



ABC
OF
ENTREPRENEURSHIP



**ENTERPRISING
IMMIGRANTS
GET READY!**



IMMIGRANT'S
HANDBOOK



INTRODUCTION

Do you want to launch a company in Poland? That's a great idea! Running a business may be hard, but it's also very rewarding. Remember that you're the author of your own success. Many challenges await, especially when it comes to confusing regulations, but you shouldn't worry. These are the problems every entrepreneur has to deal with, and you can overcome any obstacle.

If you want to succeed you must know your goal and the path that will lead you to it. The guide below includes a bunch of valuable hints regarding the establishment and further operations in business. We hope that it will help you get through the difficult moments.

GOOD LUCK!

FOUNDATION FOR SOMALIA TEAM



I BUSINESS PLAN

A business plan is a database of information about your business. The creation of this plan requires you to think through all your ideas and how you will turn them into a functional business. It may take a significant amount of time. Some parts will be more challenging than others, but it's a time well spent: the thought process itself is more valuable than the finished document. And remember: an excellent plan is better than a good plan, but a good plan is better than no plan.

PREPARED BY: Dominika Hanc, Michał Koziół

1

WHY DO YOU NEED A BUSINESS PLAN?

There are many business plan templates available. Each bank, government organization and investor has their own. So how do you choose yours, for your perfect business plan? The secret is to understand why particular questions are asked and how to answer them. You also have to know where to find information required. Therefore it is essential that you research your Business Plan thoroughly. Once you have it thought through, every template will be easy to fill.

A business plan serves many purposes. You can use it yourself to run the business effectively. It will then serve as a guidebook for your personal use, helping you to make good decisions. Since being an entrepreneur can become overwhelming and confusing, you need to stay focused and relaxed to be successful. The worst thing is to find yourself in a position where you're uncomfortable with making decisions because you have no comprehensive strategy or your knowledge is insufficient. Then your business plan can be used as a reference guide to monitor progress, set objectives and share goals with your team members.

WHY DO YOU NEED A BUSINESS PLAN?

It is often presented to a bank or an investor by an entrepreneur looking for funding. It allows the potential backer to learn about the company's and possible risk to the investment. For your plan to be useful in that matter, make sure it tells a story. It is in a way your business' CV: it shows how it was launched, when, by whom, what features and value propositions does it have, how are you planning to make and spend money. It mentions risks you may be facing and ways of overcoming them. So while preparing the plan, step in the shoes of your reader: what are you looking for? Is it easy to understand? Make the document comprehensive to a person who knows nothing about this business, so they will be able to assess it without you adding a single word.



BUSINESS PLAN STRUCTURE

There are various templates out there. They differ depending on the purpose their focus on. There are however ten main elements of a business plan which are constant, though may be worded differently.



Description of your company: who you are? What do you plan on doing?



Mission and/or vision stating your goals;



Company & market analysis showing that your plan is realistic;



Description of the way in which your product/service is unique;



How are you going to market and sell your product or service;



How will you operate to keep your customers;



Description of your management team, including information on their experience and previous achievements;



Financial estimations (costs, cash flow, revenue, balance sheets, funding);



Ideas for handling risks and unexpected situations;



Conclusion: a summary.

BUSINESS PLAN ELEMENTS

A. DESCRIPTION

This is the backbone of your business plan. It sets the frames for the rest of it. Usually begins with an explanation of how the industry business is currently operating. You need to know the current situation and predictions for the future. Do a thorough research to provide insight on the markets operating within this industry and back it with data. When data is insufficient, provide an assumption based on what you already know.

Provide an explanation of how your business will be valuable to customers, how it will satisfy their needs. Include information on the size of the market. Information to include:



History of your business;



Your concept: why will it hold a competitive advantage?



Description: industry, structure, legal aspects, features making it successful and profitable;



Current situation overview: owners, key personnel;



Main goals;



Customers' need that you are trying to satisfy, and your plan on doing it;



Important achievements so far: patents, prototypes, contracts, test results etc.

..... 3

BUSINESS PLAN ELEMENTS

.....



A. DESCRIPTION

Prepare short description of the business concept. Let's start from the beginning - what you want to do? What is your idea? How to briefly introduce it to the potential clients? What is the main message? Try to point out what will be sold, to whom, what is the problem/need it's going to solve/satisfy. You can use the template below:

My company.....[Who are you, WHAT do you do?].
We help [Whom - WHO is your client?].
to.....[insert your solution - PRODUCT],
in order to[insert benefit].

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

3

BUSINESS PLAN ELEMENTS

B. DEVELOPMENT

Here you can try to peek into the future and think big: how will your business grow? Where do you see it in 5 or 10 years? Information to include:



·Statement of your mission. What's the aim of your company's existence and its value? What are your activities and impact on the world?



Vision: where do you see your company in the future? What do you plan to achieve? What are your most ambitious goals?



Core values: what are the guiding principles of your company?



Main objectives: how do you define growth? How fast do you want to grow?

3

BUSINESS PLAN ELEMENTS

C. MARKET ANALYSIS

Understand the market. Do your homework and conduct an analysis. Make sure you know the size and tendencies of the market: is the demand increasing or decreasing? Know your competitors, their strengths and weaknesses. Information to include:



Market & Competitors info: distribution channels, seasonality, market share, offers, strengths, weaknesses;



Customers: their types, demographic, psychographic information; trends and benchmarks;



Your company's SWOT.

3 BUSINESS PLAN ELEMENTS



Summarise collected data into SWOT. Start with **strenghts**, then move to the **weaknesses**, **opportunities** and **threats**. When you're done, select 3 most important priorities for the development of your business.

STRENGHTS	WEAKNESSES	OPPORTUNITIES	THREATS

Swot summary: priorities for developing the business:

1.
2.
3.

3

BUSINESS PLAN ELEMENTS

D. PRODUCTS AND SERVICES

What are you selling and what makes it unique? Explain your offer in details. What are the features of your product? What benefits will it bring to your customers? Information to include:



Product Overview: physical details, sourcing, supply chain, hard costs, manufacturing, packaging, shipping and technology;



Product features and benefits: factual statements vs. what's in it for the customer (for example: open for 24h vs. buy when you want to).

3

BUSINESS PLAN ELEMENTS

E. SALES AND MARKETING

This section shows how you will find your customers and how will they benefit. Plan the price of your product, what is the sales potential (how much you can sell given the size of the market), what will be your market share. Explain how you're going to distribute your product: what channels will you use? Why? How expensive it is to use them? What is your marketing plan? How will you communicate and with whom, what will your message be? Information to include:



Sales potential, projected market share, business positioning;



Pricing and distribution;



Key message, 3 to 5 activities, promotion plan based on the outcome of the analysis.

3

BUSINESS PLAN ELEMENTS

F. OPERATIONS

Outline the administrative side of your business. Provide value to your customers and keep them by your side. What must happen for your product to sell? How much does it cost to run a business? Will you need any machinery or a physical location? Information to include:



Overview of the process from production to delivery, network suppliers, credit policies;



Company structure;



Office location, necessary equipment, overhead and other expenses, legal relations.

3 BUSINESS PLAN ELEMENTS

G. MANAGEMENT TEAM

Describe how your team's experience, skills and achievements will help boost the company's success. Information to include:



Founders, key executive, investors and board members;



Manager's experience and skills contributing to the success, his advisors;



Hierarchy of the positions within the company and their relations.

BUSINESS PLAN ELEMENTS

H. FINANCIAL SUMMARY

Provide a record of your financial history (if applicable) and predictions. Share your plan on making the business profitable: do not be afraid to show that first months or years will not yet be profitable. Information to include:



Initial investments required by your business;



Predicted profits over time;



Monthly balance, financial condition and cash flow;



Capital needs vs how much control you are willing to hand over to your investors;



When your investors can expect their money back?



Will this business be your only income source? What will your salary be?

3 BUSINESS PLAN ELEMENTS



I. RISKS

Every business has its deal killers. Find yours. If you haven't found any, it means you're not looking hard enough. Do not try to conceal the risks, but show that you have a way of dealing with them. Information to include:

 Potential risks and their impact evaluation: use the risk matrix/risk heat map. What is the probability of this situation occurring? How will it impact your business then?

 What are the chances your business will fail? What happens if it does?

 Mitigation & action plans.




PROBABILITY			
VERYHIGH	MEDIUM RISK	HIGH RISK	VERY HIGH RISK
HIGH	LOW RISK	MEDIUM RISK	HIGH RISK
LOW	IRRELEVANT	LOW RISK	MEDIUM RISK
IMPACT	LOW	MEDIUM	VERY HIGH

3

BUSINESS PLAN ELEMENTS

J. EXECUTIVE SUMMARY

It's a short summary of the entire plan. It sets the tone for it, so make the summary interesting enough to ensure the reader will go through the entire document. Often it's best to prepare this summary after the rest of the plan is prepared, but it should be placed at the beginning of the document. Information to Include:

-  Business concept summary;
-  Current position;
-  Major achievements;
-  Financial highlights;
-  Business Plan's purpose (internal, investment gain, loan).

..... 4

ADDITIONAL INFO

.....



SAMPLES AND
DEMONSTRATION
OF YOUR PRODUCT



GRAPHS, PHOTOS
AND OTHER VISUAL
MATERIALS



WEBSITE
ADDRESS



CONTACT
DETAILS



ACHIEVEMENT
DOCUMENTATION,
PATENTS, CRUCIAL
CONTRACTS ETC



OTHER:
CV, BANK STATEMENTS,
CONTRACTS, REFERRALS ETC.

5

PRACTICAL TIPS FOR
WRITING YOUR FIRST
BUSINESS PLAN

FIRST WON'T BE FINAL

EXPECT THE PLAN TO BE MODIFIED. GET FEEDBACK EARLY AND ADAPT;

KEEP IT SHORT

15 PAGES IS ENOUGH;

INCLUDE

A PRESENTATION OF YOUR PRODUCT, QUOTES AND PHOTOS;

KEEP IT SIMPLE

MAKE IT EASY TO READ WITH SHORT SENTENCES, SIMPLE WORDS AND AS LITTLE JARGON AND ACRONYMS AS POSSIBLE. FOR LISTS, USE BULLET POINTS;

USE SPELLCHECK

PROOFREAD THE DOCUMENT AND CHECK YOUR NUMBERS. THE CHART CLOSE TO THE PART OF THE TEXT REFERRING TO IT. DON'T USE CHARTS WITHOUT EXPLANATION;

YOUR DOCUMENT SHOULD BE

NEAT AND INVITING. FORMAT IT CAREFULLY, WITH NO MORE THAN 2 FONTS, AN ACCESSIBLE FONT SIZE, SECTION AND PAGE BREAKS;

MAKE SURE THE NUMBERS STAND OUT

USE SIMPLE BUSINESS CHARTS AND SUMMARY TABLES. ALWAYS NAME YOUR SOURCE AND PLACE THE CHART CLOSE TO THE PART OF THE TEXT REFERRING TO IT. DON'T USE CHARTS WITHOUT EXPLANATION;

IF YOU HAVE

A REQUIRED TEMPLATE TO USE, MAKE SURE YOU FOLLOW ALL THE RULES.



USEFUL INFO

Are you looking for financial support? Below are listed institutions and non-governmental organizations who could support your business:

- Employment agency (financial support in business activity launching)
- Small and Medium Companies Foundation (Fundacja MŚP)
- State Economy Bank's Start Support Programme (Program Wsparcie w Starcie Banku Gospodarstwa Krajowego)
- Europe Direct (Smolna 4)
- PARP
- <http://www.funduszeuropejskie.gov.pl/>
- Norwegian Funds
- Swiss Funds
- Private investors (a very large list)



USEFUL INFO

Exemplary networking spots, where you can meet potential investors and business partners:

- 9others
- BNI
- StartupGrind Warsaw (startups and investors)
- Europe Direct (Smolna 4)
- Foundation for Entreprising Women
- <http://www.funduszeuropejskie.gov.pl/>
- Polish Aula ALK
- Startup Weekend
- Hubraum Kraków
- World Week For Entrepreneurship
- Kronenberg Foundation
- Kauffman Foundation

..... II

LEGAL ASPECTS OF BUSINESS IN POLAND

.....



Have you ever thought about how hard it would be to launch a business in Poland? What legal requirements need to be answered? If you have, the information below is for you. We'd like to give you some basic tips, which are essential in this matter.

PREPARED BY: *Agata Glinka- Szczepańska*

..... 1

HOW TO LEAD A COMPANY IN POLAND?

.....



First of all you must know that some foreigners can launch and lead business activity in Poland just like Polish citizens do. What you can do depends on your residence permit.

For example, if you have a permanent residence permit, there are no limits as to what type of business activity you want to launch. However, if you have a temporary residence permit issued based on your employment in Poland, there is a selected group of business activities you can engage in.

The situation is different if your temporary permit is issued based on your stationary studies in Poland. In this situation you can undertake any kind of business activity allowed by the law.

2

TEMPORARY RESIDENCE



Temporary residence permit (issued on a base different than your studies in Poland or marriage with a Polish citizen) allows you to launch a:

- limited partnership,
- limited joint-stock partnership,
- limited liability company,
- stock-offering company.

There are several conditions which cannot be overlooked if you, as a foreigner, are aiming for a business activity in Poland, and are an owner of a temporary residence permit. Remember you must have:

- health insurance,
- verification of consistent income sufficiently covering yours and your family's daily needs,
- a permit from local authorities to work in your current position (if such a permit is required by law),
- accommodation in Poland.

..... 2

TEMPORARY RESIDENCE

.....



Additionally you must prove that your company will be profitable for Polish economy. Practically it means that you have to cater to several requirements:

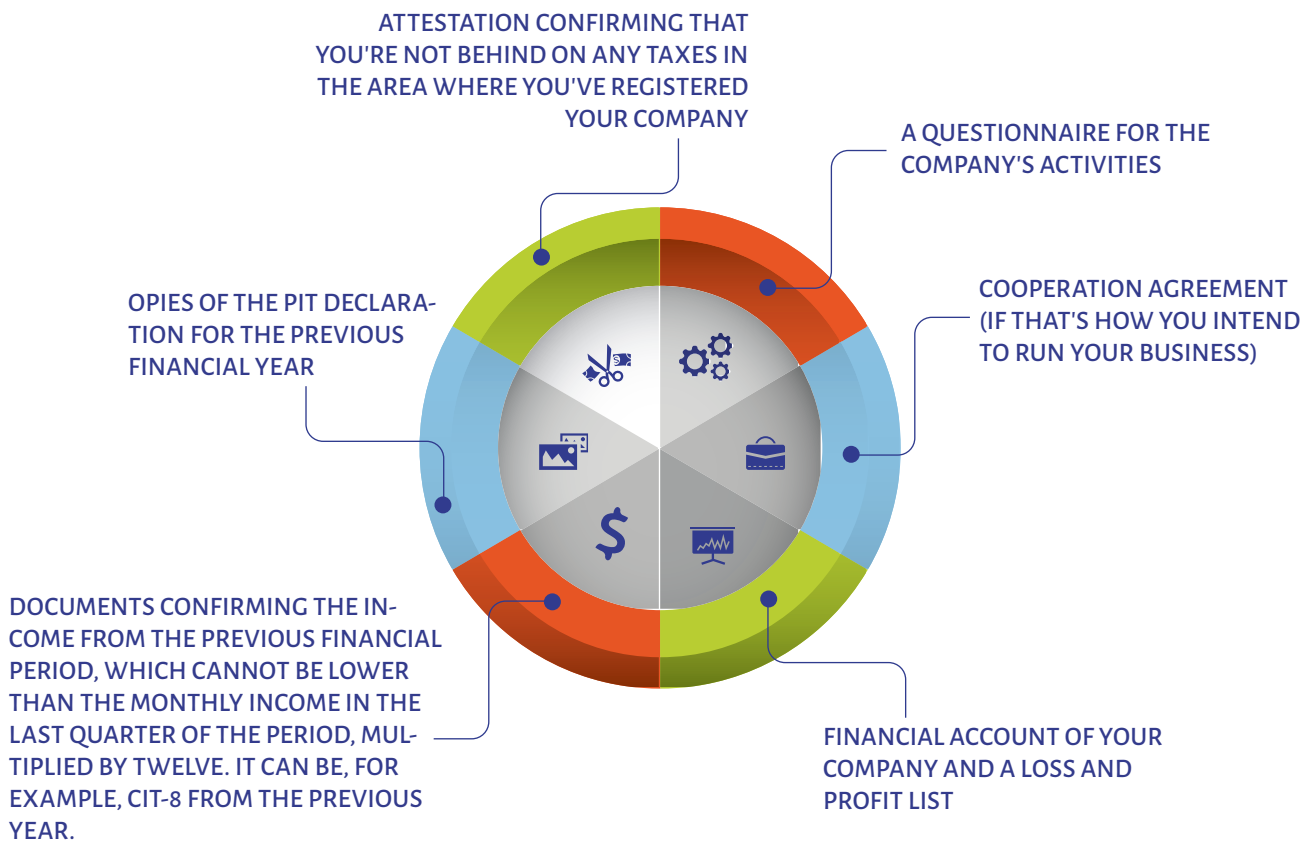
- In the financial year preceding the submission of application for temporary residence (based on your own business activity), your income must not be lower than the monthly income in the last quarter of this year, multiplied by twelve. You can check what is the monthly income in the volume of the Central Statistical Office. The data must refer to the voivodeship in which you'll live or where the office of your business will be located. It can also be a voivodeship in which you were employing for an indefinite period of time and full-time at least two people with polish citizenship or foreigners with a work permit valid for at least one year.
- You should also prove that you will be able to meet these criteria in the future. You can also show reliably that you can meet them via appropriate investments, technology transfer, introduction of profitable innovations or creating new workplaces.

2

TEMPORARY RESIDENCE



Now we'd like to direct your attention to one crucial information: submission of the application is not enough. Additionally you must provide:



2

TEMPORARY RESIDENCE



You are also obliged to include the vindication of clearing at the IRS and one of the three following documents:



3

FREE ACCESS TO POLISH LABOUR MARKET



If you have free access to polish labour market (on basis other than work permit, which means: permanent residence, full-time studies, marriage to a polish citizen) you can also conduct a business activity known as self-proprietorship.

The legal basis for this activity, its beginning and closure is the 2nd July 2004 act about the freedom of business activity (Dz. U. 2004 r. Nr 173, poz 1807 z późn. zm. –legal act from year 2000, number 173, position 1807 with further modifications). We'd like to provide you with basic information on this type of employment.

Firstly, the registration is free, and the form you'll be needing is called CEIDG-1. It can be submitted on-line, but this requires an electronic signature and a free, safe account on the ePUAP platform. The CEIDG-1 form is directed at:

- The Social Insurance Institution,
- The Central Statistical Office,
- Head of the IRS, who issues a NIP number.

3 FREE ACCESS TO POLISH LABOUR MARKET



If you want to register your activity as a natural person, you can do it in one of two ways

- by visiting the Municipal Council,
- directly in CEIDG (exclusively by an electronic form, which can be found at <http://www.ceidg.gov.pl>).

You will have to provide some basic information:

- your company's address,
- NIP number, if you already have one,
- personal number (PESEL),
- your company's name,
- PKD (depending on your activity's classification according to the classification operating in Poland),
- the date of your company's launch,
- contact info: phone number and an e-mail address,
- taxation,
- additional places of your company's activity,
- bank accounts.

3

FREE ACCESS TO POLISH LABOUR MARKET



They say the procedure is long and exhausting, but that's not true.

If you want to start a business, all you need is to fill in a CEIDG. The document can be submitted via Internet and then confirmed in the Municipality. As you see, the procedure is simple. It is important to mention that the possibility of submitting documents via Internet is available if you have an electronic signature and a safe account on ePUAP. Its creation is free, but requires a visit to the bureau. However, if the future entrepreneur has the profile, all the formalities connected to CEIDG can be dealt with via Internet in one day.

However, every procedure has its exceptions, and so does this one, especially in the case of professions requiring additional licences, permits or authorizations. These are, among others: pharmacies, detective agencies, solicitor offices. In these cases you need to follow through additional requirements, to launch such an activity. For example, lawyers have to be in a lawyers register in a given Lawyer Office in Poland.



USEFUL INFO



If you want to register:

- a limited partnership,
- a limited joint-stock partnership,
- a limited liability company,
- a stock-offering company,

the procedure is much more complicated, but we'll be glad to help you! In this case, please contact the **CONSULTING POINT FOR FOREIGNERS** at **Foundation For Somalia**, 18 Bracka Street app. 63, Warsaw.

.....III.....
ACCOUNTING
AND FINANCES
.....



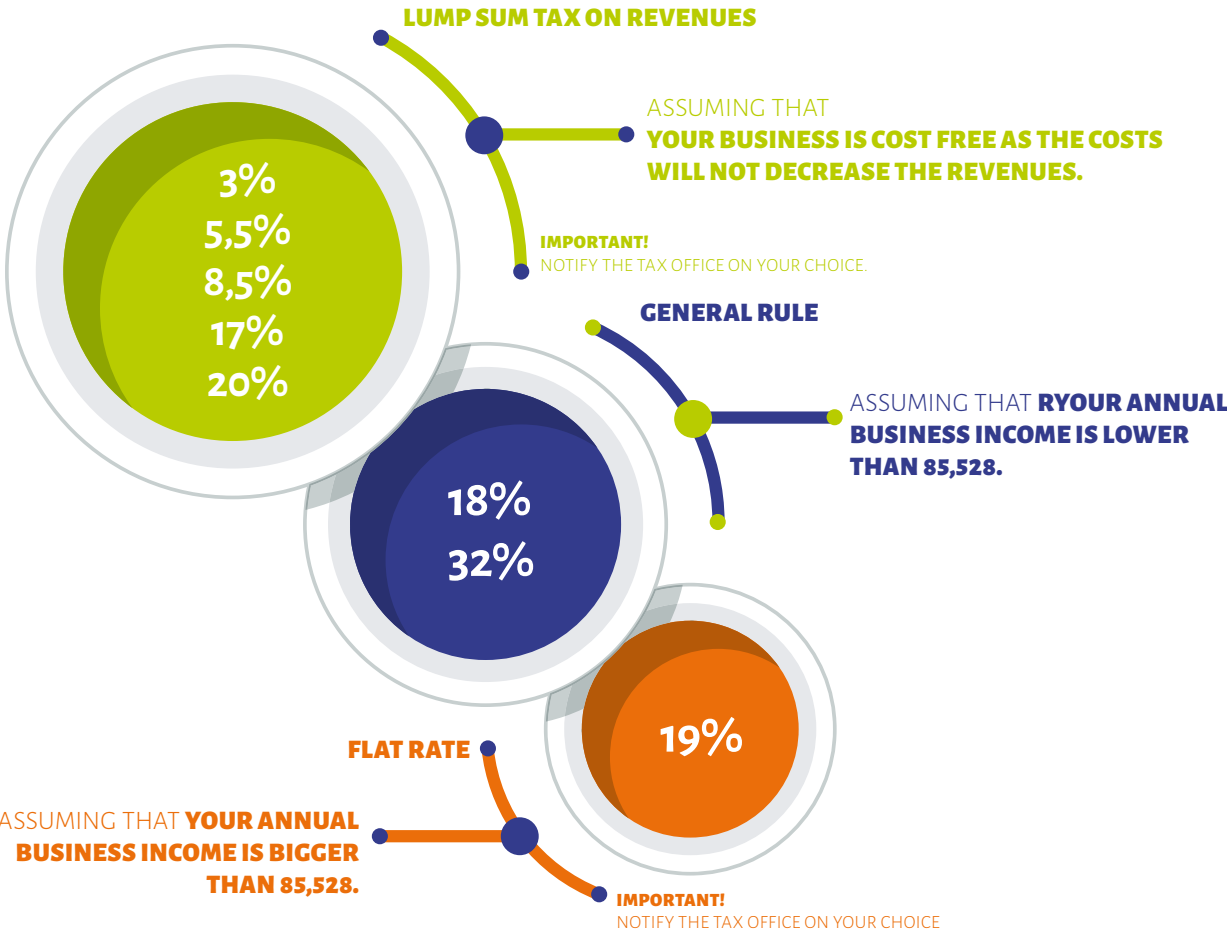
PREPARED BY: *Magorzata Ludwikowska-Piątek*

1 TAX REGULATIONS IN POLAND



Before you start your business, think about the taxes!
What income taxes can your business pay? If you are an individual intrepeneur:

PERSONAL INCOME TAX/REVENUES (PIT)



1

TAX REGULATIONS IN POLAND



YOU HAVE TO KEEP ACCOUNTING BOOKS

IN ORDER TO THOROUGHLY REGISTER ALL THE COSTS AND REVENUES AND CALCULATE THE TAX.



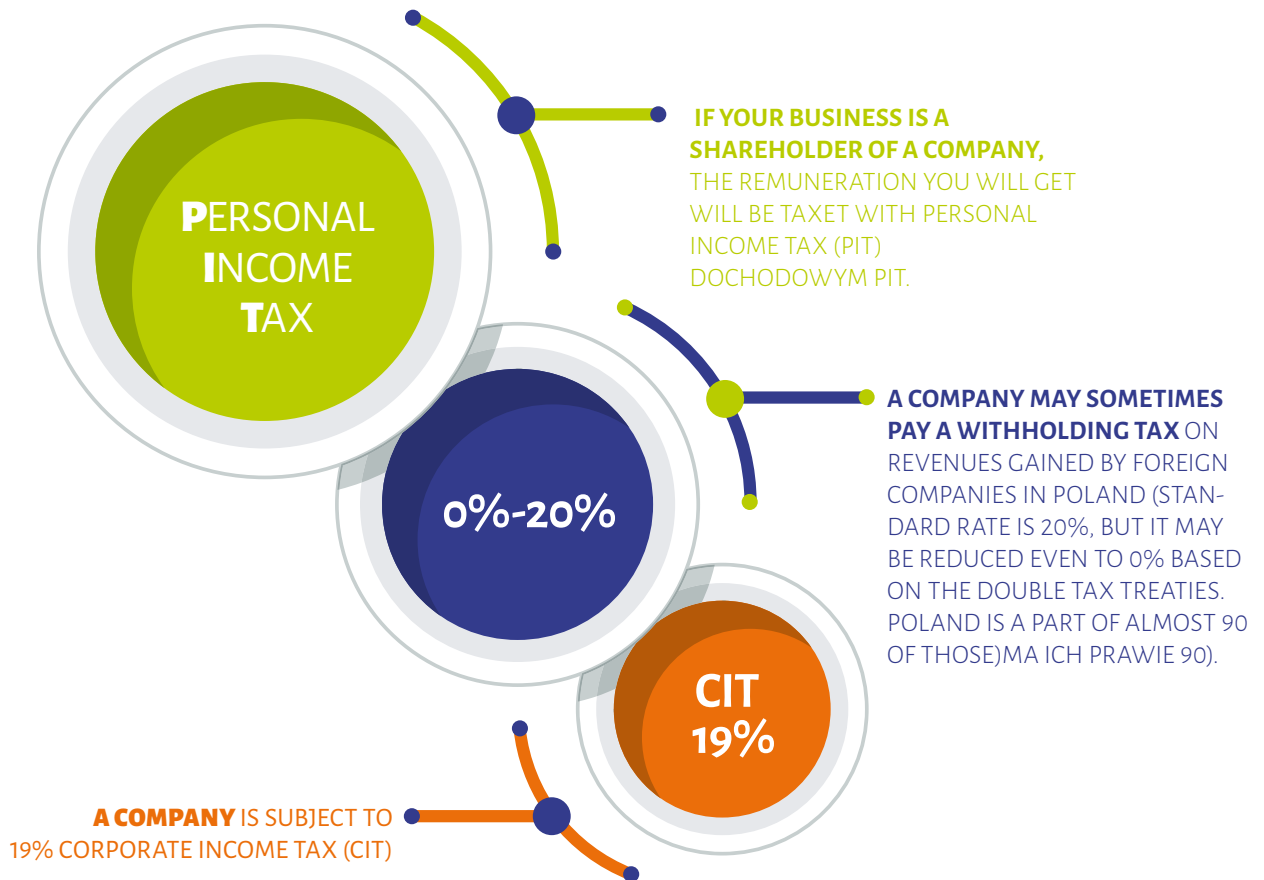
IF BUSINESS COSTS EXCEED THE REVENUE, YOU DO NOT PAY TAX ADVANCE PAYMENTS AND ARE IN A LOSS MAKING POSITION, BUT YOU MAY UTILIZE THE TAX LOSS WITHIN THE FOLLOWING 5 YEARS.

YOU HAVE TO SUBMIT MONTHLY OR QUARTERLY TAX ADVANCE PAYMENTS AND FILE FOR ANNUAL TAX RETURNS.

COMPANY INCOME TAX/ REVENUE (CIT)



What income taxes will your business pay if you have a company (for example a Limited Liability Company)?

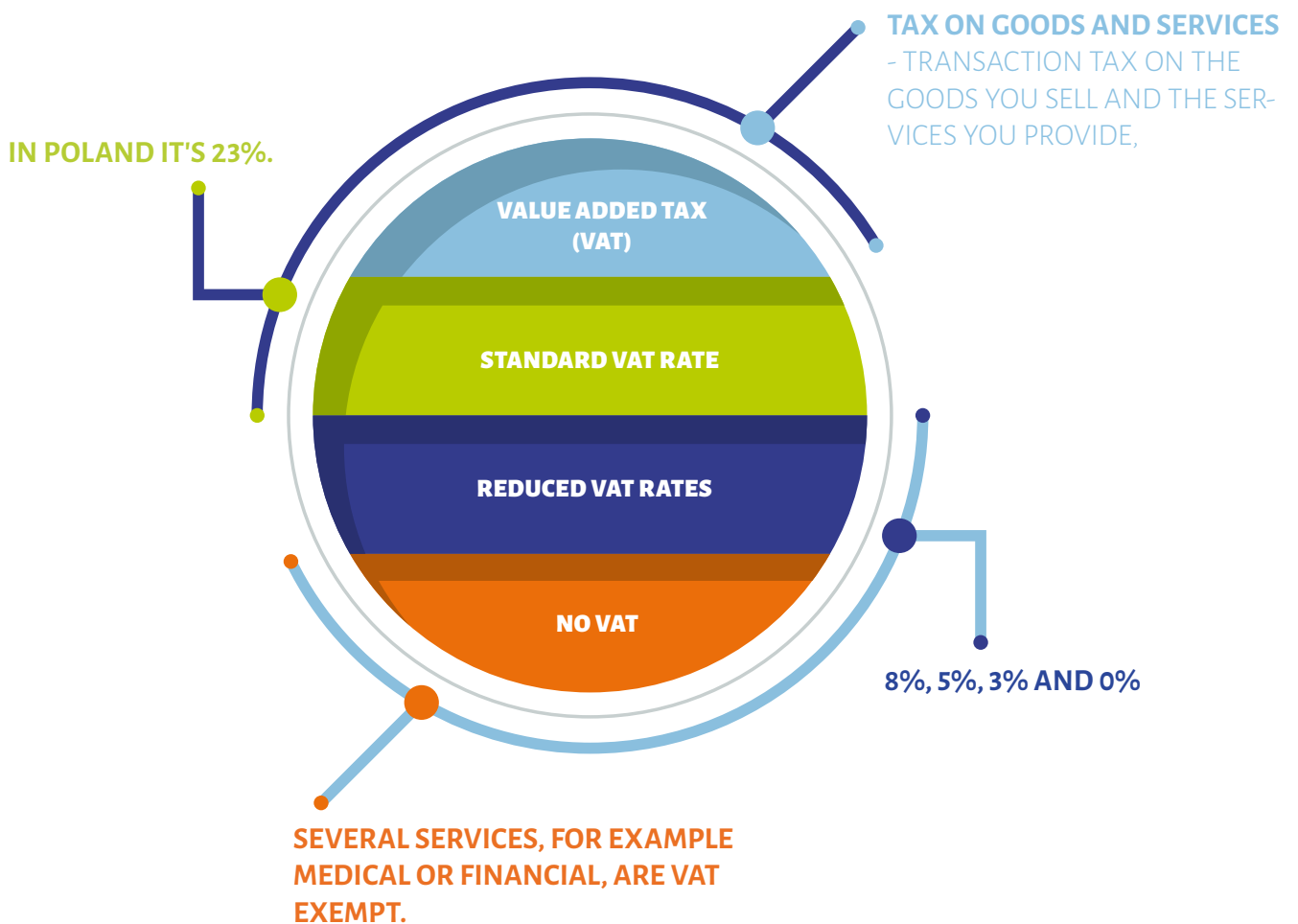


3

TAXES ON GOODS AND SERVICES (VAT)



What turnover tax should you pay?



3

TAXES ON GOODS AND SERVICES (VAT)



IF YOU ARE NOT REGISTERED FOR VAT, YOU DO NOT ADD IT TO THE PRICE OF GOODS YOU SELL OR SERVICES YOU PERFORM: THERE IS NO OUTPUT VAT.

YOU DO NOT HAVE TO BE REGISTERED FOR VAT AND PAY IT IF YOUR ANNUAL TURNOVER DOES NOT EXCEED 150,00 PLN.

IF YOU ARE NOT REGISTERED FOR VAT, YOU DO NOT HAVE THE RIGHT TO DEDUCT INPUT VAT ON A PURCHASE – INPUT VAT IS DISALLOWED.

3

TAXES ON GOODS AND SERVICES (VAT)



**IF YOUR TURNOVER ON GOODS SOLD
OR SERVICES PERFORMED FOR THESE
PERSONS DOES NOT EXCEED 20,000 PLN
ANNUALLY**

– YOU DO NOT HAVE TO INSTALL A CASH REGISTER.

DO YOU HAVE TO INSTALL A CASH REGISTER WHEN SELLING GOODS/SERVICES TO INDIVIDUAL PERSONS WHO ARE NOT ENTREPRENEURS?



WHEN YOU SELL SPECIFIC GOODS (FOR EXAMPLE ELECTRONIC APPLIANCES LIKE TVS, RADIOS, PHONES, CAMERAS) **OR PROVIDE SPECIFIC SERVICES** (FOR EXAMPLE TAXIS, LEGAL OR MEDICAL SERVICES, HAIRDRESSING, BEAUTY SERVICE, MOTOR GARAGE SERVICE) **YOU PROBABLY WILL HAVE TO INSTALL A CASH REGISTER.**

3

TAXES ON GOODS AND SERVICES (VAT)



YOU MUST ISSUE INVOICES ACCORDING TO THE SPECIFIC RULES MENTIONED IN VAT REGULATIONS,



YOU MUST FILE VAT RETURNS AND TRANSFER THE VAT TO THE TAX OFFICE'S ACCOUNT ONCE A MONTH (BY 25TH DAY OF THE FOLLOWING MONTHS) OR ONCE A QUARTER (BY 25TH DAY OF THE FIRST DAY OF THE NEW QUARTER)

YOU MUST PROPERLY RECOGNIZE A VAT POINT AND INCLUDE IT IN THE BOOKS (REGISTERS),

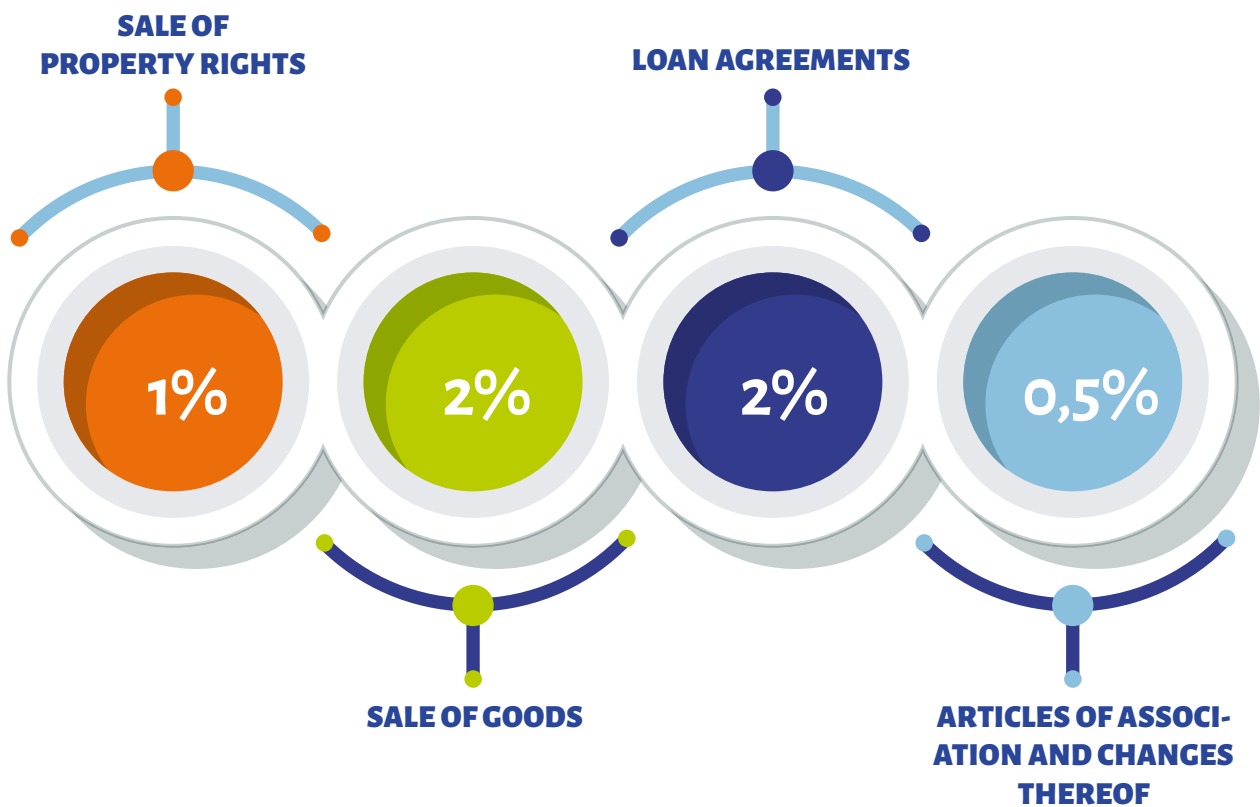
IN CASE YOUR OUTPUT VAT ON SALES IS LOWER THAN YOUR INPUT VAT ON PURCHASES **YOU DO NOT PAY VAT AND MAY TRANSFER ITS EXCESS ON THE FOLLOWING SETTLEMENT PERIOD OR APPLY FOR A VAT REFUND BY TICKING A PARTICULAR BOX IN THE VAT RETURN FILE.**

4

STAMP DUTY (PCC)



PCC is levied on inter alia:



If one party of the transaction is subject to VAT or exempt of it, no stamp duty is paid. There are some exceptions, especially in real estate transactions.



USEFUL
INFO



Pay your taxes on time. File tax returns and issue invoices: the tax office may carry out an audit on your business and impose a significant fine.

You can always call the **POLISH TAX INFORMATION** and consult any tax issue you're facing with their consultants for free:

801 055 055 or 22 330 0330

www.kip.gov.pl

All of the tax forms and other information are available on the website of **MINISTRY OF FINANCES:**

<http://www.finanse.mf.gov.pl/web/wp/pp;jsession-id=9008197ABFB7E42A051FADDE8F29CB91>

As an entrepreneur, you must remember about the taxes and take them seriously.

..... IV

MARKETING

.....



Best marketing practices and most important regulations in Poland

“Great ad is such that the recipient will say – this ad is for me and just for me”

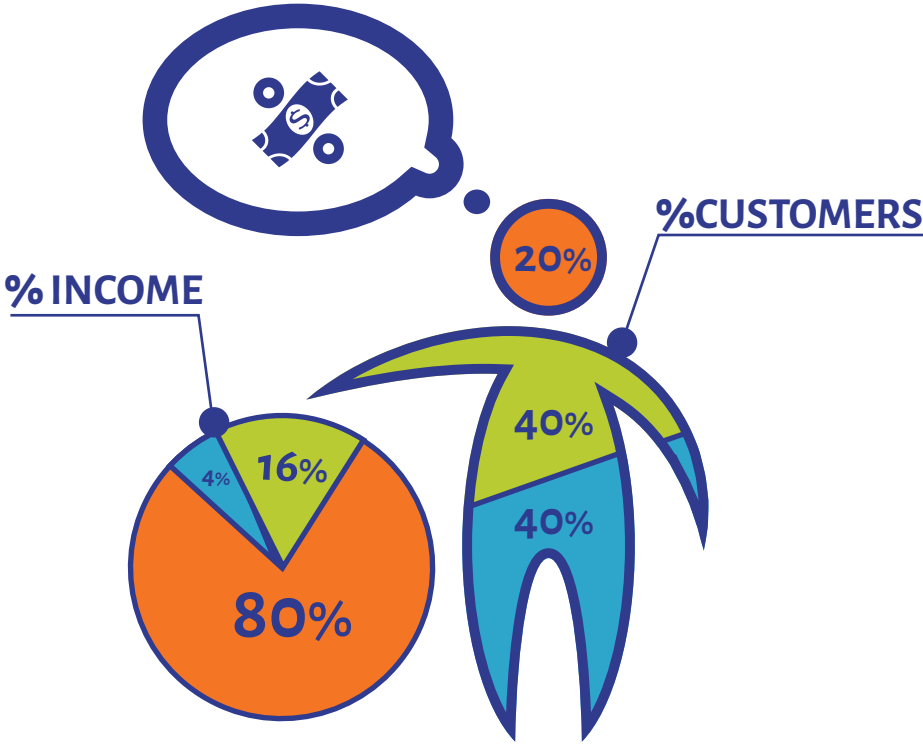
- Peter Drucker

PREPARED BY: Tomasz Kostyra

1 PARETO RULE




General Pareto Principle (20/80) shows that 20% of customers give you 80% of income.



That's why the location of your marketing budget is important and should be as effective as possible.

MARKETING IN POLAND



Direct mail pieces per capita limited to 8 yearly 

Database market is slowly growing 

Restrictive personal data protection regulations introduced 

Market growing more competitive in telecommunication, financial and automotive branches 



TOTAL VALUE OF THE ADVERTISING MARKET IN POLAND IS ESTIMATED FOR 7000 MILLION (IN 2013)



FAST DEVELOPMENT OF ONLINE ADVERTISING (NEARLY **1500 MLN PLN** IN 2013).

TV REMAINS THE BIGGEST MEDIUM OF ADVERTISING WITH FINANCIAL MEANS OVER 3500 MILLION (IN 2013)



That's why the market is open for new ideas and innovative solutions.

LEGAL REGULATIONS



Acts essential for activities related to the marketing:

- the act on the protection of Personal Data,
- the act on electronic services,
- the act on the protection of databases,
- Consumer Rights Act.

THE ACT ON THE PROTECTION OF PERSONAL DATA

Established on 29th of August, 1997, detailing the rules on database processing and protection. Based on Council of Europe Convention 108, dated 28th of January 1981, on the protection of individuals regarding automatic processing of personal data Directive 95/46/EC of the European Parliament and the Council of European Union, dated 24th of October 1995 on protection of individual data, regarding the processing of personal data and the free movement of such data.

The Act also specifies the author competent in matters of data protection policy: the Inspector General for Personal Data Protection.

LEGAL REGULATIONS

.....



THE ACT ON ELECTRONIC SERVICES

Established on 18th of July 2002, detailing the regulations of electronic services.

According to the principles of the Act it is illegal to transfer unsolicited commercial information addressed to the designated recipients via electronic communication, especially emails. Commercial information is considered to be ordered by the client, if he expressed consent to the preparation of this information, especially if the client provided his email.

THE ACT ON THE PROTECTION OF DATABASES

Established on 27th of July, 2001, detailing the rules of database protection. Based on Directive 96/9/WE of the European Parliament and the Council of the European Union dated on 11th of March 1996 on database protection.

In Poland, the issue is also regulated by copyright law. Database protection is separate from the protection of its parts. It is an activity sui generis.

3

LEGAL REGULATIONS



CONSUMER RIGHTS ACT

Established on 30th of May, 2014, detailing the consumers' rights. It is based on Directive 2011/83/EU of the European Parliament and the council on consumer rights, valid in all EU countries.

Due to these regulations it will be easier for entrepreneurs to operate in foreign markets. Solutions adopted by the Act provide a more effective protection of consumers' affairs in relations with entrepreneurs.

MORE INFO: www.uokik.gov.pl

4

DATABASE TYPES



INSIDE LISTS

Serve to increase the value or activities of existing customers. They mainly consist of data on current and former clients.

Sources of internal databases:

- accounting records,
- lists of current and former clients,
- collected business cards,
- records of contacts with customers,
- records on business competition,
- data from loyalty programmes.

DATABASE TYPES



OUTSIDE LISTS

Created in order to acquire new customers through the implementation of direct marketing campaigns. New shares' results are added to the internal database and supplement it.

Sources of external databases:

- BTL agencies,
- data about the promoting activities,
- market research,
- statistical yearbooks,
- press publications,
- other public sources, for example Statistical Office's database,
- compilations: phone books, lifestyle inquiry sheets concerning sex, age, family, place of residence, profession,
- DM lists (direct mailing lists): member lists, mail orders, expert analysis, competitions

DATABASE TYPES



B2C (BUSINESS TO CONSUMER)

Contains detailed personal and socio-demographic information. They are constructed to reach out to the customer, whether they're a person or an entire household. They mostly include names and surnames, address and telephone, email, age and information on hobbies.

B2B (BUSINESS TO BUSINESS)

Contains detailed information on the person and on the business entity. They are constructed to precisely communicate with an enterprise. They mostly include names and surnames, the branch of a company (EKD), telephone, email, turnovers and the number of employees.

A company's own database (Inside Lists) is one of their most valuable assets.

OBTAINING DATABASES



The most popular method is to rent a database for single use. It should be a document signed by both parties of the contract. Referral offer to the database acquired in this manner is the most financially effective. Databases are generally available for use for a specified period of time. You can make sure the database's actuality is guaranteed. You become the owner of the data of those who responded to the offer during the market campaign.

Database suppliers:

- owners,
- marketing agencies,
- companies providing their own customer bases,
- mail order companies, industry listings of books and guides publishers,
- Internet companies,
- mobile operators,
- press office publishers,
- data brokers: intermediaries between a client and the addresses owners.

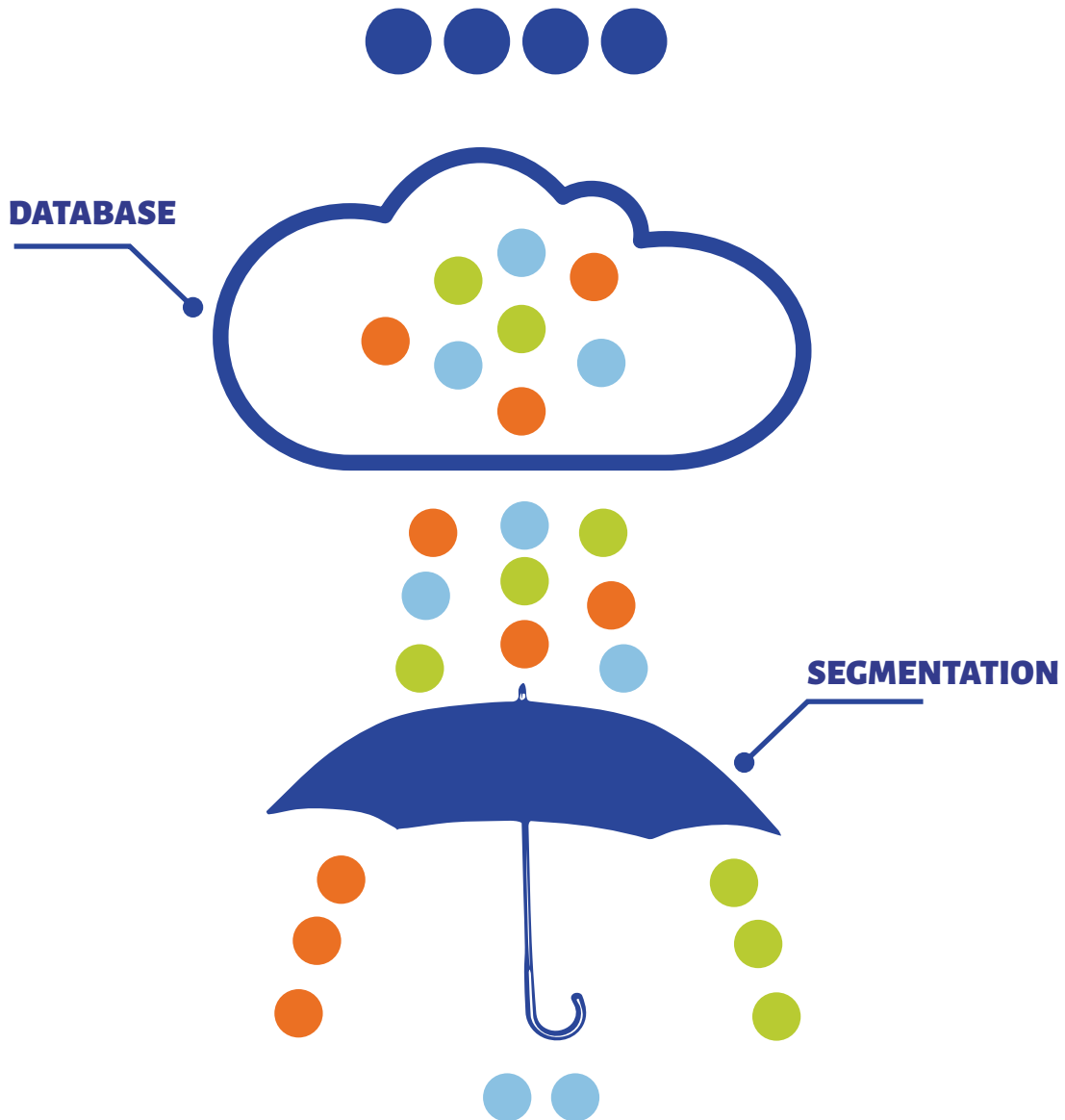
Your database has to be registered in the GIODO office.

MORE INFO: www.giodo.gov.pl

..... 6

CUSTOMER SEGMENTATION BY THEIR BEHAVIOUR AND NEEDS

.....

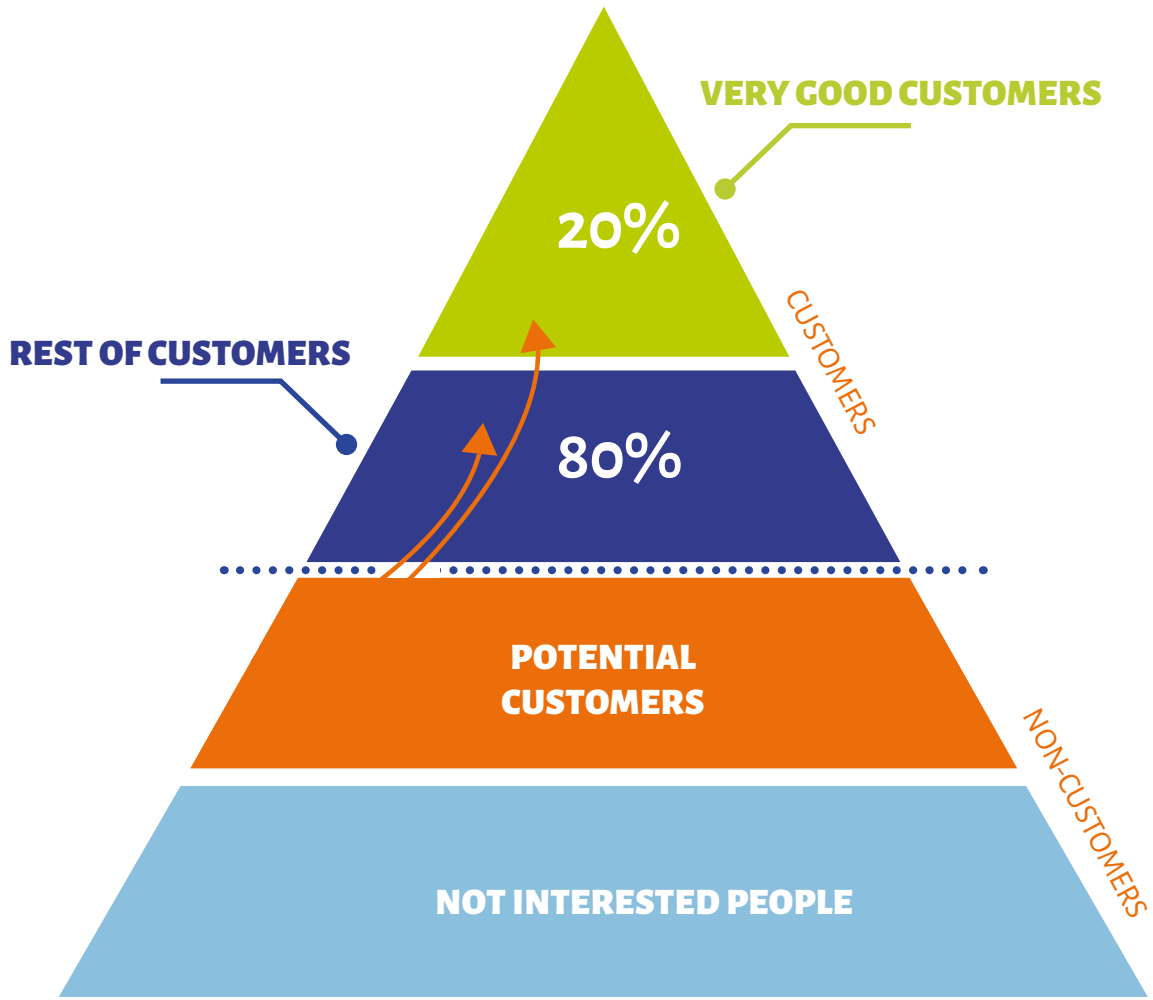


That is why you need database management to select the best consumers.

..... 7

PYRAMID OF CUSTOMERS

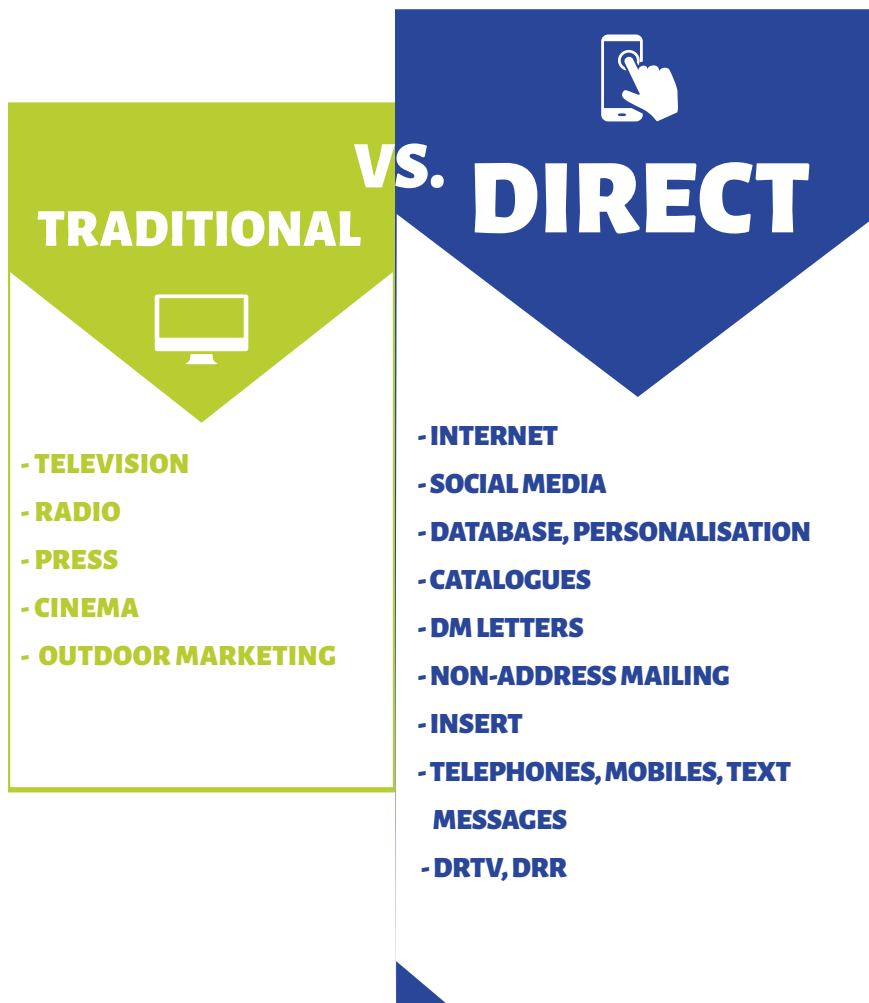
.....



That is why you should think about your potential customer.

8

MARKETING CHANNELS



That's why you should make use of the wide spectrum of marketing tools.

WHO SHOULD USE DM?



Low costs of reaching selected consumers groups, the use of geomarketing and the overall effectiveness make the direct marketing an attractive method to many professional groups, such as:

- new companies entering the market,
- small and medium business owners (retailers etc),
- salesmen for products and services,
- advertising and marketing managers,
- foundations and charities,
- top managers.

That is why direct marketing is useful not only for big companies.

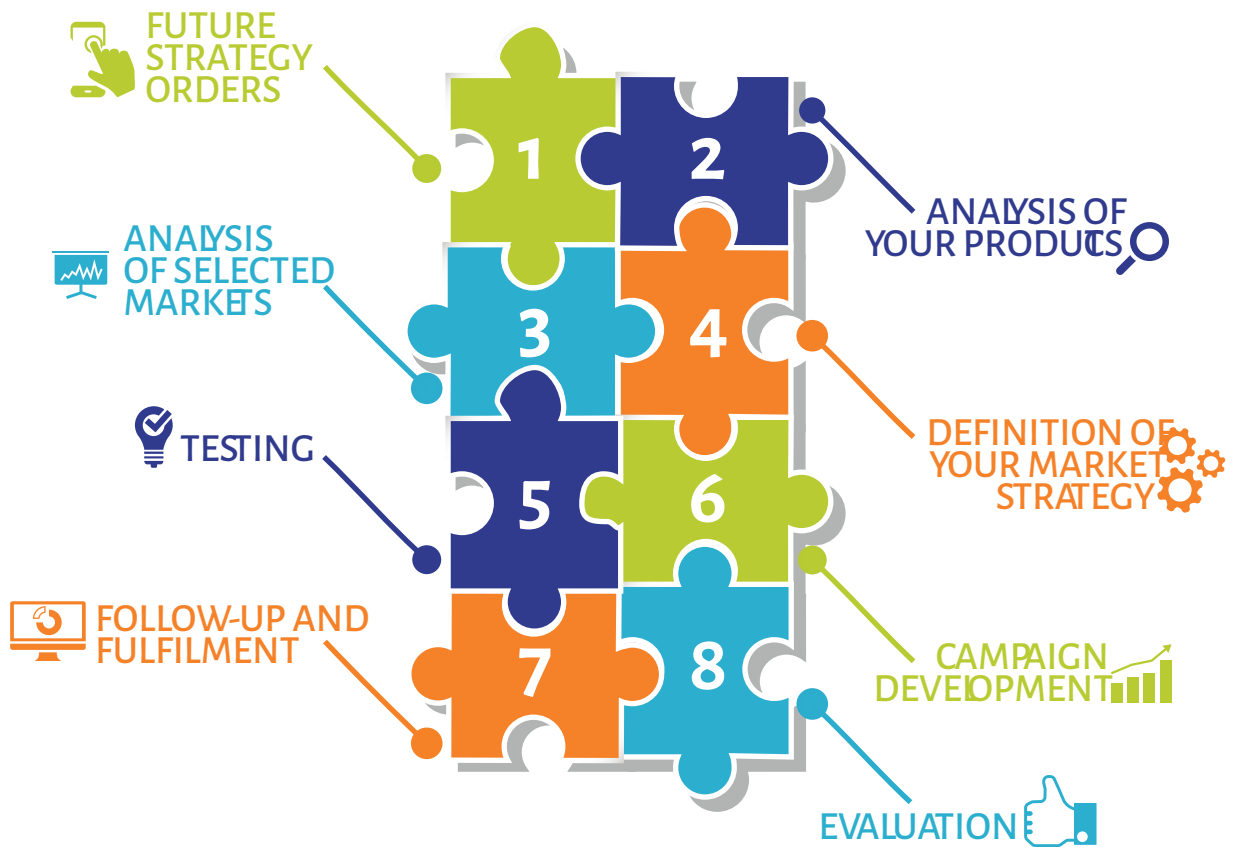
..... 10

8 STEPS TO DM SUCCESS

.....



8 STEPS TO DM SUCCESS



That is why you should plan, analyse, test and evaluate all your marketing activities.

..... 11

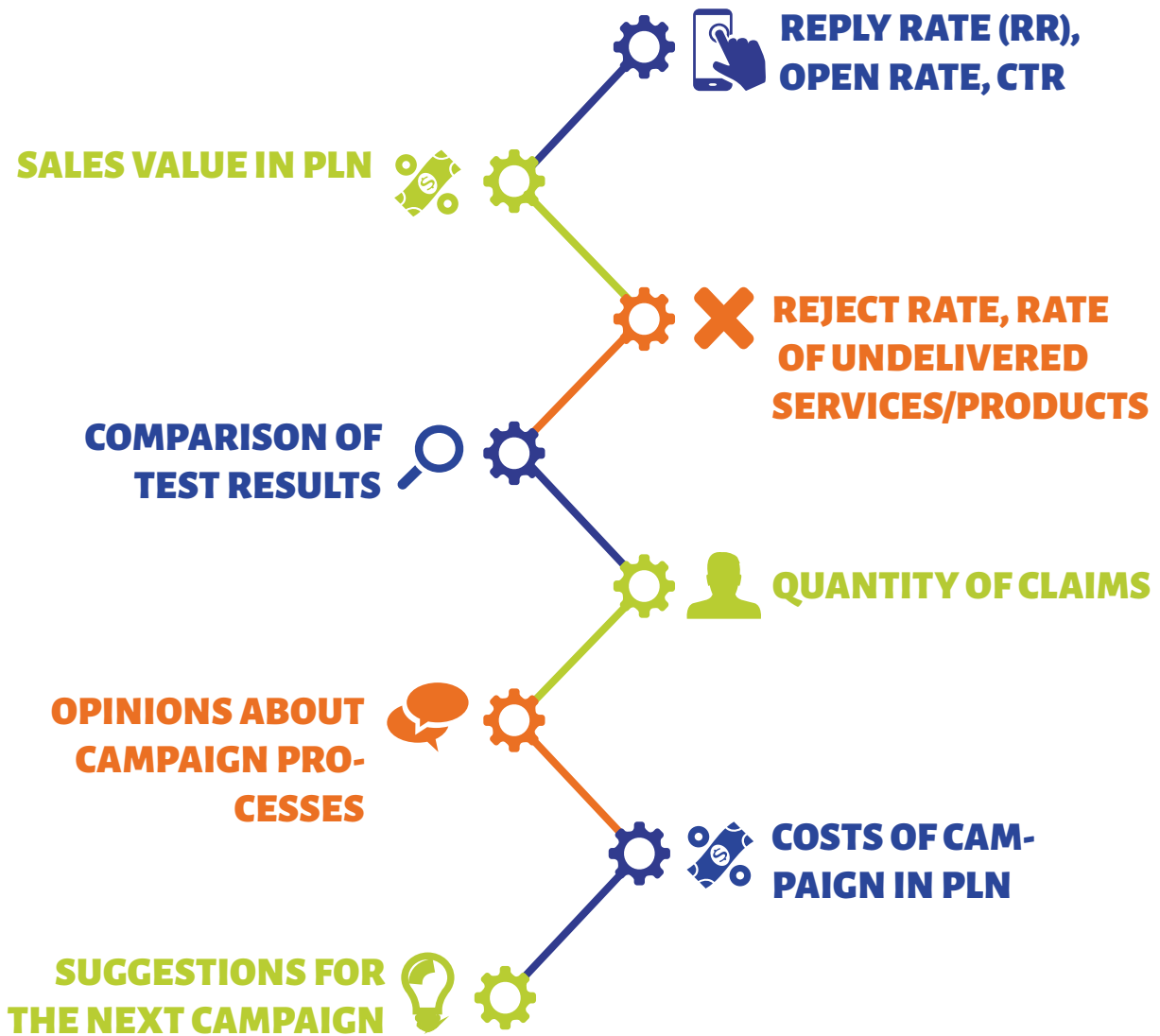
WHAT SHOULD BE ANALYSED IN DIRECT MARKETING?

.....



That is why you should learn what is most effective among your business activities.

..... 12
ANALYSIS OF THE
EFFECTIVENESS OF
DIRECT
MARKETING
.....



That's why you should know what to improve in the future.

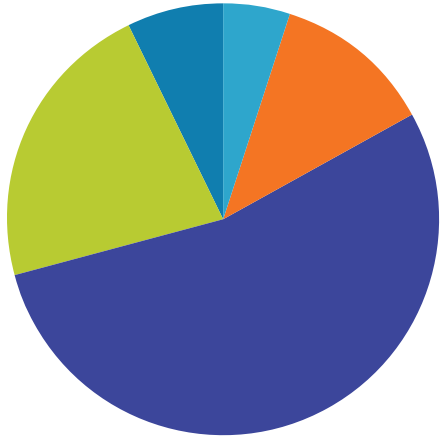
..... 13

DIRECT MARKETING SUCCESS

.....



Direct marketing success depends on:



- DATABASE
- PRODUCTS/PRICES
- PROMOTION MATERIALS
- NUMBER OF CONTACTS
- DELIVERY TIME

That is why you should spend a lot of time improving your database.

CONCLUSIONS

.....



To be successful, you need to:

- precisely define your target group,
- have a good and attractive offer,
- understand the specific features of your target market,
- attract the recipients' awareness (AIDA),
- Optimise the allocation of your advertising budget.

„**M**easurability” is the future of marketing.

- Internet – thematic websites, SEM, SEO etc,
- social media: facebook, vine, Instagram, Twitter,
- direct mail (RFM: Recency, Frequency, Monetary Value),
- interactive TV, DRR,
- mobile phones: text messages, GPS use, payments, QR coding,
- database Marketing, management and “mining”,
- CRM (Customer Relations Management), multichannel promotion, automatisaton,
- Combined Media Plans – meshing.

That is why marketing is not only about creativity, but also about mathematics.
Before you start your business, think about marketing as an environment.



USEFUL
INFO



POLISH MARKETING SOCIETY (SMB)

8/10 Czerska street (Building of Agora); 00 –732 Warszawa
tel.: +48 (22) 555 33 10; www.smb.pl

SOCIETY FOR MARKETING COMMUNICATION (SKM SAR)

8/10 Czerska street (Building of Agora); 00 –732 Warszawa
tel.: +48 (22) 555 33 10; www.skmsar.org

INTERACTIVE ADVERTISING BUREAU POLSKA

16/22 Krucza street, 00 –526 Warszawa
tel.: +48 (22) 434 21 58; www.iab.org.pl

**GIODO: GENERAL INSPECTOR FOR PERSONAL DATA
PROTECTION (GENERALNY INSPEKTOR OCHRONY
DANYCH)**

2 Stawki street (INTRACO building); 00 –193 Warszawa
tel./fax: (22) 860 70 86; www.giodo.gov.pl

An entrepreneur can afford only the best and most effective marketing solutions!



ORGANIZER



**Foundation
for Somalia**

Open for all migrants!

Bracka 18/63

00-028 Warszawa

+48 22 658 04 87

biuro@fds.org.pl

www.fds.org.pl



HONORARY PATRONAGE:



**Invest
in Poland**

POLISH INFORMATION AND
FOREIGN INVESTMENT AGENCY

