



Discussion Questions

to accompany video: Starting a Micro Business
by Carol Topp

MicroBusinessForTeens.com

Section One: Characteristics of a Micro Business (1:00 -7:53 minutes)

The host, Mrs. Carol Topp, says she is a CPA. What does CPA stand for? (Certified Public Accountant)

What does a CPA do? (helps businesses be successful)

Phil knew about website design, but not a lot about record keeping. What do you know a lot about? What knowledge do you lack?

What is a micro business? (a very tiny business)

What are the characteristics? (one owner, home-based, low risk, manageable/flexible)

How many owners in a micro business?

What are the advantages of a home-based business? (safe, convenient, less expensive)

What's the problem with risk? (you can lose money)

What do you already own or know that you can use to start a micro business?

Student profile #1: Phil Santoro's website (7:53-11:57)

Phil wasn't interested in getting a job. How did he start to earn money?

Flipping websites...what is that?(buying a website, adding traffic to it and selling the website for more than you paid for it)

Google Ads. What are they? How does it work?

Do teenagers have to pay taxes? (yes!)

How did Phillip's dad help? (guidance, introduce Phillip to people who could help him)

Why did Phillip turn down the offer? (he was still having fun and wanted to keep working on his website). Was he crazy? What would you do?

Segment 2: Advantages of starting a micro business (12:00-14:23)

What are some of the things you can learn by starting a micro business? (business skills, reading, writing and math skills, manage money, time management, confidence, test a future career)

Can these things be learned in another way such as from reading a book or visiting a website? (yes, but only to some extent; personal experience is more lasting)

What future careers can you test by running a micro business?

Student profile #2: Ethan and guitar lessons (14:23-17:11)

What skills, like knowing how to play a guitar, could you teach another person?

What challenges did Ethan face? (teaching unenthusiastic students, managing his time, managing the money he earned)

Segment 3: Getting an Idea (17:11-23:00)

What are some ways you can come up with a micro business idea? (meet a need, use your skills, be inspired by another idea, brainstorm)

What are some needs you see that you could fulfill?

How did Kristen get creative with babysitting? (she organized a six-week “Book Club” for a group of children)?

What interests, skills, or talents do you have that could be a micro business?

Have any of the ideas in the video inspired another idea?

Why should you conduct a mini market survey? (to ask customers if they would buy from you and what they will pay)

Student profile #3: Linnea and Chinese tutoring (23:00-26:28)

Linnea had a financial goal. What are other financial goals a typical teenager might have?

Why did Linnea want to travel back to China? (to give her foster mother a gift). How can you help people through a micro business?

It took perseverance – four years of saving money-- for Linnea to reach her goal. How can you persevere when a goal takes a long time? (think of the reward/goal)

Segment 4: Products and Services (26:28-27:58)

What are the two types of business you can run? (product or service)

Unfortunately a large portion of the video explaining the challenges of running a product business had to be cut. To see the cut portions visit [Youtube.com/XXXX](https://www.youtube.com/XXXX)

What are some of the problems with product-based businesses? (inventory, sales tax)

What solutions does Mrs. Topp offer? (digital products)

What are some of the problems with service businesses? (your time, customer complaints)

What solutions does Mrs Topp offer?

Student profile #4: Carly and Hannah's knitting (28:00-32:27)

Carly saved up her money to buy an ipod Touch. What do you want to buy? Could you start a micro business to pay for it?

Have you ever had to save up for something? Explain the feeling of knowing you earned it yourself.

What could you do if, like Carly and Hannah, you cannot sell what you made?

Segment 5: Business Plan (32:27-36:31)

What is a business plan? (thinking on paper before you start)

What are business plans usually for? (to get a loan)

What are the three parts of a micro business plan? (concept, marketing and financial)

What is in the concept part of a business plan?(explain your business idea, how to measure success/your goal)

How can you measure success? (a financial goal, number of clients, what you want to learn, something you want to try)

What's in a marketing plan? (who customers are, where to find them, who is your competition, how are you unique)

Student profile #5: Emily's ballet studio (36:31-40:35)

How are Emily's parents helping her business? (using their basement, helping with record keeping)

Emily claims that you can learn more from running a micro business than just working fast food. What kinds of things can you learn? (how to attract clients, what price to charge, what customers want, etc.)

How does Emily make her business unique? (modest dance, appropriate music for children, moderate cost)

Segment 6: Finances (40:35-44:35)

The financial part can be the most difficult part of a business plan. Why? (research needed)

How can you get the money for startup costs? (savings, parents loan, start another business that doesn't cost anything)

What are some common startup costs? (inventory, website, advertising)

What should you consider when you set your price? (what others charge, what your customers will pay, add some money for taxes, cover your costs)

What is a break-even point? (the point where you have covered your costs and are making a profit)

Who can give you feedback on your business plan? (parents, teacher, friends, business owner/mentor)

Student Profile # 6: Lucas Rice lawn care business (44:35-49:26)

How did Lucas start his lawn care business? (saved up money, bought a used mower at a garage sale)

How did he get clients? (handed out brochures to neighbors)

Lucas explains that he learned how to understand a customer. How do you do that? (have a relationship and clear communication)

What warnings does he have for the financial startup of a micro business? (grow it slowly)

Can you go to college and still run a micro business? What did Lucas do to manage it? (hired an employee)

Closing (49:31-52:07)

Thomas Edison quote: "I have not failed; I have found 10,000 ways that do not work"
How can you apply that in your life today?

What does 'pay it forward' mean? (pass along business, be generous)

Student Profile #7 Phillip (52:07-54:40)

What did Philip use with his earnings from selling his website? (paid off his parents' mortgage)

Why was he so generous? (his goal was to learn a lot, not to be rich; his parents had helped him a lot)

What is a charitable foundation? (an organization started by a wealthy person to do good works and donate money to charities. The Burton D Morgan Foundation who funded this video production is a charitable foundation. Look up the story of Mr. Morgan at <http://www.bdmorganfdn.org/>)