

Feasibility study sample essay



**ASSIGN
BUSTER**

Chapter 1

Executive Summary

1. Name of the Firm

The company's name is Cats and Rocks. The business is named after the two owners namely Katina Cassandra and Roanna Kelly. They have proposed the idea the massaging backpack, Lay-Backpack

2. Location

Main manufacturing plant will be located 416D Quezon Street, San Antonio, San Pedro Laguna. This property is owned Mrs. Yolanda Lopez, a sole proprietor of a t-shirt printing business. She will let the company rent a portion of the factory.

3. Brief description of the project

The company is now introducing the newest option that the market can choose from. Comfort has been highly prioritized thus the existence of the ideal pain reliving bag. People can now travel without worrying about shoulder pains and back pains.

1. 4. 1 Market Feasibility

According to the demand and supply analysis there is an increase in the desirability of this product every year, therefore consumers are open to the idea of accepting such product. We also want to attract potential buyers with the most affordable price that we can offer.

1. 4. 2 Technical Feasibility

In this part of the study the researchers look at the technical aspect of production. Lay-Backpack is a regular sized backpack with a unique massaging feature which is not seen in the local market as of the moment.

1. 4. 3 Management Feasibility

Ms. Katrina Cassandra D. Espeleta and Ms. Roanna Kelly L. Gabinete formed a partnership and created the company Cats and Rocks, the company that will be producing and supplying Lay-Backpack. The two general partners will be in charge of the whole enterprise. One will manage the administration and the other will handle the production care. Though the production manager is under the administrative manager, they both have equal rights towards the company's ownership since they have invested an equal share of the capital.

1. 4. 4 Financial Feasibility

Based from the projected income statement, as seen, 2011, there is already a net income, the business is already self-sustaining in only its first year. The expenditures of the business would be greatly covered by the amount of sales thus such expenditures would not be a hindrance on the self-sustenance of the business. If you would consult the cash flow statement of the business, the cash inflow is evidently much greater than the cash outflow even in its first year so such business is very liquid and solvent. The Current Ratio and Quick (Acid-Test) Ratio, the business is above " 1" thus the

company can pay off its obligations if they came due and current assets can be readily turned into cash if needed.

Profitability Ratio, the important factor is the ROI percentage, due to the profitable net income in the three-year span of the business, the proponents are able to acquire more of what was invested in 2013, and thus, the business is financially feasible. As you can see in the proponents Solvency Ratio, they are able to limit their liabilities to suit the growing equity, thus such percent will only play on 3-5 percent, this means that the company can handle liabilities and expenditures very well and we make sure that such growing interest and taxes in the country would not affect our business, if such would occur, only in the minimal basis. To conclude, the company is financially stable and such risk of being insolvent or bankrupt would be very minimal.

1. 4. 5 Socio-Economic

The researcher's analysis of the said business venture will contribute in lessening the unemployment rate in the country. It can also help the economy of the country by paying permits, licences, and other requirements needed for the whole business to operate. The firm can also contribute to the economic aspect of the country by paying taxes and contribute to the government's funds.

Chapter 2

Brief Background of the Study

2. 1 Brief background of the study

<https://assignbuster.com/feasibility-study-sample-essay/>

Travelling is how people go from one place to another, as by car, train, plane, or ship. A person who travels usually requires some sort of a bag where he/she places his/her belongings. These things can be sometimes too heavy for the traveller to carry. Several innovations have been invented to make luggage-carrying easy and stress free. Some of these are the trolley bags, shoulder bags, hand bags, messenger bags, hold-alls, totes, and the most commonly used luggage, the backpack.

There are several types of travellers and each of them requires a specific type of bag depending on his/her occupation, need, and affordability. For example, a business man who brings mostly suits and important papers will most probably prefer to bring a suitcase. Another type of traveller is a flight attendant. This type prefers to carry his/her things in a bag equipped with small wheels which is also called a trolley bag. One more example of a specific type of traveller is a mountaineer. Mountaineers understandably need to bring a lot of personal belongings to survive the inconvenience of mountain climbing. They prefer to place their things in back packs. Another common user of back packs is students.

According to Baugh, (1994), *The Three-Stick Roycroft Pack Frame*. Retrieved July 6, 2011 from <http://www.primitiveways.com>, a backpack (also called rucksack, knapsack, packsack, pack) is in its simplest form, a cloth sack carried on one's back and secured with two straps that go over the shoulders, but there can be exceptions. Lightweight types of backpacks are sometimes worn on only one shoulder strap.

Backpacks are often preferred to handbags for carrying heavy loads or carrying any sort of equipment, because of the limited capacity to carry heavy weights for long periods of time in the hands. Large backpacks, used to carry loads over 10 kg (22 lbs), usually offload the largest part (up to about 90%) of their weight onto padded hip belts, leaving the shoulder straps mainly for stabilising the load. This improves the potential to carry heavy loads, as the hips are stronger than the shoulders, and also increases agility and balance, since the load rides nearer the wearer's own centre of mass.

According to Wagner (2011), the backpack was used as a means to carry the hunter's larger game and other types of prey as a way of easier transport. In the cases of larger hunts, the hunters would dismember their prey and distribute the pieces of the animal around, each one packing the meat into many wrappings and then into bags which they placed on to their backs. The bag itself was made up of different animal hide and skin (depending on what sorts of animals were in the area) and sewn together by the intestines of said animals, which were woven together tightly to make a sturdy thread-like material. Now, back packs are commonly used by students because it is the most convenient form of luggage to carry their heavy loads of things and materials.

In relation to students bringing heavy back packs everyday to school, an American Orthopaedic surgeon conducted a survey concerning the back pain children suffer from. It is most likely the books, lunches, calculators, water bottles, notebooks and gym clothes stuffed into their backpacks that are weighing them down and putting stress on backs and shoulders. A particular

school in America also said that that extra stress placed on shoulders and spine from such heavy loads was causing muscle fatigue and strain. As well, according to the Consumer Products Safety Commission, there are almost 5,000 annual emergency room visits nationwide because of injuries related to book bags and back carriers.

Now, this study will try attempt to put a stop on back and shoulder pain that every student experiences. The researchers have read articles saying that a simple back massage can enlighten one's mood and cure stress. Hence, an additional back-massaging feature to the traditional back pack that people see every day. Technically after walking with the back pack on, the moment the user sits down and takes a rest, the vibrating motion of the back pack will start working. It is designed to function only when the user leans against his/her seat to add a massage and relieve the back from the pain caused by walking with heavy load inside the bag. Once the user takes of the back pack, there will be a feeling of satisfaction on the upper torso because of that simple back massage from the back pack.

2. 2 Objectives of the Study

This feasibility study aims to introduce the newest way of offering convenience for travelers specifically students who use back packs with a heavy load inside it on a daily basis. Hence, the modern edition of the traditional knapsack shall be promoted to practically all male and female students mostly from their elementary to collegiate years. o On the business' first year of operation, there is an expected 25% profitability rate in the company's financial status. To obtain the total capital invested, advertising

in the Muntinlupa area shall take place. This comfortable back pack will be promoted by posting online flyers and personal selling within the target area.

o In the second and third year of operation, there is a 26% and 27% projected profitability rate respectively. This gain in profit will be possible if the researchers will perform improvements and enhancements based on the quarterly update of the financial statements. o To identify the possible weaknesses of the product to provide customers with good quality products.

2. 3 Operational Definition of Terms Backpack – a bag, often supported by a metal frame, with shoulder straps that allow it to be carried on someone’s back. Fatigue – extreme tiredness, typically resulting from mental or physical exertion or illness. Injury – the fact of being injured; harm or damage.

Massage – the rubbing and kneading of muscles and joints of the body with the hands, esp. to relieve tension or pain. Torso – the trunk of the human body Transport – take or carry (people or goods) from one place to another by means of a vehicle, aircraft, or ship. Travel – make a journey, typically of some length or abroad Vibrate – move or cause to move continuously and rapidly to and fro

2. 4 Scope and limitations of the study Most necessary information used in the study came from respondents who are students at the age of at least 13 years old to 20 years old and parents at the age of approximately 25 to 40 years old who have children taking elementary-collegiate years. The purpose of getting responses from students is to get their standpoint on the discomfort of their regular bags. On the other hand, the purpose of getting responses from the parents is to approach the market directly from the

buyer since the parents are the ones who make the decision of buying or not buying things for their children.

Therefore the researchers expect customers from the adults who have children studying. The data was collected through judgment quota sampling. This is a non-probability sample in which a population subgroup is classified on the basis of researcher judgment which gave us more accurate results to measure the expected demand of this product. Since the study is still undergoing rigorous research, Muntinlupa will be the only initial target area. Muntinlupa has a population of 452, 943 as of September 2007 and has a growth rate of 2. 48% thus will be a great target because of its convenience to the researchers and has a high growth rate.

Chapter 3

Market Study

3. 1 Objectives of the Study

This study aims to learn the most feasible ways to promote and introduce the company's new and enhanced version of a traditional backpack to stimulate quicker and greater purchase of the proposed target market.

- To determine the marketability and profitability of the product.
- To determine whether the proposed target market will accept a backpack that massages the back.

3. 2 Methodology

3. 2. 1. Type of Research Design

This study entitled “ Lay Back Pack” is a descriptive research that attempts to accumulate existing information and data regarding the potential competitors of the product to have an appropriate forecast of demand and supply for the betterment of the product. A key reason for doing descriptive research is to investigate and become more experienced with a particular phenomenon of the researcher’s interest in order to deliver a detailed description. This study wishes to depict the current predicament concerning the backpacks that are being offered to the market nowadays. The researchers decided to use the descriptive approach in order to give more verification and to have a grounded basis on the study of backpacks.

Descriptive research can be either quantitative or qualitative. It can involve collections of quantitative information that can be tabulated along a continuum in numerical form, such as scores on a test or the number of times a person chooses to use a-certain feature of a multimedia program, or it can describe categories of information such as gender or patterns of interaction when using technology in a group situation. Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution. Because the human mind cannot extract the full import of a large mass of raw data, descriptive statistics are very important in reducing the data to manageable form. When in-depth, narrative descriptions of small numbers of cases are involved, the research uses description as a tool to organize data into patterns that emerge during

analysis. Those patterns aid the mind in comprehending a qualitative study and its implications.

Descriptive research is a method that tries to discover answers to the questions who, what, when, where, and sometimes, how. The researchers attempt to describe or define a subject, often by creating a profile of a group of problems, people, or events. Such studies may involve the collection of data and the creation of distribution of a number of times a researcher observes a single event or characteristics (known as research variable), or they may involve relating to interaction of two or more variables.

It is used to obtain information relating to the current status of an issue or phenomenon to describe “what exists” within the variables or conditions of the situation. The two most common types of descriptive research tools are surveys and observation. The researchers would make use of their observations from their own experience of wearing backpacks in order to come up with a personal description of the answer to the research problem. The researchers make use of existing literature in order to verify their observations and come up with preliminary ideas regarding the research problem.

3. 2. 2. Sources of Data

For this research, two types of data are gathered. These included the primary and secondary data types. The primary data were derived from the answers the participants gave during the survey process. The secondary data on the other hand, were obtained from published documents and <https://assignbuster.com/feasibility-study-sample-essay/>

literatures that were relevant to personality questionnaire. With the use of the survey questionnaire and published literatures, this study took on the combined quantitative and qualitative approach of research. By means of using this combined approach, the researchers were able to obtain the advantages of both quantitative and qualitative approaches and overcome their limitations

The researchers will be using both qualitative and quantitative data.

According to Leedy & Ormrod (2001), qualitative researchers tend to select a few participants who can best shed light on the phenomenon under investigation. Both verbal data (interview comments, documents, field notes) and nonverbal data (drawings, photographs, videotapes) may be collected. Leedy & Ormrod (2001) also defined quantitative researchers identify one or a few variables that they intend to study and then collect data specifically related to those variables. Specific methods of measuring each variable are identified and developed, with attention to the validity and reliability of the measurement instruments. Data are collected from a population, or from one or more large samples that represent the population, in a form that is easily converted to numerical indices.

3. 2. 3. Survey Method

The survey method used the study involves online and personal distribution of questionnaires. The researchers thought that having an online survey is the most efficient way to reach the most probable target market which are students and other young people who are using backpacks. Since almost every student have their personal online accounts on social networks, it was

easier to have the access to their opinions, comments, and suggestions because the survey was posted online. There was also personal distribution of questionnaires which was given out to people within the researchers' target area.

More information regarding health related issues of the vibrating backpack came from professional doctors the researchers have interviewed for better reasoning of the choice of ideas.

3. 2. 4. Sampling Method

To have accurate data collected, the researchers used a non probability sampling method which is judgement sampling. Non probability sampling is arbitrary (non random and subjective) each member does not have no none zero chance of being included. Allowing interviewers to choose sample elements “ at random” (meaning “ as the wish” or “ wherever they find them”) is not random sampling. Only probability samples provide estimates of precision.

Judgmental sampling is more commonly known as purposive sampling. In this type of sampling, subjects are chosen to be part of the sample with a specific purpose in mind. With judgmental sampling, the researcher believes that some subjects are more fit for the research compared to other individuals. This is the reason why they are purposively chosen as subjects. In relation to the study, the researchers have already chosen the people who have the interest in answering the created questionnaire.