feasibility analysis

Feasibility Analysis Report

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Introduction

We develop an online platform i.e. an application for the customers to know about our services. The network or the employee of the company would also be picked through this platform as we would be mostly using freelancers with the good expertise to work for us. We would gradually develop a network of the chain where we can directly talk to the supplier's i.e. the materials needed to be bought in bulk. We would start of the work with providing services at start later we provide our customers with the things needed for the services, as we would develop a supply chain by then. We plan to start with our services at locations like Hyderabad and Bangalore where people have more access to the internet and were people are more modern, and gradually extend the services to major cities.

SERVICE FEASIBILITY

CONCEPT STATEMENT:

Customer Problem:
Consider the situation of a person who is a working individual, if he\she is working in a corporate organization everyone has to work for 8 to 10 hours a day and for 5 to 6 days a week. So even though they are earning enough they find it hard to spend time in organizing a party. There are other kinds of people who earn enough and also have time to organize a party but have no idea in how to organize a good party or how to organize it well. So for a person who has no idea about what all to have in a party or for a person who doesn't have time to organize a party, they would disappoint their loved ones by badly organizing or by not having a party. When people think of a party planner they think that it is only for the rich or it's a costly affair. So we would like to solve this problem by providing a platform.

Our Solution:
We have this great idea where we will create a platform which we would like to name it as a THE PARTY PLANNER. A person in this would be able to order cakes of his choice with all the design he wants it to get customized. Now this doesn't end here. If the person wants his house to be ready for hosting a party, then he could select the items with which he wants the house to be decorated. He may ask for flowers, balloons or more fun stuff like birthday masks and many things which an occasion would want. The occasion may be anything from as simple as a get-together party or a birthday party or just a hangout party or something auspicious like an Anniversary or Wedding. Since we aim to build

a party planner for all we would add features which are more feasible by everyone. Combo plans to advisory everything would be a part of the service. The solution provided by our service is, we provide a pleasing, hearty experience of party planning with a more affordable manner.

Business Model:

We develop an online platform i.e. an application for the customers to know about our services. The network or the employee of the company would also be picked through this platform as we would be mostly using freelancers with the good expertise to work for us. We would gradually develop a network of the chain where we can directly talk to the supplier's i.e. the materials needed to be bought in bulk. We would start of the work with providing services at start later we provide our customers with the things needed for the services, as we would develop a supply chain by then. We plan to start with our services at locations like Hyderabad and Bangalore where people have more access to the internet and were people are more modern, and gradually extend the services to major cities.

Target market:

The service we provide targets those people who earn enough but not more, the middle class and upper middle-class people who work hard and find it difficult to spend time organizing a party. The number of people who want to celebrate an occasion in style without minting out wallet breaking amount has increased in the past years. So we want to meet their demands. The people we are targeting are engineers, doctors, and many others who have a busy lifestyle. The services we provide would suit their demands perfectly and would satisfy them.

Competitive Advantage:

After doing an extensive research based on a sufficient number of applications, and websites who provide similar services. We found out that these groups are trying to provide things separately, specifically i.e. some provide cakes while others provide decorating items and some others provide services to organize the location. But there are none who fulfil the need of middle-class people. We want to provide a holistically pleasing experience for our clients. We want to be the only stop shop that would cater everything needed for a person to celebrate an occasion in style. The packages we provide and the add-on services we give for a pocket saving cost would give us the extra credit over the competition.

CONCLUSION

A. Service desirability

People are very desirable to use our service, the thirst for the service is very much. By seeing the responses from people we have understood that irrespective of which city they were present everyone was very much interested in our service.

B. Service demand

Though there is demand there for the product, there is still a lot of people who are desirable about the service but are not willing to spend for our service. There is scope for the demand to increase as we once launch out platform.

C. Service feasibility: Feasible

INDUSTRY/MARKET FEASIBILITY

INDUSTRY ATTRACTIVENESS:

Magnitude and ease of making profit, in comparison with the risks involved, that an industrial sector offers. It is based on the number of competitors, their relative strength, width of margins, and rate of growth in demand for its goods or services.

NAICS code: META1422, this service comes under Arts, Entertainment, and Recreation: Industry Series. Based on the NAICS code we have found out that the industry is attractive.

Industry Attractiveness Assessment Tool

X	Low Potential	Moderate Potential	High Potential
Number of competitors	Many	**Few**	None
Age of industry	**Old**	Middle aged	Young

Growth rate of industry	Little or no growth	**Moderate growth**	Strong growth
Average net income for firms in the industry	Low	Medium	**High**
Degree of industry concentration	**Concentrated**	Neither concentrated nor fragmented	Fragmented
Stage of industry life cycle	Maturity phase or decline phase	**Growth phase**	Emergence phase
Importance of industry's products and/or services to customers	"Ambivalent"	**"Would like to have"**	"Must have"
Extent to which business and environmental trends are moving in favor of the industry	Low	Medium	**High**
Number of exciting new product and services emerging from the industry	Low	**Medium**	High
Long-term prospects	Weak	Neutral	**Strong**

TARGET MARGET ATTRACTIVENESS:

An attractive market segment is one that offers solid current or long-term profit potential for your business. Companies typically consider the various segment options they have to market to and may target one or multiple markets depending on how much money they have available to invest in marketing.

X	Low Potential	Moderate Potential	High Potential
Number of competitors	Many	Few	**None**

Growth rate of industry	Little or no growth	**Slow growth**	Rapid growth
Average net income for firms in the industry	Low	**Medium**	High
Methods for generating revenue in the industry	Unclear	Somewhat clear	**Clear**
Ability to create "barriers to entry" for potential competitors	**Unable to create**	May or may not be able to create	Can create
Degree to which customers feel satisfied by the current offerings in the target market	Satisfied	Neither satisfied or dissatisfied	**Unsatisfied**
Potential to employ low cost guerrilla and/or buzz marketing techniques to promote the firm's product or services	Low	**Moderate**	High
Excitement surrounding new product/service offerings in the target market	Low	**Medium**	High

MARKET TIMELINESS:

Timeliness is the principle of communicating with your prospective customer at the right time in their buying cycle. This can take a few different forms. In the world of inbound marketing, this means predicting what needs might drive a customer to your company. Then, making content easily-available that will educate them in general terms and impress upon them that your company is a top contender for their business. This brings to light the importance of good content and effective SEO & SEM.

Marker Timeliness Assessment Tool

X	Low Potential	Moderate Potential	High Potential
Buying mood of customers	Customers are not in a buying mood	**Customers are in a moderate buying mood**	Customers are in aggressive buying mood
Momentum of the market	Stable to losing momentum	**Slowly gaining momentum**	Rapidly gaining momentum
Need for a new firm in the marker with your offerings or geographic location	Low	Moderate	**High**
Extent to which business and environmental trends are moving in favor of the target market	Low	**Medium**	High
Recent or planned entrance of large firms into the marker	Large firms entering the marker	Rumors that large firms may be entering the marker	**No larger firms entered the market or are rumored to be entering the market**

CONCLUSION

A. Industry Attractiveness
Based on the limited knowledge known about the industry it is found that this industry is an age old one, and the number of competitors in the industry are high. Potential to employee low cost techniques in the industry is moderate. The industry still has a lot of scope to grow. So it is a positive sign that new competitors would find their way in.

B. Target Market Attractiveness
Though the industry is an age old one, the market for the particular service is yet to be open for everyone to explore. As the market is new and budding kind it is good to make an investment at this time. Since there is demand for the service and there are unsatisfied customers it is good to make move right now.

C. Market Timeliness
As the customers are moderately interested to use the service it is good to understand the customer and would be easy to convince them the advantages of the service. Since the environment is coping up for the service to work in the market, it would be good sign for the start-up. As there is no threat from large firms, in entering the market it is also a good sign.

ORGANIZATIONAL FEASIBILITY

MANAGEMENT PROWESS

It is one of criteria used in Organizational Feasibility Analysis. Its study reveals the willingness of management team, or sole entrepreneur to perform the assigned duty with passion and commitment if they have or not.

Management Prowess Assessment Tool

X	Low Potential	Moderate Potential	High Potential
Passion for the business idea	Low	Medium	**High**
Relevant industry experience	**None**	Moderate	Extensive
Prior entrepreneurial experience	**None**	Moderate	Extensive

Depth of professional and social networks	Weak	**Moderate**	Strong
Creativity among management team members	Low	Moderate	**High**
Experience and expertise in cash flow management	None	Moderate	**High**
College graduate	No college education	Some college education but not currently in college	**Graduated or are currently in college**

RESOURCE SUFFICIENY

An assessment of whether an entrepreneur has sufficient non-financial resources to launch the proposed business.

Resource Sufficiency Assessment Tool

Ratings					Resource Sufficiency
1	**2**	3	4	5	Office space
1	**2**	3	4	5	Lab space, manufacturing space, or space to launch a service business
1	2	3	4	5	Contract manufacturers or outsource providers
1	2	3	4	5	Key management employees (now and in the future)
1	**2**	3	4	5	Key support personnel (now and in the future)
1	2	3	4	5	Key equipment needed to operate the business (computers, machinery, delivery vehicles)
1	2	3	4	5	Ability to obtain intellectual property protection on key aspects of the business

1	2	**3**	4	5	Support of local and state government if applicable for business launch
1	2	3	4	5	Ability to form favorable business partnerships

Ratings: Strong, Neutral, Or Weak	
Neutral	Proximity to similar firms (for the purpose of knowledge sharing)
Strong	Proximity to suppliers
Neutral	Proximity to customers

CONCLUSION

A. **Management prowess**

Reason behind forming group for Event Handler is that we all share some interest, we all like parties and to make other happy by throwing surprise parties. So obviously we all are passionate about the idea. As this idea doesn't require any industry experience and none of us have any relevent industry experience but we all have some experience from our life.

No, we don't have any entrepreneurial experience. We all have some qualities to make Event Planner successful, as Avinash and Devjeet are party guys so they have lots of contacts in Hyderabad, Banglore and Jaipur. These are the cities that we are targeting. We also have creativity buddies also Praneet and Joshita, both of them are innovative in cooking new ideas. And for cash flow, no one can match Akhil and Dushyant, they are very handy in negotiation.

We all are college students, dreaming life of our own rules.

B. **Resource sufficiency**

Initialy we don't require any office as we are expecting large demand at launching phash but as the demand will increase we have free space in Hyderabad and Jaipur. We don't need any lab and manufacturing space as we are providing service to the users and we know local contractor for

outsource for small scale demand. Right now we doesn't require extra personnel for the service to be provided we all have role alloted and we can cope upto certain period but in future.

We are not producing anything new, so we just need computers to operate and we are equipped with them. We do not require neither patend nor any governement support for service launch.

Favourable business partnership are avialable as we grow our service level, when we will expand our service to new cities then we will contact local dealer for operation to operate.

Yes, service is feasible.

FINANCIAL FEASIBILITY

TOTAL START-UP CASH NEEDED

The start-up costs (which include capital investments and operating expenses)

Total Start-up Cash Needed (to Make First Sale)

Capital Investments	Amount
Property	₹10,000
Furniture and fixtures	₹10,000
Computer equipment	₹10,000
Other equipment	₹5000/-

Operating Expenses	Amount
Legal, accounting, and professional services	₹10,000
Advertising and promotions	₹10,000
Deposits for utilities	₹10,000
Licenses and permits	₹10,000

Prepaid insurance	0.00
Lease payments	₹20,000
Salary and wages	₹20,000
Payroll taxes	0.00
Travel	₹10,000
Signs	₹10,000
Tools and supplies	₹15,000
Starting inventory	0.00
Cash (working capital)	₹50,000
Other expense 1	₹10,000
Total Start-up Cash Needed	₹2,10,000 Rupees

COMPARSION OF THE FINANCIAL PERFORMANCE OF PROPSED VENTURE TO SIMILAR FIRMS

Annual Sales

Estimate of Proposed Venture's Annual Sales—Year 1		
Estimate of Year 1 Sales ₹4,00,000		
How proposed annual sales, on average, _____ compares to similar firms		
Below Average	**Average**	Above Average
Estimate of Year 2 Sales ₹7,00,000		
How proposed annual sales, on average, _____ compares to similar firms		
Below Average	Average	**Above Average**

Net Income

Estimate of Proposed Venture's Annual Sales—Year 1		
Estimate of Year 1 Sales ₹1,90,000		
How proposed annual sales, on average, _____ compares to similar firms		
Below Average	**Average**	Above Average
Estimate of Year 2 Sales ₹5,50,000		
How proposed annual sales, on average, _____ compares to similar firms		
Below Average	Average	**Above Average**

Overall Financial Attractiveness of Proposed Venture Assessment Tool:

X	Low Potential	Moderate Potential	High Potential
Steady and rapid growth in sales during the first one to three years in a clear defined target market	Unlikely	**Moderately likely**	Highly likely
High percentage of recurring income meaning that once you win a client; The client will provide recurring sources of revenue	Low	**Moderate**	Strong
Ability to forecast in And expenses with a reasonable degree of certainty	Weak	Moderate	**Strong**

Likelihood that internally generated funds will be available within two years to finance growth	Unlikely	Moderately likely	**Highly likely**
Availability of exit Opportunity for investor	Unlikely	Maybe	**Likely**

OVERALL FEASIBILITY: SUMMARY AND CONCLUSION

X	*Overall Feasibility of the Business Idea Based on Each Par*	*Suggestions for Improving the Feasibility*
Service Feasibility	Not Feasible Unsure **Feasible**	-
Industry/Market Feasibility	Not Feasible **Unsure** Feasible	By understanding the Indian market using something similar to NIC code.
Organizational Feasibility	Not Feasible **Unsure** Feasible	As we have not fully thought of launching a startup it would be good to consider the team members again.
Financial Feasibility	Not Feasible Unsure **Feasible**	-
Overall Assessment	Not Feasible Unsure **Feasible**	-

Based on the feasibility report, the desirability for the service has been identified. Since customers are new to this kind of service the demand for the service is not as much. So to understand it more appropriately it would be good to conduct the survey more extensively. Since there is were little knowledge about the industry attractiveness, it is good to reconsider doing Industry feasibility before launching the start-up. As the idea to actually invest into this start-up is less of interest for all the group members it is wise to look out for team members. This feasibility report would be very much helpful to consider the analysis of different assessments before actually investing into the start-up.

ANNEXIURE

CONCEPT STATEMENT TEST

Q1. 3 things that you liked about our product/service.

Q2. 3 suggestions to make it better.

Q3. Do you think is it feasible (or will be successful)?

Q4. Share any additional comment/suggestion.

Q5. How likely would you be to buy the product or service described above?

    i.   Definitely would buy
   ii.   Probably would buy
  iii.   Might or might not buy
  iv.   Probably would not buy
   v.   Definitely would not buy

Response 1: (Divya Kurian)
1)   a. The best thing about the product is that this is for middle class people.
        b. This is something new and interesting.
        c. technology oriented platform.

2)   a. You should extend this idea to college parties.
        b. Introduce Mobile App.
        c. Extend this service to more cities.

3) I totally agree that this service will do good.

4) It would be difficult to convince people that you can celebrate an occasion more nicely.

5) Probably would buy.

Response 2: (Sourabh Jha)

1)   a. It is something new trend.
        b. It is a great concept for a committed couple, they can use this kind of platform to surprise his girlfriend who is working in some other city.
        c. As you are also providing the themes for the party, so that would good and convenient for one get the desired party theme.

2) Right now I cannot give any suggestions as it is idea on paper, once it will be implanted then only I can give any recommendations.

3) May be or not as this is something new kind of trend in present society, we should give it try.

4) No comments

5) Might or might not buy.

Response 3: (Diksha Vashishit)

1) Good initiative to have this kind of concept. It's something which I am like cause many people don't find time now a day.

2) I don't feel any valuable suggestion as of now

3) I think now a days organising a birthday party is cumbersome so hiring a party planner is much more feasible as it reduces your work.

4) It would be great if you take into account of every criterion like what kind of parties or events people want to organise and work according to it.

5) Probably would buy.

Response 4: (Vignesh Shekar)

1)   Good that you are using new technologies in your product.
        Good initiative.
        Your product is targeting large number of population.

2) You should give more options like party themes.

3) I totally agree that it is good initiative and with right set of skills it would be a successful product.

4) It would be better you take an online survey or ask out people by word rather than, asking them to type like this.

5) Definitely would buy.

Response 5: (Vijay Barala)

A1.   1) The product can have a massive reach as it would be available online.

        2) It can be targeted at a wide audience.

        3) It is a unique idea.

A2. You can make changes in concept statement.

A3. The product has a very good potential keeping in mind the busy urban life provided that the company makes an extra effort.

A4. Make the product name catchy!

A5. Might or might not buy.

BUYING INTENTION SURVEY

Q1.Which income group do you belong? *

- Upper Middle Class

- Middle Class

- Lower Middle Class

Q2.Have you used services provided online? *

- Yes

- No

- Can't Say

Q3.Do you party? *

- Regularly

- Not so regularly

- Some times

- Never

Q4.Do you like surprise party? *

- Yes

- No

- Only from special people

- Don't know

Q5.Do you think this service will succeed or not? *

- Yes

- May be

- Can't Say

- No

Q6.How likely would you be to buy the service? *

- Definitely would buy

- Probably would buy

- Might or might not buy

- Probably would not buy

- Definitely would not buy
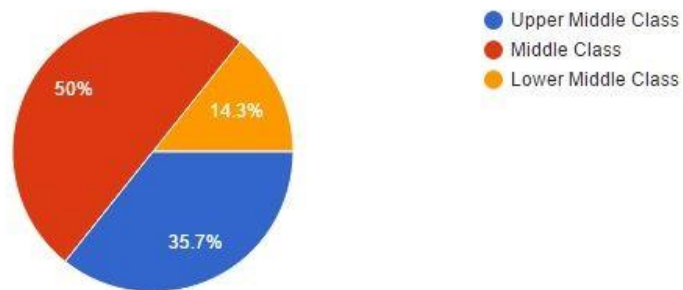
Q7.Any Suggestion?

Names of the people, who responded:

1. Subodh Barala
2. Sanjeev Choudhary
3. Vinay Maan
4. Vikas Yadav
5. Nishanth Reddy
6. Mahesh Bagaria
7. Ramanand Choudhary
8. Abhishek Mathur
9. Anurag Yepuri
10. Deepak Totlani
11. Divesh Basantani
12. Himansh Ch
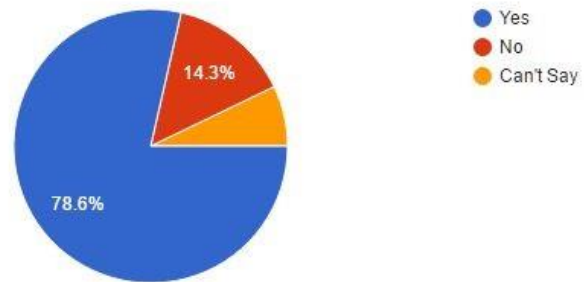13. Dushyant Singh
14. Jitendera Choudhary

15. Aditya Ram Baleem

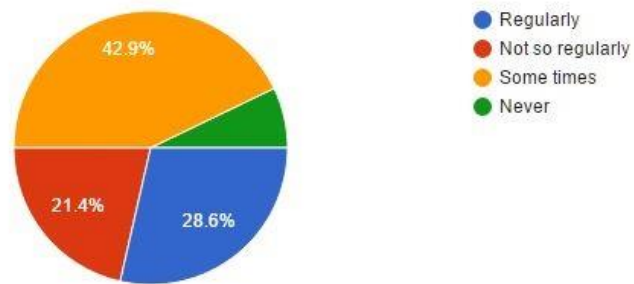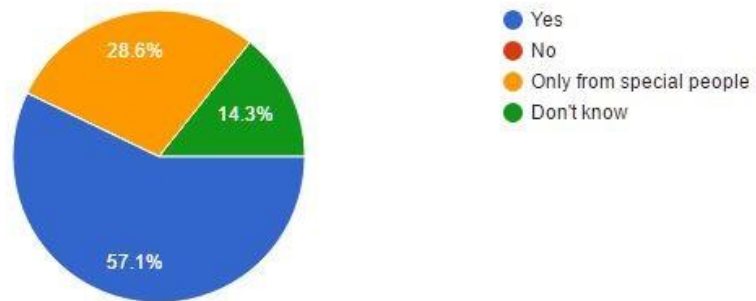We don't have the names of all the people who have responded.

QUESTIONS   RESPONSES   41

41 responses

SUMMARY   INDIVIDUAL

Accepting responses

Which income group do you belong?

- Upper Middle Class
- Middle Class
- Lower Middle Class

50%

14.3%

35.7%

Have you used services provided online?

Do you party?

Do you like surprise party?

- Yes
- No
- Only from special people
- Don't know

28.6% 14.3% 57.1%

Do you think this service will succeed or not?

- Yes
- May be
- Can't Say
- No

21.4% 14.3% 57.1%

How likely would you be to buy the service ?

- ● Definitely would buy
- ● Probably would buy
- ● Might or might not buy
- ● Probably would not buy
- ● Definitely would not buy
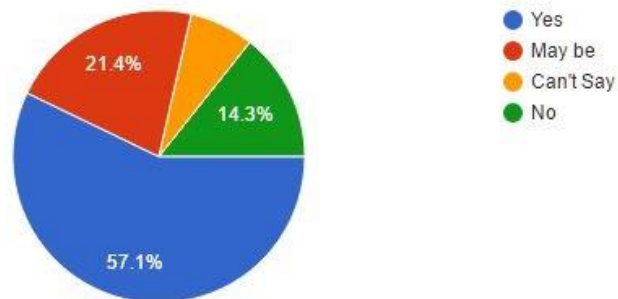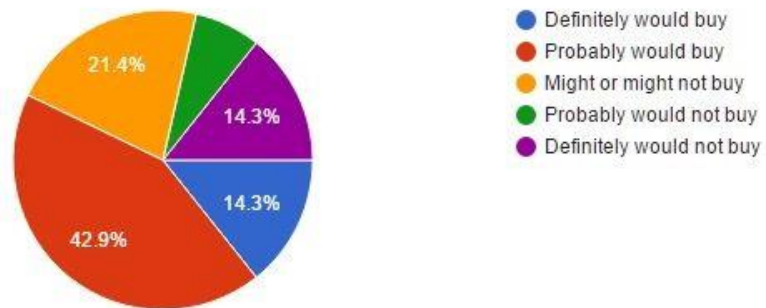
Any Suggestion?

No Suggestion.
and all the best for your idea....

Your target should be the college youth and newly recruited persons.
Your product has a good scope in metros

The name of the product isn't catchy.