

Good evaluation criteria business plan example

[Business](#), [Marketing](#)



Summary

Given the company's previous performance (recurring monthly revenue base of \$700), the fact that the product is already developed and can be resold millions of times without incurring increased variable costs makes this product/service attractive. Large customers have signed up, and the rate of customer/revenue recurrence is sizeable. The market opportunity appears promising. This is also emphasized by the fact that the product is targeted at four distinct markets. However, this business plan fails to give an estimate of the market size (size, characteristics, geographical distribution, lifestyles or incomes etc.). Further, the market analysis fails to achieve its main objective. This section of the plan fails to focus on the market and its needs. Instead, it focusses on what the company is offering and what the market should need. It is expected that this segment gives a clear picture of what the market needs and shows how the product fits in with those needs as against simply fleshing out the product description and the expected customer value.

This is not, however, a reflection on the product, which not only appeals to four separate markets, but appears to be without substantial competition online. While there is little competition at present, the expectation of similarly lower competition in the future is unfounded. It is true that there is an element of first mover advantages and initial investment costs, but there is no clear evidence of genuine product differentiation that cannot be overcome by competitors in the future. The high development costs, and the requisite expertise required are certain barriers to entry, but they are surmountable barriers. If the returns are high enough, competitors will

certainly emerge. Since there is very little the company can do in preventing the emergence of sterner competition, there is an urgent need to invest further in building a stronger brand, achieve high customer satisfaction and loyalty. The business plan makes a great case for the product's competitive advantage, not least because a base level set of free services that are alone an incentive enough for users to stay hooked as against looking for alternatives. The first mover advantage does also show through in this plan. The analysis of the competitive advantage across all the four target markets is comprehensive.

The marketing strategy appears to be well-appointed. Since the product is internet-based, the choice of internet-based marketing. A focus on brand integrity is significant because it serves to shield the product's first mover advantage from possible future competition. The targeted, direct marketing use of third party resellers should cover all the relevant markets. The business plan equally reveals possible opportunities in online advertising, which could be leveraged to ensure more targeted, effective and efficient advertising, in the same way that industry associations and memberships would. Given the unique nature of this market, the use of industry trade shows, associations and memberships should have relatively high conversion rates compared to advertising efforts targeted at the general market. In addition, since exams are frequently taken and possibly over several years/months, the company should utilize strategies like trial versions, referral systems, discounts for subscribed services and special pricing for long term members.

The management team is both experienced and qualified, and this section of

the business plan is equally well presented and detailed. However, other than Don Riep, the rest of the management team appears to have inadequate specific experience in the information technology industry, which may be an impediment. Similarly, the implementation and financial plans are perfectly presented and in a detailed manner. The implementation plan sets up clear steps that would be followed by the company, while the financial plans give current and projected performance indicators that show this venture is viable. On the other hand, the risk/risk management strategy is comprehensive. The only difficulty is that while this section presents fairly pertinent threats to the success of the business model, these factors have hardly been incorporated in the rest of the business plan. This factors should temper the plan's assessment of the existent opportunities and viability of the product and the business model.

Recommendations

- The business plan should give a clear description of the market and its characteristics. It must capture this from the perspective of the consumer and other market conditions and perhaps most importantly, this section of the business plan should demonstrate how the product meets the specific consumer needs and capitalizes on the market trends.
- Internet marketing and industry fares allow greater flexibility in targeting the market and allocating marketing resources, which ensures higher conversion rates. This plan could be improved by emphasizing the role played by internet marketing and event sponsorship/product placement, etc.
- The risk management strategies must be incorporated throughout the

business plan. The weaknesses and solutions identified should be built into the plan as against simply being closeted in a section

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