

Technology Ventures (Byers), 5e
Chapter 2 Opportunities

- 1) Which of the following is not an approach to classifying market entry?
- A) Creating a new market
 - B) Attacking a new market
 - C) Attacking an existing market
 - D) Re-segmenting an existing market

Answer: B

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- 2) To find an opportunity, entrepreneurs should focus on where a potential customer experiences significant
- A) Pain
 - B) Satisfaction
 - C) Ambivalence
 - D) Inspiration

Answer: A

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- 3) Which of the following is the final step of "Pain-storming"?
- A) The entrepreneur describes something that the customer does, and what the customer is trying to accomplish
 - B) The entrepreneur identifies the assumptions behind the root cause
 - C) The entrepreneur identifies the various pain points and emotions that accompany an activity
 - D) The entrepreneur identifies a particular customer or type of person

Answer: B

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- 4) Which of the following is a pain point of taxi passengers that is addressed by Uber?
- A) Fear of interaction with the driver
 - B) Discomfort of riding in someone else's car
 - C) Uncertainty of payment
 - D) Carsickness

Answer: C

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5) What does the T in ETC stand for?

- A) Try
- B) To
- C) Top
- D) Test

Answer: D

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6) Which of the following is a way to generate Primary Data in the context of the customer development process?

- A) Speaking with a renowned CEO who heads a venture similar to yours
- B) Engaging with customers
- C) Brainstorming with a team
- D) Using services unrelated to your proposed venture

Answer: B

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7) Which of the following is not a step to conducting an effective focus group?

- A) Use simple, open-ended questions
- B) Encourage critical feedback
- C) Establish "correct" answers to the questions
- D) Analyze the results

Answer: C

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8) Which of the following would not necessarily describe a product that has undergone Incremental Innovation?

- A) Faster
- B) Better
- C) Cheaper
- D) Bigger

Answer: D

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9) What does "changed" and "overturned" innovation look like?

- A) Architectural Innovation
- B) Disruptive Innovation
- C) Component or Modular innovation
- D) Incremental Innovation

Answer: B

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- 10) _____ is an arrangement in which users might pay for the service _____.
- A) SaaS; on a monthly basis
 - B) ETC; incrementally
 - C) "Brave new world"; all at once
 - D) Modular Innovation; at their leisure

Answer: A

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- 11) An Open Source Innovation Community might take the form of:
- A) A visionary leader
 - B) A collection of collaborating firms
 - C) A series of disruptive innovations
 - D) The reuse and recombination of knowledge

Answer: B

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- 12) Which of the following is NOT a trend that has helped the globalization of business?
- A) The advent of the internet
 - B) The increasing ubiquity of SaaS
 - C) The rise of smartphones
 - D) The waning interest in overseas travel

Answer: D

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- 13) There is never an opportunity for convergence in technologies that are thought to be different.

Answer: FALSE

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- 14) Which of the following is not a characteristic of an attractive opportunity?
- A) Complex
 - B) Timely
 - C) Important
 - D) Solvable

Answer: A

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- 15) Fewer than three very good opportunities are needed for most entrepreneurs to have an entrepreneurially activity life.

Answer: TRUE

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16) Entrepreneurs seek out industries that sell commodities where price is the basis of competition.

Answer: FALSE

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17) The opportunity cost of an action is:

- A) The value of the forgone alternative action
- B) The EA value of that action
- C) Commensurate with the amount of time the action will take
- D) Not worth considering

Answer: A

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18) A "unicorn" is:

- A) An opportunity with very high cost
- B) An aggressive growth strategy
- C) A high-valued private company
- D) An innovation that is both disruptive and convergent

Answer: C

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19) Paul Graham's suggestion to travel to New York and take high-resolution pictures for Airbnb customers was a scalable method for increased profitability.

Answer: FALSE

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20) Problems that are difficult to describe often yield entrepreneurial opportunities.

Answer: TRUE

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