

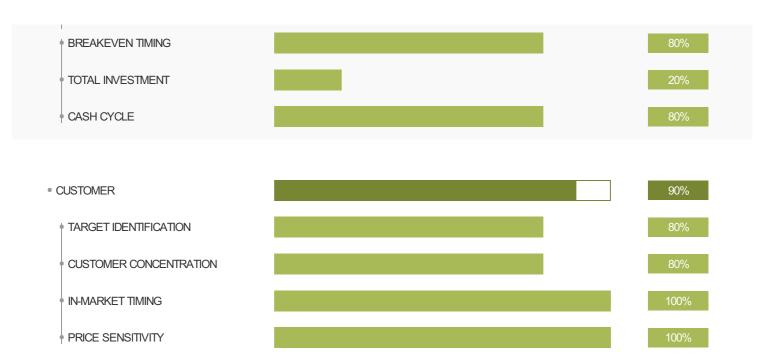
## **Opportunity Analysis** July 1, 2014



## Congratulations! Your Analysis Is Complete.

Below is the summary of your results.

## 70% Summary - Overall Opportunity Score Analysis Score **Needs Improvement** Excellent Percent • OVERALL OPPORTUNITY 70% INDUSTRY / MARKET ADDRESSABLE MARKET ORGANIC GROWTH TECHNOLOGICAL CHANGE SEASONALITY REGULATORY ENVIRONMENT OTHER MACRO TRENDS SUPPLIER CONCENTRATION SUPPLIER SWITCHING COSTS COMPETITOR CONCENTRATION COMPETITIVE RIVALRY • PRODUCT/ SERVICES 85% UNMET NEEDS IDENTIFICATION CONCEPT RISK DEVELOPMENT TIME FRAME TECHNOLOGY LEVERAGE FINANCIAL FIXED ASSET INVESTMENT



ORGANIC GROWTH SCORE

INDUS	STRY / MARKET: Organic Growth
<b>©</b>	Key Principle
	Definition
	The rate of annual growth of the addressable market. (There are other methods of growing your business, such as market share growth and acquisition growth, but for purposes of analyzing the market, we should stick with the "organic" growth of the industry itself rather than different ways we can grow compared to our competitors.)
<b> ≈</b>	Why This Matters
	The higher your organic growth, the better the opportunity. The faster the market grows, the easier it will be for you to grow your
ANS	MER.
	Very low annual organic growth (<0%)
	Low annual organic growth $(0-5\%)$
<b>~</b>	Moderate annual organic growth (5 – 10%)
	High annual organic growth (10 – 25%)
	Very high annual organic growth (>25%)
x <sup>2</sup>	Show Your Work (shared)
	How You Answered
Needs	Improvement Excellent Percentile
OPPOR	TUNITY SCORE 70%
INDUST	RY / MARKET ANALYSIS SCORE

60%

NDUS <sup>*</sup>	TRY / MARKET: Seasonality
<b>©</b>	Key Principle
	Definition
	The extent to which the ability to produce a product or service or the ability to sell a product or service depends on the time of year or season.
<b> ≈</b>	Why This Matters
	The less the seasonality, the better the opportunity. The less the seasonality, the more the potential for consistently higher asset
ANSW	ER.
_ \	/ery high seasonality (ability to produce or market demand < 3 months per year)
_ F	figh seasonality (ability to produce or market demand 3 – 6 months per year)
<b>✓</b> N	/bderate seasonality (ability to produce or market demand 6 – 9 months per year)
	ow seasonality (ability to produce or market demand 9 – 12 months per year)
\	/ery low or no seasonality (ability to produce or market demand 12 months per year)
x²	Show Your Work (shared)
	How You Answered
	mprovement Excellent Percentile
OPPORT	UNITY SCORE 70%
NDUSTR	Y / MARKET ANALYSIS SCORE 60%
SEASON	ALITY SCORE  60%
	- 0070

0	Key Principle
	Definition
	The extent to which the target industry is subject to government regulation. Generally, the less the regulation, the better the opportunity.
<b> </b>	Why This Matters
	The less the regulation, the less the potential for unfavorable laws being passed that curtail demand or that unnecessarily drive up
ANSWE	R .
V	ery high regulatory environment
Н	gh regulatory environment
	bderate regulatory environment
	ow regulatory environment
V	ery low or no regulatory environment
X <sup>2</sup>	Show Your Work (shared)
	How You Answered
Needs Ir	nprovement Excellent Percentile
OPPORTU	NITY SCORE
VIDLIOTE*	70%
NLUSIR	/ / MARKET ANALYSIS SCORE 60%
REGULAT	ORY BWIRONVENT SCORE 80%

<b>©</b>	Key Principle
	Definition
	Definition
	The extent to which major trends in customer behavior or demographics play a critical role in shaping the market conditions and customer demand.
<b> ~</b>	Why This Matters
	These "macro trends" are major trends that tend to affect the entire industry and typically come in the form of trends in customer
ANSWE	R
V	ery unfavorable macro trends (2 or 3 trends that negatively affect the target market)
U	nfavorable macro trends (1 trend that negatively affects the target market)
✓ N	eutral macro trends (no identifiable trends that affect the target market)
	avorable macro trends (1 trend that favorably affects the target market)
V	ery favorable macro trends (2 or 3 trends that favorably affect the target market)
X <sup>2</sup>	Show Your Work (shared)
^	Show roul work (shared)
	How You Answered
	mprovement Excellent Percentile
	NITY SOORE
JAPORIC	70%
NDUSTR'	Y / MARKET ANALYSIS SOORE 60%
OTHER M	ACRO TRENDS SCORE
	60%

How You Answered

Needs Improvement Excellent Percentile

OPPORTUNITY SCORE

TINANCIAL ANALYSIS SCORE

20%

TOTAL INVESTMENT SCORE

Definition

The average amount of elapsed time between when you experience the costs of the product or service you are delivering and when you collect from your customer for the product or service.

**™** Why This Matters

The more efficient the cash cycle (the faster you get paid), the better the opportunity. The more efficient the cash cycle, the more cash

ANSWER	
Very inefficient cash cycle (> 30 days)	
Inefficient cash cycle (15 – 30 days)	
Moderate cash cycle (1 – 15 days)	
✓ Efficient cash cycle (0 days)	
Very efficient cash cycle (< 0 days)	
x <sup>2</sup> Show Your Work (shared)	
■ How You Answered	
Needs Improvement Excellent	Percentile
OPPORTUNITY SCORE	70%
FINANCIAL ANALYSIS SCORE	2007
	60%
CASH CYCLE SCORE	

Percentile

Needs Improvement

OPPORTUNITY SCORE

FINANCIAL ANALYSIS SCORE

BREAKEVEN TIMING SCORE

Excellent

INDUSTRY / MARKET ANALYSIS SCORE

ADDRESSABLE MARKET SCORE

INDUS	STRY / MARKET: Addressable Market
8	Key Principle
	Definition
	The "addressable market" is size of the market that is likely to have an interest in what you have to offer. It is that portion of the market that you are ready, willing, and able to serve.
<b> </b>	Why This Matters
	The larger your potential market, the better the opportunity. The larger the market, the easier it will be for you to enter the market and
ANS	
	Very small addressable market size (<\$5 million)
<b>~</b>	Small addressable market size (\$5 million - \$25 million)
	Medium addressable market size (\$25 million - \$100 million)
	Large addressable market size (\$100 million - \$1 billion)
	Very large addressable market size (>\$1 billion)
x²	Show Your Work (shared)
	How You Answered
Needs	s Improvement Excellent Percentile
OPPOR	RTUNITY SCORE

70%

40%

OPPORTUNITY SCORE

INDUSTRY / MARKET ANALYSIS SCORE

TECHNOLOGICAL CHANGE SCORE

INDUS	TRY / MARKET: Technological Change
<b>©</b>	Key Principle
	Definition
	The extent to which technology plays a major role in shaping the market conditions and the competitive landscape; where a new and exciting technology can cause large changes in market share shifting from one competitor to another.
<b> </b>	Why This Matters
	The lower the degree of technological change, the better the opportunity. The lower the degree of technological change, the less risk
ANSW	
( )	Very high degree of technological change
<b>✓</b> I	High degree of technological change
	Moderate degree of technological change
	Low degree of technological change
	Very low degree of technological change
X <sup>2</sup>	Show Your Work (shared)
	How You Answered
Needs	Improvement Excellent Percentile

70%

60%

INDUS'	TRY / MARKET: Competitor Concentration
<b>©</b>	Key Principle
	Definition
	The amount of market share concentrated among the largest competitors within an industry; an indication of the market power of the largest competitors.
<b> ≈</b>	Why This Matters
	The less concentrated your potential market, the more "competitive" the industry, but the better the opportunity for a new entrant. The
ANSW	MER.
	Very high degree of competitor concentration (top 4 control >80% market share or largest controls >40% market share)
<b>✓</b> F	ligh degree of competitor concentration (top 4 control 50 – 80% market share or largest controls 25 - 40%)
	Vbderate degree of competitor concentration (top 4 control 25 - 50% market share or largest controls 15 - 25%)
	Low degree of competitor concentration (top 4 control 10 - 25% market share or largest controls 5 - 15%)
	Very low degree of competitor concentration (top 4 are not identifiable or control <10% market share and the largest is not identifiable or controls <5% market share)
x²	Show Your Work (shared)
	How You Answered
	Improvement Excellent Percentile
OPPORT	UNITY SCORE 70%
INDUSTR	RY / MARKET ANALYSIS SCORE 60%
COMPET	TTOR CONCENTRATION SCORE

## Needs Improvement Excellent Percentile OPPORTUNITY SCORE FINANCIAL ANALYSIS SCORE FINANCIAL ANALYSIS SCORE FINANCIAL ANALYSIS SCORE 60%

Percentile

Excellent

Needs Improvement
OPPORTUNITY SCORE

INDUSTRY / MARKET ANALYSIS SCORE

COMPETITIVE RIVALRY SCORE

Ŷ	Key Principle	
	Definition	
	The amount of supplier market share concentrated among the largest suppliers within an industry; an indication of the market power of the largest suppliers.	
<b> ~</b>	Why This Matters	
	The less concentrated the suppliers in your potential market, the more "competitive" the suppliers and the better the opportunity. The	
ANSW		
_ v	ery high degree of supplier concentration (50% or more of the variable input costs are only available from a few suppliers each)	
_ F	figh degree of supplier concentration (25 - 50% of the variable input costs are only available from a few suppliers each)	
✓ N	/bderate degree of supplier concentration (10 - 25% of the variable input costs are only available from a few suppliers each)	
	Low degree of supplier concentration (5 - 10% of the variable input costs are only available from a few suppliers each)	
	ery low degree of supplier concentration (all inputs are readily available from an abundance of suppliers)	
X <sup>2</sup>	Show Your Work (shared)	
	How You Answered	
	mprovement Excellent Percentile	
	UNITY SCORE	
	70%	
NUSTR	Y / MARKET ANALYSIS SCORE 60%	
SUPPLIE	R CONCENTRATION SCORE 60%	
	- 60/0	

NDUS <sup>-</sup>	TRY / MARKET: Supplier Switching Costs
Ŷ	Key Principle
	Definition
	The costs involved in switching from one supplier to another. The lower the switching costs, the better the opportunity.
<b> </b>	Why This Matters
	The lower the switching costs, the easier it will be for you to negotiate favorable input costs for your product or service from among the
ANSW	
	/ery high supplier switching costs (>200% of total monthly supplier cost)
C F	figh supplier switching costs (100% - 200% of total monthly supplier cost)
	/bderate supplier switching costs (50% - 100% of total monthly supplier cost)
L	ow supplier switching costs (25% - 50% of total monthly supplier cost)
<b>✓</b> \	/ery low supplier switching costs (<25% of total monthly supplier cost)
x²	Show Your Work (shared)
	How You Answered
Needs I	mprovement Excellent Percentile
OPPORT	UNITY SCORE 70%
NDUSTR	Y / MARKET ANALYSIS SCORE 60%
SUPPLIE	R SWITCHING COSTS SCORE 100%

<b>©</b>	Key Principle
	Definition
	The ability to identify the target market's needs that are not currently being met or that are being under served by an existing product or
	service.
<b>~</b>	Why This Matters
	The greater your ability to identify unmet needs, the better the opportunity. The greater your ability to identify unmet needs, the more
ANSWE	R
V	ery low ability to identify unmet needs
Lo	w ability to identify unmet needs
M	oderate ability to identify unmet needs
<b>✓</b> H	gh ability to identify unmet needs
V	ery high ability to identify unmet needs
X <sup>2</sup>	Show Your Work (shared)
	How You Answered
	nprovement Excellent Percentile
	NTY SCORE
	70%
KUUUI	7/ SERVICES ANALYSIS SCORE 85%
JNMET NE	EDS IDENTIFICATION SCORE 80%

PRODUCT / SERVICES. CONCEPTRISK
♀ Key Principle
Definition
The risk that the value proposition will not be easily understood, accepted and adopted by the potential customers.
<b>№</b> Why This Matters
The more difficult it is to articulate the value proposition, the more complex the product or service, the more unsophisticated the
ANSWER
Very high concept risk (new service/product + new pricing model + new to the industry)
High concept risk (new service/product + readily understood pricing + new to the industry)
Moderate concept risk (readily understood service/product + new pricing model + new to industry)
✓ Low concept risk (readily understood service/product + readily understood pricing + new to industry)
Very low concept risk (readily understood service/product + readily understood pricing + current industry participant)
x <sup>2</sup> Show Your Work (shared)
How You Answered
Needs Improvement Excellent Percentile
OPPORTUNITY SCORE 70%
PRODUCT / SERVICES ANALYSIS SCORE 85%
CONCEPT RISK SCORE
80%

PRODUCT / SERVICES: Development Time Frame	
Definition	
The total time that it takes to bring your product to market or perfect your service so that your service is ready to ta	ke to market.
Why This Matters	
The shorter the development time frame, the better the opportunity. The shorter the development time frame, the least the opportunity.	ess the risk, the
ANSWER	
Very long development time frames (>2 years)	
Long development time frames (1 - 2 years)	
Moderate development time frames (6 months – 1 year)	
Short development time frames (3 months – 6 months)	
Very short development time frames (<3 months)	
x² Show Your Work (shared)	
How You Answered	
Needs Improvement Excellent	Percentile
OPPORTUNITY SCORE	70%
PRODUCT / SERVICES ANALYSIS SCORE	85%
DEVELOPMENT TIME FRAME SCORE	
	100%

PRODU	JCT / SERVICES: Technology Leverage
<b>©</b>	Key Principle
	Definition
	The ability to use technology in order to automate a business process and reduce costs, increase productivity and/or increase quality.
<b> </b>	Why This Matters
	The greater the technology leverage, the better the opportunity. The greater the technology leverage, the better the chance to create a
ANSW	ER
	ery low technology leverage (technology can reduce <5% of the typical cost structure)
	ow technology leverage (technology can reduce 5 – 10% of the typical cost structure)
	/bderate technology leverage (technology can reduce 10 – 15% of the typical cost structure)
	igh technology leverage (technology can reduce 15 – 20% of the typical cost structure)
V	ery high technology leverage (technology can reduce >20% of the typical cost structure)
x²	Show Your Work (shared)
	How You Answered
Needs I	mprovement Excellent Percentile
OPPORTI	UNITY SCORE 70%
RODUC	T / SERVICES ANALYSIS SCORE
TECHNO!	LOGY LEVERAGE SOORE 85%
	80%

CUSTO	DMER: Target Identification
<b>©</b>	Key Principle
	Definition
	The ability to identify the name and contact information of those potential customers in your addressable market.
<b> </b>	Why This Matters
	The higher the ability to identify targets or customer prospects, the better the opportunity. The higher the ability to identify targets, the
ANSW	
	/ery low ability to identify targets (<10% of the addressable market at a cost of less than 1% of revenue)
L	ow ability to identify targets (10% - 25% of the addressable market at a cost of less than 1% of revenue).
	/bderate ability to identify targets (25% - 50% of the addressable market at a cost of less than 1% of revenue)
<b>✓</b> F	figh ability to identify targets (50% - 75% of the addressable market at a cost of less than 1% of revenue)
	ery high ability to identify targets (>75% of the addressable market at a cost of less than 1% of revenue)
X <sup>2</sup>	Show Your Work (shared)
	How You Answered
	mprovement Excellent Percentile
OPPORTI	UNITY SCORE 70%
CUSTON	ER ANALYSIS SOORE 90%
TARGET	IDENTIFICATION SCORE 80%

CUSTOMER CONCENTRATION SCORE

CUSTOMER: Customer Concentration	
<b>©</b>	Key Principle
	Definition
	The amount of market share concentrated among the largest customers within an industry; an indication of the market power of the largest customers.
<b> ≈</b>	Why This Matters
	The less concentrated the customers in your potential market, the more "competitive" the customers and the better the opportunity.
ANSV	MER
	Very high degree of customer concentration (top 4 control >80% market share or largest controls >40% market share)
	High degree of customer concentration (top 4 control 50 – 80% market share or largest controls 25 - 40%)
	Moderate degree of customer concentration (top 4 control 25 - 50% market share or largest controls 15 - 25%)
<b>✓</b>	Low degree of customer concentration (top 4 control 10 - 25% market share or largest controls 5 - 15%)
	Very low degree of customer concentration (top 4 are not identifiable or control <10% market share and the largest is not identifiable or controls <5% market share)
x²	Show Your Work (shared)
	How You Answered
Needs	Improvement Excellent Percentile
OPPOR	TUNITY SCORE 70%
CUSTO	MER ANALYSIS SCORE

90%

8	Key Principle
	Definition
	The ability to identify the timeframe in which the customer prospect is most likely to make the buying decision regarding your product or service.
<b> ≈</b>	Why This Matters
	The higher the ability to identify the in-market timing, the better the opportunity. The higher the ability to identify the in-market timing, the
ANSW	
	ery low ability to identify in-market timing
	ow ability to identify in-market timing
_ N	/bderate ability to identify in-market timing
C F	figh ability to identify in-market timing
V	ery high ability to identify in-market timing
X <sup>2</sup>	Show Your Work (shared)
	How You Answered
Needs I	mprovement Excellent Percentile
OPPORTI	UNITY SCORE 70%
CUSTOM	ER ANALYSIS SOORE
	ET TIMNG SCORE
II VEIVIENEN	100%

Ŷ	Key Principle	
	Definition	
_		
	The awareness of the customer to what they perceive to be the range of prices within which they will buy a particular product or	
	service.	
<b> ≈</b>	Why This Matters	
	The state of the s	
	Customers with high price sensitivity will exhibit purchasing behavior that is directly tied to pricing and affected by relatively small	
ANSV		
	Very high degree of price sensitivity	
	High degree of price sensitivity	
	Moderate degree of price sensitivity	
	Low degree of price sensitivity	
	Low degree or price sensitivity	
<b>V</b>	Very low degree of price sensitivity	
x <sup>2</sup>	Show Your Work (shared)	
	Harry Very American d	
	How You Answered	
Needs	Improvement Excellent Percentile	
OPPORT	TUNITY SCORE	
	70%	
CUSTON	VER ANALYSIS SCORE 90%	
PRICE SENSITIVITY SCORE		
. 1 4020	100%	



Smart Analysis. Smart Business.

OpportunityIQ.com