

Exercise 2-4 – Market Research Role Play: TEAM 1 GUIDE

Role play teams: For this exercise the class is divided in three teams. Two teams are entrepreneurial teams, the third team is an investor team.

You are a member of Team 1: “Dog Day Afternoon”. You are one of two entrepreneurial teams competing for investor dollars. Your business is called “Dog Day Afternoon”, a dog grooming business. The other team also has a dog grooming business. Only one team will receive money from the investors. The investment would be used for growing the business. There have been 2 meetings prior to the one today. The investor team really likes your business and the team. Now it is about execution: Which team will make the most effective use of the money going forward? A lot of this is based on which team knows their market best.

Be prepared to answer the following questions from investors. These questions will be asked of you in the upcoming meeting. Work with your team to prepare. *(Note: Remember, during the meeting, introduce yourself, be polite, thank them for their time).*

1. What is the age of your customer base?
 2. What challenges does your business face (do you have a plan to resolve those challenges?).
 3. Where do your clients live?
 4. What is the “willingness to pay”, or, what would clients pay for the new services?
 5. If you could only pick two services to offer, which would they be and why?
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Here is what you know about your market:

Business: Doggie Services

You are already in the dog grooming business. Your business is called “Dog Day Afternoon”. Over time, you’ve become aware of the need for some type of service to help out dog owners. You’ve noticed when people bring the dogs in the shop, it is sometimes a hassle to find the time to make sure the dog’s needs are taken care of (e.g., take him/her to the vet or the groomer, get the right dog supplies and food, walk and care for the dog). You realize that meeting these needs could be a good addition to the grooming services your business already provides.

You have been talking with investors about growing your business through these new services. The new services that you might provide are:

- Dog walking
- Dog sitting
- Regular veterinarian visits
- Pick-up and delivery to groomers
- Pick-up and delivery of dog food, treats, and dog care products

Who is your market? Because of your experience in the grooming market, you know the following about your customers:

- The customers are about half female, half male.
- There are a wide range of ages.

What Are Your Customers' Likes and Dislikes?

- Customers seem to like it when there are no lines.
- One time, a customer complained about the smell of the shampoo used on the dog.

Where are they?

- Customers pull into the parking lot and you can see their license plates, so you know most are from in-state. Also, customers provide their phone number too, and the area codes are all in-state.

How should you price your product or service?

- Dog walking – You figure if customers pay about \$25 for grooming, they'll be willing to pay approximately \$10 per walk.
- Dog sitting – Babysitters make about \$10 per hour, so, maybe half of that.
- Regular veterinarian visits – Not sure on this, need to talk to some vets.
- Pick-up and delivery to groomers – Pizza delivery is free, so, people think delivery should be free.
- Pick-up and delivery of dog food, treats, and dog care products – Same as above.

When should you start this new part of your business?

- You would like to start all services now to be able to make as much money as possible. The only exception to this might be the veterinarian service because you don't know any right now.