

## Business Start-Up Feasibility Analysis

Developed for: \_\_\_\_\_

Date: \_\_\_\_\_

### CONCEPT DEVELOPMENT

1. Describe your business, identifying its unique features and distinct characteristics. What in particular sets you apart from your competitors?
2. How is your product different/better (differentiation) than your competitors?
3. How was the need for your product/service determined?
4. Compare your concept to the model business, which is attached.

### THE MARKET

1. Size: Describe the size and competitive nature of both your industry and your market.
2. Competition: Describe your 5 nearest competitors.  
Describe their business  
How will your operation be different from theirs?
3. Customers  
Describe your ideal customer.  
Why will your customers buy your product instead of the competitions?
3. Target Market: Describe similar groups of customers as a Target Market
4. Market Penetration: How are you going to generate sales from your target market(s)?

### PROMOTION

1. How will you sell your product?
2. Which are the best places to advertise and promote (Your target market has to know you are available)

### PRICING

1. What price will you be charging for your product/service?
2. How does it compare with your competition's prices?

### PROFITABILITY

1. Income  
Estimate your sales for your first year. Sales might start out slow.
2. Expenses  
Determine your first year's ongoing expenses (administrative, sales, advertising, interest...)
3. Profit (loss) Deduct your expenses from your income

**CASH REQUIREMENTS**

1. Determine your start up cost/expenses, ones that you will incur BEFORE your first day in business.
2. Determine your capital requirements. Money needed for large items that will not be consumed (used up) in the manufacturing process or in the course of providing your service (computer, desk, truck...) Will you lease or buy?
3. Cash Flow: Determine The amount of cash you have, and generate from sales, to be able to pay for your company's expenses on a daily basis (money collected vs. money needed to pay bills, wages, repay loans etc...). Calculating your cash flow for your first year of business will help you determine cash shortages that will occur EVEN IF YOU ARE PROFITABLE!!!

4. Total cash required

|                          |    |       |
|--------------------------|----|-------|
| Start-up costs/expenses: | \$ | _____ |
| Capital requirements:    | \$ | _____ |
| Cash flow:               | \$ | _____ |
| Total                    | \$ | _____ |

5. Sources of Capital: Where will you obtain the capital required for a successful launch?

**LEGAL FORM:** Which legal form is right for you now and in the future?

**PERSONAL REQUIREMENTS**

1. Describe your credit standing and history.
2. What collateral do you have?
3. What experience to do you have running a business such as the one you are considering?
4. If you don't have it where can you get it or who can help you?
5. Describe your family's feelings about your business.

**PLANS FOR FURTHER ACTION:** Results of your Concept Review will dictate further action, such as gathering more information, fine tuning your concept, exploring the Feasibility of your project, or writing a business plan.