

CHAPTER 5

Feasibility and Business Planning

A. Match each definition in the left column with the correct term from the right column. Write the letter of the term in the space provided.

- | | |
|--|----------------------------------|
| _____ 1. a distinctive aspect, quality, or characteristic of the product or service | a. business concept |
| _____ 2. the main concept for a business | b. target customers |
| _____ 3. used to organize important information about the competition | c. Small Business Administration |
| _____ 4. a brief recounting of the key points in a business plan | d. vision |
| _____ 5. an idea for a new business that can be teste | e. feature |
| _____ 6. a federal agency that provides services to small businesses and new entrepreneurs | f. distribution channel |
| _____ 7. the means for supplying the product to the customer | g. executive summary |
| _____ 8. people most likely to buy a business's products or services | h. competitive grid |

B. In the space at the left, write the letter of the choice that best completes the statement or answers the question.

- _____ 9. The channel used to deliver a service directly to the customer with no one in between is a(n)
- | | |
|--------------------------|----------------------|
| a. distribution channel. | c. indirect channel. |
| b. direct channel. | d. export channel. |
- _____ 10. Which one of the following presents the company's strategy for making the customer aware of the product or service it's offering?
- | | |
|------------------------|-------------------|
| a. organizational plan | c. business plan |
| b. growth plan | d. marketing plan |
- _____ 11. Which one of the following promotes the value of the product or service to the customer?
- | | |
|----------------|------------|
| a. resource | c. feature |
| b. opportunity | d. benefit |
- _____ 12. Which plan looks at the people aspects of a business?
- | | |
|------------------------|-------------------|
| a. business plan | c. marketing plan |
| b. organizational plan | d. growth plan |

- ____ 13. Which one of the following offers technical and general assistance to entrepreneurs in a specific profession or industry?
- a. trade associations c. Small Business Association
b. chamber of commerce d. SCORE
- ____ 14. A document that describes a new business is a
- a. report. c. marketing plan.
b. research paper. d. business plan.
- ____ 15. The channel used to deliver a product through wholesalers is a(n)
- a. distribution channel. c. direct channel.
b. import channel. d. indirect channel.
- ____ 16. Which one of the following determines if an idea for a new business is practical?
- a. feasibility analysis c. business plan
b. capitalism d. marketing plan

C. In the space provided, write the word (or words) from the list that will best complete each statement.

cover page	direct	financial	mail order
business plan	chamber	customers	mission

17. Local _____ offices provide information about the local economy, business trends, and business needs.
18. Creating a _____ involves a great deal of research.
19. You need to include a _____, table of contents and headings, and supporting documents in your business plan.
20. A competitive grid lists the competition, _____, benefits, distribution, and strengths and weaknesses.
21. A _____ is a self-imposed duty or task.
22. The _____ plan presents the forecasts for the future of the business.
23. _____ competitors are in the same or nearly the same business as you.
24. One of the ways that businesses can use to deliver their product or service is by _____.

D. On a separate sheet of paper, write a 100-word paragraph that answers the following question.

25. Discuss the steps involved in preparing a business plan.

Score (number correct x 4 points) = _____