

Mansoor Ahmed

18B-129-SE

Section B

## **QUIZ NO.01**

### **Technopreneurship HS353**

Q. 01: Iqbal Ali is thinking about starting a firm in the fitness drinks industry. When asked by a potential investor if he had studied the industry, Iqbal replied, “The fitness drink industry is so full of potential, it doesn’t need formal analysis.” Will Ali’s answer satisfy the investor? In what ways will Iqbal limit his potential if his current attitude about the importance of industry analysis doesn’t change?

(01 Mark – CLO 01)

Iqbal will restrict his potential by failing to conduct adequate research on the sector in which he want to work. The importance of industrial analysis cannot be overstated. As an entrepreneur attempting to carve your own path in the business of your choice, he may use industry research to understand where he will stand in relation to other players of that industry.

A lack of industrial analysis can make it difficult to spot opportunities and risks in your environment, as well as plan for the future of your company in the context of the future of your industry. The best way to be competitive in any industry is to understand how you compare to your competitors and then use that information to your advantage.

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Q. 02: Sonia Aamir lives in a town of approximately 10,000 in Western Kentucky. There isn't a furniture store in the town and Sonia is thinking about starting one. She has good business and marketing skills and is confident she can run the store, but she's not sure whether the furniture store industry is a good industry to enter. Sonia turned to you for help. What would you tell her?

(01 Mark – CLO 01

To gain a better grasp of her business strategy, I would suggest Sonia to undertake a industrial analysis of the market in which she plans to establish her organization or to do an industrial study.

It will help her understand what is going on in an industry, such as demand-supply data, the degree of competition within the industry, the state of competitiveness of the industry with other developing industries, future business prospects taking into account technological advances, the credit system within the industry, and the effect of external variables on the industry.

That would aid her in comprehending a company's position in respect to other industry participants. It also supports them in recognizing both opportunities and potential hazards, as well as giving them with a strong grasp of the industry's current and future status. The key to surviving in an ever-changing business environment is to understand and capitalism on the differences between yourself and others.

There are three key methodologies for doing industrial analysis that are widely employed. The three ways are as follows:

- 1.Competitive Forces Model (Porter's 5 Forces)
- 2.Broad Factors Analysis (PEST Analysis)
- 3.SWOT Analysis