

Feasibility and Marketing Strategy

Is Your Business Idea Feasible?

Answer the following questions regarding your idea. Give complete, well thought out answers to these questions. If you are unsure about, or answer no to any of the following questions, then you should rethink your idea.

- What type of business do you plan to start?
- What kind of product do you plan to offer?
- Will your product satisfy a need yet unfilled?
- Will your product have a competitive edge based on price, location, quality or selection?

Researching Your Markets

It is recommended that you research your potential market demand for your product or service. First, determine what questions you need answered. The following are ideas on where to find the information you need.

Primary Data:

- Your experience
- Experiences of people you know
- Survey potential customers to determine their wants/needs. Observe similar businesses
- Interview these business owners
- Interview suppliers, vendors, bankers

Secondary Data:

- Visit your public library
- Contact trade associations (i.e., trade shows and trade journals)
- Contact the SBDC and the Franklin County Chamber of Commerce. See the Resource Directory for contact information
- Use various search engines on the internet (i.e. Yahoo, Lycos, Alta Vista, etc.)

Marketing Your Business

In order to properly market your product, you need to answer the following questions. This information can be used to help you develop your marketing plan. Contact the SBDC for more information on constructing this plan.

- Who are my customers? (This determines your target market).
- Where are they?
- How many are there? (This indicates your market size).
- What are their needs?
- Who are my competitors?

- How does my competition do it? (One method of marketing/dealing with competition is the end-run strategy. In this strategy you adopt your competitors' strategy with the intention of making it better.)
- How can I reach them? (The distribution of your product is very important. Where your product is located can affect how it sells).
- How much will they pay? (The pricing of your product is also very important. You must take into consideration what your competitors charge.)
- What are the market trends? (What are people buying? It is important to be aware of what market trends are. This relates back to knowing your customers' needs. Try to distinguish between trends and fads.)
- What are the technological trends? (One obvious answer to this question is the internet. Will you be using technology? How can it be used to help your business? Do you need to advertise on the internet? Do you need a network of computers for your business? If you are in a business related to technology, it is important that you stay abreast of any changes.)