



International Economics Olympiad – China 2019

Business Case Marking Guide

The marking guide serves to provide reference and guidelines to the 2019 IEO business case.

The business case is based on the real problems from China's logistics industry. The desired outcome of the business case is a coherent business plan that could ideally be readily used by a start-up in the industry to source venture capital funding.

Both on paper solution and presentation skills are important.

The structure of the solution shall at least include:

1. The market overview
 - a. The market overview shall include basic understanding and numbers of the truck logistic industry in China.
 - b. The contestant shall be able to coherently articulate and explain to any new listener what the truck shipping industry is, the size of the market, the stakeholders in the market, what aspects does each stakeholder focus on, the size or market power of each stakeholder, etc.**
2. One identified problem in the market
 - a. The contestants shall be able to identify one existing problem in the industry. Several existing problems including the efficiency,



matching, ETC, gas top-up issues are provided in the business case question material. **It is a plus if the contestants could observe and name more issues such as mortgages on trucks, license issues for transportation, insurance issues etc.**

3. A proposed solution to the problem

- a. For one of the identified problems, the contestants shall be able to propose a solution to the problem. The solution shall be feasible and executable.
- b. An outstanding contestant shall be able to fully understand the challenge in his or her proposed solution. Limitations may include regulatory challenges, capital challenges, talent challenges, geographic implementation challenges or challenges from the proposed target customer segment etc. **Ideally, the contestant shall be able to answer, counter or mitigate each of the challenges.**

4. One marketing plan for the solution

- a. Acquisition of customers in a new market remains the most important and difficult challenge. Creativity is highly valued in this section. **If the contestant could combine creativity and reality to create marketing plans or campaigns that fully leverage the demands or concerns of customers at minimal**



cost, the contestant shall be given the highest point for this section.

5. A projected financial

- a. In a 1-year time frame, the contestants shall be able to make estimations on a monthly basis of the revenue, cost and income or loss of the proposed project.
- b. The contestants shall be able to create a valuation methodology for his or her project at the end of year 1. Typical valuation methodology could include multiples of sales, customers, gross trade values etc.
- c. The solutions shall be evaluated on the logical side. **Given the scope of the contest, judges shall take the contestant's raw numbers as it is, the focus shall be on the calculation and logic unless the raw numbers contradicts with common sense or industry observation.** All raw numbers cited outside of the provided business case material shall trace to an credible original source unless it is common knowledge.

It is a plus if the contestant could provide a timeline for each development stage and a clear vision of what the contestant wishes to achieve ultimately for the project.