

## Zipcar Case Study Questions

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1. I think the actual matching of Chase and Danielson as business partners is interesting (an unequal matching of dedicationtime)– it turned out well in this case, luckily, but it was risky. Chase had a very good point when she mentioned that the new company did not have the necessary credibility to gather the funding they needed. Had Chase not received her MBA, I would seriously doubt her ability to serve as CEO of a company, and even still hesitate that she's the right person due to her Languages/ Philosophy background. She also lacks patience, as at some point the case mentioned that she wanted to release even though the technology had not been perfected yet. However, she is driven and was able to do the necessary tasks to make the company run at its most difficult stages, and so I do not actually think Zipcar should hire a new CEO. I think she has proven herself.
2. I don't agree with the 50/50 split between the co-founders after reading the entire case, but I can see why they agreed on it in the beginning. When two people go into business together, it only makes sense naturally to split profits equally, as neither partner really knows that one partner will put more effort into the business than the other, or about circumstances that will arise. In this case, it's possible that Antje Danielson did not know that Chase had planned to dedicate every second of her time to the business, when she herself was only planning to work on it in her spare time. On the flip side, maybe she did know, but wanted a 50% split because the idea had been her own, even if she did not carry out 50% of the work. As much as I don't agree with it retrospectively, I probably would have done the exact same thing.
3. I think the business model itself is great. I feel like they really found a niche in some of today's biggest cities where many individuals must give up the luxury of owning their own car. As for the overall model including financials, I definitely think the original one was a bit off. I didn't think the high annual subscription price and per mile charge would be appealing, and it shocked me that they thought they would be able to secure free parking. If residents can't get free parking, I can't imagine how anyone would give them free parking when they were going to make a profit off of it. I think their updated model was overall much more reasonable and believable.
4. I think that assuming 40% of business would be generated by mouth and another 25% would be free was a bit wistful. I like the postcard idea, as it is different. I think the fact that users were virtually filtered out from the crowd and trained to use the website added to the success of the company and the ease of operations on the Zipcar side for sure.