



# gathering information

Part:5

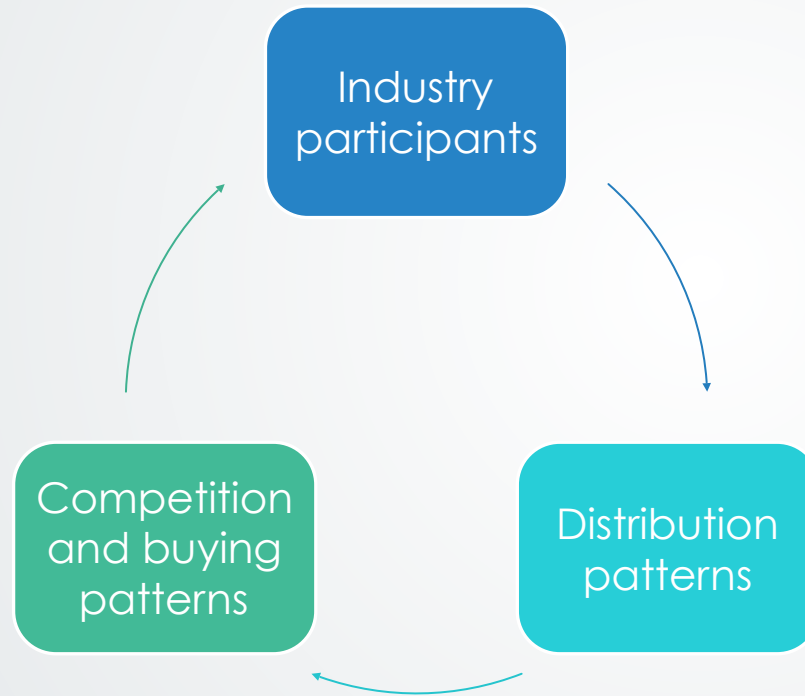
# The business you're in



- ▶ *A good plan will include useful information about your market, your customers, and the business you're in.*

*- Tim Berry*

# Industry analysis



# Industry analysis helps in

- ▶ Industry analysis is useful for understanding a firm's economic context
- ▶ Assessing the profitability of an industry
- ▶ Identifying the strategies that are most likely to be profitable
- ▶ Forecasting the likely behavior of rivals
- ▶ Industry analysis provides the context in which strategy is formulated



# Industry participants

- ▶ How do your firm's products or services fit into their industry?
- ▶ How do they interact with market conditions to create a profitable opportunity?
- ▶ Is it profitable?



# Industry participants

- ▶ Who sells in your market?
- ▶ Who are the major industry participants?



# Distribution patterns

- ▶ Is this an industry in which retailers are supported by regional distributors, as is the case for computer products, magazines, or auto parts?
- ▶ Does your industry depend on direct sales to large industrial customers?
- ▶ Do manufacturers support their own direct sales forces, or do they work with product representatives?



# Distribution patterns

- ▶ Business-to-business sales
- ▶ In long term contracts



# Competition and buying patterns



Explain the general nature of competition



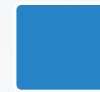
How the customers seem to choose one provider over another?



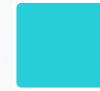
What are the keys to success?



What buying factors make the most difference—is it price?



Product features?



Service?



Support?



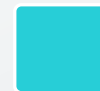
Training?



Software?



Delivery dates?



Are brand names important?

# Main competitors

- ▶ We did own several stores
- ▶ I wonder how many competitive the marker is
- ▶ I am a competitor



# Ways to identifying competitors

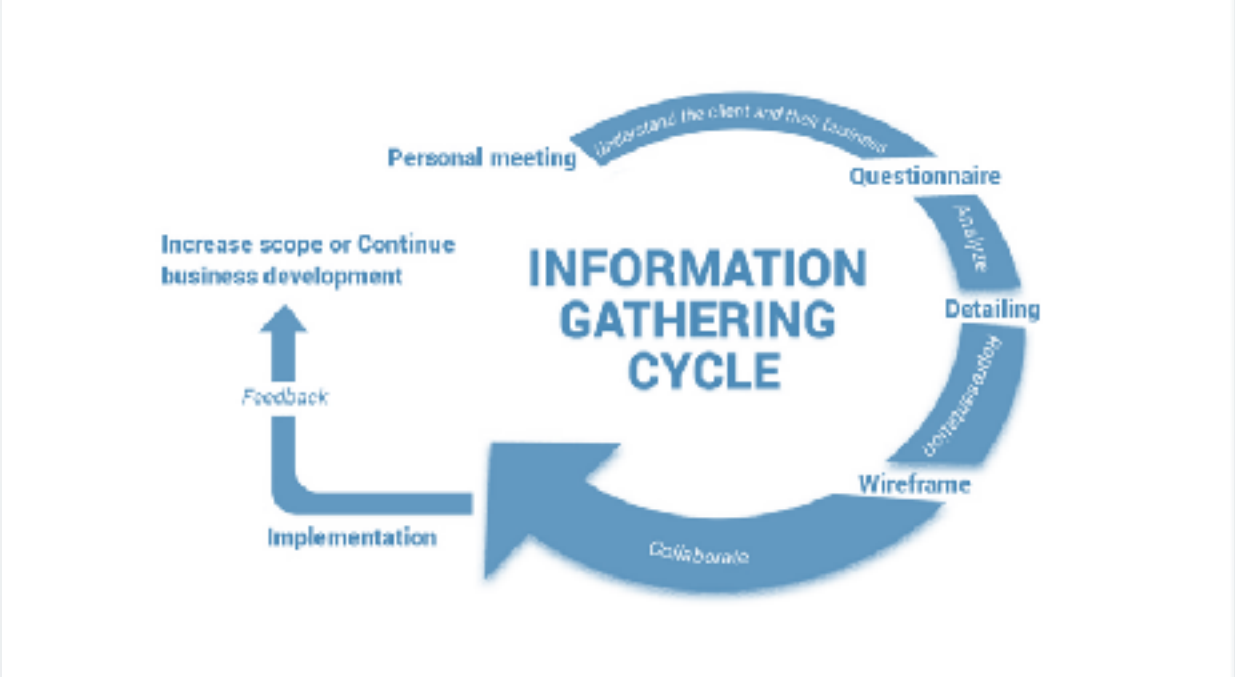
Performing  
online  
research


Holding a  
conversation

Associations  
and  
networking  
groups offer  
another way  
to identify  
competitors



# Gathering information for your business plan

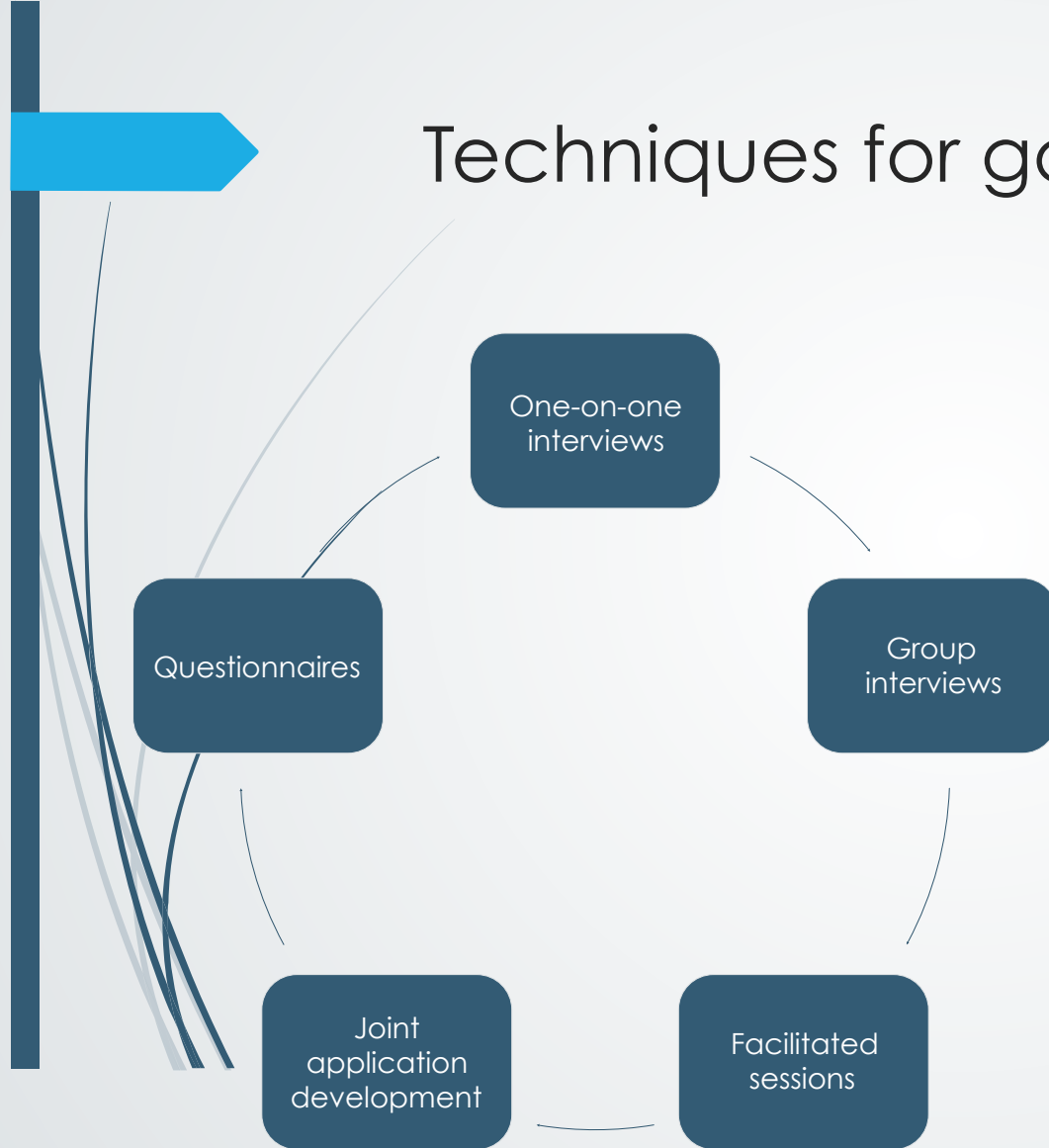




# Gathering information for your business plan

- ▶ Look at existing, similar businesses
- ▶ Find a similar business in another place
- ▶ Scan local newspapers for people selling a similar business
- ▶ Always shop the competition

# Techniques for gathering information



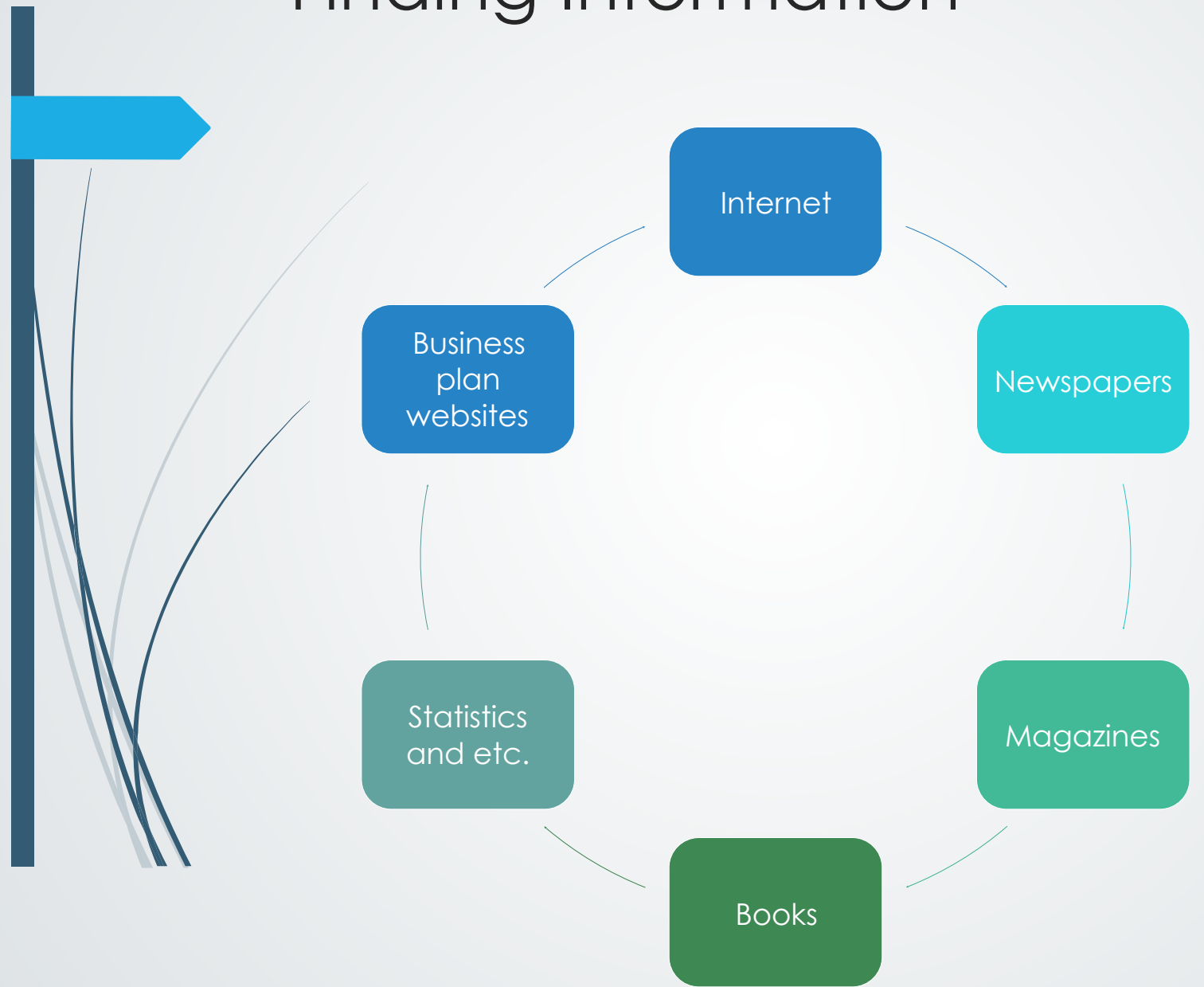


# Techniques for gathering information

- ▶ Prototyping
- ▶ Use cases
- ▶ Following people around
- ▶ Request for proposals
- ▶ Brainstorming



# Finding Information





# Web search engines

- ▶ [www.yahoo.com/business\\_and\\_economy/small\\_business\\_information](http://www.yahoo.com/business_and_economy/small_business_information)
- ▶ [www.quicken.excite.com/small\\_businessness](http://www.quicken.excite.com/small_businessness)



# Trade associations

- ▶ Many industries are blessed with an active trade association that serves as a vital source of industry-specific information. Such associations regularly publish member directories and the better ones publish statistical information that track industry sales, profits, economic trends, etc.



# Benefits of trade associations





# Business publications



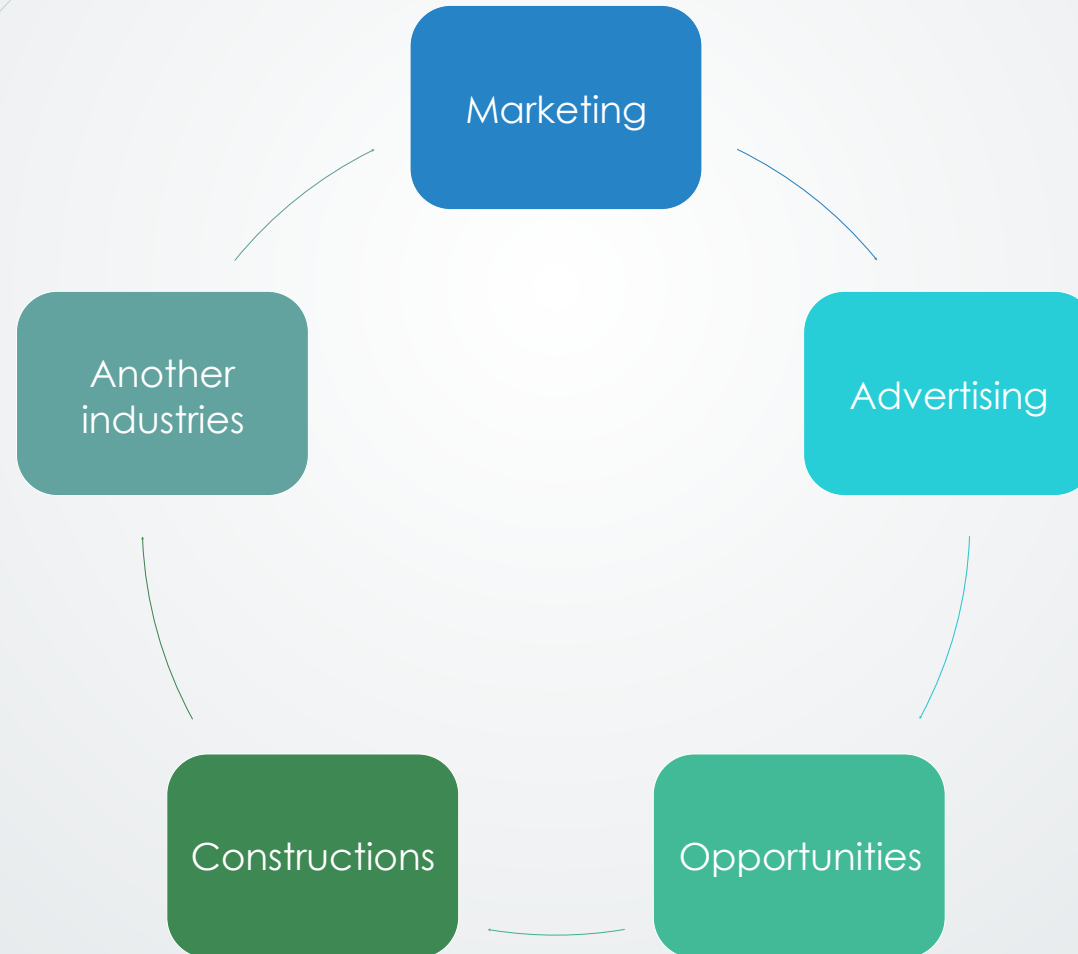


# Significance of business publications

- ▶ Awareness of the trading systems across the planet
- ▶ Data regarding new corporations and company mergers or closures and breakups of partnership deals
- ▶ Data regarding new vary of product and their utility price in life.
- ▶ Economic growth and trends on a world basis
- ▶ Data on business prospects and growth potentialities of individual corporations. Ways in which and suggests that of their enhancements



# Importance of business publications



# Reference libraries





## And also

- ▶ Small business administration
- ▶ Small business development centers
- ▶ Service corps of retired executives





## Finding business assistance

The  
**business**

**assistant**

doing the jobs you don't  
have time for

# Business organizations

- ▶ Business organization is an establishment formed to carry on a commercial enterprise.





# Summary

- We are in a brave new world of too much information, not too little. It will be hard for you to sort through all the information you'll find on your business or your industry, hard to summarize, hard to decide what is most important. As you do, keep in mind that the business plan is supposed to guide decisions. It is not a school report or even a graduate thesis. If it doesn't have a business purpose—which might be describing the industry for bank or investor, or for your own team, for example, but certainly not just to prove you can— then you shouldn't include it.



Thank you