Underground Markets:
Understanding markets, motivations and opportunities on a global and hyper-local scale

Client:
“An entrepreneur”

Context:
Our client’s area of interest is in underground markets. She is a serial entrepreneur interested in finding the best opportunity to launch a new business venture. Her preference is to focus on products but she is willing to consider services and the illicit. For her, it is all about the BEST BUSINESS OPPORTUNITY. She suggests exploring goods that are unlicensed, bootlegged, and/or untaxed items.

Problem:
The essential problem is how can you document markets and activities that wish to remain UNDOCUMENTED.

You will research and analyze markets and assess the business opportunity. You will write a report / business plan documenting your findings and your proposed strategy.

Product Choices:
As a team, select from one of the products below or choose a product you discover.

1. Sports apparel or jerseys (and memorabilia)
2. Designer Shoes
3. Fashion Accessories
4. Athletic Footwear
5. Designer Clothing
6. Watches
7. Perfumes and Cosmetics
8. Technology
9. DVDs
10. Music
11. Other? What UNEXPECTED product can you discover?

Considerations:
- How do you define underground markets and how they operate?
- How can you set pricing in markets that defy public awareness and formal structures?
- Who are the sellers and what drives them?
- Who are the buyers and what drives them?
- What are the implications of their actions?
- How do the tensions between choosing global markets and local markets reflect needs and impact pricing?
- How do the opposing forces of Sellers chasing dollars and Buyers chasing deals affect market choices and impact pricing?
- How can you analyze the financial opportunities for markets that do not have public information?

Outcomes / Deliverables:
A Powerpoint report of your “Business Plan” for your client.
- Slide 1: Title Page, Team #, Team members, Specific Market
- Slide 2: Executive Summary
  o Brief description of the market
  o Key insights
  o Assessment of the Opportunity
- Slide 3: Research methodology
  o Quantification of research
  o Description of methods
  o Samples
- Slide 4: A detailed overview of the market forces affecting the underground market of your choosing
  o Market forces on a global and hyper-local scale
  o systems of operation
  o stakeholders
  o the role of technology
- Slide 5: The Market
  o size of markets
  o biggest players (global/ local)
  o competition (global/ local)
  o risks
  o an assessment of the potential OPPORTUNITY
- Slide 6: Profiles of sellers and buyers
  o Who they are
  o Their needs, motivators, drivers
- Slide 7: Market Systems and Operation
  o Provide visual and text-based representations of the market and how it operates.
  o include supply chain sourcing products to sell, marketing, sales process, purchase
- Slide 8: Financial data historical and current
  o Quantify historical and current pricing (for 1 year or more) and provide an explanation of your methodology, sources, accuracy, limitations
  o dynamic pricing if it is prone to fluctuations
  o Financial data about the opportunity
- Slide 9: Conclusion
  o Summation of your assessment of the market and opportunity.
  o What is your recommendation?
- Slide 10
  o sources