

Full Feasibility Analysis

INTRODUCTION

- A. **Name of the proposed business:** NU Munchies
- B. **Name of the founder (or founders):**
Gaurav Tibrewal, Manik Garg, Chinmaya Bansal, Nishi Chandra, Lavkush Singh.
- C. **One paragraph summary of the business:**
The mobile application, will facilitate the students of **NIIT University** to get in touch with **Nescafe** and **HOD** just a few clicks away. They will be able to view the current menu with the list of items available. It will also ease the students to place their order from the app itself.

PART 1: PRODUCT/SERVICE FEASIBILITY

ISSUES ADDRESSED IN THIS PART

- A. **Product/service desirability**
In the current scenario, if anyone wishes to have something from either HOD or Nescafe, they had to walk all the way from their hostels to these places. The worst case is when you go for the desired product and it's not available. With the help of this application, students can get to know the availability of the products beforehand and can place the order from hostel rooms and classes itself, just a few clicks away.

The customers interested are the hostel students of the college.

Google Form Link: <https://goo.gl/forms/VGYV9h3ZHaXbWDSx2>

- B. **Product/service demand**

Our app has some salient features like:

- ✓ It will be a light-weight android application which will occupy very little amount of space into android phones.
- ✓ It will enable people to get the information of Nescafe and HOD of NIIT University sitting anywhere in the college.
- ✓ Nescafe and HOD will prepare their food according to the orders received without any hassle.

The no of customers interested are the students who are willing to use the app.

ASSESSMENT TOOLS

Concept Statement Test

- A. Write a concept statement for your product/service idea.

Concept Statement

- ✓ **Product:**
This mobile application (name yet to be decided), will facilitate the students of NIIT University to get in touch with Nescafe and HOD just a few clicks away. They will be able to view the current menu with the list of items available. It will also ease the students to place their order from the app itself (yet to decide the implementation).
- ✓ **Target Market:**
It will be exclusively available for the students of NIIT University (we shall extend it to all the people residing in NU after it becomes a success).
- ✓ **Why an android app?**
In the current scenario, if anyone wishes to have something from either HOD or Nescafe, they had to walk all the way from their hostels to these places. The worst case is when you go for the desired product and it's not available.

With the help of this application, students can get to know the availability of the products and can place the order from hostel rooms and classes itself, just a few clicks away.

✓ **Special Features:**

- ❖ It will be a light-weight android application – which will occupy very little amount of space into android phones.
- ❖ It will enable people to get the information of Nescafe and HOD of NIIT University sitting anywhere in the college.

✓ **Position Relative to Competitors:**

Since this idea is confined to NIIT University, our apps scale is not big enough. Therefore talking about competitors is out of question. In the future, if we are expanding our app on a large scale then we have competitors like Food Panda, Zomato, Swiggy, etc.

✓ **Location of the Business:**

NIIT University, NH 8, Delhi- Jaipur Highway, Neemrana, Rajasthan 301705

✓ **Management Team:**

The management team will comprise of five people (in the format of: Name, Enrolment number, Section), who are B.Tech CSE students of NIIT University, Neemrana:

- ❖ Nishi Chandra (U101115FCS237), S4
- ❖ Manik Garg (U101115FCS199), S4
- ❖ Chinmaya Bansal (U101115FCS077), S4
- ❖ Lavkush Singh (U101115FCS113), S5
- ❖ Gaurav Tibrewal (U101115FCS088), S4

B. We spoke to people to spread our concept statement, and we included our business proposal in the google doc to know the customers perspective:

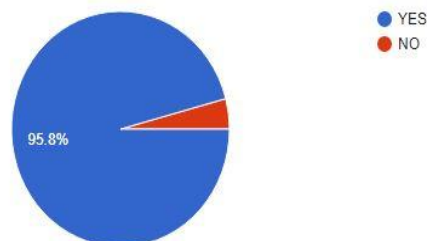
- ✓ tell you if they like about your product/service idea (Did you like this idea ?)
- ✓ tell you whether they think the product or service idea is feasible (Do you think our idea is feasible ?)
- ✓ share any additional comments or suggestions (Any Suggestions)

C. **Following were the outcome:**

- ✓ How many people liked our idea

Did you like this idea ?

24 responses



- ✓ Suggestions for strengthening the idea/suggestions made by people for strengthening or improving the idea

Any Suggestions

12 responses

On further purchases, if we could get cashback points.

If payment options are available, well and good.

If possible, notify when the order is ready or the expected time of completion.

Please merge all the features with the features of mess menu app so that there is a single app for every food related things.

Nice idea

The idea is awesome.

A notification for when our order is ready .

Include online payment options.

-

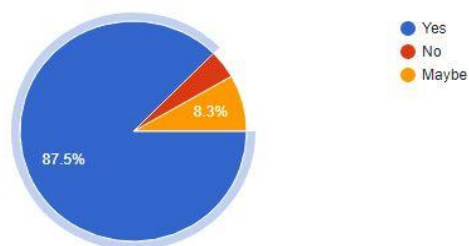
Make a webapp no need to install anything just logon to website with google login you'll get user detail from there.

Can also extend this to order fruits and medicines from tuck shop

- ✓ Overall feasibility of the product or service concept:

Do you think our idea is feasible ?

24 responses



The number of people who think the idea is feasible: 21

The number of people who think it isn't feasible: 1

The number of people who think it the idea may be feasible: 2

- ✓ Other comments and suggestions:
 - ❖ Availability of online payment options
 - ❖ Notification when the order is ready or the expected time of completion.
 - ❖ Can also extend this to order fruits and medicines from tuck shop
 - ❖ NU mess is only available in android but our app should be even in App store.

Buying Intentions Survey

A. Survey Link: https://drive.google.com/open?id=1f6-5zH_VrF7gOhARGqkXYaeAriepNZ3TBHFDcmZ5udE

B. The number of people who participated in the survey: 18

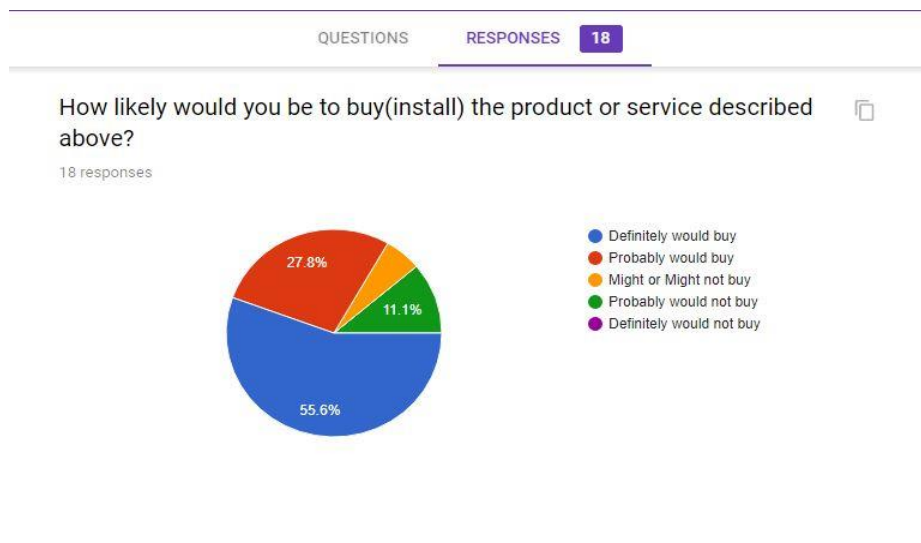
C. The results of the survey obtained were as follows:

- ✓ The percentage of the total number of people surveyed that said they would probably buy: 5
- ✓ The percentage of the total number of people surveyed that said they definitely would buy: 10

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

10 people: definitely would buy

5 people: probably would buy
 1 people: might or might not buy
 2 people: probably would not buy
 0 people: definitely would not buy



Conclusion

A. Product/service desirability

Our services are desirable by most of the people who answered our survey. They liked the idea very much. They would prefer ordering the foods from our app.

B. Product/service demand

There is a demand for the app in the university. The customers are happy to know that such an app is being developed. We are hoping for a rise in demand in near future.

C. Product/service feasibility

Not Feasible Unsure Feasible

D. Suggestions for improving product/service feasibility

Here is a screenshot of the suggestions that we received.

Any Suggesstions:

8 responses

- I am looking forward to this app.
- The app must not consume more space and should not be frequently ask for update
- The application should look attractive
- Why to keep an extra application just for ordering things
- If the app is very confusing, I will uninstall that
- Its a nice idea
- The app must also have the online payment option
- The app must inform the retailers of the unavailable things if clicked

PART 2: INDUSTRY/MARKET FEASIBILITY

ISSUES ADDRESSED IN THIS PART

- A. Industry attractiveness:
- B. Target market attractiveness:
- C. Timeliness of entry into the target market

ASSESSMENT TOOLS

Industry Attractiveness

Industry Attractiveness Assessment Tool

(used to assess the broad industry, rather than the specific target market, you plan to enter)

	<i>Low Potential</i>	<i>Moderate Potential</i>	<i>High Potential</i>
1. Number of competitors	Many	Few	None
2. Age of industry	Old	Middle aged	Young
3. Growth rate of industry	Little or no growth	Moderate growth	Strong growth
4. Average net income for firms in the industry	Low	Medium	High
5. Degree of industry concentration	Concentrated	Neither concentrated nor fragmented	Fragmented
6. Stage of industry life cycle	Maturity phase or decline phase	Growth phase	Emergence phase
7. Importance of industry's products and/or services to customers	"Ambivalent"	"Would like to have"	"Must have"
8. Extent to which business and environmental trends are moving in favor of the industry	Low	Medium	High
9. Number of exciting new product and services emerging from the industry	Low	Medium	High
10. Long-term prospects	Weak	Neutral	Strong

Target Market Attractiveness

Target Market Attractiveness Assessment Tool

(used to assess the specific target market, rather than the broader industry, you plan to enter)

	<i>Low Potential</i>	<i>Moderate Potential</i>	<i>High Potential</i>
1. Number of competitors in target market	Many	Few	None
2. Growth rate of firms in the target market	Little to no growth	Slow growth	Rapid growth
3. Average net income for firms in the target market	Low	Medium	High

	<i>Low Potential</i>	<i>Moderate Potential</i>	<i>High Potential</i>
4. Methods for generating revenue in the industry	Unclear	Somewhat clear	Clear
5. Ability to create “barriers to entry” for potential competitors	Unable to create	May or may not be able to create	Can create
6. Degree to which customers feel satisfied by the current offerings in the target market	Satisfied	Neither satisfied or dissatisfied	Unsatisfied
7. Potential to employ low cost guerrilla and/or buzz marketing techniques to promote the firm’s product or services	Low	Moderate	High
8. Excitement surrounding new product/service offerings in the target market	Low	Medium	High

Market Timeliness

Market Timeliness Assessment Tool

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

Conclusion

A. Industry attractiveness

The App Revolution came to existence in the 21st century. The growing demand for making apps for various different issues are rising day by day. The industry has a very large scope and a large market share in coming years.

B. Target market attractiveness

We plan to target NIIT University as our market.

C. Market timeliness

The current market scenario has great opportunities. Anytime this year would be the right time to enter the market as our market is restricted to only NIIT University.

D. Industry/market feasibility:

Not Feasible Unsure Feasible

E. Suggestions for improving industry/market feasibility

Work according to customer needs and demands.

PART 3: ORGANIZATIONAL FEASIBILITY ISSUES ADDRESSED IN THIS PART

A. Management prowess

B. Resource sufficiency

ASSESSMENT TOOLS

Management Prowess

Management Prowess Assessment Tool

	<i>Low Potential</i>	<i>Moderate Potential</i>	<i>High Potential</i>
1. Passion for the business idea	Low	Moderate	High
2. Relevant industry experience	None	Moderate	Extensive
3. Prior entrepreneurial experience	None	Moderate	Extensive
4. Depth of professional and social networks	Weak	Moderate	Strong
5. Creativity among management team members	Low	Moderate	High
6. Experience and expertise in cash flow management	None	Moderate	High
7. College graduate	No college education	Some college education but not currently in college	Graduated or are currently in college

Resource Sufficiency

An explanation of the rating system used in the first portion of the table is as follows:

- ① Available
- ② Likely to be available: will probably be available and will be within my budget
- ③ Unlikely to be available: will probably be hard to find or gain access to, and may exceed my budget
- ④ Unavailable
- ⑤ NA: not applicable for my business

Resource Sufficiency Assessment Tool

<i>Ratings</i>	<i>Resource Sufficiency</i>
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

_____	Proximity to similar firms (for the purpose of knowledge sharing)
_____	Proximity to suppliers
_____	Proximity to customers
_____	Proximity to a major research university (if applicable)

Conclusion

A. Management prowess

The expertise in management will come in different stages of working. We will have to ensure that our services do not create any dissatisfaction and our team should be capable to handle any circumstances. As we move on to work on our idea, we will eventually gain expertise in different areas.

B. Resource sufficiency

With proper investment we can have enough resources for sufficiently managing the business and work efficiently. There are enough resources available for proper implementation of our business idea.

C. Organizational feasibility:

Not Feasible Unsure Feasible

D. Suggestions for improving organizational feasibility

Proper management of operations and customer support will be crucial. Maintaining a proper and clean structure of the organization. Have good partnership with logistic companies.

PART 4: FINANCIAL FEASIBILITY

ISSUES ADDRESSED IN THIS PART

- Total startup cash needed
- Financial performance of similar businesses
- Overall financial attractiveness of the proposed venture

ASSESSMENT TOOLS

Total Start-up Cash Needed

Total Startup Cash Needed (to Make First Sale)

<i>Capital Investments</i>	<i>Amount</i>
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Property	None Since it's a mobile Application
Furniture and fixtures	None
Computer equipment	Android Device, Server (Rs. 50,000)
Other equipment	None
Vehicles	None

<i>Operating Expenses</i>	<i>Amount</i>
Legal, accounting, and professional services	1,50,000
Advertising and promotions	50,000
Deposits for utilities	1,00,000
Licenses and permits	1,00,000
Prepaid insurance	0
Lease payments	0
Salary and wages	0
Payroll taxes	As per the Regulations, still assuming 50,000
Travel	30,000
Signs	
Tools and supplies	0
Starting inventory	0
Cash (working capital)	0
Other expense 1	0
Other expense 2	2,00,000(In case if required)
Total Startup Cash Needed =	7,80,000

Comparison of the Financial Performance of Proposed Venture to Similar Firms

Comparison of the Financial Performance of Proposed Venture to Similar Firms Assessment Tool

Swiggy, Source: <https://www.tofler.in/blog/indian-start-up-financials-reports-revenue-loss/swiggy-fy-14-15-revenue-at-inr-11-6-lacs-losses-at-inr-2-1-crores-tofler-curiosityisgood/>

	Net Income
<i>Estimate of Proposed Venture's</i>	<i>Explanation of How the Estimate</i>
<i>Net Income—Year 1</i>	<i>Was Computed</i>
Estimate of Year 1 Net Income	Rs11.59 lakh

Summary: How proposed net income, on average, compares to similar firms (circle one)

Below Average Average Above Average

Estimate of Year 2 Net Income	Rs23.59 crore
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Summary: How proposed net income, on average, compares to similar firms (circle one)

Below Average Average Above Average

Overall Financial Attractiveness of the Proposed Venture

Overall Financial Attractiveness of Proposed Venture Assessment Tool

	<i>Low Potential</i>	<i>Moderate Potential</i>	<i>High Potential</i>
1. Steady and rapid growth in sales during the first one to three years in a clearly defined target market	Unlikely	Moderately likely	Highly likely

2. High percentage of recurring income—meaning that once you win a client, the client will provide recurring sources of revenue	Low	Moderate	Strong
3. Ability to forecast income and expenses with a reasonable degree of Certainty	Weak	Moderate	Strong
4. Likelihood that internally generated funds will be available within two years to finance growth	Unlikely	Moderately likely	Highly likely
5. Availability of exit opportunity for investor if applicable	Unlikely to be unavailable	May be available	Likely to be available

Conclusion

A. Total startup cash needed

Although our startup concerns with the mobile application in NIIT University, which as such has no cash requirement, but in case if we intend to expand our business after successful establishment at NU, we approximately will need around 8 Lakhs to invest.

B. Financial performance of similar businesses

Our competitors earn around 23 crore annually. But since our app is confined to the university premises, we are currently not focusing on earning this much.

C. Financial feasibility:

Not Feasible Unsure Feasible

D. Suggestions for improving financial feasibility

Earning the trust of consumers of NIIT University and making contacts as we increase our venture.

OVERALL FEASIBILITY: SUMMARY AND CONCLUSION

	<i>Overall Feasibility of the Business Idea Based on Each Part</i>	<i>Suggestions for Improving the Feasibility</i>
Product/Market Feasibility	Feasible	Since we have no competitors, our App will gain market attraction at NU
Industry/Market Feasibility	Feasible	Work according to customer needs and demands will enhance Industry feasibility
Organizational Feasibility	Feasible	Proper management of operations and customer support will be crucial. Maintaining a proper and clean structure of the organization. Have good partnership with logistic companies.

Financial Feasibility	Feasible	Earning the trust of consumers of NIIT University and making contacts as we increase our venture.
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Overall Assessment	Feasible	The idea is feasible but if it is a huge success at NU, then there is a possibility of expansion and growth.
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Conclusion

The startup idea is one of its kind at NIIT University. Since there are a lot of advantages of using this application, one being hassle free and timely delivery of orders. The above analysis and consumers interest shows that this idea may go places. At the large scale launch of this product, there are already existing rivals, which additional features, which may be a hurdle to our startup. It will take some time for our business idea to establish, to gain customer's trust.