



PME —
— **MTL**

Self-Evaluation of Your Business Idea

Ville de Montréal support
network for businesses

Montréal 

Québec 

Here is a tool to help you evaluate your business idea and validate it.

When you have an idea, or several ideas, you need look at all the possible paths and choose the ones that are most likely to lead you to success.

Before launching yourself body and soul into your project, it is best to refine your idea and make it really solid with a good dose of reality.

In short, make sure it is a real business opportunity that can be transformed into a viable enterprise.

Have you thought of everything?

TIP / In addition to thinking about the questions below, you can further validate your idea by talking about it with some trusted people.



Business opportunity

- Is there really a consumer need for this product/service? Would the consumer really be willing to pay for your product or service?
- What advantage will the customer get (the added value)?
- Will this product/service be competitive on the market?
- Is the market ready for your business?



Profitability

- Can this product/service be marketed profitably and efficiently?
- Is the return on the initial investment financially attractive?
- Are the margins higher than what similar products are known to achieve?



Market segmentation*

- Is it better to move the quality level of the product — downwards or upwards — to make it even more profitable?
- What's my niche?
- How can I adapt my offer as much as possible to the needs of my customers

* Today's market offers good opportunities simply by changing the quality of existing products upwards or downwards. We are in an era of hyper-segmentation. More and more market segments offer interesting potential for luxury or high-end products, for which a growing number of consumers are willing to pay. The reverse is also true.



The right time

- Is this the right time to launch this product/service?
- What are the buying cycles?



Manufacturing and distribution

- Do I have any competitive advantages in manufacturing, distributing, marketing and exporting this product? What are they?
- Should I focus on any of those activities? Which one(s)?
- Would it be more profitable for me to outsource manufacturing and focus on marketing?
- Would this product benefit from being manufactured or sold in smaller quantities?



Your personal viewpoint

- Am I passionate about this project?
- Do I want to live the lifestyle this type of activity involves? Is it compatible with who I am? With my values?
- Do I have the knowledge, skills and experience required for this type of activity?
- Am I open to getting the tools and training I need?
- Does this allow me to achieve, develop and improve on a personal level?



Time

- Am I really interested in working on this full-time or part-time?
- Do I really have time for this project? Am I ready to invest all the time needed to succeed?



Effort

- Is it really worth the effort I'll have to put into it?
- Am I really ready and willing to put all the necessary time and effort into this project?



Financial expectations

- Does this business opportunity have the potential to meet my revenue and profit objectives?



Legalities*

- Is it legal?
- What permit(s) will I need?
- What regulation(s) do I have to comply with?

* You must do careful research regarding federal, provincial, municipal and borough regulations.



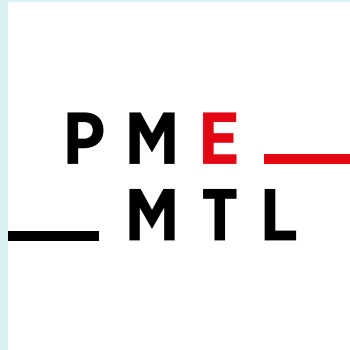
My entourage

- Do I have the support of the people around me (family and friends)?
- What will I do if they disapprove?



The culture of the sector

- Do I want to work with the kind of people this type of business opportunity involves?
- How do I fit into the culture of this sector?



For more information,
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