

Frequently Asked Questions from Judges for MIT \$100K Development Track Business Plan



The MIT\$100K Development Track attracts highly qualified judges from venture funds and notable social entrepreneurs to help competitors think through the economic and social sustainability of their start up in under-developed emerging markets. Please find below a compilation of frequently asked questions from past Development Track judges for MIT \$100K Business Plan Competition. **This is not meant to be a template for the business plan, but four key questions that any winning Development Track business plan must answer.**

1. IDEA - Does this company provide an innovative solution to a critical problem in an under-developed emerging market?

Sample Questions Asked To Assess the Idea:

- What is the market problem? Why is this an important problem?
- How does this idea improve on existing models?
- What is the key innovation?
- What is the overall impact of the company on the emerging market?
- Why is this a good time to enter?

2. OPPORTUNITY- How does this company solve the problem better than anyone else?

Sample Questions Asked To Assess the Opportunity:

- Does the team have the right mix of skills, experience, and resources?
- Who are the customers and what is the market size? Is this realistic/credible?
- Who are the competitors? How is the company better than competitors?
- How does the company enter into the market? What are the key barriers to entry?
- How does the company create barriers to entry?
- What is the distribution model?
- How do you ensure that people will adopt your product/service?
- Why has the company chosen this geographic region?
- Who are the mentors of this company?
- Is the company self-aware about the risks and weaknesses of its business model? How are they addressing them?

3. SUSTAINABILITY - How does the company ensure long-term sustainability?

Sample Questions Asked To Assess Financial Sustainability:

Outline an overall financial model with detailed projections through year five including cash flow and income statement. Remember to include assumptions.

Revenue:

- How much revenue does the company make per unit of product/service sold?
- How many units will you have to sell to break even? How many people/channels/resources will you need to sell that many units?
- Do you rely on external funding sources? How will you ensure that it is sustainable? If funding is based on foundations/NGOs, why have you selected these organizations? How do you ensure that the organization will support you year over year?
- How much are people willing to pay for the product/service? Why?

Cost:

- What are the major fixed and variable costs?
- How much does it cost to acquire one customer?
- How much will it cost you to sell one units (including distribution, marketing, and staffing costs etc)?
- How much do the products/services cost to make (COGS)?

Sample Questions Asked To Assess Sustainability in an Emerging Market:

- Who are the key stakeholders in your target market that need to be involved (e.g. government, banks, academic institutions, lawyers)? How do you ensure their sustained involvement?
- Does your start-up create any cultural or political clashes with the community? If so, how will you address this?
- How do you create incentives for people to adopt your product/service? How do you ensure loyalty to your company?
- What types of metrics will you use to assess your impact on the market?

4. POTENTIAL - How will this company scale to make a transformative impact on emerging markets?

- Will this business be around in 5 years?
- Is there potential to revolutionize an industry or multiple industries with this idea?
- How will the venture reach scale? What are the barriers to scale?
- How will the market size grow? Is the target market large enough to support substantial growth?
- How many people could this company affect? How will this company affect the future economy of emerging markets?