

Answers to these questions will enable you to determine whether your start up costs will be high or not. If your costs seem high, seek assistance in developing strategies to lower same.

PREPARE A SIMPLE ACTION PLAN

This plan should cover the first year of operations to highlight the critical tasks and likely funding needed before the business starts generating a positive cash flow.

A business's idea(s) may seem exciting and favourable in the beginning, however, critical examination of idea(s) from all angles is advised.

Ask yourself:

- ◆ Will I be able to raise enough money?
- ◆ Will I be able to find a suitable location?
- ◆ Will I be able to source skilled staff?
- ◆ Will the product be accepted?
- ◆ Will I be able to effectively promote and sell?

DO NOT rush into the first feasible idea without letting it incubate or develop in your mind for a reasonable period. Avoid the tendency to get all fired up and enthusiastic.

STAND BACK AND THINK!!

Do not be afraid to seek assistance and advice from the Business Development Centre.

Please refer to the following brochures for further information

- Am I an Entrepreneur?
- Looking for an Idea? Here's How to Find One
From Idea to Planning. Developing Your Business Plan
- Presenting a Winning Business Plan
- Should I Do This on My Own? Choosing the Right Business Structure
- What is in a Name? Choosing the Right Business Name
- Location, Location, Location. It's All About the Location
- Jane, Jim or Jack? Who is the Right Employee for You?
- Record Keeping Basics



THINK YOU HAVE A
BUSINESS IDEA?
What's Next?



Business Development Centre
 Frequente Industrial Park
 Frequente, St. George's, Grenada
 Phone: 473-444-1033-40 Fax: 473-444-4828
 E-mail: gfdc@grenadaidc.com/nruffin@grenadaidc.com
www.grenadaworld.com



After much brainstorming and research you may have compiled a list of potential business ideas that you believe will bring you the freedom of being your own boss and plenty of profits. However, before you run out and cash in your life-savings or take a loan, devote time to assess these ideas to determine whether or not they are feasible.

DISCUSS YOUR PRODUCT OR SERVICE WITH PROSPECTIVE CUSTOMERS

Do not keep your idea a secret. Share it with a select group of potential customers. Find out what they really think by seeking the following information:

- ◆ Would they buy from you?
- ◆ At what price?
- ◆ How often?
- ◆ Why would they prefer your products to that of the competition?

Without real-world feedback your business idea may quickly fail.

CRITICALLY ASSESS THE MARKET USING DESK & FIELD RESEARCH

There may be great prospects or the lack thereof for your product or service in the market. However to optimize the opportunities that exists it is essential to determine:

- ◆ Whether the market is segmented by price, location, quality, channel.
- ◆ Which segments you will be targeting.
- ◆ The size of these segments (in volume terms) and how they are changing.
- ◆ Price mark-ups/structures.
- ◆ What market share will be available to you. Keeping in mind your likely prices, location, breath of distribution, levels of promotion etc.

ANALYZE YOUR COMPETITION

There will always be competition in the market, however if you dedicate time to analyzing your competitors, it places you in a better position to compete effectively.

Determine:

- ◆ Who are they and how do they operate?
- ◆ Are they successful? Why?
- ◆ How would they react to your arrival in the market?
- ◆ What makes you think that you could beat the competition?
- ◆ At whose expense sales will be gained?

CONSIDER POSSIBLE START-UP STRATEGIES

It is recommended that new businesses keep their start-up costs at a minimum. To achieve this, ask yourself the following questions:

- ◆ Will you be able to work from home or part-time?
- ◆ Will you start by buying finished products for resale before commencing manufacturing?
- ◆ Will you contract out manufacturing?
- ◆ Will you buy an existing business or form a joint venture?
- ◆ Could you lease or hire equipment, premises rather than buy?
- ◆ How will you stimulate sales?