

Business Plan Preparation Face to Face Research (F2F-R)

Step 1: Gut Check - Determine concept potential

- Entrepreneur to answer 25 questions to determine if concept is worth pursuing or has fatal flaws. (**Attachment #1**)
- Draw conclusion: is concept is feasible. If not, can it be modified?

Step 2: Reality Test I - Get preliminary feedback on your concept from experts

- Prepare Written Concept Description. (**Attachment #2a**)
- Ask 5 questions of 5 experts in market or industry. (**Attachment # 2b**)
- Draw conclusion: is concept is feasible. If not, can it be modified?

Step 3: Sniff Test - Determine target customer interest

- Survey 10 potential customers on whether they will buy the product/service. (**Attachment #3**)
- Draw conclusion: do customers like the concept? Will they actually buy?

Step 4: Reality Test II - Get feedback on the entire business venture from experts

- Prepare a short summary of business as it stands at this stage of the planning process.
- Establish 3 to 5 objectives for each interview. What do you need to know?
- Determine what you need to know to give yourself confidence that you are on the right track. Prepare a list of questions, e.g. Is this market attractive? Is the timing right to enter the market now? Is the proposed product/service needed in the selected market segment? Have you indentified the right target customer? Is the value proposition clear? What is the sustainable competitive advantage? What are the key drivers of success? What are the risks? What are potential fatal flaws? What am I not understanding or missing?
- Conduct in-depth interviews with 15 experts, including industry experts and organizations, competitors, distributors, investors, bankers, company CEO's, real estate companies, product and service designers, marketing experts, distributors, engineers, vendors, suppliers, manufacturers, subcontractors, consultants, etc. Ideally you should talk to people in the same industry that you are considering, but should not be limited to these; talking with successful entrepreneurs can provide great insights.
- Complete a type-written Call Report. (**Attachment #4**)

Step 5: Customer Surveys – Develop an in-depth understanding of your target customer

- Prove that the target customer understands the benefits of your product/service and will buy it.
 - Conduct an in-depth customer survey of the target market, or
 - Conduct focus groups sessions, or

- Lurk and Listen
- Get purchase orders from customers (or letters of intent), or
- Obtain confirmation or testimonials from experts in your market.
- At the end of this step you should have identified your first 10 customers