

Carnegie Mellon University in Qatar
15390 - Spring 2018

Project Handout

Checkpoint II

Out: January 22, 2018

Due: March 18, 2018

Checkpoint II [25 Points]

This checkpoint involves: (1) designing a business model, (2) using your business model and market research findings from **Checkpoint I** to conduct revenue projections and sensitivity analysis, and (3) selecting a beachhead market to pursue your idea developed in **Checkpoint I**.

- A. Design a business model for the idea you came up with in **Checkpoint I**. Explain your business model in detail. **Note:** you can use any of the business models we discussed in class, a hybrid of multiple of them, or a completely novel one.
- B. Use your business model alongside your market research findings to develop a mathematical model for performing revenue projections. Afterwards, use your mathematical model to do revenue projections over five years. State your methodology and any assumption you make very clearly.
- C. Conduct and report on at least two sensitivity studies using your mathematical model.
- D. Develop *metrics* (e.g., affordability, accessibility, scale-out, etc.) to select your beachhead market. Subsequently, build one or more matrices and apply a weighted ranking technique (similar to the one we discussed in class) to rank your market segments and, accordingly, select your beachhead one. **Note:** you can use the *metrics* we developed in class and/or come with completely new ones based on your idea and target market.