



**Institut Libanais de Développement Économique & Social
Lebanese Institute for Economic & Social Development**

**Etude financée par l'Union Européenne
Study financed by the European Union**

Graphic Designer

**Feasibility study prepared by
Nada Boulos, business administration.**

June 2001- Jal el Dib - Lebanon

Table of contents

Summary	2
1- Description of the project	3
2- Market analysis	3
2-1 Market opportunities	
2-2 Competition	
2-3 Target Market	4
2-4 Market trends and threats	
3- Description of the service delivery	4
3-1 Location	5
3-2 Procurement : materials, costs, equipment	
3-2-1 Premises and equipment	
3-2-2 Sourcing and supplies	
3-3 Training	6
3-4 Seasonality	
4- Marketing strategy	6
5- Financial plan	7
5-1 Initial capital and loan requirements	
5-2 Projected income statement	8
5-3 Projected balance sheet	9
5-4 Projected cash flows	
5-5 Break-even analysis	
5-6 Sensitivity analysis	
6- Key success factors and recommendations	11
7- Conclusion	12

The points of view expressed in this study reflect the author opinion.

Summary

The present study examines the feasibility of a graphic designer business to be established in a Lebanese village.

The graphic designer offers various services ranging from logos for businesses, other business forms such as letterheads, labels, invoices and business cards, to brochures, ads, menus, flyers, or posters, etc...

The graphic design business does not require the help of an employee. A family member could help in administrative work such as accounting, invoicing, or follow-up with customers and printing process, during high seasons and when the designer becomes too busy with art work.

The initial investment required for the equipment and working capital amounts to 3 640 \$US. In the study, we considered a loan of 2 000 \$US, while the remaining 1 640 \$US are invested by the owner.

The projections are conservatively estimated based on possible market demand in a Lebanese, central or large, village. The results show a net income of 4 553 \$US in the first year or 379 \$US per month growing to around 10 561 \$US in the fifth year or 880 \$US per month.

A best-case scenario is developed considering higher turnovers. In this case, the net income increases to 6 153 \$US in the first year or 513 \$US per month and grows to around 13 233 \$US in the fifth year or 1 103 \$US per month.

A worst-case scenario shows a net income of 1 748 \$US or 146 \$US per month during the first year and growing to 4 915 \$US in the fifth year or 410 \$US per month.

The study shows that graphic design could provide interesting income. In order to achieve satisfactory profitability, there are important success factors such as skills and taste in graphic arts, technical knowledge, good customer service, and competitive pricing, etc...