

# HERMENEUS MARKETPLACE PLATFORM

AZTI

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**Project acronym: Smart Food Supply Chains**

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**Internal template:**

**Template for good practice cases**

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**Work package title: Technological and non-technological innovations**

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<b>Dissemination Level</b>		
<b>PU</b>	<b>Public</b>	
<b>PP</b>	<b>Restricted to other program participants</b>	
<b>RE</b>	<b>Restricted to a group specified by the consortium</b>	
<b>CO</b>	<b>Confidential, only for members of the consortium</b>	<b>CO</b>

**1. Title of the case description**

HERMENEUS MARKETPLACE PLATFORM

**2. Indicate your role in the Smart Food Supply Chain:**

- individual member of the chain:
- chain operator:
- network operator:
- association:
- technical, scientific, or management expert:
- advisor:
- policy maker:
- other: .....

**3. Indicate the region (if applicable):** world-wide supplier network

#### 4. WP2 Cross-reference table

Please indicate with an X in the relevant box of the matrix for which needs and the steps / functions of the supply chain the described innovative solution is applicable

		Individual steps of the SFSC							Short food supply chain as whole						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
Needs of the consumers (citizens)	food safety														
	food quality	X	X	X	X	X	X	X	X	X		X			
	trust	X	X	X	X	X	X	X	X	X					
	ethical aspects	X	X	X	X	X	X	X		X		X			
	accessibility	X	X					X							
Needs of the chain actors	fair price	X	X	X	X	X	X	X							
	increased negotiating power	X	X	X	X	X	X	X							
	shared use of available resources														
	product development support														
	access to markets and consumers	X	X												
	access to infrastructure														

- 1: Farming**
- 2: Primary production**
- 3: Transport**
- 4: Processing and packaging**
- 5: Storage**
- 6: Logistics**
- 7: Sale**
- 8: Product integrity, authenticity, transparency**
- 9: Marketing concepts**
- 10: Food chain management and networking for enhancing cooperation among chain actors**
- 11: Business modelling**
- 12: Policy environment**
- 13: Legal requirements**
- 14: Labelling**

## 5. Short description of the innovative solution

- **Describe the specific need or problem being addressed by the case and please explain what is the novelty of this innovative solution**

The novelty of this solution “Hermeneus marketplace platform” is that is a free and responsible consumption community, in which sellers and buyers contact directly to buy and sell products and services without any intermediation. This make it possible for the buyer to pay a fair price for the products and for the seller gives the following advantages to:

- Have an opportunity to receive the right reward for their effort,
- Open their own online store in just a few minutes and with a minimum cost
- develop their own online sales strategy and get the full performance of their work
- Offer a better service to their current clients and contact new potential customers through our community
- Connect directly with buyers and sellers throughout Spain and offer them their products and services
- Connect with logistics professionals and optimize their distribution processes
- Benefit from being part of a community of users involved with local commerce

Moreover, there are restaurants in the web where you can taste the products that have been bought by Hermeneus platform.

- **Describe the enabling function(s) and the practical benefit(s) - (e.g. for which types of problems and opportunities is used and can it be used, and how)**

In Hermeneus sellers and buyers are in direct contact by means of the use of an application. In Hermeneus buyers are registered by paying a unique quote per year (about 363€) but there is no commission per sale (neither for the buyer, nor for the seller).

Hermeneus have the following characteristics:

- Turnkey solution: you will not have to install any software or perform tedious work. Create your own store in minutes.
- Maintenance included: To dedicate yourself to your customers, Hermeneus take care of all maintenance.
- Servers included.
- 100% responsible
- Secure payment methods and data management
- Direct communication between buyer and seller
- 0% commissions per sale. For you to receive the right reward for your effort

The practical benefit for both buyers and sellers is that there is no intermediaries between the transaction, so the product has a fair price and the seller is correctly paid for their effort

- **Describe the method/procedure/technology/solution implemented. (Please explain, whether the innovative method is a product / service / process / marketing or organizational / management innovation) After completing the description, please indicate, whether this innovation is a technological or non-technological one.**

The business innovation “HERMENEUS MARKETPLACE PLATFORM” is a project that seeks to strengthen local consumption, eliminate the digital gap in the primary sector, enhance good eating habits and minimize CO2 emissions and facilitate access to transparent and neutral information.

This digital platform was launched in 2011 and nowadays there are 200 sellers, more than 35.000 buyers registered and more than 3500 products at on-line sale.

To be part of the Hermeneus community is very simple:

- If you are a buyer, you only have to enter in the web page, insert your postal code and select the items you want to buy, insert your personal data, payment and sending options and the products will be delivered to the address you have selected.

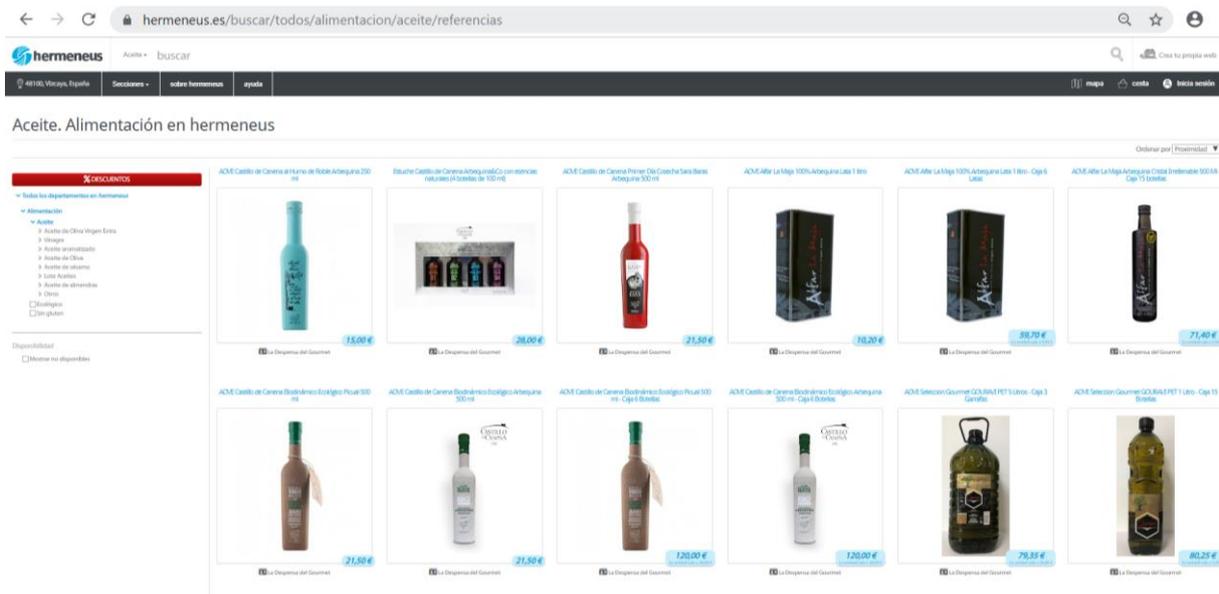
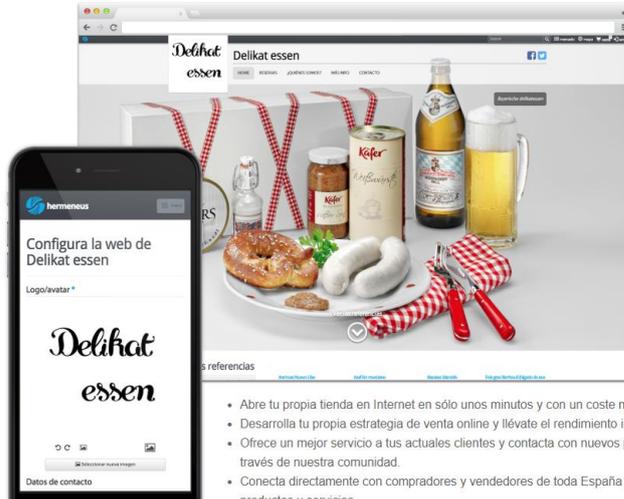
- If you are a seller, you must register yourself, create your online shop that will take you a couple of minutes and you can create your own marketing strategy. The order or the customers will arrive to you directly and you could prepare the sending directly to your customer.

technological

non-technological



## Existe en Internet



1. Figure: Hermeneus web page

- Describe the business, which implemented the innovated solution (size, country, region, location, type of food)

This innovation can be used for a small/medium sized business and no matter of the country region, location of type of food.

- **Describe the distribution channels of the product(s)**
  - The distribution channels of the products are the conventional ones by shipping agencies
  
- **Describe what makes the innovation work.**
  - In Hermeneus sellers and buyers are in direct contact by means of the use of an application
  - The solution gives quality products at a fair price to the consumers
  - Producers received a suitable money for their products that corresponded to their effort
  - Easy to use for both consumers and producers

- **Describe the specific prerequisites for the business related to the implementation of the method and/or related to the location, method, procedure, solution**
- a: List the relevant necessary resources (including the estimated cost) for the specific innovation.  
Please list the relevant ones only (list is annexed)**

**MATERIALS:**

- Local food products
- local perishable

**HUMAN:**

- human resource for operation (1 persons to update the application products, price,..). The skill for this person could be an administration profile

**TECHNOLOGY:**

- The technology can be used by everyone as the Hermeneus platform application is very simple
- Exist Registered brand

**FINANCIAL**

- estimated cost: 363€/year and can be used by multidevice

- b: List the relevant necessary capabilities for the specific innovation.  
Please list the relevant ones only (list is annexed)**

**TRUST:**

- ability to ensure product integrity, authenticity and transparent information for the consumers (including systems, tools);
- ability to access external trust enhancers (third party certification, internal certification system, participatory guarantee systems);
- application of the labelling rules and branding (mandatory and voluntary);
- ability to meet third party certification requirements

**ETHICAL ASPECTS**

- ability to understand consumer needs for ethical behavior related to the specific product(s) of the SFSCs;
- culture for ethical food production and supply;
- ability to implement necessary measures to ensure ethical food production and supply;

- ability to access the consumer willingness to pay for products meeting ethical aspects

ACCESSIBILITY  
TO THE  
CONSUMERS:

- ability to organize logistics efficiently and to exploit innovative solutions and distribution channels;
- efficient, innovative sales methods;
- ability to develop and implement new business models for ensuring access of consumers to products and augmented services;

FAIR PRICE:

- collecting marketing information;
- ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management;
- ability to define, develop or maintain unique quality of products and augmented services;
- ability to develop and implement new business models;
- ability to access the consumer willingness to pay for fair price

ACCESS TO MARKETS: AND MARKET SUCCESS:

- effective promotion, customer service, efficient and innovative sales methods;
- ability to understand consumer's needs;
- ability to organise logistics efficiently and to exploit innovative solutions and distribution channels,
- ability to develop and implement new business models for ensuring access of consumers to products and augmented services, develop the market accessibility for the suppliers.
- stock control;

- **The method/technology was established by**

NAME: HermeneusWorld

ADDRESS: c/ Ogoño, 1 - 2ª pl., mód. 6 | 48930 Getxo (Bizkaia)

DEALER AND SERVICE POINTS: Spain

APPLICATION AREAS:

The innovation is applicable to food products

**6. Describe the results, achievements and typical failures**

- Better structure business organization (centralization of orders, ...)
- Saving marketing margin by intermediates because there are no intermediates
- Fair prices for both customers and producers

**7. Summarize what makes the case to a good practice for the members of the SFSCs (e.g. lessons learned)**

The innovation proposed make possible to increase the profit for the producers and to pay a fair price for the consumers. The platform make it easier the way of buying and the organization of the orders, as well as it is a good and an efficient expositor for the companies and for the restaurants that take part of the community.

**8. Aspects, methods for transfer of methods for other SFSC members**

This technology is applicable to various SFSC members, it is mainly recommended for small/medium companies and first transformation industries. It is better to use it as near to the producer and the consumer because this innovation makes it possible to connect them directly.

**9. Recommendations for members of other SFSCs for further applications**

This marketplace platform is useful for every business no matter the product to be sold because make it reduce the “distance” between the producer and the consumer.

**10. More information is available at (web), if it is relevant**

<https://www.hermeneus.es/>

## **Annex**

### **1. Checklist for necessary resources (tangible and non-tangible):**

- materials (access to: raw materials/ ingredients - including volume, land – including size, packaging materials)
- human: labour force: size, knowledge & skills (production, technical, marketing, managerial, ICT, financial, etc.)
- technology: patents, know-how, trademarks, copyrights, trade secrets
- infrastructure, equipment, facilities, - size, minimum volume of production/sales, IT infrastructure
- information, reputation, brand, trust
- financial\*

\*: estimated cost:

0 - 10 000 Eur  
10 001 - 50 000 Eur  
50 001 - 100 000 Eur  
100 001 - 300 000 Eur  
300 001 – 1 000 000 Eur  
1 000 000 Eur above –

- other specific necessary resources for the application of the specific innovation

## 2. Checklist for the necessary capabilities

- **food safety:**
  - basic skills to comply with the EU food safety regulations
  - ability to understand what makes the product safe (the key controls, which ensure the safety of the product – biological, chemical and physical hazards, providing the safety shelf life of perishable products)
  - food safety culture (motivation, responsibility for food safety) and basic skills for the implementation of HACCP
  
- **food quality:**
  - ability to define the target segments of consumers for SFSCs
  - ability to define the product characteristics which are (tacit) basic requirements for the target segment(s) of consumers;
  - ability to define which product attributes/levels and augmented services represent an added value for the target segments of consumers;
  - food quality culture (motivation, responsibility for food quality);
  - production experiences which help to provide the expected quality reliably, uniformly;
  - ability to provide distinguishable quality which meets the needs of the targeted consumer segment;
  - meeting (local) legal requirements, application of the labelling rules;
  - ability to access the consumer willingness to pay for specific products of SFSCs.
  
- **trust:**
  - ability to ensure product integrity, authenticity and transparent information for the consumers (including systems, tools);
  - ability to access external trust enhancers (third party certification, internal certification system, participatory guarantee systems);
  - application of the labelling rules and branding (mandatory and voluntary);
  - ability to meet third party certification requirements
  
- **ethical aspects**
  - ability to understand consumer needs for ethical behaviour related to the specific product(s) of the SFSCs;
  - culture for ethical food production and supply;
  - ability to implement necessary measures to ensure ethical food production and supply;
  - ability to access the consumer willingness to pay for products meeting ethical aspects
  
- **accessibility to consumers:**
  - ability to organize logistics efficiently and to exploit innovative solutions and distribution channels;
  - efficient, innovative sales methods;

- ability to develop and implement new business models for ensuring access of consumers to products and augmented services;
- **fair price:**
  - collecting marketing information;
  - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management;
  - ability to define, develop or maintain unique quality of products and augmented services;
  - ability to develop and implement new business models;
  - ability to access the consumer willingness to pay for fair price
- **increased negotiation power:**
  - collecting marketing information;
  - ability to enhance and maintain cooperation among chain actors including the combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
  - ability to define, develop or maintain unique quality of products and augmented services;
  - ability to develop and implement new business models;
- **shared use of available resources:**
  - ability to enhance and maintain cooperation among chain actors including the shared and combined use of available complementary resources, capabilities, competences of SFSCs actors, networking, understanding the principles of food value chain management, cooperation culture;
  - the level of value chain management culture;
  - ability to access the consumer willingness to pay for food with reduced environmental impacts

- **input for R+D:**
  - ability to monitor, research, evaluate, and understand the needs and wants of customers and consumers;
  - ability to develop new products, processes, packaging, preservation techniques, systems and access to new markets, including in other categories;
  - access to innovative technologies; distribution and marketing solutions and methods. management systems;
  - access to local input for R+D covered by other aspects
  
- **access to markets: and market success**
  - effective promotion, customer service, efficient and innovative sales methods;
  - ability to understand consumer's needs;
  - ability to organise logistics efficiently and to exploit innovative solutions and distribution channels,
  - unique value propositions;
  - ability to develop and implement new business models for ensuring access of consumers to products and augmented services, develop the market accessibility for the suppliers.
  - stock control;
  - ability to access to required raw materials within a restricted geographical area
  
- **access to infrastructure:**
  - ability to use existing own infrastructure in a focused way to serve consumer needs or to combine it with complementary infrastructures of other SFSC actors, cooperation culture;
  
- **management:**
  - to implement management systems for vision, planning, implementing), coordinating, controlling, monitoring, continuously;
  - improving; ability to motivate, authorize staff;
  
- **production, processing:**
  - management system, production experience, specific controlling, monitoring, continuously;
  - willingness to consider and ability to evaluate the adoption of TECI and NTI in the current production processes;
  - any additional specific resources necessary for the application of the specific innovation.