



## The end of MaC Village project

The story of the MaC Village project was carried out learning by doing and just one step at a time. Many times, the partners stumbled along the way and looked for new solutions to the situation. The most challenging was the change of the main project concept for workshop due to the COVID-19 situation. But in the end we managed to carry out all the set goals and carry out all the required workshops and trainings.

In the previous newsletter, we presented you developed business ideas or pilots by participating partner countries, therefore, we will present to you the last set of trainings we performed in the last project period.



## Financing

Approximately 80% of new products fail. That's a worrying statistic for anyone in the process of designing and developing one.

Needless to say, there are many factors that contribute to a product's success or failure:

- the financial security of the company backing the product,

Content:

The end of MaC Village  
project

Trainings

- Financing
- Collaboration and Contracting
- Customers and Target Groups
- Project Management and Business Planning
- Marketing, Distribution Systems
- Sales, Branding and Social Media



- how well it's marketed, and
- whether it's something consumers actually want.

The element that's often given less attention than it deserves, however, is a product's initial introduction to the market. Getting the product launch right is *essential*. Get it wrong, and the odds of your product becoming part of the 20% that succeed fall significantly.

Within this training we presented 5 steps participants should go through:

1. determine your unique selling positions
2. define your target audience
3. get your whole team's buy-in
4. time your launch right
5. diversify your marketing strategy

The trainees also learned about different sources of funding such as European Funds, bank loan, investors, and crowdfunding practices.

The reality is that there is no one, single definition of collaborative contracting in use by those who are familiar with the term. Collaborative contracting is an approach to contracting that brings about an alignment of interests - primarily commercial interests - among stakeholders (i.e. not just the parties to the contract) involved in a mutual endeavour and/or having some common goal.

Within this training we presented 5 ways to do Collaborative Contracting:

1. multi-tiered structure
2. focus on value, not progress
3. price by increment
4. cancellation options
5. fund the team, not the deliverable

## Customers and Target Groups

A target group of potential customers to whom a company wants to sell and the target market is one part of the total market for a good or service. The base for determine your customers is demographic, geographic, and psychographic segmentation

## Project Management and Business Planning

A startup idea without a business plan is little more than just that: an idea – no matter how earth-shatteringly innovative that idea might be. A business plan is an argumentative document that aims to convince its reader





to invest money in a company or a project. The plan must answer the following questions:

- who are you (legal structure, ownership, location, etc.)?
- what do you sell (product, service)?
- who do you sell to (customers)?
- how do you sell (distribution channels, marketing plan)?
- who is the competition?
- what is the roadmap (milestones, timetable)?
- how is it made (manufacturing process, suppliers, technology, etc.)?
- what are the funding requirements (amount, source of financing)?
- what is the expected return on investment (cash flow forecast)?



## Marketing, Distribution Systems

A distribution system involves the delivery of material right from manufacturing, to distributors to the end customer. It consists of all the methods, procedures, equipment required for the flow of goods from a business to end-users of a product. A distribution system is an essential part of a business. The success of a business largely depends on its distribution system.



Types of distribution systems are:

### Direct Sales

The direct sales can be defined as the sales of products directly from the manufacturer to the buyer without the involvement of any distributor or middleman. This type of distribution system is right for products that are neither too expensive nor too cheap. The price of products falls in the middle range and which are not bought by consumers on an everyday basis. For example, a person will purchase an air purifier once in 5 or more years.

Through direct sales, a seller communicates with customers himself and delivers the product to the customer without any intermediary. In the present times, with the inclusion of the Internet in business the direct sales have become quite popular.

The benefit of using direct sales is that you get a chance to connect with your customers directly. You can learn about their [needs](#) and [demands](#), and

you can use the information obtained from them to modify your product to serve your customers better.

### **Wholesalers and Retailers**

This type of distribution system involves selling products to the middlemen, who further sell these products to the final [consumer](#). Selling through wholesalers and retailers is an excellent way to reach a large number of customers.

This type of distribution system is good for both expensive and inexpensive items, but the items with a shelf life of at least 1 or 2 days. In this method, intermediary buys products from the manufacturer by taking the risk if products do not sell well. This type of distribution system is quite popular as by adopting this method, a manufacturer is not required to focus on the distribution and marketing of the product.

He can keep his focus on the manufacturing of products only. The benefit of using this type of distribution system is that the customers already trust the wholesalers and retailers as they already have done business with them. Their already built trust will help in the sales of your products.

### **Distributors and brokers**

When you sell your product through distributors and brokers, you give them a certain amount of commission on the total sales that they have made. This method is beneficial to make available your product in remote areas.

This method is the most expensive type of distribution system, and businesses that have a significant margin usually, adopt this method. Moreover, this method is also utilised by new companies when they try to establish their business in the market. This distribution method is popular in the food industry.

## **Sales, Branding and Social Media**

Social media marketing is the use of social media platforms and websites to promote a product or service. Although the terms e-marketing and digital marketing are still dominant in academia, social media marketing is becoming more popular for both practitioners and researchers.

Companies address a range of stakeholders through social media marketing, including current and potential customers, current and potential employees, journalists, bloggers, and the general public. On a strategic level, social media marketing includes the management of a marketing campaign, governance, setting the scope (e.g. more active or passive use) and the establishment of a firm's desired social media "culture" and "tone."



Social media can be used not only as [public relations](#) and direct marketing tools, but also as communication channels targeting very specific audiences with social media influencers and social media personalities as effective customer engagement tools. This tactic is widely known as influencer marketing. Influencer marketing allows brands the opportunity to reach their target audience in a more genuine, authentic way via a special group of selected influencers advertising their product or service. In fact, brands are set to spend up to \$15 billion on influencer marketing by 2022, per Business Insider Intelligence estimates, based on Mediakix data.

Social networks are, in many cases, viewed as a great tool for avoiding costly market research. They are known for providing a short, fast, and direct way to reach an audience through a person who is widely known. For example, an athlete who gets endorsed by a sporting goods company also brings their support base of millions of people who are interested in what they do or how they play and now they want to be a part of this athlete through their endorsements with that particular company.

## Conclusion

At the end of the project the partners have prepared the handbook for innovation presenting the developed innovative process tested in of MaC Village project that can help local stakeholders to initiate innovation in rural areas between business enterprises and representatives of the Cultural and Creative Industries (CCIs). The resulting networks and business models provide impulses for new economic structures and to bring innovation into regional development in rural areas.



Follow and share our news in social media



For more information, please contact at E-ZAVOD, ksenija(at)ezavod.si



Danube Development Transnational  
Group Nonprofit Ltd.



You may unsubscribe or change your contact details at any time.