

GoForth's Quick Opportunity Screening Method

We believe that one of the main reasons for the high rate of small business failure is directly due to the entrepreneur's inability to tell a good idea from a good business opportunity. So while an idea is the starting point for a new business, not every idea represents an opportunity to start a business that will make some money. To us, a good business opportunity is represented by four pillars – value, problem-solving, money-making, and fit. **Does your idea pass our VP MF Test? Find out now.**

The product or service must add significant value to a customer or end user

The product or service must solve a significant problem, or satisfy a significant want or need

The product or service must have money-making characteristics

The business idea should be a good fit with your four capital factors: human, social, psychological and financial capital.

Take some time to answer the questions below to determine if your great business idea will translate into a great business opportunity as well.

Who will buy?

Who are my customers?

Are my customers other businesses, consumers, or both?

Are the customers easily identified? Are they accessible through media?

Is the market for this idea growing?

Do social, technical, economic, political or environmental trends support this idea?

Why will they buy?

Does the idea solve a real and known problem?

Does the idea satisfy a need in the marketplace?

Will the idea be seen by my customers as clearly superior to that of competitors?

Is our idea unique and innovative enough to become intellectual property for my business?

Can we protect our intellectual property?

Will we be first to market with this idea?



How much will they buy?

How much does it cost to make – what are my variable costs?

How much would it cost to run a company like this for a year – what are my fixed costs?

How much would people pay for it?

How many units will I have to sell to break even? Use the break-even formula: $\frac{\text{Fixed costs}}{\text{Unit selling price} - \text{unit variable cost}}$

Unit selling price – unit variable cost

How much money do I need to start up this business?

How long will it take before we can make a sale?

How long will take before we can generate a profit?

How many can we sell in a year?

Do I have the start-up capital? If not, do I have access to money from friends or family?

Would I qualify for a loan?

Can I afford to live until my company is profitable enough that I can draw a salary?

Can I pull this off?

Do my four capital factors support me running a business like this? Review your GoForth Module 1 Worksheets for assessments of your four capital factors: human, social, psychological and financial.

Do my education, experience, and domain knowledge support this idea?

Can I pull together a skilled team to help me start this business?

Do I have access to the right people to hire?

Do I want to run a business like this – do I have the passion?

Is my spouse supportive of me running a business like this?

