



Guide on Digital transborder
Entrepreneurship strategies
in business environment

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Introduction

Digital Transborder Entrepreneurship Strategies in Business Environment (acronym: DigiER) is a project supporting digital transformation in EU countries. It provides innovative solutions to support SMEs and start-ups in digital transborder entrepreneurship. It is a response to the pandemic, which has shown the lack of flexibility and readiness of the entrepreneurial ecosystem to respond quickly. DigiER explores the possibilities of finding new pedagogical ways to address the challenges of the 21st century, promotes peer learning between education systems, and catalyzes the development of indispensable transversal competencies, such as problem solving, collaboration, and creativity. Project outcomes are open-ended and practical, so they can be applied in a variety of contexts and business sectors.

Aims and objectives of the Guide

The aim of the DigiER project and this Methodological Guide is to raise awareness on effective digital transborder entrepreneurship among staff of chambers of commerce, regional development agencies, local authorities and entrepreneurship development centers, as well as VET teachers, trainers and mentors.

The extension of this Guide is **Digital Crash Course**.

The rationale

The content within was prepared by practitioners based on their unique experiences. As the VET systems in Europe rely on a well-developed network of VET stakeholders, the DigiER Consortium brought together institutions from Poland, Greece, United Kingdom, Slovenia, Romania, in particular three chambers of commerce, two SMEs, and one non-profit association working with the target groups:

Chamber of Commerce and Industry in Katowice is one of the biggest CCI's operating in Poland with the 30 years tradition. CCI in Katowice is committed to the promotion of international cooperation among their members and support of the small and medium sized companies in Poland, those activities are promoted by special events with the major European Congress of Small and Medium-sized Enterprises which is organized every year from 12 years straight.

The Centre for Education and Entrepreneurship Support (CWEP) is a non-governmental, non-profit organization founded by a group of entrepreneurs, teachers, social activists and IT specialists from Rzeszow,

Poland. The CWEP association works in the field of youth, cooperates with businesses, universities, schools, enterprises and educational institutions operating as the associated partners. CWEP promotes entrepreneurship among young people at school, as well as to those who already run their businesses.

KAINOTOMIA is a Vocational Education and Training Institution which was founded by a group of people with an expertise and a lifelong commitment to the subject of learning. The goal of the KAINOTOMIA is the implementation of continuous vocational training programs targeted at youth, unemployed people, educators of all education levels, students of higher education, employed/self-employed persons and vulnerable social groups (migrants, refugees, disabled people), for the development of professional opportunities and their promotion and integration into the labor market and the society in general.

Civic Computing (CIVIC) is one of the largest suppliers of digital work to the Scottish Government. CIVIC is known for innovation in product development, e.g., Java CMS. CIVIC was also first to market a solution for compliance with EU legislation on Cookies (Cookie Control), and they recently launched on a new social media tool (Ffora) targeting mainly youngsters seeking personalized content.

The Chamber of Commerce and Industry of Slovenia (CCIS) is a non-profit, non-governmental, independent business organization representing the interest of its members (more than 7000). With almost 170 years of tradition, it is the most influential business organization in Slovenia. The member companies of CCIS come from all sectors and all regions in Slovenia. CCIS unites 26 branch associations, representing all important industry sectors of Slovenia. CCIS employees provide knowhow, expertise and knowledge in a broad spectrum of areas and topics.

The Chamber of Commerce and Industry of Bistrita Nasaud County (CCI BN) is an independent, not-for profit, multispectral entity, representing 250 member companies in the Bistrita Nasaud county. Its main tasks are lobbying, promoting entrepreneurship, stimulating innovation, delivering services and training on various aspects of entrepreneurship, sustainable business, human resource management, local/strategical planning, project management, a.s.o. The Chamber has worked closely together with educational institutes, on promoting entrepreneurship, on the relationship between labor market & education, on mobility & competencies.

The Guide (IO1) has a form of the case studies written by professionals already demonstrating a sustainable approach in their business activities

and offers the straightforward methodology tackling efficient digital transborder entrepreneurship. **The main role of the DigiER guide is to provide to target group and entrepreneurs' opportunity to implement the idea of work-based learning in their workplace as a the trigger "call to action" and eye-opener micro-book as well.**

DigiEr training course information and learning objectives

The training is organised as an e-learning course and uses methods such as: learner-centered education, self-directed learning and case-study learning. It allows to use all tools in different forms – online (through a digital crash course), offline (content saved to desktop or printed), blended (mixed forms, and with the support of a trainer if applicable).

Student-centered learning method is also known as learner-centered education, broadly encompasses methods of teaching that shift the focus of instruction from the teacher/trainer to the trainee/learner. This method improves the trainees' participation, helps them develop a critical thinking, and problem-solving skills, and importantly, facilitates a more personalized learning approach.

Self-directed learning: this learning method encourages accelerated remote learning, which is the idea that learners will acquire essential theoretical knowledge and practical skills remotely, using digital means such as mobile learning. It will promote independent learning, a more flexible way of learning that requires accountability and enjoyable time management – key skills for any start-upper. It also requires learners to adapt quickly to new situations they may face in their development and professional path. Learners are challenged to plan their learning path, and identify the tools, resources and strategies needed for one's own learning, developing their intrinsic motivation, agency, diligence and perseverance.

As a whole, the Guide is the fundamental material for the implementation of the digital crash course in the form of an easy-to-navigate, web-based structure delivered through the OER Platform (Open Educational Resource). The knowledge gained after reading each chapter can be validated with a self-assessment, taking the form of a quiz. Another validation tool for VET is the mobile app which has been divided into the follow-up scenes with questions on 3 levels: basic, easy, and intermediate. The quiz within the digital crash course is a single choice set: it will give to the learner a concept to select among 3-4 different answers which only one is the correct. This digital exercise will guide the learner to search for the answer in the theory-based part and review concepts. Validation through the mobile app takes the form of problem-solving questions and initial self-assessment with single choice answers as well. Both validation tools are for free and do not

require registration by their users.

The DigiER training material consists of **6 chapters**, in the indicated order:

1. Cultural differences in negotiating, signing and respecting contracts among EU countries

This Chapter covers the importance of between-country culture differences which have an impact on all business processes such as negotiating, signing and respecting contracts. Culture can be both a positive and negative influence and many companies are struggling in the new and foreign environment. The awareness of the different behavior patterns can be helpful and must never be ignored. It's a first step in effectively communication seen as a foundation of all business deals. The Chapter contains some useful tips and general advice worth keeping in mind before and during a co-operation on the international market.

The duration of this part of training course: 4 weeks (4 hours of self-study per week; 16 hours in total).

The length of material: 26 pages of study material, app. 6-7 pages per week.

The learning objectives of the Chapter:

- to explain how the culture can affect the business and entire co-operation among different countries (foreign cultures) and its importance in negotiations, signing and respecting an agreement;
- describe the extent of cultural influences on business deals
- understand how culture influences negotiations and prices in international business;
- to know the examples, tips and general advice which can help to avoid mistakes and facilitate or improve the quality of co-operation on the international market.

The learning outcomes after completing this Chapter:

- the learners will understand the role and the importance of a culture as one of the elements which have a significant impact on business operations across international boundaries;
- the participants will understand how to improve communication between partners representing diverse cultures and develop long-term, workable collaboration agreements;
- participants will know the most important cultural aspects that a company going abroad has to take into account; participants will learn what difficulties a company can face and how to avoid them.

The Chapter refers to the external academic, journal and online sources exploring the wide scope of the cultural differences which have an impact on business activities, including Polish, Greek, Slovenian, Scottish and Romanian cases.

2. Digital tax systems in Europe

This chapter covers the most up-to-date information about the digitalization of taxes in the European Union. Due to specific country the solutions and the obligations as well can be different from each other in field of the e-tax systems (the differences can relate the tax obligations, available e-government tools, the specifications of electronic public services). This chapter give companies knowledge about those solutions in one place as a source of most valuable information.

The duration of this part of training course: 2 weeks (4 hours of self-study per week; 8 hours in total).

The length of material: 13 pages of study material, app. 6-7 pages per week.

The learning objectives of the Chapter are the following:

- to explain how the e-tax system works in EU countries;
- to understand and explain the difference between e-tax systems in the specific EU countries;
- to describe the latest trends such as the streamlining and unification of the tax system in EU;
- to provide the practical information on how to explore new markets without double taxation problems;
- to analyze the concerns, challenges and opportunities in the tax system in the use of e-government tools.

The learning outcomes after completing this Chapter:

- participants will have an increased knowledge of the e-tax system in the EU and how to use it;
- participants will understand how to use the available e-tax tools;
- participants will be able to understand the tax differences between markets and identify related challenges and opportunities.

The chapter refers to the most important external sources, including websites of public administration and ministries of finance, containing the currently applicable guidelines specifying tax liabilities in various EU countries.

3. AR for eCommerce

Ever since the augmented reality came into existence, it has made a small revolution in the area of e-commerce. Chapter 3 presents the most popular digital solutions which definitely stay with us and those which are the future. It shows that businesses are currently investing in virtual reality systems as AR technology is becoming one of the catalysts for change that will enable businesses across industries to reshape themselves in the post-digital era. The Chapter provides the European countries examples where it is still at an early stage and where it is already advanced.

The duration of this part of training course: 1 week (8 hours of self-study in total).

The length of material: 11 pages of study material.

The learning objectives of the Chapter:

- to present the most common applications of AR technology and which are most recently popular;
- to describe the AR technology impact on economy and sales;
- to show the role of AR technology in the interaction between customers and brands;
- to analyse the main directions of the AR development;
- to explain the popularity of digital solutions.

The learning outcomes after completing this Chapter:

- the participants will have more knowledge about AR and its impact on the economy;
- participants know what e-commerce is and can give examples;
- the participants will know from where comes the greatest demand for AR technologies;
- participants are able to explain how e-commerce has changed the world of markets and the consumer experience;
- participants will be able to explain the interaction between the growing interest in AR technology and the COVID-19 pandemic.

The chapter refers to the latest online reports and studies describing e-commerce trends and points to many good practises already implemented in EU companies.

4. eCommerce Marketing Automation

In this chapter you will learn how marketing automation works and how this technology makes customer service faster and easier. It shows how

marketing automation helps to manage and implement all online activities in one place. This way, companies have constant access to all data and can monitor and adapt every step to the current situation. The chapter is complemented by examples from different European markets.

The duration of this part of training course: 1 week (8 hours of self-study in total).

The length of material: 10 pages of study material.

The learning objectives of the Chapter:

- to describe how to use the marketing automation to keep customers engagement and build the long-term relationships;
- to describe the processes and tools using by automated marketing in eCommerce;
- to explain the impact of marketing automation on streamlining companies' workflows;
- to present the most common and useful automated marketing strategies;
- to present the main benefits which marketing automation delivers to your business;
- to refer how it helps to collect and analyze a huge data amount.

The learning outcomes after completing this Chapter:

- the participants will have more knowledge about the tools that can help to improve customer loyalty;
- the participants will know how to use advanced technological tools to support marketing and sales automation activities;
- the participants will gain knowledge about the role of SEO in the e-commerce market;
- the participants will know the main trends and factors influencing the choice of online shopping.

The Chapter refers to the most common and useful examples of automated marketing and it forwards as well the examples of companies that specialize in marketing automation. The Chapter refers also the EU legislation that governs all collection and processing of personal data from individuals inside the EU.

5. Effective cashless payment methods for business in European countries

This Chapter presents the importance of e-commerce transactions and cashless payment methods as one of the most important customer needs and which increased recently as a result of the COVID-19 pandemic. Chapter 5 sums up also the new law adopted by European Union to

significantly facilitate cross-border e-commerce to reduce the risk of geographical exclusion but also to give consumers greater access. It refers the passed legislation to improve consumer protection and personal data protection, and drafted safety guidelines for products sold online and for improving cybersecurity.

The duration of this part of training course: 1 weeks (8 hours of self-study in total).

The length of material: 11 pages of study material.

The learning objectives of the Chapter:

- to present the newest tools which help companies to facilitate online transactions;
- to describe all possible forms of the ccontactless transactions;
- to sum up all advantages of cashless payments for businesses;
- to sum up all advantages of cashless payments for customers;
- to understand the importance of providing a good customer experience.

The learning outcomes after completing this Chapter:

- the participants will acquire knowledge of the online alternative to traditional methods and trusted payment platforms;
- the participants will know what measures have been taken on the way to a cashless society and which digital wallets are particularly popular;
- the participants will gain knowledge of mobile wallet security technology, including the latest solutions such as biometric authentication or tokenisation systems.

The chapter refers to the most recent online reports and studies describing cashless payment methods and refers to good practises already implemented in EU companies.

6. Shopping Behavior and Social Shopping

This Chapter covers the topic of consumer's behaviour and tries to give the key points which help to understand the processes of making purchasing decisions. It underlines the role of digital technology that provides an unprecedented level of information.

The duration of this part of training course: 3 weeks (4 hours of self-study per week; 12 hours in total).

The length of material: 20 pages of study material, app. 6-7 pages per week.

The learning objectives of the Chapter:

- place consumption in the context of human behaviour;
- to recognise consumer behaviour in the context of the development of online shopping and social shopping;
- to learn what social shopping is and which media channels of online shopping are most popular in different EU countries
- to illustrate how great the potential of social commerce is and how effective this sales channel can prove to be
- to learn about the latest trends such as ethical and ecological business practises, which are becoming increasingly important, especially after the pandemic and the restrictions.

The learning outcomes after completing this Chapter:

- the participant will understand the mechanism of consumer behaviour, which is an important issue for effective marketing, helping managers to make selling decisions;
- the participant will understand more the meaningful weight of designing a promotional strategy in social media and its impact on consumer behaviour.

The Chapter refers to the newest expert reviews and study concerning the consumer's behaviour and processes of making purchasing decisions including the results of an EU-wide survey - the newest, 2021, European E-commerce Report.

Summary: 60 hours in total (12 weeks).

Through the analysis of current practices implemented by SMEs regarding digital entrepreneurship, DigiER Guide offers a useful methodology support helping to provide innovative practices in a digital transborder entrepreneurship according initial and continuous professional development of VET teachers, trainers and mentors and it can be used in both, school and work-based settings.

Training content

Chapter 1: Cultural differences in negotiating, signing and respecting contracts among EU countries

Introduction

Negotiation is a type of communication between contractual partners with a goal in mind, a mutually agreed-upon goal to attain. Negotiation's core concept, what is negotiable, and what happens when we negotiate can vary dramatically among cultures. In an international negotiation, the parties engaged, must understand their counterpart's culture, to approach them in accordance with their language, habits, traditions, moral and religious conventions. Americans, for example, tend to see negotiations as a competitive process of offers and counteroffers, but the Japanese see it as a chance for information sharing (BAICU, 2014).

As far as Europe is concerned, there are two types of cultures: monochronic and polychronic cultures, and some scholars define the cultural triad (Northern, Central and Southern geographical oriented cultures). The trend in the European countries is toward "Unity in Diversity", which is appropriate for the future European family and is defined by tolerance, understanding, competitive alliances, and win-win agreements.

Traveling, social-business networks, diplomatic relationships, e-commerce, foreign languages, local traditions, habits, history, geographically oriented customs, business knowledge, legislation, and intercultural cross differences are all required to conclude agreements in a win-win situation. Individuals, groups, communities, organizations, and even nations all have different values, beliefs, and assumptions that make sense to them (YINGYUSHIJIE, 2019).

Four Dimensions of Culture to Consider in International Negotiations

1. Power Distance

For example, in Russia, power tends to be concentrated at the top. Executives or government officials may negotiate a deal, only to have it renegotiated by higher-level authorities, in different time.

2. Individualism/Collectivism

Individuals, in a society, may view of themselves as individuals or as members of a linked group, or collective. This mental process has an impact on how societies are organized and under which scope, how decisions are made.

3. Masculinity/Femininity

The third factor is how much society accepts traditional or stereotypical masculine and feminine features. Aggression and competition, for example, are traditionally "masculine" traits, whereas an emphasis on relationships and collaboration are traditionally "feminine" traits. Many Scandinavian countries rank better in terms of relationship quality, whereas other cultures rank higher in terms of competition.

4. Uncertainty Avoidance

Uncertainty avoidance refers to how comfortable a person feels in an unstructured or uncertain environment. Because some cultures are uncomfortable with ambiguity, companies look for norms and rules to help them negotiate. Other cultures are less afraid of uncertainty and feel more comfortable negotiating.

Business negotiators in some countries, such as Spain, may have signing a contract as their main goal, but negotiators in other cultures may be more interested in building a strong, long-term connection with their counterpart.

These characteristics describe cultural values in a broad sense, and not everyone in each culture would agree with each and every one of them. However, these can be general definitions of how other cultures approach negotiations (Conlon, 2019).

Important parts of signing and respecting an agreement.

Organizations may engage with partners and clients from different countries, at some point in the future, in order, to expand their network. When dealing with parties from various nations, being aware of cultural differences can help you develop long-term, workable collaboration agreements. When negotiating contracts, ignoring these tiny cultural variations might lead to undesirable outcomes.

When is this going to happen? To be more specific, when the contract was formed, one party overlooked cultural differences and brought their thinking to the table, resulting in the inevitable fallout, later. As a result, cultural differences were not considered when signing the contract at the time, resulting in its disregard.

Classifying cultures based on particular qualities and behaviors is one technique to gain a better understanding of other cultures and how that information may be applied in the business world.

Even if the parties involved are not from an English-speaking country, international contracts are commonly written in English. The disadvantage of contracts drafted in English by non-native speakers is that problems may

occur after the contract has been signed, and one or more parties may dispute the deal because they did not comprehend what they were signing (QUILLEN, 2017).

To avoid disagreements over contracts signed in English, the parties can agree to relinquish their rights to argue that they did not understand the contract and that it is – therefore – invalid. The alternative option is to use English as the lingua franca in dual-language contracts. You can always do a mix of the two choices.

Additionally, when working with an overseas company, there may be discrepancies in the way things are treated legally, as well as in the commercial climate. Because of the disparities in approach across different legal systems, there may be considerable differences in contracting practice. Even before beginning negotiations, the parties are obligated by their own laws, as well as the laws of the states to which other parties are subject, as well as any international regulations that may apply. Disagreements emerge in international contracts in a variety of ways. One contracting party or nation may fail to follow the terms of a contract, resulting in a conflict or breach that the parties must immediately address. Therefore, it is considered important for the procedure of contracting to respect the counterparts' cultural differences, and determine common communication channels (e.g., English as lingua franca) (UPCOUNSEL, 2020). More information is available at: <https://www.upcounsel.com/international-contracts>

1. Types of differences in negotiation.

When negotiating, one should always take into consideration some particularly important factors, regarding the person their talking with. Language, habits, traditions, moral and religious concerns, and respect may lead to positive, or negative outcome of the negotiation subject (BAICU, 2014).

2. European culture dimensions in negotiating.

There are four different cultural dimensions in European culture that affect the negotiating process.

1. Power Distance – The orientation of power concentration.
2. Individualism/Collectivism – regarding how each society is organized and how decisions are made.
3. Masculinity/Femininity – the acceptance of traditional or stereotypical masculine and feminine features, in each society.
4. Uncertainty Avoidance – How comfortable each society is, in terms of ambiguity and uncertainty, in negotiating procedures (Conlon, 2019).

3. Language and cultural differences in business contracts procedures.

Language and cultural barriers quite often lead to unpleasant situations, when signing and respecting a contract. The importance of adapting the English language, when building a contract, is imperative, as it leaves little room to misunderstandings (QUILLEN, 2017).

Theoretical part – GREECE

In Greece, as in other countries where the market has not yet been fully modernized, most companies consider the negotiation process an "advanced form of bargaining" and the methods they use are limited within narrow traditional contexts by people who believe that they are experienced and competent negotiators. However, we should not overlook the fact that there is a considerable number of large and organized companies in Greece, with internationalized business activities, which have been perceived and adapted to modern development and trends, since they have emphasized on and adopted training programs of their executives in the field of negotiation.



Figure 1 Source : D. Ballis Huffingtonpost.gr, 2020

Greek negotiators prefer personal contact with their partner. During the acquaintance, they shake hands intensely and usually when there is an older acquaintance or friendship, it is customary to make a friendly embrace. The distances they keep depend on how familiar they feel with their interlocutor, namely, if it is the first contact, they keep a short physical distance, while if there is intimacy then the distance shortens, and a more

relaxed attitude is maintained. Punctuality is to be expected, but it is not critical as the Greek partner may also be late.

Time management

In Greece, the meetings are expected to have a predetermined agenda that lists most of the topics to be discussed. However, there is some flexibility, as items that are not on the agenda can still be introduced for discussion during the meeting. Open discussions and a strong exchange of views are considered necessary and particularly important, in order to make the right decisions, which will lead to the desired agreement. It is also common for many people to talk at the same time during meetings, while break sessions are part of the agenda too. Moreover, informal meetings without a predetermined agenda can take place on a daily or weekly basis.

The key role of pre-preparation

Meetings of top companies are very frequent, and, in many cases, very important topics of discussion and negotiation are raised, upon which the negotiators should not only have knowledge, but negotiation skills, as well. In such negotiations, even the slightest mistake and ambiguity would be fatal, since the decisions that are made may concern a company, an investment group, or even the national economy.

Proper preparation plays a crucial role, not only when negotiating with people of the same nationality, but also between people of different nationalities (e. g. Greeks with Italians and Germans), as often a negotiation can start from the wrong ground due to "prejudices" that accompany a country. There is a tendency in the face of foreign negotiators to see perceptions and emotions that stem from other subcultures, but with proper preparation, the barrier of prejudice will be overcome. In addition, the Greek example and the progress that have taken place in the last decade, after the appearance of the economic crisis in Greece, should be mentioned. The respective negotiators should be well acquainted with the subject of the negotiation by knowing all its aspects. The reason that imposes the excellent knowledge of the negotiation for a negotiator is the fact that when they are called to attend a process, they should be aware of the "wants" and the concessions that the opposite party is willing to make. In this context, information plays a key role in the outcome of each negotiation; however, they are not always open to the opposing side, and even if it happens, it is never completely honest (Giannopoulos, 2018).

Contract signing and respecting, the Greek way

In Greece, traditionally, agreements between two (or more) parts, usually have the word-of-mouth characteristic, followed by a strong handshake, even in the field of commerce. But since this practice is vague, when money transactions are involved, the need of contract signing became imperative.



Source: Cecl.gr, 2021

In respect of property, family relations, criminal law, and contracts, Greece follows a civil law system. Greece's legal system is comparable to those of Austria, Germany, Finland, and Belgium.

Most basic commercial contracts do not require a handwritten signature under Greek law. Contracts are legally binding when two parties make an agreement, yet one or both sides may be required to show extra proof in court.

Digital transaction management systems can be utilized to offer evidence of an existing contract, according to Article 445 of the Greek Code of Civil Procedure (PANDADOC, 2022).

Nationals and enterprises may now – quickly and for free – sign all papers and contracts with a digital signature, eliminating the need for signatures to be certified in person at a Citizens' Service Centre (KEP), according to a government online. More about this service can be found at: <http://docs.gov.gr/>. The digitally signed papers are then saved online and may be printed or sent to the appropriate government agency (Gct & Bureau, 2021).

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Theoretical part – ROMANIA

Negotiation is a daily necessity and concern in business. The purpose of a negotiation is not only to complete a transaction. but often to obtain an optimal technical or organizational solution, a substantial added value as well as a maximization of the outcome of the transaction. In economics, most businesspeople are determined to use negotiation to influence others to achieve certain personal goals. In fact, negotiating or harmonizing options is not only common, but also essential for living in a social environment.

The communication process involved in economic negotiations is primarily strongly influenced by what we call "culture" in general and "business culture" in particular. Those unfamiliar with the "rules of the game" of business will always be at a disadvantage in their competition with competitors. Each culture has its own traditions and customs, and depending on these, different approaches to a negotiation, can be identified. The negotiators of each culture naturally prefer to develop their own skills, form their own "style" and promote their strengths, rather than adopting foreign approaches, which can lead to vulnerabilities. In Romania, however, there are certain peculiarities. As in other countries, here, too, the type of representative negotiator obviously depends on the characteristics of the companies from which it emanates. The small capitalist enterprises formed by the association, which appeared after the Romanian revolution, propelled a kind of negotiator based mainly on their own intuition and personal inclinations, in the absence of a true entrepreneurial culture. Exponents of former state-owned enterprises, transformed into trading companies and then privatized, have become heavily detached from the type of "supervised" and "free negotiation" practiced before 1989, when political and repressive representatives showed direct interference in all negotiations. Controlling the negotiation performance of the other team members. The communist style was strongly bureaucratic and often with political overtones. Unfortunately, the politicians of the new wave have not got rid of such concerns and are still deeply flawed by their interferences with the normal functioning mechanisms of public enterprises. Under these conditions, is there a "Romanian style" of negotiation? We do not believe that this has been the case in the thirty years since the introduction of the market economy, this field being, like other sequences

of the Romanian society, in a continuous exploration and search for meaning, to acquire its own identity, under the impact of external competition which, at least in the early years, proved to be overwhelming. We find in the Romanian economy rather, an amalgam of negotiation styles, based mainly on "loans", adopted, and adapted in relation to their proven or perceived effectiveness.

However, let us highlight a few peculiarities:

According to Mariana Baicu¹ the profile of Romanian negotiator is different on a regional basis

Central, Western, Northern area	Southern area
<p>Relationships and respect</p> <ul style="list-style-type: none"> - extremely cautious, appear quite reserved, proceed slowly - very trusty, keeping promises - focused on certainty and profession, plan - focused on time and order - conservative, conformist, creative - uneasy with uncertainty, ambiguity and unqualified risk - relationships between companies 	<p>Relationships and respect</p> <ul style="list-style-type: none"> - very, suspicious, expansive, big mouth and quick speaking - untrusty, changing often their promises according to the context - focused on the opportunities and bargains - focused on hazard and individual - social, innovative, opportunist - easy with uncertainty, ambiguity and unqualified risk - relationships between individuals
<p>Negotiation, attitudes and styles</p> <ul style="list-style-type: none"> - long-term commitment - respectful and trusty - superior position - rigid style - narrow mind - focused on ownership 	<p>Negotiation, attitudes and styles</p> <ul style="list-style-type: none"> - short-term commitment - selfish, untrusty, tricky - bargaining position - changeful style - opened mind - focused on individuals `problems
<p>Steps of negotiation</p> <ul style="list-style-type: none"> - slow steps - methodical and carefully planned approach 	<p>Steps of negotiation</p> <ul style="list-style-type: none"> - faster steps - challenging and unplanned approach

- In Romanian SMEs, the "owner", the holder of the majority rights, is involved in business negotiations, even if he/she does not formally hold a management position. He/she often overcomes organisational obstacles by overriding the authority of the appointed managers, who will always hesitate to make important decisions under these conditions. Over time, this reality has been perceived by foreign negotiators, who show a certain insecurity about complying with joint decisions when dealing with directors

¹ EUROPEAN CROSS CULTURAL DIFFERENCIES VS. GERMAN AND ROMANIAN STYLE NEGOTIATIONS - DOI: <https://doi.org/10.31686/ijer.vol2.iss5.184>

or other appointed representatives. As a result, it is not uncommon for foreign partners to require formal confirmation of agreements by employers and, in particular, for employers to sign contracts.

- When it comes to strategically important negotiations, there is more important choosing the team leader (who must be "trustworthy") rather than its structure. Even in companies where lead tasks are distributed, the leader will be the person who will control the negotiation process, sometimes encouraging team members to make certain contributions in negotiations. The professional training of the leader is not very important. This role can be played just as well by people of financial, commercial and, less often, by those who come from production. It is often considered that good negotiators come from those who have spent the first years of their professional training in the business world and not in the university world.

- Only key people should sit at the negotiating table. The effectiveness of the agreements will be greater when members of the management of the organizations are involved in the negotiations and feel - in a certain sense - the results of the negotiations as being obtained by them as well.

The way Romanian negotiators act leads towards a type of "negotiation" that can be highlighted as cooperative rather than a "conflicting" one. They will often try to avoid acid controversy by diverting the subject or introducing moments of relaxation of the atmosphere.

- Foreign negotiators can expect the most disputed element of the negotiation to be the price transaction, the dispute over the technical features of the supply, with its quality or performance being less intense. Unlike other partners, Romanian negotiators consider that the financial factor is the essential element, a priority for success in negotiations. This price insistence may suggest to foreign partners the existence of perpetual financial difficulties that influence the behavior of Romanian leaders involved in decisions.

- Offensive positions, mimicry, attitude, body language or tone are not necessarily assets used and are rarely part of the arsenal of Romanian negotiators. They find it difficult to detach themselves from personal relationships, i.e., they will rarely prefer to complete transactions with partners that do not give them a minimum of personal consideration. The motto "Me is me and I am the best" is not theirs!

- The Romanian negotiator does not, a priori, trust his partners. They have to give reasons to trust. Is enthusiastic about the new projects that are being presented to him/her and is ready to take advantage of all the opportunities that are offered to organization.

- Often, too much external socialization and repeated delays can result installing a climate of dissatisfaction in the opposing team. The protocol actions are materialized by invitations to restaurants and the offering of gifts, they are being overly concerned with appearances saving.

- Consolidated Romanian companies, which have frequent contacts with corporations have borrowed, "subtleties" of their negotiation. Foreign negotiators will not be able to meet here, like a few years ago, the type of confused negotiator, in a permanent impasse from which he does not know how to get out, nor the undecided one, who does not know what and when to decide. Nowadays new Romanian negotiators in this segment of enterprises, face the dominant attitude of the leaders of the strong western companies. Slowly, instead of the permissive Romanian negotiator, a more convincing one appeared who does not accept the position of defeat so easily. His basic idea also has some moral inserts that are displayed to the partner, to convince that the negotiation must lead to a mutual advantage.

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Theoretical part – POLAND

Where to start?

One of the basic issues is checking the truthfulness and correctness of the customer's data with whom we intend to conclude a contract. Research in this area allows for a proper assessment of not only the credibility, but most of all the possible solvency of the future contractor. The National Court Register (KRS) and the Central Register and Information on Economic Activity (CEIDG) also operate in Poland, where you can check data such as:

- name of the entity,
- details of the partners of the company,
- data of persons representing a given entity,

- data on submitted financial statements,
- information on property separation,
- information on ongoing bankruptcy proceedings.

However, it should be remembered that the data appearing in the registers is not always up-to-date or true. Often Internet search engines offer much more accurate (i.e., more up to date) information in this regard, so it is worth "googling" the future contractor. This applies both to the data itself, as well as to opinions about a given entity.

What to do and what to remember to sign a fruitful contract with a Polish entrepreneur? How to successfully enter the Polish market? Here are some important tips that will be sure to come in handy when establishing your first business relationships, negotiating contracts or signing cooperation agreements.

Contracts on recommendation

Word-of-mouth recommendations are very important in Poland, and the selection of a given contractor is often determined by the fact that it has been recommended by a business friend. It is good to have a reference letter and to successively gain market trust through mutual recommendation.

Cooperation with a large entity - do not be discouraged!

Cooperation with large companies usually begins with a meeting with a lower-ranking employee, and only after some time may a meeting be held, for example, with the Management Board of a given company. This is a common tactic in Western corporations that also operates in Poland. Meeting with a lower rank person is also very important, because thanks to his or her recommendation, it is possible to continue working with a given company.

A face-to-face meeting is the key to trust in Polish business.

Despite the enormous technological progress, also in the business environment, direct contact with a potential business partner is still invaluable in Poland.

How to prepare for a business meeting with a potential business partner from Poland? Here are some of the most key facts to keep in mind as you prepare for your first meeting that could lead to a fruitful contract.

Poles very rarely do business with people they do not know personally. That is why it is so important to have a face-to-face meeting. Natural details and the next steps for cooperation can be determined by e-mail or by phone. In

the business culture in Poland, there is a strong need to create a kind of trust between business partners, which cannot be achieved only through virtual contact. If you propose a new joint venture, most likely you will be invited to Poland. Remember that in Poland first impressions are very important; it is very likely that if the first meeting takes place in a relaxed atmosphere, a contract will be signed.

Punctuality

Punctuality at meetings is highly valued in Poland. It is worth arriving at the meeting at the agreed time. Lateness is very frowned upon, although there may be occasions where we may have to wait our turn due to some delays. On our side, however, is to make a good first impression and thus eliminate the possibility of being late.

A handshake and a smile are enough.

The meeting usually starts with a strong handshake with a polite smile; this is typical behavior for both men and women. There are times when the ladies may just nod their heads politely. It is important to remember that kissing female hands is not used now, and even ridiculed. A similar principle of non-kissing applies to the so-called male kisses, still popular in some parts of Eastern Europe. Hence the golden rule no. 1 - no kisses, but a firm handshake and a smile.

How to address during the meeting? - title of people.

Attachment to proper titling is still quite common in Poland. Please use appropriate polite forms. Often at the very beginning of the meeting, the host introduces the guest to his colleagues. Even if he doesn't use titles, remember to never call people by name unless you are invited to do so. During formal relations, Poles use the surname with "Mr." or "Mrs." (Mr. Kowalski, Mrs. Kowalska). Unfortunately, some people demand that they be called their professional or academic titles. Therefore, it is best to remember that we apply appropriate titles to academic professors, doctors, other people occupying important positions in education, most officials (especially diplomats), doctors and clergy.

Gifts

Keep in mind that while gifts are welcome, they should only be symbolic and should not be overstated. Too sophisticated and expensive gifts may be associated with corruption that Poland has struggled with over the years and to which it is now overly sensitive.

What to pay attention to when talking?

Another important tip is to pay attention to small talk. At the very beginning of the meeting, right after the greeting, it is customary to get acquainted

briefly, which is to be the beginning of building mutual trust and sympathy between future business partners. So, it is important that the small talk lasts as long as the host needs it, he is the moderator of this meeting. However, it is good to be vigilant and properly prepared to smoothly switch to more detailed topics related to future cooperation.

It is worth remembering that showing high self-protection or over-self-confidence is perceived negatively in Poland. Honesty, integrity, knowledge and experience are valued, and the results of actions should provide evidence of value and skills.

Don't brag, but it's a good idea to prepare a few sentences or words in Polish; it's a great way to break the first ice and arouse sympathy. As part of small talk, there are also questions about the family or the last vacation. However, these are official questions, have nothing to do with meddling, and are a standard example of routine questions. According to a recent poll, family life is by far the most important value for Poles with good health, integrity, a successful career, and peace of mind.

It is imperative to remember the golden rule not to mention political, religious or social topics. These are overly sensitive topics and may alienate a potential business partner.

Poles conduct business talks in an open and straightforward manner, although it is argued that at the beginning of their relationship they resorted to diplomatic tools.

Business is treated seriously in Poland, so you should not overdo it with excess of jokes and cheerfulness, but rather focus on details and professionalism. The atmosphere of the conversation should, of course, be friendly, but not full of cheerful communication. The transition to a more relaxed atmosphere usually takes longer than it is, for example, in business relations in southern Europe.

In addition to a few phrases in Polish, for a good start, it is worth arming yourself with hard data and statistical data during the official part. Poles love facts and very rarely make business decisions based on emotions. In order to convince Polish partners to the submitted offer, it is absolutely necessary to support it with numbers, research or a well-justified forecast.

Trust in numbers, and not in emotions, is also related to the fact that Poles do not like risk, also in business. During the negotiations, it is better to emphasize that failure to cooperate may bring some losses and carry a risk, than to promise benefits in the distant future.

Polish businessmen are soft to medium-hard negotiators. Deferring your

contract to the limit or playing, take it or leave it, on you is not their style. Poles believe that if you spend your time, it is worth signing a contract. The old British saying "Gentlemen don't talk about money" is extremely popular in Poland and can make it difficult to talk directly about money and negotiate. Standstill, but be patient and don't threaten to give up your contract.

After the first meeting

It is worth creating a summary of what was agreed or discussed during the talks immediately after the meeting. Such a written summary should preferably be sent by e-mail to the participants of the meeting. Everything that has been agreed during the negotiation process should be written down and presented to both parties in this form before the next steps of cooperation are taken. Only oral contracts are rare and rarely replace written contracts and can give rise to numerous misunderstandings and breakdowns of cooperation.

It's best to negotiate and sign a contract in two meetings. The first should be treated as an introductory and introductory presentation of the assumptions of cooperation. Set aside time for an analysis of the needs and the way in which the provisions of the agreement are implemented by both parties. Successively carry out the meeting during which the final contract will be signed. Of course, in the meantime, it is possible to present draft drafts of the contract, its scope, via e-mails or telephone calls.

End of the meeting – farewell

If the end of the meeting is going with a nice and friendly atmosphere, it probably means that the finalization of the contract is at your fingertips. It is worth remembering that at the end or at the beginning of the conversation, business cards are exchanged; it is important to take them with you to the meeting.

The most important elements of a contract

The contract must specify precisely what it concerns (the so-called subject of the contract), the amount of remuneration, and the date of performance specified in the contract. In other words, the contract must clearly answer the questions

- "Who?",
- "What?",
- "When?"
- and "For how much?".

It is extremely important to remember that the parties to the contract define the so-called judicial jurisdiction. This means that the parties agree

on the law which will apply to the concluded contract. Unfortunately, most entrepreneurs mistakenly believe that they have no influence on the choice of law or are not aware of the existence of such a possibility at all. At the same time, it should be remembered that this is one of the key issues of any contract concluded by entrepreneurs from two different countries. It should be remembered that a possible trial will take place, for example, in Poland, which means that it will be conducted in Polish and based on the Polish legal system. This, in turn, is often associated with the need to hire a Polish lawyer and additional costs. One should not forget to determine the competent court before which a possible trial will take place.

Of course, an important issue in the contract with a foreign entrepreneur is also the currency in which the services provided, or goods sold abroad will be settled. Two aspects are important here - the very selection of the currency as such (settlement in PLN, euro, dollars, or other currency) and the method of converting this currency.

Another issue is determining the language in which the contract will be drawn up and concluded. It is safest when the contract is concluded in one of the international languages (most often English, but also Spanish or French). Another helpful solution is to conclude the contract in the languages of the entrepreneurs' countries of origin (e.g., Polish and German). In such a case, however, it should be indicated which language version is decisive in the case of discrepancies in the translation of individual contractual provisions.

It is also worth considering including a confidentiality clause in the contract. It is advisable when cooperation between entrepreneurs involves the disclosure of information constituting a business secret. Such a secret may be, for example, a technological process, legal solutions applied, or prices offered for individual services or goods. The confidentiality is secured by entering a contractual penalty for its breach.

Record of the so-called contractual penalties are intended to cover the damage caused in the event of failure by one of the parties to perform a provision specifically indicated in the contract. The damage is covered by the payment of a fixed amount of money. Importantly, in the event of stipulating a contractual penalty in the contract, the party that demands payment of the penalty from its contractor is not obliged to prove the extent of the damage suffered. The only condition for the demand is the breach by the other party of the provision (or provisions) contained in the contract.

The incoterms clause is used in international trade. It refers to the liability of the parties to a given contract and the bearing of the risk. The notation of incoterms specifies, among others, the way and place of delivery of the

goods, its insurance or issues related to its transport.

Sometimes it is also a good solution to use a non-re-export clause. This clause prohibits the recipient from exporting the goods to other markets without the consent of the supplier. This clause is most often used in cases related to the existence of large price differences on individual sales markets.

A good security in uncertain times is the use of the hardship clause, which allows for the renegotiation of contract terms in cases where, because of an unforeseen event, further performance of contractual obligations becomes unprofitable for both entrepreneurs.

In the interest of securing your invested funds in cooperation, you can also think about establishing the so-called escrow account. This is a special type of bank account used for cash settlements. This account can secure funds in transactions between entrepreneurs who have just started cooperation. The funds paid into this type of account are disbursed only upon fulfillment of the obligations specified in the contract.

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Theoretical part – SCOTLAND

The United Kingdom consists of four parts: England, Wales, Scotland and Northern Ireland. The reforms of the 1980s and the trend towards globalization have shaken traditional beliefs and business attitudes. As in most Anglo-Saxon countries, common law in the UK is based on interpretation. There is a set of rules, the written legislation, and there is the interpretation of the rules called case law. ²

At the following link you can find extensive information on concluding agreements in the United Kingdom, British co-payments and information

²https://www.contractorcalculator.co.uk/contract_law_signing_contracts_expats_contractor.aspx

that should be considered in the process of concluding agreements.
Negotiating International Business - United Kingdom:
<http://www.leadershipcrossroads.com/mat/cou/UnitedKingdom.pdf>

According to www.simmons-simmons.com, English law does not include a duty of good faith in contract negotiations. Pre-contractual negotiations are generally not legally binding on the parties and, in general, either party may terminate the negotiations whenever it so wishes

Under English law, the general principle is that a person who has received confidential information must not take unfair advantage of it. Under English law, a person may not use confidential information arbitrarily. However, in order to provide clarity, the two parties usually enter into appropriate confidentiality agreements. It is very important that confidentiality agreements are carefully drafted by both members, as a promise is only legally binding if it is either executed as a deed or the promise is supported by consideration. If either party breaches the promise of confidentiality and the other party can prove that it has suffered damage as a result of this breach, it can claim damages.

In addition, there is no obligation of exclusivity under English law, so the parties may have to attach an exclusivity agreement separately. And in that case, the above applies. The agreement should also not be for an indefinite period.

Legally binding texts under English law must contain the basic intentions of the parties, e.g., the subject matter of the transaction, the price, the duration, etc. However, it should be borne in mind that a document containing detailed particulars of a transaction and its terms may constitute a legally binding agreement (at least if there are no specific provisions specifying its non-legally binding status) (Simmons & Simmons). (Simmons & Simmons)³.

Break fee agreements are generally prohibited in public company takeovers to which the UK Takeover Code applies. However, they are seen in a number of private takeovers and acquisitions to which the Code does not apply.⁴

In the UK there is the Consumer Rights Act 2015 which protects consumers in the context of agreements so that contract terms and alerts are not unfair and put the customer at an unfair disadvantage. On this website, you can find more information on Excessive Charges and Disproportionate Penalties,

³<https://www.simmons-simmons.com/en/features/pre-contractual-obligations/ck10mcozv5sxr0b23r0a2b6ce/pre-contractual-obligations-uk>

⁴ <https://www.simmons-simmons.com/en/features/pre-contractual-obligations/ck10mcozv5sxr0b23r0a2b6ce/pre-contractual-obligations-uk>

Cancellation of Contract, Institutional Rights and Change of Contract Terms.

Finally, the guide here is also an important and useful tool for contract negotiation and relevant contract law.

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Theoretical part – SLOVENIA

Meeting etiquette

Business meetings in Slovenia

Slovenians take a business meeting very seriously and prepare for it carefully. They expect the partner to be prepared to present the products, services and offer and to be able to answer any additional questions.

The first meeting is dedicated to getting to know each other and even if a strict agenda is not necessary, the objectives should be clearly formulated. The months of July and August should be avoided, as most Slovenians take their summer holidays during this period and companies may be closed or working with reduced staff.

Importance of business meetings

Hierarchy is an essential part of the Slovenian business world and a person's level of education and experience is important for their status and career progression. People are accorded respect their title and position within the business hierarchy. Slovenian managers are used to a Western style of management and business.

At the first meeting, it is common for Slovenians to exchange business cards. You should make sure that your card includes your academic titles and your position at work so that you can introduce yourself properly.

As a rule, a first meeting does not follow a fixed agenda, but serves as a general introduction so that both parties can get to know each other and determine whether there is enough potential for useful cooperation.

It usually takes a series of meetings before agreement can be reached, as most Slovenian companies are hierarchical, and the most important decisions are made by the management. Decision-making power is rarely delegated to anyone below management and family businesses are the fastest growing form of enterprise.

Negotiation process

Negotiations in Slovenia are a kind of give and take. In order to achieve a win-win situation, you should show the Slovenians your personal and entrepreneurial advantages so that the deal has a great chance of success. In negotiations, managers of the older generation usually like to take their time before making a decision. They also dislike being pushed and reject aggressive negotiating behaviour; they also prefer to talk to someone from their own age group. Although they do not have an emotional attachment, they try to create a friendly atmosphere and try to be humorous.

Managers of the younger generation tend to be more Western-oriented, as many of them did their postgraduate studies in Western Europe or America, and their negotiation style is more American than Slovenian.

When presenting, it is important to ensure that all the research has been done to provide a valid and convincing argument that gives good reasons to attract Slovenians to participate. A key point is the benefits of the partnership for the host company. To back up their reputation, Slovenians will provide a list of references from their business partners and expect you to provide references from your own partners in return, if possible.

Negotiations with the public sector usually take longer than with the private sector. Other crucial factors for closing deals are the quality of the products or services and flexibility in price negotiations.

Once a verbal agreement has been reached, the Slovenians will expect a written contract to be drawn up with the terms and conditions detailed in full, to make the agreement official.

Business meetings tips

Slovenian hosts expect their partners to come prepared and confident, without any preconceptions and behave in a modest fashion. Any opinions should be presented, but not forced, to give the Slovenian representatives enough opportunity to express their own ideas and ways of looking at

things. Equality, respect, and openness are essential at the negotiation table (Passport to Trade 2.0, 2019).

Signing contracts

Successful business agreements and negotiations with partners in foreign markets culminate in the conclusion and signature of an international trade agreement.

Contracting can be fraught with many hidden pitfalls and opportunities for mistakes.

Differences will show:

- in the legislation of individual countries,
- in contract law,
- in legal regulation.

The rules of the Vienna Convention apply automatically to the conclusion of an international sales contract. If the contracting parties do not wish to do so, they must expressly exclude the CISG provisions.

Essential elements of a sales contract

When concluding purchase contracts, pay particular attention to the following:

- the subject of the contract is precisely defined
- the exact address of the buyer for invoicing, the address for delivery of the goods
- the method and terms of payment of the goods and the determination of the instruments of security for payment
- specification of the Incoterms parity
- depending on the parity chosen, the obligations regarding export (country of the seller) and import clearance of the goods (country of the buyer) should be specified
- the type of carriage of the goods and transport insurance (amount of cover in the event of loss of or damage to the goods)
- the method of packaging of the products
- dispute settlement, applicable national law

Concluding international contracts

A well-drafted and concluded international commercial contract is an excellent legal tool for optimizing the allocation of business risks between the contracting parties!

The pre-drafting of an international contract should be carried out by legal experts who should be familiar with the legal rules of the foreign country, and by paralegals who have a good knowledge of the subject matter of the contract.

It is necessary to check whether our business partner is a taxable person and has a valid tax number. A contract may be concluded orally, in writing, by implication or by implied acts, but in practice, for all major transactions,

the contract is usually concluded in writing only.

A contract between business parties is formed when the party acting as offeror receives confirmation from the other business party that it accepts its offer and when both parties agree on all the essential elements of the contract. They must also agree on the non-essential elements.

The place and time of conclusion of the contract are particularly important for determining the applicable law.

The place of conclusion of the contract is the place where the company, as the offeror, has its registered office at the time of signature (SPIRIT Slovenia, public agency, 2008–2022).

Respecting contracts

Slovenian companies in almost all cases respect the contracts, its terms and conditions. International economic cooperation is crucial for Slovenia, as exports account for more than 80 % of its GDP. So Slovenian companies cannot afford to have a bad reputation and consequently less income, as they mostly depend on foreign market.

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Chapter 2: Digital tax systems in Europe

Introduction

Digitalization of the taxes is quite common in the European Union. Many countries of our Union provide those solutions for companies and citizens.

In this chapter, the consortium of the DigiER project will introduce to the readers the e-tax solutions which are provided for the companies in the countries of the partnership:

- Greece.
- Poland.
- Romania.
- Scotland.
- Slovenia.

Theoretical part – GREECE

What is TAXISnet

TAXISnet is an information system with which taxpayers and businesses make transactions with the General Secretariat of Information Systems (GSIS), bypassing the public financial service (READER, 2017). It was developed in 1997, by the newly formed GSIS. TAXISnet target is to facilitate taxpayers to settle their tax obligations more easily, faster, and more correctly (GRAVIAS, 2010). With its creation, TAXISnet managed to modernize the Greek tax system, upgrade the information of the citizens, reduce the bureaucracy and serve the user directly with its 24-hour operation.

TAXISnet services

The taxpayer can file an income tax return (E1, E2, E3, E9, E14). TAXISnet provides the possibility of submitting a clearing declaration (F1), periodic declaration (F2, F3) as well as intra-Community delivery-acquisition forms. The system has withholding tax applications with the Tax Return & Stamp Fee Declaration and the Employee Services Tax Return. For the Code of Data and Books the taxpayer can send electronically the status of Customers-Suppliers, the credit balances of Customers-Suppliers, the transfer of the Electronic Tax Mechanism and the submission of Notifications. In the system the interested parties can print the traffic fees of their vehicles. In recent years TAXISnet has been upgraded, offering the ability to pay debts using a credit card or bank account, providing access to bonus services, enabling the submission of a real estate lease, and

providing the possibility of changing personal data without the need to resort to the tax office (EFM, 2017).

From October 2019 the services of the municipalities have access to TAXISnet. This means that the departments of the municipality will have the data of the citizen without the need for the latter to provide them (KARAPAPAS, 2019). At the same time, the taxpayer may receive notifications of payment or refund of tax, be informed about the settlement of their tax return and in addition make tax awareness receipts. In addition, TAXISnet allows the printing of tax forms, thus making the system an electronic tax file for the citizen.

The advantages of TAXISnet

The main advantages for the citizen are the reduction of travel since it is not necessary to visit a tax office for numerous services, the simplification of procedures as well as the settlement and delimitation of their relationship with their accountant in case they choose a professional to take over settlement of its tax liabilities (GRAVIAS, 2010). Additionally, registration process is quite easy, as it requires three simple steps (online application, key number receipt & username and password setting).

The new era

Since September 2021, TAXISnet was replaced by the Independent Public Revenue Authority (AADE). The new digital portal provides more than 250 digital transactions with a much more friendly environment for both taxpayers and accountants. As it was pointed out, the digital services of AADE are estimated to lead to savings of 2 million hours per year (CNN, 2021).

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Theoretical part – ROMANIA

Digitization is a type of process that, once initiated, can never be stopped. Therefore, the digitalization of Romania means the transition to a new paradigm - technological, informational and social.

Public institutions are just one of the key components of the digital transformation process. The private sector, the associative environment, local communities and society as a whole are equally essential parts of this process (<https://www.adr.gov.ro/adr/>).

The digital tax system is part of the public authority's strategy and unfortunately, the Romanian situation is not a very good one, even if in recent years there is an evolution in the use of e-government tools, the field of electronic public services remains underdeveloped. According to The Romanian Digitalization Authority "the main problem that best defines at a general, national level, the situation regarding e-government, is represented by insufficient development in Romania of electronic public services. This problem, which affects the entire population of the country, both public and private, places the country, despite the developments, still at the bottom of the international rankings relevant to the field"⁵.

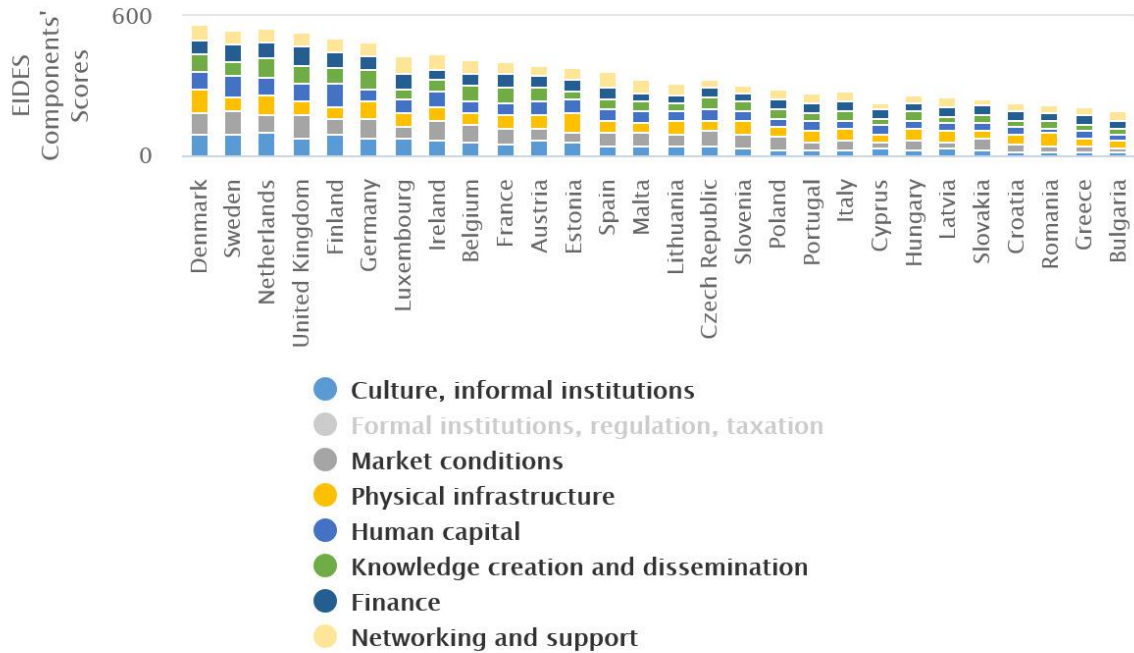
According to EIDES⁶ in 2020 even if the index is associated with SMEs it is clear that for tax point of view , only Greece and Bulgaria have a weak position in between .

⁵ Barriers to Digitization public and private environment in Romania <https://www.adr.gov.ro/wp-content/uploads/2021/04/ADR-Barierele-Digitalizarii-mediului-public-si-privat-din-Romania.pdf>

⁶ https://joint-research-centre.ec.europa.eu/european-index-digital-entrepreneurship-systems-eides/eides-country-ranks_en

Having in mind one of the eight category Formal Institutions, regulation, taxation Romania index ia 37,93 while Denmark is 77,98 and Luxemburg is 86,47.

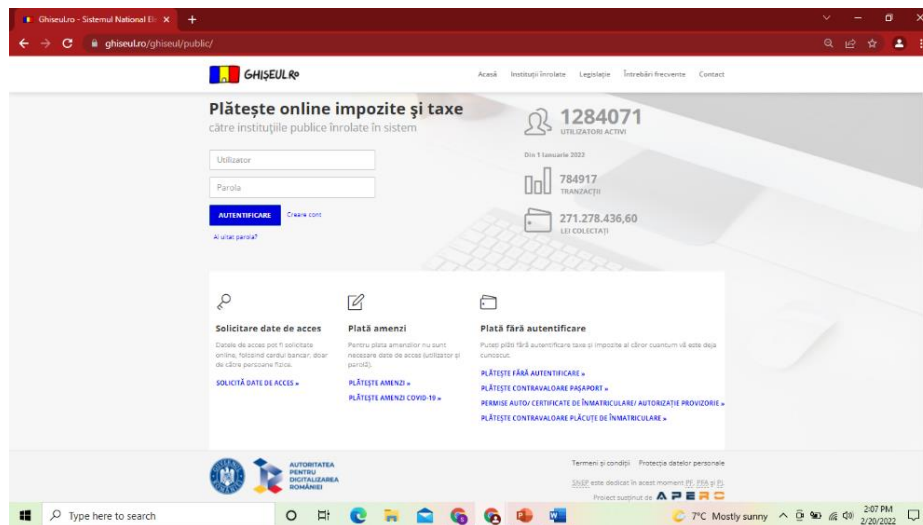
Country Rankings and Components



Highcharts.com

Nevertheless, efforts are made, and some development was created dealing with life events for Romanian citizens. Some examples are presented as follows:

Public platforms:



GHISEUL.ro <https://ghiseul.ro - Sistemul National Electronic de Plata Online>

The National Electronic Payment System (NEPS), also known as www.ghiseul.ro, is the system through which Romanians can pay their taxes online.

Ghiseul.ro system is managed and operated by the Agency for the Digital Agenda of Romania (ADAR); an institution subordinated to the Ministry for the Information Society (MIS). The online payment platform was made available free of charge by the Association for Electronic Payments in Romania (AEPR). This is an association that promotes electronic payments and consists of the 14 most important banks, international card schemes (VISA and MasterCard), processors and technology providers.

ANAF (National Authority for Fiscal Administration)

<https://www.anaf.ro/>



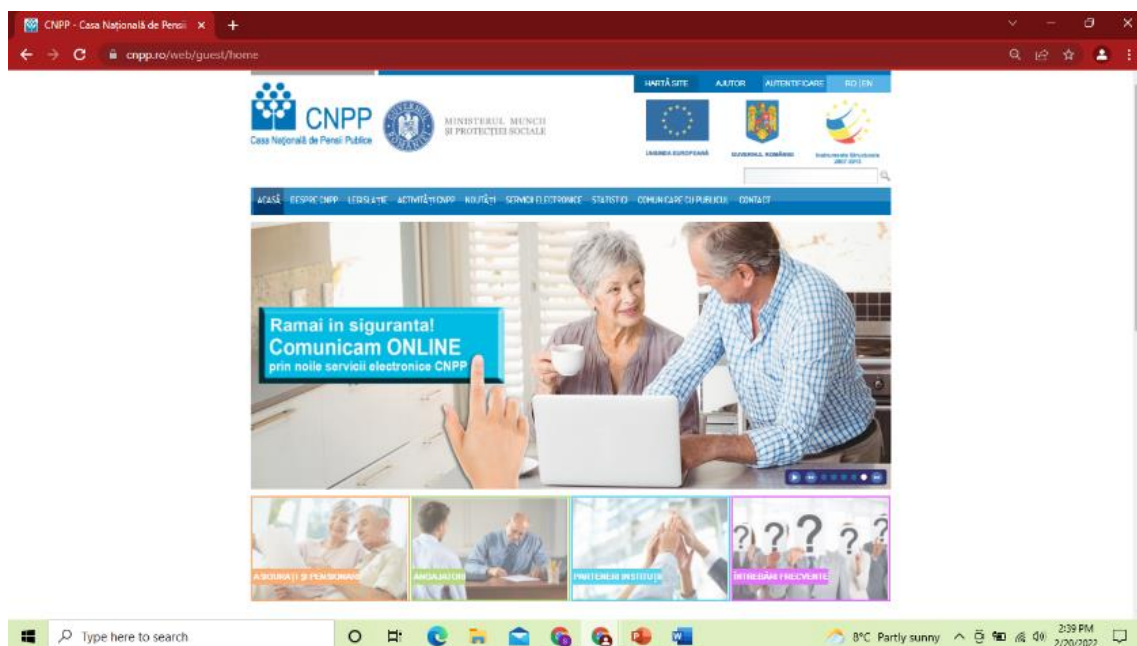
The National Agency for Fiscal Administration (ANAF) was established on October 1, 2003 under the Ministry of Public Finance, by Government Ordinance no. 86/2003, as a specialized body of the central public administration. Starting with January 2004, it became operational, acquiring the quality of an institution with its own legal personality, by detaching the departments with attributions in the administration of state revenues within the Ministry of Public Finance.

Within ANAF, the Financial Guard, the National Customs Authority, the general directorates of the county public finances and the General Directorate of Public Finances of the Municipality of Bucharest are also organized.

As a specialized body of the central public administration, with attributions in the application of the fiscal administration policy, ANAF carries out its activity in the field of budget revenue administration, through the procedures of: management, collection, fiscal control and the development of partnership relations with taxpayers.

Since 1 January 2007, the date of Romania's accession to the European Union, the Romanian Tax Administration has been providing for the intra-Community exchange of information on VAT and excise duties and adapting the administration, collection and control to the requirements of the tax administrations of the Member States of the European Union.

The society in which tax administrations have to operate is in a constant state of dynamism. Against this background, the activity of the Romanian Tax Administration is in a continuous process of modernisation and adaptation to economic realities, waiting for high quality and operational services.



Casa Națională de Pensii (National House of Public Pensions)
<https://www.cnp.ro/home>

The National House of Public Pensions is the Romanian public institution that provides pensions and other social insurance benefits due to persons included in the public pension system and accidents at work and occupational diseases, through territorial pension funds, as well as a series of benefits reparative character, established by special laws.

Private platforms:

There are some private platform performing tax/ bills payment such as

- SC VITAL SA (water, canal) <https://plati.vitalmm.ro/login.jsp>

SC VITAL S.A. provides clients with a new way of fast and permanent access to personalized information, online payment of invoices, self-read index transmissions, message transmissions to our company. In order to have

access to these facilities, it is necessary to create a user account with the following information: email address, subscriber code, contract number.⁷

ELECTRICA SA (electricity / methane gas)

<https://myelectrica.ro/index.php?pagina=plata-online>

Provide clients with My Electrica platform to online payment of invoices, self-read index transmissions and other services.

Digi - <https://www.digi.ro/plata>

Clients can open an account and pay their invoices (telephone, internet, TV)

E-ON SA (methane gas) [Autentificare clienti - E.ON Energie Romania](#)

ROVINETE - vignettes <https://www.roviniete.ro/ro/>

Through this platform clients can pay RO and HU vignette, and can buy some mandatory romanian insurances (RCA).

Roviniete.ro is authorized by the National Company for Road Infrastructure Management (C.N.A.I.R. S.A.).

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<https://www.cnpp.ro/home> - retrieved February 3rd 2022

Theoretical part – POLAND

Every partner describes the solutions provided to the entrepreneurs by their government. Our goal is to give companies knowledge about those solutions in one place, helping them in the expansion of their companies on next foreign markets.

In Poland, the Ministry of Finance, enables entrepreneurs sharing the financial statements, VAT settlements and other tax statements via online platform "E-deklaracje" which can be translated as "e-declarations". To use this solution, you need to possess the digital signature or other authorization method. Entrepreneurs widely known the digital signature, but in the other authorization methods we can include following:

⁷ <https://plati.vitalmm.ro/login.jsp> visited 28.02.2022

- NIP or PESEL.
- Name or surname or date of birth.
- Information included in the previous declarations.

Using the methods of the digital signature or other authorization methods, you can send declarations related to:

- Goods and service tax.
- Tax on civil law transactions.
- Inheritance and donation tax.
- Income tax.
- Lump sum tax.
- Concerning obligations of the payer of personal income tax.
- Regarding gambling.

On the next pages of this manual, we will describe the most popular declarations which are made by the entrepreneurs in Poland.

Digital declarations in Poland. The Business Tax (PIT)

In Poland entrepreneurs, must send their declarations related to the business tax. Depending on the form of the taxation, they need to use the different declaration forms. The common declarations related to business tax are:

- PIT-16A.
- PIT-28.
- PIT-36.
- PIT-36L.

The PIT-16A is used by entrepreneurs who decide to adopt the tax card as a main tax tool to clearance with the fiscal administration. For entrepreneurs using the flat rate as a main form of taxation PIT-28 is a dedicated form to send to the fiscal administration.

PIT-36 is a declaration which is the statement of the entrepreneur about the amount of income earned or loss incurred in a tax year, there three types of the PIT-36, but the most common declaration is PIT-36L which is an information about the amount of income earned (loss incurred) in a tax year for business using the flat tax.

To be more precise what is the different about those business tax, we must describe the form of the taxation. The tax card (for PIT-16A) was one of the easiest ways to pay your tax the fiscal administration, the percentage of the tax needed to pay was set by the Minister of Finance. Currently due the "Nowy Ład" new companies and entrepreneurs who didn't use this type of settlement with fiscal administration can't use the tax card. The flat rate (for PIT-28) enables entrepreneurs using the tax percentage from 2% to 17% but the amount of tax depends on the service the entrepreneur does.

The tax scale (for PIT-36) is a tax system in which you pay 17% of tax when your income is not bigger than 120 thousand zlotych, but when you exceed this number, you will have to pay the 32% tax from the exceeded number. The Flat (PIT-36L) tax is the system where the entrepreneur is paying the 19% of tax without any limitation in the income.

The national system of e-invoice

From 2023 Poland will start the programme of the national e-invoice system which will be obligatory for all entrepreneurs in Poland who are registered as a VAT payer in our country, companies who are tax-exempt and companies who are covered by EU OSS procedure, but they have Polish National Tax number (NIP).

The system will enable entrepreneurs issue the invoices in the digital manner. As an entrepreneur you will be able to use the system prepared by the Ministry of Finance or buy commercial solutions.

"JPK_VAT" declaration

Micro, small, medium, and big enterprises are required to send the "JPK_VAT" declaration from October 2020. This declaration is as e-document, which is divided into two parts, but they are about value added tax. In the first part of the document, the company must send to the tax authorities the information about their purchase and sells of products/services which is already in the company documents. The second part the vat declaration which is also divided onto two separate files.

The vat declaration is divided on VAT-7M and VAT-7K. The difference is in the period of making the 7 is form settlement with the tax authorities. VAT-7M is for companies which are making the settlements every month and VAT-7K is for entrepreneurs who are doing settlements quarterly.

This document is very important for companies in Poland because you must be very strict to the dates of issuing this document. The companies must send it online till the 25th day of every month, the document covers the last month. What is important to mention that companies who makes their settlements quarterly must sent the "JPK_VAT" every month till 25th. Please pay attention to the days which are the 25th of the month, because when it is a Saturday, Sunday, or national holiday in Poland (which is a day off) you must send the document first working day.

Failure to comply with the obligation to submit this document will result in the imposition of an administrative penalty, we distinguish between two types of penalties:

1) Tax offense:

- a) Penalty imposed by a fine: from PLN 210 to PLN 4 200,
- b) Penalty imposed by a court order: from PLN 210 to PLN 21 000,

c) Penalty imposed by a court ruling: from PLN 210 to PLN 42 000.

2) Fiscal crime:

a) Penalty imposed by court order: from PLN 700 to PLN 5 600,000,

b) Penalty imposed by a court sentence: from PLN 700 to PLN 20 160,000.

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Theoretical part – SCOTLAND

HMRC

Her Majesty's Revenue and Customs (HM Revenue and Customs or HMRC) is a non-ministerial department of the UK Government responsible for the collection of taxes, the payment of some forms of state support, the administration of other regulatory regimes including the national minimum wage and the issuance of national insurance numbers.⁸

The department is responsible for the administration and collection of direct taxes including Income Tax, Corporation Tax, Capital Gains Tax (CGT) and Inheritance Tax (IHT), indirect taxes including Value Added Tax (VAT), excise duties and Stamp Duty Land Tax (SDLT), and environmental taxes.

Making Tax Digital

Revenue and Customs Digital Technology Services (RCDTS) is a subsidiary of HMRC established in 2015 to provide technical and digital services.

This is the government's plan for individuals and companies for tax issues so that the HRMC becomes one of the crudest tax administrations in the world.

Issues of potential impacts such as VAT, business and income have already

⁸ https://en.wikipedia.org/wiki/HM_Revenue_and_Customs

been investigated and evaluated.

Making Tax Digital includes:

- Keeping and maintaining your VAT accounting records
- Creating VAT Returns
- Sending the VAT Returns to HMRC.⁹

VAT-registered businesses with a taxable turnover above the VAT threshold (.000 85,000) are now required to follow the Making Tax Digital rules by maintaining digital records and using software to file their VAT returns.

- It is compulsory to sign up for Making Tax Digital for VAT if the taxable [turnover](#) is more than £85,000. But from April 2022 it will be compulsory for all the VAT-registered businesses.
- The first step is to find a software that's compatible with Making Tax Digital for VAT. Using software will allow you to submit VAT Returns directly to HMRC without needing to visit HMRC's website. In the following website you can use a tool to find the right software: https://www.tax.service.gov.uk/making-tax-digital-software?_ga=2.110751109.1061994407.1645194677-475971746.1642158399
- To sign up the following information is required: business email address, Government Gateway user ID and password, VAT registration number and latest VAT return.
- You should get a confirmation email from noreply@tax.service.gov.uk within 3 days of signing up.

Website to sign up: https://www.tax.service.gov.uk/vat-through-software/sign-up/are-you-ready-to-submit?_ga=2.83954073.1061994407.1645194677%20475971746.1642158399



Figure 2

Gov. Uk, <https://www.access.service.gov.uk/login/signin/creds?aoc=Y>

Website of

⁹ <https://www.sage.com/en-gb/blog/mtd-for-vat-questions-answered/>

The following website offers all the important information regarding the procedure of signing up: <https://www.gov.uk/vat-record-keeping/sign-up-for-making-tax-digital-for-vat>

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Theoretical part - SLOVENIA

eTax (eDavki) portal

eDavki portal of Slovenia is active from 2003. eDavki use is **free**. eDavki portal enables convenient, easy and secure completion and submission of tax forms from the user's computer at home or in the office.

The eDavki portal is the IT system of the Financial Administration of the Republic of Slovenia used in electronic transactions with the Financial Administration. It ensures the convenient, easy, and safe transmission of tax forms and receipt of documents served by the Financial Administration (eVročanje). The use of the portal (submission of forms and receipt of documents) is obligatory for all business entities. The legal representative of business entities (sole traders and legal entities) access to eDavki portal into the profile of business entities with a qualified digital certificate for employees, with a qualified digital certificate for a natural person, with a user account of a natural person or eDavki mobile application. An employee of business entity or an external provider access to eDavki portal into the profile of business entity only with a qualified digital certificate (under condition that such person has appropriate EDP rights granted) (Financial administration of the Republic of Slovenia, 2021).

eDavki is a safe web service that fully substitutes for the relevant paperwork. It offers several important advantages over processing of hard-

copy tax forms:

- faster and easier completion of tax forms (with integrated help menus and tools for online checking),
- possibility of document filing 24 hours a day, 7 days a week, without mailing costs and irrespective of geographic location,
- access to tax card,
- data transfer directly from accounting system into eDavki through web services,
- easy authorization between users and other taxable persons,
- transfer of the extent of rights on the basis of eDavki operations through authorization (see [authorisation in eTax](#)).

In addition to other tax forms, through eDavki persons may submit their tax information returns for income tax assessment, and legal entities their VAT forms (e.g., VAT-O) and VIES. Users are also provided with the electronic services of e-commerce taxpayer registration and the exchange of their information with tax administrations of other EU Member States, as well as the verification of tax numbers of taxpayers from the EU (Financial administration of the RS, 2003–2022).

Access to the eDavki portal with a qualified digital certificate

Any taxable person can become an eDavki user. The application requires a computer with suitable software and Internet access.

If taxable persons use qualified digital certificates, they may file applications and receive documents via eDavki portal. edavki Appropriate equipment and an appropriate digital certificate are required. The procedure for obtaining a qualified digital certificate can be found on the eDavki eDavki portal. You may choose from among four qualified digital certificates (SIGEN-CA, POŠTA®CA, AC-NLB, and HALCOM CA) (Financial administration of the Republic of Slovenia, 2021).

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Chapter 3: AR for eCommerce

Introduction

Augmented reality, commonly abbreviated as AR, is all about enriching the real environment with computer-generated content, which is largely supplemented with graphic content. AR can be identified as a system that **combines the real and virtual worlds**, interactive reality in real-time, allowing freedom of movement in three dimensions. Thus, augmented reality does not create a new, fully virtual three-dimensional world, but **"complements" the real world** (which does not change) **with new images or information**, i.e., virtual shell. This can be a supplement in the form of simple information - such as street names, navigation information - or an extension based on complex photorealistic objects that blend into the real world and form a whole with it.

AR extends reality but does not replace it. Virtual reality (VR) on the other hand completely replaces your surroundings with a virtual environment. Therefore, **any equipment that combines digital content related to your real environment is an AR device. Equipment that works regardless of your location and embraces your vision is a VR device.**

Augmented reality does not have to be limited only to the image. The real world can be enriched by devices also with sound, and even a smell. AR computing equipment comes in many forms, including handheld displays, and devices that you wear, such as headsets and glasses.



Woman in augmented reality glasses on running machine; source:

https://www.freepik.com/free-vector/isometric-icon-with-woman-augmented-reality-glasses-running-machine-3d_16716981.htm#query=augmented&position=5&from_view=search

The greatest demand for AR technologies currently comes from the **creative economy industries** - in particular, games, live events, industries as diverse as healthcare, education, the military and real estate. Common applications of AR technology include video games, television, and personal navigation, although there are many other applications as well. Augmented reality is also used on television, especially in sports. For example, golf broadcasts sometimes display a line on the screen that tracks the flight of the ball. Major league baseball games often display dynamically generated advertisements behind the motherboard.

Most recently popular is **augmented reality navigation**, used to display location information in real-time format. This is usually done via a HUD (heads-up display) that projects the images in front of you like a hologram. For example, the HUD in a car can display speed, engine RPM, and other useful data. Google Glass, a head-mounted display, can overlay directions from Google Maps and identify locations with its built-in camera.

However, we still face the problem of data transmission. With all real-time remote services, internet connection quality is critical. Providing good quality transmission is one of the points of the remote start-up procedure, hence the obvious hopes for 5G mobile technology. Entrepreneurs interested in the AR technology should be pleased with the information that the number of 5G connections will increase significantly in the next 5 years. The recent CCS Insight forecast predicts that by 2025 there will be as many as 3.6 billion of them worldwide. For comparison, in 2020 it was only 0.25 billion.

Many digital solutions will definitely stay with us, such as virtual training or remote diagnostics. No one is surprised anymore when, when entering the office, they see a person wearing virtual reality glasses, making seemingly strange gestures in the air. Businesses are currently investing in virtual reality systems, and it is nothing extraordinary anymore. Ever since the reality of **AR** appeared, it has made a small revolution in the area of e-commerce. Over time, it has also **changed the way you shop online**. It made online stores gain an advantage over brick-and-mortar stores. Consumers who so far were attracted only by the possibility of trying on, measuring, and physically checking the product, thanks to AR, began to transfer their habits to the Internet. Online shopping is faster, more convenient and often cheaper, and the consumer does not have to leave his room to buy a new pair of shoes. AR reduces the physical limitations of online trading. It allows you to check a product or service without leaving your home, e.g., using **3D visualization, QR codes, filters, virtual fitting rooms or virtual sellers**. AR can also successfully support a company's new product development activities - it ensures that

development processes are carried out in a digital environment, which generally **speeds up the moment when new products appear on the market.**

Theoretical part – POLAND

Polish companies recognise the potential of AR, both in terms of improving processes within the company and at the interface with the customer. AR technology is becoming one of the catalysts for change that will enable businesses across industries to reshape themselves in the post-digital era.

At the moment, however, Polish traders are mostly not yet fully aware of the role they play when it comes to serving business customers with AR solutions. And they are not sufficiently interested in it either. As a result, there is usually a lack of ideas for the use of smart glasses - a product designed for entertainment or to support drone operators. Indeed, viewing a painting or other exhibit in an exhibition in a museum, gallery or educational institution can be made more interesting by offering visitors smart glasses that display additional content in augmented reality. It is even easier with smartphones, where the potential for introducing modern technologies is increasing.

Industry is a sector that has always been very innovative, and the virtual world is no different. It is noted that it is the manufacturing sector that will drive the growth of VR /AR spending over the forecast period 2019-2024. This technology works particularly well in the area of remote training and collaboration between remote locations. And the industry has not stopped with the outbreak of the pandemic in Poland. According to experts, this has contributed to such a dynamic development of the above-mentioned industry IT. By and large, the pandemic had a huge impact on the economy, as stopping or delaying investments could have ended tragically for many companies. In Poland, an international company ABB has been developing a system for several decades that digitises the working environment in the service area and helps to carry out standard activities in the plant strictly according to the procedures in force, without omitting a step that could lead to dangerous situations. With the help of industrial tablets or HoloLens glasses, the operator gets access to data about resources, processes and procedures in real time (he does not have to use his hands for this). This minimises the risk of human error while increasing safety and process control.

In the Medical University of Warsaw, augmented reality was used during the procedure of implantation of the patient, namely virtual visualisation of anatomical structures of the operated person, the prosthesis, the scope of

tissue removal and correct placement of the implant. This was all thanks to the doctors' collaboration with MedApp engineers, who created the necessary applications for the operation. The visualisation was available during the surgery thanks to Microsoft HoloLens glasses. With simple gestures, the surgeon was able to view virtual models and compare them with the real state.

Not only the activity of MedApp proves that there are companies on the Polish market that already have an offer of AR solutions for clients from various industries. The second example could be the Transition Technologies PSC and its cooperation with Fiat Chrysler Automotive. The manufacturer, interested in implementing the idea of Industry 4.0 in the Polish plant, decided to invest in augmented reality systems and the Internet of Things, and thus to help the integrator implement them. The project started with the support of service and maintenance employees - e.g., in such a way that instead of paper instructions they were given tablets and augmented reality glasses as a user interface, as well as appropriate software enabling the superimposition of digital modules on real objects.

Therefore, the main directions of the development of augmented reality in Poland seem to be, among others, replacement of computer screens by devices displaying images in real space, which can be controlled by means of gestures or eyesight; creating virtual devices and applications, control panels - the production of which would not be possible using the existing solutions; virtual conferences; using holograms as virtual screens, interactive whiteboards that would allow computer-generated images to interact with real audiences; virtual industrial plants or virtual instrumentation - such as a wall clock, planner and calendar above the bed.

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Theoretical part – GREECE

Augmented Reality (AR) for e-commerce in Greece, is still at an early stage, but the plan implemented by the Greek chapter of the VR/AR Association, seems quite promising. By 2023, the global virtual and augmented reality market is expected to reach \$ 124.4 billion (Business Daily, 2021).



Source: Spyridakis, A., 2018

E-Commerce services are one of the key industries that has benefited from Augmented Reality. AR deservedly takes its place in the "toolbox" used by companies in order to increase sales by enhancing the value of the brand. Companies are turning to Augmented Reality using technology, among other things, to entertain, educate, attract new customers, or develop personalized shopping assistants. Let's look at some examples of successful use of Augmented Reality in marketing and consequently in e-commerce in general:

- Augmented Shopping Experience, where customers try before they buy.
- Cards, flyers, and branding material enhanced with videos, information, and various other ways in which potential customers get in touch with the company and the brand.
- Create a "buzz" around the brand.
- Augmented touring, where customers scan a digital component that provides an AR experience tailored to provide additional information.

Some Greek AR companies have already successfully created applications for business marketing services. For example, "The brochure that comes to life" was very popular. It contains an entire directory in a single booklet, thus, reducing the huge cost of creating a directory to a minimum. The example can be explored through the following link: https://www.youtube.com/watch?v=zHAzRQM_0Qk. Companies whose natural products occupy a large volume, such as orthopedics, furniture and even the automotive industry are increasingly using Augmented Reality (Bitar, 2020).

Now with the AR technology it is enough to go out on the street and whatever information we want will be displayed on the screen of our tablet

offering us a complete bouquet of digital real-time information for everything we are looking for; in many cases we can also see offers that "run" that day or time. This is how the market in the developed markets is now moving, and so now Greece is starting to enter augmented reality market rates (ThinkAR, 2018).

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Theoretical part – UNITED KINGDOM

Augmented reality technology has completely changed the world of markets and the consumer experience, and the same is true in the UK. It bridges the gap between physical shops and online shopping experiences. With augmented reality, the future of e-commerce is one where we move beyond the website and the mobile app

Online shopping has increased significantly, especially during the pandemic. According to a global survey of 20,000 consumers commissioned by Snap and conducted by Foresight Factory, it has shown that customers are better able to visualize the product and/or see it in the right place. According to another survey conducted in 2021, only 34% of respondents in the UK indicated in-shop purchase as a purchase option. In the same article we also learn that the use of augmented reality will explode. It is expected that 80% of those born between 1995 and 2010 will use the technology in the next five years. Interestingly, women are more interested in augmented reality experiences, both online and physical, than men. In addition, men aged 18 to 35 have used more augmented reality applications both online and offline.

In UK, clothes and accessories are the most popular items purchased using augmented reality in both online and offline stores according to

getapp.co.uk. Only 15% of consumers in the UK have used AR technology to buy something online. However, of the 85% who have not used the technology to shop online, more than half (53%) would be willing to try it. AR technology is also used when buying cosmetics (40%).¹⁰

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Theoretical part - SLOVENIA

AR for eCommerce

The lines between in-shop and online shopping experiences are becoming increasingly blurred as more brands experiment with augmented reality (AR) and virtual reality (VR) to create innovative customer experiences. In recent years, AR /VR technology has been touted as "the next big thing", but adoption has been a little slower than initially expected (Telus International, 2021).

Augmented reality (AR) is a technology that enhances our physical environment with virtual information. In other words, AR enables the addition of virtual elements - such as videos, 3D models, animations, links, etc. - into the real world. In this way, we can change our perception of the real world (viz-obl, 2019).

AR experiences can change the way online customers perceive the products they intend to buy. By using AR, customers can better understand their needs and determine whether the products they intend to buy meet their requirements. Some online sales brands have already started experimenting with AR, which will help them stand out from the competition (Luka Žvar, 2020).

Increasingly online purchases are being made via mobile phones. Retailers

¹⁰ <https://www.getapp.co.uk/blog/1713/1-in-2-consumers-uk-willing-to-use-ar-technology-shopping>

will have to work hard to ensure that consumers have the same shopping experience regardless of which device they use to access their online shop. This means that a lot of attention will have to be paid to multi-channel selling.

Artificial intelligence and augmented reality will play an increasingly key role in online sales, replacing the in-shop salesperson and reducing the number of product returns (FinancePro, 2020).

Augmented reality ("AR") is revolutionising online shopping. This technology allows consumers to see the product they want to buy in full detail, making it easier for them to make a purchase decision. It is particularly welcome in fashion shops and shops selling furniture and other home accessories. More people would probably choose to shop online if they had the opportunity to try on a particular item of clothing, and that is exactly what augmented reality enables us to do (Siol1net, 2021).

In March 2019, Technology Park Ljubljana hosted the first Slovenian Look Around 360 conferences dedicated to virtual and augmented reality technologies and opened a laboratory for all lovers of future technologies. Technology Park Ljubljana aims to be the centre for young enthusiasts and develop breakthrough ideas with the help of various experts and mentors (Tehnološki park Ljubljana d.o.o., 2019). AR for eCommerce is still in its infancy in Slovenia. AR is only used by larger international companies. For the time being, AR is used in Slovenia for production optimisation and tourism.

There has been some progress in the pharmaceutical sector. What was science fiction yesterday is now standard equipment at pharmaceutical giant Novartis. Novartis in Slovenia has developed its own mixed reality platform in 2021 to provide holographic coverage of their laboratories and production facilities. The platform, an entry point into the world of mixed reality that offers simple solutions to very complex problems, was developed by Novartis in Slovenia and will be available worldwide (Dragica Bošnjak, 2021).

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Theoretical part – ROMANIA

The number of physical shops switching to online mode is growing. The COVID -19 pandemic has made it easier for businesses to go online. Sales websites have a 2D design that can provide customers with simple product information. With augmented reality technology, sales pages can be created in a friendlier format.

Private companies are adapting to the new augmented reality technologies. For example, a major furniture company in the industry has introduced an augmented reality application. With this application, you can try out various products with the cameras of your smartphone.

With Augmented Reality, you can furnish the whole house without leaving your room. With the Ikea application, you can set up over 2,000 3D products from Ikea's online shop in your home using only your smartphone's camera or your PC.



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Chapter 4: eCommerce Marketing Automation

Introduction

How does marketing automation work?

Marketing automation uses software to automate monotonous marketing work. Marketing departments can automate repetitive tasks such as email marketing, social media posting, and even ad campaigns - not just for the sake of efficiency, but also to provide a more personalized experience for their customers. The technology behind marketing automation makes these tasks faster and easier to do.

What can market automation do for your business?

When we look at the shared challenges faced by businesses, we know that generating leads and keeping customers engaged throughout their journey remain top of mind. Along with these goals, businesses face an explosion of data being collected, but struggle to put it to use.

Marketing automation software can help overcome these challenges by putting data to work by streamlining our workflows.

Most businesses consider marketing automation a middle-of-the-funnel tool, ideal for nurturing leads through automated email sequences. And while email marketing is a great use for marketing automation, this approach can lead to a disjointed experience for prospects and customers as they move from marketing to sales, to customer service.

Prospects are forced through an imaginary sales funnel with arbitrary touchpoints and irrelevant content. Instead of reacting to individual customer needs, businesses serve up the same playbook on repeat.

However, automated marketing strategies should be deployed across the customer lifecycle. When marketing automation is thoughtfully integrated, it creates a fertile ground for healthy, long-term relationships with your customers. When done well, marketing automation delivers three main benefits to your business: personalized workflows, streamlined processes, integrated data and analytics (HubSpot, 2022).

Ecommerce businesses of all sizes can benefit from the kind of software and platforms available today, which are made precisely with the needs of ecommerce businesses in mind. Here are some of the top benefits of marketing automation for ecommerce.

1. Save time for your team

Say goodbye to time-consuming, repetitive tasks and say hello to automated workflows that can save you time eventually. 43% of marketers implement marketing automation strategies with the primary goal of

optimizing productivity

By automating certain marketing tasks, much less manual work is required to reach segmented audiences at the right time across multiple channels. In addition, marketing automation software collects and analyzes all your data and generates reports that allow you to identify areas to focus on and refine your strategy accordingly

2. Eliminates human error

Another benefit is that it reduces the risk of human error. Manual work can be tedious, which means more mistakes can happen. Even the most dedicated and conscientious marketer can sometimes make costly mistakes (such as sending an email to the wrong customer list). With automated tools configured properly, you can put ongoing email sends on autopilot and send them at the right time without adding extra work

3. Improves customer retention

Marketing automation tools help improve customer engagement by sending the right message at the right time based on customer behavior.

More than 80% of consumers believe personalization makes them more likely to make a purchase on a brand's website. 48% spend more money with companies that offer a personalized experience. Those are serious numbers!

4. Marketing automation buys you time for optimization

The time you save with marketing automation gives you more time to focus on current and future campaigns. What does this mean for you? Now that your daily tasks are done and running on autopilot, you can afford to look at the "big picture" and focus on your overall strategy instead of getting bogged down in details

You can also take advantage of the advanced testing tools that marketing automation platforms offer. With these tools, you can test variations in real time, such as email subject lines, images, preview texts, and more, and optimize your campaigns by selecting only the best-performing variations (Karolina Petraskiene, 2020).

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Theoretical part – GREECE

Adopting the principles of digital, automated marketing and using matching

tools, for eCommerce, in Greece, seems to be constantly gaining ground. The automated advertising market shows a significant increase and SMEs researchers seem to adapt to this new environment. In 2020 digital marketing investments increased by 3,6%, compared to 2019 and specifically, expenditure on digital search advertising reached \$ 164.8 million in 2020, an increase of 8.1%, while expenditure on non-expenditure social media ads to \$ 82.17 million, up 2% (Kyriakou M., 2021).



Source: Factorialist, 2016

Greek automated marketing in eCommerce, usually, includes processes such as:

- Automatic replies and email notifications
- The best customer targeting based on data from online surveys and automated data collections
- Creating and managing social media campaigns such as Facebook and Twitter with a few clicks.
- Automatic sending of voicemails
- Creating referrals and programs for affiliate partners
- Creating events such as webinars, special invitational videos, or multimedia.
- Accepting and processing electronic payments e. g. “add to card”
- Creating interactive applications that enhance user interaction with the business
- Creating ads, coupons, and other promotions (Sarailis P., 2019).

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Theoretical part – ROMANIA

Marketing Automation or marketing process automation is one of the most interesting aspects of online marketing and refers to all automation processes on an online site / store, with the goal of selling a product or service and turning them into brand ambassadors.

Marketing automation streamlines your digital marketing efforts, reduces human error, and helps you achieve better results. Instead of performing manual, repetitive processes, you're able to focus on more strategic tasks such as planning and design, goal development, conducting research, establishing branding consistency, measuring KPIs, and more.



Source: <https://pixabay.com/ro/images/search/e-commerce/>

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Theoretical part – POLAND

73% of e-stores in **Poland** plan to implement advanced technological tools to support marketing and sales activities, **recognizing the need for extensive use of IT tools to collect customer data and effectively reach them** with the offer. This is the outcome of the Report by K2 Group: Technology and marketing in e-commerce - challenges and trends 2021. In addition, only 2 out of 5 companies measure the effectiveness of Social Selling activities with the help of conversion. As many as 42% of decision-makers of the e-commerce industry in Poland appreciate the possibility of collecting more leads thanks to Social Selling, and another (40%) use it to shorten the sales cycle and the same amount to build relationships based on trust. Interestingly, almost all e-stores (90%) using chatbots do not reliably measure the effectiveness of customer service automation.

Therefore, customer relationship management (49%), relationship management with suppliers (37%), human resources (34%), logistics (34%) and warehousing (30%) are currently the biggest challenge in business management in the e-commerce industry in Poland.

An important element of the growing demands for quality customer service and scaling of online sales is the integration of the e-commerce platform with the company's business applications. With the change in the pandemic shopping model, as many as 33% of e-shops plan to integrate the ERP system with the e-commerce platform and other sales support systems. It is noteworthy that **online food trade in Poland will develop rapidly**. Although the value of the e-commerce market in Poland is growing, many shops are not in a good financial situation.

It turns out that many Polish e-shops do not undertake any SEO activities. It is certainly caused by the lack of sufficient knowledge concerning the role of SEO on the e-commerce market. What's more, (91%) of customers make their purchasing decisions based on what they find on Google.

Important statistics regarding the Polish e-commerce market have been presented by Senuto (<https://www.senuto.com/pl/>), analysing the situation on the Polish e-commerce market. 87 489 Polish shops were found across

the Internet and 6370 of them were established in 2020. It turns out that 43% of all traffic coming from the search engine is generated by shops in the top 10, 81% is generated by the shops from the top 500, while the remaining (19%) by the shops outside the top 500. Thus, we can see that the **e-commerce market in Poland has been dominated by large online shops**. However, this does not mean that SEO activities of smaller companies are unprofitable.

As many as three out of four e-shops intend to implement new solutions, investing in marketing automation software (38%) and web analytics (35%), as well as in DMP platforms (Data Management Platform – 31%), CDP (Customer Data Platforms (33%), CRM systems (31%) and BI (Business Intelligence – 20%).

On the **Polish e-commerce** market, among the available **payment methods**, the most popular is **BLIK**, but consumers also appreciate other ways of fast transaction completion - quick transfers and card transactions. Online payment methods are one of the most important factors influencing the choice of a particular online shop. Therefore, e-commerce business owners must take care of the widest possible choice of payment methods. This can be achieved by choosing the right provider, such as Blue Media (<https://bluemedia.pl/>). This leading online payment provider supports, in addition to BLIK, card payments, pay-by-link transfers, online instalments, subscription payments and much more. Blue Media's business customers can easily integrate the payment system into their shop running on any popular sales platform. A low activation fee and nominal monthly charges are the only costs. Maintenance of the system and handling of refunds are free of charge, and there are no commissions involved in withdrawing funds.

The trend in 2020 was undoubtedly multichannel. Shops tried to reach the largest possible group of consumers with their products. The popularity of "shopping websites" such as **Allegro or Ceneo** is noticeable and their share in the e-commerce market grows with each passing month. Undoubtedly, in order to increase sales in e-shop, it is worth betting on increasing the range. Using such platforms as Allegro or Ceneo is the cheapest form of advertisement. However, it is not about advertising but about increasing profits. In order to effectively conduct multi-channel sales, it is worth taking an interest in **sales automation** offered by LivePrice (<https://liveprice.pl/>). The tool allows you to manage the price policy of the whole shop in a convenient way.

Omission of omnichannel in your business is, in a way, closing yourself off from the customer, and yet in trade, it is important to maintain a close relationship with them. It is worth noting that when conducting sales in many points, the prices of products cannot be identical. Using the LivePrice

application, you can be sure that the appropriate prices will be overwritten to the given sales channels

Although the e-commerce industry in Poland does not fully use martech solutions, it has potential in reaching customers with personalised offers. Among those that will bring new opportunities within the next 2-3 years, are **advanced analytics of customer behaviour in different channels**, **Marketing Automation** and **Machine Learning with AI**.

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Theoretical part – SCOTLAND

Ecommerce Marketing Automation is a method that is increasingly followed by more and more businesses worldwide as of course in the United Kingdom. Software-based, it saves time, avoids human error and is a way to enhance customer interaction without requiring time from businesses. Thus, entrepreneurs can focus on other areas of their business.

Examples of automated marketing include automated order tracking, confirmation emails, data collection and analysis for marketing purposes, paid ads and more. At the same time, marketing automation monitors and

analyses visitor behaviour.

UK's online marketing automation software provides users with automation of all marketing processes with the primary goal of saving time. UK Marketing Automation software is offered in the SaaS (Service as a Service) model. See the following website for more information and alternative online software. Marketing automation also affects the B2B sector. This [website](#) contains examples of companies that specialize in marketing automation.

In particular, the website refers to the following companies

- Sitecore Email Experience Manager (EXM)
- Marketo
- Dotmailer

Finally, below is another website that includes examples of Marketing Automation companies in United Kingdom.

Some examples of such companies are:

- WorkCast
- Agnew Group
- Dotmailer Group
- ChannelGrabber
- Hurree, Inc
- Gary Smith Partnership
- Dexi
- JDR Group
- Shoppar Ltd
- Social Vend

Each company has its own characteristics, as long as you find the one that best suits the needs and content of the business.

It should be noted that the author of the text does not have any involvement with the companies mentioned above or personal interest while their choice to refer to the text is indicative.

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Theoretical part – SLOVENIA

Inbound or Content Marketing is an approach to marketing that is slowly gaining ground in Slovenia. Companies are more successful in reaching their customers with useful content than with traditional advertising. Every blog, tweet, Facebook post, etc. is an Inbound Marketing activity that needs to be strategically planned, effectively implemented and tracked. We have many other online channels that also need to be tracked.

We rightly want to have a good overview and know how successful each activity is. If we monitor each channel individually, this task is a huge undertaking that is difficult even for the most organised person among us. Marketing automation helps us manage and implement all online activities in one place. This way, we have constant access to all data and can monitor and adapt each step to the current situation. And in the end, we get a contact list with high- quality leads.

What does marketing automation tool provide?

The purpose of the marketing automation tool is to automate the Inbound Marketing processes which have been previously defined in our marketing strategy. There are many tools on the market to choose from.

The main functions of each tool are:

1. **Content Management System (CMS)** is already within the marketing automation solution or there is integration with existing CMS solutions such as Wordpress.
2. **Search Engine Optimization (SEO) tool:** Content must be found; therefore, SEO tool is indispensable. A keyword managing tool is also useful.
3. **Social sharing:** Content must become subject of debate also on social media. Integrated functionality is useful as it enables sharing and monitoring content on social media.
4. **Generating leads:** In order to successfully generate leads, we need smart Call to Actions (CTA) and landing pages with forms to convert visitors into leads.
5. **Performance data:** It is good to know in real time how successful

individual content is (blog, e-book, social media post, etc.).

6. **Lead nurturing:** Royal discipline of any marketing automation tool. Automated email marketing saves a lot of valuable time, while smart lead scoring ensures the quality of contacts we forward to sales.

Marketing automation enables that all online activities are being managed and implemented in one place. Thus, we have constant access to all data, and we are able to closely monitor and adapt each step to the current situation. In the end, we get a contact list of quality leads (Saša Vutkovič, 2016).

When dealing with Marketing Automation tools, you need to be aware about the General Data Protection Regulation (GDPR), which is an EU legislation that governs all collection and processing of personal data from individuals inside the EU. GDPR requires that you, as a legal entity, only collect personal data from your users for specified, explicit and legitimate purposes, and that you obtain their clear and affirmative consent before doing so (Cookiebot, 2022).

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Chapter 5: Effective cashless payment methods for business in European countries

The new digital age and the role of e-commerce have led to the need for cashless means of payment worldwide. During the pandemic and health crisis due to the outbreak of COVID -19, the use of e-commerce transactions and cashless payments increased as part of the digital transformation. At the same time, businesses faced the need to develop websites and e-shops, and digital wallets (e-wallets) appeared to facilitate online transactions.

The European Union even passed a new law to greatly facilitate cross-border e-commerce to avoid or eliminate geographical exclusion, but also to provide better access for consumers. It has also adopted laws to improve consumer protection and the protection of personal data (GDPR) and has developed security guidelines for products sold online and to improve cybersecurity

In 2018, the use of contactless transactions within the Eurozone increased by 8%. Next year, in 2019, according to data from Statista, Iceland, Sweden, Norway, Denmark and the United States will be the countries using less cash, while the countries of Southern Europe, as well as Germany, Austria and Slovakia, will be the main users of cash

Cashless payments have increased sharply in many areas of commerce worldwide. Digital payments via cards or apps are now so widespread that some retailers no longer accept cash. The use of electronic wallets has also increased sharply, especially among young people. At the same time, many banks offer the option of contactless payment via a mobile device or smartwatch

In these apps, users can shop their cards, make quick transactions and keep a record of previous transactions. Payments are usually made using NFC or QR codes

Cashless payments not only reduce payment time, but also provide a solution to fraud and undeclared purchases that lead to tax loopholes. This payment method will also empower small businesses by allowing them to buy and sell more easily and quickly. At the same time, when e-shopping is supported, even people from remote areas have access to a company's products and services, and online shops are open for business 24 hours a day

According to a survey, two out of three European consumers say they are now more likely to use contactless payments than before the outbreak of the Covid 19 pandemic and now prefer this method. The survey results

show that all contactless card payments accounted for a quarter of all transactions in shops across Europe in the last 12 months (25%) and that "Europeans are increasingly switching to digital payment methods, with eight in 10 paying in e-commerce shops in 2021

It is very important for a business to know and adapt to the needs of the market. Especially with the outbreak of the pandemic, companies were asked to adapt to the new situation and go online.

Introduction

What are the advantages of cashless payments for businesses?

Cashless transactions offer numerous benefits to businesses. Initially, a large percentage of consumers in Europe use cards and have stated that they have not made a purchase because the business store did not accept cards. Thus, companies have access to a larger audience, while maintaining their reputation. In addition, the payment is faster since contactless card transactions take an average of only 3-5 seconds. In this case, the receipt can be sent by e-mail, which saves time but is an excellent environmental solution, considering the the number of receipts printed by a business. Finally, they provide security for transactions both for the costumer and for the business and each transaction is monitored and registered automatically. Of course, with the increase in the number of cashless transactions, challenges and issues of fraud, privacy and the digital divide have emerged such as the risk of cyber attacks

However, the EU has recently adopted a Payment Services Directive 2 (PSD2) on strict controls to make e-commerce more secure and reduce the risk of fraud for both customers and businesses. Moreover, to reduce the fraud rate, many companies use two-steps security.

Every successful business knows the importance of providing a good customer experience. Contactless payments can help by reducing waiting times and reducing paperwork. This makes contactless payments ideal for restaurants and shops, which tend to have longer customer waiting times. In addition, companies that accept contactless payments are proving to keep up with the latest technology and are sensitive to the changing needs of their customers. For cashless transactions, the business can have **Contactless Card Reader or Payment Terminal and Online Store.**

Theoretical part – GREECE

Electronic payments are constantly gaining ground in our country comparing to cash. This shift has been intensified during the pandemic, creating the need for these payments to be completed immediately all days

and hours of the year. An electronic payment must be completed, cleared, just like when we pay in cash (Naftemporiki, 2021).

The use of cards occupies a share of 52.6% in the cashless payments made in Greece, exceeding the corresponding European average which is around 49%. The Report of the European Payments Council entitled "The Greek payment landscape", which records pan-European the course of cashless payments, finds that in Greece card payments increased by 24.9% in 2019 compared to 2018 (November 2019). The use of web banking in Greece has been increased significantly by 59.4% since the previous year, with payments via electronic money accounting for 3% of the "pie" of moneyless transactions. The same percentage for Europe amounts to 3.6%, indicating the jump that Greece has recorded in payments outside a physical bank branch (Malliara, 2019).

With the growing popularity of card payments or other alternative methods, it is not surprising that the number of POS acceptance terminals has been increased by 20% (by approximately 376,000 terminals) from 2018 to 2020, in a number of countries in Central and Eastern Europe, with the corresponding increase in Greece reaching 17% (by approximately 116,000). For all countries, the number of POS from 2018 to 2020 has been increased with the Czech Republic (49%), Albania (40%), Ukraine (31%) and Romania (25%) recording the highest increase. Greece is the market with the highest POS distribution for 2020, which is estimated at 76,132 per million inhabitants. In this context, it seems that POS terminals used to accept electronic payments have recorded significant demand in recent years due to their ease of use, increased electronic payments, improved return on investment and – in some cases – due to legal obligations (Fortunegreece, 2021).

Apart from POS payment methods, which are usually connected to a bank, Greek businesses have also started using other effective methods of cashless payments, to serve their customers.

- **PayPal** is an online payment gateway that handles money transfers over the Internet. PayPal serves as an online alternative to traditional methods such as checks and payment orders. PayPal requires no additional (possibly costly) security or encryption measures for company's website, it is an internationally recognized service and trusted payment platform and, finally, everyone can pay with a credit or debit card, even if they do not have a PayPal account.
- **Skrill**, like PayPal, is an online payment gateway that handles money transfers over the Internet. Its advantages are the exchange rate, offering payments in 40 currencies and 200 countries; it has an established presence in the European Union, and it offers the Skrill VIP policy, in case

your business' transactions exceed € 6000 within a quarter, you automatically receive the privileges of your Skrill VIP account.

- The Greek company **Viva Wallet** is an electronic money institution licensed by the Bank of Greece. It provides businesses with almost all the services provided by the services, but it also has some that make it stand out. The most important additional benefit is the ability to use POS (Point of Sales - cash register) for trade stores and service companies, which is connected to your e-wallet and allows you to accept electronic payments to your trade or service company (Ergoq, 2021).

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Theoretical part – ROMANIA

Even though the Covid 19 pandemic in Romania has led to an increase in online payments, people are still reluctant when it comes to credit card payments.

When speaking about shopping online and according to the results of an

original research provided by Bucharest University of Economic Studies in 2020¹¹ there are segments buying in different ways such as:

- At least once a week -16,2%
- 1-3 times a month 36,7%
- Random frequency 41,8%

The most important reasons to buy online are

- Time saving – 70,2%
- Product comparison 51,9%
- Many variety of products 51,3%
- Cheaper online 48,3%

How internet shoppers pay for their purchase according to the same research is

- Cash on delivery -75%
- Online with card 56,3%
- Cash at the store 15,2%
- With the card in the store -14,0%
- Other payments

Those payment methods, and the low level of online payments have some reasons such as lack of trust to provide the card data, long time for money recovery when return goods or services, afraid of being cheated.

We need to say that during COVID 19 pandemic things changed. Moreover, the number of persons buying online increased because of the restrictions to go shopping in brick-and-mortar shops, or because of the virus contamination risks. In any case the most popular payment method remains Cash on delivery.

Cargus Romania and Alpha Bank Romania have signed a partnership to provide in the local market the most advanced card acceptance payment solution for delivery services.

Alpha PhonePOS is the first application launched by a Romanian bank which is capable to transform an Android mobile device into a POS terminal and allows contactless payment acceptance of debit and credit card or through other NFC equipped devices. By integrating this new technology into Android PDA terminals, Cargus will provide to their client's access to a flexible and secure card on delivery payment method without additional equipment.

The specificity of the Romanian market, however, is that consumers often pay in cash for online purchases. According to Cargus data, as many as

¹¹ Romanian consumer Behaviour and payment Choice in Online Shopping. A Marketing Perspective – Original research Mihaela Constantinesc PhD, Andreea Orindaru, Daniela Ionita, Stefan – Claudiu Caescu

65% of all online buyers choose the cash on delivery option when delivering their parcel.

Payment for the parcel at the Cargus courier is as simple as an in-store payment. It can be performed using a contactless payment card, a digital wallet phone or other wearable with contactless option. The payment instrument will be read using Nearby.

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Theoretical part – POLAND

In Poland there is a difference between billing a company and individual customers, it is worth to know that individual customer should have the choice of payment (by cash or cashless method). You must remember about the January 2023 when there will be restriction in payment above the 20 thousand PLN – every payment above this amount must be made in form of cashless payment, directly on the bank account of the company.

From 2022 every company who is recording sales using a cash register and sell their products to the customers must provide the cashless payment method. This is very stricter by the regulations but have couple of solutions., you must provide customers one of the following methods: BLIK payment, direct money transfer to your bank account and debit/credit card payment.

Financial settlements are easier between the companies. If you sell them your products or services you can settle the payment in two ways, if the payment is to 15 thousand PLN, you can receive cash, but every transaction above, must be paid by money transfer directly to the company's bank account. Be aware that from 2023 the amount of cash payment between companies will decrease to 8 thousand PLN.

Important notice: The company must transfer your money from their bank account to yours. Also pay attention to the currency of the payment, to not exceed the 15 thousand PLN (8 thousand in 2023) of cash payment converted to PLN.

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Theoretical part – SCOTLAND

The United Kingdom has taken significant steps towards becoming a cashless society. A survey conducted by *money.co.uk*, a finance website, ranked the United Kingdom fourth in cashless countries across Europe. More than nine in 10 British citizens over the age of 15 have a debit card and 65% have a credit card.¹² Furthermore, a survey from Mastercard shows that in UK, people do not have cash on them, as most businesses offer the ability to pay by card. Credit and debit cards are the two most popular payment options, with PayPal coming third. Moreover, 27 percent of customers have stated that did not purchase because they could not pay by card but only in cash. There were 1.8 billion debit and credit card transactions in the UK in June, 42.4% more than in June 2020, and 15.8% more than June 2019.¹³ Especially during the Covid-19 period, in 2020, cash transactions decreased by 35%.¹⁴ Consumers have begun to use debit and credit cards, as well as digital wallets, to make their purchases in the country. For this reason, most businesses now have this method of payment while some do not even accept cash at all. For contactless transactions, the limit for tap and pay was increased from £30 to £45 in April 2020 and now reaches £100

In fact, a recent funded study showed that cash payments will account for only 10% of total transactions in the next 15 years. The same study argues that a new, more efficient cash infrastructure is needed to keep cash in circulation for as long as society deems necessary. This is helped by the fact that low-income people living in rural areas, or the elderly still use cash and that there needs to be a plan for them too. These people are about

¹² <https://squareup.com/gb/en/townsquare/cashless-payments-guide>

¹³ <https://www.nationalworld.com/lifestyle/money/cashless-society-should-the-uk-replace-cash-with-digital-transactions-for-good-3418463>

¹⁴ <https://www.theguardian.com/business/2021/jun/16/cashless-society-draws-closer-with-only-one-in-six-payments-now-in-cash>

8,000,000.

But the use of digital wallets has also gained popularity recently. Digital wallets are even slated to compete with cards in the payment methods market in the future. The most common options are currently PayPal and Google Pay. Currently, the UK is the only European country where Address Verification Service (AVS) is supported. And there is strong publisher support for 3D Secure. UK Finance, the payments and finance industry union in the UK, said the country will raise its fee-free limit from £15 (\$17.43) to £45 (\$52.29). UK shoppers made 9.6 billion contactless payments in 2020, up 12% on the previous year. (2021). Finally, charities have also started to explore card readers for 'click and donate' to increase giving.

As for businesses, the commission they charge for depositing money is often more expensive than the card transaction fee. This is necessary for businesses to remain competitive. Even in the UK, where people used to pay cash, they now pay by card. Businesses need to establish a strategic business plan that includes cashless payment methods. There are several options for accepting cashless payment methods, such as iZettle and Worldpay¹⁵ This strategy should include the integration of epos (Integrated and unintegrated), the online store and reviews, digital wallets and evaluate them based on the customer experience and the total transaction time.¹⁶

Some of the digital wallets that are particularly popular are: Google Pay, Apple Pay, PayPal, Flint, PaySimple, Stripe, Square and Venmo.

- Regarding the need of cashless payments, you can watch the follow video;



- You can read more regarding a cashless society here;

¹⁵ <https://www.wellersaccountants.co.uk/blog/now-is-the-time-to-prepare-your-business-for-cashless-payment>

¹⁶ <https://www.opayo.co.uk/blog/cashless-payment-systems>

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Theoretical part – SLOVENIA

With the COVID-19 pandemic, our consumer and payment habits have changed drastically. New situation and living conditions have created new trends that will have an influence over future society and generations.

Before the pandemic, the choice of payment method by debit card, cash or mobile wallet was primarily a spontaneous decision, based on the preferences of the individual. However, this has not been the case recently. Cashless payments are booming now. Health concern of the individual prevails. Consumers have adopted new habits related to safety and hygiene during the payment procedure itself.

Due to the closure of outlets and shops, most purchases are now made online and via mobile applications. Not only have habits of how, what and where we buy (shopping habits) changed, but also habits of how we pay for purchased goods or services have changed. COVID-19 has significantly contributed to digitalization and to the move towards cashless payments, as well as to the increased usage of mobile payments and mobile wallets (Rolfe, 2020 as cited in Šuster, 2021, pp. 48–49).

Using mobile wallets is extremely safe. Mobile wallets use more security standards and mechanisms and are therefore safer than ordinary debit cards. The magnetic stripe on the back of the ordinary debit card is easy to read with magnetic scanners, which means a greater chance of data theft and misuse. The security aspect is crucial for mobile wallet developers and issuers, as there are sensitive data about the holder and his finances, which can easily become a fraud target. Mobile wallet security technology continues to improve and upgrade, however there are still many people sceptical about the security of mobile wallets use. Mobile wallet security technology includes strong two-factor authentication. Strong customer authentication is authentication using two or more elements that fall into the category of user knowledge (something only the user knows), user possession (something that is in the exclusive possession of the user) and inseparable connection with the user (something the user is), which are independent of each other. That means that a breach of one element does not reduce the reliability of others and that they are created to protect the confidentiality of the data being verified. When they are in use, most mobile wallets require a PIN, fingerprint or other biometric data. Biometric authentication is a security measure which uses biometric features to verify the identity of the person who tries to access the device. Biometric features are unique biological and physical characteristics of an individual, which are extremely hard to falsify.

An additional security mechanism of mobile wallets that uses top security and data protection technology is the tokenization system. This includes exchange system of dynamic tokens that are being used instead of actual card number, so they are not stored in the phone or sent to the retailer (Šuster, 2021, p. 65).

Mobile wallets in Slovenia

Contactless payments with a mobile wallet are an alternative to plastic cards. Mobile wallets in Slovenia are offered by most banks, retailers and telecommunications companies in the framework of their own brand. For companies, this option is simple, fast and cheaper. Below you can find some of the most prominent mobile wallets in Slovenia:

- mBills <https://www.mbills.si/>
- VALÚ <https://www.valu.si/>
- M Pay <https://www.mercator.si/aktualno/mobilna-denarnica-moj-m/>
- Mobile wallets of Slovenian banks (Meško, 2019)

Mobile wallets of fintech giants

There are many mobile wallets of various providers on the market that offer a wide range of different payment and other services. They constantly compete with each other for market share and offer more and more innovative services. The most recognizable issuers of mobile wallets in the world are Google Pay, PayPal, Apple pay, Samsung Pay, Amazon Pay,

Alipay, Facebook Pay, Venmo, Zelle, VeChat Pay etc. (Šuster, 2021, p. 52).

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Chapter 6: Shopping Behavior and Social Shopping

Introduction

*"Because the purpose of business is to create a customer, the business enterprise has two-and only two-basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of the business."*¹⁷

Why marketing? Because it is important for companies to fully understand consumer's behaviour whether they are a person or an institutional buyer.

When we talk about the buyer's behaviour is it good to understand how they decide? why do they prefer one place over another? How does increased access to information affect purchasing and spending choices? Deloitte's answer refers, for example, to the three R's - research, recommendations and returns - which may hold the key to consumer understanding.

Research

If we talk about research - it is based on digital technology that provides an unprecedented level of information. Here we can talk about influencers who may be completely unknown people but who can influence the purchase decision.

Recommendations and reviews

Recommendations and reviews on products, goods, services are increasingly sought after in the design of purchasing decisions.

Consumers are looking to gather information from

- Expert reviews
- User opinions

According to the EUROPE E-COMMERCE REPORT 2021 Customer reviews are, for an "important source of feedback, a trust enhancing mechanism, and a source of information for (potential) customers.

Within EU,

- 59% of e-stores offer customers the opportunity to write
- product reviews, and
- 23% provide consumers the option to review the company itself.

Returns

The possibility of return is an element that encourages the consumer to buy because one knows that within a certain time, they can return the product

¹⁷ https://www.forbes.com/2006/06/30/jack-trout-on-marketing-cx_jt_0703drucker.html?sh=431fad76555c visit 06.02.2022

without penalty or with a small penalty. In this case, remorse, dissatisfaction, poor evaluation of the product before purchase are good reasons for returns.

The aim of this chapter is to understand the consumer behaviour as an important issue for effective marketing, helping managers to make selling decisions.

Learning objectives:

- To place consumption in the context of human behaviour
- To identify consumer behaviour in the context of the evolution of the online shopping and social shopping

Buyer, customer, or consumer are three almost similar expressions and are treated as such:

Buyer¹⁸ - a person who has charge of the selection, purchasing, pricing, and display of the merchandise of a retail store

Customer¹⁹ - a person who buys a product or uses a service from a business

Consumer²⁰ - a person who buys goods and services

What do these people have in common:

Search for:

- Sources of product information?
- Ways to evaluate alternative products (opinions, reviews, social media, influencers)
- Information about other users (experiences)

It is informed / analysed:

- What is the value for money of the product
- What are the risks of purchasing the product / service
- What influences the purchase decision?

On the other hand, B2C aim to find out:

- Who / what influences the decision to buy or use a product
- How is brand loyalty formed and changed?
- What are the internal factors that affect the purchase decision (psychological, personal, social)

To summarise, a typical definition of consumer behaviour might be the following:

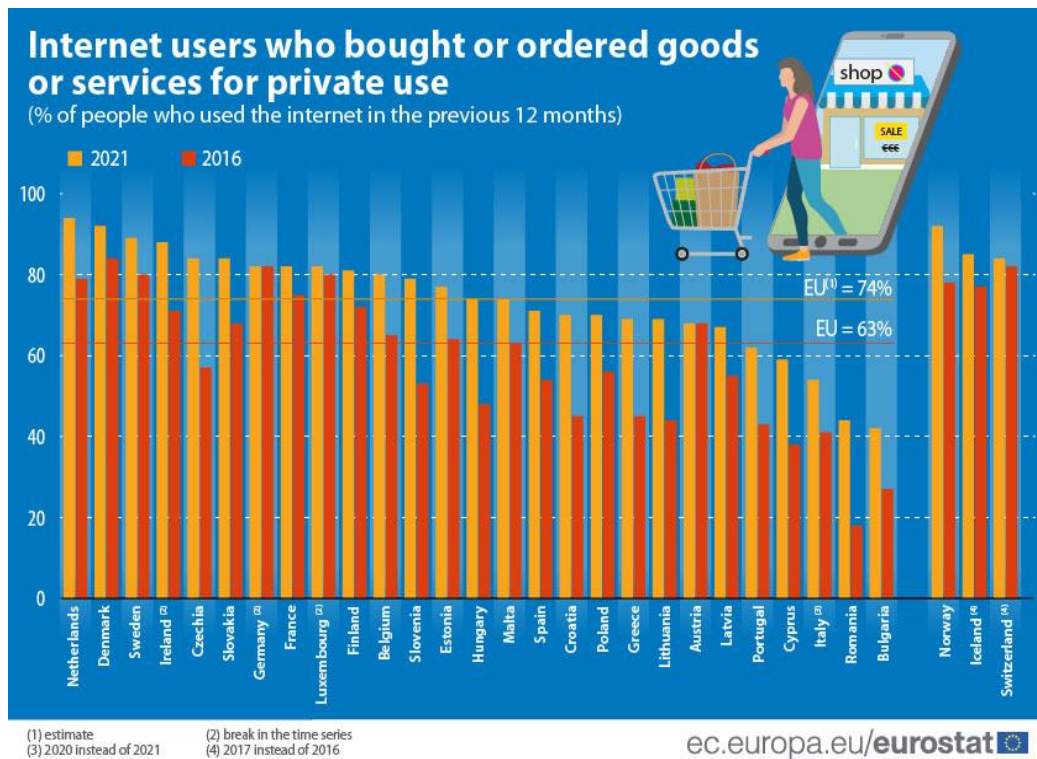
¹⁸ "Buyer." *Merriam-Webster.com Dictionary*, Merriam-Webster, <https://www.merriam-webster.com/dictionary/buyer>. Accessed 7 Feb. 2022.

¹⁹ "Customer." *Merriam-Webster.com Thesaurus*, Merriam-Webster, <https://www.merriam-webster.com/thesaurus/customer>. Accessed 7 Feb. 2022.

²⁰ "Consumer." *Merriam-Webster.com Thesaurus*, Merriam-Webster, <https://www.merriam-webster.com/thesaurus/consumer>. Accessed 7 Feb. 2022.

- The mental, emotional and physical activities that people engage in when selecting, purchasing, using and disposing of products and services so as to satisfy needs and desires.²¹

According to Eurostat²² 74 % of internet users in the EU shopped online in 2021 and 42 % of e-buyers made purchases for an amount between 100 to less than €500 in the last 3 months prior to the Eurostat survey.



Consumer behaviour types

We all are consumers hence consumer behaviour is an integral part of our daily lives. But we are not all the same and psychological and social processes involved in buying and consuming goods and services make the difference.

The literature recognizes four types of consumer behaviour:

²¹ Edinburgh Business School - Consumer Behaviour Jane Priest, Stephen Carter, David A. Statt

²² https://ec.europa.eu/eurostat/statistics-explained/index.php?title=E-commerce_statistics_for_individuals#General_overview

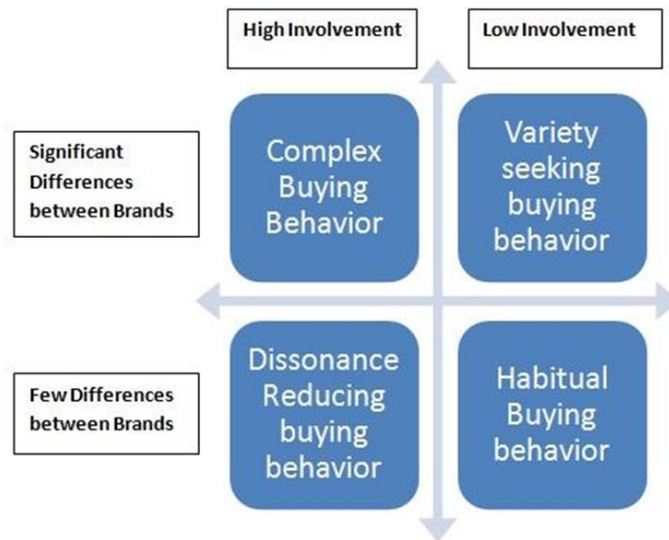


Figure 3 Source: https://clootrack.com/knowledge_base/types-of-consumer-behavior/

1. **Complex buying behaviour** - Buying something very expensive such as a house or a fancy car. People in this situation
 - make in depth research before the purchase decision,
 - look for advice (family, friends, specialists)
 - inform themselves from multiple sources,
 - search online for the market offer and look for alternatives, pros, and cons
2. **Dissonance-reducing buying behaviour** – buying infrequent a good or a service. Because of a low availability of choices with less significance differences among brands and prices, consumer do not have many choices and lot of research is not necessary for purchase decision.

Some characteristics:

 - Infrequent purchases
 - Low availability of choices
 - Limited decision making
 - Time limitations
 - Budget limitations
3. **Habitual buying behaviour** – is daily buying for each customer. It does not include too much thinking it is more about the attitude. For example, while a consumer buy bottled water, he always tends to buy the familiar brand without a lot of research and time investment. He knows the product and like it.
4. **Variety seeking buying behaviour**

The buyer from this category enjoys changing own buying decision as there is plenty of brands on the market and there are low costs to make the decision.

For example, the consumer buys a certain bottled water one day and change it next day to try something new.

More about consumer behaviour types you can have a look to the YouTube: Steven Fob²³ - Four Types of Buying Behaviour
<https://www.youtube.com/watch?v=Bnrdiv-7ndFo>

What is social shopping?

Well, social shopping can be seen as an adventure of buying things combining e-commerce with social media, allowing people to buy directly on different platforms like Facebook, Instagram and Tik Tok.

The importance of social shopping is a two-way road. On the one hand there is a huge consumer bases that can buy easy via social media platforms and on the other hand companies can put their storefront directly on the platforms.

According to the 2021 European E-commerce Report²⁴ :

- 93% of the European web shops display their social media channels on their website
- The most popular media channels used by online stores are Facebook, Instagram, and YouTube
- Less frequently used social media platforms are Tumblr, Snapchat and TikTok.
- Web shops from Northern Europe have fewer Pinterest (8%), YouTube (55%) and Instagram (69%) accounts on their website.
- Additionally, Twitter is much more popular among e-stores in Western Europe (71%) and Southern Europe (53%), compared to Northern Europe (24%) and Eastern Europe (26%)

According to the same report the most preferred use of contact options in EU 27 are:

- Phone call = 90%
- E-mail = 74%
- Contact form = 66%
- Chat = 47%
- Instant messaging/VOIP = 11%
- Fax = 8%

²³ Steven Hob Four Types of Buying Behaviour

<https://www.youtube.com/watch?v=Bnrdiv-7ndFo> visited 13.02.2022

²⁴ <https://ecommerce-europe.eu/wp-content/uploads/2021/09/2021-European-E-commerce-Report-LIGHT-VERSION.pdf>

Knowing the preferred contact options of consumers help web shops to design proper communication channels to rich consumers.

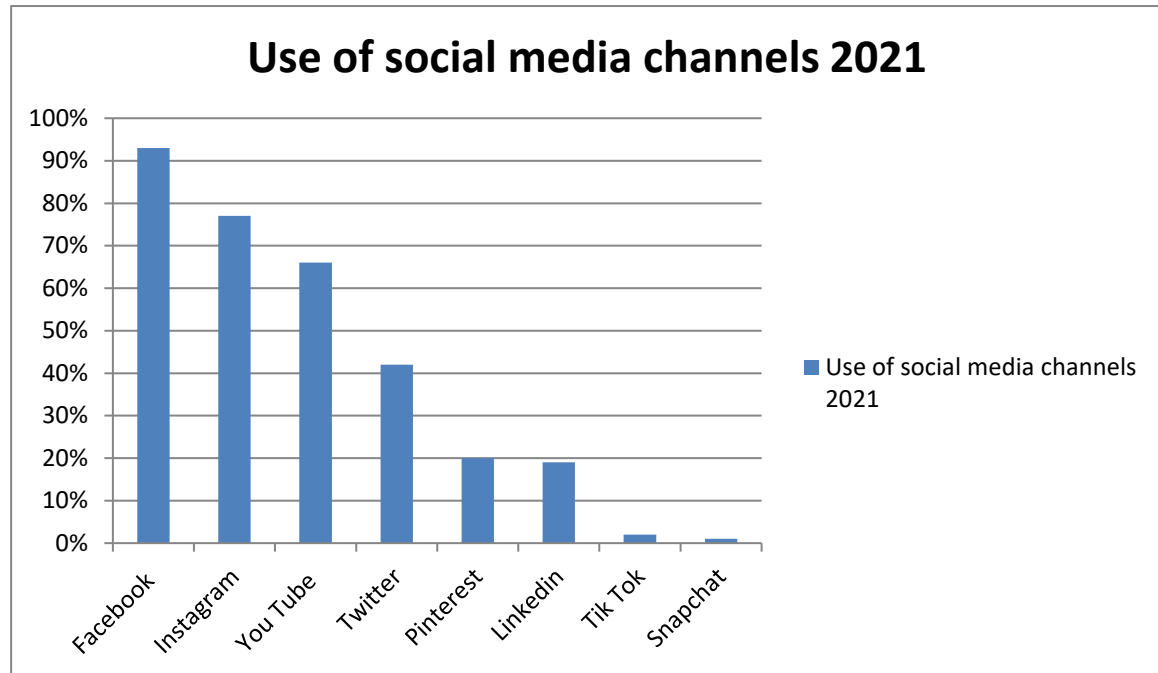
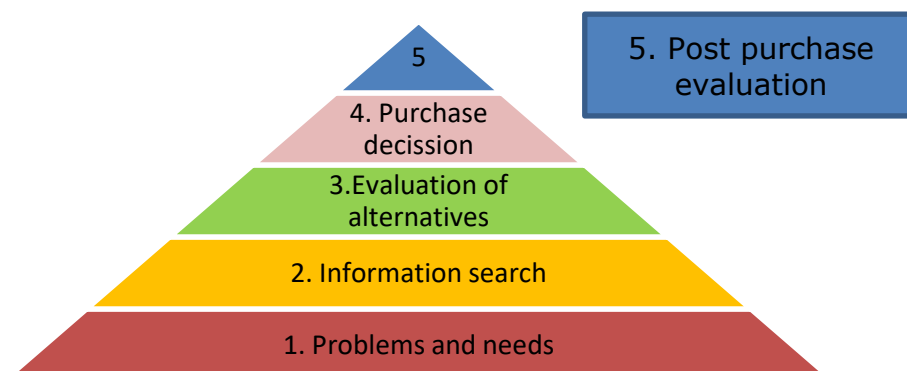


Figure 4 Source: EUROPE E-COMMERCE REPORT 2021

All these information shows that selling through social media channels is onnected to disruptive B2B, and B2C techniques. Starting from the 5 Stages of the Consumer Decision-Making Process²⁵, let's see how they changed.



²⁵ 5 Stages of the Consumer Decision-Making Process and How it's Changed <https://www.youtube.com/watch?v=a9lpVg54u-k>

1. Need identification - is the point at which the consumer identifies the problem, need or desire. It is an area quite little used by companies that, at this moment, could create the need and use every channel to get customers to their products. The need identified is linked very close to the point 5 post purchase evaluation.

Moreover, for the B2B or B2C it is strongly important to answer two questions:

- What problem your product or service solve?
- Is it easy enough for customers to find your brand using normal search engines?

Example: You are a knitting accessories vendor, and COVID 19th kept people in the house. So many people have tried to spend their time with various hobbies, one of them being knitting. So, in a simple search it appears, and obviously many more

In our case, the first three that appeared are: Alibaba, Made in China, Amazon.de

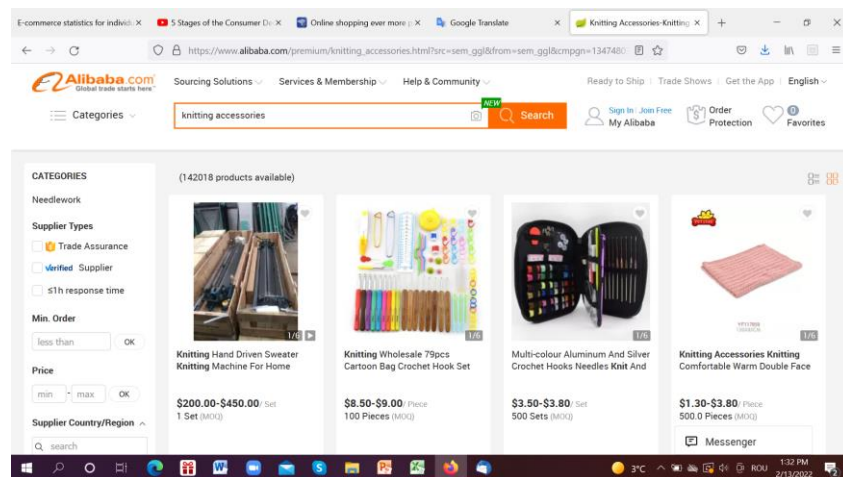


Figure 5 Website visited 13.02.2022

2. Information search – years ago, buyers did not have many sources of information about certain products or services they needed. Therefore, they used family and relatives as a resource, newspapers, TV networks, and a daddy. Today, the multitude of information around us is possible thanks to the Internet, electronic applications, social networks, and much more. For B2C it is a great opportunity and a need to provide information that helps potential customers get informed.

The question buyers want to answer to is, If I need a product from which place will I buy it, who will offer me what I need?

For B2C and B2B is very important to answer this question. If they manage to do so, here is the point where the revenue is coming for the company.

- 3. Evaluation of alternatives** – people are very interested to find and buy the best from the alternatives they have. At this point they will not look to your website, your apps, but they will check against other people recommendations and reviews. The research companies are providing information to customers and companies need to be part of this process because you do not control anymore what other people think about your product, but other people control that.
- 4. The purchase decision** – having in mind consumer behaviour that is different based on buyer models. Here some examples:

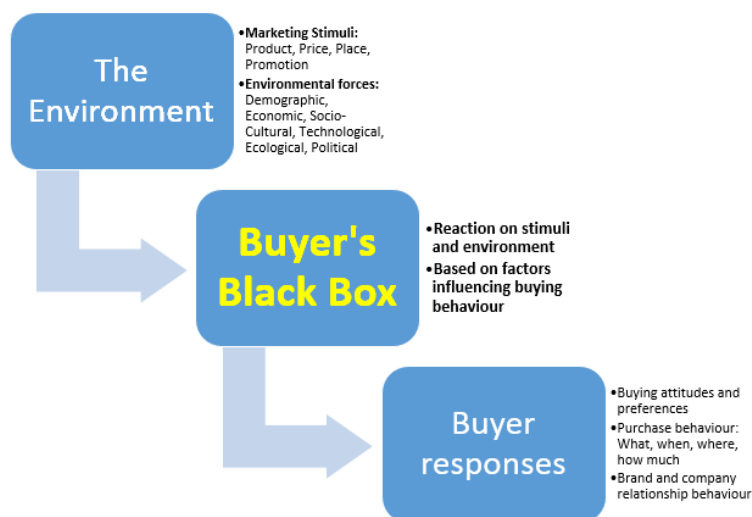


Figure 6 Source: <https://marketing-insider.eu/buyer-black-box/>

The buyer`s decision is influenced by cultural, social, psychological factors that cannot be easy influenced but B2B or B2C need to know them. They are:

Cultural factors	Social	Personal	Psychological
Culture	Social networks	Age and lifetime	Motivation
Subculture	Small groups	stage	Perception
Social class	Family	Occupation	Learning, memory and thinking
	Role & status	Economic situation	Beliefs& attitude

Figure 7 Source: Marketing Insider, 2019 <https://marketing-insider.eu/buyer-black-box/>

- 5. Post purchase evaluation** – when speaking about purchase evaluation,

as always, not all customers are happy with the goods or services bought. Return possibility encourage buying. At this stage B2B and B2C need to gather as much feedback as possible to realize what is wrong and to improve the situation.

Theoretical part – GREECE

Consumers in Greece take time to search and use more interfaces than shoppers across the CEE region. IPSOS and Google CEE1 polled 4,500 customers about a variety of items and services, including notebook computers, televisions, and mobile phone contracts.

Greek customers, in comparison to their regional counterparts, spend more time searching across interfaces and prefer to make offline purchases. Between 25% and 40% of Greek customers did not have a specific brand in mind at the start of the purchasing process. The fact is that many customers aren't loyal to brands; rather they are devoted to products and services that make the most sense to them at the moment of decision making. Greek consumers are more ready to do in-depth research across both online interfaces and physical stores. They use more interfaces and search through them so much more frequently than their regional counterparts.

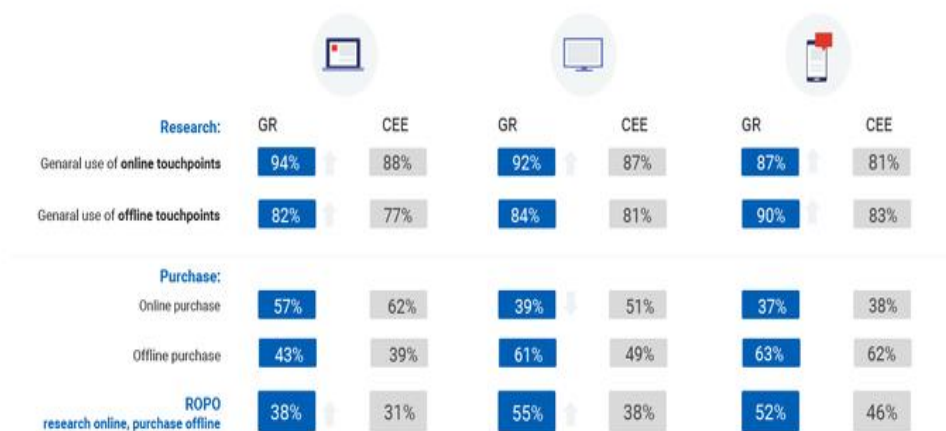


Figure 8 Source: Protasiuk, 2019

Greeks are careful bargain seekers who spend their time searching price comparison websites, product specifications pages, while looking for ideas. The majority of customers are comparing costs and looking for specials, but a sizable percentage are seeking for inspiration and what's on the market (Protasiuk, 2019).

As far as COVID-19 period is concerned, Greeks have slightly altered their shopping habits. The findings of the Future Consumer Index Greece 2021 survey clearly show that individuals are not merely consuming more items and services at home. Their entire lives are being rebuilt around their homes.

Consumers in Greece are most concerned about the economic impact of the pandemic. As a result, individuals prefer to spend less today, purchasing only what is absolutely necessary and saving more. Over the next three years, this tendency is unlikely to change. By far the most important purchase factor will remain price. Greeks will continue to spend the same amount on most things as they did during the pandemic, and in the few cases where they will modify their spending, it will be primarily downward. Many customers indicate they are willing to pay more for products that have unique features. Items made in Greece, high-quality products, and products that offer comfort, practicality, and convenience are among them. Consumers' willingness to pay a premium for a product, on the other hand, differs significantly between demographic groups (Mavros, 2021).

Social Shopping in Greece.

Social commerce services, such as the Commerce Manager of Facebook for sales on Facebook and Instagram, are currently not available in Greece (Synergic, 2020).

According to a NielsenIQ survey of 850 Greeks online last September-October, 6 out of 10 said they had already bought from online shops, through social media platforms, with new age groups remaining the main driver of the channel. Facebook remains the most popular platform for buying goods on social networks, with 52% of online shoppers in Greece using it for this purpose. It is followed by Instagram, which is preferred by the younger generation (18-24 years old) – with almost half (49%) of respondents in this group saying that they use Instagram for online shopping.

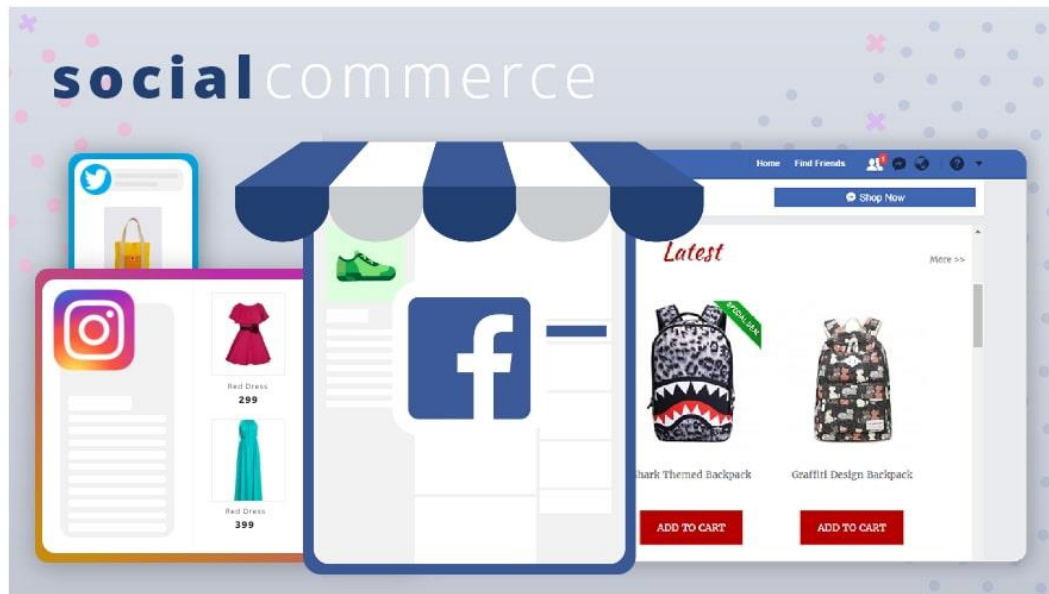


Figure 9 Source: Synergic, 2020

The rise of social commerce is associated with an increase in the use of social media and the average time that some people spend on them. In Greece, 7 out of 10 Greeks said that they increased the time they spent on social media from the start of the lockdown from last March until today (Gkitsi, 2021). The growing amount of time most people, especially the younger generations, are devoting to social media applications has made social commerce an undisputed trend for e-commerce in the upcoming years. Equally important is the emerging preference of young users on social networking platforms with video and photos as the main content. This fact is confirmed by the significant percentage of young people moving from Facebook to platforms such as YouTube, Instagram and Snapchat. This is a very important parameter that companies should include in the preparation of their marketing strategy for the upcoming years (Synergic, 2020).

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Theoretical part – ROMANIA

According to Eurostat (2021), the highest shares of internet users who bought or ordered goods or services over the internet in the 12 months prior to the survey were recorded in the Netherlands (94%), Denmark (92%) and Sweden (89%). On the other hand, fewer than 50% had shopped online in Romania (45%) and Bulgaria (42%).

Based on the EUROPE E-COMMERCE REPORT 2021,

- Romania growth rate (B2C) is 30% compared with GR -77%,
- Romania e-GDP 3,51% compared with GR 6,65% and Denmark 7,29%
- FREQUENCY OF ONLINE PURCHASES IN THE LAST THREE MONTHS, 2020, Romania –
 - o 2% six times or more
 - o 10% 3to 5 times
 - o 14% 1-2 times
- ONLINE PURCHASING NATIONALLY AND CROSS-BORDER, THREE MONTHS, 2020
 - o From national sellers = 97%
 - o From sellers from other EU countries=10 %
 - o From sellers of the rest of the world (non-EU countries) = 4%
 - o From sellers from unknown countries =2%
 - o From sellers from other countries (EU or non-EU) =1,2%

There is a clear approach based on Romanian customer behaviour. Year 2020 was the first year of severe COVID 19 restrictions and customers started buying online because of the less brick and mortar shopping, restricted almost all the year.

Estimates, for the e-commerce sector – it exceeded the 5.6-billion-euro threshold at the end of 2020, 30% more than in 2019 when the value of e-commerce was estimated at 4.3 billion euro²⁶. The transactions generated in represents the e-tail segment only, and does not include services, utility bills, digital content or plane tickets, vacations & travel, hotel reservations, show tickets or other events. Food was one of the most important buying

²⁶ <https://www.gpec.ro/blog/en/gpec-romanian-e-commerce-2020-report-5-6-billion-euro-worth-of-online-shopping-a-30-yoy-growth>

and Food Panda was the star.

However, when discussing the behaviour of the Romanian buyer, we must also take into account the way he pays. The Romanian buyer feels the most compliant when he pays the moment, he receives the products. The pandemic has a massive effect on cash usage in Romania²⁷. "The number of people paying physical money decreased from 45% to 21%. Meanwhile, the popularity of contactless cards reached 59%." But the Romanian consumer still feels secure to pay « Cash-on-delivery »

The reasons for this behaviour can be²⁸

- It is more convenient = 59,6%
- Had no other available way=42,5%
- It is safe=28,3%
- "True online commerce" also means electronic transactions=25,9%
- Other =2,4%

Customer behaviour in Romania is changing. While last year the development of e-commerce projects came from the fashion industry, followed by the electrical IT and DIY industries, the biggest increases in the current year are likely to be reported by industries such as retail and distribution, logistics and transport, technology, but also health.

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²⁷ <https://ecommercenews.eu/popular-payment-methods-in-europe-in-2022/>

²⁸ Romanian Consumer Behaviour and Payment Choice in Online Shopping. A Marketing Perspective

Mihaela CONSTANTINESCU*, Andreea ORINDARU, Daniela IONIȚĂ, Ștefan-Claudiu CĂESCU, DOI: 10.2478/9788366675162-006

Live Shopping, Direct-to-Consumer și comerțul conversațional, printre cele mai importante tendințe în e-commerce în 2022 – Roxana Vasile:
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Theoretical part – POLAND

Social selling will certainly develop at a very fast pace in the coming years. This is undoubtedly a new trend that has accelerated, among others, as a result of the Covid-19 pandemic. The majority, as many as 86% of buyers, are satisfied with the transactions made so far, and more than half of them declare that they will repeat purchases in this form in the near future.

According to the report: "The power of social & live commerce report", carried out in 2021 by the Foundation of e-business women, it was shown that 27% of Poles make purchases via social media. Every fourth Pole made a purchase in the process live broadcasts in social media, including 10% often shop like this. It is estimated that 18% of Poles sell on social media.

It follows that it is worth considering this method of sale when thinking about entering the Polish market, targeting Polish consumers.

Who buys and sells on social media the most? Mainly young women up to 34 years of age from smaller towns and villages. Therefore, messages and products should primarily be addressed to them.

Where do transactions most often take place? Through Facebook.

What do Poles most often buy via social media? The most popular industries thanks to which social commerce in Poland is growing in strength are: clothing and footwear (which 45% of Poles bought through social media, and 41% have experience with selling this assortment in this channel), books, CDs and films (respectively: 27% and 23%), cosmetics / perfumes (27% and 18%) and children's goods and toys (24% and 17%).

And what discourages you from buying or selling via social media? Shopping habits related to the choice of stationary stores, the possibility of touching or seeing a given product live. An important deterrent is the concern about the security and quality of transactions (fraud, problems with complaints, etc.).

Why do Poles decide to shop through social media? Because they consider this solution to be simple, quick and convenient, personalized (well-suited to current needs), and in addition, allowing you to choose a favourable price, thus affecting savings.

Purchases made during the so-called Live broadcasts attract Polish customers more and more often, attracting interest in terms of form and

price, but most of all they engage emotionally. It is a form of shopping liked by consumers (42%) and simply addictive (according to 39%). Therefore, it is good to consider introducing this type of product or service presentation.

How do Poles like to buy? Preferably on social media by contacting the seller directly or by clicking on links redirecting to sales platforms and e-shops. That is why it is worth carrying out activities in accordance with the principles of systematic and reliable communication via instant messaging, as well as ensuring the quality of the page to which the redirection from social media will lead.

How often do Poles buy? We have been buying for at least 2-3 years (39%), at least **once a month** (47%), mainly by smartphone. Therefore, one should remember about appropriate responsiveness and matching of messages to smartphones in terms of technology and frequency, expecting that regular customers will buy from us once a month.

How much is a standard Pole able **to spend on** a one-off transaction concluded via social media? On average, such purchases are spent between **PLN 50 and PLN 200** (41%). It is an important hint when pricing individual products and services.

Attention! Poles most willingly and most often **pay with BLIK** in such transactions, it is necessary to remember about it, or to profitable sales to Polish customers. Without the possibility of using the BLIK payment option, it is very likely that a potential customer will change his mind, believing that a standard transfer takes too much time.

You should also remember about the **form of shipping**. Many Poles prefer to ship to **parcel machines**, at an affordable price **around PLN 8** or cheaper. Too demanding commitment to collection or an expensive shipment may turn out to be a "deterrent" and discourage a potential customer from purchasing.

A few words about sales in the style of social selling in Poland from Polish sellers.

Why is it worth considering this form of sale in Poland? Because it is cheap and easy for the seller, and in addition it allows you to better reach the target group.

How is it sold most often? For example, by inserting photos of products / services with a description or a post informative. Polish sellers willingly use Facebook Marketplace, Instagram Shop and external advertising and auction portals.

How to most effectively reach potential customers? The most frequently used for this are promoted posts and word of mouth marketing, i.e., a system of recommendations and recommendations from friends.

What kind of sales effect can you expect? On average, up to 10 transactions / month are carried out, so income from sales via social media is a more additional source income than a way to earn regular earnings - the most common average monthly income from sales via social media is no more than PLN 1,000 (31%). However, taking into account how this form of sales is developing and the fact that the sales technique itself is easy and fast and reaches potential customers, it is worth using it.

The key challenge is strong competition, and therefore effective promotion of the store / seller in order to better reach the customer.

The most popular social networking site through which Poles make purchases or sales is Facebook. Slightly over 80% of people who buy or sell via social commerce use this website for these purposes. Competitive portals are far behind, although they also have their supporters. Apart from Facebook, social commerce is also visible on Instagram and YouTube. Poles spontaneously include social networking sites such as Vinted, OLX or Allegro. Few Poles, however, make purchases on TikTok, Snapchat or Pinterest (about 7%, and 82% from Facebook).

What to remember when designing a promotional strategy in social media in Poland?

Social media is an integral part of the life of many Poles, which certainly favors the development of social selling in this country. As many as 71% of respondents have been using social networking sites for at least 5 years, using them practically around the clock - from early morning to late evening hours. This shows that social media has settled in for good in our lives, filling every "slower" moment of the day.

Social networking sites are most often visited in the evening - between 6.00 p.m. and 10.00 p.m. - every second respondent (53%) most often uses social media during these hours, which may show that they are treated as "entertainment" / relaxation after the whole day, as well as checking what is happening with our friends or people we follow.

The above conclusions quite well illustrate how strong the potential of social commerce can be and how effective this sales channel can turn out to be - since we have been using social networking sites continuously for several years, all day long, it is a chance / temptation to make fast, adapted to our needs and shopping preferences, which are done "while browsing" the portal, is quite high.

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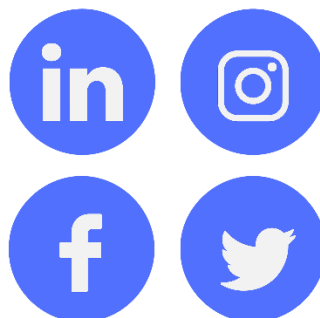
Theoretical part – SCOTLAND

The United Kingdom is a mass consumer society, even though ecological and responsible consumption is growing, and ethical and environmental business practices are becoming increasingly important. Especially after the pandemic and the restrictions, the e-commerce is becoming a very important market. 6 out of 10 British pay attention to the product origins (Export Entreprises SA, 2022).

Only in 2020, 6 in 10 British consumers had bought at least one garment online in the last 12 months, making clothes their first choice. Then follow electronic items, cosmetics etc. (D. Tighe, 2021)

Before making a purchase, over 60% of shoppers look for the product or similar product online by reading reviews from previous customers.

90% also stated that they usually avoided buying from a company with a 4-star rating, making it vital for e-retailers to provide quality products and customer-friendly services. (D. Tighe, 2021)



Of course, the pandemic had a significant impact on world trade. In the UK, 70 per cent of British respondents said their online shopping had increased

compared to before the pandemic. Even before the pandemic, e-shopping in Britain, mainly in electronics, was in high numbers. The main area in which change was observed was the purchase of clothes with 28% more consumers preferring to buy clothes electronically, compared to the period before the pandemic (Justine L'Estrange, Emily Allen, 2021). At the same time, the age range of online shopping has increased. Of course, the pandemic did not completely change the way they choose to shop. As can be seen in the table below, for example in the field of beauty, the pandemic does not take high positions in the ranking. Also, the same research conducted in collaboration with Google and Trinity McQueen shows that at this time, even at a young age, a hybrid shopping model is preferred. (Justine L'Estrange, Emily Allen, 2021)

For marketers:

- The above data show that even if retail is a priority, the image of a business on the internet is very important and in no case should be neglected (Justine L'Estrange, Emily Allen, 2021).
- Be competitive on price. 35% of costumers in the UK use comparison sites for this purpose (WordBank).
- Build loyalty. 65% of UK consumers claim to be loyal shoppers – above the global average of 61%. Loyalty programs are also popular. 73% of 18-24-year-olds in Britain think they’re a good way for brands to reward customers (WordBank).
- Focus on the lifestyle aspect of the brand (WordBank).

Top 5 reasons that beauty shoppers shop online:

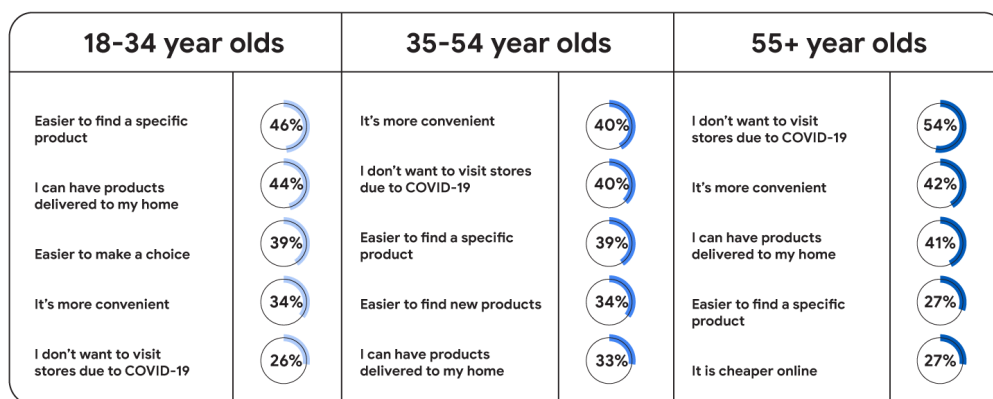


Figure 10 The shift in shopping: The data that reveals the permanent changes to U.K. consumer behaviour, Justine L'Estrange, Emily Allen

Social Shopping

Purchases through social media are increasing in the United Kingdom. Nearly a quarter of shoppers in the UK use social media to discover new

products, according to US-based software company Bazaarvoice's 2021 annual shopper experience. (Jessica Paige, May 6,2021). Social shopping takes place mainly through Instagram, Facebook, Pinterest, Snapchat and Tik Tok. However, it is important to recognize that social commerce is aimed at younger consumers, especially among Generation-Zs, i.e., people aged 25 and under.

Based on the findings of the above research, 43% of ages 18-24 and 47% of ages 25-34 choose to look for new products through social media. 33% even go ahead with the purchase of products. (Jessica Paige, May 6,2021)

When asked about product sampling, 87% of respondents in the UK said they would like to receive free samples, 51% said they would be willing to write a review for free products and 28% said they would post about it. product on social media. (Jessica Paige, May 6,2021)

By allowing the customer to cash in directly through social media platforms, social commerce removes unnecessary steps and streamlines the buying process. Also, many websites do not have a mobile version, so it is difficult for the consumer to navigate the website and not make a final purchase, unlike the social media platforms that have been built to be mobile friendly (BigCommerce).

Also with canonical markets, marketers target a much wider audience and therefore require a careful business presence on social media.

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Theoretical part – SLOVENIA

Last year, the shopping behaviour of most consumers was focused on the internet, as according to Statistical Office of the Republic of Slovenia. In the first quarter of 2021 as many as 59% of consumers aged 16 to 74 shopped online and were thereby leading to increasing normalization of online shopping. But what has kept consumers online and what can we expect in the coming years? It seems that consumers are turning to online shopping not only out of necessity and convenience, but also or perhaps because of the safe environment in the face of the pandemic (Polanec, 2022).

The recent Shopper's Mind 2021 study, conducted by a consortium of partners Valicon, iPROM and Ceneje.si, shows that the growth trend in online shopping continues. In Slovenia, online shopping is becoming more frequent and more intensive. Most purchases are recorded in the categories of fashion, electronics, home and garden, and the average value of the purchase is almost 100 euros. 73% of Slovenians make four online purchases per year, with just under half of those who shop regularly using a smartphone and debit cards most often. The age structure of online customers has not changed in the last three years (2019-2021). Representatives of Generation X (44%) and Z (33%) are among the most numerous online customers.

A comparison of purchases between domestic and foreign online shops shows that the vast majority of customers shop in domestic shops (84%, the average purchase value is 102 euros), while 16% of online purchases are made in foreign online shops (the average purchase value is 56 euros).

Among the most frequently used means of payment in the last three years, cards of all kinds predominate in 2021 (55%), followed by cash (29%) and payment by proforma invoice (13%). A comparison between generations shows that generations Z, Y and X are more likely to prefer card payments than the baby boomer generation, but these differences have narrowed slightly over the past two years.

In the last two years, online shoppers have most frequently made purchases via smartphones (with the help of which as many as 55% of purchases were made in 2021). Computers (laptops and desktops) are still important - 38% of online shoppers make their purchases via laptops and 32% via desktops. A good third of online purchases are completed by consumers via mobile phones (38%), just under a third via laptops (31%) and a good quarter (26%) via desktop computers (Guest author, 2021).

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