



# **BUSINESS FEASIBILITY WORKSHEETS**



## **STEP 1: INDUSTRY CONSIDERATIONS**

1. Describe product/service:
  - a. Description of product/service (what it is, where it will be sold)
  
  - b. Description of how product/service will be produced
  
  - c. Identify licenses, permits, certifications, bonding or other requirements to operate
  
  - d. Description of suppliers
  
  - e. Cost to produce product/service
  
  - f. Price of product/service
  
  - g. Industry standards for COGS, fixed expenses, break-even point and net profit
  
  - h. PBO's projected COGS, fixed expenses, break-even point and net profit
  
2. Describe customer:
  - a. What customer need is product/service meeting
  
  - b. How many potential customers in service area
  
  - c. Same or different people than those going to competitor
  
  - d. Who are they (describe on next page)

## Market Positioning Worksheet

Customer demographics or identifiers	Primary customer	Secondary customer(s)
Location of the customers (e.g., city, county, particular part of town, cyberspace)		
Age range		
Male or female?		
Income level (e.g., low, middle, high)		
Educational level		
Career type (“white collar,” “blue collar”)		
Marital status		
Has children?		
Pet owner?		
Hobbies/interests		
Religious/political traits		

From Griffin, C., Hammis, D., Katz, M., Sperry, C., Flaherty, M., Shelley, R., Snizek, B., & Maxson, N. (2001). *Making the road by taking it: Team and individual exercises for self employment training* (pp. 37-41). Missoula, MT: The Rural Institute; adapted by permission.

## Market Positioning Worksheet

Customer demographics or identifiers	Primary customer	Secondary customer(s)
Do potential customers know that they have a need for this product/service		
Do potential customers need your product/service but not know it?		
Marketing for Business to Business (B2B) Companies		
Type of business to supply		
Specific businesses to supply		
Size of business revenue		
Number of employees		
Location(s)		
Other descriptors		

From Griffin, C., Hammis, D., Katz, M., Sperry, C., Flaherty, M., Shelley, R., Snizek, B., & Maxson, N. (2001). *Making the road by taking it: Team and individual exercises for self employment training* (pp. 37-41). Missoula, MT: The Rural Institute; adapted by permission.

3. Describe competition:

- e. How many competitors are there?
  
  
  
  
  
  
  
  
  
  
- f. What are their strengths?
  
  
  
  
  
  
  
  
  
  
- g. What are their weaknesses?
  
  
  
  
  
  
  
  
  
  
- h. How is PBO's product/service different from competition?
  
  
  
  
  
  
  
  
  
  
- i. How much of the target market is served by competitor?
  
  
  
  
  
  
  
  
  
  
- j. What portion of market remains open?

4. Describe financial considerations:

- a. Sales projections
  
  
  
  
  
  
  
  
  
  
- b. Critical factors to reach sale projections
  
  
  
  
  
  
  
  
  
  
- c. Potential financial resources for supporting business start-up

## **STEP 2: TEST MARKET THE BUSINESS IDEA**

1. Sell a few and describe:
  - a. Number of units to be sold in test market
  - b. Number of units actually sold
  - c. Description of how test market was run
  - d. Description of customers who purchased product/service
  - e. Customer feedback regarding product/service
  - f. Summary of findings
  
2. Telephone Survey:
  - a. Number of potential customers contacted
  - b. Description of customers contacted
  - c. Questions asked
  - d. Response to questions
  - e. Summary of findings
  
3. Advertise and Analyze:
  - a. Number of potential customers given advertisement
  - b. Description of customers contacted
  - c. Number of responses to advertisement

### **STEP 3: PROSPECTIVE BUSINESS OWNER CONSIDERATIONS**

1. Does this business idea match dreams/goals of PBO?
2. Is PBO really interested in owning this business?
3. How much time can PBO invest in operating the business?
4. What tasks are necessary to produce product/service?
5. Does PBO have, or can they acquire, skills to perform the production and management parts of the business they wish to perform?
6. Do PBO have, or can they afford, the necessary business and personal supports?
7. How much money can PBO access/invest?
8. How will this business affect the PBO's family?

## **Business Feasibility and Business Plan Research Ideas:**

- Similar Businesses (visit, contact, observe)
- Trade Associations (Encyclopedia of Association—135,000 associations)
- Trade Journals
- Industry Standards
  - [www.BizStats.com](http://www.BizStats.com)
  - Library reference desk, books of industry standard reports
  - Trade Associations, often for a fee
- Related Websites (individuals in field start up a site to disseminate information)
- Secretary of State, State Department of Revenue, IRS, County/City Business Departments (tax, permit and licensing info)
- Small Business Development Center
  - [www.sbdnet.org](http://www.sbdnet.org) (various links to demographic, industry information and trade associations)
  - Local offices (counselor and library of materials)
- U.S. Economic Census <http://www.census.gov/econ/census02/> (NAISC search engine and business reports)
- U.S. County Business Patterns <http://censtats.census.gov/cbpnaic/cbpnaic.shtml> (NAISC data by area)
- U.S. Census <http://censtats.census.gov/pub/Profiles.shtml> (demographic information)
- Local Chamber of Commerce and Economic Development Department (local economic initiatives)
- Yellow Pages (listing of similar businesses)
- [www.entrepreneur.com](http://www.entrepreneur.com) (articles on business trends and operations)
- [www.inc.com](http://www.inc.com) (articles on business trends and operations)