

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 COMPETITOR CONCENTRATION COMPETITIVE RIVALRY SUPPLIER CONCENTRATION SUPPLIER SWITCHING COSTS FINANCIAL TOTAL INVESTMENT FIXED ASSET INVESTMENT CASH CYCLE **BREAKEVEN TIMING** • PRODUCT / SERVICES 85% UNMET NEEDS IDENTIFICATION

CONCEPT RISK		80%
DEVELOPMENT TIME FRAME		100%
TECHNOLOGY LEVERAGE		80%
• CUSTOMER		90%
† TARGET IDENTIFICATION		80%
CUSTOMER CONCENTRATION		80%
IN-MARKET TIMING		100%
PRICE SENSITIVITY		100%

Pickle Me Timbers

INDUSTRY / MARKET: Organic Growth

©	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 m should stick with the "organic" growth of the industry itself rather than different ways we can grow compared to our competitors.)	arket, we
 ≈	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 business as a rising tide lifts all boats.	
ANSWE	ER	
V	very low annual organic growth (<0%)	
L	ow annual organic growth (0-5%)	
✓ N	/bderate annual organic growth (5 – 10%)	
Н	igh annual organic growth (10 – 25%)	
V	/ery high annual organic growth (>25%)	
X ²	Show Your Work (shared)	
	How You Answered	
Needs Ir	mprovement Excellent F	Percentile
OPPORTU	UNITY SCORE 70%	
INDUSTR'	Y / MARKET ANALYSIS SCORE	
000447	60%	
UKGANIC	C GROWTH SCORE 60%	

Needs Improvement Excellent Percentile OPPORTUNITY SCORE INDUSTRY / MARKET ANALYSIS SCORE SEASONALITY SCORE 60% 60%

©	Key Principle	
	Definition	
	The extent to which the toget industry is a phice to any composent new lation. Conseelly, the loca the population, the better the appeart with	
	The extent to which the target industry is subject to government regulation. Generally, the less the regulation, the better the opportunity.	
 	Why This Matters	
	The less the regulation, the less the potential for unfavorable laws being passed that curtail demand or that unnecessarily drive up costs.	
ANSW		
() \	Very high regulatory environment	
F	High regulatory environment	
	Moderate regulatory environment	
V L	Low regulatory environment	
	Very low or no regulatory environment	
x²	Show Your Work (shared)	
	How You Answered	
		centile
OPPORTI	TUNITY SCORE 70%	
INDLESTE	RY / MARKET ANALYSIS SCORE	
. 20011	60%	
REGULA	ATORY BWIRONWBNT SCORE	
	80%	

©	Key Principle
	Definition
_	
	The extent to which major trends in customer behavior or demographics play a critical role in shaping the market conditions and customer demand.
 ~	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 behavior or customer demographics, but can also stem from slowly shifting dynamics in the industry that are detected over a period of years that are not related to growth, technology, seasonality or regulation. The more favorable the macro trend, the more the potential demand for your product or service.
ANSWE	R.
V	ery unfavorable macro trends (2 or 3 trends that negatively affect the target market)
U	hfavorable macro trends (1 trend that negatively affects the target market)
✓ N	leutral macro trends (no identifiable trends that affect the target market)
F	avorable macro trends (1 trend that favorably affects the target market)
	'ery favorable macro trends (2 or 3 trends that favorably affect the target market)
v	ery ravorable fracto trends (2 of 5 trends tract ravorably affect the target fractet)
x ²	Show Your Work (shared)
	Show road Werk (Gharoa)
	How You Answered
Veeds Ir	mprovement Excellent Percentile
	NITY SCORE
	70%
NDUSTR'	Y / MARKET ANALYSIS SCORE 60%
OTHERM	ACRO TRENDS SCORE
	60%

IIVAIVO	IAL. Total investment
©	Key Principle
	Definition
	The total size of the investment or capital required to buy or build the company, fully develop the opportunity or fully fund the business plan.
 ≈	Why This Matters
	The smaller the total investment amount required, the better the opportunity. The smaller the total investment amount required, the more likely the opportunity will get funded (either by your personal resources or other investors), the more likely the entrepreneur will retain control and the less the risk for the entrepreneur and investors.
ANSWE	R
V	ery large total investment amount required (>500% of entrepreneur's liquid capital)
Lá	arge total investment amount required (100 - 500% of entrepreneur's liquid capital)
M	oderate total investment amount required (50 - 100% of entrepreneur's liquid capital)
	mall total investment amount required (25 - 50% of entrepreneur's liquid capital)
V	ery small total investment amount required (<25% of entrepreneur's liquid capital)
X ²	Show Your Work (shared)
	How You Answered
leeds Ir	nprovement Excellent Percentile
)PPORTU	INTY SCORE 70%
INANCIA	L ANALYSIS SCORE
OTAL IN	VESTIMENT SCORE 60%
OIAL IN	20%

Needs Improvement Excellent Percentile OFFORTUNITY SOORE FINANCIAL ANALYSIS SOORE CASH CYCLE SOORE

Elimination The amount of time it takes for your opportunity to breakeven from the time you launch until your not income is zero or positive. Why This Matters The shorter the breakeven timing, the botter the opportunity. The shorter the breakeven timing, the less the risk of business failure due to not ever reaching breakeven. ANSWER Very long breakeven timing (> one year) Long breakeven timing (six months — one year) Moderate breakeven timing (ince months — six months) Short breakeven timing (one month — three months) Very short breakeven timing (< one month) Xill Show Your Work (shared)

Percentile

Excellent

Needs Improvement
OPPORTUNITY SCORE

FINANCIAL ANALYSIS SCORE

BREAKEVEN TIMING SCORE

	STRY / WARKET: Addressable Warket
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.
 ~	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 carve out a sufficient amount of business in order to have a viable opportunity.
	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 carve out a sufficient amount of business in order to have a viable opportunity.
	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 carve out a sufficient amount of business in order to have a viable opportunity.
	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 carve out a sufficient amount of business in order to have a viable opportunity.
ANS	
	Very small addressable market size (<\$5 million)
	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	TUNITY SCORE 70%
INDUST	TRY / MARKET ANALYSIS SCORE 60%
ADDRE	SSABLE MARKET SOORE
	40%

INDUSTRY / MARKET: Technological Change

©	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.
 ~	Why This Matters
	The lower the degree of technological change, the better the opportunity. The lower the degree of technological change, the less risk that technological innovation could render your product or service obsolete in a short period of time.
ANSW	ER
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	ery high degree of technological change
✓ I	ligh degree of technological change
	/bderate degree of technological change
	ow degree of technological change
	/ery low degree of technological change
X ²	Show Your Work (shared)
	How You Answered
leeds	mprovement Excellent Percentile

Needs Improvement	Excellent			Percentile
OPPORTUNITY SCORE			70%	
INDUSTRY / MARKET ANALYSIS SOC)RE			
TECHNOLOGICAL CHANGE SCORE			60%	
			40%	

©	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.	
 ~	Why This Matters	
	The less concentrated your potential market, the more "competitive" the industry, but the better the opportunity for a new entrant. The less concentrated the marketplace, the easier it will be for the market and compete against the existing competitors that lack concentrated market power.	or you to enter
ANSW		
	/ery high degree of competitor concentration (top 4 control >80% market share or largest controls >40% market share)	
✓ 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%)	
\	/ery 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	
Needs I	Improvement Excellent	Percentile
OPPORT	UNITY SCORE 70%	
INDUSTR	RY / MARKET ANALYSIS SCORE	
	60%	
WIVIE	TTOR CONCENTRATION SCORE 40%	

©	Key Principle
	Definition
	The total size of the investment required to assemble the fixed assets needed to operate the business.
 ≈	Why This Matters
	The smaller the fixed asset investment required, the better the opportunity. The smaller the fixed asset investment required, the less risk of not being able to repurpose your investment or change direction with your business opportunity, since fixed assets can be difficult to use for other purposes and rarely retain a high resale value.
ANSW	R
V	ery large fixed asset investment required (>60% of the total investment amount)
	arge fixed asset investment required (40 - 60% of the total investment amount)
	bderate fixed asset investment required (20 - 40% of the total investment amount)
S	mall fixed asset investment required (10 - 20% of the total investment amount)
V	ery small fixed asset investment required (<10% of the total investment amount)
X ²	Show Your Work (shared)
	How You Answered
Needs I	mprovement Excellent Percentile
OPPORTU	NITY SCORE
	70%
	AL ANALYSIS SCORE 60%
FIXED AS	SSET INVESTMENT SCORE
	60%

₩ Why This Matters

The less the competitive rivalry, the better the opportunity. The less the competitive rivalry, the higher the margins tend to be in the industry as competitors invest in their current customers rather than fighting over them.

ANSWER	
Very high competitive rivalry (> 15% customer churn)	
High competitive rivalry (10% - 15% customer churn)	
Moderate competitive rivalry (5% - 10% customer churn)	
Low competitive rivalry (2.5% - 5% customer churn)	
Very low competitive rivalry (< 2.5% customer churn)	
x² Show Your Work (shared)	
How You Answered	

Excellent Needs Improvement Percentile

OPPORTUNITY SCORE

INDUSTRY / MARKET ANALYSIS SCORE

COMPETITIVE RIVALRY SCORE 60%

©	Key Principle
	Definition
_	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.
 ≈	Why This Matters
	The less concentrated the suppliers in your potential market, the more "competitive" the suppliers and the better the opportunity. The less concentrated the suppliers, the easier it will be for you to negotiate favorable raw materials or input costs for your product or service from suppliers that lack concentrated market power.
ANSW	MR
	Very high degree of supplier concentration (50% or more of the variable input costs are only available from a few suppliers each)
	High degree of supplier concentration (25 - 50% of the variable input costs are only available from a few suppliers each)
⊘ I	Moderate 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 froma few suppliers each)
	Very low degree of supplier concentration (all inputs are readily available from an abundance of suppliers)
	very low degree of supplier concentration (all illiputs are readily available from all abundance of suppliers)
x²	Show Your Work (shared)
^	Chow rour work (shared)
=	How You Answered
Noods	Improvement Excellent Percentile
	TUNITY SCORE
J 1 J (1	70%
INDUSTR	RY / MARKET ANALYSIS SCORE 60%
SUPPLIE	R CONCENTRATION SCORE
	60%

8	Key Principle	
	Definition	
_		
	The costs involved in switching from one supplier to another. The lower the switching costs, the better the opportunity.	
 ~	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 various suppliers with the real threat of switching to a different without being held captive by your current supplier.	rent supplier
ANSW		
	ery high supplier switching costs (>200% of total monthly supplier cost)	
_ F	ligh supplier switching costs (100% - 200% of total monthly supplier cost)	
	/bderate supplier switching costs (50% - 100% of total monthly supplier cost)	
	ow supplier switching costs (25% - 50% of total monthly supplier cost)	
✓ V	/ery low supplier switching costs (<25% of total monthly supplier cost)	
x ²	Show Your Work (shared)	
	How You Answered	
Needs I	mprovement Excellent F	Percentile
OPPORTI	UNITY SCORE 70%	
INDUSTR	Y / MARKET ANALYSIS SCORE	
	R SWITCHING COSTS SCORE	
	100%	

8	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.
 ~	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 precisely you can design your product or service to meet the customer demand, the easier it will be to acquire new customers and the easier it will be to grow your business.
ANSWE	R
V	ery low ability to identify unmet needs
	ow ability to identify unmet needs
N	bderate ability to identify unmet needs
	igh ability to identify unmet needs
V	ery high ability to identify unmet needs
x²	Show Your Work (shared)
	How You Answered
Needs Ir	mprovement Excellent Percentile
OPPORTU	INTY SCORE 70%
PRODUCT	T / SERVICES ANALYSIS SCORE 85%
JNMETN	EEDS IDENTIFICATION SCORE
	80%

©	Key Principle
	Definition
	Definition
	The risk that the value proposition will not be easily understood, accepted and adopted by the potential customers.
≈	Why This Matters
	The more difficult it is to articulate the value proposition, the more complex the product or service, the more unsophisticated the understanding of the customer decision making unit (DMJ) and the
	more difficult the pricing mechanism, the more the concept risk. The lower the concept risk, the better the opportunity. The lower the concept risk, the shorter the sales cycle as there is less of a "concept" sale process.
	_
ANSW	MR
'	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)
	and the second s
	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)
	to no per lot (readily and receded of the product a readily and order prioring a row to inductivy)
\	Very low concept risk (readily understood service/product + readily understood pricing + current industry participant)
x ²	Show Your Work (shared)
=	How You Answered
Needs	Improvement Excellent Percentile
OPPORT	UNITY SCORE
	70%
PRODUC	CT / SERVICES ANALYSIS SCORE 85%
CONCE	PT RISK SCORE 80%
	0078

0	Key Principle
	Definition
	The total time that it takes to bring your product to market or perfect your service so that your service is ready to take to market.
 ≈	Why This Matters
	The shorter the development time frame, the better the opportunity. The shorter the development time frame, the less the risk, the lower the investment and the lower the development effort.
ANSW	BR
\ \ \	ery long development time frames (>2 years)
	ong development time frames (1 - 2 years)
	/bderate development time frames (6 months – 1 year)
	Short development time frames (3 months – 6 months)
✓ \	/ery short development time frames (<3 months)
X ²	Show Your Work (shared)
	How You Answered
Noode I	
	mprovement Excellent Percentile UNITY SCORE
G 1 G (1)	70%
PRODUC	T / SERVICES ANALYSIS SCORE 85%
DEVELO	PVENT TIME FRAME SCORE
	100%

©	Key Principle				
	Definition				
	The ability to use technology in order to	to automate a business process and reduce costs	s, increase productivity and/or increase o	quality.	
 ≈	Why This Matters				
		the better the opportunity. The greater the techno o apply technology to, look for industries where a ents, marketing partnerships, etc.)			
ANSWE	R				
V	ery low technology leverage (tech	hnology can reduce <5% of the typical cos	t structure)		
Lo	ow technology leverage (technolo	ogy can reduce 5 – 10% of the typical cost	structure)		
M	oderate technology leverage (tech	hnology can reduce 10 – 15% of the typica	al cost structure)		
✓ H	gh technology leverage (technolog	gy can reduce 15 – 20% of the typical cos	t structure)		
V	ery high technology leverage (tec	hnology can reduce >20% of the typical co	ost structure)		
x²	Show Your Work (sha	ired)			
	How You Answered				
		Excellent			Percentile
	nprovement NITY SCORE	LAGIIGIIL			reiceillile
					70%
RODUCT	/ SERVICES ANALYSIS SCORE				85%
TECHNOLOGY LEVERAGE SCORE		909/			
					80%

0	Key Principle
	Definition
	Definition
	The ability to identify the name and contact information of those potential customers in your addressable market.
 ~	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 better the chances of being able to growyour business.
ANSV	
	Very low ability to identify targets (<10% of the addressable market at a cost of less than 1% of revenue)
	Low ability to identify targets (10% - 25% of the addressable market at a cost of less than 1% of revenue)
	Voderate ability to identify targets (25% - 50% of the addressable market at a cost of less than 1% of revenue)
✓ I	righ 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 ²	Show Your Work (shared)
	How You Answered
Needs	Improvement Excellent Percentile
OPPORT	UNITY SCORE 70%
CUSTON	/ER ANALYSIS SCORE
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	90%
TARGET	IDENTIFICATION SCORE 80%

\$	Key Principle
	Definition
	Definition
	The amount of market share concentrated among the largest customers within an industry; an indication of the market power of the largest customers.
 ≈	Why This Matters
	The less concentrated the customers in your potential market, the more "competitive" the customers and the better the opportunity. The less concentrated the customers, the easier it will be for you to negotiate favorably with customers that lack concentrated market power.
ANSW	
V	/ery high degree of customer concentration (top 4 control >80% market share or largest controls >40% market share)
F	figh degree of customer concentration (top 4 control 50 – 80% market share or largest controls 25 - 40%)
N	/bderate degree of customer concentration (top 4 control 25 - 50% market share or largest controls 15 - 25%)
V L	ow degree of customer concentration (top 4 control 10 - 25% market share or largest controls 5 - 15%)
_ v	'ery 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)
X ²	Show Your Work (shared)
	How You Answered
Needs I	mprovement Excellent Percentile
OPPORTI	UNITY SCORE 70%
a Istom	ER ANALYSIS SCORE
	90%
CUSTOM	ER CONCENTRATION SCORE 80%

CUSTOMER: In-Market Timing

0	Key Principle
	Definition
_	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.
 ≈	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 better the chances of being able to grow your business.
ANSWE	R.
	ery low ability to identify in-market timing
L	ow ability to identify in-market timing
N	bderate ability to identify in-market timing
Н	igh ability to identify in-market timing
✓ ∨	ery high ability to identify in-market timing
x²	Show Your Work (shared)
	How You Answered
Needs Ir	mprovement Excellent Percentile
OPPORTU	NTY SCORE 70%
CUSTOM	ER ANALYSIS SCORE
	90%
NHVIAHK	ET TIMING SCORE 100%

©	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.		
~	Why This Matters		
	Customers with high price sensitivity will exhibit purchasing behavior that is directly tied to pricing and affected by relatively small movements in price (a condition called an elastic price or price elasticity), whereas customers with low price sensitivity (inelastic price or price inelasticity) will exhibit behavior that is either not linked to price or will actually buy more as the price goes up, rather than less. The lower the price sensitivity of the customer, the higher the price point, the more you can invest in the customer relationship and the higher the actual unit gross margin.		
ANSW	ER.		
_ v	ery high degree of price sensitivity		
	figh degree of price sensitivity		
	/bderate degree of price sensitivity		
	ow degree of price sensitivity		
✓ ∨	ery low degree of price sensitivity		
x ²	Show Your Work (shared)		
	How You Answered		
Needs I	mprovement Excellent Percentile		
OPPORTI	UNITY SCORE 70%		
CI ICTOV A			
WDION	ER ANALYSIS SCORE 90%		
PRICE SE	NSITIVITY SCORE		
	100%		



Smart Analysis. Smart Business.

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