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# The business idea quiz

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# The business idea quiz

**D**o you have a great business idea? Answering a few key questions is the first step to determining if your idea might translate into a viable business. Test the viability of your idea below.

## The business idea quiz

**1** a. What's your idea? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. What product or service are you offering?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. What need are you fulfilling? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**2** a. Who's going to buy or use it? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. If you had the entire market to yourself, how many people would buy it? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. What is a realistic estimate of how many people would really buy it from you? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d. Do you have any data or research to back up your estimate? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**3** a. How is your product different or better than other products or services? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. What makes you unique? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Why would they buy from you rather than the competition? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**4** a. Is it easy to get into this business? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. If so, what would prevent someone else from creating a similar competitive business? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Do you have special knowledge or skills that others don't have? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**5** a. How do you plan to get your product or service into the customers' hands? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. Who will distribute your product? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Will you sell it directly, or will you pay someone else (a distributor) to sell it? \_\_\_\_\_

\_\_\_\_\_

d. How many people are in the selling chain between you and your end customer? \_\_\_\_\_

\_\_\_\_\_

e. How will each of them be paid? \_\_\_\_\_

\_\_\_\_\_

6 a. How much will you charge for your product? \_\_\_\_\_

\_\_\_\_\_

b. How does that compare to similar products or services? \_\_\_\_\_

\_\_\_\_\_

7 a. How will people find out about your product? \_\_\_\_\_

\_\_\_\_\_

b. How will you advertise? \_\_\_\_\_

\_\_\_\_\_

8 a. How are you going to make money? \_\_\_\_\_

\_\_\_\_\_

b. How much will it cost to get started? \_\_\_\_\_

\_\_\_\_\_

c. How much money will you bring in? \_\_\_\_\_

\_\_\_\_\_

d. How much will it cost to provide the products or

services? \_\_\_\_\_

\_\_\_\_\_

e. What are your expenses (rent, supplies, employees, benefits, fees)? \_\_\_\_\_

\_\_\_\_\_

f. Calculate your profit:

Profit \$ \_\_\_\_\_ = Revenue \$ \_\_\_\_\_ —  
Expense \$ \_\_\_\_\_

g. Can you sell enough to exceed expenses and still pay yourself enough to make it worthwhile? \_\_\_\_\_

\_\_\_\_\_

9 Once you've answered these questions, you should have a better idea of whether your idea is viable. Take your revenue estimates and cut them in half. Now double your expenses.

Revenues \$ \_\_\_\_\_ / 2 = \$ \_\_\_\_\_

Expenses \$ \_\_\_\_\_ x 2 = \$ \_\_\_\_\_

Profit \$ \_\_\_\_\_ = Revenue \$ \_\_\_\_\_ —  
Expense \$ \_\_\_\_\_

Are you still making a profit? \_\_\_\_\_

\_\_\_\_\_

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