University of Cyprus

Faculty of Economics and Management

MBA Programme

PERKS PLATFORM FOR EMPLOYEES

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October 2020

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An Applied Business Project submitted to the Faculty of the MBA Programme in partial fulfilment of the requirements for the degree of MBA (Master in Business Administration) in the Department of Business and Public Administration and the Department of Accounting and Finance of the University of Cyprus.

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ACKNOWLEDGMENTS

We would like to say a big thank you to our supervisor and professor Marios Theodosiou for his constant and prompt guidance throughout the duration of the project. Marios was always very keen on helping us identifying mistakes and making sure that our report is in the best form possible.

We would also like to thank Philoshopic's top management, Dimitris Constantinou and Theodoros Theodoulou that gave us the opportunity to be a part of their very interesting project idea.

ABSTRACT

PERKS PLATFORM FOR EMPLOYEES

This study focuses on the implementation and strategy that will be followed to develop and launch an employee benefits platform that will be the first of its kind in the Cypriot market. This project is in collaboration with Philoshopic which is the company that initially came up with this idea. We will start by investigating the literature on employee perks and the benefits that can derive by rewarding employees and we will then give an overview of what currently exists in the global market. Following that, we are discussing the macro and micro environment in Cyprus and the ways it can impact the platform. The strategic part of the study will follow where we break down our objectives, the market segment we are focusing on along with the product's value proposition and marketing mix. We will then continue with the implementation part of each of the objectives set before. We close the study with the financial of the project and some contingency planning scenarios.

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ABBREVIATIONS

MBA Master in Business Administration

UCY University of Cyprus

GDP Gross Domestic Product

UI User Interface

UX User Experience

MVP Minimum Viable Product

CVP Cost Volume Profit

BP Break-Even Point

CHAPTER 1

INTRODUCTION

1.1 The Company

Philoshopic is the name of the company we will be collaborating with for the development and implementation of our project's business plan. Philoshopic is a Cypriot technology company providing professional services in the field of commerce and retail. More specifically, the company focuses on consumer engagement, distribution of digital products, eCommerce and modern digital payments. With their robust cloud-based platform they are able to provide various framework solutions which are designed and developed by their own very experiences and passionate team. Philoshopic has their headquarters in Cyprus, however, their clients vary with presence in different parts of the world like, Europe, the middle East and the US.

1.2 The project and its objectives

The new project is about the creation of an online benefit platform which will offer a great and unique experience to those who will participate. This platform concerns mostly the employers, the employees and the vendors that will be involved. The main idea behind this platform is that it will enable employers to offer some perks to their employees in an easy and quick way while at the same time will benefit all parties. The employers will have the opportunity to offer perks to their employers from a wider range of vendors. This will help them minimize the cost of the perks they offer while at the same time enhance the quality as much as possible. In addition, they will monitor and control the benefits they offer

easier and with more accuracy. This can be led to better decision-making. On the other hand, the vendors will have the opportunity for big volume of sales by exposing themselves to a big audience. Lastly, the employees will get to choose their rewards from a big number of vendors and not just a single seller that their company chose for them.

1.3 The importance of employee perks

It is commonly accepted that every employee wishes and gets motivated by a bigger paycheck at the end of every month. However, money is not the only reward that can drive employees to work harder and be happier. Nowadays, the meaning of perks in job is huge and there are many reasons why this is happening. Perks in job have various advantages. Some of them are directly and some of them are indirectly.

First of all, a company that offers perks can become more competitive regarding its offering to the employees. As indirect advantage for that fact, is that employees may prefer to work for that company since it offers different kind of rewards despite the classic salary at the end of every month. In addition, perks can make the employees happier and increase satisfaction. A satisfied employee can be more productive because he/she feels more appreciated, can contribute into improving the efficiency of an organization and by extension be a main instrument into achieving bigger revenues for the company. Furthermore, employee rewards increase trust in the workplace. Rewarding and recognizing enhance trust between employees and their bosses while at the same time strengthen their relationships. Last but not least, the company can save money because it can replace a small part of the salary it offers, with other kinds of rewards which may have the same value, but they cost less. (contracting deals with sellers because of the big volume of sales)

1.4 Implications of the study

This study will provide useful insights to the company and contribute into getting a better understanding for this new project they are planning to invest in. There are three main stakeholders in this project which are the employees, employers and vendors. The

main objective that the company is looking to get out of this project is to understand better the stakeholder's behaviour towards the platform they are planning to develop. Furthermore, our study will provide ideas for additional revenue streams that would be beneficial to include within the platform. Upon completion of the data collection and all other findings, we will present our work to the company through the report that we will prepare. The findings from this project will contribute into providing ideas which the company can use in order to build on top of their existing ideas as well as to make more informed decisions on how the platform should be developed further.

1.5 Structure of the thesis

In the next chapter a literature review will be presented. This chapter will present a small summary of the most important points of a few research articles regarding perks in work. Following, chapter 3 will include a situational analysis. At that point, all the factors that are going to affect the project and its implementation are going to be presented. Continuing in chapter 4, there is going to be an objectives analysis and a marketing plan. In the next chapter, will be presented ways of achieving those objectives and at the same time the specific timeline that needs to be carefully followed. Finally, the financial aspect of this project is going to be analysed along with some scenarios on contingency planning.

CHAPTER 2

EMPLOYEE REWARD SCHEMES: AN OVERVIEW

2.1 Literature review on employee reward through online platforms

The human resource department has become a strategic asset of an organization. This is since the achievement of the organization's goals depends on its employees and their outcome. Human resource (HR) contributes to the fundamentals of an organization in order to progress and to achieve a competitive advantage. The human capital or the human resource of a company is the most important asset in a company, therefore it needs to be motivated to achieve efficiency, effectiveness and accomplish business objectives.

Employee motivation through intrinsic and extrinsic rewards can have huge impact on their performance. The significance of the reward system is fundamentally important. It can affect the employee performance impact on the organization and to a further extend, to help gain competitive advantage. In addition, some other approaches related to the goal settings, such as measurement and feedback approach, job design approach, reward and recognition approaches have one main target. To develop and increase the employee performance. Reward systems can cause satisfaction to the employees, thus affecting their performance. Adding to this, the rewards refer to financial aspects as well tangible benefits, or services offered to them. Such rewards are divided into two categories, extrinsic and intrinsic rewards. Extrinsic rewards are mostly financial or tangible rewards which include pay, promotion, interpersonal rewards, bonuses and benefits. Employee rewards and recognition come to play a significant part in the overall employee performance and

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satisfaction. Therefore, organisations should pay attention to their employees since their performance and satisfaction is vital for the organisation's success.

The employee's rewards and recognition have a significant positive effect on the employee performance. At the same time, it is shown that the support and the appreciation by an organisation towards its employees, can positively affect their performance. The employees need to feel these attributes by their organisation in order to be able to perform better and above all, more productively. More and more companies tend to enhance or create reward schemes for their employees to apply this concept. Having such practices in an organisation, the employee feels that his job output is been recognised thus rewarded from their company. Employees not only want good pay and benefits; they also want to be treated fairly, to make a substantial contribution to the organization through their work, and to be valued and appreciated for their efforts. All of the above, emphasize the importance of having satisfied employees within an organisation as well as the extend that their satisfaction affects the performance of the company. This is the reason that many companies decide to introduce to their organisations, reward schemes and practises (Hussain et al, 2019).

Rewards in job may have positive results for both, employees and employers. By offering perks, employers can observe their business grow in a much more effective and efficient manner. In addition, the retention rates will be much higher and the teamwork between employers will be much better. However, the way of offering those perks also matters. Nowadays, an online benefit platform is a great way to deliver those rewards since almost every employee is technology oriented. Despite that, the implementation of this kind of platform may have some issues that need to be resolved (Sands, 2019).

Some factors that constitute main obstacles in order to implement an online benefit platform for employees are time and money. Such a platform will enable employers to offer some perks to their employees in an easy and quick way. In addition, employers will have the opportunity to express their appreciation towards the employees for their efforts. On the other hand, employees will have the opportunity to choose their rewards in a more easy and efficient way from a wide range of vendors. As it comes to money, the cost of technology is coming down every single day therefore some good planning may help avoid this problem. In that case the only problem remaining is time. Implementing a technology doesn't have to

be so difficult and complicated. In fact, there are steps which they can make the implementation of technology as easy and painless as possible and at the same time save much precious time.

First of all, it is important to make some research in the market in order to find the right combination between the investment (cost) and the return. The choices that must be made concern mostly the benefit selection, the implementation and the licence fees, the client support, the saving of administration time and finding ways to keep employees happy and engaged. After deciding all of the above, a complete timeline and budget must be made which should be agreed by the board. The second step is to build the platform step by step. Avoid taking risks at the beginning as they might have more negative than positive results. The reasons for that are mostly because you choose to include more save and tested options in your platform which you know with more certainty that the employees will correspond with and because you will have the opportunity to add some new and attractive options in the near future. This strategy will make the employees feel that you keep the benefit options fresh and you try to improve the features of the platform continuously. However, all the above, will be useless if the managers and the employers don't promote the platform effectively and continuously. The fact that the platform may be excellent is irrelevant if the employers don't remind regularly the purpose and the benefits to the employees. Each company must have in their agendas to communicate the platform as much as they can. Even if the HR department is too busy, the company must find another way to do that. Otherwise, most probably the employees will totally ignore and forget about that benefits they are receiving. Last but not least, the online platform must be as simple as possible in order to enable employees to use it without difficulties and confusion. It is crucial to make the use of the online platform as easy as possible for the employees to use it, move with the times and gradually add more complicating functions (Drake, 2019).

Despite all of the above, there is another problem that every company must solve in order to implement successfully such a platform. The problem is end up building a platform that is not suitable with the company's needs. In that case, the company will be left with an expensive platform which it will be completely useless. For that case, there are 6 challenges that every organization must overcome in order to add value to the company.

The first challenge that the company must deal with is the administration burden. According to the Centre of effective organizations the HR department spent 73,2% of their time in processing administrative tasks. An online perks platform will manage everyone's benefits and automate the entire process. As a result of that, the administrative burden will be reduced significantly, making everyone's life much easier. The next two challenges are in line with what was mentioned above. More specifically, it is very important to make the online platform as simple as possible in order to increase the employee engagement and make their experience as pleasant as possible. Further, keeping up with the technology and follow its pace will help towards the same direction. In addition, it is very important to have access in data through the online platform because the platform will enable employers and managers to take quick decisions and decide the business strategy most effectively. However, the access in this kind of data creates the need for bigger responsibility from the company. The platform provider must be up to date with the latest data security requirements. Such type of behavior will enhance the trust and the confidence of the employees towards the online platform. Lastly, personalization is another challenge that the organization should overcome. More specific, in order to get the employees engaged with the platform you need to communicate with them as individuals and send targeted messages. Personalization will make the employees feel special and engaged with the online platform with minimum effort. Therefore, it is very important to create an online platform which will be technology driven (Roderick, 2018).

In conclusion, workplace reward is a crucial aspect which every company needs to take into consideration. Perks in job may have significant positive results on employees' performance and by extension improve the image of the company. As mentioned above, an online benefit platform is a great way to deliver those rewards. There are many advantages for all the parties included which make the implementation of this platform very important. Despite the several advantages, there are also some obstacles that every company needs to overcome. However, those obstacles can be treated if the company follow the above-mentioned steps carefully.

2.2 Benefit programs from around the world.

A very important part of this project is to be able to come up with the most suitable business model to make this a successful project. To better accomplish this, we conducted a research similar projects that are already being used from around the world, to get some insides, ideas and identify pitfalls. In order to accomplish this, we had to have a look on what currently exists in the market and combine that with our ideas.

Our research contains the search of similar projects from around the world. The first one we found great similarities, is the US and UK platform called "Perks at work". Perks at work is owned by Next Jump Inc, a multinational company with offices in New York, Boston, San Francisco and London. Perks at work, is a perks platform, offering over 30,000 unique discounts, and the ability to integrate a suite of tools designed to improve workplace culture. Employees log in through their company's website or through perksatwork.com and are directed at their company's section of perks at work, where they see the same benefits as any employee of their company. These benefits are discounts to car rentals, airline tickets, gym subscriptions, clothing shops discount and more. In this platform, there can be found over 30,000 unique discounts, only for the employees of companies participating in the program. The merchants participating, can offer exclusive discounts to over 100,000 corporate networks and reach over 70 million members.

Figure 1, Perks at work packages

Perks at work gives specific discounts and coupons, regarding where each client works and through the specific package that their company chooses to have. Some of the advantages and disadvantages of the specific program are displayed below.

Advantages	Disadvantages
Discounted products.	The employee still needs to pay using their own money.
Big variety of products.	More complex backend design and development because of custom dashboard for each user.
Electronic coins cashback.	

Table 1, Perks at work Advantages/Disadvantages table

The closest example found, in what we want to offer is Perkbox. Perkbox gives the employees hundreds of perks like free coffees, cinema tickets and discounts to several shops.

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It basically acts as subscription service to benefits. Perkbox operates in Australia, France, and United Kingdom. Perkbox tends to offer to employees through their platform Perks and benefits, birthdays gifts, Healthcare and insurance as well as Learning and Development.

Advantages	Disadvantages
Free products.	A lot more resources need to come onboard for design and implementation.
Discounted products.	
Recognition feature for congratulating employees on their good performance.	
Employee support feature where you can talk with qualified therapists on the phone or via chat.	
Online workout and nutrition platform.	

Table 2, Perkbox Advantages/Disadvantages table

Another example is Cobee. Cobee is a fresh example, based in Madrid, Spain and it received its major funding of 2.1m in February 2020. Cobee, charges the employers that participate in the platform €5/employee/month so that the employee can access various benefits and discounts in selected merchants participating in the program. So there is a subscription, that the company pays the fee to, and the employee buys with a discount what they are interested on through the platform. So far, they only have one package, with an announce premium package on the way. Cobee uses a SAAS (Software as a Service) business model in which they only charge a fixed fee to companies for each active employee that uses the service. That is, they seek a "win-to-win with the company" and be half-responsible for the success or failure of benefit plans.

Lastly, Virgin Incentives is a UK based benefits platform, and operates through providing better employment experiences. In simple words, employees receive gift card through the platform from their employers, which they can use in any of the vendors participating. In addition, there is the option for Christmas gift cards, as well as the planning and booking of team building events that include full day activities.

Advantages	Disadvantages
Discounted products.	Not many products and services offered yet.
Easy to use SaaS platform for employers.	
Simple app that is used by employees for everything.	

Table 3, Cobee Advantages/Disadvantages Table

CHAPTER 3

SITUATION ANALYSIS

3.1 Macro-environment analysis

A company's macro environment are the conditions that exists in the economy as a whole rather than the particular sector or area of expertise of the company. In general, the macro environment includes trends in the gross domestic product (GDP), inflation, unemployment rates, spending, and monetary and fiscal policy. The macro-environment is the general business cycle. To better analyse the platform's macro environment, we conducted a PESTEL analysis.

Political: The political situation in Cyprus, is going through some changes at the moment. More specifically, there were allegations from Al-Jazeera for corrupted members of the parliament, regarding the Cyprus investment program (a program by which foreigners of clear criminal record could obtain a Cyprus passport if they invest an amount of 2 million euros in Cyprus). As a result of these allegations, the president of the parliament and another member of the parliament stepped down. In addition, the country decided to terminate the Cyprus investment program until further notice. In the outcome of this, there is a police investigation in the process, without any official finding yet. All these have created a tensed political scene, with the Government and the opposition charge each other for the situation. In addition to all these, there is the pandemic that has forced the Government to take measures to face, and since the current situations is not good, the tense in the political scene is rising. Even though the political stage is tensed, we don't believe that this will have any affect in the launch of the platform.

Economic: The economic situation in Cyprus, is going through some troubles in the past few months. The pandemic, and the economic cost of the measures that the government took, was a huge down step for the economy. The global pandemic was a big issue for the world travelling business, and Cyprus as a country whose GDP is a affected at a big percentage by its tourism, saw a rise in unemployment, businesses closing down as there is big risk of economic insecurity for the future. In addition, the termination of the Cyprus Investment program, is expected to cause problems in the construction industry, as the main investment of people wanting to obtain a Cyprus Passport was in real estate, and many projects are now being cancelled, while a rise of unemployment is expected. The current situation economic is not the optimal for the launch of the platform, as most companies are trying to reduce their costs and they won't be open for participation as they would have been as a few month ago, in such a platform.

Sociocultural: Cyprus, has been for the past 40 years a tourist destination and Cypriots are used to interacting with tourists and foreigners. In addition, the sociocultural environment has been enriched the past few years rather than before since many companies moved to Cyprus with their employees. This led to the launching of business directed to foreigners, like Russian Radio, bars, and supermarkets. Furthermore, Cypriots tend to follow the current World Trends. An example of this, is Black Friday. Up until 5 years ago, only a few people were looking for Black Friday deals in Cyprus, but in the last two years we 've witnessed people camping outside stores and rushing in when doors opened. Generally, Cypriot culture is good for promoting new ideas as when Cypriots learn and like using something, they don't change it easily. This, on the other hand is bad because is harder to convince them to try something new, so a better and smarter marketing will be needed.

Technological: The technological environment in Cyprus is a developing area of expertise. Companies are turning towards digitalization and are looking for technology development, as the current circumstances require. Technologically wise, since many platforms launched the past few years in Cyprus, and many of them are considered successful, there is fertile ground for developing businesses like ours.

Environmental: The last few years, there was an increase on sensitivity regarding the environment, and there were held many beach clean-ups and tree plantations. Generally though, the environment doesn't affect the launch of the platform.

Legal: The legal situation in Cyprus, allows companies to move their headquarters in Cyprus. The tax laws in Cyprus, are better than most of the other European counties, and this is the reason why global companies like Exness, Wargaming and others are either headquartered or have main offices in Cyprus. This is beneficial for us and creates more chances since companies of this size are more accepting of providing perks to their employees, and this could increase the participation in the platform.

3.2 Micro-environment analysis

Micro-Environment refers to the environment comprising of all the actors of an organization's immediate environment which influences the performance of the company. The micro-environment of our platform are the pillars consisting the platform. To analyse the platform's three pillars, we conducted a research plan, with the creation of questionnaires to reach out to all the stakeholders involved. Our aim is to communicate and get feedback on their thoughts and try to understand how they view this idea. Their preferences in general and what is the current believe regarding perks in Cyprus. We created three different surveys/questionnaires to directly ask people about their knowledge, attitude, behaviour and preferences regarding our idea. More specifically, we interviewed:

i. Vendors: to identify if they have some sort of agreement with companies, if they are interested to be involved in such platform and the amount of discount that they can offer to employers and employees. In addition, we asked about their opinion on how this platform can be more beneficial for them.

ii. Employers: to identify the current situation. If they are offering some benefits to their employees, such as free lunch, coffee, hotel discounts, Christmas gifts coupons, gym subscriptions etc. In addition, we asked if the benefits that they are providing to the employees are used and if not, if it's causing them a loss in money (e.g. the employers are paying gym subscription for all employees, but only half of them attend the gym).

iii. Employees: to identify if they believe that benefits provided to them are important, if they already have an agreement with their company and if they believe that benefits provision is important to them.

We created three different questionnaires, and contacted people, companies and HR departments, to get in-depth insights about their perception and attitudes towards company perks, their needs. We wanted to get some insides and to understand how these needs can be better addressed. The research is analysed below.

3.2.1 Employers

The employers provide the funds for the platform so that the employee can get products and services from vendors. In order to understand the current situation, we created three different questionnaires, to get some insights and better understand how they think, their concerns, and in general to receive some insides on whether there is fertile ground for this kind of idea to be successful.

To receive adequate results, we contacted companies operating in Cyprus in different sectors and of different sizes. We contacted big companies like Forex sector Exness, retail shop IKEA, the telecommunications company Epic, the oil company Hellenic Petroleum (EKO), Hellenic bank, public company Vasiliko Cement works, KPMG Limassol, Erns&Young Limassol, Ernst&Young Nicosia, pharmaceutical company Medochemie, software company Amdocs. Fuerthermore we contacted some medium size companies operating in engineering services, insurance companies and smaller companies, with less than 10 employees.

First of all, we wanted to understand where our sample stands, and what this sample represents. Regarding the size and the current benefits these companies provide. The chart below, represent our sample regarding companies size.

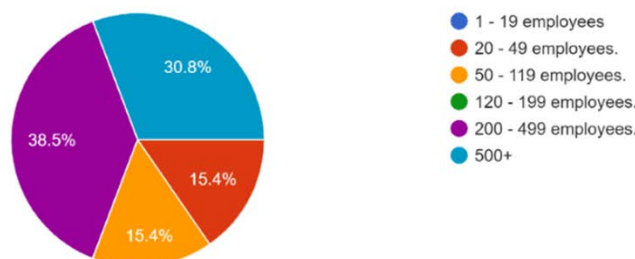No. of people working in the company? (in Cyprus only)

- 1 - 19 employees
- 20 - 49 employees.
- 50 - 119 employees.
- 120 - 199 employees.
- 200 - 499 employees.
- 500+

Chart 1, No. of employees in companies' sample

Furthermore, we wanted to see how these companies operate regarding the benefits provision to their employees and if there is a need for a new system in this area. By analysing the results that we got, we found that 84.6% of these companies, offer extra benefits to their employees, and out of this percentage, 33.3% goes un-used, meaning that the companies pay for employees benefits that the employees never use. This shows that their current benefits program has room for improvement. In addition, 84.6% of these companies, prefer to provide some value towards their employees in benefits than in salary raise. This is due to lower cost for the companies. The amount paid for employee perks, is not included in the amount for which social insurances are deducted. This means that the employer doesn't pay a bigger amount in social insurances when providing perks in contrast when giving a raise, where the amount paid to social insurances is increased. Furthermore, we noticed that 92.3% of the companies believe that the perks provision to employees, works as productivity boost and the same percentage believes that the extra benefits provision, is an easier way to attract new employees. In addition, 84.6%, sees the benefits provision as competitiveness, stating that if a competitive company provides some benefits, they would too.

From our sample, we also extracted that 50% of these companies offer benefits valued more than €100 per month, where 37.5% offers benefits valued from €1 to €99 per month, while 12,5% doesn't provide any extra benefits.

Finally, we took result regarding the type of benefits that these companies offer, and these benefits are gym subscription, free coffee, telephone bills where they believe that is easier to provide restaurant coupons, free breakfast, shops discounts free coffee and gym subscriptions. We also expanded our research, not just at benefits provided but also in Christmas gifts that the companies offer. 84.6% provides Christmas gifts to their employees, which are mostly wines, Christmas cakes, cosmetic and clothing shops coupons.

The main conclusions we reached to, is that companies want to offer benefits, they believe that benefits provision will be rewarding for their company as they see that their employees productivity will rise and they will attract more employees in this way. Companies that provide perks, have exclusive deals, for example with one specific gym (most probably close to the office building) or with specific coffee shop or restaurant for coupons. In addition, the main feeling that we got is that is easier for companies to provide extra benefits that salaries raise and that have the willingness to provide amounts around €100

per employee per month. Finally, even though they believe is easy to provide benefits like restaurant coupons, shops discounts and gym subscriptions, most of them just provide free coffee and gym subscription, to a nearby gym, benefits that most of the time go un-used.

Having this information in mind, we can see that there is a clear need that needs to be fulfilled regarding the benefits provision. A need that we tend to cover.

3.2.2 Employees

The employees are the ones receiving the benefits, and the ones that determine on whether there is a need, since they are the end users. Our main concern regarding our end users, was to find ideas on how to cover their needs in benefits. The questionnaire used can be found in Appendix 2.

Our sample's mean age group is 26-30 and they are all working in Cyprus, in multiple industries. The pie chart below, shows the industries that our sample works and their company's size.
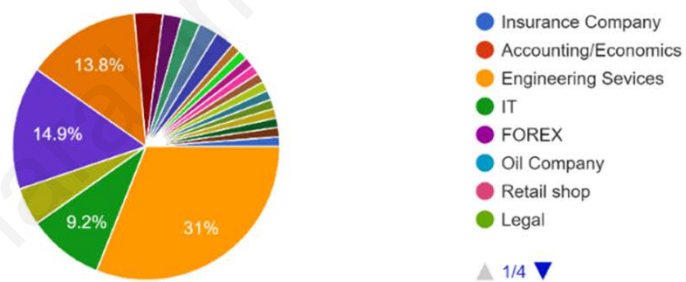

Chart 2, Employee's sample company's industry

What is your company's size?

Legend:
- 🔴 500 και άνω.
- 🔵 20 - 49 εργαζόμενοι.
- 🟣 50 - 119 εργαζόμενοι.
- 🟢 200 - 499 εργαζόμενοι.
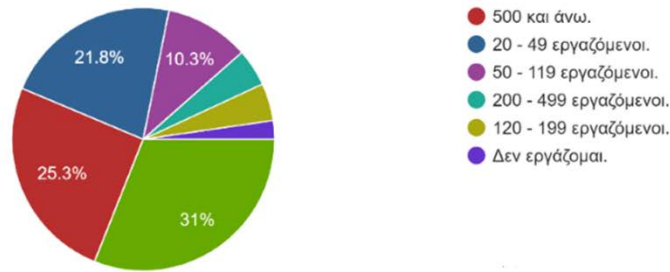- 🟡 120 - 199 εργαζόμενοι.
- 🟣 Δεν εργάζομαι.

Chart 3, Employee's amply company size

Out of these companies, 60.9% do not provide any extra benefits to their employees, whilst only 35.6% provide benefits to their employees (the rest are not working). The 94.3% of the employees believes that if their company provides extra benefits, this would affect their productivity in a positive way. Furthermore, the big surprise was that even though we thought that all of the employees would choose a salary raise instead of extra benefits, 37.9% chose the extra benefits, as they seem to understand that the value given to them through benefits is higher than a salary pay raise, due to deductions being involved. This probably shows an upcoming trend, especially in younger age groups. That employees tend to search for extra benefits in addition to their salaries. Our participant's answers in regards to the type of benefits that they would prefer to have were, gym subscriptions, coffee, phone bills payments, spa treatments, and retails shop discount coupons.

Finally, the chart below shows the level of satisfaction of our sample regarding the benefits that they receive from their employers.

How happy are you with your company's benefits provision?
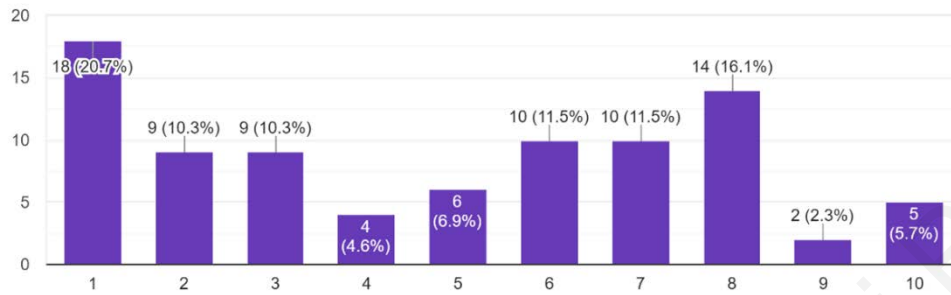
Chart 4, Employees satisfaction level on employers' perks

As we can conclude, only 20% show significant happiness (8 or higher) with their perks as around 50% has chosen the answers 1-5, which shows very low levels of happiness. These results confirm our expectations for the need for better and more benefits provision to employees. Just to mention, that in the developed western countries, employees are used to being provided extra benefits, and some of the people working in Cyprus, have already worked in other countries where they could enjoy these benefits, something that created a feeling of need that most of them cant's fulfil in Cyprus.

3.2.3 Vendors

Vendors are the third pillar of our platform and the second partner in our proposed platform (the other being the employees). We tried to talk to vendors from multiple sectors that we believe that their participation, would be beneficial for our platform. Most Vendors, are in the Food & Beverage industry, as seen in the chart below.

What kind of business do you own?
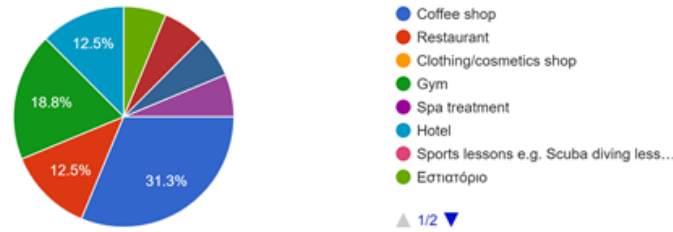
Chart 5, Vendors sample business type

The 93.8% of our sample, is already in platforms like Foody and Booking, something that shows that vendors have a need to be represented in intermediary platforms. This is the current trend, and vendors accept it by paying sales percentage fees. All the vendors provide sales percentage above 10% for the services of the platforms they belong to, and all of them believe that a sales percentage is a better choice than a standard fee paid to the platform, since the sales percentage has no risk at all. The reason that drive these vendors in joining these platforms, are displayed below.
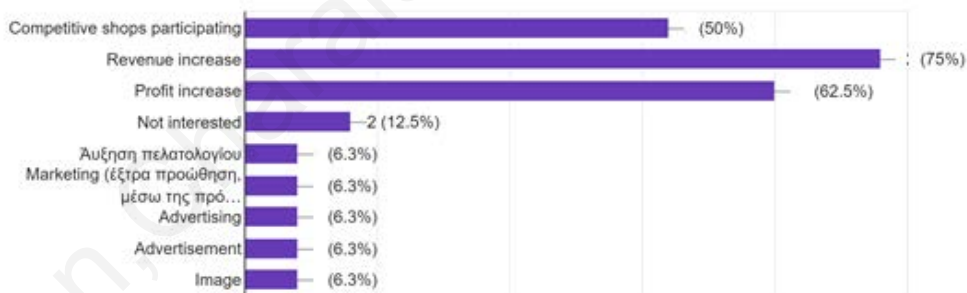
Chart 6, Parameters affecting participation in platforms

As noticed, the main reasons are as expected, revenue and profit increase, but also the fact that competitive stores participate in such platforms and they see their absence as a weakness. When asked if these vendors are interested in participating in a service provision program to companies, for which they would provide their services at a discount, we got a

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very positive feedback and the message that they are interested, since it's very important for them if they can cover their expenses or salaries through the companies and as a result of that, increase their revenue. They were also asked what percentage of discount are willing to provide in such case and the majority answered 10%, a number they consider beneficial for both parties. It is also lower of what they are paying to other platforms at the moment.

The research above led to some conclusions regarding the current trends of perks provision from companies to employees. Even though our sample was not large, we tried and managed to contact vendors, employees and employers from multiple sectors, of multiple ages and in different size and area. Our main aim was to get new ideas, determine their needs and try to figure out ways on how this platform can be beneficial for all parties. We concluded that most employees are looking for these perks, and that companies tend to provide perks and understand the importance of having happy employees. In addition, vendors see the participation in programs in which they cooperate with companies and their employees, as a big opportunity to increase their revenue. So, there is a need to be fulfilled, and this platform can be successful as it can be beneficial for all the pillars participating.

3.3 Five Forces Model of Competition Analysis

To further analyse the platform's environment, we used the Porter's Five Forces Definition.
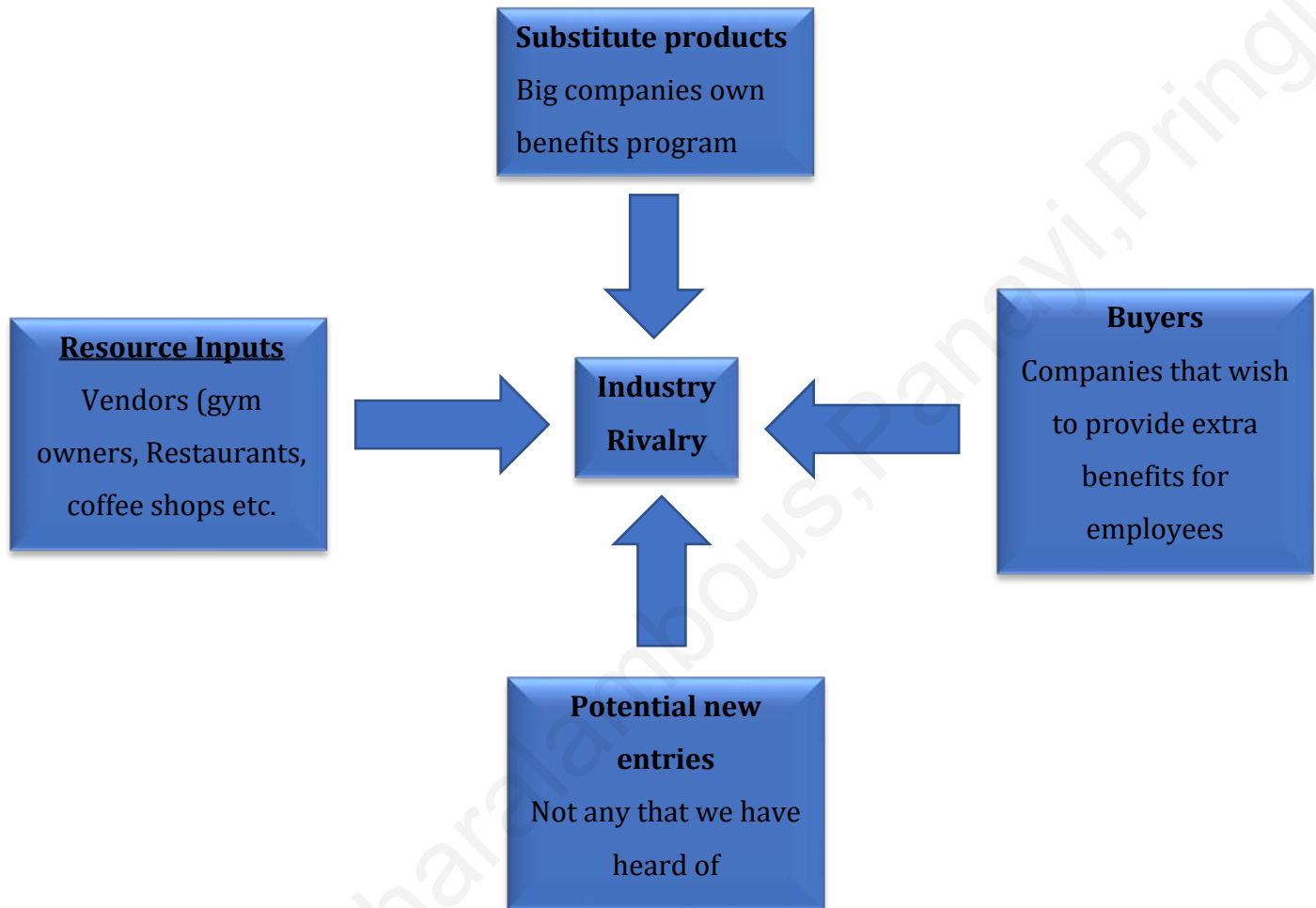
Diagram 1, Five Forces model of competition analysis

New entries: Potential new entries, in this new market for Cyprus, seems to be a farfetched possibility.

Substitute products: Substitute products can be considered the benefits/loyalty programs that big companies offer. For example, PHC Franchise offers discount to employees that visit a restaurant of the group in Cyprus (KFC, T.G.I Fridays etc). In addition, other companies like KPMG offer discounts to specific stores of business partners like Shakolas stores (Scandia) and more. These substitute products, matter since some employees are attracted by these products, and improve employee's satisfaction. In addition, the

price/performance ratio is higher for companies providing these benefits and it will be more difficult to attract such companies. For the companies that have their own perks program, they probably have a lower cost since the deals that they provide are deals with their own business partners, but only in specific sectors and stores. So, even though it costs less to the company, they don't exactly offer the variety and comfort that we tend to offer. In addition, these programs, they often come with extra responsibilities for the HR department of the companies, that costs time of employees, whilst on our platform, no extra work for the companies' employees in the HR department will be needed.

Resource Inputs: Most vendors in the category of Food & Beverage by delivery, are already in platforms like foody, Wolt etc. We could say that if they have to choose between our platform and foody, they will most probably choose foody or another platform that is more well known. But there isn't' any deterrent for participating in both, since there won't be any extra cost If they don't make a sale, plus the fact that we provide a differentiated product, we think that many vendors would be attracted. Furthermore, most vendors look for ways to climb up the ladder and serve companies. As told by many, it's important for them if they are given the possibility to cover the salaries by noon from sales made through the platform.

Buyers: Our buyers, are the companies. Even though some companies already have their own loyalty program, we think companies that already offer some extra benefits or are willing to offer extra benefits, are eager to participate. Companies that already have in-house platforms, face the difficulty of running these programs, that will be easier for them to use a universal program for perks. In addition, the small subscription fee, offers the ability for small companies that do not wish to spend big amounts on benefits to participate. By the analysis above, we define the buyers as the strongest driving forces and the resource inputs, forces in which our marketing focuses.

3.4 SWOT Analysis

The current situation in Cyprus with Corona virus, exposed many needs that should be filled in many different areas. The business field is not an exception. Many leaders and managers are trying to figure out how to minimize their losses due to this situation and at the same time to keep the profits high and their employees happy.

In our case, many employees were forced to work from home in order to avoid the contact with many people. However, due to safety, some of the benefits that the employees had, became very difficult to deliver. For example, the fact that many employees were working from their homes, made it very complicated for the employers who offer lunches to their employees to continue that offer, since they should deliver the food to everyone's house separately. Most of the companies don't afford to pay for such a wide delivery service. As a result of that, employees lost their lunches. In addition, the employers had trouble on monitoring and controlling the benefits that offer to their employees. This may lead to wrong calculations as it comes to the total cost spending on gifts and benefits. Another situation that most companies had to face, is the fact that they spend huge amount of money on gifts which may not be in the employees' interests. In other words, they spend money to offer some benefits to their employees and many of them are still not happy. This happens because everyone has different preferences and different needs.

The online benefit platform is going to solve those issues. However, there are many factors that may affect the decision of creating such a platform. A SWOT analysis is always a good tool in decision taking because it combines all the strengths, weaknesses, opportunities and threats that will exist if the company decides on the creation of such a platform. Below you can observe the SWOT analysis with more details.

Strength	Weaknesses
Always available	High delivery cost
Low competition	No direct interactions
Easy to communicate	Many companies are not tech-friendly
Low cost of maintenance	Many employees are not tech-friendly
Quality service	
Quality products	
Meet employees' preferences	
Competitive pricing	
Higher volume of sales for companies	
Opportunities	**Threats**
Reaching mobile users	Unexpected regulations and laws
Advertising through social media	Bad reviews
Collaboration with other companies	Difficult to use by some people
	More competition in the future

Table 4, SWOT Analysis

After conducting a SWOT analysis, it is obvious that the strengths and the opportunities are much more than the other two categories (Weaknesses and threats). As a conclusion to that, the SWOT analysis showed that the online benefit platform has more probabilities to be successful if the company takes advantage of all the factors that are included in the categories of strength and opportunities and at the same time minimize the factors that included in the other two categories.

As it comes to the value proposition of this online platform is engaging the employees easy, anywhere, anytime by meeting their preferences with a wide range of benefits from various companies.

Another factor that is crucial for our plan is the competition analysis. In our case, there is no current competition in Cyprus. However, this may go both sides. The advantages from this fact are that there is no pressure from the competitors which gives us a little bit more time to contact a good research and make this platform as good and functional as possible. In addition, since it is the first time that such a platform introduced to the public in Cyprus,

the pricing can be made without pressure. For example, there is no need to lower prices in order to stay competitive. Furthermore, no competition means that there is no shrinking of the customer base.

On the other hand, as mentioned before, no competition means no pressure. However, pressure sometimes helps in order to improve and be better. In addition, the fact that this is a new service provided in Cyprus may have many people/companies who will hesitate to be included themselves in this platform. In a few words, we may have big customer base because of the absence of competition but we need to convince the companies to be part this platform by make it clear about the benefits that they will have. That's why it is very important to choose wisely the tactic and the strategy we will follow.

CHAPTER 4

STRATEGY

4.0 Introduction

Strategy is a pattern in a stream of decisions and the combination of competitive moves and business approaches, used to get from where our product is now to where we want to go, based on the value that we want to provide. The first steps before implementing a new strategy, is to understand the current strategic position in which we are now and define the goals of the product.

4.1 Marketing Objectives

4.1.1 Market Need Objectives

To better understand the current position, and the current circumstances of our project, we analysed the driving forces that are believed to exert greatest influence over the next 1-3 years. Some of these are, the growing use of internet and middlemen or marketplace platforms. Essentially our platform will be a marketplace for a closed network of people. Furthermore, younger employees like millennials and generation Z, choose employers that can provide something more than just a salary. This is because employees appreciate and recognise a reward beyond only having their salary, and as the literature justifies, rewards and perks act as an extra motivation. Lastly, perk programs are very popular in countries

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outside of Cyprus and much more developed. As we have seen in many occasions, all trends and new gadgets eventually catch up after a couple of years, and we believe this is the case in this occasion also.

The current circumstances, that we analysed during our research, show a market need that is not fulfilled. Perks are not important just for the financial help that they give to the receivers. It's also a recognition from the employer to the employee, and a way to show his gratitude and recognition towards the employee. People are the key to workplace excellence. We want to provide the recognition and reward that employees deserve and fulfil their needs, in a different way that most employers do.

To fulfil this need, we want to provide value, in a unique way that has not yet been done in Cyprus. Today, some companies provide benefits to customer, in addition to their salary, to ensure that they are happy with their work, and is a cheaper way to attract better employees as by providing benefits. Benefits can have positive impacts on the employers as well. Since they want to please their employees but at the same time keep their overall costs low. If the company provides momentary incentives then it is obliged by the law to pay to the state through the National Health System (GESY) and the Social Insurances, thus costing more the whole company. Therefore, using perks instead, it befits both the employers and the employees.

4.1.2 Sales Objectives

It is important to identify and set our objectives, so we are able to know what we are targeting for. Once we do that, we have a much better picture of what we are trying to achieve. Furthermore, having these objectives, they can work as small milestones which will help us measure our performance against time and know where we stand through the duration of the project.

Our first objective is the number of employers we are planning to have on board. This is an important metric to focus on as it can affect the revenue of the platform as well as the number of users that the platform will receive. Having a sufficient amount of employers means enough cash flow to cover the cost and expenses of the platform and also a strong kick-off to the market. This will hopefully work as a domino effect to attract more companies to join. Having said that, it would be great to have as many companies to join as possible,

however, we need to be realistic. For the first year we are aiming to onboard 20 new companies in the platform. This objective will be a responsibility of the dedicated sales team that will be in charge of onboarding employers. However, advertising and promotion will also act as contributing factors for the successful completion of this objective.

The second objective will be focusing directly on revenue and it will be in regards to the profit margin that we are looking to generate through the platform. In order to be able to reach this objective successfully, we need to ensure that not only employers are getting onboard as schedule, but also that the functionality and user experience of the platform is on point. This is because the easier a user can claim one of their benefits, the faster the platform will generate profit. The percentage of profit margin we are aiming to have is 10% from each completed transaction that will take place within the platform. The total margin of revenue we are aiming to achieve is about €163,000.

4.2 Market Segmentation

Our strategic target are companies, that want to provide benefits to their employees and attract new employees by providing better benefits at a lower cost. As we have seen through our research, bigger companies and especially companies that belong to foreigners and are located in Cyprus, tend to offer more perks to their employees, and they acknowledge the benefits of providing perks to the employees. So, it's easier for the company to attract this kind of companies and are the first that we will approach. In addition, we noticed that it's easier for companies that are service providers, e.g. accounting offices, IT companies etc, are easier to participate in this platform as the employees of those tend to order regularly either food, coffee or even sweets while at work so they are more exposed to these types of technologies. On the other hand, employees that are performing handiwork for example plumbers and factory workers don't order food so regularly and majority of them are not as technology oriented as the employees mentioned previously. So, we will focus mostly on companies whose employees are office (or home) based, basically white-collar employees.

Finally, by serving each employee as individual, providing him/her the benefits he needs the most, at lower overall cost for the buyer, it's employee and by applying the following key factors to our strategy, we tend have a continues growth and increase of the

number of vendors and companies participating in the platform. Therefore, we end up having:

- The creation of a win-win situation between vendors and buyers.
- The provision of a different product, that can be adapted easily to any employees needs.
- Lower price/value ratio for the buyer (employer).
- Strong network for accessing an attractive suppliers (vendors) package at prices lower than market value.

In order to have better results in attracting vendors and companies, the strategy marketing must be designed. The marketing strategy can assist to the promotion of the platform to the target audience. It can include website content, television and radio advertising and social media content. A successful marketing strategy can offer to a company growth, expansion and ensure a long-term success. The platform needs to have a specific target audience in order to be able to achieve all the above.

The platform needs to communicate with specific companies in the Cypriot market. The focus group that needs to have, are companies that are willing and able to invest in employees' perks. Companies that are either currently doing it or are in the process of investing into their employees. At the moment in Cyprus, only the bigger companies are using such practices which fit the platform's target audience. The industry that a potential company that operates, is not directly linked with the targeting, therefore the platform needs to attract as many companies as possible.

On another note, the platform needs to have a variety of vendors in order to provide a variety of choices. The targeted vendors need to offer their product and services to the platform but at the same time, offer variety in terms of type, price and content so that it can fit the different needs of the employees and the companies as a whole.

4.3 Value Proposition

The solution we are offering to market need, is the creation of a two-sided platform, where vendors pay a small commission fee for their product or services sales that are made in the platform. Employers can credit the employees accounts with any amount they like to

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and the employee is free to buy anything he/she finds suitable. The employee can also top up their accounts on their own if they would like to do so. The vendors that are taking part in the platform can be hotels, restaurants, gyms, scuba diving instructors or any other business operating in Cyprus and wants to be listed. We will provide the recognition and the feeling of reward to employees from their employers, a recognition that they will receive any custom way they wish. In addition, the company won't have to perform any administrative work or research for the perks that they will provide to their employees, as all this administrative job will be done by us. Lastly, by participating in the platform as a vendor, we push to increase the sales in the platform which in turn exposes vendors to new opportunities. We tend to attract employers and vendors, by using a focused low-cost approach, offering unique benefits, valued by majority of the market, in a way that is beneficial for everyone and by providing lower price/performance ratio for buyers.

4.4 Marketing Mix
4.4.1 Product

The platform aims to deliver a unique service to the market. In Cyprus there is not any competition that can get in the way of the platform. The product is a tool to help companies provide perks to their employees without spending time and effort in trying to find solutions and best options. The vendors on the other hand, will expose their products and services without spending a lot of effort in trying to attract new customers. The aim of this platform is to collect and provide services and products to one place which can benefit all the actors involved. For instance, the platform aims to guest vendors that can fir the employees preferable as well as the most beneficial choices, like gyms and restaurants. At the same time though, the platform needs to make sure that the costs that the vendors will be offering can be manageable, thus providing profits. However though, for a service like a restaurant, it needs to customize its menu to fit the platform's needs in terms of cost and capacity, so that the user can choose from a specific range of options and not have too many options which can harm both sides. Also, the vendors we are aiming, have to match the employees' preferences so that they are selected and be adjusted to the audience's taste in order to achieve greater profits.

4.4.2 Distribution

Our product is essentially software and it cannot be distributed like a physical product does. Therefore, the one and only way of distributing the product will be through the onboarding of a client into the platform, thus the way that the platform is promoted will impact the way that the platform will reach the potential customers and vendors.

4.4.3 Promotion

The target audience needs to be appealed and intrigued, therefore learning more about the audience's preferences can shape the potential customers' profile and make the promotion more effective. For the companies that are interested to join, the products and services offered should match their employees' tastes and preferences in order for the platform to match their needs.

As with every new product launch, it is very helpful when there is some degree of awareness about it in the marketplace in order to make its adoption easier. In order to accomplish this, we will execute four different ways of promoting the product. The first one will be through social media, the second through banner advertisements on different websites, third posting of welcome packages to certain key people. Last but not least, an interactive webinar with an expert guest speaker to provide value to HR executives on why keeping your employees happy is an integral part for every company.

Through our promotion, we will focus mainly on the employers and make them aware of all the benefits we are giving them, when onboarding our platform. The message we will try to pass across is that we are making their life easier as the employers does not have to deal with any administrative work regarding benefits that are given to the employee. Most important of all, we are keeping their personnel happy and motivated so they can perform at the top of their game. If we had to summarize our promotional message in a phrase, it would be something like, keeping your employees happy without you (the employer) lifting your finger. Having said that, all of our advertising activity, should have this message as their main objective.

Starting with the social media advertising, we are mainly aiming on bringing awareness to HR directors and executives. Therefore, the majority of the advertising efforts will be spent on LinkedIn. The rationale behind this, is because LinkedIn is a social network of

professionals it is much easier to target the right people based on the job title of every individual. Once we have found the right people, we will try and introduce them to them product and educate them on the benefits it can offer to them and their company. The content to be used in the ads are images or videos along with a link to the landing page of the platform. Furthermore, we will run some adverts on Facebook for bringing awareness to employees who will eventually be the users of the platform, however, this will not be our primary target audience.

The second part of the promotion is banner advertising on websites. The main advantage of banner ads is that you can get a lot of impressions on your adverts with a relatively low budget. We will be focusing on Cypriot business-oriented websites like insidebusiness.com, stockwatch.com.cy and similar others. By doing this we are able to target a big part of businesspeople that they can turn out to be potential clients in the near future.

Our third way of promoting the platform is through the posting of physical welcome packages to HR directors or other key people within an organisation. With this initiative we are aiming on bringing a more personal and humane touch to our product and creating strong bonds with potential new clients. Since this platform is designed to make employees feel happy and satisfied, why not give the same feeling to employers with an out of the ordinary way of approach.

Our third way of promotion has a more pleasant and warmer way of interacting with its recipient. We will be posting welcoming gift boxes customised in such way to introduce our product and help people understand what we do exactly. A box can include small things like healthy snacks, a mini indoor plant or a branded mug, and of course a small brochure or a one pager document explaining very briefly what we do. Our target audience will be heads of HR departments or the CFO of the company, in general any person that is a decision maker within an organisation. Our objective here is to have a positive first interaction with the client and leave them with a happy memory from our organisation. This is done so when the sales team arranges a meeting with the potential company will be easier for them to bring them on board to the platform.

Lastly, we will use a more unique way of approaching our audience where we will first provide them with important valuable content for free, and then introduce them to our

product. Since the pandemic will still be around during the coming months to a year, it is better to organise an online seminar. The main idea is to invite multiple HR executives or people relevant to this space to attend the seminar, which at the same time will be potential clients. An expert on the field will then explain to them why it's important to keep your employees happy and what are the exact ways to achieve this. As we will first provide useful content to our audience, this will open them up and make them more acceptable to our product placement that will follow. Through this event, we are hoping to a successful introduction of our platform and earning the trust of our attending audience.

4.4.4 Revenue Model and Pricing

Revenue model is the plan on how a business intends to receive streams of revenues from their clients through the products they are offering. There are multiple revenue models that can be used in startup companies, however, is it really important to identify the one that fits your product and best matches your company's business plan. It is not necessary that a company needs to pick only one revenue model. In many cases the different models can be combined in order to result in more revenue streams.

As our product will essentially be a platform for a digital marketplace the most logical thing to do is to follow a commission-based model as our primary revenue model. The basic process that will be followed is that each company will be crediting a specific amount of money to their employees every month, which will then be used by the employees to purchase different products that they can find in the platform. Every transaction/sale that is made on the platform will be charged with a commission fee of 10%. If an employee chooses to top-up their account on their own, no top-up fee will occur. So in general, an example of the process would be, if a product or service is charged by the vendor €100 and an employee purchases that, the platform will take 10 euros from this transaction as profit and the rest of 90 goes to the vendor.

Our secondary revenue model that can be combined with the first one, is advertising and promotion within the platform. This time we are targeting the vendors side in order to extract additional revenue. If they decide to do so, the vendors will be able to advertise/promote specific products or services that they are offering on the top of the search results or in specific spaces of the platform that are clearly visible to a large number

of users. This can help their products to be discovered faster and eventually end up making a lot more sales than they would make initially. As the platform is essentially a paid service, we would not want to flood the place with adverts and ruin the user experience, therefore any promotional content will be presented with the most native way possible and with the user's experience process always in mind. The pricing of the adverts will depend according to the views that each available position is receiving within the platform.

Even though we are able to serve the bigger companies with the above model, some smaller to medium companies might not have that much budget to spend on employee benefits. In order to include the smaller firms as well, we can follow a subscription model where each company can be paying €5 per month for each employee for access to the platform. However, it needs to be noted that the subscription-based access will have limited products and services in comparison with the commission-based model.

Below, we analyse our proposed business model in a Canvas form.

The Business Model Canvas

Designed for:

Designed by:

Date: 26/10/2020

Version: 1

Key Partners

Vendors (strong relationship with discount provision towards the platform and increased revenue for vendors)

Key Activities

Each company, credits it's employee with an amount in the platform, which the employee can use in any of the vendors (gyms, restaurants, spa etc) listed in the platform he wishes.

Key Resources

Technology that the platform will be built on, with user friendly interface
Discounts.
Webiste
Smartphone app

Value Propositions

Providing value and recognition to employees
The experience and the comfort of benefits provided to employees, with discounts
Saving money for the employee the employees to use the whole amount of benefits provided to them) as well the employer (and companies wont feel they are wasting money).

Customer Relationships

Loyalty program, so that people getting the benefits, will have to be members.
Personalized card for account crediting to show recognition
Birthday gifts, amount to be paid through the platform.

Channels

The end customer, employee, will reach the benefits provided to them through a platform.

Customer Segments

Companies, big or small located in Cyprus that employ workers in Cyprus.

Cost Structure

Fixed cost of creating the platfrom, (IT, R&D), Marketing, Networking, Legal.
Variable cost of keeping the platform running, Taxes, Operating Office

Revenue Streams

Commission 10% for the amount that gets credited for employees from employers
Commission 10% when the employees credit their own accounts
Commission 10% when companies credit the accounts of visitors
Vendors advertisement (be put top of list).

DESIGNED BY: Strategyzer AG
The makers of Business Model Generation and Strategyzer

Strategyzer
strategyzer.com

Table 5, Business Model Canvas

CHAPTER 5

IMPLEMENTATION

5.1 Technical Implementation

The following section of the study will describe the implementation process that the project will follow from its very beginning until it is available to be released and start accepting users. The two main parts for the project's implementation, is the technical development of the platform and the onboarding process for employers and vendors along with the promotion. Some of these tasks can be done in parallel while others need to wait for the completion of previous ones.

Starting with the technical implementation of the platform, a minimum viable product (MVP) needs to be developed which must be able to execute the main functionalities of the platform. An MVP is not "flashy" or impressive like a final product, however, it can save considerable amount of money and time, which is very important in the implementation of any new product in order to validate your assumptions. To begin with, the basic functionalities and features of the platform need to be identified. These features will revolve mainly around the employee's interaction with the platform and must be focusing in a smooth and effective user experience. Another important task for the implementation team is the user interface (UI) and user experience (UX) design. A big number of employees from each company, with different age groups will be the daily users of this platform and we need to consider that their experience with technology might not be that good. Because of this, the

designers need to ensure that the UI and UX is simple and straightforward for someone to understand and use.

The next major tasks and one of the project's milestones, is the actual development of the platform which includes the front and back end. This will be the most expensive and time-consuming part of the project as it will need a lot of expertise from programmers in order to develop the platform. As the front-end and the back-end parts of the project are in majority independent from each other in terms of development, they can run in parallel and save time in the overall implementation of the project. After the development of the platform is complete, the project needs to go into beta testing. Beta testing is the process where the almost finished product is being tested in an environment with real users as it was meant to be. This type of testing is made in order to get additional data from the users interaction with the system and also discover any bugs or errors that have not been spotted earlier. The overall goal is to manage and improve the system before rolling it out to a massive number of users. For the implementation of this, we will need to onboard only one company along with its employees for a rough period of one or two months. During that period the employees will be using the system normally and they will report any issues or error that they have stepped upon. The development team on the other hand will be studying different analytics from the use of the platform by the users in order to identify any bad user experience patterns and along with the feedback received they will be making changes on improving the platform.

The last part of the technical implementation is the documentation writing for the platform. This document will help existing and new personnel that will come onboard to work in the platform, to familiarize themselves with the technologies and logic used in the code. The documentation can be written at the end of the technical implementation of the platform or in parallel after each part is completed.

5.2 Sales and Promotion

Moving on to the second big part of the project, the onboarding process of employers/vendors and the promotion. For the implementation of this task, a dedicated sales team of two people will be in place. The first thing that the team needs to do is to shortlist potential employers and vendors. This can be done in parallel while the platform is

being developed which will help save time. When the shortlisting is completed, the team should start approaching the vendors in order to familiarize them with the concept of the platform and try to bring them on board. The approaching of the vendors can be done before the platform is ready as they will be more likely to get on board even if they will have to wait for some time. In the first year, we can aim for twenty different vendors to join the platform. Upon completion of the platform, the team needs to arrange with one of the employers to take part in the beta testing. As the specific employers will not be getting a final product, some discounts can be given to its membership, for example half price for six months. Some time before the completion of the beta testing, the sales team should start making appointments and visiting potential clients that have been noted in the shortlisting beforehand. After a meeting has been arranged, a salesperson should attend the meeting and give a short presentation explaining the advantages of the platform and the benefits they will get out of it by enrolling and try to onboard the client.

The promotion of the platform will take place through advertising on social media and majority of it through LinkedIn. By targeting HR head of departments or executives, we can help speed up the process of bringing awareness to potential customers. The LinkedIn campaigns are expected to run for approximately one to two months. We will also be hosting custom adverts on Cypriot business-oriented websites like "insidebusiness" and "stockwatch". These sites have an audience which is very suitable for our platform and we will try to take full advantage of that. We will contact directly the administrators of the website and explain our objectives. Using their help as well, they will help us identify the best spots to advertise on, in order to get maximum exposure. Depending from our budget we will act accordingly. It is very important to monitor the number of views and clicks we receive on the banners every 3-4 days. If the numbers are lower than expected it means that the pictures or videos that we are using are not the best ones and we will need to design something new. It is important to apply this during the advertising procedure in order to be as effecting as possible with the budget we are using.

Our third way of promotion has a more pleasant and warmer way of interacting with its recipient. We will be posting welcoming gift boxes customised in such way in order to introduce our product and help people understand what we do exactly. A box can include small things like healthy snacks, a mini indoor plant or a branded mug, and of course a small

brochure or a one pager document explaining very briefly our product and what we do. Our target audience will be heads of HR departments or the CFO of the company, in general any person that is a decision maker within an organisation. Our objective here is to have a positive first interaction with the client and leave them with a happy memory from our organisation. This is done so when the sales team arranges a meeting with the potential company will be easier for them to bring them on board to the platform. It has to be noted that the physical packaging of all welcoming boxes should be done with the use of Covid-19 protective equipment.

Lastly, in regards to the guest speaker webinar, we need to make sure that we find the appropriate person for the job. The right person should be someone with experience in the field and can provide up to date information and real value to our audience. As we are looking to bring in an expert to discuss on the subject, we have thought of looking into our own university faculty first. Dr Eleni Costea has an extensive academic background as well as professional work on human resources, and her job has been published in many book chapters, conferences, as well as international scientific journals. We will approach Dr Costea and explain our vision with this platform and describe to her the specifics of what we would like her to do as our guest speaker. Hopefully we will get her onboard. The professor of course will be compensated for her time. Once we make sure that the guest speaker is onboard, we will have to book a date for the event. Ideally, we would like to aim one or two weeks after the launch of the final product just to make sure everything is working as its supposed to. The webinar will take place through the online video platform Zoom as it presents no limitations for users to enter. Once the guest speaker is booked and the date is set, we will proceed by advertising the event through various digital mediums like LinkedIn and banner adverts as mentioned above. We will also go through Dr Costea's list of contacts if she happy with us to do so, as she will be able to introduce us to some key people within the HR industry. All expenses for the guest speaker event will be taken out from the promotions budget. As shown in the Gant chart below, in the shape of a diamond are the three key milestones of the project. The first one is the beginning of the beta testing for the platform, the second is the release of the final version and third is when reaching the target of ten employers that are onboard the platform. These points in the project's lifecycle where chose because they all represent a major event towards our final goal.

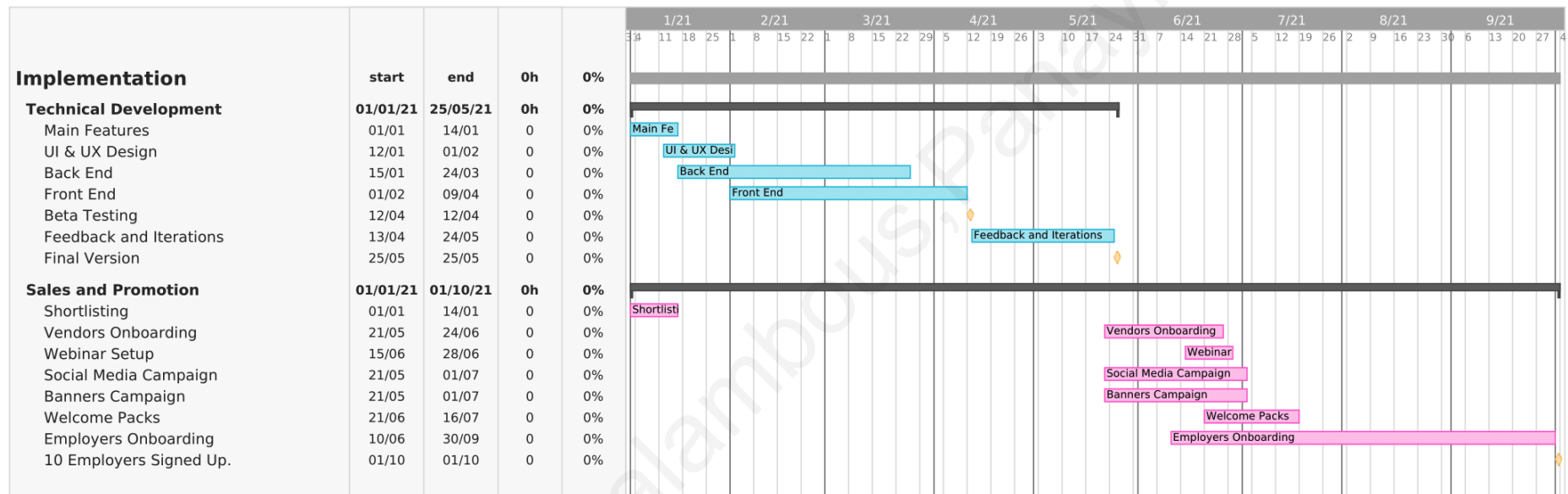| Implementation	start	end	0h	0%
Technical Development	01/01/21	25/05/21	0h	0%
Main Features	01/01	14/01	0	0%
UI & UX Design	12/01	01/02	0	0%
Back End	15/01	24/03	0	0%
Front End	01/02	09/04	0	0%
Beta Testing	12/04	12/04	0	0%
Feedback and Iterations	13/04	24/05	0	0%
Final Version	25/05	25/05	0	0%
Sales and Promotion	01/01/21	01/10/21	0h	0%
Shortlisting	01/01	14/01	0	0%
Vendors Onboarding	21/05	24/06	0	0%
Webinar Setup	15/06	28/06	0	0%
Social Media Campaign	21/05	01/07	0	0%
Banners Campaign	21/05	01/07	0	0%
Welcome Packs	21/06	16/07	0	0%
Employers Onboarding	10/06	30/09	0	0%
10 Employers Signed Up.	01/10	01/10	0	0%

Chart 7, Gantt chart

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5.3 Ownership and Outcome

The table that follows breaks down and gives more context to the different activities that are mentioned in the Gant chart by assigning ownership for the appropriate team or people that will be involved. Also, it describes the expected outcome and deliverables for each one of them.

Activities	Owners	Expected Outcome
Main Features	Product Manager Development team	Decisions will be made on which features will make the final version of the MVP. It will also be discussed which technologies will be used for the front and back of the platform.
UI & UX Design	Design team	Clear picture of how the interface of the platform will look like.
Back End Development	Development team	The databases, servers and all the cloud services that will be used in the platform, should be configured and running as expected.
Front End Development	Development team	The user interface of the platform should be running and be fully functional.
Beta Testing	MILESTONE 1	The team should start testing the newly developed platform.
Feedback and Iterations	Product manager Development team	The product manager should collect feedback from the employees and pass it on to the developers in order to make all the necessary changes and improvements to the platform.
Final Version	MILESTONE 2	The platform is now on its final version and it is ready to accept more users.
Shortlisting	Sales team	A comprehensive list with employers and vendors that the sales team will

		approach as soon as the platform is ready. It is more of a preparation for the onboarding process.
Vendors Onboarding	Sales team	The vendors are now fully functional and operational within the platform.
LinkedIn Campaign	Product manager	HR heads and executives of different companies are aware of our product and what it does.
Employers Onboarding	Sales team	The employers are now fully functional and operational within the platform.
10 Employers Sign Up	MILESTONE 3	Completing the target of onboarding ten different employers within the first five months of the platform.

Table 6, Ownership and expected outcomes

CHAPTER 6

FINANCIALS

Financial management is an important part of the project. Successful control of costs and proper financial management will allow us to achieve our performance objectives and avoid any unwanted surprises. Costs, are divided into initial cost, fixed and variable and we consider a four-year period. The correspondingly values are displayed in the table below, as provided by Philosophic. In our project, main costs are Initial and fixed., while variable costs are low.

Cost Analysis							
Description	Variable or Fixed?	Year					
		0	1	2	3	4	Total
Research and development (Initial Cost)	Fixed	€50,000	€20,000				€70,000
Rent (facilities)	Fixed		€8,400	€8,400	€8,400	€8,400	€33,600
Utilities	Fixed		€2,400	€2,400	€2,400	€2,400	€9,600
Company Maintenance (including out of pocket)	Fixed		€5,000	€5,000	€5,000	€5,000	€20,000
Technical support Payroll (1 programmer)	Fixed		€22,000	€22,000	€22,000	€22,000	€88,000
Business development and on boarding cost	Fixed		€10,000	€7,000	€8,000	€18,000	€43,000
Client Support	Fixed		€8,000	€6,500	€7,000	€12,000	€33,500
Administrative payroll (contracts support)	Fixed		€18,000	€18,000	€18,000	€18,000	€72,000
Senior Management payroll	Fixed		€36,000	€36,000	€36,000	€36,000	€144,000
Infrastructure running payroll	Fixed		€12,000	€12,000	€12,000	€12,000	€48,000
Promotion	Fixed	€10,000	€10,000	€10,000	€10,000	€10,000	€50,000
Total Fixed Costs		**€60,000**	**€151,800**	**€127,300**	**€128,800**	**€143,800**	**€611,700**
Sales percentage to Sellers	Variable	€300 per new company					

Table 7, Cost analysis

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In order to better control our costs, we are going to use the CVP (Cost Volume Profit) Analysis. To do this, we are dividing our costs to fixed and variable costs, and we extract the BP (Break-Even Point). In our case, the break-even point is the number of transactions for which the total cost is equal to the total revenues. As noted, we have an average Fixed Cost of €152,925 per year. To calculate our average fixed cost per year, we took into consideration the initial cost as well. The variable cost per company, is the fee paid to external sellers, who are responsible into attracting companies to our platform and are paid an amount of €300 per new income company. Based on the CVP Analysis, we can calculate the break-even point by dividing the Fixed Cost with the CM Ratio. CM (Contribution Margin) Ratio represent the portion of sales revenue that is not consumed by variable costs and is calculated by calculating the percentage of the variable Costs on the Revenue.

We created five scenarios of our Revenues outcome, based on the research we performed and based on the data collected about employees in each company, average spending per employee and our goals estimate about the number of people attracted to our platform. The scenarios are displayed in the table below.

	Scenarios				
	1	2	3	4	5
No. of companies enrolled	20	40	60	80	200
Average Number of employees	100	70	50	40	30
Average Spending	€100	€70	€50	€50	€40
Average Profit per Employee	€10	€7	€5	€5	€4
Total Revenue per Month	€20,000	€19,600	€15,000	€16,000	€24,000
Total Revenue per Year	€240,000	€235,200	€180,000	€192,000	€288,000

Table 8, Revenue scenarios analysis

As extracted from our research in chapter 3, we 've noticed that bigger companies, with a bigger number of employees tend to spend more per month for employees in benefits. Usually these companies are multinationals which have on average 100 employees and are fewer in number than the smaller companies. That's why in Scenario 1 there is a smaller number of companies attracted. Furthermore, we estimated that if we have more companies enrolled, the average spending per employee will be reduced. As we have seen from our questionnaire, more companies that employ a small number employees, spent less than €30 on perks per employee which is something that reduces the average spending in the platform

per employee. We based our predictions on these assumptions, from which we created five different revenue Scenarios, as displayed in the table above.

To better analyse each situation, we are going to analyse the case of an optimistic scenario, a pessimistic scenario and a real scenario. For the optimistic scenario, we used the results of scenario 5, for the pessimistic scenario the results of scenario 3, and for the real scenario the average of the results 1,2 and 4. So, our data as displayed as follows.

	Scenarios		
	Real	**Pessimistic**	**Optimistic**
No. of companies enrolled	47	60	200
Average Number of employees	70	50	30
Average Spending	€73	€50	€40
Average Profit per Employee	€7	€5	€4
Total Revenue per Month	€18,533	€15,000	€24,000
Total Revenue per Year	**€222,400**	**€180,000**	**€288,000**

Table 9, Real, Optimistic and Pessimistic scenarios analysis

Variable costs are considered the money paid to freelancers for the introduction of a new company in the platform. The variable costs, are calculated based on the assumption that the companies in each scenario, are inducted to the platform the same year, case in which our variable costs will be the maximum.

Based on the real scenario, the total revenue will be €222,400 per year. Variable costs will be 47*€300 = €14,100.

CM Ratio, is calculated as: (€222,400-€14,100)/€222,400 = 93,6%

Thus BP{€}=€152,925/93,6% = €163,381.

By conducting an Income Statement using the Contribution Margin Approach, we get the following:

Real Scenario	
Income Statement: Contribution Margin Approach	
Sales	€222,400
Variable Costs	€14,100
Contribution Margin	€208,300
Fixed Costs	€152,925
Net Income	€55,375

Table 10, Real scenario Income Statement

Based on the pessimistic scenario, the total Revenue will be €180,000 per year. Variable costs will be 60*€300 = €18,000.

CM Ratio, is calculated as: (€180,000-€18,00)/€180,000 = 90%

Thus BP{€}=€152,925/90% = €169,917.

By conducting an Income Statement using the Contribution Margin Approach, we get the following:

Pessimistic Scenario	
Income Statement: Contribution Margin Approach	
Sales	€180,000
Variable Costs	€18,000
Contribution Margin	€162,000
Fixed Costs	€152,925
Net Income	€9,075

Table 11, Pessimist scenario Income Statement

For the results of the optimistic scenario, the total revenue will be €288,000 per year. Variable costs will be 200*€300 = €60,000.

CM Ratio is calculated as: (€288,00-€60,000)/€288,000 = 79.2%.

Thus BP{€}=€152,925/79.2% = €193,087.

The Income Statement for the Optimistic Scenario is as follows:

Optimistic Scenario	
Income Statement: Contribution Margin Approach	
Sales	€288,000
Variable Costs	€60,000
Contribution Margin	€228,000
Fixed Costs	€152,925
Net Income	€75,075

Table 12, Optimistic scenario Income Statement

As we have noticed, Variable costs are significantly less than our fixed costs, so the best way to evaluate our Costs Analysis is by using the Operating Leverage (OL). OL is the quotient of CM by Net Income and it measures the degree to which a project can increase Net Income by increasing revenue. In general, OL shows how profitability is expected to change for every 1% change in sales revenue. For example, if OL is 5, then for every 1% change in revenue, up

or down, then profitability will change by 5% up or down respectively. So, the greater the OL, the greater is the profit chances but also the higher the risk. In our project, the optimistic, pessimistic and real scenario OL is 3, 17 and 3.76 respectively. The fact that OL, is higher than 1 in each case, indicates a high risk but also a high chance of profitability. This also indicates the high amount of fixed costs, something that raises the risk, especially in the case of pessimistic scenario, where OL number is 17.

From the above analysis, we conclude that our project has important levels of risk, and that fixed costs are deterrents for the implementation of the project. In addition, the analysis indicates that the more companies we attract, the higher profit we will have, so a high level of marketing and promotion is needed.

CHAPTER 7
CONTINGENCY PLANNING

Majority of the times, companies only focus on their business plan along with their main strategy to attack the markets. Even though the primary strategy must be the most important area of focus, it is also good to have an action plan in case things turn out the wrong way. This is where a contingency plan comes useful as it helps to minimize your risk when your primary strategy starts to fail.

In the diagram below, we have identified some probable risks that the project might encounter, and we divided them up in categories. The appropriate departments and team leaders will need to become aware of this so they can respond accordingly when and if needed.
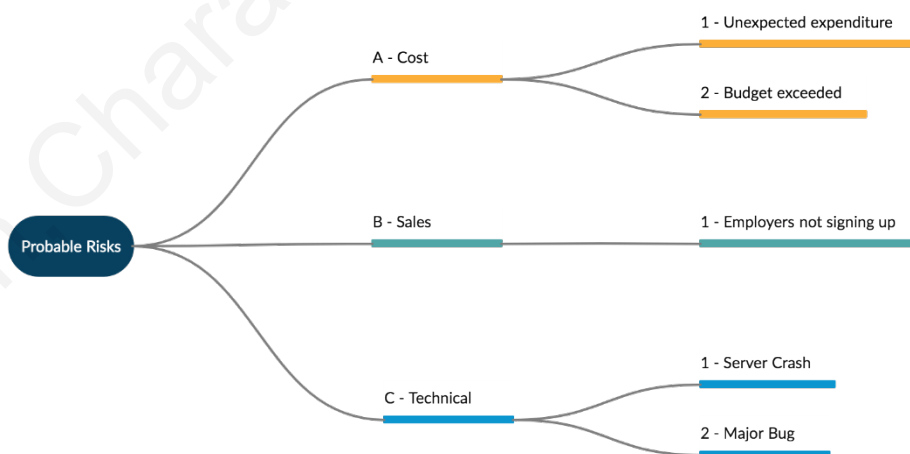

Diagram 2, Probable risks analysis

It is very important to prioritize the above risks so management can have in mind the likelihood of them occurring along with the severity of damage each one can have to the platform or the organization. The probability to impact chart below, gives a visual

representation of the importance and priority each of the risks have. From the chart we can see that the riskier area is on the top right part of the chart where we find B1. Not having any employers to sign up is one of the biggest risks and it should be given priority on its planning and response over the rest.

Diagram 3, Risks impact analysis

On the third and final part of the contingency plan, we highlight the necessary actions that need to be taken in case of one or more of the risks we have mentioned occur. The preparation column represents what needs to be done before the risk occurs and the response column shows what needs to happen after the risk occurs. In order to have a smooth execution of the steps below we need to inform all the departments and teams involved in the action of the plan. Furthermore, this plan needs to be revisited and edited if needed every five to six months. This will make sure that current events and future updates still reflect accurately the contingencies.

	Preparation	Response
A1 – Unexpected Expenditure	Create a committee which will have authority to approve such type of expenses.	Submit the expense for approval by the committee.
A2 – Budget Exceeded	Allocate a separate 10-15% of the primary budget as emergency budget to be used in case of need.	Inform the person responsible for the emergency budget and get approval for use.
B1 – Employers not signing up.	Have a minimum amount of rejections to be taken from employers before putting the response into effect.	1. Start offering access to the platform with the first 3-4 months on significant discount or even free of charge towards the employers. 2. Offer a "Savings Pack" which will be a lower cost package with only a €5 charge / employee / month, to have only access to the discounted products.
C1 – Server Crash	Configure and run a subscriber server as a secondary one and install in a separate location from the primary server.	Automatic activation of failover mechanism to secondary server.
C2 – Major Bug	Assign emergency IT point of contact with each of the administrator on the employer's side and the company's IT department.	Log emergency ticket with IT support and inform team leader.

Table 13, Contingency planning table

APPENDIXES

Appendix 1: Questionnaire for employers

1. Which is the area of expertise of your company?

2. No. of people working in the company? (in Cyprus only)

3. Does your company provide extra benefits to employees, in addition to their salary? e.g. fuel expenses (fuel expenses for work related routes is not accepted), gym subscriptions, lunch, breakfast, coffee etc.

4. If yes, what of the below are offered?

5. What is the average amount (if this information can be given) does the company spent monthly for each employee on benefits?

6. Are there benefits that the company pays for the employees, that are not used entirely? e.g. the company pays gym subscriptions for 20 people but only 10 visit the gym

7. What kind of benefits, would it be easier for your company to offer?

8. Would you prefer, these extra benefits costs to be given to employees as salary raise or as benefits? (having in mind that with social insurances deductions and GESY, it would cost more to employers to provide the same value to the employees?

9. Do you think, that if the company provides extra benefits to employees, this will work as a productivity increase boost?

10. Do you think that the extra benefits provision to employees, is a way to attract new employees?

11. Would you provide some of the benefits described above, if competitive companies provide them to their employees?

12. How happy are with your employee's productivity? (on a scale from 1 to 10)

13. Did you notice any difference in the productivity of employees (on average), when they are given a raise or extra benefits?

14. Does your company provide Christmas gifts? (not money)

15. If yes, what type of Christmas gifts does the company offer?

Appendix 2: Questionnaire for employers

1. Gender
2. Age?
3. What is your company's industry?
4. What is your company's size?
5. Does your company provide any extra benefits in addition to your salary?
6. Would you prefer that the benefit of the above benefits, to be provided toy you in salary or in benefits?
7. Do you think, that if the company provides extra benefits, this affects the employee's Which of the following benefits does your company provide?
    productivity?
8. Does your company provide a Christmas gift? If yes, which of the below
9. Which of the below, would you like to be offered form your company?
10. How happy are you with your company's benefits provision?

Appendix 3: Questionnaire for vendors.

1. What kind of business do you own?
2. Do you have an ongoing service provision agreement, with a company?
3. If yes, what's the type of your agreement
4. Are you in any platform for services provision e.g. Foody, Booking etc?
5. If yes, what's the percentage paid to these platforms?
6. What do you think is the ideal deal for you to put your business in these platforms?
7. Would you be interested in participating in a platform, where you would provide discount to members?
8. What parameters would affect your decision in participating in such platform?

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