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EUREKA!

Have you ever jolted awake at night with a great business idea running through your mind? Do great business ideas come from the universe or do you think you have found a market niche that is not provided for in your area? Great questions to ponder if you are thinking of going into business for yourself.

Lots of books have been written on how to start a small business and even more on business success but the beginning point, "the IDEA and HOW" to research usually entail a one or two paragraph explanation. From my own personal experience of being a small business entrepreneur, coming up with the winning idea is the greatest challenge of all.

Just when I think I have found the pot of gold at the end of the rainbow, I find out someone else has already claimed it.

I have worked with over 1000 entrepreneurs and found most of them struggling to find that great idea that will sell effortlessly. It is like trying to lose weight. You have to do the work to get the results. There are very few overnight successes. Yes, they do exist but it is being at the right place, at the right time, with the right product and the cash to launch it.



But don't give up. The best part of the treasure hunt is to find that pot of gold and the information gathering to crunch the numbers to see if there is a reasonable chance this business can support you, your family and hopefully create a few jobs along the way.

Excitement builds when the light bulb goes on inside your creative mind, you can picture people lined up to buy your innovative product or service. So let's start with that attitude and have a look at how some people come up with great ideas and how they found them.

EUREKA! The most prolific idea generator is now at your finger tips on the World Wide Web. The information highway is congested with people's wants, needs and problems to be solved. All that is humanly consumptive is on the net. Next task is to match your talents, interests and skills with a market demand and VOILA you have an idea to start researching.

If you have no interest in what you may be selling then don't even go there. The air in your entrepreneurial balloon will soon escape and let you down. Enthusiasm for what you are doing is KEY to finding the right IDEA.

"The indispensable first step to getting the things you want out of life is this: decide what you want."

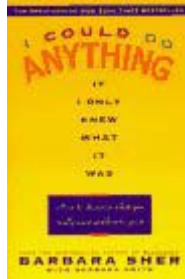
- Ben Stein



IDEA GENERATION

One of the best Canadian Small Business websites is the Canadian B.C. Business Service Centre. <http://www.smallbusinessbc.ca/>. You can download in pdf format [EXPLORING BUSINESS OPPORTUNITIES](#) This is a 74 page guide prepared by the Internet Ministry of Competition, Science, Province of B.C. and Western Economic Diversification.

All new business ideas start with YOU. If you are not sure where you are at in your life right now then I suggest digging into one of Barbara Sher's books. My favourite is:



"I could do ANYTHING if only I knew what was!"

[ORDER BOOK](#)



Or Susan Sweeney, C.A. book on choosing your own successful e-business.



[ORDER BOOK](#)

“101 Internet Businesses you can start from home. ”

IT IS A BOOMER WORLD.

Baby boomers are grouped as anyone born between 1946 & 1965. Because of the magnitude of this demographic and gerographic size, they are setting future trends and the big businesses are studying their needs and wants and creating the products for them.

GERONTOLOGY:

The scientific study of the biological, psychological, and sociological phenomena associated with old age and aging.

DEMOGRAPHICS:

The characteristics of human populations and population segments, especially when used to identify consumer markets.



The demographic buzz word these days is cocooning. All the boomers are sticking close to home and they want a personal sanctuary to live in. Simplicity of daily living is sought after. Who would ever have thought you could sit at your computer and do your banking or order groceries?

Shifts in the population size of various age groups ¹

The size of the population at a given age on a given date depends essentially on the size of the corresponding birth groups. The most famous is the baby boom group, that is, people born between 1946 and 1965. Baby boomers were aged between 36 and 55 at the 2001 Census. At 9.4 million in 2001, they represent nearly one-third of the total population.

The following table identifies several birth cohorts that put into perspective population changes by age group that occurred between 1991 and 2001. Projections to 2011 are based on a continuation of current trends.

¹ Source: <http://www12.statcan.ca/english/census01/Products/Analytic/companion/age/population.cfm>



Cohort	Year of birth	Age in 2001	Average number of births per year	Size
Pre-WW1	Before 1914	88+	201,000	Relatively small
WW1	1914-1919	82-87	244,000	Relatively small
1920s	1920-1929	72-81	249,000	Relatively large
Depression	1930-1939	62-71	236,000	Relatively small
WW2	1940-1945	56-61	280,000	Relatively large
Baby boom	1946-1965	36-55	426,000	Very large
Baby bust	1966-1979	22-35	362,000	Relatively small
Children of the boomers	1980-1995	6-21	382,000	Relatively large
Children of the baby bust cohorts	1996 on	0-5	344,000	Relatively small

It is the passage of the above cohorts through different ages that determines the size of the population at these ages. The following paragraphs describe the growth and decline of the population of different age groups, as the birth cohorts move in and out of them.

The pre-school population, aged 0 to 4, declined 11% from 1.9 million in 1991 to 1.7 million in 2001, as the children of the baby boomers were replaced by the children of the baby bust cohorts. If fertility remains constant, the pre-school population could decline a further 3% in the next decade to just over 1.6 million in 2011. At that point, it could



start to increase again as the children of the boomers start to have children of their own.

The kindergarten and elementary school population, aged 5 to 12, rose 6% between 1991 and 2001 to 3.2 million. However, it is expected to decline 14% in the next decade, as the relatively small cohorts of baby bust children replace the relatively large cohorts of baby boomers' children.

The population in high schools, colleges and universities, aged 13 to 24, increased from almost 4.6 million in 1991 to more than 4.8 million in 2001, as the baby bust cohorts graduated and were replaced by the more numerous cohorts of the baby boomers' children. The population of this group is expected to increase a little over the next decade, as the cohorts of baby boomers' children will still be studying at these education levels.

The population in the younger working-age groups, aged 25 to 34, declined 18% between 1991 and 2001 to below 4 million, as the tail end of the baby boomers was replaced by the much smaller baby bust generation. Projections show that by 2011, it could increase a little (4%) with the arrival of the first generations of the baby boomers' children.

The mid-career population, aged 35 to 44, increased 17% to 5.1 million, as the larger generations of the end of the baby boom replaced the smaller ones of the beginning of the boom. However, the population is projected to decline 12% between 2001 and 2011, as these large



generations will themselves be replaced by the small cohorts of the baby bust.

The older working-age population, aged 45 to 64, incurred the second largest percentage increase (36%) of any age group between 1991 and 2001, soaring from 5.4 million to almost 7.3 million. During the next decade, it is expected to increase an additional 30% to 9.5 million. The birth cohorts in this age group in 1991 were the relatively small ones born during the Depression of the 1930s and the Second World War. In 2001, they were the individuals born during the Second World War and the first half of the baby boom. In 2011, they will be the cohorts of baby boom.

The population of young retirees, aged 65 to 69, grew 6% to just over 1.1 million between 1991 and 2001. However, it is expected to soar 31% between 2001 and 2011, when the relatively small cohorts born during the Depression will be replaced by the comparatively large cohorts born during the Second World War.

The population aged 70 to 79 grew 27% between 1991 and 2001 to more than 1.8 million, as the relatively large cohorts born in the 1920s entered this age group, replacing the smaller cohorts born during the First World War. However, since these relatively large cohorts will be replaced during the next decade by the smaller cohorts born during the Depression, the population in this age group is expected to increase only slightly by 2011.

Finally, the oldest population, aged 80 and over, the fastest-growing age group, incurred the



largest percentage increase between 1991 and 2001, soaring 41% to about 932,000. During the next decade, their population is expected to jump another 43% to 1.3 million. Cohorts born before the First World War were replaced by the larger cohorts born during the war who will, in turn, be replaced by the larger cohorts born during the 1920s. Part of the increase in this age group is due to gains in life expectancy.

Which demographic group does your business idea solve a problem or provide a product/service for?

To fully understand Canadian Demographics and the opportunities presented by the 'aging population' I recommend reading the book:



[BOOM, BUST & ECHO 2000](#)

Let's start with the end in mind. What are the top ten businesses for 2005? **Source:**

<http://sbinfoCanada.about.com>



The Best Business Opportunities For 2005

1) Interior Decorators and/or Designers

The home renovation boom continues this year with one twist; fewer people want to do what it takes themselves.

2) Bed and Bath Products

Consumers will continue to "feather the nest" this year - and they want those feathers to be as downy and luxurious as possible. That makes fine linens, bedding, window treatments, towels and accessories a best business opportunity, both retail or as an adjunct to a design consulting business.

3) "Practical" Tourism

Think about flu shots, gay marriages and prescription drugs. What do all these have in common? They're all practical reasons Americans have traveled to Canada over the past year. The trick to cashing in on Practical Tourism, as I've dubbed it, is to recognize the need and be able to move fast to arrange the trips visitors want, before the perceived need expires.

4) Residential Cleaning Services

Cleaning services are no longer viewed as just for businesses or just something to get done when you move; more people than ever before are willing to pay someone else to take the home cleaning chores off their hands. Both general housecleaning



services, such as weekly or monthly cleaning, and specialty cleaning services, such as cleaning blinds, are a best business opportunity because this is such a growing market.

5) Land Use Consultants

If you have the skills, this is another industry that's growing exponentially. While we tend to think of land use experts being called in on big projects, there's a growing trend for small businesses and individuals to seek out these services, and this trend will only increase as the boomers leave the cities and start building on their "dream" properties.

6) Virtual Assistants

It's taken a while for businesses to appreciate the concept of virtual work, but most get it now, and the demand for reliable Virtual Assistants will only grow as small businesses start to realize how many different tasks Virtual Assistants are capable of and how Virtual Assistants can be potent, part-time staff.

7) Security Products

It's the business to business side of this industry that will provide the best business opportunity this year. While sales of camera surveillance and alarm systems will increase, there will also be a great increase in the sales of fingerprint and retinal ID security systems, as businesses (and governments) seek ever-more "foolproof" security.



8) Chocolate Anything

Perhaps in reaction to last year's endless diet, or perhaps just because it tastes really, really good and no one's ever been able to come up with a substitute that even comes close, chocolatiers are going to do a booming business this year.

9) Cat Products

Remember the Al Stewart album? Well this is it; The Year of the Cat. There are now more (pet) cats than dogs in North America, and you'd better believe those pet felines are pampered. Cat care products, cat beds, cat toys, mugs and calendars with cat pictures on them - cats are back. Another thought for cashing in on this best business opportunity; more and more pet owners are becoming convinced that "natural" foods are better for their pets.

10) Online Gambling

In terms of potential profit, perhaps I should have listed this best business opportunity first. But although there's a huge demand for it (any kind of gambling actually), this is a heavily regulated industry and only for those with lots of patience and deep pockets. (Investors take note: gambling casinos are incredibly popular, too.)

And one more best business opportunity: Construction Related Trades. The continued strength of the home renovation market coupled with the demand for new construction is going to make this yet another banner year for drywallers,



electricians, plumbers, framers - whatever your trade, you're going to be in demand this year.

Best Business Opportunities 2004

The keys to business success this year will be personalization and talent. It's going to be a banner year for trades people and service businesses that are perceived as being good at what they do. Here are your Small Business Canada guide's predictions for the top ten business opportunities of 2004:

1) Home Renovation

Topping the list again this year are business opportunities for anyone involved in home renovation. Canadians are intent on rebuilding their nests, adding rooms and even entire stories to their homes. The renovation mania for redoing kitchens and bathrooms will continue this year, but more people will be converting bedrooms to other uses such as home offices, too.

Not everyone has the dexterity or desire to do home renos. But if you like carpentry and have an urge to "fix it" you can offer your talents to those that don't. The kids have left and their room is now made into a home office or a room of their own.

2) Home Maintenance Services

With people are more intent than ever on making their homes their castles, the demand for home maintenance services will skyrocket. All those jobs that people don't want to do themselves, such as cleaning gutters, window washing and blind



cleaning are excellent business opportunities, but don't forget about the potential of specialties, such as stucco cleaning and repair and exterior painting.

3) Delivery Services

Delivery services will be a hot business opportunity this year as people will be more willing than ever to pay to have whatever it is they want brought to them rather than getting it themselves. Think along the lines of a "we deliver anything" service. If you can do it reliably you could have a real winner on your hands.

4) Professional Organizers

The demand for professional organizers will increase as more people realize that they're tired of living with so much clutter and that they don't have the time to deal with it themselves. Closets are only the beginning! If you have a knack for organization, this could be the business opportunity you've been looking for.

5) Low-Carb Foods

As the popularity of the Atkins diet continues, there will be an increasing demand for low-carb alternatives. While low-carb products are a hot business opportunity in themselves (either retail or online), offering a low-carb dining experience, either in a restaurant setting or through meal preparation for at-home consumption, also has excellent potential.



6) Home Design/Decor

Home designers and decorators are also going to benefit greatly this year from the continuation of the "my home is my castle" trend.

More and more people are going to call on the services of designers to produce the look and style they want rather than trying to do it themselves - even if they can only afford to have a single room in their house "done". Window treatments and flooring will be especially hot this year.

After the renos are complete it is time to decorate. The ability to view a room and visualize what colors to use, where to place the furniture, and how to bring it all together takes an artistic talent. To be able to offer your talents at a reasonable rate and within budget is in demand.

7) Landscaping

While the demand for all kinds of landscaping services will increase this year, landscaping design services will be an especially hot business opportunity in 2004, driven by the needs of an aging population. Landscapers who can redesign existing gardens to make them easier to look after and landscapers who are experts in designing small space gardens as people downsize and move into smaller homes will be especially in demand.

8) Fitness gear and products

There's a large body of evidence now supporting the connection between exercise and health and



consumers are starting to pay attention. Many more Canadians will make exercise of one kind or another part of their daily lives this year, making almost all products related to fitness hot business opportunities this year, from gym wear through snowboards. Renting out sports/fitness equipment is another business idea along these lines that will do well this year.

9) Yoga

Yoga will make a big comeback in 2004, providing business opportunities for yoga instructors and yoga-related products from how-to books and videos through mats and gear. Why not? It's easy, it's pleasant, and the combination of meditation and increased flexibility appeals to all ages.

10) Mobility Supplies

I've written before about how the best business opportunities result from meeting needs that aren't being met. Many people suffer decreased mobility as they age, and finding the products they need to increase their mobility can be difficult. A business specializing in products like this, ranging from motorized scooters through reach extending tools, could be a golden business opportunity.

So there you have it; ten business ideas that I think will be hot business opportunities in 2004. But remember; if you have an idea for a new business that's not on this list, that doesn't mean that it's a poor business opportunity. The best business opportunity for you is the one that best matches your talents and your target market. Whatever



business you choose to start, I wish you the best of luck in your new venture.

~ [Susan Ward](#)

Do you have an interest or expertise in any of the top ten businesses listed above?

PRIMARY RESEARCH

Primary research is the information you gather first hand. There are several areas you can start to find your customers. The best and most effective way is to talk to them directly.

If you consider doing a survey of potential customers it is vital that you present yourself in a professional and customer friendly way. It will be the beginning of your business relationships. If they like you they will want to do business with you.

By asking the right questions you can find out who your customers are, what they need, when they need it, how much they are will to pay, how often they will purchase and other information that may set you apart from the competition.

- A personal face to face survey is the best.
- If that is not possible then a telephone survey.
- An email survey
- A mail out survey
- Sampling of the product

If you are researching business to business or B2B you will have to make sure you find out as much as you can about the business, find out their areas of need or where problems need to be solved and present your questions to benefit their business.



In all cases there must be something in it for the person taking their time to answer your questions. Make it worth their while with a special introduction offering, coupon, Discount or anything you can think of to show appreciation to the customer.

THE STORY OF PAMELA, THE YOUNG ENTREPRENEUR

Upon graduation, Pamela did not know what career to pursue. She decided to do some market research before she furthered her education. She started with the Big Picture and read the book, Boom, Bust & Echo and quickly realized that the largest demographic group was the Boomers. What would they need, want and have problems with?

The Health Industry presented a plethora of opportunities for this aging population. Pamela found her niche and matched it with her interests. She chose the Personal Fitness Industry. Once she had become certified she continued onto to research her business opportunities.

She designed and developed a survey to get feedback from her target market. She went to talk to people that went to the gyms, Chiropractor offices and health food stores. She chose a 'target rich' environment.



People who had the psychographic mind set that health was important to them.

She began her survey design by asking herself what she needed to know from potential customers. Her introduction was friendly; "Hi my name is Pamela and I am doing research for my business plan to start a Personal Fitness training business. Do you have a few minutes? She limited the question to no more than 12 and kept them simple and easy to understand. Before she went out to conduct the survey she practice by asking family and friends until she felt it was polished and ready to present.

Her last question on the survey was paramount in starting her business.

12. "As a thank you for taking the time to answer my survey would you be interested in a FREE fitness consultation? Yes _____ No _____"

Of the 100 surveys she completed 90 said Yes and she got their name and telephone number. Once her financing was in place and she had created her collaborative business associations with the gyms she called up the 90 people and started booking them for their FREE fitness consultation.

After the results of the consultation she had her sales packages already to sell in 3 month, 6 month and 9 month contracts. HER BUSINESS WAS LAUNCHED.



SECONDARY RESEARCH

Secondary Research is research that has been gathered by someone else. We are so lucky in this information age because there is all kinds of information on the internet.

You begin with the Big Picture and identify what industry your business is categorized as. Most of the government statistics are outdated but you can still make intelligent guesstimates. Business associations or trade journals have current statistics regarding their particular industry. Your local chamber of commerce, economic development offices or government agent offices usually have information available.

You are trying to find out how much money is made in your particular industry and if it has the potential to keep growing. There is no sense in starting a business where the future is bleak, go for the bright stars.

I usually start with my provincial statistics and narrow it to my proposed target area. The area I intend to do business in.

The statistics for internet businesses are varied because it is a global market but I have found relevant statistics for Canada and the USA.

Once I know the dollar value to the overall industry then I narrow my circle of research to the target area. I want to find out the overall economic health of my area and the number of customers



within my target market. Some businesses have different target markets for their services or products but look for the most lucrative group first.

²For instance if I had developed an in-house robot that cleaned, washed dishes and dusted, my best sales would be to the domestic engineer, usually the woman of the household.

My second target market may be bachelors. Children or teens would not be my target market. Who will buy my house robot? How many live in my target area? What is the average household income and how much do they spend on cleaning and household products? How often would they buy my robot? If it was a life time warranty then I may have to produce a back-end product like replacement containers for the dirt and dust.

Suppose I find out that the average Canadian spends \$300.00 in cleaning products. Is it feasible for them to buy a house robot for \$200.00? Can I build my robot for that and still make a profit. I also have competition, the dirt buster roller ball and several others. How much of the "pie" or market share can I realistically capture from sales of my house robot? What are my costs of goods sold, my distribution costs and how much will I have to spend to market this new product?

After all these questions are answered and my price falls within the competitive range, I find out there are 100,000 domestic engineers (wives) in

² Figment of my imagination.



my target area. How much of the “pie” (my competitors) do I have to share with other products to the same target market? With this information I can start to number crunch.

I find out I am sharing my market with 4 other products that are now available. I may be able to capture 20% of the market share. That leaves me with 20,000 potential customers. At a cost of \$100.00 per robot to produce and distribute, my projected gross sales would be
 $\$100.00 \times 20,000 = \$2 \text{ Million dollars.}$

My next challenge is my start up costs and I need to research all my costs. Cash flow projections are the best tool to number crunch. Be thorough in your start up costs. I usually ask my clients, do you have rest room facilities in your establishment, if so who pays for the toilet paper? I mean thorough! Every cent that is going to come out of your pocket to make this business work. You can now do the math and at the end of your first year do you show a profit??? **EUREKA** you have a viable business idea.

There are exceptions to every rule and some businesses may take longer to show a profit but you need to make sure your **CASH FLOWS** will handle the expenses until money starts to roll in.

One of the best resources to learn and understand cash flows is:

<http://business-tracker.com/> [Business Tracker](#)

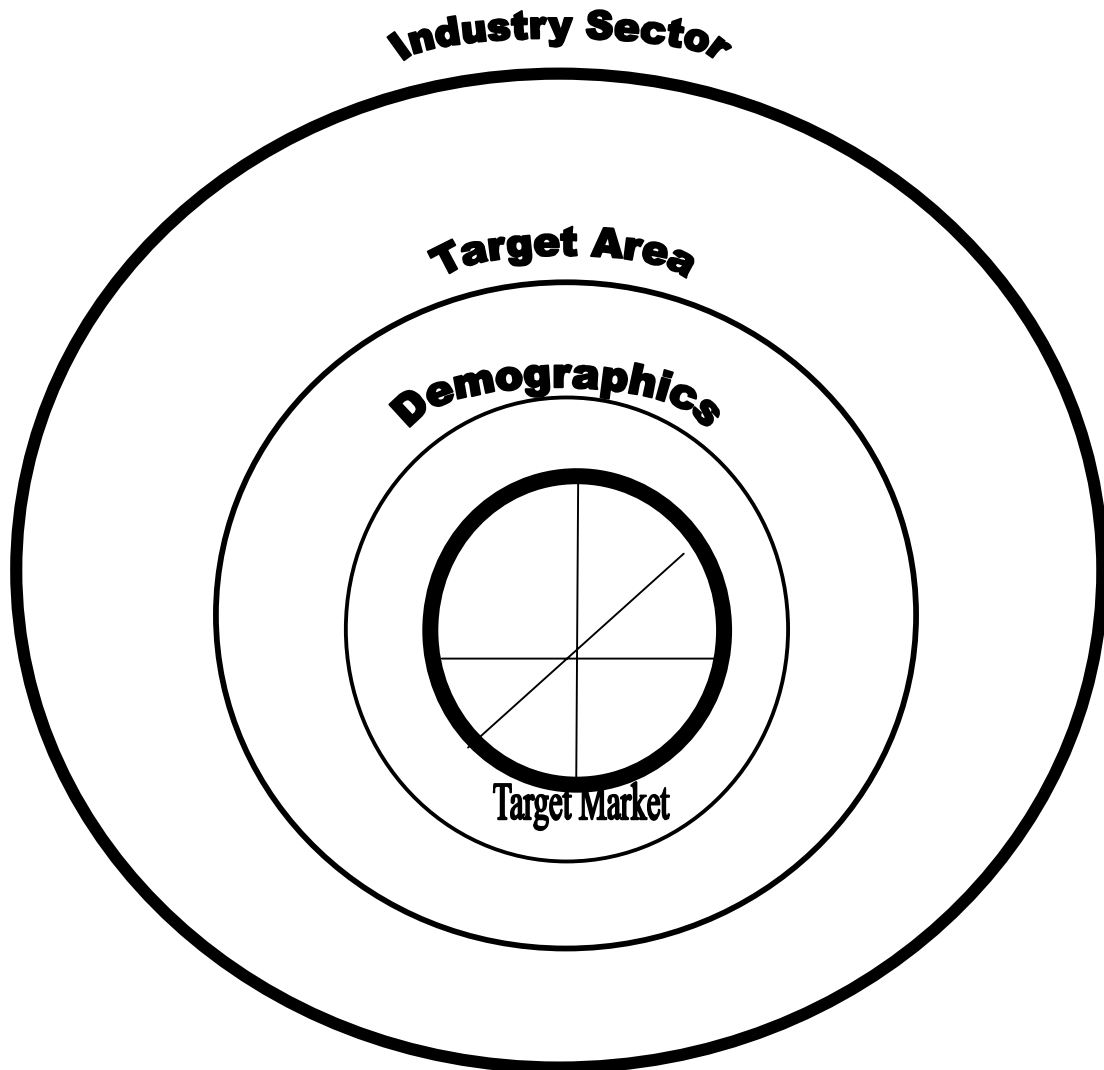


I do my number crunching first before I proceed to integrate my information into a business plan format. Let's find out first if there is a market for your idea and who your customers are and what they want.

I may find out in my primary research during my surveys that my potential customers want my house robot to do laundry and makes beds. I now have to flex my innovation with their needs and wants. It must make sense to the buyer. Back to the drawing board to number crunch.



THE BIG PICTURE



1. What Industry Sector is your business in? Starting with the big picture find out what industry sector your type of business falls under. Ref. p.28

Studying future markets and understanding the different market segments will help to determine if your new business will be a success. Understanding the industry you plan to enter will assist you to answer the questions about why your



business will be viable and how you will achieve a profit.

The *Small Business Profiles* are a source of detailed financial and employment statistics relating to the small business sector in Canada.

[Small Business Profiles.](#)

2. How much money \$\$ was spent in that industry sector last year? Is this a growth industry?
3. Where is your target area? Where do you plan to do business?
Census of Population & Housing (Statistics Canada) [Statistical Profiles](#) & [Socio-Economic Info](#)
[FREE GOVT. PUBLICATIONS](#)
4. Describe the demographics of your target area?
[Community Profiles](#)
5. Find your Community Fact Sheet statistics. Easiest way to do this is to use Google [BC FACT SHEETS](#)
6. How many potential customers live in your target area?
7. How many competitors does your target market have?
8. What can you realistically capture as your piece of the pie?



The first step is to describe the industry that you plan to become part of.

What is the economic sector of the industry? Manufacturing, service, transportation, hospitality, or construction to name a few. The first place to start is to determine what industry sector your business venture falls under. The North American Industry Classification System NAICS 2002 groups and codes the various industry sectors.

NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM.

11	Agriculture, Forestry, Fishing and Hunting	53	Real Estate and Rental and Leasing
21	Mining and Oil and Gas Extraction	54	Professional, Scientific and Technical Services
22	Utilities	55	Management of Companies and Enterprises
23	Construction	56	Administrative and Support, Waste Management and Remediation Services
31-33	Manufacturing	61	Educational Services
41	Wholesale Trade	62	Health Care and Social Assistance
44-45	Retail Trade	71	Arts, Entertainment and Recreation
48-49	Transportation and Warehousing	72	Accommodation and Food Services
51	Information and Cultural Industries	81	Other Services (except Public Administration)
52	Finance and Insurance	91	Public Administration



TARGET MARKET

In my market research classes I warn my class that if I were to ask them who their target market is and they answer; “EVERYONE”, I will have a cardiac arrest! No not everyone is your target market. If you were selling washing machines would children ages 0 – 10 be your target market or rather the mothers of the group. It is the mothers who are your target market. It is the person who will pay you for your product or service. The ones with the wallets, cheque book, credit card and debit card are your target market.

KNOW YOUR CUSTOMERS

- Demographics: information about a specific population:
- Psychographics: Lifestyle Considerations
- Geographic's: Where
- Biographic: how your customer purchases products/services.
- Consumer Trends: based on the notion that different people will accept and use your product/service at different stages.
- Economic Factors: consumers' economic position has a direct effect on how much money they spend.

Create a new customer profile based on your research. Describe your best potential customer in as much detail as possible:



Demographics:

Gender (M/F) _____
Age Range _____
Home Owner/Renter _____
Cultural or ethnic group _____
Marital status: _____
Household Size _____
Income Range _____
Any other characteristics _____

Psychographics:

Values, what is most important to them i.e. family, career, home, spirituality, travel, education, honesty

Personality type, introvert, extrovert, doer, thinker, negative outlook, positive outlook,

Hobbies: cars, traveling, collecting, animals, dancing etc.

Areas of greatest concern: environmental, health, employment etc.

_____ Geographic's: where does my best potential customer live?



Biographic: How often do they purchase and who is the decision maker?

Consumer Trends: Does your best potential customer purchase from you because you are capitalizing on a current consumer trend?

Economic Factors: How much money does your best potential customer have to spend, i.e. Disposable income?

Any other characteristics that define your best potential customer

You have just described your TARGET MARKET!
Target market is your best potential customers or best existing customers.

ANALYZING THE OPPORTUNITY: MARKETING CONSIDERATION

You now know who your customers are and what you are selling; now you need to determine



when they will buy from you. Is your product seasonal like a ski-pass or year round such as groceries?

1. When will your customers buy your product/service?
 - ❑ How often will they make a purchase?
 - ❑ Will they purchase once or several times?
 - ❑ Do they require your product/service regularly?
 - ❑ How often?
 - ❑ Are they repeating sales?

2. Can they purchase from another business?

- ❑ If so, what is your market share?

Describe in as much detail as possible your customer's purchasing habits.

BENEFITS

A feature is not a benefit. A feature is what your product or service does, a benefit is how it makes the customer feel, and the emotional satisfaction the customer gets from using your product or service.

THE BENEFITS TO YOUR CUSTOMER



"What do your customers want and how can you solve their problems?"

Most consumers have everything they need to survive. They have enough food to eat and a place to sleep. Most marketers are no longer concerned about satisfying these basic needs. Instead, they're focusing on consumer's wants and desires:

WHAT PEOPLE REALLY BUY³

- They buy benefits and not features.
- They buy promises you make. So make them with care.
- They buy the promises they want personally fulfilled.
- They buy your credibility, or don't buy if you lack it.
- They buy solutions to their problems.
- They buy you, your employees, and your service department.
- They buy wealth, success, security, love, and acceptance.
- They buy your guarantee, reputation, and good name.
- They buy other people's opinions of your business.
- They buy expectations based upon your marketing.
- They buy believable claims, not simply honest claims.
- They buy hope for their own and their company's future.
- They buy brand names over strange names.
- They buy the consistency they've seen you exhibit.
- They buy the stature of the media in which you market.

³ Guerrilla Marketing Handbook by Jay Levinson & Seth Godin



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- They buy value-which is not the same as price.
 - They buy selection, and often the best of your selection.
 - They buy freedom from risk, granted by your warranty.
 - They buy acceptance by others of your goods and services.
 - They buy certainty.
 - They buy convenience in buying, paying and lots more.
 - They buy respect for their own ideas and personality.
 - They buy your identity as conveyed by your marketing.
 - They buy clarity; if they don't understand they don't buy.
 - They buy style – the kind that fits their own style
 - They buy neatness and assume that's how you do business.
 - They buy honesty; one dishonest word means no sale.
 - They buy comfort, offerings that fit their comfort zone.
 - They buy success: your success, which can lead to theirs.
 - They buy good taste and they know it from bad taste.

Think about your best potential customer and what your product or service does for them.

How does it make them feel?



What is in it for them to buy your product or service?

Are you solving a problem for them?

What are their problems?

FEATURES & BENEFITS

Take one product or service at a time that you offer and break it into features and benefits. Features are what it does and Benefits are what it does for the customer and the warm and fuzzy of how it makes your customer FEEL after using your product or service. Remember the Herbal Essence Shampoo commercial!

For every feature your product or service offers, match it with a benefit.

The BENEFITS become your marketing foundation.

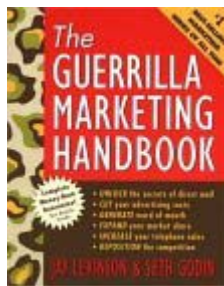
FEATURE (facts, figures, technology & details that make up the structure of your product or service.	BENEFITS (What is in it for your customer? A benefit is what your customer receives, enjoys or experiences in exchange for his time, trouble, trust or money.) ⁴

⁴ Jump Start Your Business Brain by Doug Hall p.48

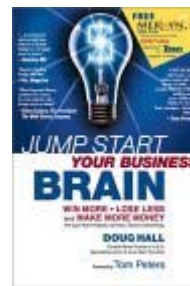


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List your business's key benefit: The single most important point of difference that separates you from your competitors and motivates customers to buy from you instead of someone else.



[GUERRILLA
MARKETING
HANDBOOK](#)



[JUMP START YOUR
BUSINESS BRAIN](#)

COMPETITOR ANALYSIS

Study the competition thoroughly. To neglect a thorough research of your competition may provide them with an opportunity that could have been yours! An advantage to you to do a thorough



research may present a glowing opportunity to your business. It provides the information to prove your market niche and the viability of your business.

There are two types of competitors. *Direct* competitors are those businesses producing and delivering similar services/products within your target area. *Indirect* competitors are outside your target area and produce or provide services to a different target market.

HOW do you research the competition?

Primary market research: (this is research that you do yourself)

- a) Compile a list of all the competitors from the yellow pages,
Business licenses, business directories,
associations, trade journals etc.

- b) Create a questionnaire or survey. What do you want to know about them?
 - Pricing
 - customer service
 - location
 - parking
 - overall appearance
 - merchandising
 - signage
 - inventory levels
 - services provided
 - hours of operation
 - _____
 - _____



➤ _____
(What else would your customers be looking for? -
needs and wants)

c) Visit as many competitors' sites as possible and take detailed notes. Answer as many questions as possible based on the needs and wants of your customers. Are there any areas you can improve upon? What do they do well?

d) Talk to customers. Use diplomacy.

Secondary Research: (data compiled on existing businesses)

e) Get on the Internet and look up competitor analysis of businesses in the same industry.

f) Get on the Internet and look up business performance profiles to see how well businesses in the same industry are doing.

Websites: <http://www.bcstats.gov.bc.ca>

<http://www.smallbusinessbc.ca>

<http://www.strategic.ic.gc.ca>

<http://www.statcan.ca>

S.W.O.T. Analysis



After you have gathered as much information as possible do a S.W.O.T. analysis. **STRENGTHS, WEAKNESSES, OPPORTUNITIES AND TARGETS.**

**STRENGTH, WEAKNESSES, OPPORTUNITIES
AND TARGETS
S.W.O.T. ANALYSIS**

Competitors	Strengths	Weaknesses	Opportunities	Target

Once you have identified your targeted customer you must now turn to your product or service. It is



essential to understand your products and services. Besides knowing your product/services characteristics, and how your customers view it, you must also know its *unique features, strengths and weaknesses compared to your competitors.*

Now is the time to examine every aspect of your product or service.

What is it? Why should someone buy it? What competitive products are out there etc? Your market research will help you answer these questions.

Be thorough, all these answers are integrated into the strength of your business plan.

1. Describe your product or service in detail:

2. What is better about your product or service? _____

3. Can you improve your product or service? How?



4. Why would a customer need or want your product or service?

5. Why would a customer choose a competitive product or service over yours?

6. Do you have back-end products (i.e. add-on or complimentary products) for sale?

PRODUCT STRENGTHS and WEAKNESSES

Now, list all of the strengths and weaknesses of your product/service against your competition.

STRENGTHS OF YOUR PRODUCT OR SERVICE



-
2. Target: your BEST potential customer.
 3. Competition: anyone else in the market that is vying for the same or similar customers.

YOUR POSITIONING STATEMENT

For

_____ (Your target)

_____ is the

_____ (Your business)

_____ that

_____ (Your leading edge)

Provides/makes/gives/offers/brings/solves etc.

_____ .

_____ (Benefit to your customer)

Examples:



For executive women who don't have enough time in the day, THYME SAVERS GOURMET makes personalized frozen entrees nutritionally balanced ready for the microwave.

For young adventurers that are tired of the same old mountain trails, ADRENALIN ADVENTURES provides safe transportation to wilderness trails for the thrill of a lifetime.

For those that need help caring for their aging parents WE CARE offers qualified care for those dearest to you so you can have peace of mind.



[PURPLE COW](#)

THE PURPLE -BEING EXTRAORDINARY!

Seth Godin author of Purple Cow – ‘Transform your business by being Remarkable’, states that times have changed. “Way back when, consumers had a lot more time and far fewer choices. Our disposable income had fewer ways to get squandered, so if a company came up with a really neat innovation (the cell phone, for example) we’d find a way to pay for it.”



“Years ago, our highly productive economy figured out how to satisfy almost everyone’s needs. Then the game changed – it was all about satisfying our *wants*. The marketing community taught us (with plenty of TV advertising) to want more and more, and consumers did their best to keep up.”

“The post-consumption consumer is out of things to buy. We have what we need, we want very little, and we’re too busy to spend a lot of time researching something you’ve worked hard to create for us.”

You need to generate an excitement, a culture, or experience that the consumers want to talk about. Something remarkable is worth talking about, worth noticing, exceptional, new, and interesting. It’s a purple cow, the new ‘P’ of marketing.

Watch those in the lead like Starbucks, Krispy Kreme, WestJet, Amazon.com, Wendy’s or Google. Starbucks for example, has created the coffee bar phenomenon, when consumers think coffee they think Starbucks!

So how can a small business adopt the Purple Cow theory?

Question for you – Have you done anything extraordinary for your customers ?

Those first few golden customers must have a remarkable experience in using your service or buying your product. They must become so excited that they can’t wait to tell their friends, family, acquaintances, or anyone who will listen to them. You must become known for something really special that will drive consumers to your door. A great local example is Donna’s pies from Horsting Farms. People will drive for miles to buy one of



Donna's pies. What about Rayla's bread at Ashcroft Bakery or the exceptional customer service from Bob the electrician of Ashcroft Electric!

Your challenge is to become known for something special, to identify these specialty markets, and focus on them. What IS your business known for?

If you don't have an answer then you had better start looking for the Purple Cow of your business that will make you remarkable.

"If you were looking to this book for a plan, I'm sorry to tell you that I don't have one. I do, however, have a process. A system that has no given tactics but is as good as any."

"The system is pretty simple. Go for the edges. Challenge yourself to describe what those edges are and then test which edge is most likely to deliver the results you seek." Review every other 'P' – your pricing, your packaging, etc. and what you do better than anyone else."

SAMPLE BUSINESS PLANS

[BRIAN'S BOOK BARN](#)

[PINE OF THE TIMES FURNITURE](#)

[MARINER'S VIEW BED & BREAKFAST](#)



[CONTACT NANCY](#)

YOU CAN DO IT!



NOTES TO SELF:

