www.retaildive.com/ex/mobilecommercedaily/5-businesses-that-benefit-from-data-science

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct answers. What kind of variables does a qualitative data analysis include?	Correct ones: 15. Letters 16. Gender 17. Ethnicity
Options: **10) Letters** **11) Gender** **12) Ethnicity** 13) Number of employees 14) Amount of annual costs 15) Time intervals	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain steps that needed to be followed accordingly, in order to perform a data analysis, through the usage of Microsoft Excel. Link these steps (elements) in the appropriate ranking:	The collection of the mandatory data and information ➔ Step one The integration of data in the Excel Spreadsheets ➔ Step two The sorting process of the collected data and information ➔ Step three The process of data analysis ➔ Step

Options:	four
<table><tr><td>Step one</td><td>The process of Data analysis</td></tr><tr><td>Step two</td><td>The integration of data in the Excel Spreadsheets</td></tr><tr><td>Step three</td><td>The sorting process of the collected data and information</td></tr><tr><td>Step four</td><td>The collection of the mandatory data and information</td></tr></table>	

3. Sorting choice

Question:	Answer:
One of the main methods of data analysis is called Descriptive data analysis. For the effective implementation of this procedure, you need to follow specific steps. Order them with the appropriate ranking:	31. The defining of the objectives 32. The collection of the obligatory data 33. The cleansing of data 34. The process of data analysis 35. The interpretation of results 36. The communication of the achieved results

| Options:

The collection of the obligatory data
The process of data analysis
The cleansing of data
The defining of the objectives
The interpretation of results
The communication of the achieved results | |

Recommended websites/links

- https://codeburst.io/5-best-free-tools-for-data-analysis-and-visualization-f4c8017a5bc5
- https://www.analyticsvidhya.com/blog/2021/11/a-comprehensive-guide-on-microsoft-excel-for-data-analysis/
- https://www.youtube.com/watch?v=_XfWkCsvbEU&ab_channel=TEKNISHA

Glossary

1. **Risk -** refers to the possibility of financial or operational losses, disruptions, or negative outcomes that may affect the achievement of business objectives. It involves uncertainty and the potential for adverse events or factors that can impact the profitability, reputation, or sustainability of a business.
2. **Data interpretation -** refers to the analysis and understanding of data to extract valuable insights and inform business decisions. It involves examining and analysing various types of data, such as sales figures, customer demographics, market trends, financial data, or operational metrics, to gain a deeper understanding of business performance and make informed choices.
3. **Statistical analysis -** refers to the use of statistical techniques and methods to analyse and interpret data in order to gain insights and make informed decisions. It involves applying statistical models, tools, and methods to data sets collected from business operations, market research, customer surveys, financial reports, or other sources.

Session 4. Financial metrics

Chapter 1. Managing Budget

What is a budget?

Resources: https://www.workflowmax.com/blog/small-business-9-tips-for-creating-an-effective-budget

The budget is a statement of income and expenses over a specific period of time and is closely linked to planning.

5 Basic Elements of a Budget:
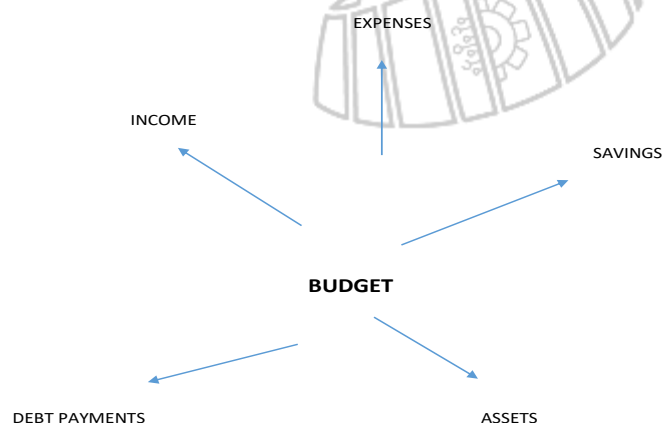
Income

The first place when we talk about the budget is income. Income refers to all the money you receive over a given period of time. All regular and irregular funds should be taken into account. If you know how much money is coming in each month, it makes it easier to plan your budget. If you want to keep track of your income record it on a budgeting spreadsheet or mobile App. Then enter the transactions into a bookkeeping program and keep up with bank statements.

Expenses

Expenses are a second element of budgeting. Once your income is documented and you know exactly how much you have to spend each month, the next step is recording your fixed expenses. These are expenses that are inflexible, won't be changing, and that you cannot eliminate, e.g., amount of rent you pay each month or your mortgage. Deduct these fixed expenses from your income so that you know how much you have left for other spending and saving. Tracking expenses will give you an idea of how much money you need to go into each category in future budgets.

Savings

Savings are a third element of the budget. This might include money that you're saving for retirement or to have some extra cash on hand, as well as money that you are investing for the future. The general recommendation is to save about 20 percent of your income every month, although this may vary depending on your financial situation. You should prioritize saving over flexible expenses. If you would like to save your money more efficiently try to regularly review your saving plan and adjust if needed. Keep track of any changes, e.g., wage increases, inflation, etc.

Debt Payments

Debts Payments are a fourth element when creating a budget - this includes any loans, credit card balances, or car payments that you need to pay each month. Knowing how much debt you need to pay off each month will help you figure out how much money you can save for future goals or use for entertainment or holidays. If you keep track of your expenses each month this will help you keep spending within a budget. Record payments and balances of your credit card to make sure that payments are covered. Set reminders to ensure accounts are paid on time.

Assets

Finally, an asset is anything that has a potential financial value if you decide to sell it at some point (property, shares, furniture, buildings, etc.). The asset can be thought of as something that, in the future, can generate cash flow, reduce expenses or improve sales. Knowing this provides extra guarantees in case of an emergency.

Creating a budget

Planning a company budget carefully is not only the domain of smart financial management, but it is also a very useful tool to use when making key business decisions.

A company budget is a statement of planned income and spending, with which you can increase the financial efficiency of your business. If you are wondering how to prepare such a statement - here are 6 steps to take to develop a company budget.

Step 1: Calculate your net income

Understanding net income may help you manage your finances more effectively. This may help you better plan for the future.

Net income refers to the money you may have available after taxes and deductions are taken out of your paycheck.

Net Income Formula
There are two ways to calculate your net income.

1 FULL METHOD

Revenue — Cost of Goods Sold — Expenses = Net Income

2 SIMPLIFIED METHOD

Gross Income — Expenses = Net Income

Source: https://bench.co/blog/accounting/net-income-formula/#mvbv3

Step 2: Track your spending:

List your income and expenses. Then subtract your expenses from your income if as a result, you have got some money left that's great. If not and in the result, you've got a negative number reduce your planned amount or cut extras until you get zero. Track your income and every expense you make as well.

Step: 3 Set realistic goals

We set goals in order to achieve success, but simply setting goals does not guarantee that we will achieve them.

Setting goals keeps us motivated and allows us to stick to the plan. A realistic goal is one that can be achieved based on the level of motivation, timeframe, skills, and abilities.

Step 4: Make a plan

In the book "All Your Worth: The Ultimate Lifetime Money Plan" Elizabeth Warren described a simple, easy, and now very popular method of budgeting.

The 50-30-20 Rule divides income into 3 categories: needs wants and savings. We allocate 50% of our budget to the things we need for our daily life, 30% to the things we spend every day that are not essential for our life, and 20% of our income we should save.
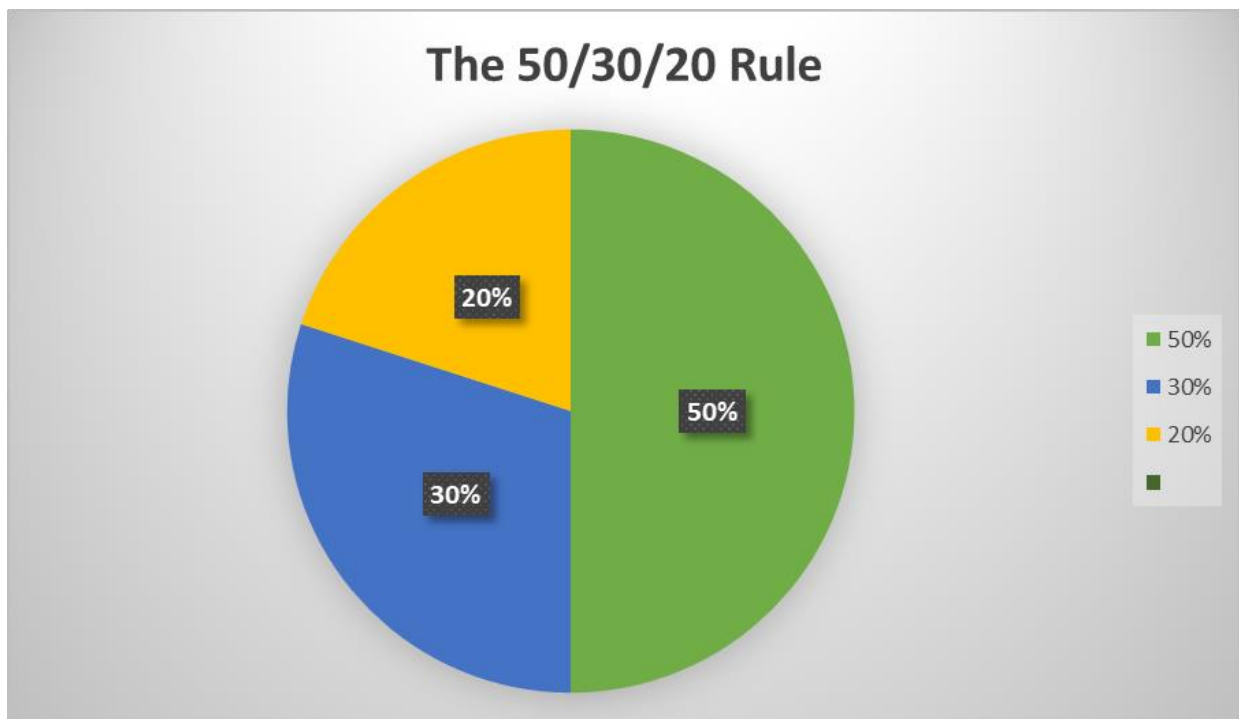
50% NEEDS

Rent, mortgage payments, groceries, insurance, health care, utilities

30% WANTS

The latest electronic gadget, new handbag, dinner or movies out, a ticket to sporting events, concerts

20% SAVINGS

Allocating income to savings and investments, adding money to an emergency fund

Step 5: Adjust your spending to stay on budget

Take control of your money. Review your spending. Find ways to save. Cut some expenses. Adjust budget.

Step 6: Review your budget regularly

Everything is changing: your life, your goals, your needs, and your chances too. Reviewing your budget monthly and annually, it will provide you with valuable insight into how you spend your money and help you understand how to change your budget to meet your financial goals.

How to monitor the budgeting process?

To ensure effective budgetary control, budgets must be effectively monitored and managed. The controlling process also ensures the correct use of funds in accordance with the required level and quality of results obtained from the allocated funds. This process can be divided into several steps:

Establishing the Actual Position

All organizations have their own accounting system in which they record their income and expenses. To analyse the actual situation, you need to get all the current information and analyse it in relation to outstanding transactions. Occasionally, determining the actual situation requires obtaining information from several different sources.

Comparing Actual with Budget

Comparing actual expenses with budget targets is a basic strategy for preparing for future growth. The difference between actual receipts and expenditures is called the budget "variance", and it is a very important technique in the budget monitoring process

Calculating Variances

Variance is a measure of variability. It tells you the proportion of the spread between actual planned budget income and expenses. The more spread out the data, the wider the variance is in relation to the average.

Establishing Reasons for Variances

During budget, preparation errors can arise. There are many reasons for that including faulty calculations, using incorrect assumptions, reliance on backdated or incorrect data or delays in entering information into the system, or unplanned changes.

Taking Action

If we identify variances in our budget, we must implement corrective action. These are necessary to take back control of the budget. Below are some of the possible corrective actions we can take: using emergency funds, increasing revenue, making relocations (moving funds from one budget to another), postponing activities, suspending or cutting back on services, etc.

Chapter 2. Financial Metrics

Financial metrics are indicators that compare a company's financial position with optimal or average values for the sector. In addition, they are examined not only in the current year (compared to the sector) but also observe over a period of time. They include aspects of financial performance that track sales turnover, profits, spending, assets, liabilities, and

funds. They are used by organizations in diverse industries to track business processes, improve operational efficiency, and assist in planning and strategy formulation.

There are several financial metrics that need to be tracked to achieve the financial success of the company.

Cash flow statement is a document that provides information on what the company's sources of finance are and how they are used.

Based on the information included in the cash flow, it is possible to assess a company's ability to convert into or obtain cash the effectiveness of its recovery from customers, and its ability to pay all debts.

The information given in the cash flow statement is extremely valuable as it only takes into account completed transactions. According to many economists, cash flow best reflects the current financial health of a company. Cash flow for a project is a report including planned costs and realized expenses divided into tasks, activities, and expenses.

ROI (return on investment) is an indicator for evaluating the effectiveness of an investment. It assesses the effectiveness of marketing activities undertaken and the profitability of using advertising. ROI tries to directly measure the amount of return on a specific investment in relation to its costs. To calculate ROI, the profit (or return) from a campaign is divided by its cost. The result is expressed as a percentage. Calculating ROI is well suited for evaluating marketing activities and return on investment, but it should be remembered that it is quite general and does not take into account, for example, changes in profit or seasonality or a number of additional costs such as e.g., staff wages.

Source: https://corporatefinanceinstitute.com/resources/accounting/return-on-investment-roi-formula/

Net income refers to the amount an individual or a company earns after deducting expenses, allowances and taxes. In retail, net income is what a business has left over after all expenses, including wages, cost of goods and taxes. Net income for individuals is obtained by deducting advance income tax, social security contributions and health insurance (the part financed by the employee) from the total salary. Net income should ideally be higher than expenses to indicate financial health.

Reasons to use financial metrics: they allow you to check if the efforts you have made have paid off - if you have been successful, what you need to change in order to reach your financial goals, they help you to create more effective business decisions in the future.

Financial Sustainability

Employee Satisfaction
Customer satisfaction
Shareholders satisfaction
Environment-friendly business

→ Good Financial Performance →

Financial Stability
Growth
Expansion

Financial Sustainability

Financial Sustainability: The stability of the financial system is a complicated and multidimensional issue. Without financial stability, there can be no financial success, as it is an important element of any business. It allows us to meet the company needs and to operate even in the case of unpredictable situation. Stability means balance and without it can be no success. Financial stability allows the business needs to be met and to function when unexpected circumstances arise. If you want to become financially stable you need to become more or less financially literate and learn financial concepts such as budgeting, investing, saving, debt elimination, etc. and how to implement them in your daily life.

Case study

In the past a budget was written and planned on a piece of paper in a notebook, later Excel was introduced, and nowadays we are able to find many applications that help us to create our own home budget. Let's have a look on some of them:

Empower Personal Dashboard

At Empower you can personalize and take control of your own financial life.

Mint

With Mint you can track your financial life from spending, balances, budgets to your credit score and more.

Interactive activity

1. Multiple choice

Question:	Answer:
Which of the following best defines budgeting?	1. Budgeting is planning.
Options: 1. Budgeting is planning. 2. Budgeting is communicating specific plans in financial terms 3. Budgeting can help you to purchase anything you want. 4. Budgeting is planning your holiday. 5. Budgeting is promoting better communication between departments.	

2. Matrix choice (drag and drop)

Question:	Answer:
To ensure effective budgetary control, budgets must be effectively monitored and managed. Link the elements of monitoring budgeting process with their characteristics:	**Calculating Variance -** a proportion of the spread between actual planned budget income and expenses **Taking Action** – using emergency funds, increasing revenue, postponing activities **Establishing the Actual Position**- To get all the current information and analyse it in relation to outstanding transactions **Comparing Actual with Budget**- basic strategy for preparing for future growth **Establishing Reasons for Variances**- During budget preparation errors can
Options:	

Calculating variances	Basic strategy for preparing for future growth
Taking action	To get all the current information and analyse it in relation to outstanding transactions

		arise. Reasons for that are faulty calculations, using incorrect assumptions, reliance on backdated or incorrect data or delay in entering information on the system, or unplanned changes.
Comparing Actual with Budget	a proportion of the spread between actual planned budget income and expenses	
Establishing Reasons for Variances	using emergency funds, increasing revenue, postponing activities	
Establishing the actual position	basic strategy for preparing for future growth	

3. Sorting choice

Question:	Answer:
Creating budget involve several steps to effectively manage your finances. What are the steps you can follow to create a budget? Put them in right order	1. Calculate income 2. Track your spending 3. Set realistic goals 4. Make plan 5. Adjust your spending 6. Review your budget
Options: • Track your spending • Make plan • Calculate income • Set realistic goals • Review your budget • Adjust your spending	

Recommended websites/links

- https://www.laurencobello.com/what-are-the-5-basic-elements-of-a-budget/
- https://tueuropa.pl/blog/2075/zarzadzanie-budzetem-domowym---jak-robic-to-dobrze
- https://financer.com/pl/wiki/aplikacja-do-budzetu-domowego/

- https://mamstartup.pl/jak-zaplanowac-budzet-w-firmie-6-podstawowych-krokow/
- https://www.appliededucation.edu.au/step-by-step-guide-to-budgetary-control/
- https://hbpublications.com/2020/06/17/the-5-step-budgetary-control-process/
- https://www.scribbr.com/statistics/variance/
- https://poradnikprzedsiebiorcy.pl/-cash-flow-w-sprawozdaniu-finansowym
- "All Your Worth the Ultimate Lifetime Money Plan "by Elizabeth Warren, Amelia Warren Tyagi

Glossary

1. **Debt payments** - refer to the regular payments made by individuals or organizations to repay borrowed money, typically in the form of loans, bonds, or other forms of debt instruments.
2. **Assets** - refer to any resource or item of economic value that is owned or controlled by an individual, business, or organization.
3. **An environmentally friendly business** - is an enterprise that operates in a manner that minimizes its negative impact on the environment and promotes sustainable practices.
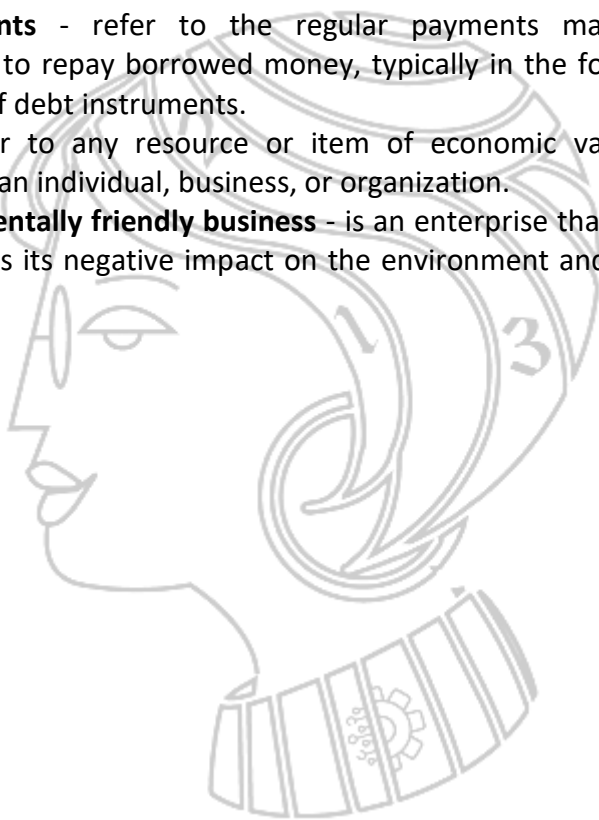
Session 5. Pricing Strategy

The sum of money you bill for your products is what is referred to as pricing, but there is much more to it than that. Indicators of the value of your brand, goods, and clients are included into your pricing for the benefit of potential customers. The price is one of the main factors that can influence a customer's decision to purchase your product. As a result, it needs to be estimated with accuracy.

Pricing strategies are the procedures and methods which are employed by companies to determine the costs of their goods and services. There are numerous pricing strategies available. Several businesses set their prices without considering it thoroughly. This is a problem that causes them losing money from the start. The fact of the matter is that in spending time perfecting your product pricing can be a significant growth component. If you enhance your pricing policy, you will generate significantly more earnings than a company that approaches pricing more passively. This may seem obvious, but few businesses put extra effort into choosing the most effective pricing strategy.

This guide will teach you everything you require to know about developing an effective pricing strategy for your company.

Learning Outcomes

In this section you will learn:

- The significance of perfecting your pricing strategy,
- A successful pricing strategy,
- Top seven pricing strategies,
- How to create a winning pricing strategy

Chapter 1. What are pricing strategies?

Many businesses focus on reducing costs to increase their profits, but research have shown that minor changes in pricing can increase or decrease revenue by 20-50%. Despite this, fewer than 5% of "Fortune" 500 companies have activities dedicated to determining the best price. In the business world, there is a missed opportunity to seek maximum growth with little effort.

Furthermore, most firms invest below ten hours per year questioning about pricing, optimizing their growth potential. In reality, choosing the most appropriate price strategy is an even more powerful growth mechanism than acquiring new
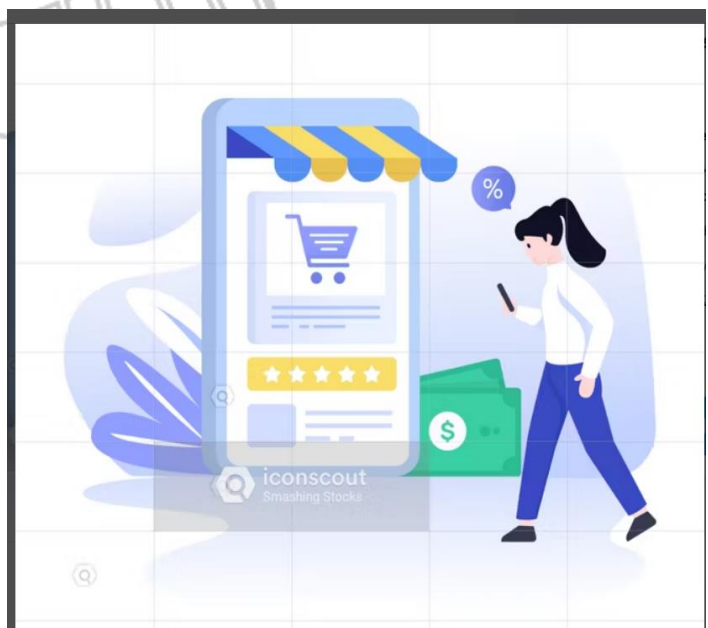
customers. It may be even close more than 7 times more effective than reducing costs in some cases.

The significance of perfecting your pricing strategy

Having an efficient pricing strategy strengthens your position by fostering trust in your customers while also meeting your business objectives. Now let us examine and compare the communication sent by a powerful pricing strategy versus a weaker one.

A successful pricing strategy:

- **Reflects higher quality**

The term "cheap" has two connotations. It may indicate a price reduced, but it may also indicate poor quality. This is a reason why people associate low-cost goods with poor quality. The assumption that a product is of higher value is built into its higher price.

- **Persuades customers to buy**

A premium price could further add value, however if it is higher than a potential client is ready to pay it is meaningless. A very cheap product will make your product appear subpar and will cause it to be overlooked. The optimum offer is one that persuades people to choose your product over similar products from your competitors.

- **Provides your clients with confidence in your product**.

If higher-priced products convey value and authenticity, the inverse follows. Prices that are excessively low will give the impression that your product is poorly made.

A poor pricing strategy:

- **Fails to accurately depict the worth of your item.**

If you genuinely think you own a winning product, which you should if you are selling it, you must persuade customers of this. Setting too low a price sends the wrong signal.

- **Customers are hesitant to buy because of this.**

A price that is too excessively high or low will produce hesitation,

- **It focuses on the wrong customers.**

Some clients prefer value, while others prefer luxury. You must price your product in accordance with the type of client this is intended for.
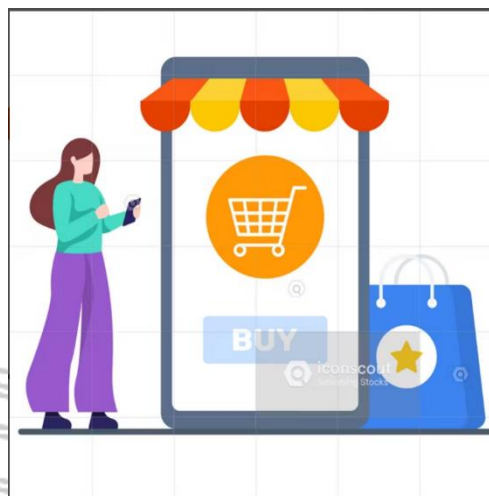
Chapter 2. The top pricing strategies

Let us look more closely at the most common pricing schemes.

1. Pricing based on value

With pricing value-based, you established your prices based on what your customers believe your product is worth.

2. Reasonable pricing

When you adopt a marketing approach, you base your prices on what your competitors are charging. This could be a great approach for some circumstances, such as a new business, but it does not leave much scope for growth.

3. Price gouging

You will be using the strategy of price skimming if you decide your rates to be the maximum the market will allow and then gradually lower them. The purpose is to scratch the market's top and lower prices in order to connect with everyone else. It can work with the right product, but you should use it with extreme caution.

4. Pricing on a cost-plus basis

This is one of the most straightforward pricing strategies. Simply take the product's production cost and multiply it by a certain percentage. Whereas it is very simple to apply, it is not suitable for other than physical products.

5. Pricing for insertion

It can be difficult for new businesses to establish themselves in highly competitive markets. Some manufacturers attempt to promote new products by providing prices that are substantially lower compared with the competitors'. This is known as penetration pricing. While it may bring you new clients and a reasonably good volume of sales, you will need to have a great number of them and they will have to get really committed to stay with you if the price rises in the future.

6. Low-cost pricing

This strategy is widely used in the natural resource goods industry. The primary objective is to charge a product lower compared with the competition and recoup the difference through increased volume.

7. Pricing that changes dynamically

Sometimes in industries, you can change your prices all the time to meet the current supply for that item.

Three examples of real-world pricing strategies

Authentic pricing models in examples are the ideal method for a company to understand better the pricing strategies listed above. Evaluating the approaches of other businesses can be a good place to start, and yet remember that the best strategy is based on calculations, market analysis, and client insights.

1. Online video services

Have you ever noticed how much you pay for Amazon Prime membership, Netflix and other streaming services? This is because these businesses have implemented competitive rates, or at least a variant of it known as market-based pricing.

2. Salesforce.com

Salesforce was the only Customer relationship management in the cloud when it initially launched. Salesforce could charge whatever they wanted because they had a cutting-edge deployment and a large enterprise as a target customer. After they had expanded, they have been able to lower their prices so that smaller companies could be included. This represents a classic case of skimming the price.

How to Develop a Successful Pricing Strategy

In the early stages, the actual amount you charge is unimportant.

Knowing the following is far more important:

- Identifying your value metric
- Identifying and segmenting your ideal client profiles and segments accomplishing user investigation and testing

For the time being, consider the pricing strategies of some of today's biggest companies:
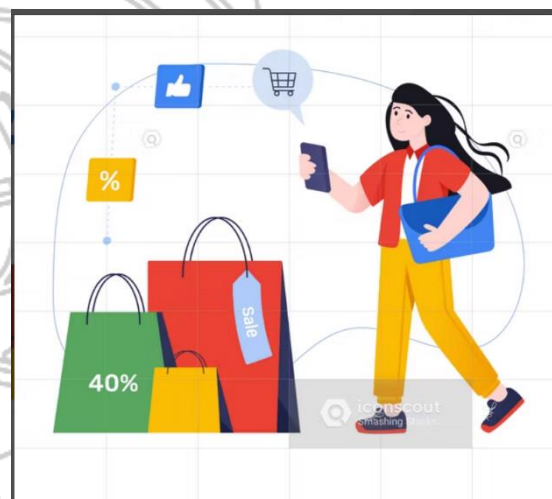
Step 1: Establish your value metric.

A "value metric" is mainly how much you charge. For instance, per seat, per consultations, per GB consumed, per transaction, and so on.

If you nail your value metric, you will be fine. It is that critical. Because it incorporates lower volatility and greater cash flow into your monetization strategy.

A pricing strategy based on a value metric (rather than a monthly fee) is important because it ensures that you are not going to charge a large customer the same as a small customer.

Growth is also included directly into value metrics.

Step 2: Create customer profiles and segments.

Determine your market segments and ideal client profile as the second important determinant of your pricing strategy.

Step 3: User survey and testing

Beyond your core segments and value metric, the pricing becomes strategic and research based. In order to determine your price point, you must first research of sectors and then make decisions on the ground. The same is true for appropriate discount, update, and packaging strategies. The point is that monetization is never complete because it is the essence of converting your price into an optimal schema for your client segments.

One of the most effective tools for this is competitor-based pricing. Observing how competitors structure their selling prices, what functionalities they are distinguished by, but also the metrics they employ to better structure your own pricing.

What exactly is competitive pricing?

Competition-based pricing refers to the retail prices of goods and services based on what competitors charge. The meaning can be used broadly to refer to any strategic approach, along with product marketing decisions such as targeting low-competition niches or developing a new product to remain competitive.

How to Create a Pricing Strategy Based on Competitors

Research is the foundation of a powerful competitor-based pricing strategy. Once you know how your competitors price their own goods and how that pricing affects client expectations, you have a basis for determining the rates for your new product or service.

1.Determine your market's competitors.

The first step in competitor-based pricing is identifying your competitors. Which companies offer comparable goods or services? This is relatively typical market research that you should already be conducting.

Then, categorize them according to specific characteristics as well as market share. Choose the enterprises that closely match the profile of your own brand—these are your main competitor.

2.Take the average of all competitors' prices.

Making a pricing diagram will assist you in comprehending what each of your competitors is doing independently.

3.Choose between higher, lower, and matched prices.

You are ready to understand where your goods or service could be priced in the sector after researching competitors' pricing.

You are ready to understand where your goods or service could be priced in the sector after researching competitors' pricing. If your price is higher than the average, you signal a privilege to potential customers by charging a premium price.

Cheaper than the average cost: When you want to outcompete the rivalries with a lower price and quickly gain more clients.

Aligned fee: Your pricing strategy matches that of your competitors.

Whether you are new to the market or looking to strengthen your current position, the price you set will tell you of your clients' perception of your brand. Just keep in mind that, as in most pricing approaches, competitor-based pricing does not maximize ones company for growth.

The Benefits of Competitive Pricing

Pricing based on competition is an excellent starting point for determining the best potential for deciding your selling price. Market research provides a solid foundation for setting prices. One that is simple to determine, and with the reduced risk.

1.Easy

Pricing based on competition is simple to be determined and comprehended. All you need to do is to look at your competing products in your industry and figure out what their average price is for their services. There from, you could perhaps decide whether to set a higher or a lower price and to meet the expectations of your clients.

2.Low concern

You do not have to be concerned about impressing clients with your pricing when you set it close to competitors' rates. You will already know that it is close to what your competitors are expecting to pay. Clients are more likely to pay your prices if they are near the average market price.

3.Response to changing market conditions

Reacting to market pricing, trying to adjust your pricing requires no ambiguity; you simply need to harmonize it to the market. If you notice a number of your competitors suddenly changing their prices and attempting with either higher or lower price levels, do the same with your own rates.

The disadvantages of competitive pricing

While establishing a price resulting from the competition is simple to implement, it restricts your ability to relate to the value of your service to the price it requests. A lack of that correlation can lead to selling prices issues down the road.

1.Separated from other market variables.

Only how the other enterprises are all doing in the market is considered in competition-based pricing. It does not consider client's demand for a particular good or service, which means it is very easy to lose money. Growth in demand for your brands will not be effectively reflected in the prices of your competitors.

2.Flexibility is limited.

You are limiting your knowledge and practice because you are only looking as to how your competitors charge their product or service. This means you may be overlooking

important pricing issues to consider such as the ability to pay, production costs or functionality uniqueness.

3.Clients were removed.

Pricing based on competition ignores how clients respond to the pricing strategy. Instead, it focuses solely on what other businesses are doing. By excluding clients from the equation, it is difficult to predict how purchasing behavior will affect your sale prices in the long run. It may likely consume your profitability.

The three main pricing strategies based on competition are as follows:

- Penetration pricing entails setting your products cheaper in order to break into the market by trying to attract clients seeking great discounted offers.
- Setting promotional offers enables you to double sales, but keep in mind that your final financial gain will be lesser than if you maintained the initial product prices.
- Captive pricing entails grouping certain accessory products with your basic product and selling them as a bundle to attract a larger client amount.

Why do businesses opt for competitive pricing?

For a variety of reasons, entrepreneurs and small companies, in particular, may opt for a competitor-based pricing strategy.

When they introduce a new service or goods, they primarily would like to draw attention to target clients by providing the fee that clients already are familiar with. Pricing based on competition may indeed prevent clients from switching to competitors in search of a lower price of the product/service.

What exactly is dynamic pricing?

Surge pricing and time-based costing are other terms for dynamic pricing. This strategy is used by businesses to evaluate existing market demands and establish flexible prices for their goods and services. It is, in some ways, a form of selling prices unequal treatment.

Consider aspects such as client propensity to buy something at a specific time, offer and request, competing products, and many other external factors pressures when choosing the best pricing policy for your service or product.

Dynamic pricing is used in a broad range of sectors, such as public transportation, electricity, entertainment and hospitality.

1. Group pricing

Discounts are available for targeted people, such as public employees and senior citizens. This type of pricing policies is commonly used only for promotions and targeting different price specificity.

2. Time-based pricing

This pricing strategy is suitable for a variety of scenarios. This is typical in companies where the demand for a service or product varies throughout the day. To get you started, a few examples are shown below:

- Changing rates can be extremely beneficial to transportation businesses. One example is lowering public transport costs during the night to encourage use.
- Online stores can drop the price of remaining seasonable products with each new edition of products to get rid of excess stock.
- Several delivery companies charge extra for same-day delivery.

3. Pricing on a cost-plus basis

Cost-plus selling prices means charging a higher price for a product you manufacture. This strategy is used by many businesses given that it is the more frequent pricing method.

4. Pricing based on competitors

Competitor-based price of the product is a pricing strategy in which a company determines the price of its goods or services after reviewing its competitors.

5. Pricing based on value (price elasticity)

Value-based pricing is used by businesses to charge for supplies at a price they believe their clients are prepared to pay. Businesses evaluate the value that clients perceive and charge them accordingly, instead of predicting production costs and attaching a traditional markup.

6. Price skimming

Price skimming is a strategy of pricing in which businesses charge the highest product starting price that clients can afford and then gradually reduce the price over time.

As clients' needs are fulfilled, the firm can reduce the price of their goods or services to attract more price-sensitive customers.

7. Bundle Pricing

Bundle pricing is a type of pricing in which businesses combine multiple goods into a single set, selling those for a set price rather than going to charge differently for these items.

8. Pricing for insertion into a market

Whenever a new company enters the market, the technique of penetration pricing is frequently used. Companies achieve this by offering lower prices than their competitors.

Of course, this low price will not last long. When a company reaches a certain core audience and demand level, it gradually raises its prices.

Examples of dynamic pricing

A variable pricing strategy can benefit a wide range of company types, including:

1. Transportation sharing services

Clients pay the demand-based pricing established by ride-sharing companies such as Uber. For example, during a national holiday or a storm, dynamic pricing decisions influence the fares and the length of time passengers should wait.

The very first rationale a variable pricing is coming as a smart option for ride-sharing businesses where they can enhance the number of drivers in a particular region by strategically increasing their pay.

Some other valid reason is to reduce ride demand and long waits. Customers who are reluctant to pay more during busy times will either find some other opportunity or wait for prices to get back to normal.

2. Dynamic pricing strategies for bed and breakfasts and hotels

Periods and specific times throughout the year, including cultural events, public holidays, or events, have an impact on hotel costs.

3. In the ecommerce industry, dynamic pricing is often used.

Many businesses automatically adjust their prices in response to competitors, market values, or marketing activities such as new collection outlet seasons.

Dynamic pricing is regarded as either a perfect solution or a doom. For more customers, the reality is somewhere in the middle. It all comes down to how you apply your dynamic pricing understanding.

In 5 steps, discover how to implement variable pricing.

These are the steps to implementing effective dynamic pricing.

1. Implement price differences

Two prices are more advantageous than one Price differentiation refers to charging the same services or products differently depending on the client's preferences. A company will do this to capitalize on the various financial demographics of its customers.

2. Check that you are using the correct value metric.

The term "value metrics" refers to how you price a product or service. Moving ahead with something like a value metric for a physical item is significantly more difficult than moving ahead for an online service, because you can separate how you value your services using online services.

3. Make use of time in an auction-style model.

You can control whether the prices of your products or services rise or fall over time.

4. Discounts and coupons

You can successfully provide a flexible fee to your customers by using coupons and discounts. Coupons are especially useful if you provide online services. Overuse of coupons, on the other hand, can depreciate your product and brand over time.

5. Be open and honest.

If you use dynamic pricing, you must be clear and honest with your clients in order to increase revenue and customer satisfaction. Being open regarding your pricing schemes makes your clients feel valued and not left out.

Chapter 3. How to Develop a Successful Pricing Strategy

When pricing your products, we recommend the following pricing strategies:

1. Establish the actual cost of your service or product.

To determine the true cost of the item or service you offer, you must account for all of your expenses, with both variable and fixed costs. After you have calculated these costs, deduct those from the price you have already set or intend to define for your service or product.
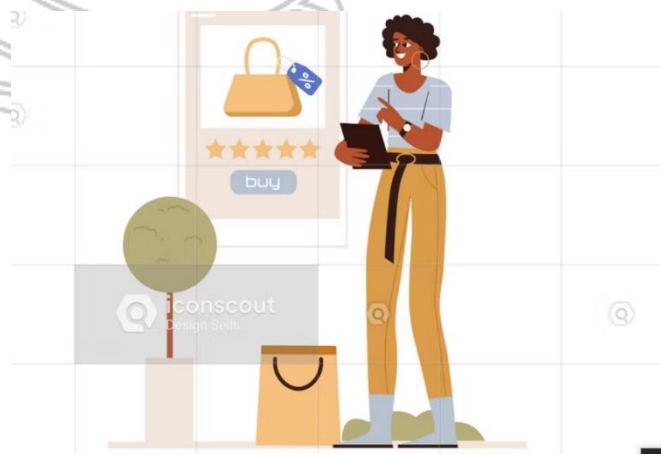
2. Learn why your target audience and client base react to pricing schemes.

Questionnaires, focus groups, or evaluations can help you figure out how the market reacts to your pricing scheme. You will learn what your clientele appreciate and how much they are ready to spend for the real worth your service or product offers.

3. Examine your competitors' pricing strategies.

When undertaking a pricing scheme, there seem to be 2 kinds of competitors to consider: direct and indirect.

Direct competitors are companies that offer the same product as you. Because these rivals are likely to challenge you on price, they ought to be a top priority in your pricing assessment.

Indirect competitors are businesses that sell products that are similar to what you offer. If a customer seeks your product but it is out of stock or out of their financial reach, they may seek a similar product from an indirect competitor.

4. Explore any ethical or legal cost and price constraints.

The boundary between price competition and getting into ethical and legally dilemma is thin. To avoid price-fixing and predatory pricing, you will need to understand them thoroughly while conducting your pricing examination.

To develop an original pricing scheme, you must first analyze your current pricing model. This is true whether you are creating a new product, improving an existing, or essentially realigning your marketing strategy.

Next, consider some pricing models that you can implement in your own business.

Pricing Models Determined by Industry or Business

So, each pricing scheme may not be adequate for every business. Several schemes are best suited for physical products, while others are preferred for services. Following, there are some examples of typical pricing schemes based on business type and industry.

Models of Product Pricing

Physical products, unlike electronic goods or services, encounter challenging costs (such as transportation, manufacturing, and preservation). These costs heavy influence pricing. Such a product pricing strategy should take these costs into account and decide on a price which maximizes revenues, endorses research and development, and compete favorably with the rival products.

When pricing physical products, we recommend the following pricing strategies: cost-plus pricing, competitive rates, luxury pricing, and value-based pricing.

Pricing Schemas for Digital Products

Since there is no perceptible objects or production cost involved with digital products such as apps, e-Learning, and e-Books and other digital content, pricing must be approached differently. Simply put, market price would also include the brand, industry, and overall product value.

When pricing digital products, we recommend using the following pricing strategies: competition-based pricing, premium subscription and value-based pricing.

Style of Restaurant Pricing

Restaurant price structure is original in that it includes physical expenditure, operating expenses, but also service costs. You should also take into account your clientele, broader market advancements for your place and gastronomy, and food costs — all of which can change.

When pricing at restaurants, we recommend using the following pricing strategies: cost-plus billing, premium market, and value-based selling prices.

Scheme for Event Pricing

Production costs cannot be used to accurately measure events. Instead, the cost of promoting and organizing the event, as well as the presenters, entertainers, networking,

and overall experience, determine event value — and price of tickets should reflect these factors.

When pricing live events, we recommend using the following pricing strategies: competition-based pricing, dynamic pricing, and value-based pricing.

Since their intangible nature and the absence of direct manufacturing costs, service companies can be difficult to price. The ability of the service provider to deliver account for a large portion of the service value. Self-employed people and service companies, in particular, must follow a pricing strategy for services. When pricing services, we suggest using the following pricing strategies: hourly rates, project-based billing, and value-based sales prices.

Model of Nonprofit Pricing

Nonprofits, too, require pricing strategies — a pricing scheme can assist nonprofits in optimizing all processes to ensure long-term success.

A charitable organization pricing strategy should take into account expenditures, the variable costs for the organization, the ideal net profits, and the way the strategy will be conveyed to donors, distributors, and everyone else who needs to know.

A charitable organization pricing strategy is markedly different because it frequently necessitates the incorporation of elements from several pricing structures. When pricing nonprofits, we recommend using the following pricing strategies: competitive fees, cost-plus billing, demand billing, and hourly pricing.

Model of Education Pricing

Education has a broad spectrum of expenses that must be considered differentiated based on the degree of education, whether it is private or public, and the learning program.

Tuition, scholarships, and other fees are unique costs associated with the education pricing strategy (course books, accommodation, travelling, etc.). Other important considerations include competition between similar schools, the number of students, the number and cost of teaching staff, and attendance rates. When pricing education, we suggest using the following pricing strategies: competitive fees, cost-based billing, and premium price policies.

Model for Real Estate Pricing

Real estate includes estimates of home values, competition in the market, housing supply, and living costs. Other factors that influence property investment pricing models include potential multiple offers, housing projections and standards, and cyclical shifts in the market.

When pricing real estate, we recommend using the following pricing strategies: competitive rates, variable pricing, premium market, and value-based selling prices.

Model for Manufacturing Pricing

The manufacturing sector has always been complicated; there are many moving parts, as well as your production pricing modelling. Consider the evolution of your product, demand, production costs, market price, sales volume, and all other costs associated with

manufacturing the product. Another critical component of a manufacturing pricing scheme is determining the maximum value that the market could pay for your type of product in order to maximize profit.

When pricing manufacturing, we recommend using the following pricing strategies: competitive rates, cost-plus billing, and value-based pricing.

Model of Ecommerce Pricing

Ecommerce pricing models establish the amount at which you will sell your products online as well as the cost of doing so. That is, you must consider what your clients are willing to spend for your products online as well as the cost of purchasing and/or creating those products. You should also consider your online marketing campaigns for these products, along with how convenient it is for your clients to find similar items to yours on your competitors' ecommerce sites.

When pricing ecommerce, we recommend using the following pricing strategies: competitive fees, cost-based selling prices, variable pricing, free version pricing, promotional pricing, and value-based selling prices.

Case study

Nestle Pricing Strategy

Heinrich Nestle established Nestle in Switzerland in 1866. One of the first multinational corporations is Nestle. Nestle set out to seize growth opportunities in various nations right from the start. It merged with Anglo-Swiss condensed milk in 1905, expanding its product line to include condensed milk and infant formula. With operations in 189 nations, Nestle currently has 447 factories.

A multinational company called Nestle currently has a net worth of about $270 billion. The brand's pricing strategy is what has contributed to its success. In comparison to other brands, Nestle's pricing strategy is fairly unique. It simply depends on recognition, which is linked to the product's apparent quality. Nestle evaluates the pricing strategy it wants to use based on this quality and the attitude of the customers. To find out more, click the link below:

Source: *https://www.studysmarter.co.uk/explanations/business-studies/business-case-studies/pricing-strategy-of-nestle-company/*

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct qualities/definitions of Pricing Strategies. A pricing strategy is:	Correct ones: 18. .. Pricing strategies are the procedures and methods which are employed by companies to determine the costs of their goods and services
Options: 19. .. procedures and methods which are employed by companies to determine the costs of their goods and services 20. .. the sum of money you bill for your products 21. … reducing costs to increase profits 22. .. seeking maximum growth with little effort 23. .. is used to define the strategy that the leader is going to follow with his employees	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain essential elements in how to develop a successful pricing strategy. Link these elements with their meaning.	How much you charge. For instance, per seat, per consultations, per GB consumed, per transaction, and so on.➜ **Value metric** Determine your market segments and ideal client profile as an important determinant of your pricing strategy. ➜ **Customer profiles and segments** Decisions based on research of sectors, converting your price into an optimal schema for your client segments. ➜ **User survey and testing**

Options:	
Value metric	Determine your market segments and ideal client profile as an important determinant of your pricing strategy.
Customer	How much you

profiles and segments	charge. For instance, per seat, per consultations, per GB consumed, per transaction, and so on.		
User survey and testing	Decisions based on research of sectors, converting your price into an optimal schema for your client segments.		

3. Sorting choice

Question:	Answer:
The **Pricing Strategy Based on Competitors** is based on three basic elements. Order them accordingly:	37. Market competitors 38. Average of all competitor's prices 39. Higher/Lower/Matched prices
Options: higher/lower/matched prices market competitors the average of all competitors' price	

Recommended websites/links

- https://www.studysmarter.co.uk/explanations/business-studies/business-case-studies/pricing-strategy-of-nestle-company/

Glossary

1. **Entrepreneur -** is an individual who starts, manages, and assumes the risks of a business venture, typically with the goal of creating value or making a profit.
2. **Price -** refers to the process of determining the value and setting the monetary worth of a product or service.
3. **Low-cost -** is a business strategy focused on offering products or services at a lower price point compared to competitors in the market.

LESSON PLAN: Module 2 "Numeracy literacy"

Item	Contents
Module 2 Sessions (brief presentation)	**1. Initial Capital** Financial planning in business concerns the planning and methodology for managing finances for the purpose of profitability. The initial capital is a very important parameter since it concerns the start-up costs of the business. Of course, the needs of each business are different, but the ways of evaluating and finding financing are common. This session is divided in three chapters: the first chapter analyses the initial capital for business activity. The second chapter focuses on gaining knowledge to calculate start-up costs, and the third chapter presents sources of finance for starting a business. The specific contents are: 1. What initial capital means? This session defines initial capital and presents the different funding phases. 2. Calculate of the Initial Capital. The session present various purposes initial capital is used in business design and development. 3. Funding sources. Different funding sources are described to support learners evaluate various options available. The expected leaning outcomes of this material for learners are to: • Understand what the initial capital means • Calculate initial costs • Identify sources of funding **Methods/Activities:** This session includes 3 activities. A multiple choice to define initial capital; a matrix where the user will have to link crowdfunding models with their definitions; and finally, a sorting choice to order steps for financing stages in the process of business development. **Extra resources:** (List of highest-funded crowdfunding projects) ➔ https://en.wikipedia.org/wiki/List_of_highest_funded_crowdfunding_projects (One Minute MBA- resources and courses) ➔ http://www.onlinemba.com/blog/the-top-25-crowdfunding-success-stories/

Item	Contents
	2. Budget Management
	This session covers basic financial literacy concepts related to budgeting. In this session, the user will learn how to budget according to the needs of their business; understand why financial planning is important and end up making the most of it with the best ways to make financial decisions.
	The specific contents are:
	1. The importance of creating a budget 2. Strategies for sticking to a budget 3. Advanced budget management techniques
	Methods/Activities:
	This session includes 3 activities. A multiple choice to explain the 50/30/20 rule; a matrix where the user will have to link the savings techniques with their definitions; and finally, a sorting choice to order the necessary steps in the elaboration of a budget.
	Extra resources:
	Educative video explaining the different budgeting methods➔ https://youtu.be/-WxNLsYtNSk
	Video on mistakes to avoid when trying to stick to a budget➔ https://youtu.be/8LsD73abBYo
	A list of the best budgeting apps for different purposes➔ https://www.forbes.com/advisor/banking/best-budgeting-apps/
	3. Data analysis
	The third session of the Numeracy module includes the subject of Data Analysis in businesses. The process of data analysis is critical to an enterprise's optimal functioning and well-being, as it allows the company to perform strategic decisions and actions, in an efficient and accurate way, such as the measurement and reduction of costs as well as the process of making far better decisions and to provide an effective customer service, based on the traits and needs of the consumers, through the collection and use of data. Upon the completion of the data analysis session of the Numeracy Module, the participant student will be able to define the basic data – statistical analysis methods and the different types of data and incorporate them to their entrepreneurial journey. Moreover, the participant student will learn how to interpret the multiple data analysis results and abide – adapt to them. Lastly, the student will learn how to perform a basic data analysis through the Microsoft Excel software.

Item	Contents
	The specific contents of the Data Analysis session of the Numeracy module are: 1. The process of data analysis in business, an overview – The benefits of data analysis 2. Types of data analysis and the morphology of data – data interpretation 3. Microsoft Excel Data Analysis **Methods/Activities**: This session includes 3 interactive activities. A multiple choice asking the participant to answer what kind of variables (data type) a **qualitative** data analysis include. The second interactive activity of the third session of the numeracy module includes a drag and drop choice (Matrix choice) asking the participant to drag and drop the steps to the appropriate ranking, in order to perform a Microsoft Excel Data Analysis. The last interactive activity includes a sorting choice activity, asking the participant to sort out the steps, to the appropriate ranking, in order to perform a descriptive statistical – data analysis. **Extra resources**: An online article displaying online tools that can be used in order to perform a data analysis and visualize the produced results and different statistical techniques, such as BIRT, Cytoscape.js ➔ https://codeburst.io/5-best-free-tools-for-data-analysis-and-visualization-f4c8017a5bc5 An online article displaying the different statistical – data analysis functions that Microsoft Excel Data analysis includes, such as Concatenate, Counta ➔ https://www.analyticsvidhya.com/blog/2021/11/a-comprehensive-guide-on-microsoft-excel-for-data-analysis/ A five-minute-long YouTube video of an Microsoft Excel Data analysis tutorial➔https://www.youtube.com/watch?v=_XfWkCsvbEU&ab_channel=TEKNISHA **4. Financial metrics** In this session students will learn about the concept of a budget and what are its main elements and their explanation. After learning the content of the first chapter, they should gather knowledge of how to create a budget step by step and how to monitor it later. They will also learn how to recognize errors in the functioning of the budget and what methods to implement to make budget function properly.

Item	Contents

	Methods/Activities:
	
	 This session contains two activities. The first one multiply choice question allows to learn more and understand the concept of the budget. The second activity Matrix Choice allows to check the knowledge of what elements the budget monitoring consists of.
	
	 Extra resources:
	
	 YouTube video shows tips for starting your first budget➔ https://www.youtube.com/watch?v=Ix4sJQRVDu4
	
	 A YouTube video presents how to make a budget that actually works➔ https://www.youtube.com/watch?v=FUA_hirrEV8
	
	 5. Pricing Strategy
	
	 Pricing strategies are the procedures and methods which are employed by companies to determine the costs of their goods and services. There are numerous pricing strategies available. Several businesses set their prices without considering it thoroughly. This is a problem that causes them losing money from the start. The fact of the matter is that in spending time perfecting your product pricing can be a significant growth component. If you enhance your pricing policy, you will generate significantly more earnings than a company that approaches pricing more passively. This may seem obvious, but few businesses put extra effort into choosing the most effective pricing strategy.
	 This guide will teach you everything you require to know about developing an effective pricing strategy for your company.
	
	 The specific contents of the Pricing Strategy session of the Numeracy module are:
	
	     1. What are pricing strategies?
	     2. The top pricing strategies
	     3. How to Develop a Successful Pricing Strategy
	
	 Methods/Activities:
	
	 This session includes 3 interactive activities. A multiple choice asking the participant to answer what kind of variables a pricing strategy includes. The second interactive activity of the third session of the numeracy module includes a drag and drop choice (Matrix choice) asking the participant to drag and drop the steps to the appropriate ranking, in order to develop a successful pricing strategy. The last interactive activity includes a sorting

Item	Contents
	choice activity, asking the participant to sort out the steps, to the appropriate ranking, in order to develop your own pricing policy **Extra resources**: An online article displaying online tools that can be used in order to develop your own price strategy➔ https://www.studysmarter.co.uk/explanations/business-studies/business-case-studies/pricing-strategy-of-nestle-company/
Exercises	The format of the exercises you will perform in each session is listed below. Exercises: Interactive activity 1. Multiple choice 2. Matrix choice 3. Sorting choice

Methods

Below is a brief description of the variety of methods that can be implemented while delivering the lessons. Combining these methods could also be effective for the learner:

Peer to Peer Learning: provides an informal and engaging learning environment. The potential benefits of peer-to-peer learning are documented in the educational literature as active-learning approaches.

Experiential Learning: an approach that requires a non-traditional learning environment that blends teaching and assessment techniques. It is recommended that experiential learning to be at the core of the course module enabling the student to benefit from a practical but safe learning environment thus still exposing them to real life business challenges.

Classroom: traditional teaching style

Online learning: Access to learning activities and experiences via the use of some technologies through online: Classroom Learning, video, webinars, podcast or other useful media

Student reflection: The practice of reflection should be common in order to ensure the students analyse their engagement with the content and context of the course. It also serves as a reference guide after the completion of the course/module

Facilitation: Effective facilitation by lecturers and mentors will drive a significant portion of the learning outcomes. The facilitators should guide and allow discussion, debates and student interactions to help them achieve learning goals

Self-Directed Learning: Timetable learning where the students with guidance from teacher, decide what and how they will learn. It can be done individually or with group learning, but the overall concept is that students take ownership of their learning.

Gamification: **Games** have been frequently seen as a valuable way of engaging young people. They have the potential to become environments for skill development and social participation, by creating in-game and out-of-game spaces in which meaning-making processes are activated, knowledge is shared and participants feel recognized and awarded. In addition, most games provide an immersive game system in which exploration, problem-definition and problem-solving are encouraged, stimulating creativity, persistence, systems thinking and other skills associated to learning. **Serious games** (i.e., games with an explicit educational aim and content) in particular have the potential to foster learning by offering authentic simulated settings and by mimicking real-world scenarios which integrate economic and technological aspects. Moreover, serious games can generate meaningful, unpredictable and uncontrollable events in order to engage users holistically and elicit users' adaptation in simulated gameplay scenarios. Notably, multiplayer serious games can engage users in collective learning and action, promoting participation.

Module 3 - Digital skills

This module is aimed at informing the learner with the knowledge and the methods to generate and manage digital skills. The expected learning outcomes include

- Learning social media management for businesses
- Learning how to use social media to their full potential for a business
- Gaining knowledge for effective social media account management for businesses
- Understanding how a chatbot operates and what are the benefits of it
- Understanding the importance of administrative processes in a digital business.
- Understanding how digital tools and software can be used to simplify administrative processes and improve efficiency
- Understanding the importance of digital security
- Explaining ways to stay safe while using the internet
- Improve knowledge of best practices

Module 3 "Digital Skills" is focused on equipping learners with the necessary digital skills required to operate and grow a business in a digital era. The module is divided into five sessions. The first session, "Increase digital presence," covers strategies for increasing a business's digital presence. The second session, "Social media marketing for businesses," provides an overview of social media platforms and their role in digital marketing. The third session, "Chatbots," introduces the use of chatbots in business, including the benefits of automating customer service, selecting a chatbot platform. The fourth session, "Administrative processes on a digital business," discusses the digital tools available to manage business operations. Finally, the fifth session, "Digital Security," covers best practices for securing digital assets and protecting sensitive information.

This module is divided into five sessions:

- Session 1: Increase digital presence
- Session 2: Social media marketing for businesses
- Session 3: Chatbots
- Session 4: Administrative processes on a digital business
- Session 5: Digital Security

In each session you will find:

- different content files with the required explanations for you to understand and achieve the digital skills
- practical exercises you should develop by yourself and then compare it to the proposed solution

Session 1. Increase Digital Presence

A company's digital presence is how the enterprise appears in online digital media, regardless of its size. A company's digital presence is made up of numerous parts, such as its distinct and distinctive content, its website, the different online services and social networking platforms that the company uses to promote its products or services.

Learning Outcomes

Upon the completion of this section, you will learn:

- Methods of increasing your enterprise's digital presence
- Social Media Management for businesses
- The definition of Online Reputation Management
- How to use Social Media to their full potential for your enterprise

Chapter 1. Overview of Digital Presence for Businesses – Necessary actions before the development of a corporate digital presence strategy

Introduction to the term of Digital Presence for businesses

Maintaining a business's digital presence is necessary and critical, because everything in the sphere of purchasing and selling is being digitalized and the fight for attracting potential clients via the use of digital services has begun. Having a **strong digital presence** as a company is required and frequently results in:

➢ The improvement of the showcasing of the enterprise products and services
➢ The finding of would be consumer in an easier way
➢ The construction of better and healthier business – consumer relationship

As mentioned before, an enterprise's digital presence is made up by numerous parts. The nature of the **distinctive – unique content** that a company uses in order to promote itself can be summarized below:

➢ Digital books
➢ Promotional videos about the services and products of a company
➢ Data sheets
➢ Business whitepapers, which is an informative document, mainly used by companies to highlight the special features of a product or service

❖ **What are the benefits of having a strong digital presence as a company?**

Having a strong and most importantly active digital presence as an enterprise often leads to the following benefits – advantages:

> Putting a business online liberates an entrepreneur from the constraints of physical boundaries. According to the company's demand and expansion objectives, an entrepreneur may market the products and services to a global audience. In order to service the consumers, entrepreneurs need a solid digital marketing plan and a well-thought-out online company model

> Being online also helps entrepreneurs to gain the industry's reputation and trust, as well as attract additional corporate relationships. It also enables them to access mobile clients, which has recently become a fast rising sector. This allows entrepreneurs to explore more business options and expand their reach and earnings

> Customers will find it simpler to interact with a company if it has a digital presence. As long as entrepreneurs communicate with their audience and potential consumers, through various digital platforms, customers will become more familiar with the enterprise's brand and they will be more inclined to do further transactions

> Having a digital presence helps entrepreneurs to not only reach out to more prospective consumers and promote their brand, but also to urge them to take the further actions. Continuing this method will result in constant entrepreneurial lead and higher conversion rates
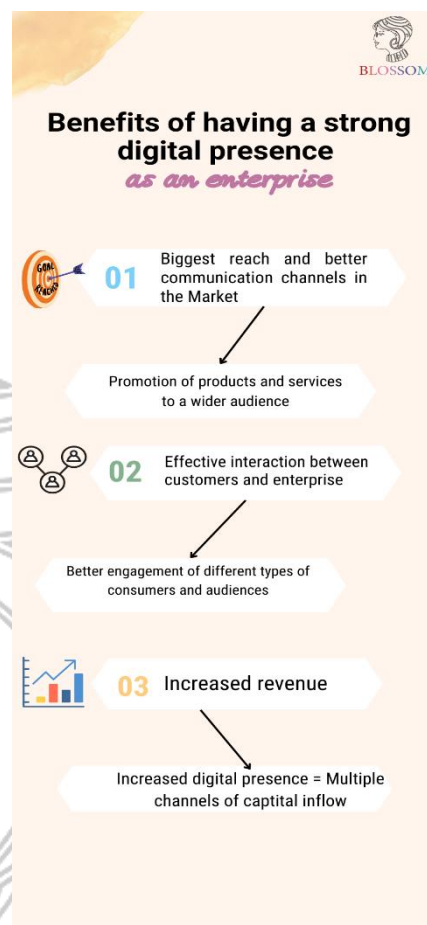
Source: Canva

Source: 10xDs. (2021). 5 Compelling Reasons for Having Digital Presence in 2021.: https://10xds.com/blog/5-compelling-reasons-for-having-digital-presence/

Source: Dominic Tortorice. (2022). Digital Presence: What it is and how to expand yours (Infographic). Brafton – Fuel your brand: https://www.brafton.com/blog/content-marketing/digital-presence/

Source: Adam Hayes. (2023). What is a White Paper? Types, purpose, and how to write one. Investopedia: https://www.investopedia.com/terms/w/whitepaper.asp

Source: Beau Peters. (2021). Guest post: The importance of a Digital Presence for your business. Indiana Chamber: https://www.indianachamber.com/guest-post-the-importance-of-a-digital-presence-for-your-business/

The steps before the development a strong and reliable digital presence

But, before presenting and describing the techniques and methods for boosting a company's digital presence, several procedures and stages must be taken into consideration

in order to ensure that the approach is genuine and particularly successful. These components must be followed by people who are already entrepreneurs or they the process of becoming one.

It is extremely **vital** for an entrepreneur and a potential businessman to collect precise data and information before beginning such an endeavor, which is the development a company's digital presence, using the means of external and, most significantly, internal evaluation processes.

To be more specific, it is critical to determine in which **platforms** or **social media services** a company outperform and which services an organization underperforms. To begin with, an entrepreneur must **locate**:

• The exact amount of visitors that visit and click on his/her company's website

• Who is visiting the website, their demographic data (which may be obtained via Google services such as: Google Analytics

• The amount of time a consumer spends on the enterprise's website or on its social media pages (in minutes or hours)

• The location of the online website visitors - where they are coming from (geographic location)

Furthermore, a potential entrepreneur has to analyze the reasons of the occurred visit. For example:

➢ Did the occurred visit came performed through an organic search?
➢ Was the occurred visit an aftereffect of a paid advertisement
➢ Was the occurred visit an aftereffect of a Social Media Post?
➢ Was the occurred visit an aftereffect of an email marketing campaign?

Did your visitor click on your website through organic search?

Was it the effect of your online adverstment?

Was it the effect of your Social Media Campaign ?

Was it the effect of your email campaing ?
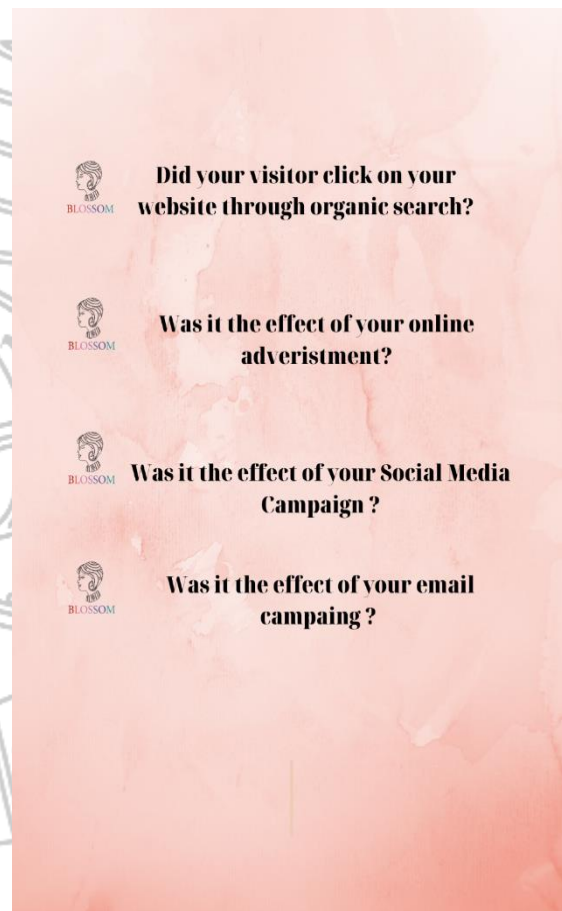
Source: Canva

Measuring the traffic of a company's website

Monitoring the traffic of a company's website is a critical component in developing an effective plan for boosting an enterprise's digital presence. It is especially significant since without properly monitoring the traffic of a company's website, all procedures and practices are molded by assumptions and speculative assertions. Without a true measurement of a website's traffic statistics, it may be hard to develop a successful digital presence later on. In

order for entrepreneurs to be successful in their venture, they have to measure at first the traffic of their company's website in order to:

➢ Evaluate the website of their corporation and its **functionality**
➢ Learn which page of the website gets **the most and least clicks**
➢ Distinguish the **general profile of the enterprise visitors**, for example their age, their location (geographical data) - from which they are visiting – their demographic trends
➢ To determine the **website's bounce indication (bounce indicator)**, which refers to the total number of visitors <u>that leave the website within a short amount of time</u>. If the bounce rate is high, it implies that an entrepreneur should reevaluate some of the website's functionalities. The phrase "bounce rate" refers to how many users abandon a website after just seeing one page. A high bounce rate indicates that a substantial proportion of your site visitors are one-and-done.

Source: Vitaliy Podoba. (2017). What is Bounce Rate and how does it relate to your online revenue? SoftFormance: https://www.softformance.com/blog/bounce-rate/

Source: Diana Richardson. (N.D). The importance of tracking website traffic. Commercial Web services: https://www.commercialwebservices.com/blog/2010/09/24/the-importance-of-tracking-website-traffic/

The types of website traffic

It is normal, for the purpose of visiting a website to be different from person to person. As a result, the sorts of website traffic varies amongst them. The website traffic types are the following:

✓ **Organic Search Traffic**: This type refers to the amount of people that visit a website straight <u>through search engines, such as Google Search</u>
✓ **Organic Social Traffic**: This type refers to the amount of people that usually visit a website <u>through the usage of Social Media Platforms, such as Facebook, Instagram and Twitter</u>
✓ **Direct Traffic**: This type refers to the amount of people that usually visit a website through <u>typing the URL</u> of site directly into the browser search engine
✓ **Referral Traffic**: This type refers to the amount of people that usually visit a website through a <u>reference link</u> from other websites
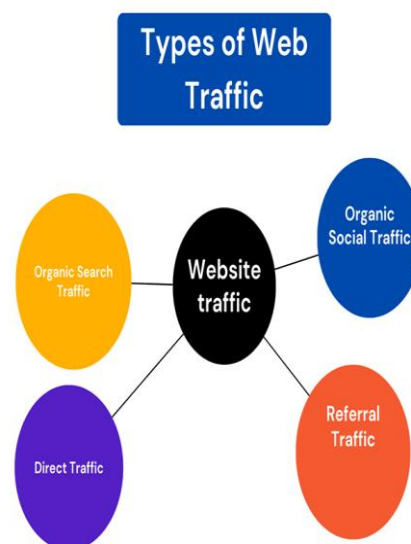
Source:Canva

As a conclusion, it is critical for a business and an aspiring entrepreneur to keep track of the data and information of the people who visit his/her company's website, such as the number of people who have visited the company's website and the exact number of website pages that have received the most visits. These are vital parts and procedures that must be considered before implementing a digital presence strategy.

Source: Kevin Wallner. (2023). How to measure website traffic with Google Analytics. VictoriousSEO: https://victoriousseo.com/blog/measure-site-traffic/

Source: Joshua Hardwick. (2018). Find out how much traffic a website gets: 3 ways compared. AhrefsBlog: https://ahrefs.com/blog/website-traffic/

Social Media traffic

The usage of Social Networks, for the daily operations and marketing purposes of a company's products or services is becoming a commonplace in the modern business sector. A growing number of organizations all over the world, large and small, use social networking platforms, to varying degree, in order:

- ✓ To <u>attract new customers and prospective purchasers</u> by utilizing the direct contact capabilities of social media
- ✓ <u>To obtain direct feedback fr</u>om members of the public who use the specific social networking platform
- ✓ For "espionage'' actions or spying on the activities of competing firms and organizations

To comprehend the way that Social Media Platforms can fit in your enterprise

It is particularly important for a company to understand how Social Media works, so that it is able to understand which platform will be more ideal and in line with the way of operation and the overall structure of the business

The effectiveness of the already in use Social Networks

Does the Social Networking platform in use produce the required and necessary results, such as the increase in visitors and consequently sales?

Evaluate the results and objectives revision

Measuring the results, brought about by the techniques, currently in use, on Social Networking Platforms can help draw an overall conclusion about the usefulness of existing methods, occurence that may lead to a future revision.

Social Media traffic types

The different types of Social Media traffic can be summarized below:

- ✓ **Organic traffic**: The Organic traffic type on Social Media refers to the amount of people that visit a Social Media profile without any paid subscription
- ✓ **Paid traffic**: The Paid traffic type on Social Media, we refer to the amount of people that visit a Social Media profile through paid advertisements, usually from Google or Facebook Ads

Source: Canva

Before developing any strategy to expand the business's digital presence, it is critical to determine the precise number of individuals who were drawn to the enterprise's profiles on Social Media Networks. A corporation will be able to properly identify the following aspects by measuring the given data as numbers, such as the number of likes or shares that a post received on a social media platform. So, for potential entrepreneurs:

✓ It is important for a company to understand how Social Media work
✓ It is important to define the efficiency of the already in use Social Media platforms
✓ It is important to acknowledge the evaluation of the results

Measuring Social Media Traffic

To successfully estimate the traffic of the Social Media platforms, the interested entrepreneur needs to collect various data, before reaching to a final decision. The following are the prerequisites and criteria that need to be considered:

✓ The exact amount of followers on each social media profile
✓ The accurate impression and reach metric
✓ The engagement actions such as likes, shares, reposts, retweets, and so on.
✓ The specific response rate
✓ The monitoring the company's brand ambassadors (if the company has one)

Source: Blog. (2022). 9 essential Social Media metrics to track [+ 6 Best Tools]. Keyhole: https://keyhole.co/blog/social-media-metrics-to-monitor/

Source: Gina Mossey. (2017). 3 reasons why you should measure your Social Media efforts. Allison Partners: https://allisonpr.co.uk/blog/3-reasons-why-you-should-measure-your-social-media-efforts/

Email Traffic

With the constant growth of Social Media network services, aimed at maintaining a successful digital presence, many people believe that the method of electronic messages (emails) as a mean of connection with potential consumers, has begun to disappear. Yet, this is not true, because electronic messages are still the most essential communication route today. The plethora of businesses utilize emails to provide the following services as part of their effective digital presence:

✓ **For information via scheduled newsletters**
✓ **Update on subscriptions**
✓ **Promotional email**
✓ **Milestone emails**

The critical factors of movement measurement, regarding the usage of emails

The would-be entrepreneurs, who owns a business website, in their effort to accurately and effectively measure email traffic, should keep the following in mind and into consideration:

✓ **The evaluation procedure of the click and open ratio:** This ratio can explain in detail the number of people that clicked inside the content of the forwarded email, that a company has sent

✓ **Bounce rate:** A potential entrepreneur will have to consider the amount of time that a receiver spent interacting with your email, before leaving to an another source

✓ **The correction of inaccurate data and information:** This procedure will prevent you by sending an email to an no existent or non-authorized receiver

Source: Mia Thompson. (2020). Email is still an essential part of your online presence. N-Able: https://www.n-able.com/blog/email-still-essential-part-your-online-presence

Source: Jayson DeMers. (N.D). What is email traffic? 21 ways to monitor and increase It. Email_Analytics: https://emailanalytics.com/email-traffic/

Chapter 2. Online Reputation Management

A company's digital reputation is the reputation in relation to the quality of its provided services and products, its workforce, the level of its response to various requests, such as customer and complaint services and its ability to solve potential problems and difficulties. And why is it significant? Because a company with a strong reputation emanates commercial consistency and trustworthiness.

Source: Image by pikisuperstar on Freepik

Benefits of a strong online reputation

Digital reputation management is a critical component of a company's effective digital presence. In essence, digital reputation management is defined by the company's activities and processes for efficiently managing the opinions and impressions of customers and future consumers. Every online service and platform, in which the firm is involved, is included in the online reputation management operations.

A company's internet reputation must be effectively managed if it is to run smoothly and efficiently. The successful online reputation management enables a business:

✓ To improve its reputation: a potential entrepreneur has to share the favorable review/brand mention throughout the internet networks. If done correctly, this can lead to greater conversion

✓ A great internet reputation not only increases revenue but may also pique the curiosity of future job candidates. The greatest applicants want to work for firms with a strong reputation and since the competition for talent is tough, it may assist organizations get the best staff

Effective Online Reputation Management Benefits

Increased web and social media traffic

Efficient method of dealing with problems and crisis that may occur

Attraction of potential working force

A strong and committed relationship between the company and the customers

Improvement of trustworthiness of the company

✓ Trust is the foundation for developing long-term connections with clients, which promotes corporate success.

✓ An entrepreneur is able to keep people committed in his/her business by being active online, delivering unique deals and responding to their questions and comments quickly. As a result, they will be less likely to leave and join the competitors.
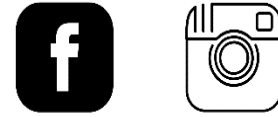
Source: Canva

Source: Mathilda Hartnell. (2021). What is online Reputation management & why is it important. SentiOne: https://sentione.com/blog/what-is-online-reputation-management-why-is-it-important

Online Reputation Management Strategies

The strategies for the maintenance and improvement of the **Online Reputation Management** procedure for businesses can be summarized below:

Reputation Management METHODS

- The establishment of **a Social Media Monitoring mechanism**, to monitor the effectiveness indicators of the company's Social Media profiles

- It is legal for a business to be a topic of customer review in order to accomplish an effective management of a company's online reputation. As a result, a business owner must incorporate an application service for online evaluations, as well as the capacity to reply to criticisms. This strategy will assist individuals in charge of a firm in clearly understanding their total customer satisfaction level and, if it is low, in beginning to analyze and review particular parts and processes.

Source: Canva

Source: Amog Aadahallikar. (2022). What is online Reputation Management – The complete guide. Razorpay: https://razorpay.com/learn/what-is-online-reputation-management/

Source: Mathilda Hartnell. (2021). What is online Reputation management & why is it important. SentiOne: https://sentione.com/blog/what-is-online-reputation-management-why-is-it-important

Chapter 3. Methods – Strategies of increasing the Digital Presence of an enterprise

In this section of the provided didactic module, the strategies and techniques for increasing a company's digital presence will be discussed. The capacity to construct successful business schemes, for the effective development of plans, to update a company's digital presence will be acquired as a consequence of finishing this training module.

It is commonly known that any firm, large or little, has on its agenda the strengthening of its digital presence, since the move to digitalization of commercial activity is more visible than ever.

In order to establish a strong digital presence for their businesses, prospective entrepreneurs must take specific actions and align with verified and current digital strategies for the efficient digitalization of their businesses.

Current and prospective entrepreneurs must:

• **Understand their clients' requirements and tendencies**. A company's prospective clients may be engaged on many platforms. Customers who are more product-oriented, for example, are undoubtedly more active on sites such as Instagram. Entrepreneurs have to understand what potential clients are searching for and on which platform they are seeking

• **Create rules for and create promotional content for their firm**. To establish a strong digital presence, ambitious entrepreneurs should design particular content rules and begin curating their own company content after identifying and analyzing the preferences of their customers

The content is categorized into the following categories based on the intended audience:

1) **Informative content:** Informative or informational content is a content type that a firm may use to give answers to various difficulties. Blogs, emails, and case studies are examples of the instructive materials

2) **Opinionated content**: Opinionated content is including materials, which are generated and based on the company's subjective viewpoint. Often, this subject category sparks passionate disagreements
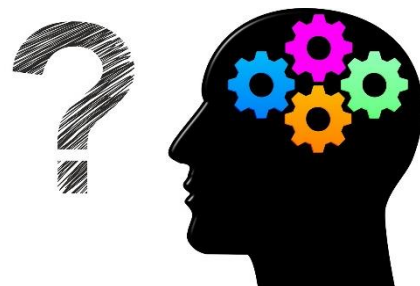
Source: by ar130405 from Pixabay

3) **Interactive content** - Playful content: Interactive content is the production of resources that stimulate the consumer interaction, such as quizzes, calculators, e-books, and surveys

For the website

Regardless of the aforementioned steps for increasing their enterprises' digital presence, entrepreneurs have to develop and maintain **accordingly** the following processes:

- ✓ Include their content and information to the enterprise website, in order for potential customers to communicate with greater ease
- ✓ Ensure that their website includes images of their products and services
- ✓ They should think about adding an e-shop to their website
- ✓ Update their website regularly
- ✓ Maintain the website of the enterprise in a modern state

Source: IRP. (N.D). Building your small business Digital Presence. IRP: https://irp.cdn-website.com/88f4ea84/files/uploaded/Digital%20Presence%20Tipsheet-English_FINAL.pdf

Source: AbdulGaniy Shehu. (2021). Opinionated content marketing: The surefire way to write content that cuts through the noise. YourContentMart: https://yourcontentmart.co/opinionated-content/

Source: Lindsay Flanagan. (2022). What is Promotional Writing vs Informational Content (and how to balance the two). MemberPress: https://memberpress.com/blog/informational-and-promotional-content-what-are-you-writing-anyway/

Strategies of increasing the digital presence through Social Media

Within the previous decade, the use of Social Media Network apps has skyrocketed. It is projected that around 4 billion individuals and 312 million businesses are using the interactive capabilities provided by Social Media platforms to communicate, share information, and conduct various types of economic transactions.

In order to achieve and efficient increase of digital presence through Social Media, entrepreneurs have to define the so called S.M.A.R.T goals, which are:

- ✓ Specific goals
- ✓ Measurable goals
- ✓ Achievable goals
- ✓ Relevant goals
- ✓ Time-bound goals

Moreover, entrepreneurs have to proceed with the following processes in order to achieve a successful increase of their enterprises digital presence, through the usage of the capabilities that Social Networking Platforms provide:

- ✓ **The proper identification** of the target audience and their trends
- ✓ **The usage of tools** for the effective monitoring of the social media activities
- ✓ **The usage of a plethora of Social Media Platforms** and their capabilities that they provide, in order to create a strong engagement with the potential customers

Strategies for the creation of effective posts in Social Media Platforms

How to create an effective Facebook post

A potential entrepreneur has to include, for the purpose of implementing an effective Facebook post, a short description, due to the fact that short, descripted posts are favored by the Facebook algorithm and of course is more appealing to the consumer eye. No one really wants to read a thread

Twitter post

Entrepreneurs have to make sure that their tweet has to include a short description and a photograph, because according to Hootsuite, tweets that contain images have a 35% increased probability of getting retweeted

LinkedIn Instructions

For LinkedIn posts, it is preferable for a post to include relevant questions, in order to captivate and engage the potential customer audience

Instagram Instructions

It is better to incorporate photographs and images that are real and closely relevant to the company's products and services, regarding Instagram postings

For all of the aforementioned **Social Media Services**, it is critical for businesses to engage with these platforms in order to improve their communicative abilities and keep a positive **online reputation.**

Source: Hootsuite. (N.D). The all-in-one Social Media strategy workbook. Hootsuite: https://socialbusiness.hootsuite.com/rs/hootsuitemediainc/images/Social%20Media%20Strategy%20Workbook.pdf

Source: Brent Barnhart. (2021). 15 tips to building a better Social Media presence. SproutSpecial: https://sproutsocial.com/insights/building-social-media-presence/

Case study

Building a strong Digital Presence

Clare Lawson launched Silky Skin Care (SSC) in 2017. Her major product is handmade soap, which she makes entirely from edible components.

Due to the limitations of in-person shopping techniques during the COVID - 19 eruption, many businesses were compelled to shift to Ecommerce. This was the primary issue that Silky Skin Care encountered. The firm did not have a strong digital presence, since it lacked a powerful and user friendly website, in order to adequately advertise the enterprise's goods and Social Media profiles.

Disclaimer: I do not own any of these photos. Please note that all images and copyrights belong to their original owners. No copyright infringement intended.

How did Skin Care managed to reverse the situation? Through an increased Digital Presence

She initially conducted an audit to assess the quality of her website.

The website auditing procedure:

- She determined the client type of her enterprise (For example, the core customers)
- She determined her enterprise's website's ease of navigation
- She determined the relevancy of the website's content and its capacity to attract prospective new customers or satisfy existing clients
- She defined the level of her enterprise's website and how its content is compared to the local rivals

The next phases – strategies

What exactly did she do?

- She redesigned the company's website and added social media links
- Developed blog postings and the possibility for customers to sign up, in order to receive helpful newsletters
- Added the follow and share buttons, so that customers may share the website's content on their social media profiles
- Customized the company's website material to her clients' preferences
- Added social media links (her company's accounts) on her website

Source: Chase for Business. (N.D). A Web Presence Case Study: Silky Skin Care. Chase for Business:
https://www.chase.com/content/dam/chase-ux/documents/business/improve-web-presence-case-study.pdf

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct answers. What should, an Instagram post contain, in order to be effective?	Correct ones: 1) Images of the company 2) Photographs of the provided products - services
Options: 1) Letters 2) Numbers 3) A short description about the company 4) Questions about the viewer **5) Images of the company** **6) Photographs of the provided products - services**	

2. Matrix choice (drag and drop)

Question:	Correct answer:
There are certain types of website traffic that differ between them. Drag the provided description to the right category:	**Organic Search Traffic** → This type refers to the amount of people that visits a website straight through search engines, such as Google Search
Options:	
Organic Search Traffic — This type refers to the amount of people that usually visits a website through the usage of Social Media Platforms, such as Facebook, Instagram and Twitter	**Organic Social Media Traffic** → This type refers to the amount of people that usually visits a website through the usage of Social Media Platforms, such as Facebook, Instagram and Twitter **Referral traffic** → This type refers to

Organic Social Media traffic	This type refers to the amount of people that usually visits a website through typing the URL of site directly into the browser search engine	the amount of people that usually visits a website through a reference link from other websites
Referral traffic	This type refers to the amount of people that visits a website straight through search engines, such as Google Search	**Direct Traffic** → This type refers to the amount of people that usually visits a website through typing the URL of site directly into the browser search engine
Direct Traffic	This type refers to the amount of people that usually visits a website through a reference link from other websites	

3. Sorting choice

Question:	Correct Answer:
In order to develop a strong digital presence, an entrepreneurs needs to review and reform their website. However, there are certain steps that needed to be followed accordingly. Order them to the appropriate ranking:	1. Include their content and information to the enterprise website in order for potential customers to communicate with greater ease 2. Ensure that their website includes images of their products and services

Options:	3. They should consider about adding an e-shop to their website 4. Update their website regularly 5. Maintain the website of the enterprise in a modern state
- They should consider about adding an e-shop to their website - Ensure that their website includes images of their products and services - Update their website regularly - Maintain the website of the enterprise in a modern state - Include their content and information to the enterprise website in order for potential customers to communicate with greater ease	

Recommended websites/links

- https://irp.cdnwebsite.com/88f4ea84/files/uploaded/Digital%20Presence%20Tipsheet-English_FINAL.pdf
- https://mailchimp.com/resources/modern-website-design/
- https://www.semrush.com/blog/online-reputation-management/

Glossary

1. **Digital content -** refers to any type of media or information that is created and distributed in digital formats, such as text, images, videos, audio, or interactive content.
2. **Data sheets -** are documents that provide detailed information about a particular product or component. They typically contain technical specifications, performance characteristics, physical dimensions, electrical properties, and other relevant data.
3. **Response rate -** refers to the percentage of individuals or participants who respond to a specific communication or survey. It measures the level of engagement or feedback received from the target audience.

Session 2. Social Media marketing for businesses

Introduction

Social Media Marketing is a cheap, powerful, and efficient approach to reach people. This is the reason social media marketing efforts have become so important to companies around the world.

It is hard to imagine how business might stay relevant without having a social media presence given the billions of people who use social platforms and the ongoing growth in monthly users and influence.

You may connect with your target audience through social media, communicate with current and potential customers, build brand loyalty, boost website traffic, and enhance sales. Marketing on social media isn't simply a trend; it is a potent industry method that will help you connect with more people globally.

This module is divided in three chapters as follows: in the first chapter, social media are defined and guidelines and suggestions for the development of an effective social media strategy are discussed. The second chapter suggests steps for marketing on social media platforms, while the last chapter offers simple guidelines for understanding social media marketing metrics used to measure performance.

After completing this session learners are expected to show basic knowledge and acquire skills for effective management of social media accounts for businesses. Moreover, learners will be able to understand metrics and optimize campaigns.

Chapter 1. Social Media Strategy Development

Social networking began with people's desire to share information quickly and easily with their friends and family. Social media are the means that people use to socialise with the public. At the same time, technology is used as an effective tool in the consumer shopping experience.

What are social media?

It is noteworthy that there is no universally accepted definition related to the concept of social media. According to Kaplan and Haenlein who have introduced one of the most commonly accepted definitions, "social media is a group of internet-based applications, which are based on the ideological and technological foundations of Web 2.0, and which allow the creation and exchange of user-generated content". Kietzmann et al. (2011, p.241) state that "social media use mobile and web-based technologies to create highly interactive platforms through which individuals and communities exchange, co-create, discuss, collaborate and modify content generated by the users themselves".

Dury (2008, p.274) brings attention on the 'social' nature of social media by stating that experts, when analysing social media, often emphasise the 'media' as the most important element, when in fact the 'social' element is the key. Li and Bernoff (2011, p.18) agree on

the social nature of social media stating that "businesses in social media should focus on relationships rather than technologies".

It is considered by many to be the most reliable source of information in relation to traditional advertisements. A large part of the market is located and active online which makes it an extremely dynamic tool. Traditional forms of advertising such as radio, television and magazines do not have the power they once had to influence consumer behaviour; consumer nowadays demand immediate access to information.

What is social media marketing

Social media marketing is the process of producing content for social media platforms in order to advertise your goods and/or services, foster community among your target market, and increase customer traffic. Social media is continuously changing as new features and platforms appear every day. The goal of social media marketing is to reach your target market and customers where they are, in the context of their social media interactions with one another and your business. Social media marketing in its entirety is very helpful and helps your business expand, but your strategy will change depending on which social media platforms your audience uses most frequently.

How to Create a Social Media Marketing Strategy

- **Do some audience and buyer persona research:** to effectively target your audience's requirements and interests, you must first identify your buyer personas and audience in order to develop a social media marketing strategy. For this, consider the audience you're attempting to target, why, and how you would categorise them as a group. For instance, if your business offers fashionable leggings and joggers, you might choose millennials as your target market since they frequently don athleisure, a fashionable athletic look. You'll then be able to decide what material will entice the kind of followers and consumers you aim to achieve by taking into account your buyer personas and audience. Learn how to produce interesting content as well to keep your audience interested.

Photo credit: visme.co

- **Choose the social media platforms where you will market**: it is critical you choose the platforms on which you will post your content if you want to succeed as a social media marketer. Which social media platforms your company should use is a decision that should be made more in light of the needs of your target market and where they prefer to spend their time. It's crucial to be present in both the places where your audience of potential customers is right now and where they might be tomorrow. For instance, if millennials are your target market and they love athleisure, you might want to concentrate the majority of your social media efforts on Instagram because this

Photo credit: pixabay.com

- **Decide on your most crucial KPIs and indicators:** data should drive your social media approach regardless of your objectives or sector. That requires concentrating on the crucial social media metrics. Investigate data that is in line with your objectives rather that concentrating on vanity metrics. The metrics to consider are Reach, Clicks, Engagement, Hashtag performance, Organic and Paid likes, Sentiment.
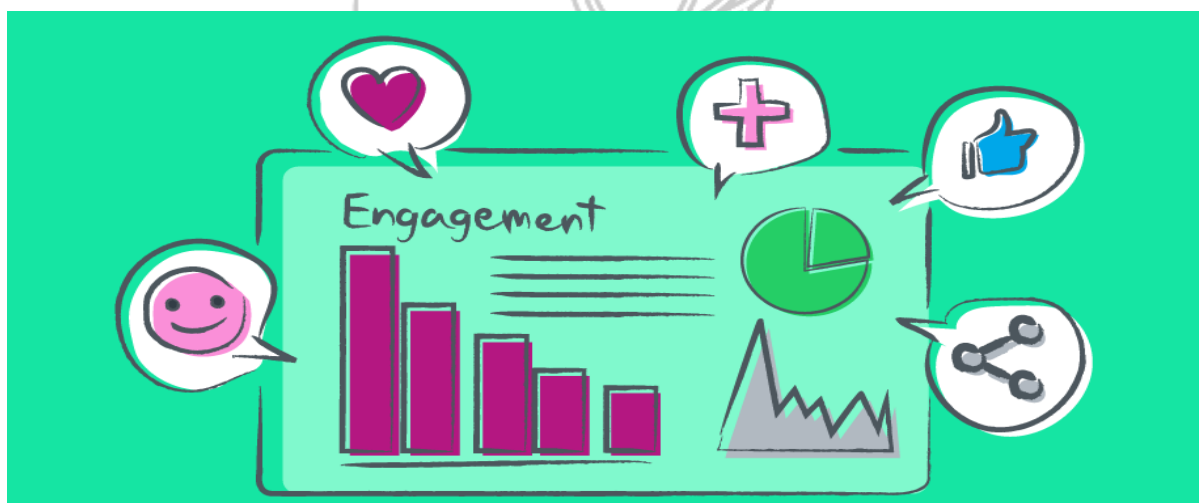
Photo credit: resiliencyinitiative.org

- **Learn about your rivals:** a competitive analysis enables you to comprehend the competition's identity and strengths. You'll have a solid understanding of what is typical in your field, which will help you define your own social media goals. You'll be better able to recognise opportunities. Perhaps one of your rivals dominates Facebook but hasn't invested much time on Twitter or Instagram. Instead of

attempting to steal fans from a strong player, you could prefer to concentrate on the networks where your niche is underserved.

Photo credit: pexels.com

- **Provide original and captivating content**: with the billions of individuals using social media worldwide, there is no doubt that some of your followers or those viewing your profile have already seen content from your competitors or other companies in your sector. Because of this, you need to have interesting social media content that sticks out and gives users a reason to click the "follow" button and engage with your business. Think about the content your competitors are providing and how you might advertise your products in a distinctive way as a way to spark your creativity. Use the capabilities that the platform you are using offers as well.
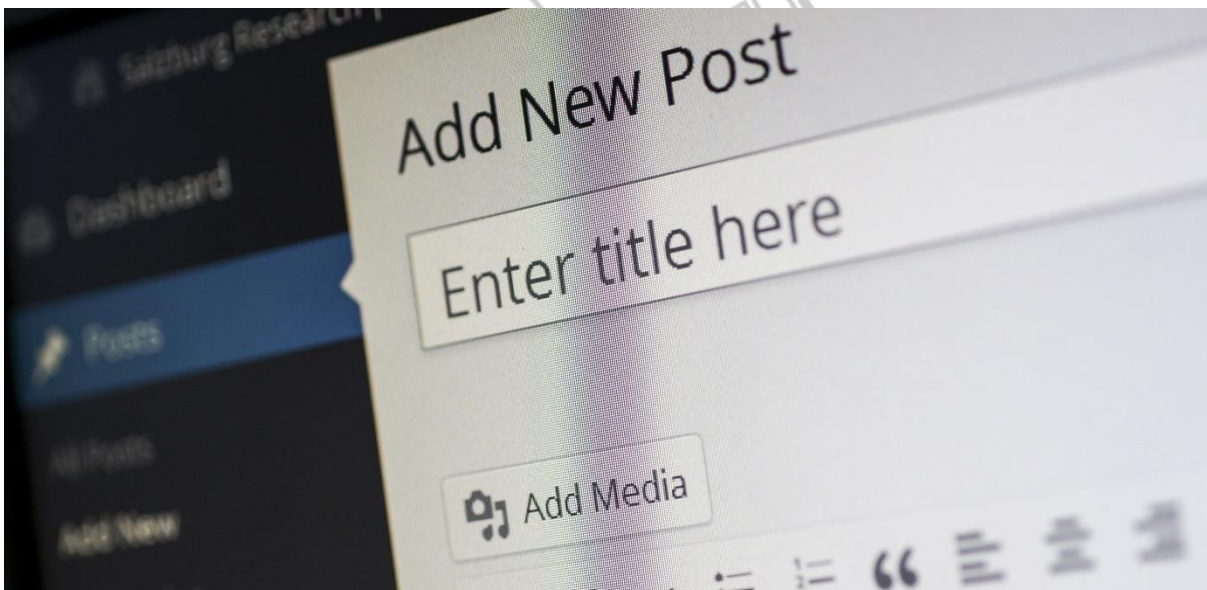
Photo credit: pixabay.com

- **Set a timetable for your posts:** the usage of social media marketing solution is one of the simplest ways to guarantee that your content is spread as intended. You may create images and videos, make caption, and schedule posting using different tools. Additionally, they automatically share your material according to a timetable and keep an eye on all comments and activity for you. Solutions for managing social media give you time back and let you concentrate on other responsibilities.

Photo credit: pixabay.com

How to Create a Social Media Marketing Campaign- THE 7 STEPS

1. Do some competition research
2. Create your plan
3. Engage your intended audience
4. Promote your content
5. Automate your content with tools for scheduling.
6. Regularly interact with your audience
7. Measure and optimize

Chapter 2. Marketing on Social Media platforms (Facebook and Instagram)

Facebook in numbers

- Users: 1.9 billion daily active users worldwide
- Audience: Equal numbers of Millennials and Generation X
- Industry impact: B2C
- Best for: advertising and brand awareness

Facebook is the most popular and widely used social media platform. Since its debut in 2004, it has developed into a crucial tool for B2C enterprises, providing both cutting-edge advertising tools and natural opportunities.

Facebook Insights

Facebook statistics offer very useful data for your page, as long as they are properly assessed. The Overview provides the most important information. It counts page likes, post reach, and user interaction. At the bottom of the page, you can see your five most recent posts. For each post, see the corresponding metrics about reach, targeting and user interaction. In the last column you can see which posts you have promoted.

Likes

In this section, you'll see a graph that shows your page growth from an audience perspective. You can change the date range to see the total likes on your page for a specific date range or a specific date.

Resonance

In the Reach section, you can see information about the reach of your posts and whether it came organically (people finding your page on their own) or through paid advertising.

Audience

- Location
- Demographics
- Interests
- Behaviours
- Similar audiences
- Type of promotion
- Post engagement

Website Traffic

Instagram in numbers

- Users: 1 billion monthly active users
- Audience: Primarily Millennials
- Industry impact: B2C

- Best for: High-quality photos and videos; user-generated content; advertising

Instagram has gained enormous popularity despite being only 12 years old. Brands turn to Instagram when they want to share aesthetically appealing content. The platform's sophisticated e-commerce tools are another feature that distinguishes it. Instagram is a difficult platform to surpass because consumers can now discover brands, browse their goods and/or services, and make a purchase all within the same app.

Instagram Ads on:

- Stories
- Posts
- Videos

The power of content

Writing and developing content for your business are creative endeavors similar to art, and there is not really a proper way to do either. Yet, it should be noted that when developing content, there are some fundamental rules that must be followed. The most important thing to keep in mind is that content is an integral element of the brand, and thus, of the identity of the business. Potential clients' and collaborators' perceptions of the business will be shaped by the information one presents in their content. As a result, creating relevant and interesting material is crucial.

Is there business storytelling?

The purpose of a business's story is to engage with and align your company's prospects and clients with the company's values, message, and scope. Consider McDonald's. It dedicates 40% of its massive

budget to advertising specifically to children. It came up with a story that links Ronald McDonald and Happy Meals to children at school, participating in sports, and even at home. One can tell that the company cares, educates, and includes kids in their story so they remember it and feel a connection to it. This leads to its business goal of selling millions of hamburgers, fries, and soft drinks.

Business storytelling is more than just what you post on social media or to the website. It is the significance of the story and how effectively and continuously the audience engages, wherever they may be. It is crucial to establish a unique value if we put into consideration that one minute can result in the publication, sharing, or tweeting of a million different pieces of content. How do you do that? Here are some tips:

✓ **Be authentic**

Being truthful and making a human connection with the audience that need your help (service or product) is the best way to go. Help your audience remember your brand, by building a long-lasting relationship and by empowering them. Your story should help your prospects make sense of decisions they are about to take in purchasing a needed product/service.

✓ **Make the connection**

Select the write tone and speak to your prospects by educating them. Your goal is to resonate with people that need your help and guidance. Make them feel the power of what you are teaching. Customers want the solution served in their plate. Then, is easy for them to eat it.

✓ **Be consistent**

I am sure that you have heard this a million times. But supporting the consistency of your message its core for success. In order to do so, you have to be organized, keep your presence and story close to your audience. Prospects usually see and hear marketing messages several times before they decide to buy.

✓ **Use popular hashtags**

Popular hashtags that can benefit your business include #FlashbackFriday (#FBF), #ThrowbackThursday (#TBT), #MotivationMonday, and #MondayMantra. By sharing humorous images and historical information, the hashtags #FBF and #TBT transport readers back in time. Share uplifting and motivating quotations using the hashtags #MondayMantra and #MotivationMonday.

✓ **Deliver useful infographics**

Infographics make information easier to understand for the audience by combining statistics, facts, and information with visuals. On social media, visual infographics are frequently shared. If you do not have the time to make infographics, you can provide statistics and grab readers' attention by using simple visuals or photographs.

Chapter 3. Social Media Marketing analytics

What are Social Media metrics?

Social Media metrics are numbers that demonstrate how effectively your social media approach is achieving in your marketing objectives. These statistics can assist you in learning how your audience uses your social media pages, how to tweak your approach, and how much money your brand is making from social media.

Social Media Metrics

Social media analytics provide information on how well your posts perform and how they affect your audience and customers across different platforms. Your engagement level, likes, follows, shares, and all other interactions on each platform may be included in the statistics.

Ten of the most crucial metrics for you to monitor are listed below:

1. Engagement: This refers to the number of clicks, comments, likes, and replies to your social media posts. Additionally, there are engagement patterns that are unique to certain platforms, such as "saved" posts on Instagram and "pinned" posts on Pinterest.
2. Reach: Your reach is the total number of individuals who have viewed any content linked to your page or profile.
3. Followers: The amount of people who have clicked the "follow" button on your profile and regularly see your posts in their feeds.

4. Impressions: This is the quantity of times a post from your page or profile is viewed, regardless of whether or not your audience members click on it. This frequently occurs when someone scrolls through their newsfeed without clicking on anything.
5. Video views: The number of views each video receives on Facebook, Snapchat, Instagram, or any other social media platform with video functionality.
6. Profile visits: The total number of people who have accessed your social media page.
7. Mentions: The amount of times viewers have made reference of your profile in their posts.
8. Tags: When someone comments on another post, they may add your company's profile name or your hashtag.
9. Reposts: This occurs when a user in your audience shares one of your articles on their profile.
10. Shares: These are the posts that your audience and followers select from your profile and distribute to their contacts.

Using the same strategies you would to create leads and drive conversation will allow you to affect all of these metrics, grow your social following, and enhance overall engagement on your profile.

How to measure Social Media Metrics

There are several ways to evaluate social media metrics. For instance, you can use the analytics tools included within the various platforms you use. A tracking and analytics tool like Google Analytics is another option. If you want to monitor your website and social media metrics, this is a fantastic choice. Last but not least, many social media scheduling tools have automatic monitoring and tracking capabilities.

You will gain a better knowledge of what your followers and audience respond to and what you should adjust to increase engagement thanks to all of these metrics tracking tools.

For better understanding, when we are talking about social media metrics, you should consider the following:

✓ Web traffic: depending on the type of your business and the social media networks your firm uses, increasing website traffic should be a top concern. Traffic to a website was named by the 27% of marketers as a high-priority metric for evaluating the success of organic social media initiatives. With regard to paid social media campaigns, 30% of the marketers said the same. You should monitor how many of your page views originate from social media if your firm relies on web traffic as a component of its marketing plan.

✓ Social media impressions: they indicate how many users saw your post. Knowing your social media impressions is crucial for maximising your budget because this information can offer insightful data about how far your ad spend can go. Even so, might want to keep track of how many impressions your social media content is making over time even if sponsored advertisements aren't a part of your strategy. You may learn from this data how various types of content connect with your audience across platforms. It is also important to note that each social media platform has a unique way of measuring impressions.

✓ Lead generation: is the process of drawing potential customers to your business and piquing their interest through nurturing, all with the intention of turning them into

paying clients. Using social media, marketers may generate leads by producing engaging content that draws in and engages consumers. Measure other indicators, including as web traffic, lead quality, and social media channel conversion rates, to assess the effectiveness of your social media in producing leads.

✓ Likes/Comments: a large following is useless if your audience isn't engaging with your content frequently. So, it's crucial to evaluate how frequently users like and comment on your social network. Likes demonstrate that your audience has read and loved your content, whereas comments reveal how they have responded. Likes and comments are included in the category of overall social media engagement for your brand. You can apply the following method to determine a social media account's overall engagement rate

Total Engagement Rate

$$\text{Engagement Rate} = \frac{\text{Number of Engagements}}{\text{Number of Follwers}} \times 100$$

✓ Overall Sales/ Revenue: do sales and money immediately result from your social media marketing campaign? What was the ROI for you? Metrics related to overall sales and revenue are crucial for evaluating the effectiveness of your campaign. It is simple to follow the relationship between your activity and sales and revenue on many social media platforms that allow for monetisation since they are clear about how much marketers and creators may make from their services.

How to analyse your Social Media Marketing Impact and Results

Making sure your efforts are successful in assisting you in reaching your goals is one of the most crucial elements of social media marketing. You will need to keep track of all of your posts across all of your channels in order to figure this out. Reviewing and controlling your social media statistics will help you achieve this.

There are several Social Media Monitoring tools e.g. HubSpot, Sprout Social, Mailchimp, Databox, Falcon.io, etc. But first, you need to learn how to export data from Social Media account pages in order to analyse them and set your brand's strategy up from improvement.

Facebook Insights is a powerful tool you can easily use to monitor your campaigns and export data. The tool guides you step by step through the process and gathers all the information you need. Via Facebook Insights you can set up multiple campaigns, check how

your audience is reacting to your content and export all the information you need in an Excel document form.

	D	E	F	G	H	I	J
Type		**Co**	**La**	**Posted**		**Au Lifetime Post Total Reach**	**Lifetime Post organic reac**
SharedVideo				12/18/16 9:30 AM		52666	52666
Link				12/18/16 8:30 AM		9436	9436
Link				12/18/16 7:30 AM		2022	2022
Link				12/18/16 6:30 AM		20789	20789
Photo				12/18/16 5:44 AM		10830	10830
Link				12/18/16 5:30 AM		5936	5936
Photo				12/18/16 5:07 AM		1644028	1644028
Link				12/18/16 4:30 AM		6563	6563

Export Insights Data   ✕

Select a data type, file format and date range. You can export up to 500 posts at a time.

Data Type

◉ Page data
Key Page metrics for engagement, such as sources and audience details.

◯ Post data
Key post metrics for reach, impressions and feedback.

◯ Video data
Key video metrics, including views, unique views, paid views and organic views

Date range

18 November 2016 - 16 December 2016 ▼

File Format

Excel (.xls) ▼

Layout

Choose a layout ▼

Facebook Page Terms   Cancel   Export Data

		Ad Name		⚠	Results	Reach	Impressions	Cost per Result	Amount Spent	Ends	Relevance Score
☐	◉	Post: "Ready to take a close up look at another ...			495 Post Engag...	1,840	2,312	$0.08 Per Post En...	$40.00	Mar 11, 2018	7
☐	◉	Post: "Forget about Valentine's Day and now yo...			177 Post Engag...	1,166	1,193	$0.06 Per Post En...	$10.00	Feb 15, 2018	8
☐	◉	Post: "Coffee Week may be over, but we wanted...			151 Post Engag...	641	690	$0.11 Per Post En...	$16.00	Feb 14, 2018	8
	▶	Results from 34 ads ⓘ			—	28,136	46,487	—	$466.63		

Case study

foody.com.cy is an online food ordering service based in Cyprus, offering both delivery and takeaway in all cities of the island. Foody was created in September 2015 by the Ideas2life team. At that time, Foody was a team of 5. In July 2019, Foody was acquired by Delivery Hero, the largest company outside China in the sector and leader in 40+ countries. The team has now grown to an ambitious team of 65 people, with two simple goals: keep building an amazing team and Foody to be the main way of ordering in Cyprus.

Foody has partnered with more than 2300 stores. Foody received an award from the Youth Board of Cyprus for Best Entrepreneurial Activity in 2016. In 2018, Foody won the InBusiness award for New Product/Service in Cyprus.

Foody since its creation has designed an effective social media marketing presence and strategy in the following social media platforms:

Facebook: https://www.facebook.com/foody.com.cy/

Instagram: https://www.instagram.com/foodycy/

Twitter: https://twitter.com/foodycy

YouTube: https://www.instagram.com/foodycy/

Linked In: https://www.linkedin.com/company/foodycy/

Interactive activity

1. Multiple choice

Question: What is Social Media Marketing?	Answer: Social Media Marketing is a cheap, powerful, and efficient approach to reach people.
Options: 1. Social Media Marketing is a cheap, powerful, and efficient approach to reach people. 2. Social Media Marketing is a traditional way of advertising a product or a service through billboards. 3. Social Media Marketing is a trend in the advertising sector and it will soon fade out.	

2. Matrix choice (drag and drop)

Question: **How to Create a Social Media Marketing Strategy? Link activities with their descriptions**		Answer:	
Options:		**Audience and buyer persona research**	Consider the audience you're attempting to target, why, and how you would categorise them as a group.
Audience and buyer persona research	The metrics to consider are Reach, Clicks, Engagement, Hashtag performance, Organic and Paid likes, Sentiment.	**Choose the social media platforms where you will market**	It's crucial to be present in both the places where your audience of potential customers is right now and where they might be tomorrow.
Choose the social media platforms where you will market	Consider the audience you're attempting to target, why, and how you would categorise them as a group.	**Decide on your most crucial KPIs and indicators**	The metrics to consider are Reach, Clicks, Engagement, Hashtag performance, Organic and Paid likes, Sentiment.
Decide on your most crucial KPIs and	It's crucial to be present in both the places	**Learn about your rivals**	Instead of attempting to steal fans from a strong player, you could prefer to concentrate on the

indicators	where your audience of potential customers is right now and where they might be tomorrow.			networks where your niche is underserved.
Learn about your rivals	You need to have interesting social media content that sticks out and gives users a reason to click the "follow" button and engage with your business.		**Set a timetable for your posts**	You may create images and videos, make caption, and schedule posting using different tools.
Set a timetable for your posts	Instead of attempting to steal fans from a strong player, you could prefer to concentrate on the networks where your niche is underserved.		**Provide original and captivating content**	You need to have interesting social media content that sticks out and gives users a reason to click the "follow" button and engage with your business.
Provide original and captivating content	You may create images and videos, make caption, and schedule posting using different tools.			

3. Sorting choice

Question: Choose 6 of the most crucial metrics to monitor while evaluating your social media strategy	Answer:
Options:	(Any 6 of these 10 answers)

1. Engagement	1. Engagement
	  2. Reach
	  3. Followers

2. Photo/video resolution	4. Impressions
3. Reach	5. Video views
4. Followers	6. Profile visits
5. Male/ female followers	7. Mentions
6. Impressions	8. Tags
7. Video views	9. Reposts
8. Origin country followers	10. Shares
9. Profile visits	
10. Age of your audience	
11. Mentions	
12. Tags	
13. Competitor's likes	
14. Reposts	
15. Shares	
16. Competitors followers	

Recommended websites/links

- https://digitale.gr/statistika-facebook-page/
- https://www.facebook.com/business/ads-guide
- https://blog.hubspot.com/marketing/social-media-metrics-ceos-cares-about
- https://blog.hubspot.com/marketing/social-media-analytics-tools
- https://blog.hubspot.com/marketing/marketing-analytics-resources
- https://blog.hubspot.com/marketing/buyer-persona-research
- https://blog.hubspot.com/marketing/social-media-campaigns

Check on Netflix: "The Social Network

Glossary

1. **Buyer persona -** is a semi-fictional representation of an ideal customer that is created based on research, data, and insights about the target audience. It is a way for businesses to understand and empathize with their customers by developing a clear profile of their typical buyer.
2. **Stories -** are a popular feature on social media that allows users to share temporary content, including photos, videos, and text, that disappear after a set period of time, typically 24 hours.
3. **Hashtags -** are words or phrases preceded by the "#" symbol used on social media platforms to categorize and organize content.

Session 3. Chatbots

What is a chatbot?

An automated chat companion is a chatbot. It makes it easier for a person and a machine to communicate. With chatbots, you are conversing with a machine rather than another person as you would typically do when using a messaging service (like WhatsApp).

Learning Outcomes

In this section you will learn:

- What is a chatbot?
- Different types of chatbots
- How chatbot works and benefits
- The future of chatbots

Chapter 1. Why are chatbots essential for business? An overview and functionality[38]

Why are chatbots essential for business?

Your business can **increase sales** by using chatbots. By highlighting your newest products and tempting customers with discounts, bots convert one time web users into new customers. Chatbots can assist customers in finding what they are looking for. Additionally, chatbots can help your clients progress through the sales process by providing support services like delivery tracking.

Source: Istok

Saving money is yet another crucial advantage of a chatbot. It can automate daily tasks such as scheduling appointments and responding to frequently asked questions. This enables your customer service team to focus on more challenging inquiries.

Using a chatbot to handle repetitive tasks is much less costly than recruiting employees for each job or developing a cross-platform solution. You can even reduce the number of employees your company needs to run smoothly—you will nevertheless require some agents to supervise the activities and step in as necessary, but the bots can streamline the procedure.

Chatbots can serve as your clients' virtual assistants, making the interaction more dynamic, chatbots can **raise customer satisfaction**. Your customers can interact with chatbots and receive individualized support instead of browsing your e-commerce. Based on the user's

input and in smaller chunks, bots provide information. The interaction becomes more tailored and focused as a result.

In this session, we will discuss chatbots—which are incredibly fascinating—including their definition, how they operate, why you need them, and how to create them.

How do chatbots function?[39]

In this session, we will explain how chatbots operate and how helpful and significant they are.

A chatbot's functioning is fairly straightforward.

A user initiates communication with a chatbot for a product information. For example, a version of an article of clothing. Which version of our product would you like to see, the chatbot inquires?

The words "red" and "size" are recognised by the chatbot as it decodes the communication.

The chatbot will search a database for a "size" that is also "red" based on the recognised terms.

The chatbot will then reply to the client with a message containing a list of all the red articles of the required size it discovered in the database.

In general, this is how most robots operate. It is also probable that the chatbot will say, "I'm not trained for this question, could you explain that subject," if he does not comprehend the question.

It is no mystery that chatbots can significantly improve your company.

They can automatically make your ads, increase revenue, or cut expenses.

A chatbot is not the same thing as a programme!

Chatbots and bots are words that are frequently used today. But there is a significant distinction between those two words. Bots are computer programmes that carry out automated activities. A bot, for instance, could be a program that organizes your accountancy or social media communications.

The difference between a chatbot and other software applications that carry out automated duties is that a chatbot converses with the client.

A chatbot is a piece of software or a computer program that mimics human conversation through voice or text exchanges. Chatbot assistants allow businesses to provide customer
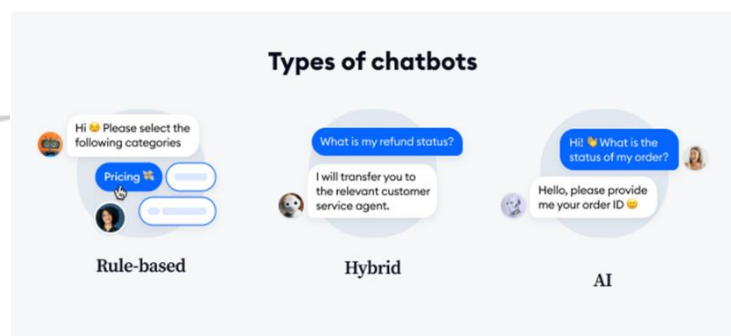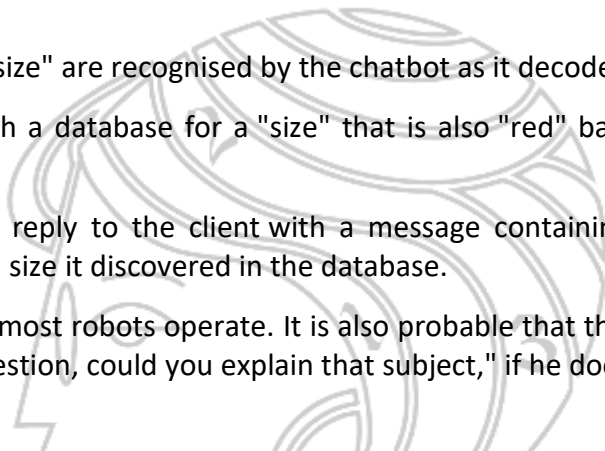
39 Luo, B., Lau, R. Y. K., Li, C., & Si, Y.-W. (2022). A critical review of state-of-the-art chatbot designs and applications. Wiley Interdisciplinary Reviews: Data Mining and Knowledge Discovery, 12(1), e1434. https://doi.org/10.1002/widm.1434

service when live agents are not available, cut down on overhead costs, and make better use of support staff time.

Chatbots can be stateless or stateful, and their levels of complexity vary. Stateless chatbots approach every interaction as though it were with a different user. Stateful chatbots, on the other hand, can look back on previous conversations and contextualize new responses.

Low or no coding is needed to integrate a chatbot into a business or sales department. Developers can create conversational interface design for third-party business apps thanks to the availability of many chatbot service providers.

The chatbot needs a speech recognition engine, for instance, if the user communicates with the bot by voice.

Chapter 2. Chatbot typologies, functionality and benefits[40]

There is controversy surrounding the variety of kinds of chatbots that emerge along with what the business should call them because chatbots continue to be a relatively recent technology.

The following are a few examples of popular chatbot types:

- **Quick or scripted chatbot responses.** They are the simplest types of chatbots. These chatbots communicate with users by asking predetermined questions that continue until the chatbot responds to the user's query. The menu-based chatbot asks users to choose options from a predetermined list or menu in order to better understand the user's needs.

- **Keyword recognition**, chatbots. Such chatbots are a little more sophisticated; they try to listen to the user as they type and then respond using words from customer comments. To respond appropriately, this bot combines user-customizable keywords and AI. Unfortunately, these chatbots have trouble with overused keywords or repeated inquiries.

- **Mixed chatbots**. These chatbots combine features from bots that use keyword recognition and menus. If search terms recognition is unsuccessful, users can select from options on the chatbot's menu or have their queries resolved directly.

- **Chatbots with context**. These chatbots demand a data-centric approach because they are more complicated than others. They learn and develop over time by using the conversations and interactions of users that they can remember thanks to AI and ML. These bots do not just rely on keywords; they also learn from the questions that customers ask and the manner in which they ask them.

- **Chatbots that can speak**. The potential of this technology lies in chatbots like this one. Voice-enabled chatbots use user speech as input to inspire creative tasks or

40 Gupta, S., Borkar, D., De Mello, C., & Patil, S. (2015). An e-commerce website based chatbot. International Journal of Computer Science and Information Technologies, 6(2), 1483-1485.

responses. These chatbots can be made by developers using voice recognition and text-to-speech APIs. Apple's Siri and Amazon Alexa are two examples.

How chatbots help businesses?

Chatbots have long been a feature of online games and instant messaging apps, but they have only recently begun to be used for both consumer and business sales and services.

Chatbots can be applied by businesses in the following manner:

- **Online purchasing** in these settings, sales teams can make use of chatbots to respond to simple product queries or offer useful details that customers could look up later, such as shipping costs and availability.

- **Customer support** Chatbots can be used by service departments to assist service agents with routine requests. A customer service agent might provide the chatbot with the order id and enquire when the order was shipped, for instance. When a conversation becomes too complicated, a chatbot will typically transfer the message or call toward a human agent.

- **Virtual assistants** can also be used as chatbots. All four tech giants—Apple, Amazon, Google, and Microsoft—offer various virtual assistants. A personal chatbot can be an application, like Apple's Siri or Microsoft's Cortana, or a product, the same as Amazon's Echo with Alexa.

How are businesses and customer experience being altered by chatbots?

Customer expectations are changing and rising as a result of the rapidly changing digital environment. Customers frequently anticipate businesses to be accessible around-the-clock, and they value customer experience just as highly as the caliber of a company's goods or services. Additionally, customers are less inclined to stick with a single brand because they are made aware about variety of goods and services that are offered.

Chatbots are an answer to these shifting needs and rising customer expectations. They can be used in place of live discussion as well as in other forms of communication, such as phone calls and emails.

Chatbots can improve customer experience in the following manner:

Reduce customer wait times and provide immediate answers; provide customers with 24/7 support; eliminate the possibility of unpleasant human-to-human interactions; reduce long waiting times and streamline conversations to minimize the potential for customer

annoyance; redirect the customer queries; add personalised elements to the chatbot to develop brand specificity.

Furthermore, major technology companies such as Google, Apple, and Facebook have transformed their messaging services into chatbot operating systems to handle services such as orders, payments, and bookings. Chatbots, when combined with messaging apps, allow consumers to seek answers regardless of their location or device. Customers' interactions are also simplified because they do not have to complete forms or spend so much time trying to find information within the content.
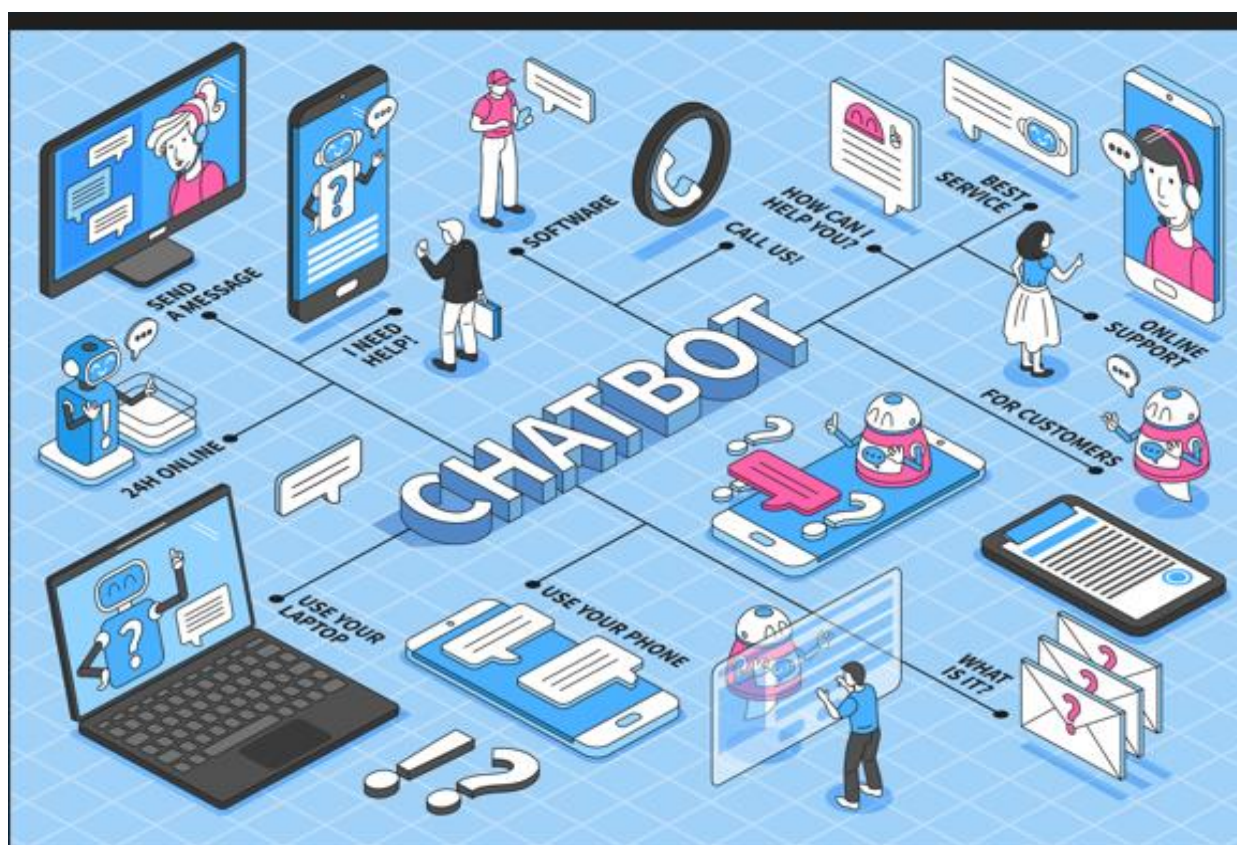
Source: freepik.com

What advantages come with using chatbots?

Chatbots offer customer experience advantages, but organizations also profit in a number of ways. For instance, enhanced customer experience and happier customers as a result of chatbots increase the possibility that a business will make money from devoted customers.

Additional advantages include the following:

- **Being able to carry on several conversations at once**. Thousands of customers can speak with chatbots at once. Wait times are eliminated, and business productivity increases.
- **Cost-effective**. A chatbot is a quicker and less expensive one-time investment than developing a specialized, app or recruiting additional employees. Additionally,

chatbots can lessen expensive issues brought on by human error. The lower user acquisition costs that come with a chatbot's quick response time.

- **Reduces time.** Chatbots are capable of automating routine and scheduled tasks. Customers will not have to wait for responses because of this, which gives staff members more time to concentrate on higher priority tasks.

- **Proactive client engagement**. Organizations were used to rely on static customer contact and wait for customers to make a move. Organizations can engage proactively with customers using chatbots because they can start conversations and keep track of how visitors use their sites and pages. The data gathered from monitoring can then be used by businesses to provide specific incentives to customers, aid website users in navigating, and respond to questions in the future.

- **Increases client engagement.** Most businesses already use social media to interact with their customers. Chatbots can increase the interaction in this conversation. Chatbots create a channel of communication in which clients can interact but without stress of direct interaction with a human, as customers rarely speak to the employees of businesses.

- **Simplifies scaling to international markets.** Chatbots can address customer issues and questions in a variety of languages. Customers can just use them whatever their location or time zone thanks to their constant accessibility.

- **Increases the clientele.** Throughout the purchasing process, chatbots can elicit information from users and pose questions in order to gain their trust and generate leads. The sales team can then contact the leads after receiving information from chatbots about potential customers. The bots can raise conversion rates and guarantee that the lead's path leads in the right direction—toward a purchase.

What drawbacks are there to using chatbots?[41]

While chatbots enhance custom experience and benefit businesses, they also present a number of difficulties.

The following are a few of these difficulties:

- **New barriers and new technology**. Organizations might not know how to deal with the challenges that chatbot technology faces as it is still in its infancy. While AI-enabled chatbot can learn from every interaction and alter their behavior, this process can be very expensive for businesses if the first few interactions make customers uninterested and unresponsive.

- **Security.** Users must feel comfortable sharing personal information with the chatbot. Therefore, businesses must take care to design their chatbots so that they only ask for pertinent data and send that data securely over the internet. Hackers should not be able to access chat interfaces thanks to chatbots' secure designs.

- **The various ways that people speak**. These variations can be challenging for chatbots to comprehend. The user might, for instance, use acronyms, slang, or mispronounce words. Unfortunately, due to its limitations, AI is unable to fully address this issue.

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41 Sana Zehra Kamoonpuri, Anita Sengar (2023) Hi, May AI help you? An analysis of the barriers impeding the implementation and use of artificial intelligence-enabled virtual assistants in retail, Journal of Retailing and Consumer Services, 72, doi.org/10.1016/j.jretconser.2023.103258.

- **Unpredictable human moods, emotions, and behavior**. Consumers might very well rapidly change their minds because human emotions and moods frequently dictate how they behave. They could be interested in issue a command after first requesting a suggestion.
- **User sense of satisfaction**. Users never settle for anything less than the best experiences. They are constantly hoping for improvements to the chatbot. As a result, businesses using chatbots need to constantly upgrade and enhance them to give users the impression they are speaking to a real person.

Chapter 3. Chatbots' future

Many industry professionals anticipate that chatbots will remain popular. In the future, AI will develop further, give chatbots new capabilities, and bring about new levels of text- and speech consumer experience that will revolutionize Customer service. These advancements may also have an impact on data collection and provide thorough information about customers that result in anticipatory purchasing patterns.

Additionally common and essential components of the information technology ecosystem are voice services. Speech chatbots that can function as conversational agents, comprehend a wide range of languages, and respond in the same languages are becoming increasingly popular among developers.

Top eCommerce chatbots that worked better illustrates the value of chatbots than its practical applications. The best ten chatbot interaction examples in eCommerce have all demonstrated themselves with excellent ROIs, so, we have compiled a list of them.

Aveda Booking Chatbot, as an example of a chatbot Despite all the improvements, shopping online is still (and most likely will remain so for the foreseeable future) a unilateral activity. Aveda wanted to enhance its online booking platform and use automation. Aveda is a popular botanical beauty products and skincare brand. Aveda and Master of Code collaborated to create the Aveda Virtual assistant, a Chatbot of Facebook Messenger which made use of a highly developed natural language processing (NLP) engine.

The Aveda virtual assistant managed to outperform everyone's expectations in just 7 weeks with the following accomplishments:

- A boost in lifetime users of 378% since the campaign's launch;
- 6,918 more reservations within only 7 weeks
- Weekly average bookings rise 7.67 times
- An increase of 33.2% in the booking conversion rate

The Aveda chatbot improved the shopping experience for Aveda's clients while also automating a number of tasks, such as booking, reminders, and connecting clients with the support staff.

One of the largest mattress manufacturers and retailers, **Casper**, introduced Insomnobot-3000, arguably the most famous Interactive AI in ecommerce example. This chatbot communicates with users who have trouble falling asleep using a potent conversational AI

engine. Due to his amicable and humorous conversations, this award-winning chatbot quickly gained popularity when it was first implemented on SMS. The Insomnobot-3000 is a wholly customer engagement bot without any direct sales directives, in contrast to some of the other bots on this list. However, though without direct sales guidelines, the Insomnobot-3000 proved to be extremely successful because through its distinctive approach, it was able to enhance brand perception and meet thousands of new customers. Nevertheless, this chatbot did help the company acquire thousands of worthwhile happy customers for retargeting.

Patrón Tequila's BotTenders Premium tequila items are accessible under the Patrón brand, which is a core component of the Bacardi group of companies. Since they pride themselves on providing excellent customer service, they wanted to encourage more patrons to experiment with novel drinks during summer. To achieve this, they developed the BotTenders, consisting of two digital bartenders that converse with the client and suggest new cocktails according to their preferences using a potent recommendation system and conversational AI. So, over the course of the campaign, the chatbot, which was used on Twitter, transmitted and obtained 120,000 messages, many of which contained large numbers of beverages and cocktails. The business intends to use the client information to gain customer insights and produce future beverage campaigns that are more successful.
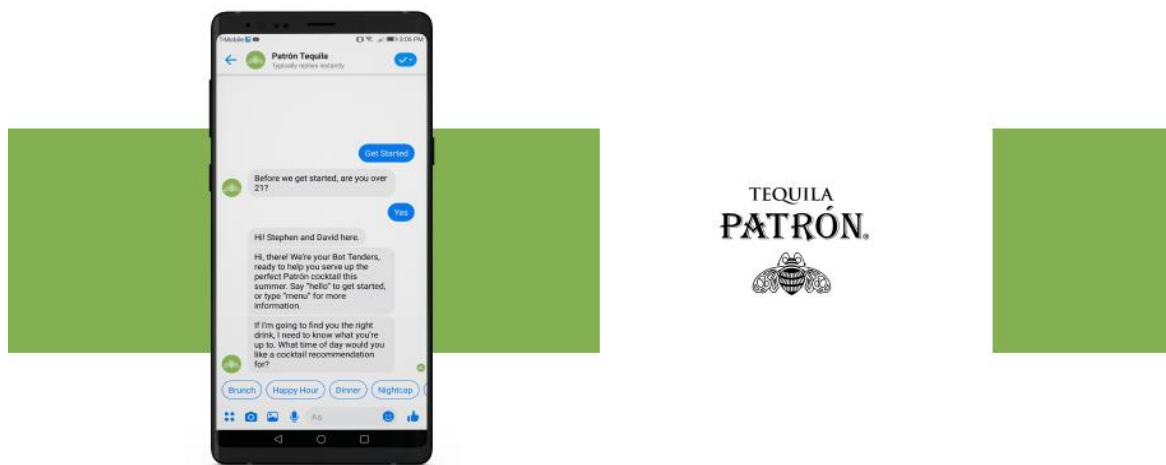
Chatbot Example for eCommerce: Patrón Tequila's BotTenders

To understand how to build your own chatbot you can find a tutorial at this link: https://juji.io/

Case study
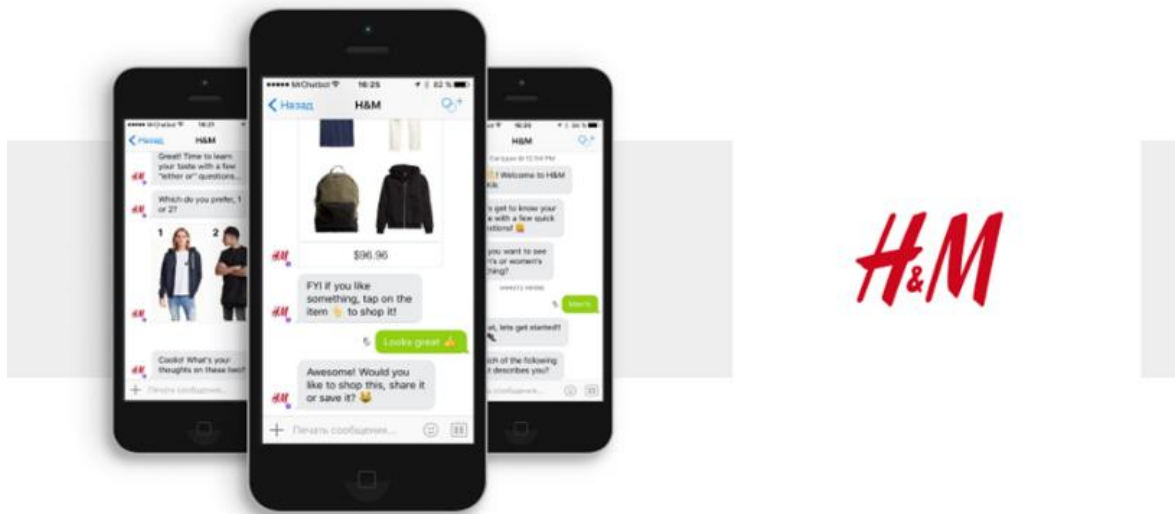
Chatbot Example for eCommerce: H&M's Digital Stylist Chatbot

Source: https://www2.hm.com/en_us/customer-service.html

H&M's Digital Stylist The multinational clothing retailer H&M is aware that consumers today are more style-conscious and do not just buy clothes at random. For various looks and occasions, they have various outfits.

H&M developed an AI virtual assistant on Kik, a well-known messaging service with 300 million users, to meet this growing demand. To learn about users' preferences and tastes, the H&M chatbot poses a number of inquiries to them. The above AI virtual assistant also sends images of clothing to users to assist in responding to style-related questions to render the procedure more interesting. Furthermore, the H&M chatbot offers the option to search for recently outfits and even vote on them because it is aware that online customers are very active in social polls and discussions.

Customers can save time by using H&M's chatbot instead of having to sift through dozens of clothing options before finding the perfect item in a matter of minutes thanks to the chatbot's role as a personal digital stylist. Most notably, the H&M chatbot keeps track of each user's preferences and tastes so it can better target customers when they return in the future.

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct qualities/definitions of Chatbots. A chatbot …	Correct ones: 24. .. is a piece of software or a computer program that mimics human conversation through voice or text exchanges 25. … includes features of online games and instant messaging apps.
Options: 26. .. computer program that carries out automated activities. 27. … a search of a database based on the recognised terms. 28. .. user-customizable keywords and AI. 29. .. includes acronyms, slang and commands	

2. Matrix choice (drag and drop)

Question:	Answer:
There are certain advantages coming with using chatbots. Link these elements with their functionalities.	Thousands of customers can speak with chatbots at once. Wait times are eliminated, and business productivity increases. ➔ Able to carry on several conversations at once Chatbots can lessen expensive issues brought on by human error and give quick responses. ➔ Cost-effective. Chatbots can address customer issues and questions in a variety of languages ➔ Increases the clientele. Most businesses already use social media to interact with their customers.
Options: | Able to carry on several conversations at once	Chatbots can lessen expensive issues brought on by human error and give quick responses.
Cost-effective	Thousands of customers can speak with chatbots at once. Wait		

	times are eliminated, and business productivity increases.	Chatbots can increase the interaction in this conversation ➜ Increases client engagement
Increases the clientele	Most businesses already use social media to interact with their customers. Chatbots can increase the interaction in this conversation	
Increases client engagement	Chatbots can address customer issues and questions in a variety of languages	

3. Sorting choice

Question: Chatbots can improve customer experience in the following manner. Choose the options that help the customer improve when using chatbots:	Answer: provide customers with 24/7 support; eliminate the possibility of unpleasant human-to-human interactions;
Options: provide customers with 24/7 support; eliminate the possibility of unpleasant human-to-human interactions; reduce long waiting times and streamline conversations to minimize the potential for customer annoyance;	reduce long waiting times and streamline conversations to minimize the potential for customer annoyance; redirect the customer queries; add personalised elements to the chatbot to develop brand specificity

make customers uninterested and unresponsive redirect the customer queries; add personalised elements to the chatbot to develop brand specificity	

Recommended websites/links

- https://juji.io/
- https://doi.org/10.1016/j.jretconser.2023.103258

Glossary

1. **Ecommerce -** refers to the buying and selling of goods or services over the internet. It involves conducting business transactions, including online shopping, online banking, online ticketing, and electronic payments.
2. **Scaling -** refers to the process of growing and expanding a business to handle increased demand, increase its market presence, and achieve higher levels of efficiency and profitability.
3. **Live agent -** refers to a real person who is available to interact with customers or users in real-time, typically through various communication channels such as phone calls, live chat, or video conferencing.

Session 4. Administrative processes on a digital business

Administrative processes refer to the various tasks, procedures, and workflows that are required to manage the day-to-day operations of a business. In a digital business, these administrative processes are typically managed using a variety of digital tools and software.

Learning Outcomes

In this session you will:

- Understand the importance of administrative processes in a digital business.
- Understand how digital tools and software can be used to streamline administrative processes and improve efficiency.
- Identify common challenges and best practices for managing administrative processes in a digital business.

Chapter 1. E-business management software

E-business management software is a type of digital tool that helps businesses manage and automate various aspects of their online operations. This software may be used to manage e-commerce stores, online marketplaces, or any other type of digital platform used for business transactions.

There are many different types of e-business management software available, and they can vary in terms of their features and capabilities.

Common features:

1. **Order management**: It allows businesses to manage and track orders received through their online platforms. It can include functions like order tracking, inventory management, and shipping management.

2. **Customer management**: E-business management software can also help businesses manage customer data, including contact information, order history, and customer support interactions.

3. **Marketing automation**: Some e-business management software includes tools for automating
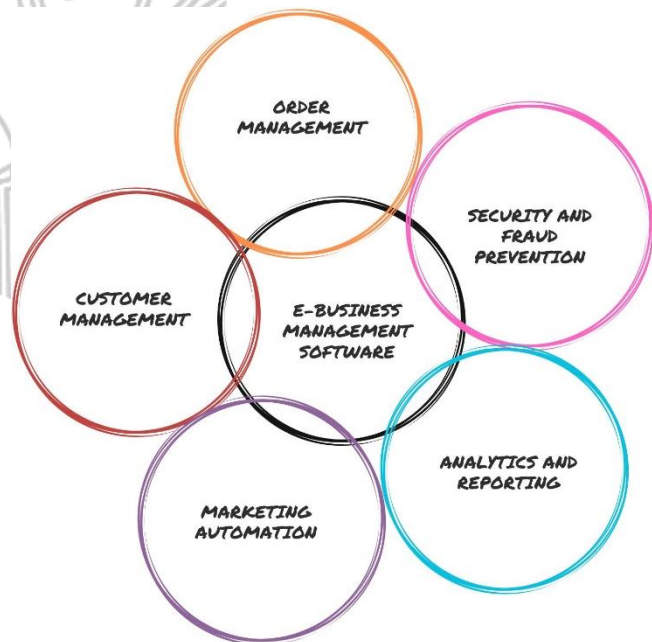

Source: Canva

marketing tasks, such as email campaigns, social media marketing, and digital advertising.

4. **Analytics and reporting:** Many e-business management software tools offer analytics and reporting features that allow businesses to track and analyse their online performance, including metrics like website traffic, conversion rates, and revenue.

5. **Security and fraud prevention**: E-business management software often includes security and fraud prevention features to protect against online threats like hacking and fraud. **42**

Here you may find a list of the best E-Business software: https://www.ntaskmanager.com/blog/best-business-management-software/

Overall, e-business management software can help businesses streamline their online operations, improve efficiency, and provide better experiences for their customers. By automating repetitive tasks and providing valuable data insights, this software can help businesses make better decisions and ultimately grow their online presence.

> RATIONALE
>
> E-BUSINESS MANAGEMENT SOFTWARE CAN HELP BUSINESSES STREAMLINE THEIR ONLINE OPERATIONS, IMPROVE EFFICIENCY, AND PROVIDE BETTER EXPERIENCES FOR THEIR CUSTOMERS. BY AUTOMATING REPETITIVE TASKS AND PROVIDING VALUABLE DATA INSIGHTS, THIS SOFTWARE CAN HELP BUSINESSES MAKE BETTER DECISIONS AND ULTIMATELY GROW THEIR ONLINE PRESENCE
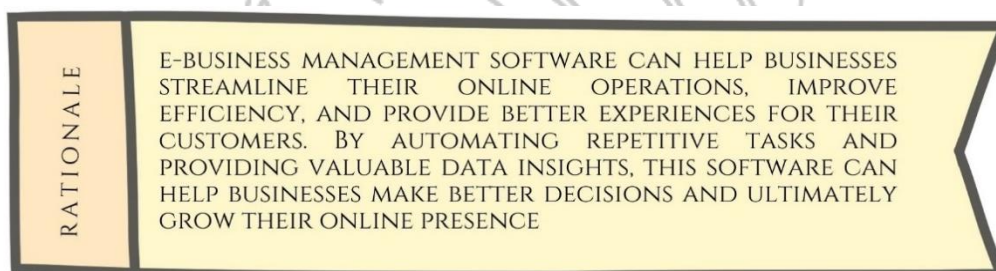
Chapter 2. E-human resources & E-Customer Relationship Management (CRM)

E-human resources

E-human resources, also known as e-HR or digital HR, refers to the use of digital technologies to manage various aspects of human resources functions within an organization. This can include everything from recruiting and onboarding to performance management and employee engagement. [43]

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42 Baker, S. (2023, January 2). *What is eCommerce software? analysis of features, benefits and pricing.* Financesonline.com. Retrieved February 27, 2023, from https://financesonline.com/e-commerce-software-analysis-features-benefits-pricing/

43 Berber, N., Đorđević, B., & Milanović, S. (2018). *Electronic Human Resource Management (e-HRM): A new concept for Digital age.* Strategic Management, 23(2), 22–32. https://doi.org/10.5937/straman1802022b

Some key aspects of e-human resources are:

1. <u>Recruiting and Onboarding</u>: E-human resources can help streamline the recruiting and onboarding process by automating certain tasks such as resume screening, scheduling interviews, and onboarding paperwork.

2. <u>Talent Management</u>: E-human resources can also help manage talent by tracking employee performance and providing tools for career development and training.

3. <u>Employee Self-Service</u>: With e-human resources, employees can access their personal information, benefits, and pay information through a digital platform.

4. <u>Data Analytics</u>: E-human resources can provide valuable insights into HR metrics such as employee retention, engagement, and productivity.

Source: Canva

5. <u>Compliance:</u> E-human resources can help ensure compliance with legal requirements, such as maintaining employee records and tracking hours worked.

Examples of e-HR tools include:

- HR Information Systems (HRIS)

- Applicant Tracking Systems (ATS). You may find a list of some ATS examples here https://resources.workable.com/tutorial/best-applicant-tracking-systems#topatses

- Performance Management Software

- Learning Management Systems (LMS). A good example of a LMS would be Cypher Learning: https://www.cypherlearning.com/

- Employee Engagement Platforms

BENEFITS

- Long-Increased efficiency and accuracy in HR tasks
- Improved communication and collaboration between HR and employees
- Enhanced employee experience
- More data-driven decision making
- Reduced costs and time spent on administrative tasks

However, it's important to note that e-human resources can also have some challenges, such as the need for effective data management and ensuring data privacy and security.

E-Customer Relationship Management (e-CRM)

E-Customer Relationship Management (e-CRM) is defined as the use of digital technologies to manage and improve relationships with customers. E-CRM involves managing customer interactions across multiple digital channels and touchpoints, with the goal of providing a seamless and personalized customer experience.

Source: Canva

Key aspects of e-CRM:

1. **Customer Data Management**: E-CRM tools can help businesses collect, store, and analyse customer data from multiple sources, including social media, email, phone calls, and website interactions.

2. **Customer Engagement**: E-CRM tools can help businesses engage with customers across different digital channels, such as social media, email, chatbots, and mobile apps.

3. **Sales and Marketing Automation**: E-CRM tools can automate sales and marketing tasks, such as lead nurturing, email campaigns, and customer segmentation.

4. **Customer Service and Support**: E-CRM tools can help businesses manage customer service and support interactions, including ticketing systems, chatbots, and self-service portals.

5. **Analytics and Reporting**: E-CRM tools can provide valuable insights into customer behaviour, such as purchase history, preferences, and feedback.

Examples of e-CRM tools include:

- Customer Relationship Management (CRM) systems

- Marketing Automation Platforms. The most notorious one is Marketo https://business.adobe.com/products/marketo/adobe-marketo.html

- Customer Service and Support Software

- Social Media Management Tools. A good example is Hootsuite https://www.hootsuite.com/?ref=buffer-library

- Customer Feedback and Survey Software[44]

BENEFITS

- Improved customer experience and loyalty
- Increased efficiency and effectiveness of sales and marketing activities
- Enhanced customer service and support
- Better data-driven decision making
- Increased revenue and profitability

However, e-CRM can also have some challenges, such as ensuring data privacy and security, managing data quality, and providing personalized experiences at scale. [45]

Chapter 3. E-invoicing

Definition[46]

E-invoicing is the process of generating, sending, and receiving invoices electronically. This can be done through various digital channels, such as email, online portals, and Electronic Data Interchange (EDI) systems.

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44 Electronic customer relationship management (E-CRM). CRM Simplified. (2022, March 8). Retrieved February 28, 2023, from https://crm.walkme.com/electronic-customer-relationship-management-e-crm/

45 Castillo, D. (2022, December 5). What is the role of Customer Relationship Management (CRM) in e-commerce? Sana Commerce. Retrieved February 28, 2023, from https://www.sana-commerce.com/blog/what-is-the-role-of-customer-relationship-management-in-e-commerce/

46 What is einvoicing. What is eInvoicing. (n.d.). Retrieved February 28, 2023, from https://ec.europa.eu/digital-building-blocks/wikis/display/DIGITAL/What+is+eInvoicing

Source: Canva

Types of E-invoicing

There are several different types of e-invoicing, including:

- <u>PDF Invoicing</u>: This involves generating invoices in PDF format and sending them via email or online portal. There are thousands of templates and examples on-line, for example https://www.invoicesimple.com/invoice-template/invoice-pdf

- <u>EDI Invoicing</u>: This involves the use of standardized electronic formats, such as XML or EDI, to exchange invoices between different systems and processes.

- <u>Online Invoicing</u>: This involves using online invoicing software to create and send invoices to customers. This can be made via downloaded software or online webpages. An example of the latter is *Invoicely* (https://invoicely.com/)

- <u>Digital Payment</u>: This involves integrating e-invoicing with digital payment platforms to facilitate faster and more secure payments.

Benefits of E-invoicing

E-invoicing offers several benefits to businesses, including:

- <u>Cost Savings</u>: E-invoicing can help businesses save on costs associated with paper-based invoicing, such as printing, postage, and storage.

- <u>Improved Efficiency</u>: E-invoicing can streamline the invoicing process, reducing the time and resources needed to create, process, and store invoices.

- <u>Faster Payments</u>: E-invoicing can speed up the payment process, as invoices can be delivered instantly and payments can be made electronically.

- <u>Better Data Management</u>: E-invoicing can help businesses manage their financial data more effectively, as invoices can be tracked and analysed more easily.

- Enhanced Security: E-invoicing can offer greater security and fraud prevention, as invoices can be encrypted and digital signatures can be used to ensure authenticity. [47]

Challenges of E-invoicing

While e-invoicing offers many benefits, it also presents some challenges, such as:

- Compatibility: Ensuring compatibility across different systems and processes can be a challenge when implementing e-invoicing.

- Security: E-invoicing requires careful attention to security measures, such as data encryption and digital signatures, to prevent fraud and data breaches.

- Adoption: Encouraging customers and suppliers to adopt e-invoicing can be a challenge, particularly for businesses operating in regions where paper-based invoicing is still prevalent. [48]

BENEFITS	**CHALLENGES**
Cost Savings	Compatibility
Improved Efficiency	Security
Faster Payments	Adoption
Better Data Management	
Enhanced Security	

Source: Canva

Legal and Regulatory Framework

E-invoicing is subject to various legal and regulatory requirements, such as data privacy and tax compliance. Businesses must ensure that their e-invoicing practices comply with relevant laws and regulations.

Overall, e-invoicing is a critical component of digital business operations, offering many benefits over traditional paper-based invoicing. Businesses can implement e-invoicing to improve efficiency, reduce costs, and enhance their financial data management practices. However, they must also be aware of the challenges and requirements associated with e-invoicing and take steps to ensure compliance and security.

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47 Koolaji , M. O. (2022, October 18). Why e-invoicing? 12 benefits of e-invoicing for your business. Taimer.com. Retrieved February 28, 2023, from https://taimer.com/blog/invoicing-billing/why-e-invoicing-benefits-challenges-small-businesses
48 4 challenges in E-invoicing you should know about. FileCenter Blog. (2022, December 20). Retrieved February 28, 2023, from https://www.filecenter.com/blog/4-challenges-in-e-invoicing-you-should-know-about/
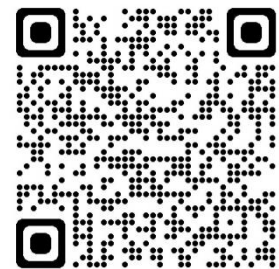
Case study

Domino´s pizza is a good example of the good use of digital tools to reinvent themselves and their **relationship with customers**.

The negative feedback from customers in the mid-late 2000's created a situation in which the company had to find new ways of not just how to do its product, but how they interacted with their clients. In this context, they use the new technologies to get a new team that changed the product according to the customer's needs, at the same time that launched the known *Pizza Tracker*, a good example of a tool born from the E-CRM ideas, in which clients have a direct knowledge of the state of their order.

The company continued creating this kind of tools and developed an app, so clients can order directly from their phone, tool that then was expanded to allow clients order from any kind of device.

From this case study we can extract that technological innovation in business is not necessary only in the production process, but in the different administration aspects of a company, especially in the relationship between this and its customers.

Interactive activity

1. Multiple choice

Question:	Answer:
Mark the correct qualities/definitions of Administrative Processes. Administrative Processes are..	Correct ones: 30. .. the various tasks, procedures, and workflows that are required to manage the day-to-day operations of a business.
Options: 31. … the set of processes and procedures used to ensure that the organisation performs all the tasks necessary to achieve its objectives. 32. … the tools that allow a company to work inside a market. 33. .. the system via which companies produce. 34. .. used to define the strategy that the leader is going to follow with his employees	

2. Matrix choice (drag and drop)

Question:	Answer:
Link the concepts to their benefits.	E-Human Resources: Reduced costs and time spent on administrative tasks E-CRM: Better data driven decision marketing E-Invoicing: Faster payment
Options:	

E-Human Resources	Better data driven decision marketing
E-CRM	Faster payments
E-Invoicing	Reduced costs and time spent

	on administrative tasks		

3. Sorting choice

Question:	Answer:
The E-Human resources have 5 key aspects, order them according to the exposed order:	1. Recruiting and Onboarding 2. Talent Management 3. Employee Self-Service 4. Data analytics 5. Compliance
Options: Employee Self-Service Recruiting and Onboarding Compliance Talent Management Data analytics	

Recommended websites/links

- https://youtu.be/e8nW2HHL_-A
- https://www.travelperk.com/guides/administrative-tasks/
- https://youtu.be/CZ_oNQ31fXs

Glossary

1. **Marketing automation -** refers to the use of technology and software platforms to automate marketing tasks and processes. It involves utilizing various tools and techniques to streamline and optimize marketing activities, such as lead generation, customer segmentation, email marketing, social media management, campaign tracking, and more.
2. **Recruiting -** refers to the process of attracting, sourcing, screening, and selecting candidates for employment within an organization.
3. **Invoice -** is a commercial document issued by a seller or service provider to a buyer or client. It itemizes the goods or services provided, along with their quantities, prices, and any applicable taxes or discounts.

Session 5 Digital Security

Chapter 1. Digital Security

The Internet has dominated our lives. It is a place to work, entertain, a place to exchange information, and communicate, it is a 24-hour shop, an office, or a bank. But is it a safe place?

Online criminals, and hackers, waiting to commit fraud, steal your identity, rob, or simply embarrass you. Therefore, digital information security is of overriding concern.
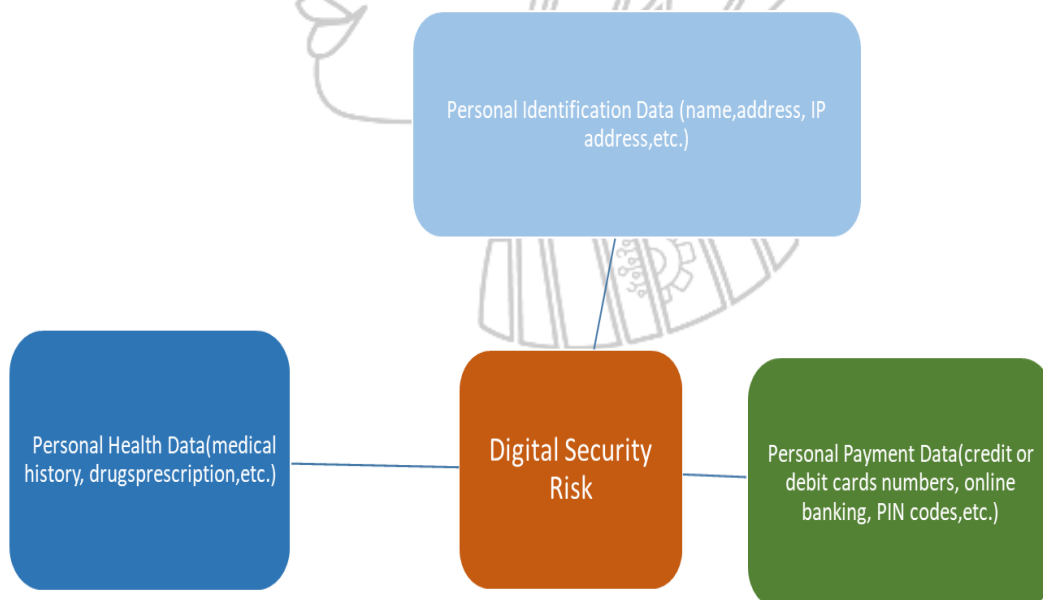
Phishing, and data theft - are just common phrases that are repeated in the media. And the matter is serious. By unintentionally giving someone your personal data, you can fall victim to fraudulent credit, make expensive purchases or set up a fake business.

What is Digital Security?

Digital security is the term that describes the resources used to protect your online identity, data, and other assets. These tools include web services, antivirus software, smartphone SIM cards, biometrics, and secure personal devices.

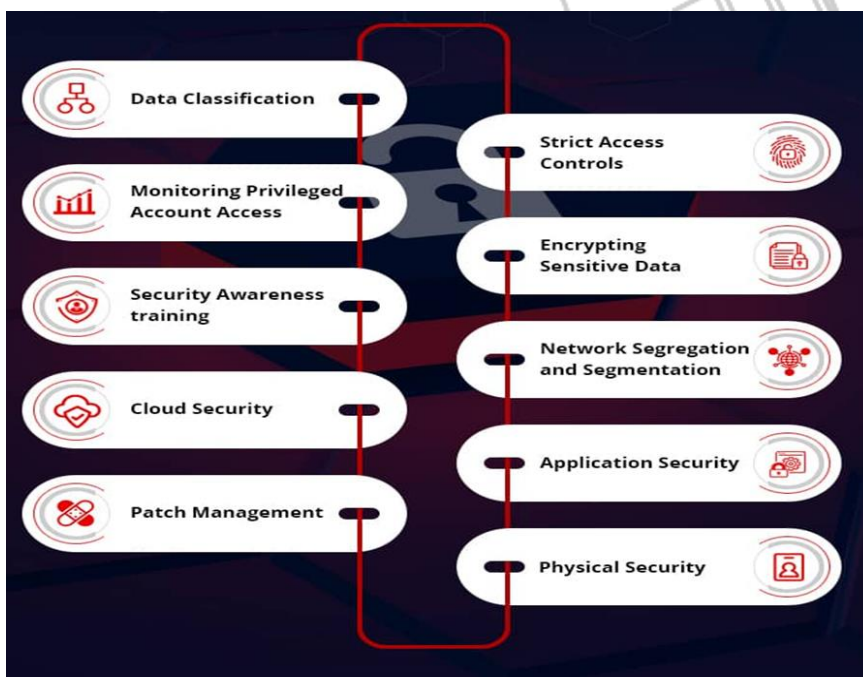In other words, digital security is the process used to protect your online identity.

What Kind of Information is taken to consider a Digital Security Risk?

Personal Identification Data (name, address, IP address, etc.)

Personal Health Data(medical history, drugsprescription, etc.)

Digital Security Risk

Personal Payment Data(credit or debit cards numbers, online banking, PIN codes, etc.)

Safe Internet- Rules Worth Know

Don't open the emails from suspicious senders(do not open attached links or attachments)

Create hard to guess passwords and change it regularly(don't use the same password for different websites)

Keep your browser and operating system up to date(regularly download the latest updates)

Create a backups(You can use a virtual cloud so that you can access all the files placed there from any device)

Do not click on pop-up sreens and suspicious ads(can be infected by virus)

Secure your devices with antivirus and firewall software

Download files only from trusted sources

Use two-steps verification in onlie banking

Secure your internet connection

Visit only trusted websites

Don't panic(do not deposit money or give any confidental data)

Can't imagine life without the internet? No wonder, only remember to follow the rules above. A security-aware and careful user is definitely a more difficult target for a cybersecurity expert. Update your passwords, save your valuable data on other media, do not open messages from unknown addresses and secure your computer in every possible way, avoid online fraud, and learn how to spot fake emails. Be safe on the internet.

Data Classification

Monitoring Privileged Account Access

Security Awareness training

Cloud Security

Patch Management

Strict Access Controls

Encrypting Sensitive Data

Network Segregation and Segmentation

Application Security

Physical Security

Source:
https://www.lepide.com/blog/top-10-security-measures-every-organization-should-have/

Co-funded by the European Union

Shopping Online

There are many advantages to using the Internet and online shopping, where we have access to products from all over the world, which is fast and convenient. You don't have to leave your home, shops are open 24/7, 365 days a year, the number of online shops is increasing and the number of people buying online is rising. You can shop on any device: computer, laptop, or phone and as a result you have access to lower prices and much more convenient shopping.

Advantages of Shopping Online	Disadvantages of Shopping Online
Convenience	Negative environmental impact of packaging and gas
Better prices	Shipping problems and delays
More variety	Risk of fraud
Easy to send gifts	Less contact with your community
More control	Spending too much time online
Easy price comparisons	Returns can be complicated
No crowds	You don't know exactly what you're getting
No sales pressure	Unfriendly, scammy, or complicated websites
Access to used or damaged inventory	No sales assistance
Privacy for discreet purchases	No support for local retailers

Source: https://toughnickel.com/frugal-living/Online-shopping-sites-benefits

How to shop safely online

1. Check the reliability of the online shop, and verify its authenticity. Look for online reviews. Look for online reviews. Check the name of the shop's registered office address, identification number, and information on consumer rights and the complaint procedure.
2. Protect your computer, laptop, or phone. Make sure your anti-virus software and operating system are up to date.
3. Pay attention to whether the company applies a fine print rule that is impossible to read even when enlarged
4. Be vigilant when clicking on links placed in emails from the retailer. Do not click on an attachment or link contained in an email if you are unsure whether the email is from a reliable source.
5. Take care of your personal data -pay attention to who is the administrator of your data and how it will be stored. Remember everyone has the full right to request the delete personal data from the customer database
6. Check the payment methods offered. If a retailer only offers one payment method, this should raise your alert. Trusted online shops offer customers at least several payment options for online purchases.
7. Unusual delivery options If a retailer offers to pay for the courier by the orderer, this should make you alert. Trusted online shops organize the shipping themselves by including the shipping costs in the settlement with the customer.
8. Take a close look at the accuracy of the product description as you may find descriptions with errors or that do not contain all the relevant information. Avoid sellers who use very poor-quality photos.
9. Avoid sellers who place additional conditions on the purchase (ask you to log in elsewhere, to download and install anything, or offer to complete the transaction elsewhere)
10. When the online transaction is completed log out. (Unauthorised people do not be able to access your account)

Chapter 2. Digital Content Creation

Computers are tools used for daily work, study, or entertainment. The computer is an increasingly common and useful device that is helpful and sometimes strongly needed for learning or work. Computers also help us to use the internet.

The internet is ruled by digital content rules although creating it can quickly become overwhelming.

Fortunately, with the right content creation tools you can make the process of creating and planning content easy. Using them helps content creators speed up the process, gain insights and create better-performing content.

Content creation is a journey. At first, you go one way, then research leads you in another direction.

Where should you start?

Let's first look at some examples of tools for **creating graphical assets**:

Canva
- Wide selection of ready-made design
- Extremly simple and intuitive to use
- Platform is very simple and is well-suited for everyday use

PixTeller
- One click photo resize
- Users can create all kinds of images for social networks in the shortest possible way
- Registering and workig with it is completely free
- Allows users to create presentable templates and models

Adobe Photoshop
- Very high image manipulation features
- Allows creation of 3D-like images
- Combinig variety of photos
- Ability to remove unwanted elements from the picture

CorelDraw
- Best suited for vector art creation
- Basic image manipulation features
- Has tools for quick editing
- It can process an Office(Micro soft)file

AdobeSpark
- Free photos an icons
- Easy animations and gifs
- Thousand of templates
- Design filters and layout options gives plenty of options to help to stand out
- Unique fonts

Source 1: https://www.printingnews.com/events/covid-19/press-release/21127368/canva-offers-covid19-content-templates-for-printers

Source 2: https://www.mostlyblogging.com/animation-video-maker/

Source 3: https://www.freeiconspng.com/images/adobe-photoshop-icon

Source 4: https://www.mojosoft.com.pl/corel-coreldraw-graphics-suite-2021,746?gclid=EAIaIQobChMIqsCGusrq_QIVsAV7Ch0yswA9EAQYBCABEgI2JfD_BwE

Source: https://onlinenetworkofeducators.org/pocket-pd-guides/tips-for-teaching-with-adobe-spark-video/

Multimedia definitely expand the ability to learn, think, explore, and effectively communicate. Integrating experience and different elements of knowledge, supporting creative work, and helping to find, organize and use information from a wide number of sources.

Tools for creating multimedia assets:

DaVinci Resolve	Pexels Video	Mojo	Muse	YouCut	Videoleap	Magisto
• One of the most powerful video editing tool • Allow to perform all the necessary action when editing video • Thanks to built-in tools, all editing is friendly for beginners and professionals • Professional software with many tools	• Copy-right free stock video footage divided by topic • Is completely free • You can load you rown videos or photos too • You can create collections and organize your work for seprate projects	• Perfect app for creating animated stories with photos, subtitles and music • Dedicated templates are in 100% editable • Ttrending sound template fixes for issue affecting some users • Mojo will help you stand out from the other users and competition	• Very easy to use • Muse is the fastest way to add music to your video • Various template styles • Simple sharing • Muse is creating easily attractive and melodic videos based on templates	• Easy to use Video editor and maker • It's great for begginers with a lot of attractive graphics and animations • Allows to compress and convert recordings • Clear use interface • Allows to perform key operation on files	• Easy to use video editing app • Transform and edits videos into professional-quality within minutes • Create content for small business • Create great stories and videos	• Free download for mobile devices • The developers continue to add more templates to choose from. • You can access Stock videos and photos here. • It allows users to be as creative as possible. • The app has customer support that responds quickly.

Case study

Source: https://www.pennlive.com/life/2022/06/target-others-consider-paying-customers-to-not-return-items.html

Digital competence is still growing and this means that many people are lagging in their digital skills. They don't believe that these changes can benefit them, increase their knowledge or improve their performance at work. Let's have a look at how Target the eighth-largest retail company in the USA increase its stock price by implementing digital transformation. Target was founded in 1962 and began to expand nationwide in the 80s.

Nowadays the company employs over 300,000 people. To boost sales Target introduce online ordering and launched a digital marketing initiative. Additionally, physical shops were redesigned to help customers more easily spot products and find them when shopping online.

The result: Target began its digital transformation in 2006 and saw a stock price increase from $53 to $88, with revenues growing by $6 billion

Interactive activity

1. Multiple choice

Question:	Answer:
What is not an example of a digital skill?	Answer 1 Writing letters
Options: Answer 1 Writing letters Answer 2 Email and messaging Answer 3 Data entry and handling Answer 4 Browsing, searching, and filtering data Answer 5 Digital Research.	

2. Matrix choice (drag and drop)

Question:	Answer:
There are several tools for creating graphical assets. Assign names to their functions	**Canva**: Wide selection of ready-made design, extremely simple and intuitive to use, platform is very simple and is well-suited for everyday
Options:	**Pixteller**: One click photo resize, users can create all kinds of images for social networks in the shortest possible way, registering and working with it is completely free, allows users to create presentable templates and models in a very short period of time

Options		Answer continued
Canva	Free photos an icons, easy animations and gifs, thousands of templates, design filters and layout options gives plenty of options to help to stand out	**Adobe Photoshop**: Very high image manipulation features, allows creation of 3D-like images, combining variety of photos
Adobe Photoshop	One click photo resize, users can create all kinds of images for social networks in the shortest possible way, registering and working with it is completely free, allows users to create presentable templates and	**Coral Draw**: Best suited for vector art creation, basic image manipulation features, has tools for quick editing, it can process an Office(Microsoft)file **AdobeSpark**: Free photos an icons, easy animations and gifs, thousands of

	models in a very short period of time	templates, design filters and layout options gives plenty of options to help to stand out
Pixteller	Wide selection of ready-made design, extremely simple and intuitive to use, platform is very simple and is well-suited for everyday	
Coral Draw	Very high image manipulation features, allows creation of 3D-like images, combining variety of photos	
AdobeSpark	Best suited for vector art creation, basic image manipulation features, has tools for quick editing, it can process an Office(Microsoft)file	

3. Sorting choice

Question:	Answer:
Drag and drop the digital skills in the correct category based on their respective descriptions: • Sending emails • Using spreadsheets • Creating professional's presentations • Troubleshooting computer issues • Managing social media accounts • Designing websites • Implementing cybersecurity measures	Basic Digital Skills: sending emails, using spreadsheets Intermediate Digital Skills: Creating professional's presentations, troubleshooting computers issues, managing social media accounts Advanced Digital Skills: Designing websites, implementing security measures

Categories:
  1. Basic Digital Skills
  2. Intermediate Digital Skills
  3. Advanced Digital Skills	

Recommended websites/links

- https://www.simplilearn.com/what-is-digital-security-article
- https://www.netia.pl/pl/blog/bezpieczenstwo-w-sieci-jakich-zasad-przestrzegac
- https://www.citibank.pl/bezpieczenstwo/8-zasad-bezpiecznych-zakupow-online.html
- https://www.softwaretestinghelp.com/graphic-design-software-tools/
- https://www.getsafeonline.org/
- https://perception-point.io/guides/digital-transformation/digital-transformation-for-business-5-big-success-stories/#Target

Glossary

1. **Phishing -** is a form of cyber-attack in which attackers attempt to deceive individuals or organizations into divulging sensitive information, such as usernames, passwords, or financial details, by impersonating a trustworthy entity or creating a false sense of urgency.
2. **Antivirus software -** is a computer program designed to detect, prevent, and remove malicious software, such as viruses, worms, Trojans, ransomware, and spyware, from computer systems.
3. **Creating graphical assets -** refers to the process of designing and producing visual elements, such as images, icons, logos, infographics, or other visual representations, which are used in various forms of media, including websites, applications, advertisements, presentations, and marketing materials.

LESSON PLAN: Module 3 "Digital skills"

Item	Contents
Module 3. Sessions (brief presentation)	**1. Increase Digital Presence** The first session of the Digital Skills module is dedicated to the instructions of how students – potential entrepreneurs will be able to increase the digital presence of their future company. Overall, a company's digital presence is how the enterprise appears in online digital media, regardless of its size. A company's digital presence is made up of numerous parts, such as its distinct and distinctive content, its website, the different online services and social networking platforms that the company uses to promote its products or services. Upon the completion of the first session of the Digital Skills module, the participant students will learn to use methods and strategies, in order to effectively increase their enterprises' digital presence and to fully utilize the capabilities that social media provides. Moreover, the participant students will learn ways of managing their future enterprise's online reputation (Online Reputation Management). The specific contents of the first session of the Digital Skills module are: 1. Overview of Digital Presence for Businesses – Necessary actions before the development of a corporate digital presence strategy 2. Online Reputation Management 3. Methods and strategies of increasing a digital presence of an enterprise **Methods/Activities**: This session includes three interactive activities. In the first interactive activity, which is a multiple choice, the participants have to pick the right answers for the question ''what should, an Instagram post contain, in order to be effective?''. In second interactive activity, which is a Matrix choice, it is asked from the participants to drag and drop the description of a traffic type to the correct category, answering to the question ''there are certain types of website traffic that differ between them. Drag the provided description to the right category''. The third interactive activity is a sorting choice and it is asked from the participants to sort out, to the appropriate ranking the steps of reviewing and reforming their potential business website. **Extra resources**: An online guide, in the form of PDF, displaying the analytical steps, in order people who own small enterprises to start building their digital presence➔https://irp.cdnwebsite.com/88f4ea84/files/uploaded/Digital%20Presence%20Tipsheet-English_FINAL.pdf An online guide, in the form of a digital article, on how future entrepreneurs

Item	Contents
	can create a modern business website ➔ https://mailchimp.com/resources/modern-website-design/ An online article - A Beginner's Guide to Online Reputation Management and its operability➔ https://www.semrush.com/blog/online-reputation-management/ **2. Social Media marketing for businesses** Social Media Marketing is a cheap, powerful, and efficient approach to reach people. This is the reason social media marketing efforts have become so important to companies around the world. It is hard to imagine how business might stay relevant without having a social media presence given the billions of people who use social platforms and the ongoing growth in monthly users and influence. It allows to connect with target audiences through social media, communicate with current and potential customers, build brand loyalty, boost website traffic, and enhance sales. This module is divided in three chapters as follows: in the first chapter, social media are defined and guidelines and suggestions for the development of an effective social media strategy are discussed. The second chapter suggests steps for marketing on social media platforms, while the last chapter offers simple guidelines for understanding social media marketing metrics used to measure performance. This session is divided in three chapters as follows: 1. Social Media Strategy Development 2. Marketing on Social Media platforms (Facebook and Instagram) 3. Social Media Marketing analytics After completing this session learners are expected to show basic knowledge and acquire skills for effective management of social media accounts for businesses. Moreover, learners will be able to understand metrics and optimize campaigns. **Methods/Activities:** This session includes 3 activities. A multiple choice to explain Social Media Marketing; a matrix where the user will have to link social media marketing activities with their descriptions; and finally, a sorting choice to choose metrics to monitor in evaluating your social media strategy **Extra resources:** HubSpot Resources ➔https://blog.hubspot.com/marketing/social-media-metrics-ceos-cares-about

Item	Contents
	https://blog.hubspot.com/marketing/social-media-analytics-tools
	https://blog.hubspot.com/marketing/marketing-analytics-resources
	https://blog.hubspot.com/marketing/buyer-persona-research
	https://blog.hubspot.com/marketing/social-media-campaigns
	Facebook Guidelines ➜ https://www.facebook.com/business/ads-guide
	Movie "The Social Network' on Netflix
	3. Chatbots
	Your business can increase sales by using chatbots. By highlighting your newest products and tempting customers with discounts, bots convert one time web users into new customers. Additionally, chatbots can help your clients progress through the sales process by providing support services like delivery tracking.
	This session is divided in three chapters as follows:
	1. Why are chatbots essential for business?
	2. Chatbot typologies, functionality and benefits
	3. Chatbots' future
	Methods/Activities:
	This session includes 3 activities. A multiple choice to explain why chatbots are essential to your business; a matrix where the user will have to link chatbot typologies with their functionalities; and finally, a sorting choice to choose metrics to monitor client improvement when using chatbots.
	Extra resources:
	A tutorial explaining how to build your own chatbot➜ https://juji.io/
	An article explaining the functionalities of the chatbots ➜ https://doi.org/10.1016/j.jretconser.2023.103258
	4. Administrative processes on a digital business
	This session is dedicated to the study of administrative processes that can be managed using various digital tools and software. The learner will understand the importance of administrative processes in a digital enterprise; become aware of how digital tools and software can be used to streamline administrative processes and improve efficiency. In addition, he/she will learn to identify common challenges and best practices for managing administrative processes in their company.

Item	Contents
	The specific contents are: 1. E-business management software 2. E-human resources & e-customer relationship manager (CRM) 3. E-invoicing **Methods/Activities**: This session includes 3 activities. A multiple choice for the user to assert the qualities of Business Processes; a matrix in which the user will have to relate the terms to the concepts of human resources, CRM and invoicing online. And finally, a ranking choice to sort the five elementary aspects of e-human resources. **Extra resources**: Video with 7 examples of invoicing software depending on the type of company ➔ https://youtu.be/e8nW2HHL_-A TravelPerk's guide to administrative tasks and duties ➔ https://www.travelperk.com/guides/administrative-tasks/ Brief explanation of E- Customer Relationship Management with examples of its practical implementation ➔ https://youtu.be/CZ_oNQ31fXs **5. Digital security** In this session students will gain the basic knowledge and the concept what is digital security and will be able to identify the danger when using the Internet or shopping online. The topic presented includes the information: 1. What is digital security and what we consider as security risk 2. How to stay safe while using the internet 3. How to shop safely online. **Methods/Activities**: This session will include 3 activities. Two of them they are multiply choices. One of them is testing knowledge of what is digital skills and the second is trying to help how to keep passwords safe online. The Matrix is showing types of tools to use for digital content creation. **Extra resources**: The article will present more information about digital security➔ https://www.simplilearn.com/what-is-digital-security-article

Item	Contents
	The review of how to stay safe online➔ https://www.youtube.com/watch?v=EyQeUwqCDWg
Exercises	The format of the exercises you will perform in each session is listed below. Exercises: Interactive activity 1. Multiple choice 2. Matrix choice 3. Sorting choice

Methods

Below is a brief description of the variety of methods that can be implemented while delivering the lessons. Combining these methods could also be effective for the learner:

Peer to Peer Learning: provides an informal and engaging learning environment. The potential benefits of peer-to-peer learning are documented in the educational literature as active-learning approaches.

Experiential Learning: an approach that requires a non-traditional learning environment that blends teaching and assessment techniques. It is recommended that experiential learning to be at the core of the course module enabling the student to benefit from a practical but safe learning environment thus still exposing them to real life business challenges.

Classroom: traditional teaching style

Online learning: Access to learning activities and experiences via the use of some technologies through online: Classroom Learning, video, webinars, podcast or other useful media

Student reflection: The practice of reflection should be common in order to ensure the students analyse their engagement with the content and context of the course. It also serves as a reference guide after the completion of the course/module

Facilitation: Effective facilitation by lecturers and mentors will drive a significant portion of the learning outcomes. The facilitators should guide and allow discussion, debates and student interactions to help them achieve learning goals

Self-Directed Learning: Timetable learning where the students with guidance from teacher, decide what and how they will learn. It can be done individually or with group learning, but the overall concept is that students take ownership of their learning.

Gamification: Games have been frequently seen as a valuable way of engaging young people. They have the potential to become environments for skill development and social participation, by creating in-game and out-of-game spaces in which meaning-making processes are activated, knowledge is shared and participants feel recognized and awarded. In addition, most games provide an immersive game system in which exploration, problem-

definition and problem-solving are encouraged, stimulating creativity, persistence, systems thinking and other skills associated to learning. **Serious games** (i.e., games with an explicit educational aim and content) in particular have the potential to foster learning by offering authentic simulated settings and by mimicking real-world scenarios which integrate economic and technological aspects. Moreover, serious games can generate meaningful, unpredictable and uncontrollable events in order to engage users holistically and elicit users' adaptation in simulated gameplay scenarios. Notably, multiplayer serious games can engage users in collective learning and action, promoting participation.