



Define the product or service of your business

You need to properly define a product or service before you offer it so that you are offering the right product or service for the market, charging the right price for it and selling enough to achieve what you want to achieve.

This involves:

1. defining your product or service in detail and how it is different to other similar products or services
2. deciding how much to charge for your product or service
3. setting targets of how many or how much you will sell or distribute

What you need to do

- decide on the detail of your business product or service and how it could be provided
- find out who your competitors are and how their product or service differs from yours
- work out who your customers will be
- work out the likely demand for your product or service
- decide how many you expect to sell or distribute
- research all the costs of providing your product or service
- decide what price to charge for your product or service
- work out how much profit you may make from your product or service
- work out and decide when and how you could sell or distribute the product or service
- make sure you can achieve what you want to achieve from your product or service



What you need to know and understand

Products or services

- how to describe a product or service
- how to find out about the market and its prices in a sector
- how to work out the cost of providing products or services
- different ways to price a product or service and their benefits
- how costs affect a product or service
- how price affects sales

Competitors

- where to find out about your competitors products or services
- how competitors' products or services may differ (for example price, quality, delivery times, payment terms, level of service)
- how to analyse the market and competition

Market research

- how to find out who your customers might be
- how you can find out what customers want

Selling

- where and when a product or service can be sold
- how to set realistic sales targets

Business focus

- what you want to achieve from your product or service