

BPL ENTERPRISE CREATION
BUSINESS MODEL & PLAN CREATION |BACKGROUND INFORMATION

- | |
|---|
| <ol style="list-style-type: none">1. Business Name: Pre-cast Concrete Toilet blocks2. List of Products:3. Type of Enterprise: Individual / Group / SHG: |
|---|

Business Idea Review

Which

1. Which customer needs will be satisfied with this business?
2. Which customer needs will the product or service satisfy?

What

1. What product or service do customers want?
2. What quality of the product do customers want?
3. What information is there about the product or service for this business?

Who

1. Who are the likely customers for this particular business?

Low income group people, village households,

2. Will they be enough in number to keep your business viable?
3. Who are the competitors?

How

1. What will be the mode of supply of goods and services the customers want?
2. What kind of quality of goods and services the customers want?
3. What kind of personal characteristics and abilities are required to run this business?
4. Explain how much is there need for this business in the selected area?

Others

1. From where can the advice and information about this business be obtained?
2. Will this be the only business of this kind in the area?
3. If there are other similar businesses, is it possible to compete successfully and how?
4. Why will this business will be viable?
5. Does this business need equipment, premises or qualified staff?

The product

1. Why would customers buy the product/service?
2. Are the product specifications clear and acceptable? Specify

The market

1. Geographical description of the business location

2. Is there local demand for the product and if not, how can it be created?
3. Who are the big competitors, how can they be counteracted and their influence?
4. How many competitors does the business have? (If they are many, your market share is low, which means that aggressive promotion is necessary to ensure visibility.)
5. Does the product need publicity and if so, what expenses would that incur?
6. What is the trend in the selling price? Is there any seasonality?

Technical factors

1. What is the necessary equipment required? Name the equipment with estimated cost.
2. What are the reasons for this selection?
3. If machinery is required, is the guarantee and after sales service included.
4. From which places or companies the equipment can be brought? Who is the supplier?
5. If the above information (4) is not there, where can this information be obtained?

Infrastructure

1. What kind of working/selling space is adequate for business operation to function?
2. Can ownership/tenancy documents for the land/shop/workshop be an alternative? Explain
3. If water is required for business to operate, is it available close by?

4. Is supply of electricity required? Estimated consumption.
5. Is transport of raw materials or finished goods a critical factor and if so, how can this be planned while minimising costs?
6. Is it required to register the business or seek product certificate? What are the legal requirements?

Financial analysis

Estimation of Fixed Costs: (sample only)

Sr No	Activity	Amount (in Rs)
Capital Expenses		
	Cost of Raw Material	
a.		
b.		
c.		
D		
	Cost of Machines	
a.		
B		
C		
Other costs		
a	License	
b	Lease rent deposit	
c.	Government fees	
d	Stationery	
	Cost of Labour	
A		
B		
C		
Miscellaneous Costs		

Indicators

1. Have you done financial calculations of needed costs, resources, income etc.?
2. Have all the costs of production been included in your calculations?
3. Does the business generate enough cash from the beginning to meet immediate liabilities
(e.g. rent, loan repayment)?
4. Check all estimates of capital required as well as running costs.

Market Research**Talk to potential customers**

- 1) What products or services they want to buy?
- 2) What do they currently buy?
- 3) Where do they buy?
- 4) Why do they buy from XY?
- 5) When do they buy?
- 6) How much do they buy?
- 7) Which price do they pay?
- 8) What are their preferences?

9) Do they get any extras?

10) What do they think about your competitors?

Study your competitors' businesses.

1) Their products or services, for example quality and design

2) What prices they charge

3) What exactly do they sell?

4) How does their product differ from yours?

5) Where do they get their inputs?

6) Where do they sell?

7) How do they promote their product/service?

Income

Estimated Revenue Sources

Sr No	Activity	Amount (in Rs)
Income Estimates (Monthly)		
	PRODUCT 1	
	Selling Price (per unit)	
	No of units that can be sold	
	PRODUCT 2	
	Selling Price (per unit)	
	No of units that can be sold	

	PRODUCT 3	
	Selling Price (per unit)	
	No of units that can be sold	
	Any other revenue source (with selling price)	