

# Case 1



**2025**

# EX3

Finance

**Case:** Cafe Expansion Strategy

**Scenario:**

Brew Co is a small, 2 year old cafe that is located in a mid-sized city. Its customer base is primarily high-school and university students. Despite limited marketing, the café has developed a strong local following because of:

- Affordable specialty drinks
- Study space
- Free Wi-Fi
- A reputation for sustainable practices

The owners (two young entrepreneurs) are interested in expanding. They have three options, but only enough capital to pursue one.

**Option A: Open a Second Location**

- Initial Investment: \$220,000
- Expected Year 1 Revenue: \$300,000
- Expected COGS: \$105,000
- Operating Expenses: \$150,000
- Risk level: Medium
- Competitive advantage: more space, larger customer base

**Option B: Create a Mobile Coffee Truck**

- Initial Investment: \$140,000
- Expected Year 1 Revenue: \$200,000
- COGS: \$70,000
- Operating Expenses: \$75,000
- Risk level: High (weather, competition, mobility issues)
- Competitive advantage: lower fixed costs, flexible locations

**Option C: Launch a Subscription App**

- Initial Investment: \$90,000
- Expected Year 1 Revenue: \$120,000
- COGS (digital & drink redemption costs): \$30,000
- Operating Expenses: \$40,000
- Risk level: Low–Medium
- Competitive advantage: tech-driven, loyalty-boosting

**Objective:**

Help the company choose one of the options and provide valid reasoning, think:

- Financial impact (Return on Investment, profitability, payback period)
- Risks
- Qualitative factors (competitors, brand image)

**As a team of financial consultants, think about what option would be the best for the company. Present in a 3-5 minute oral presentation with your thinking as to which option should Rising Beans proceed with and why. Good Luck!**

# CRITERIA

## **Financial Analysis:**

- **5** - All calculations are accurate, strong clear financial reasoning, multiple metrics compared effectively
- **4** - Most calculations are correct, multiple metrics (ROI, payback, profit margin) applied properly
- **3** - Basic calculations are correct, some key metrics included but shallow analysis
- **2** - Limited calculations, some metrics attempted but unclear or inaccurate
- **1** - Major errors in calculations, no key metrics
- **0** - No financial analysis provided

## **Strategic Evaluation:**

- **5** - Comprehensive evaluation, integrates market trends, brand, long-term sustainability
- **4** - Good balance of risks/benefits, considers competition and brand
- **3** - Provides basic risks/benefits for each option
- **2** - Identifies some pros/cons but little depth
- **1** - Mentions 1-2 points, but irrelevant or superficial
- **0** - No strategic evaluation provided

## **Recommendation & Justification:**

- **5** - Strong, persuasive recommendation fully supported by quantitative + qualitative analysis
- **4** - Well-justified recommendation with financial + strategic evidence
- **3** - Clear recommendation with some support
- **2** - Weak recommendation; little reasoning or evidence
- **1** - Recommendation made but unsupported
- **0** - No recommendation given

## **Presentation Skills:**

- **5** - Excellent delivery; professional, engaging, polished
- **4** - Strong delivery; confident and well-structured
- **3** - Clear delivery, understandable, some structure
- **2** - Somewhat clear but unorganized or hard to engage with
- **1** - Very unclear, monotone, hard to follow
- **0** - No presentation

## **Teamwork & Organization:**

- **5** - Seamless teamwork; highly professional transitions and
- **4** - Strong collaboration; good flow between members
- **3** - Balanced participation; somewhat organized
- **2** - Uneven participation; little collaboration
- **1** - One member dominates; others silent
- **0** - No teamwork demonstrated

**Creativity & Professionalism:**

- **5** - Creative, polished, professional visuals; innovative approach
- **4** - Well-designed visuals/summary; professional tone
- **3** - Clear, functional visuals and summary
- **2** - Basic visuals; little attention to polish
- **1** - Minimal effort; slides/text unclear
- **0** - No visuals or summary

## Case 2

**2025**

# EX3

Finance

## **Case:** Smart Spending

**Scenario:**

Your team had entered an entrepreneurship contest a few months ago, you all just found out you won \$1,000 from a youth entrepreneurship contest. You want to use it wisely,

but don't know how, which is why you begin to brainstorm some ideas on what you may want to do and why.

**Objective:**

Each team must choose how they would use the \$1,000 and deliver a 3-5 minute pitch that explains:

1. Their decision
2. Why they chose it
3. Why it's financially smart
4. How it reflects their values/goals

## **CRITERIA**

**Financial Understanding:**

- **0** - Has no ideas
- **1** - No justification, confusing allocations, illogical choices, allocating more than available balance
- **2** - Basic ideas present but weak justification (e.g. contradictory statements)
- **3** - Prioritizes the important things, reasons provided, minor gaps in justification, provides basic goals
- **4** - Identifies core objectives, presents a clear and coherent allocation that stays within limits, compares different options, states risks and benefits, provides thorough goals, justification of choice

**Creativity & Realism:**

- **0** - No ideas
- **1** - Unrealistic idea
- **2** - Common or predictable idea
- **3** - Idea is a little originality but limited practicality
- **4** - Original, innovative, and feasible idea

**Teamwork:**

- **0** - No coordination/communication at all
- **1** - Speakers contradicting each others points, barely any planning for who will speak when
- **2** - Unequal roles, awkward transitions
- **3** - Slight imbalance in speaking roles but collaborative overall
- **4** - Awesome communication, teamwork, coordination and equal participation between teammates

**Analysis & Critical Thinking**

- **0** - No analysis nor thinking
- **1** - A little critical thinking but no analysis
- **2** - Only one option considered or lacking in reasoning
- **3** - Shows reasoning but no deep analysis
- **4** - Evaluates multiple options, pros and cons listed, and analysis is thorough

**Structure & Organization:**

- **0** - No organization, no structure
- **1** - Disorganized, lacks structure
- **2** - Some logic but ideas are repeated a lot or scattered
- **3** - Mostly organized but some transitions are weak
- **4** - Clear opening, logical flow, and strong closing summary