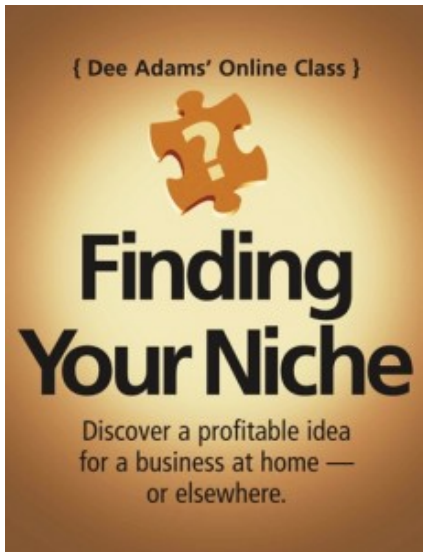


Critical Thinking for the Budding Entrepreneur



Class Notes

What Would You Do?

You open a pizza parlor in a small college town, and business is great. However, the following summer, 20,000 students, your customers, leave town for several months. It's vacation time.

*You overlooked this detail when you bought the restaurant. What will you do for income?

The scenario points out two common mistakes that start-ups make. Can you spot them?

Ans

wer

First: There is not enough information provided to answer the question "what will you do for income?" However, many potential entrepreneurs brainstorm business decisions without making sure they know all of the facts.

Second: The scenario outlined above is a failure to research the industry, including the patterns and lifestyle of customers.

*Note: Based on a real-life newspaper story that took place in the late 1990s when a husband and wife sold their home and moved to an unfamiliar state to start a new life.

