

Business Development Questionnaire

... making business owners and managers really think about all aspects of the business

Expert knowledge means success

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Introduction

This questionnaire is concerned with looking at all the important elements of your business. In the hands of an experienced business development consultant, it will provide the essential information upon which valuable decisions can be taken to improve how you think about your business as well as how you run it and the reasonable expectations you can expect from it. As with most questionnaires, it works best if the information given is accurate and honest.

Please read this first

The various questions and issues raised in this questionnaire are intended to provide you and us with a framework to look closely at your business. Some of the questions may not be appropriate to your situation, in which case, please ignore them. Others may require more detailed analysis before you can provide the information - because we don't want to impose unnecessarily on your time, please write "no time to complete" next to the question concerned. On the other hand, please also understand that the questionnaire addresses critical issues about your business and it's very important that it be completed as thoroughly as possible.

Naturally, if you have any difficulties responding to the questions, give us a call so we can clarify them for you.

If insufficient room has been provided, please attach a separate sheet and make sure you mark on it the section, page number and question to which it relates.

If you require any more copies of the questionnaire, let us know and we'll deliver them to you - simply send the following information to us:

Your Business Name:

Address:

Post Code:

Phone:

Fax:

Mobile Phone:

E-mail:

Contact Person:

What should the business do for you?

These questions help clarify what you would like your business to do for you personally. If there is more than one owner, you might like to ask each partner/co-owner to think about these factors:

1. If there is more than one proprietor of the business, please explain the basis upon which profit is shared.

2. How much disposable income does the business provide you?
£ per week
My drawings vary, but amount to about
£ per week
3. How much disposable income would you like the business to provide?
£ per week
4. If your business were able to provide you with this level of disposable income how would it change your lifestyle (i.e. what would it allow you to do that you can't do now, and how important is that to you)?
5. On average how many hours do you spend working in your business each week? hours per week
6. Excluding weekends and public holidays, how many days off do you take in a normal year? days per year
7. Overall, how would you assess the level of enjoyment you get from working in your business?
 thoroughly enjoy it
 enjoy it most of the time
 it has its moments
 don't enjoy it
 can't stand it but have to put up with it
8. Irrespective of your response to question number 7, what are the 3 key frustrations you have with your business?
(These are the things you would immediately change or eliminate if you could simply wave a "magic wand.")
Frustration #1
Frustration #2
Frustration #3



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9. Has your business lived up to your expectations (i.e. has it given you the freedom, income, enjoyment and feeling of achievement that you expected when you started/bought it)?

- Yes No

If "no," please explain your concerns:

10. If you were starting your business again from scratch, what would you do differently (with the benefit of hindsight)?

11. If someone were to come to you today and offer to buy your business, how much would you sell it for?

£

12. If you did sell your business today, what would you do in the future?

- Retire
 Work for someone else
 Take a break then
 Start another business in the following industry

13. If you indicated that you'd start another business, why would you select that particular business or industry?

14. When do you plan to retire?

- In years
 Never
 Don't know
 No idea

15. Talking about retirement, how much money do you think you would need to fund your retirement?

£.....

16. Have you discussed the financial aspects of your retirement investment plan with anyone?

- Yes No

17. Imagine, if you will, that it is 5 years from now and you're describing your business to someone. What would you like to be saying about it?

18. One of the biggest "killers" of managerial effectiveness is stress. You will find that the productivity of your business will improve when you remove the sources of stress. We can help you do that, but first you need to know whether you experience the symptoms of stress. How you respond to the following statements will help us decide whether stress is a problem that you must deal with. If there is more than one proprietor, it would be useful for each person to respond to this. Indicate by ticking the appropriate box whether you agree with the following statements:

	Yes	No
- I am usually physically tired.	<input type="checkbox"/>	<input type="checkbox"/>
- I often have headaches.	<input type="checkbox"/>	<input type="checkbox"/>
- I frequently have an upset stomach.	<input type="checkbox"/>	<input type="checkbox"/>
- I have high blood pressure.	<input type="checkbox"/>	<input type="checkbox"/>
- I often have to skip meals.	<input type="checkbox"/>	<input type="checkbox"/>
- I'm often frustrated by apparent lack of accomplishment.	<input type="checkbox"/>	<input type="checkbox"/>
- I procrastinate on decisions.	<input type="checkbox"/>	<input type="checkbox"/>
- I'm defensive when people criticise me.	<input type="checkbox"/>	<input type="checkbox"/>
- I'm forgetful.	<input type="checkbox"/>	<input type="checkbox"/>
- I'm often late for appointments.	<input type="checkbox"/>	<input type="checkbox"/>
- People often waste my time.	<input type="checkbox"/>	<input type="checkbox"/>
- I need involvement in all decisions made in my business.	<input type="checkbox"/>	<input type="checkbox"/>
- I find it hard to delegate.	<input type="checkbox"/>	<input type="checkbox"/>
- I frequently have to cancel recreational or social engagements because of business problems.	<input type="checkbox"/>	<input type="checkbox"/>
- I'm always thinking about what my competitors are doing.	<input type="checkbox"/>	<input type="checkbox"/>
- I would like to spend more time with my family.	<input type="checkbox"/>	<input type="checkbox"/>
- Customers always demand more than is possible to deliver.	<input type="checkbox"/>	<input type="checkbox"/>
- I don't understand why my team members do not have the same commitment to my business as I have.	<input type="checkbox"/>	<input type="checkbox"/>
- I usually have to fix problems myself because it's quicker and more efficient.	<input type="checkbox"/>	<input type="checkbox"/>
- I rarely stop thinking about my business.	<input type="checkbox"/>	<input type="checkbox"/>
- I worry a lot and lay awake thinking about what to do.	<input type="checkbox"/>	<input type="checkbox"/>
- When I take a holiday I call work frequently, and I can't wait to get back to work.	<input type="checkbox"/>	<input type="checkbox"/>

19. Are there any further comments you would like to make about your business and what you would like it to do for you?

Management Issues

These questions are intended to help us get a picture of the way you manage your business so that we can make suggestions as to how it might be able to be improved.

1. Please write down what your business does and what you believe it has to get right to be successful. In your notes, please deal with the following issues:

- What products / services do you sell?
- How do you make / buy the products or services you sell?
- Who are your customers and Why do they deal with you?
- How many team members do you employ?
- What benefits do your team members get from working with you?
- What is the overall goal of the business?
- How do you create value for your customers?

2. Do you have a formal business plan?

If "yes":

Do you track the performance of your business against your plan?

- Yes No

When was the business plan written?

.....

Who prepared your business plan?

.....

Do you believe your business plan is a key element in the management of your business?

- Yes No

Please attach a copy of your business plan to this questionnaire.

If "no":

Why don't you have a business plan?

- The business is too volatile
- We don't need one
- We don't have time to prepare one
- We don't know how to prepare one
- Other

3. Do you know what the break-even level of sales revenue is for your business?

- Yes No

If "Yes", what is it? £

4. Do you have any formal or informal

measures that you use frequently to tell you how your business is performing (e.g. the number of jobs in process, the average value of each transaction, the number of successful quotes, etc.)?

- Yes No

If "yes":

Please explain what these measures are and how you use them to manage your business.

5. Do you prepare a cash flow projection for your business?

- Yes No

If "yes":

Do you track actual cash flow against your projection?

- Yes No

If so, how frequently do you do this?

- Weekly
- Monthly
- Quarterly
- ½ yearly
- Annually

If you periodically review your cash flow projection, do you revise it and roll it forward?

- Yes No

If you do not prepare a cash flow projection, why not? Is it because:

- The business is too volatile
- We don't need one
- We don't have time to prepare one
- We don't know how to prepare one
- Other

6. Do you set formal performance standards or productivity targets for your team members?

- Yes No

If "yes":

Would you please explain what they are and how you use them to manage the business?

7. Do you have a written operations manual for your business that identifies and creates performance standards for how each function in the business is to be performed?

- Yes No Some functions

If "yes":

Is the operations manual reviewed and revised from time to time?

- Yes No



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8. Is the operations manual used as an integral element in your team training?
 Yes No

Do you think an operations manual improves productivity and/or performance quality?
 Yes No

If "no":

Why don't you have an operations manual:

- Don't have the time
- The business doesn't need one
- Don't know how to prepare one
- Other

If you answered "some functions" in question 7: Please describe the functions for which an operations manual has been prepared.

- # 1
- # 2
- # 3
- # 4.....

9. Please describe what you believe would happen to your business if you were to take a 6-month holiday?

10. To what extent, if any, do you involve your team members in critical decision-making -for example, with respect to:

	Always	Often	Sometimes	Rarely/Never
Price changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hiring/firing team members	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capacity expansion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process design or system changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing plans or initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. Do you have a team member profit sharing or incentive programme in place?
 Yes No

If "yes":

Please explain how it works and your opinion of its success or otherwise.

12. Do you hold regular management meetings to review progress?
 No
 Yes - The frequency is every days/weeks/ months

Do you have a formal agenda?
 Yes No

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13. List below the 3 most important things that you must get right in your business. Next to each one, using a scale of 1 to 10, indicate where you'd rank your current performance.

The three things are:	Scale
1. []	
2. []	
3. []	
The 1-10 scale is:	
Hopeless	1
Average	5
Excellent	10

If you scored less than a 10 on any of these three things, think about the barriers that are preventing you from excelling and what do you think needs to be done to overcome them?

14. Do you systematically receive feedback from your team members concerning their work (e.g. problems they're having, wins they've had, ideas to improve operations, etc.)?
- Yes No

If "yes":
What do you do to get feedback and how do you factor it into your management process?

If "no":
Can you comment on why this might be?

15. Do you systematically receive feedback from your customers concerning their dealings with your business?
- Yes No

If "yes":
How do you solicit this feedback, what form does it take and how do you factor it into your management process?

If "no":
Can you comment on why this might be?

16. In a "typical" week, if there is such a thing, how would you say your time is actually allocated among the following activities, and how much would you prefer to be allocated:

	% of Time Preferred	% of Time Actual
Doing technical work (i.e. making, delivering, or doing the things the business does for its customers)		
Clerical or general administrative work (e.g. writing up the books, visiting bankers, collecting debts, preparing the payroll, talking with reps and suppliers. etc.)		
Marketing the products or services of the business including the preparation of quotes, talking to potential customers, preparing marketing plans, or initiatives (Note: if you are in retailing please include shop floor selling as technical work)		
Thinking about the business and where it's heading, developing your competitive strategy, looking at ways to improve quality or productivity, training and developing the skills of your team members		
Other		
TOTAL		

17. Please list below the 3 major time wasters you experience in your business. (i.e. What are the things that you believe consistently prevent you from achieving what you'd like to get done.)
1.
2.
3.
18. Take a moment to think about other businesses in your industry that you admire. Think about the reason for their success and what barriers prevent you from replicating that success in your business?
19. At this point, you may care to think about the major problems you face in managing the business - write down your thoughts whilst they're fresh in your mind.

Team Members

Remember, when we refer to "team members" we mean your employees. On the next few pages, you will find questions designed to provide background on your team members, the role they play in your business and their feelings about their job and the business generally.

1. Organisation Structure.

In the next section, please draw an organisation chart for your business showing the name of each person and, if applicable, his/her job title.

Please use the chart to also reflect differing levels of authority. We suggest that you use a pencil when you do this. If you need any further clarification, please give us a call.

2. Team Member Review.

Please complete this to provide an overview of your people and your assessment of them. Only include those people who report to you directly.

One of the important parts of this review is your assessment of each team member's contribution to the business. In particular, it's important to know whether they're team players or loners, whether they have a strong sense of independence or are happy to follow the pack, how well they get along with everyone else, their overall level of commitment to (and interest in) the business, etc.

3. Information from your team members on their job and customer service.

Feedback from your team members is critical to the success of any business development programme. For this reason it's important to know how they see the business, the problems they encounter in doing their job and what they would like to see changed. Their perception of the commitment to customer service is also very important.

Because candid opinions are wanted and many people want their responses to be treated confidentially, it may be best if the responses come back to us or to your business development consultant. Team members should recognise this as a chance for them to express their concerns in a totally neutral manner without fear of reprimand or criticism.

You will need to complete the questionnaire on **Your Organisation's** Commitment to Customer Service. It is also a good idea to get your co-owners to do that as well. It is very informative to compare team member **perceptions with management's perceptions** and this can be extremely useful for identifying communication problems and system failures.

4. Training

Please describe below what training you have done (or commissioned) for your team members in the past 12 months and give your assessment of the outcome:

5. Key Frustrations

What are the 3 key frustrations you have with your team members overall.

1.
2.
3.

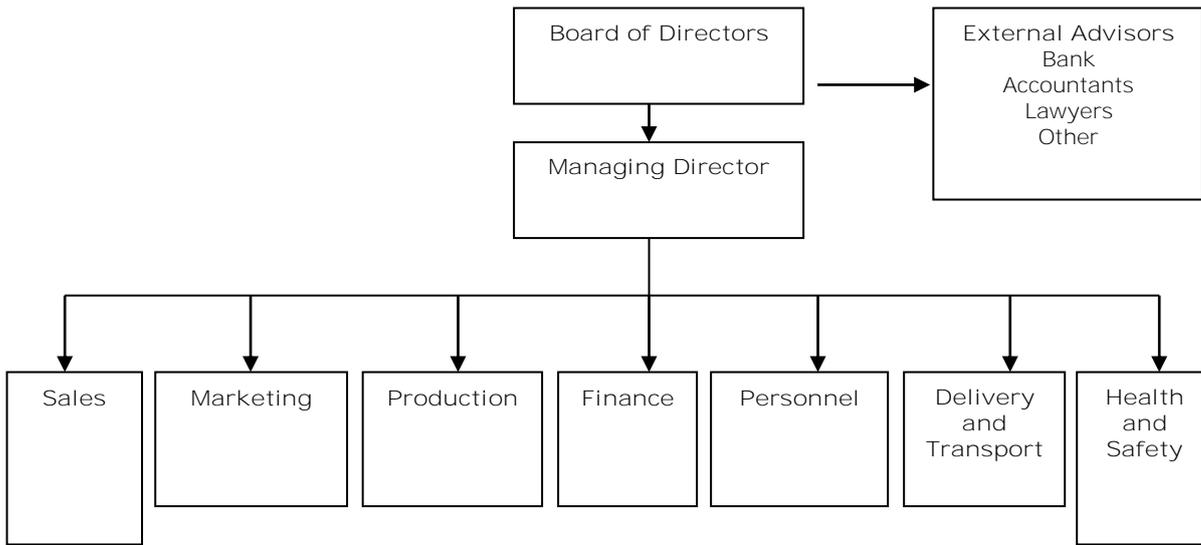
Comments:



Organisation Structure

Draw a diagram of your organisation structure describing each position and the name of the person who now fills it. A person may fill more than one position.

Illustrative structure:



Team Member Review

Person's Name	Job Title and Functional Responsibilities including comments on his/her strengths and weaknesses as a member of your team.

Team Member Job Evaluation

<p>Your Name:</p> <p>Who do you report to:</p>	<p>Job Title:</p>
<p>What is the major frustration you have in your job?</p>	<p>What do you like most about your job?</p>
<p>In the space below please describe each of the functions you perform in your present job. If there is not enough room attach a separate page.</p>	<p>What are the problems or difficulties you encounter when performing this function, and how do you think they could be overcome? What special training or help would you like to perform this function better?</p>
<p>Function 1:</p>	
<p>Function 2:</p>	
<p>Function 3:</p>	

Your Organisation's Commitment to Customers

The objective of this questionnaire is to get a picture of the level of commitment to customer service in your organisation. It is useful for owners, managers and team members to complete it so that an overall opinion can be obtained. What you are asked to do is rate your opinion on each statement on a scale of 1-5. If you consider the **statement does not apply to your business, or you don't know, check the "n/a" response.**

1= never 2=rarely 3= sometimes 4= usually 5 = always n/a = not applicable or don't know

Your Name:

General Customer Orientation

1	2	3	4	5	N/A
---	---	---	---	---	-----

- 1. Taking care of customers is a top priority in this business—more than cost control.
- 2. **We listen to our customers' needs,** and we act on this information.
- 3. We have a formal process to discover **customers' wants, needs, and expectations.**
- 4. If we ever lose a customer, we know why or we find out why.
- 5. Our repeat business is greater than the average for our industry.
- 6. Our day-to-day activities are in harmony with our goals for customer satisfaction.
- 7. Everyone in our organisation believes that customer care is critically important.
- 8. If a customer has a problem, we look at **it from the customer's point of view.**
- Sub-total

Management Style and Culture

- 9. The people who manage this business **don't just talk about excellent customer service,** they practice it themselves.
- 10. The people who manage this business are predominantly risk takers rather than defensive.

Business Development Questionnaire

1	2	3	4	5	N/A
---	---	---	---	---	-----

11. Team members are given authority to solve customer problems without fear of recrimination.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

12. The people who manage this business continually stress that customer care is our major competitive weapon.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

13. The managers and team members of this business see themselves as customers and suppliers in their work relationships with each other.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

14. Our managers and supervisors communicate effectively and are good motivators.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

15. People at all levels participate in decision-making.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

16. Supervisors and managers in different departments work well together.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

17. Very few things go wrong in this business because of poor communication

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

18. Every person in this business knows exactly what function he/she is responsible for.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

19. The goals of the business are set by management and are clear and achievable.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Sub-total

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Customer Service Systems and Procedures

20. The achievement of outstanding customer service by team members is rewarded formally and/or informally.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

21. We have a monitoring system in place to show us how well we are meeting customer needs.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

22. What happens in this business really matters to all managers and team members.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

23. Everyone in this business feels responsible and empowered to do what needs to be done to take care of customers and keep them delighted.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

24. Our team members are trained to identify and deal with customers' problems.

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Business Development Questionnaire

1	2	3	4	5	N/A
---	---	---	---	---	-----

25. Problem solving skills are used in every part of this business and are standard operating procedure.

26. Our focus in this business is on preventing problems rather than fixing them after they occur.

27. We regularly collect information on the cost of fixing problems experienced and reported by our customers.

28. We actively encourage our customers to report any problems to us, and we cheerfully correct them.

29. We concentrate on exceptional care of our customers, rather than cost-cutting to increase our profit and sales volume.

30. We would rather lose a sale than lose a customer.

Sub-total

<u>Office Use:</u>						
GCO	<input type="checkbox"/>					
MSC	<input type="checkbox"/>					
CSS	<input type="checkbox"/>					
Total	<input type="checkbox"/>					
	x 0	x 2	x 3	x 4	x 5	x 1
<u>Summary</u>						
GCO	MSC	CSS	Total			

If you have any further comments to make on team members, please do so here.

Comments:

Note: A good place to visit to determine a snapshot of your organisation's service quality towards customers is Blanchard Solutions at www.blanchardsolutions.com/fpforms/gap.htm

Products and Services

These questions will help to provide an overall picture of your competitive strength from the point of view of your products and services.

1. Do you have any products or services that are exclusive to your business (i.e. no other business supplies them to your target market).
 Yes No

If "yes":

Please describe the competitive advantage this gives to you, and in doing so, explain what is unique about the products or services concerned.

4. Last year, what was the contribution to total sales revenue from your biggest selling product or product group?

£

Product/Group
 (describe product or group)

2. During the past 3 years, how has your total sales revenue been split between product and service?

Which year>>>	Year:	Year:	Year:
Product Revenue			
Service Revenue			
Total Revenue			

Comments:

5. Last year, what was the contribution to total sales revenue from your top 20% of products or product groups?

£

Product/Group
 (describe product or group)

3. How many products or product groups do you carry?

Indicate whether you're talking about individual products or product groups.

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6. For the top 10 revenue earning products or product groups last year, please complete the following table if the information is available: (Note: if service revenue is a major source of revenue, include it in the table)

9. If you are a manufacturer, when did you

Product/Group	Total Revenue	Gross Profit % or £	Cash Sales %	Inventory or Stock on Hand at year end

7. Has there been any significant change in your sales mix over the past three years, and if so, what do you believe is the cause of this. Is it a good or a bad trend?

last review your costing system?

10. Write down how you set your prices.

8. If you are a manufacturer, please explain how you cost your products for pricing purposes. (In particular, describe how you take account of overhead costs.)

11. If you are a manufacturer, or in an industry in which it is normal to charge labour out at a specific rate (e.g. contractor), what is your standard hourly rate?

£ per hour

How do you determine the hourly charge rate?

If you mark-up parts, materials, or sub-contract costs when you price a job, what is your standard mark-up % ?

%

How many people work in your manufacturing plant (exclude administration and marketing)?

How many hours does the manufacturing facility work in a normal week?

hrs

In a full year, how many weeks of productive work do you get from the average team member?

weeks

As a percentage of the total time available for productive work, at what level of productivity would you say your manufacturing facility works?

%

12. What are three characteristics or features about your products or services that set you apart from your competitors?

- 1.
- 2.
- 3.

13. Looking at your prices overall, how would you compare yourself against the prices offered by other firms in your industry (who are serving the same market)?

Your prices are on average:

- Lower
 About the same
 Higher
 Don't know

Comments:

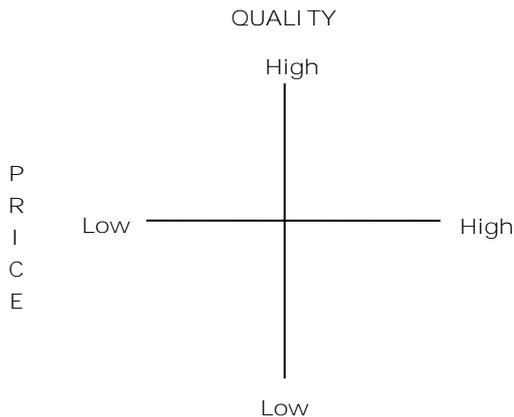
14. Looking at the quality of your product and/or service, how would you compare yourself against the quality offered by other firms in your industry (who are serving the same market).

Your quality is on average

- Lower
 About the same
 Higher
 Don't know

Comments:

15. The diagram shown below represents four possible combinations of price and quality. In which of the four quadrants would you place the products and services offered by your business overall (e.g., if you have positioned yourself as offering high quality at a premium price place "X" in the top right quadrant with the position of your "X" indicating where you see yourself relative to other businesses who also compete in the same quadrant).



Comments:

16. In the table below, you should summarise your strategy in relation to each of the marketing variables for your products or services.

Packaging Comment on your strategy for packaging (e.g. image, positioning, attractiveness, labelling, selling features, cost effectiveness, and bundling with other product/services).	
Distribution Comment on the way your product/service is sold and distributed.	
Pricing Comment on your pricing, discounting, and credit policies. Compare them to your competitors.	
Promotion Comment on your advertising and promotions strategy. How does it give your business a sustainable competitive advantage?	

17. If you have any further comment regarding your products or services, write it down here.

Comments:

Customers

This series of questions provides an indication of the existing and potential customer segments you serve, as well as the degree of your reliance on specific customers and their reliance on you. This information is important for determining your relative competitive strength.

Some questions may not apply to you, or you don't have the information available. If they don't apply, just ignore them. If you don't have the information please respond with DK (don't know).

1. What proportion of your revenue comes from customers who deal with you regularly?

 %

What is the average transaction frequency with your 'regular' customers? (The typical number of times per year)

 Times

What is the average transaction value?

 £

2. Of your 'regular' customers, what proportion would you guess deals with you exclusively for the products or services that you offer (i.e. they do not buy from your competitors)?

 %

Comments:

3. Of your total revenue, what proportion is derived from sales to other businesses as opposed to individual end users?

 %

4. How important are your products or services to the success of your customers?

- Critical
 Average
 Not essential

Comments:

5. Do you maintain a database containing the names and addresses of customers?

- Yes No

If 'yes', what database software do you use?

6. If your answer to #5 was "yes," does your marketing plan include making regular contact with your customers?

- Yes No

If "yes": Please comment on how you do this and the frequency of contact.

Comments:

If "no":

Write down the reason why you don't (or can't) keep in regular contact with your customers.

Comments:

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7. What proportion of your total revenue is accounted for by your biggest customer? (If it's very small, put < 1%)

 %

8. What proportion of your total revenue comes from your top 20% of customers?

 %

9. Do you know the profit contribution from the top 20% of your customers?

 Yes No

10. Have you ever attempted to quantify the lifetime value to your business of each customer or customer group?

 Yes No

If "yes":

What is the monetary value?

11. How many years will an "average" customer deal with you?

 years

12. What do you believe are the three most important reasons why customers deal with you? (You may need to describe this with reference to each customer segment.)

- 1.
- 2.
- 3.

13. What, in your opinion, are the three key frustrations that customers experience when dealing with firms in your industry? (You may need to describe this with reference to each customer segment.)

- 1.
- 2.
- 3.

14. You may have mentioned this in #12, but what do you regard as singularly distinctive, different, and — from a customer's point of view — good, valuable, or convenient about your business and/or the products and services you offer?

15. Do you have a way to measure the number of customers you serve?

 Yes No

If "yes":

How and why do you measure customer numbers?

How many customers did you serve in each of the past three years?

This year	Last year	3 years ago

What % share of the total market do you believe you have?

 %

What % share of the total market do you believe you could realistically acquire?

 %

If you answered "no" to question 15: Why don't you monitor customer numbers?

16. Of the total number of customers you dealt with in the past year, what % is new? (If you don't have accurate data, please guess.)

 %

17. Of the total number of customers who dealt with you last year what % no longer do so?

 %

What do you consider to be that main cause of defection?

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18. In the table below, please summarise your advertising strategy for last year.

How well did they work?
Poor ↔ Excellent

Used

Media	✓	£s Spent	1	2	3	4	5	6
Television								
Radio								
Yellow Pages								
Newspapers								
Magazines								
Flyers / Coupons								
Catalogues								
Referrals								
Phone - cold calling								
Face-to-face cold calling								
Direct marketing								
Other . . .								

19. How do you track the effectiveness of the advertising you undertake?

20. In the table below, summarise the sources of your new business.

Source	%
Off the street traffic	
Automatic re-ordering (until further notice)	
Incoming telephone enquiries	
Outgoing phone calls following up leads	
Face-to-face sales or presentations	
Quotes / Proposals	
Referrals	
Other	

21. How would you rate your team's performance in terms of the following?



Sales Method	1	2	3	4	5	6	n/a	Comments
Converting incoming calls into sales								
Converting follow-up calls into sales								
Converting face-to-face presentations into sales								
Converting quotes or proposals into sales								
Other . . .								

22. What is your conversion rate of "leads" to sales? (That is, out of every 100 leads or enquiries that you get, how many would actually buy from you?)

%

23. Do you have systems in place to measure your conversion rate?

Yes No

Please explain what your system is:

24. In the table below, list other non-competitive businesses and the products/services that you sell to customers who fit your customer profile

Name of Business	Product or Services sold

25. Do you do anything with customer leads with which you've been unsuccessful?

Yes No

Comment:

26. Please add any further comments on the Customers' section of this questionnaire.

Comment:

Customer Segmentation

Many businesses typically serve different groups or types of customers. These are called market segments. It is important when you're developing marketing and customer service strategies to be able to define exactly what market segments you wish to focus on. There are several reasons for this: some groups of customers are willing to pay more for additional service or quality, some groups rely absolutely on your product or service (whereas, others are indifferent about it), some groups are harder to please and are more costly to service than others, etc.

On the following pages you will find Customer Segmentation Worksheets that summarise a number of characteristics that are relevant for segmenting your business customers and/or your personal customers. The way in which you segment your market will be crucial to your overall long-term business strategy.

Each of the Customer Segmentation Worksheets only provides three segments but you can adapt it if you service more than this number.

Although you may supply business customers exclusively, it is useful to also consider the customers of your customers (the "end-users") because this can lead to critically important and valuable support initiatives that you can offer to your business customers. For this reason, you may care to also complete the Personal Segmentation Worksheet from the perspective of your major customers.

Business Customers

Characteristic	Segment . . .	Segment . . .	Segment . . .
Size of business			
Type of business			
Location			
Number of businesses in this segment			
Number of businesses you supply in this segment			
Growth rate in this segment (High, Medium, Low)			
Your average sale value per transaction			
Average frequency of dealings			
Total annual sales to this segment			
Segment reliance on your business (High, Medium, Low)			
Your reliance on this segment (High, Medium, Low)			
Ease of dealing with			
Reasons for buying from you (e.g. price, quality, reliability, credit facilities, convenience etc.)			
Level of switching costs (High, Medium, Low) — these are the costs your customer would incur to change to another supplier			
Degree of competition in this segment (High, Medium, Low)			
What product or services do you supply to this segment			
Other . . .			

Personal Customers

Characteristic	Segment . . .	Segment . . .	Segment . . .
Age (indicate range)			
Gender			
Income level (High, Medium, Low)			
Geographic spread			
Family characteristics (e.g. married, young children, mature etc.)			
Occupation			
Lifestyle characteristics of this segment			
Population size of this segment			
Growth rate of this segment			
Total annual sales to this segment			
Typical frequency of purchase			
Average value of each sale transaction to this segment			
Ease of dealing with this segment			
Reasons for buying from you (e.g. price, quality, reliability, credit facilities, convenience etc.)			
Your reliance on this segment (High, Medium, Low)			
Degree of competition in this segment (High, Medium, Low)			
What products or services do you supply to this segment			
Other . . .			

Competitors

These questions are designed to provide a broad picture of your competitors, the structure of your industry, and your competitive position. They will help us work with you to identify your potential competitive advantage.

1. How many businesses in your area offer the same products or services (even if different brands) that you offer?

Of the organisations you counted above, how many are bigger than your business?

2. Of the total number of firms you included in #1, how many would you say are identical to your business (i.e. do exactly the same thing—nothing more and nothing less in terms of the products and/or services offered to customers)?

Of the firms you counted in #2, how many are bigger than your business?

3. Does being "bigger" in your industry offer any specific competitive advantage?

Yes No

Comments

4. Roughly, how much money is needed to

set up a business in your industry?

Describe (generally) the qualifications and/or licensing requirements that are needed, if any, to enter your industry.

5. How important is it in your industry to employ qualified, technical people?
 Not Important Very Important

Is there an adequate number of qualified people living in your area who you can recruit from, if needed?

Yes No

Comments

6. In the next section, you will find a *Competitor Analysis Worksheet*. You should complete it for your four major competitors. If there is insufficient room on the worksheet, you can always cover it in a separate page.

Competitor Analysis

	Competitor 1 Name Est. Revenue £	Competitor 2 Name Est. Revenue £	Competitor 3 Name Est. Revenue £	Competitor 4 Name Est. Revenue £
Why do people buy from this business?				
What does it do very well?				
What does it do badly?				
What particular competitive advantage does it have?				
Does it have a lower cost structure than your business? (Explain why.)				
Describe its competitive strategy, and do you regard it as a good or bad competitor?				
What products or services does it sell that compete directly with you?				
Which of your market segments does it compete in?				

7. Please use this space for any further comments you may care to make about your competitors.

Suppliers

This series of questions concerns the degree of your reliance on suppliers and potential scope for gaining a competitive advantage, by means of a more formal strategic alliance with them.

1. What % of your total purchases comes from your top three suppliers?

 %

2. Do they also supply other businesses in your area?

 Yes No

Please list the other businesses they supply, if you can.

.....

.....

.....

.....

3. What proportion of the total supplies from your supplier do you think you receive (how big a customer are you of their business)? (If it is very small, put < 1%.)

 %

4. If you chose not to deal with these suppliers would it seriously affect their profitability?

 Yes No

Comments:

5. To what extent, if any, do you believe the performance of your business is important to your suppliers? (You may want to respond to this in relation to each of your major suppliers rather than to the group as a whole.)

6. In relation to each of your major suppliers, please indicate the positives and negatives in dealing with them.

(Use a separate sheet if necessary)

Positives	Negatives	Supplier

7. **If you could wave a "magic wand,"** what would you like your suppliers to do that would make it more profitable for you to deal with them. Obviously lowering their prices is one thing, but what you should be interested in are the other things that affect your costs in dealing with them (e.g. lead times, order size, out-of-inventory, credit arrangements, returns, delivery arrangements, point of sale materials, technical support, etc.).

8. Think about what flexibility you have (in terms of cost or other considerations) to switch suppliers. That is, could you change to another supplier tomorrow without incurring a cost or losing customers?

9. If you have anything further to add in regard to suppliers, please do so here.

Financial Systems

As you might expect, your financial results are very important to the success of your business. make sure that you have the following available for your business development consultant:

- Past 3-5 years financial reports
- Sales analysis by product for the past 3 years

1. What is the name of the person responsible within your business for taking care of your accounting/bookkeeping function?

Name:.....
 Phone number:.....
 Fax number:.....
 Email:

2. How frequently do you receive the following reports(s)?

4. Of the total £ value of your sales, what **proportion is to "account-type"** customers (i.e. they are invoiced and subsequently sent an account)?

%

5. Write down briefly how your credit control system works (i.e. what checking do you do for new account applications, what terms do you offer, what is your policy on following up overdue accounts, etc.).

6. On average, how quickly after the end of a month are your Receivables Statements posted?

days

Financial Report	Daily	Weekly	Monthly	Quarterly	Annually	Never
Income (P&L) Statement						
Balance Sheet						
Aged Receivables						
Aged Inventory						
Cash Position						
Aged Payables						
Sales Analysis						
Other Financial Indicators						

3. Is your accounting function computerised?

- Yes No

If "yes":
 What is the name of the software?

What modules do you use?

8. If you carry inventory (stock), how frequently do you undertake a review of your product line profitability?

9. What is the number of effective full-time team members in each of the past three years?

An effective full-time team member (EFTTM) is a person who works a normal length working week. If that is say 40 hours, a person who normally works 20 hours is deemed to be half an EFTTM.

Please change the grouping categories to better suit your business.

	This year	Last year	The year before last year
Sales			
Production			
Administration			
Other:			
Total			

10. If you have anything further to add regarding the financial aspect of your business, please use this space.

Environmental Trends: Opportunities & Threats

Changes in the environment in which your business operates gives rise to opportunities and threats for your business. These in turn provide you with potential to obtain a competitive advantage, or alternatively, they can present you with a major competitive problem.

The following are intended to prompt your thinking about the competitive environment, so that you are better placed to take advantage of emerging opportunities or can implement defensive strategies, if required.

1. In what respect has the competitive environment in which you conduct your business changed since you started in the business?

2. What has been the principal cause of the changed conditions?

3. Do you see the changes continuing, and, if so, will they beneficially or detrimentally affect your business?

Business Development Questionnaire

4. With respect to each of the following aspects of your environment, what changes are occurring, and what opportunities or threats do they pose?

	Opportunities	Threats
Population Growth		
Changes in Population Mix (Demographics)		
Changes in Consumer Tastes and Lifestyles		
Government/Industry Regulations		
Technology/Communication		
Technology — used in the operational aspects of your business		
Environmental (Ecological) Issues		
Immigration Trends in Your Community		
Regional and International Economic Development		
Community Education Levels		
Unemployment and other social issues		
The emergence of new industries		
Changes in the structure of your industry or in the industries that you supply to or buy from		
Changes in marketing strategies and distribution channels (e.g. direct marketing/franchising)		
Other (specify):		

5. If there are any further factors affecting the environment and your business please use this space.

Further Information

This guide is for general interest - it is always essential to take advice on specific issues. We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

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