

ENT 2112 Homework 9

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1. What was their company?

- Warby Parker is a primarily online but also brick and mortar glasses store.

2. What was their startup journey like?

- The founders were frustrated with the state of eyeglass stores. It turns out that one co-founder had worked for a glasses non-profit before and knew a bit about the eyeglass manufacturing process and the optical industry and how the eyeglass industry is dominated by Luxxotica and a few other companies.
- Once they decided that they wanted to turn the idea into a business, they joined an entrepreneurship class where the final project is a business plan. They entered the business plan competition and were eliminated in the semi-finals.
- They came up with the name by generating over 2000 names. The name is based on two Jack Kerouac.
- They invested a combined life-savings of \$120,000 and used some money from grants given by their school. Their initial investments were in inventory, website, and PR.
- Vogue and GQ did a story on them.
- They went live and started selling like crazy. When the waitlist went live, it had over 20,000 people on it.
- The first person that they hired as part of their company was a customer service person because all four founders were in class and couldn't answer the phone.

3. What trials or tribulations did they encounter?

1. They entered the business plan competition and were eliminated in the semi-finals.
2. People were hesitant to buy glasses online because they couldn't hold them and try them on.
3. They had to find manufacturers.
4. They had some bugs on the website and wanted to make it go live.
5. They sold more glasses than they had inventory and had no "sold out" or waitlist system.
6. They couldn't get loans because they didn't have two years of tax returns.

4. How did they overcome them?

1. They persisted.
2. They offered free shipping and free returns which led to the idea of a home try-on program.
3. Neil, the guy who worked at the non-profit, went to the same factories and paid for the frames up front.
4. They phoned up their IT guy and had him quickly create a waitlist system.
5. They fixed the bug then quietly launched the site. They gave waitlisted people discounts or free glasses.
6. They went to 18 different banks until they finally got a small business loan.

5. Is there anything that you would do differently if you started this company?

- Honestly, I don't think I would have done anything differently had I been given the same

opportunities that they did. However, in reality, I do not have those same opportunities so I definitely would have had to do things differently. I also think I would have implemented some form of stock tracking on the website because as someone who understands logistics, you need to know what you have in inventory and what you don't and you can't sell someone something you don't have unless you've planned around it.

6. Is there anything you admire about this entrepreneur and their story?

- They seem like four fun dudes who found a gap in the market and wanted to build a business around it. I like that they were trying to help regular people out rather than just being in it for the money. I also really like the idea for the home try on program. Buying glasses online is terrifying because you never know how they'll look on you or if they'll fit right.

522 words for the answers. I checked.