THE N² OPPORTUNITY ASSESSMENT SYSTEM

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The N² team created a simulation tool that builds on a proprietary Innosight approach designed to bring more rigor to the qualitative analysis of ideas. Called the Newspaper Next Opportunity Assessment System (N²-OASYS), the tool asks the user to complete a form assessing the strategy's fit with each factor and state the evidence behind the answer. Based on these inputs, the tool immediately flags factors that are strengths, weaknesses, unknowns and potential "deal killers." It then uses a statistical technique known as Monte-Carlo simulation modeling to provide a more detailed analysis of the strategy. The tool is typically deployed as part of a facilitated consulting engagement. For more information, contact the American Press Institute at info@ americanpressinsitute.org.

THE N² OPPORTUNITY ASSESSMENT WORKSHEET

A simplified version of the Newspaper Next Opportunity Assessment System (N²-OASYS) appears on the following two pages. The purpose of this worksheet is to help you find the most crucial things to test. You're looking for the success factors where your scores for both Certainty and Risk are low. These are the possible deal-killers – the factors you should consider testing in Step 4 of the N2 Innovation Method.

Directions

For each success factor, rate how strong your evidence is. Then rate the level of risk if you're wrong. For the factors where both the scores for Certainty and Risk both are low (1 or 2), list your ideas for simple, inexpensive tests or experiments you could use to test your assumptions.

Filling out the N2-OASYS in a group discussion can be a very potent way to reveal deal-killer assumptions and risks.

#	Category	Success factors	Certainty: How sure are we that our product meets this standard? 4 - Solid evidence (bet a week's pay) 3 - Some evidence (bet a day's pay) 2 - Educated guess (no bets) 1 - Hunch (don't even ask!)	Risk: What if we're wrong? 4 - Little or no impact 3 - Reduced success 2 - Success doubtful 1 - Failure likely	Ideas for testing these assumptions
1.	Consumer/ Advertiser	Targets a frequent job that is important to the target consumer/ advertiser			
2.	Consumer/ Advertiser	The consumer/advertiser is frustrated over the inability to get the job done because existing solutions are expensive, difficult to use, inconvenient or not customized			
3.	Consumer/ Advertiser	The consumer is willing to accept a "good enough" first-generation solution			
4.	Solution	It will take no more than 12 months for the company to solve the required technological hurdles to introduce version 1.0 of the solution			
5.	Solution	The solution "gets the job done" by offering the right levels of performance, neither overshooting nor undershooting customer needs			
6.	Business model	The foothold market can be reached with relatively low investment			
7.	Business model	Attractive returns can be made in the foothold market, with a path to create a large market ("adequate in the short term, superior in the long term")			

8.	Business model	The approach features diverse revenue streams that go beyond the core business model			
9.	Business model	The opportunity can be extended beyond the foothold to create a substantial long-term business			
10.	Competitor response	Powerful competitors will not be motivated to respond immediately (unattractive margins and/or size)			
11.	Strategic fit	Opportunity fits company's general strategy and does not violate a stated or unstated boundary condition			
12.	Strategic fit	The approach leverages existing capabilities or builds new ones			
13.	Execution	The company has, or can access, the right resources (e.g., content, technology, etc.) to tackle this opportunity			
14.	Execution	The company will approve and support this strategy			

What your scores mean:

Among the 14 factors, look for those where the Certainty and Risk scores are both low (1 or 2).
These are the factors you may want to test in Step 4. **N²**