

Overview

This standard is for entrepreneurs who need to define and develop their products and services. This process is important for offering the right product or service for the market, charging the right price for it and selling your products and services to make a profit. Defining your products and services involves identifying its uniqueness in comparison to other products and services to meet your targets.

You need to do this if you are:

1.
setting up a new business or social enterprise;
2.
expanding a business or social enterprise;
3.
changing or adapting the products or services offered by your business or social enterprise.

Performance criteria

You must be able to:

1. investigate products and services that you could offer
2. carry out market research to identify who your competitors would be and how their products and services differ from yours
3. decide on your business products and services
4. research permissions, licences or certificates that may be required for your products and services
5. identify your products' and services' unique selling points (USPs)
6. work out who your customers will be and how you will sell your products and services
7. identify the methods of delivering your products and services to customers
8. work out how you will promote your products and services to your target customers
9. work out the likely demand for your products and services
10. research any requirements for permissions, licences or certificates
11. research all the costs of providing your products and services
12. work out how much profit you may make from your products and services
13. decide what price to charge for your products and services
14. decide on the delivery times, payment terms, and levels of service you will offer your customers
15. identify the quantities of products and services to sell or distribute
16. develop your products and services
17. implement the relevant systems required in relation to sales and marketing activities
18. monitor sales and customer satisfaction and evaluate the profit from your products and services
19. review your products and services on a regular basis and adapt your offers, if required
20. comply with relevant laws and regulations in relation to products and services

Knowledge and understanding

You need to know and understand:

Products and services

1. what needs to be considered when investigating what products and services you could offer
2. how to find out about permissions, licences or certificates required
3. how to describe your products and services and identify your USPs
4. how to work out the cost of providing your products and services
5. how costs affect products and services
6. different ways to price products and services and their benefits
7. the financial targets for your products and services

Market research and competitors

8. how to research the market and its prices
9. relevant methods of marketing your products and services including internet-based methods
10. the factors affecting similar products and services on the market
11. how to find out who your customers might be and their needs
12. where to find out about your competitors' products and services
13. how competitors' products and services may differ
14. how to analyse the market and competition

Sales

15. how to set realistic sales targets

16. how price affects sales
17. where and when products and services can be sold
18. the relevant systems that can be used for tracking sales and customer satisfaction
19. the methods of delivering your products and services
20. the price, quality, delivery times, payment terms, levels of service

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