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Business opportunities in recession

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BUSINESS OPPORTUNITIES IN RECESSION

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Abstract

This dissertation examines the extent to which certain business sectors of the Cypriot economy could offer, in the midst of the country's worst recession, important business opportunities. A recession normally is associated with a reduced customer base for companies and increased pessimism, but it is especially conductive for new entrepreneurial start-ups (Aggarwal, 2013). Further, a recession forces companies to reorganize their operations either by following traditional cost-cutting practices or incurring higher costs to maintain the existing capacity in order to be well placed when the recession ends (Michael and Robbins, 1998).

The results of the study have been derived from the processing of 64 questionnaires, filled in by top business executives, employed in various, Nicosia-headquartered, Cypriot firms in 2013. According to the Cypriot managers, the most promising sector for business opportunities in Cyprus are the *discount stores* sector, the *home maintenance* sector, the *consulting sector*, and the *auto-repair sectors*, while the least promising sector is the *rental agents and property management* sector. A logistic regression is then used to test the robustness of these results for the effect of sex, age, and the amount of managerial experience of the respondent.

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