

Business Idea: Sustainable Date-Based Snack Brand

Objective: You will be assessing the feasibility of the business idea "Tammor", a Saudi-based healthy snack brand, using the First Screen Feasibility Analysis Table. This will help you evaluate the strengths, weaknesses, and potential of the business idea in different areas. Your task is to read the business description, reflect on the market, and score each part of the feasibility analysis.

Business Idea Overview: "Tammor"

Business Name: "Tammor"

Concept: Tammor is a Saudi-based startup that produces premium, healthy snacks made from locally sourced dates. The brand focuses on sustainability and offers a variety of products, such as date energy bars and date-infused chocolate bites. The target market includes health-conscious consumers, and the brand seeks to leverage the strong cultural affinity for dates in Saudi Arabia. Tammor will distribute its products through retail, direct-to-consumer (DTC) channels, and corporate gifting services. The business aims to capitalize on Saudi Arabia's rich heritage of date production while meeting the increasing demand for healthy, on-the-go snacks.

Key Features:

- **Sustainability:** Focuses on using organic farming methods and eco-friendly packaging.
- **Local Sourcing:** All dates and ingredients are sourced from local Saudi farmers.
- **Health and Wellness:** Positioned as a healthy, natural alternative to sugar-laden snacks, rich in fiber and nutrients.
- **Export Potential:** Opportunity to expand internationally and share Saudi heritage through premium snack products.

Target Market:

- **Primary Market:** Health-conscious young professionals and families in Saudi Arabia, particularly in Riyadh, Jeddah, and Dammam.
- **Secondary Market:** International markets, including the UAE and other GCC countries, where demand for healthy snacks is growing.

Revenue Drivers:

- **Retail:** Selling products through grocery chains, health food stores, and cafes.
- **Direct-to-Consumer:** Online sales through a dedicated e-commerce platform with subscription options for monthly deliveries.
- **Corporate Gifts:** Offering customized, premium date-based snacks for corporate gifting during events such as Ramadan and other cultural holidays.

Key Goals:

- Promote local Saudi agriculture and sustainability.
- Meet the growing demand for healthy, natural snack alternatives.
- Build a premium brand rooted in Saudi heritage.

How to Assess the Idea:

1. **Read through the business idea carefully** and take note of the different aspects: product concept, target market, revenue drivers, and the industry's characteristics.
2. **Use the provided Feasibility Analysis Table** to score the business idea across the five main parts:
 - Part 1: **Strength of the Business Idea**
 - Part 2: **Industry-Related Issues**
 - Part 3: **Target Market and Customer-Related Issues**
 - Part 4: **Founder's (or Founders') Related Issues**
 - Part 5: **Financial Issues**
3. **For any item marked with an asterisk (*), additional explanations** can be found at the end of the table to clarify the criteria.
4. **For each section of the table**, evaluate the idea and assign a score based on your assessment:
 - **-1** for low potential,
 - **0** for moderate potential,
 - **+1** for high potential.
5. **Base your score on your understanding** of the business, the target market, and the industry trends. Provide a brief justification for each score, explaining your reasoning.

First Screen Feasibility Analysis Table

Part	Item	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)	Score	Justification
Part 1: Strength of the Business Idea	1. Extent to which the idea: Solves a problem or addresses an unfilled gap	Weak	Moderate	Strong		
	2. Timeliness of entry to market*	Not timely	Moderately timely	Very timely		
	3. Extent to which the idea adds value for the buyer/end user	Low	Medium	High		
	4. Extent to which customers are satisfied by competing products	Very satisfied	Moderately satisfied	Not satisfied		
	5. Degree to which the idea requires customer behaviour change*	Substantial changes required	Moderate changes required	Small to no changes required		
Part 2: Industry-Related Issues	1. Number of competitors	Many	Few	None		
	2. Stage of industry life cycle*	Maturity/decline phase	Growth phase	Emergence phase		
	3. Growth rate of industry*	Little or no growth	Moderate growth	Strong growth		
	4. Importance of industry's products/services to customers	Ambivalent	Would like to have	Must have		
	5. Industry operating margins*	Low	Moderate	High		
Part 3: Target Market and Customer-Related Issues	1. Identification of target market for the proposed new venture	Difficult to identify	May be able to identify	Identified		
	2. Ability to create "barriers to entry" for competitors	Unable to create	May or may not be able to create	Can create		
	3. Purchasing power of customers*	Low	Moderate	High		
	4. Ease of making customers aware of the new product/service	Low	Moderate	High		
	5. Growth potential of target market	Low	Moderate	High		
Part 4: Founder's-(or	1. Founder's experience in the industry	No experience	Moderate experience	Experienced		

Part	Item	Low Potential (-1)	Moderate Potential (0)	High Potential (+1)	Score	Justification
Founders' Related Issues	2. Founder's skills as they relate to the proposed venture	No skills	Moderate skills	Skilled		
	3. Founder's professional/social networks	None	Moderate	Extensive		
	4. Extent to which the new venture meets the founder's goals	Weak	Moderate	Strong		
	5. Likelihood of putting together a team to launch and grow the business	Unlikely	Moderately likely	Very likely		
Part 5: Financial Issues	1. Initial capital investment	High	Moderate	Low		
	2. Number of revenue drivers*	One	Two to three	More than three		
	3. Time to break even*	More than two years	One to two years	Less than one year		
	4. Financial performance of similar businesses	Weak	Modest	Strong		
	5. Ability to fund initial product/service development and start-up expenses*	Low	Moderate	High		

1. Timeliness of Entry to Market: This refers to whether the current market conditions are favourable for the introduction of the product or service. A timely market entry means that there is high demand, few competitors, or other factors that make it the right time to launch the business.

2. Degree to Which the Idea Requires Customer Behaviour Change: This assesses how much the new product or service will ask customers to change their habits or behaviours. A low degree of behaviour change means that customers can easily adopt the product, while a high degree means significant efforts are needed to change customer habits, which can make adoption more difficult.

3. Stage of Industry Life Cycle: This measures the phase the industry is in—**emergence** (new and growing), **growth** (rapid expansion), **maturity** (stable but competitive), or **decline** (shrinking). Understanding the industry stage helps gauge potential opportunities or challenges.

4. Growth Rate of Industry: The growth rate indicates how fast the industry is expanding. A **high growth rate** suggests increasing demand and opportunities for new entrants, while a **low or negative growth rate** indicates saturation or contraction of the market.

5. Industry Operating Margins: This refers to the percentage of revenue that remains as profit after operating expenses (like rent, wages, and utilities) are deducted. Higher operating margins indicate a more profitable industry, while lower margins suggest tighter profitability and higher operational costs.

6. Purchasing Power of Customers: This measures how much disposable income potential customers have to spend on products or services. High purchasing power means that customers can afford premium or expensive products, while low purchasing power indicates that customers may prioritize budget-friendly options.

7. Number of Revenue Drivers: Revenue drivers refer to the different ways a business generates income. A business with **multiple revenue drivers** has various income streams (e.g., product sales, services, subscriptions), which reduces financial risk. Fewer revenue drivers may make a business more vulnerable to market fluctuations.

8. Time to Break Even: This indicates how long it will take for the business to cover its initial costs and begin generating profit. A **short time to break even** suggests that the business can start making a profit relatively quickly, while a **longer time to break even** involves more financial risk and a longer wait before profitability.

9. Ability to Fund Initial Product/Service Development and Start-Up Expenses: This assesses the business's ability to secure the necessary financial resources (through personal savings, loans, investors, etc.) to cover costs such as product development, marketing, hiring, and other operational expenses before the business becomes self-sustaining.

Instructions for Scoring:

- **Part 1: Strength of the Business Idea** – Assess whether Tammor solves a market problem, whether the timing is right for the product, and how much value it adds compared to competitors.
- **Part 2: Industry-Related Issues** – Analyse the competition, growth phase of the healthy snack industry, and whether the industry’s operating margins make it profitable.
- **Part 3: Target Market and Customer-Related Issues** – Evaluate how well the target market is defined, whether customers can afford Tammor’s products, and whether the market is growing.
- **Part 4: Founder’s Related Issues** – Consider the experience, skills, and networks of the founders, as well as the likelihood of assembling a strong team to support the business.
- **Part 5: Financial Issues** – Evaluate whether the initial capital investment is manageable, whether there are multiple revenue streams, and how soon Tammor could break even.

Final Task:

After completing the assessment, **calculate the total score** by summing up your scores for all sections. Based on your total score, determine whether **Tammor** has **high, moderate, or low potential**. Be prepared to discuss your findings in class and provide recommendations for improving the business idea.

Overall Potential Evaluation

Part	Score Range (-5 to +5)	Overall Potential of the Business Idea	Suggestions for Improving the Potential
Part 1: Strength of the Business Idea		High (3-5), Moderate (0-2), Low Potential (-)	
Part 2: Industry-Related Issues		High, Moderate, Low Potential	
Part 3: Target Market and Customer-Related Issues		High, Moderate, Low Potential	
Part 4: Founder’s (or Founders’) Related Issues		High, Moderate, Low Potential	
Part 5: Financial Issues		High, Moderate, Low Potential	
Overall Assessment		High (17-25), Moderate (+10 - +16), Low Potential (less than +10)	

Scoring Summary:

1. **High Potential:** 3 to 5 score in each part
 - Proceed with developing a full business plan.
2. **Moderate Potential:** 0 to 2 score in each part
 - Further refinement or exploration of certain areas is needed.
3. **Low Potential:** Negative score in one or more areas
 - Significant changes or rethinking of the business idea may be necessary.

Total Score Ranges:

1. **High Potential**
 - **Score Range: +17 to +25**
 - **Interpretation:**
 - The business idea is strong in most or all areas, with minimal concerns. It is feasible to move forward with the idea, potentially advancing to detailed planning and execution stages. Minor improvements may be needed, but overall, the business has strong viability.
2. **Moderate Potential**
 - **Score Range: +10 to +16**
 - **Interpretation:**
 - The business idea shows promise but has certain areas that require refinement. While the concept is generally sound, moderate adjustments may be needed in areas such as market entry strategy, team experience, or financial planning. Further exploration and refinement are advised before proceeding to the next phase.
3. **Low Potential**
 - **Score Range: Below +10**
 - **Interpretation:**
 - The business idea faces significant challenges in several areas. Critical revisions or a complete reconsideration of the concept may be required. The idea may not be viable in its current form, and substantial work is needed before it can move forward.

Good Luck with your Assessment!