**SERVICE EVALUATION SHEET**

Answer the questions below to evaluate a possible service. Mark each feature with 1(poor), 2 (good) or 3 (excellent). When you evaluate the service, take into account other products or services which your Mini Company offers.

**FEATURES OF THE SERVICE**

1. **Attraction**. Most consumers should consider the service useful.

• It aims at a very limited market (birthday parties)

• It is for a specific but big group- secondary education students

• It aims at a large and varied group of people

2. **Demand**. The best services are always on demand. Avoid services which are required just one time.

• Seasonal services or just one time services

• Services which may be needed during the lifespan of the Mini Company (organising a dance for a party)

• Services which are always necessary (window cleaning)

3. **Safety**. Avoid services which may be a threat for customers.

• Consumers need special training or may get injured: mountain bike or mountain climbing.

• It is safe for adolescents and adults: dance parties, visiting museums.

• Limited participation of the customer: cleaning services or gardening.

**PROVIDING THE SERVICE**

Junior Achievement services should not need special tools. The best services are intensive services.

4**. Materials**. Materials should be available in local firms or reliable suppliers.

• Materials should be bought to different dealers.

• Most materials are available in the city but some key materials must be bought to a far off supplier.

• Materials are only found in a local or a national supplier.

• Materials can be bought to some relative involved in the business or somebody familiar to a Junior Achievement member.

5. **Special knowledge**. Those services which require many workers and special knowledge should be avoided.

• Special knowledge is required: advanced computer experts or tourist services.

• A specialist can be provided: advertising campaign, organisation of birthday parties.

• Easy to develop for adolescents with basic knowledge (car wash service, gardening)

6. **Work**. The service must involve most members during most of the programme.

• All services can be done in one or two sessions by a few members

• All services can be done in one or two sessions by all the members.

• The demand of the service is adjusted to the mini company capacity to provide it.

 **The Financial factor**

The Price must be reasonable and profitable. If your Mini Company has a variety of services it would be appropriate to have a range of prices: expensive, medium and cheap services. The following points are for the main service:

7. **Price**. Could you offer a competitive price which generates profits and allows you to pay commissions? Low prices demand a lot of sales and expensive services are difficult to sell.

• Prices above 70€

• Prices between 40 and 70 €

• Prices between 10 and 40 €

• Prices between 1 and 10 €

8. **Gross Profit Margin**. The gross margin must reach at least from 35 to 45%.

-Gross Profit Margin (GPM)= selling price—(less) cost price( the cost to make the

 product or service)

E.g.: GPM= 40 €--25€= 15€

-Gross Margin Percentage (GMP)= selling price—(less) cost price X(multiplied by) 100

 (divided by) selling price

E.g.: 40€--25€:40€X100= 37,5%

-Selling price I wish to sell for = cost price X (multiplied by)100

to achieve a required % profit (divided by)100—(less)required profit margin

E.g.: 25€: (100—37,5)X100= 40€

• Gross margin above 35%

• Gross margin between 35 and 40%

• Gross margin between 41 and 45%

• Gross margin above 45%

9. **Time**. If the service needs a long time it may be difficult to develop.

• It can take more than six hours a week: painting a house

• It can be done on Saturday or at a fixed hour

• It can be done regularly within the Schedule of the mini company

10. **Safety**. Avoid services which may be risky for the members. Electric tools must not be used: lawnmowers, electric saws.

• The service demands frequent journeys, special training or unusual safety measures: window cleaning on a second floor, post service across the city.

• Tools are dangerous: soldering iron, drills.

• Few basic tools and safe materials are needed: screwdrivers, pliers, sandpaper.

• Tools are not needed and there is hardly any travelling.

Discuss the result with the other members. Summarize your reasons to recommend or reject the service.

Add the points here (If you believe that your Mini Company is firmly decided to produce and sell this service add two extra points).

Points Service Rating

26-30…………………………………………………………Excellent

21-25…………………………………………………………Very good

16-20………………………………………………………..Good

11-15………………………………………………………..Poor