What have we heard them say?

What can we imagine them saying?

Consulting experts: They may consult financial experts or professionals to get a more accurate estimation or analyze their current expense structure.

Tracking expenses: Business owners may diligently track and record their daily expenses to have accurate data at hand for estimation.

Revising budgets: They may revise budgets regularly based on new information or unexpected expenses that arise.

Researching: They may spend time researching and gathering information on industry benchmarks, market trends, and legal obligations.

> Biases and Optimism: People tend to underestimate expenses due to biases like over-optimism. They may underestimate costs to make the business plan or budget appear more attractive, but this can lead to financial

difficulties later on.

Anchoring: People often rely on previous expenses as an anchor when estimating future costs. If expenses have been consistently low in the past, they may underestimate future expenses based on this reference point.

> Regular revisions and monitoring: Continuously reviewing and revising expense estimates based on actual expenses can help refine future estimations and improve the accuracy of budgeting.

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ESTIMATION OF BUSINESS **EXPENSES** 

Breakdown of expenses: Breaking down expenses into specific categories and subcategories can help identify and estimate individual cost components more accurately.

Experience and Expertise: Seeking advice from financial professionals, accountants, or industry experts can provide valuable insights and guidance in accurately estimating business expenses.

Attention to Detail: Paying close attention to all expenses, including direct costs, indirect costs, and potential hidden costs, helps create a comprehensive estimation.

Accurate Data: People need reliable financial data from previous years, industry benchmarks, market research, and other sources to make informed estimates.

Proper Documentation: Having organized and upto-date financial documents, such as receipts, invoices, and bank statements, helps people track and estimate expenses more efficiently.

Anxious: They may experience anxiety about making accurate estimations to ensure their financial stability.

Frustrated: It can be frustrating to gather all the necessary information and make sense of complex financial data.

Overwhelmed: Business owners may feel overwhelmed when trying to estimate expenses as there are various factors to consider.

Motivated: They may feel motivated to estimate expenses effectively to plan for future growth and success.

**Feels** 

Does

What behavior have we observed? What can we imagine them doing?





