

Opportunity Assessment Exercises

(Updated: June 16, 2017)

Discussion Questions

Please be prepared to provide written responses and/or discuss the following questions:

- 1) What is the value proposition of a local restaurant? Why do people *ever* eat at a restaurant, when it is theoretically less expensive to buy food at the market and prepare meals yourself?
- 2) Pick your favorite local business - or the company that makes your favorite product. What is their value proposition?
- 3) What is required to become a McDonald's franchisee?
- 4) What is the value proposition that a franchisor offers to prospective franchisees?

Short Essays

- 1) Review the four different types of business opportunities described in Resource 23-13. Which of these do you feel would be the most attractive business opportunity for you. Why?
- 2) Why might a younger entrepreneur find a franchise opportunity more attractive than a start-up? At the same time, what might be factors that would prevent a young entrepreneur from working with a franchisor?
- 3) What risks does a JV partner encounter when starting up a new venture with a JV partner in another country?

Match Concepts

Please match the concepts below with the appropriate explanation.

Concept		Explanation	
1	Start-up	a	Joe's U.S.A. Pizza in Paris - French sensibility, American pizza
2	Acquisition	b	Joe's Pizza Restaurant - gourmet pizza unlike any you've ever tasted
3	Franchise	c	Pizza Hut
4	Joint Venture	d	Joe's Pizza Restaurant - formerly Liza's Pizza Restaurant, now under new management

Concept		Explanation	
1	Start-up	a	"I had the trucks, the local merchants had the large items they needed delivered. Everybody wins."
2	Acquisition	b	"No one thought it was possible, but I was driven. Once I got some angel funding, I was off and running."
3	Franchise	c	"I was able to expand my business with one transaction, rather than having to expand one site at a time."
4	Joint Venture	d	"I always wanted to be my own boss, but I didn't have a vision of a new business I wanted to create."

Role Play 1

Conduct one or more interviews with franchisees, either local franchisees or a Nepris franchisee.

Step 1: develop a questionnaire for this interview. Include questions that ask about the expectations the franchisee had for the franchisor. Ask how many different franchise opportunities the franchisee examined, and why they chose the franchisor they did.

Ask questions about their success, and how hard they had to work to launch their franchise business. Ask if they believe the franchise has been a good investment for them.

Step 2: conduct the interview. After the interview, determine what you think were the key insights you learned during the interview.

Step 3: write a Thank You note to the person(s) you interviewed, indicating in your note what you believe were your key lessons learned