

Unit- 2

Entrepreneurial values and attitudes

- Entrepreneurial values and attitudes refer to the behavioural choices individuals make for successful entrepreneurship.
- The word 'choice' is important, as there are alternative ways of behaving too.
- In entrepreneurship, a host of behavioural tendencies or orientations have been reported as having a bearing on success.
- The choice that make may have a tremendous impact on performance.
- Starting and managing a business and the associated behavioural alternatives are presented below which are observed to be associated with superior performance

Behavioural Choices for Entrepreneurial Success

Type of Entrepreneurship: Choosing pioneering/innovative products Choose tried and tested products.

Business Decision: Choosing business as per qualifications/experience and grabbing whatever opportunity comes in a way.

HRM & Recruitment Policy: Recruit trustworthy, dependable and obedient employees. Recruitment of qualified and trained professionals.

Managing Growth: Growing only to manageable extent. Make a hay while the sun shines.

Organising & Ability to Delegate: Supervising closely to delegate and decentralise.

Marketing Management: Selling hard what ever produced.

Marketing Concept: Produce according to customers' requirements.

HRM & Compensation: Reward good performance by additional increments/promotions.

Managing Growth Direction : Grow around core-competence Grab whatever opportunity comes your way.

Marketing Management & Product Planning and development: Change the product only if absolutely necessary Innovate/improvise continually.

Operations Management & Locational Decision : Locate the business near social contacts. Locate purely on economic merits.

Operations Management & Cost Rationalisation : Increase profit by negotiating hard with suppliers workers and customers. Reduce cost by cutting the overheads and improved efficiency.

Managing Competition: Fight the competition or avoid competition.

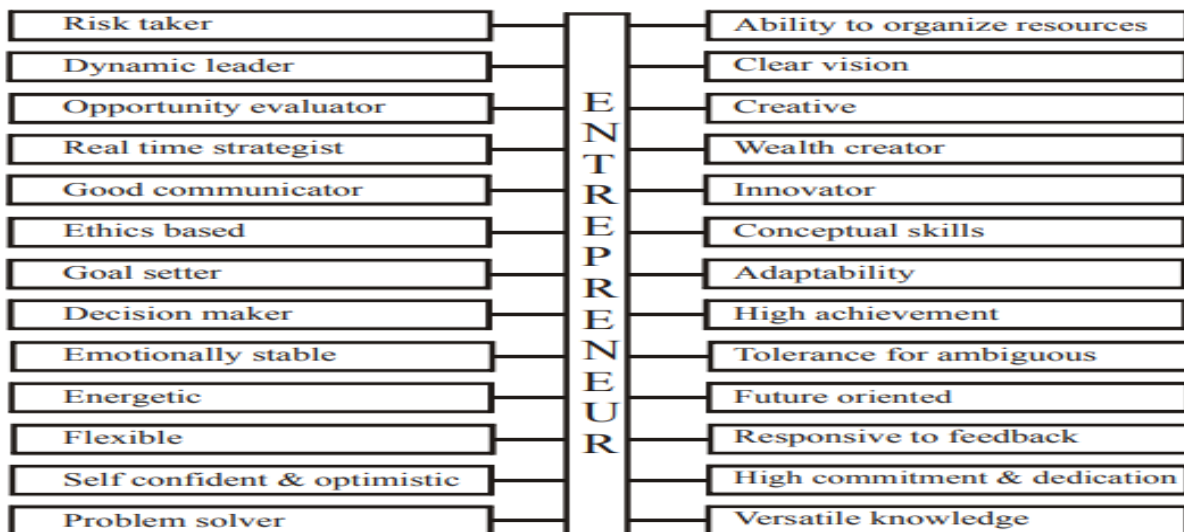
Planning & Decision-making : Approach to Scan the environment for business information Rely on intuition/judgment.

Ethics: Moral principles that govern a behavior or the conducting of an activity:

Planning: It is a process of visualizing future activities and defining it step-by-step in the light of present.

Operations Management Research and Development (R and D) : Investment in R and D gives the promising future for the current product or service.

Dominant characteristics of successful Entrepreneurs



1. **Innovator:** Within the constraints of available resources that society or a nation offers, entrepreneurs make the best use of them. Entrepreneurs have a creative vision to recognise a business opportunity. An entrepreneur should have creative thinking and be able to engage in the analysis of various problems and situations in order to deal with them. An entrepreneur introduces new products, new technologies and new economic activities. He creates new demands and new aspirations and new methods to fulfil them.
2. **Motivation towards Achievement:** A successful entrepreneur should have a strong motivation towards the achievement of a task and must be able to exert considerable efforts in getting things done by others. He has strong urge to achieve. He has a more aggressive level of entrepreneurial venturing, and need achievement.
3. **Ability to Handle Uncertainty:** The ability to handle uncertainty is critical because these Business builders constantly make decisions using new, sometimes conflicting information gleaned from a variety of unfamiliar sources.
4. **Moderate Risk Taker:** Entrepreneurs are not wild risk takers but are instead calculating risk

takers. Unlike “high-rolling, riverboat” gamblers, entrepreneurs rarely gamble. Their goals may appear to be high-even impossible-in others’ eyes, but entrepreneurs see the situation from a different perspective and believe that their goals are realistic and attainable. They usually spot opportunities in areas that reflect their knowledge, backgrounds, and experiences, which increase their probability of success.

5. Skill for Organizing: A true entrepreneur is one who has the ability to mobilise resources in the best possible manner for achieving the business objectives. Entrepreneurs know how to put the right people together to accomplish a task. Effectively combining people and jobs enables entrepreneurs to transform their vision into reality.

6. Goal Oriented: Entrepreneurs are highly goal-oriented and specifically aim at producing goods and services that represent unmet needs of consumers. He adopts a ‘hands-on’ approach. Entrepreneur is planer and doer, dreamer and action-taker. He implements what he visualizes. An entrepreneur must be able to set realistic but challenging goals for him as well as for others in the organisation.

7. Desire for Responsibility: Entrepreneurs feel a deep sense of personal responsibility for the outcome of ventures they start. They prefer to be in control of their resources, and they use those resources to achieve self-determined goals.

8. Emotional Stability and Self-control: Emotional health is a must for entrepreneurs to meet the challenges of exploiting a new business opportunity. Successful entrepreneurs believe in control being exercised from within. They believe in imposing control on themselves and their enterprises rather than leaving their success to fate.

9. Communication Ability: This ability pertains to communicate effectively. As a leader an entrepreneur communicates effectively with all concerned such as financiers, employees, customers, suppliers, creditors and all who are concerned with the new enterprise.

10. Future Orientation: Entrepreneurs look ahead and are less concerned with what they did yesterday than with what they might do tomorrow. Not satisfied to sit back and revel in their success, real entrepreneurs stay focused on the future. Whereas traditional managers are concerned with managing available resources, entrepreneurs are more interested in spotting and capitalizing on opportunities.

11. Commitment and Dedication: Entrepreneurs must work with dedication and commitment to launch successful business enterprises. The commitment from the entrepreneur for longer period may be 5 to 10 years is necessary for conceptualisation, building and running an enterprise. Entrepreneurship is hard work, and launching a company successfully requires total commitment from an entrepreneur. Most entrepreneurs have to overcome seemingly insurmountable barriers to launch a company and to keep it growing. That requires commitment

12. High Level of Energy: Entrepreneurs are more energetic than the average person. Managing resources and running an enterprise calls for long hours of work for longer period of time and hence an entrepreneur is a man of high energy level.

13. Flexibility: One hallmark of true entrepreneurs is their ability to adapt to the changing demands of their customers and their businesses. In this rapidly changing global economy, rigidity often leads to failure. As our society, its people, and their tastes change, entrepreneurs also must be willing to adapt their business to meet those changes. When their ideas fail to live up to their expectations, successful entrepreneurs change them.

14. Technical Knowledge: An entrepreneur must have a reasonable level of technical knowledge. This is the one ability that most people are able to acquire if they try hard enough. The entrepreneur should have a keen desire to change and adopt new industrial or commercial technology available in the market.

15. Mental Ability: An entrepreneur will be a man of high level intelligence, creative, thinking and decision maker. He must be able to engage in the analysis of various problems and situations in order to deal with them. The entrepreneur should anticipate changes and must be able to study the various situations under which decision have to be made.

16. More than a Manager: An entrepreneur is more a true leader and less a manager. An entrepreneur builds up his team, educates them, keeps high level of motivation and also provides an environment for creative and focused to work culture. He is the leader of the team. He inspires loyalty and hard work to raise productivity and efficiency. He has the ability to become market leader.

17. Problem Solver and a Decision Maker: In the initial phases of an enterprise many teething problems do occur and an entrepreneur should be a creative problem solver to turn difficulties into advantages. Entrepreneurs face lots of problems right from the conception of an idea to its implementation. Entrepreneurs who are decisive arrive at the right solution to the problem by spending the least possible time and money. Lack of ability to solve problems will result in most of the problems remaining unresolved.

James J. Berne has stressed the following qualities of a good entrepreneur

- He is an enterprising individual, energetic, hardworking, resourceful, aware of new opportunities and able to adjust himself to changing conditions with ease and willing to assume risks involved in change.
- He is interested in advancing technologically and in improving the quality of his product or service.
- He is interested in expanding the scale of his operations by reinvesting his earnings.
- He visualizes changes and adapts to changing conditions.
- He is a firm believer in planning and systematic work.
- He works for the society at large and for the good of his fellow-beings.

The detailed analysis of more than 50 studies done by Timmons (1994) found a consensus around the following six general characteristics of entrepreneurs:

1. Commitment and determination
2. Leadership
3. Opportunity obsession
4. Ability to bear risk, ambiguity and uncertainty
5. Creativity, self-reliance and ability to adapt
6. Motivation to excel

Motives behind being an Entrepreneur

- 1. Internal motivators**
- 2. External motivators**

Internal motivators

i. Desire to make money or Employment Creation Need: For a means of securing the necessities of life, money is needed and should make money on own or should get as salary

ii. Need for independence or self-Reliance: one may want to be one's own boss especially if one doesn't like taking orders from others.

iii. Need for Power: Need to exercise power over others and need to control others. People with high need for power have a greater concern for exercising influence and control.

iv. Need for Recognition: We normally strive to get recognition about our achievement in life, your peers, family and society.

If you aspire to be recognized, then this could be an important drive for you to go into self employment.

V Need for Security: Anxiety about the future, both for ourselves as well as for our families It is for this reason that we all strive to maximize our returns, wage employment may not meet this anxiety especially if we are not pensionable.

Vi. Self-actualization need: Refers to the need to accomplish that which you as a person is capable of achieving, the need to be unique.

External Motivators

- They are drives from outside unlike internal motivations which are in your inner being.
- The external motivators refer to those that are provided by others, especially the legal authorities and society in general.

These provide an enabling environment for entrepreneurship. Some of them are

i. Infrastructure: To operate efficiently, any business requires the provision of certain basic facilities such as power, water, electricity, communication and accessibility.

ii. Credit Facilities: Refers to provision of money through loans to be used in starting as well as expanding a business. It is usually very rare for a person to have adequate finance to start or expand his own business.

Some of the external sources include: Government agencies Banks and non-bank financial institutions Non-governmental organizations .

iii. Information Support: Entrepreneurs need information related to the market for their products since they may not have resources to carry out significant marketing research, yet the success of business depends on how well they understand the market. It is therefore necessary for such information to be made easily accessible to entrepreneurs.

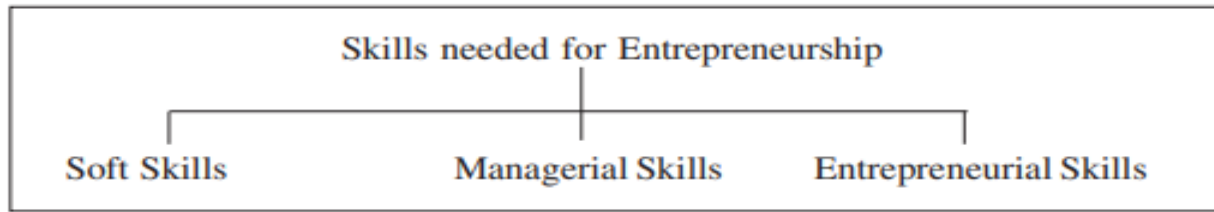
IV Pricing Policy: Pricing policy of the government should be an incentive to an entrepreneur. It should motivate more and more people to venture into such entrepreneurial activities. When venturing into a particular business, you will first have to understand the pricing policy applied in such an industry and assess how that policy will affect your earnings and the survival of your business.

V. Tax Policy It is important that the tax policy act as a motivator to entrepreneurship, all too often, the authorities in their endeavor to raise revenue resort to increasing indirect taxes such as value added tax and customs duty.

Vi. Legal Control: Legal controls and the attendant bureaucracy should be minimized as much as possible so as to attract entrepreneurs. The legal control can be manifested in the licensing requirements for establishing various types of businesses.

Vii. Political Climate: The prevailing political climate should be conducive to smooth operation of business. This climate should be that there is no discrimination and conducive law and order, no tribal barrier.

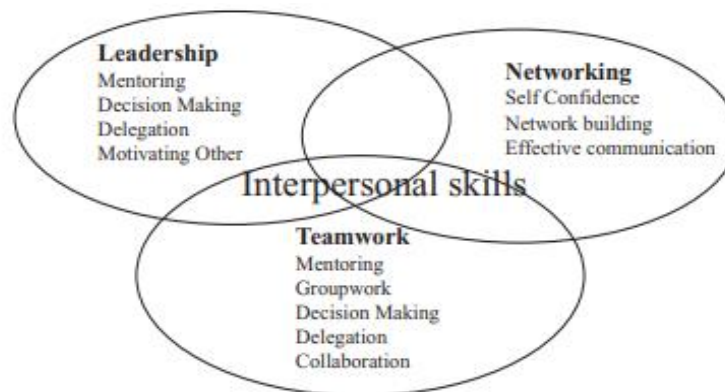
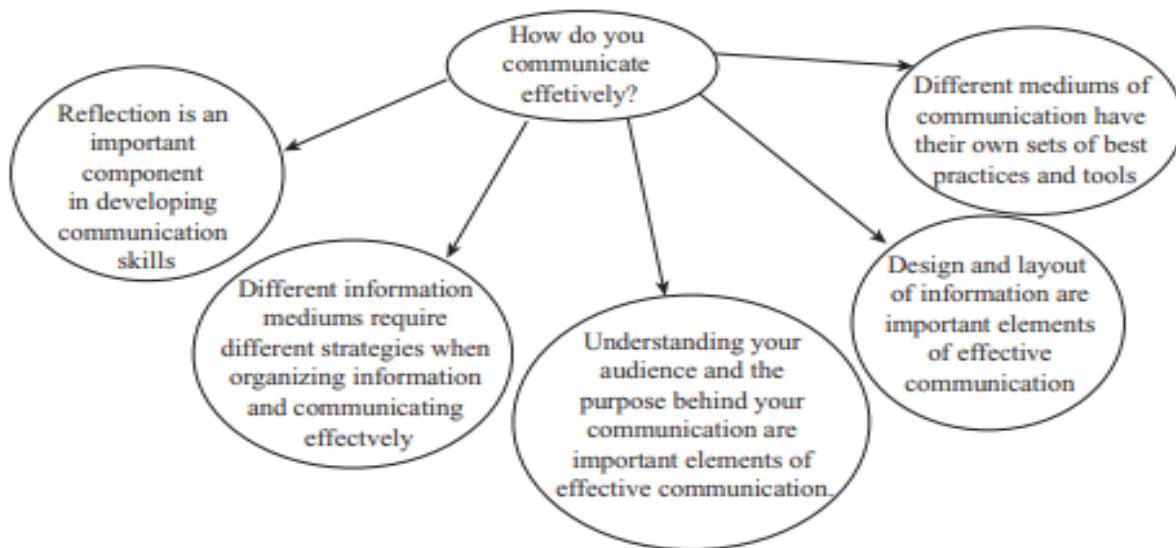
Entrepreneurial Skills



1. Soft skills

Soft Skills include the following

- **Communication skills**
- **Interpersonal relations skills**
- **Environmental Observation skills**
- **Coordination skills**
- **Specific operation Technology skills**



Environmental Observation skills: Environmental observation is one of the technical skills. This skill helps in understanding job objective and current scenario of the society with respect to the business that one wants to start.

Coordination skills: It is a skill that helps in understanding other people and work together to achieve the set goal. Coordination must exist among the team members in order to achieve best possible results.

Specific operation Technology skills: Sometimes specific technology is required for achieving specific goal. For example if you want to develop a software for web designing then you require knowledge of some specific technology like HTML, CSS, JAVA SCRIPT etc.

2. Managerial skills

- **Planning**
- **Motivation**
- **Marketing**
- **Accounting**
- **Negotiating**

Planning : It is a basic management method involving formulation of one or more detailed plan to achieve the best result. The planning process is to identify goal, formulate strategy and decide the process to be followed to achieve the goal on the same strategy.

Motivation : Motivation is defined as goal oriented behaviour. It is frequently used to describe why a person is interested in doing a particular work.

Following points help us to stay motivated

- Surround yourself with positivity
- Create a vision board Make smart goals
- Reward yourself z Believe in yourself
- Acknowledge your positive attributes z
- Recognize your progress z Visualize accomplishing your goals
- Be kind to yourself
- Don't compare yourself to others Marketing It is an ability through which you sell something or create awareness.

Marketing: It is an ability through which you sell something or create awareness about something e.g. any product. For example T.V. commercials are a part of marketing. It tries to satisfy needs of clients. It includes the coordination of product, price, place and promotional strategy. These are known as 4 P's of marketing.

1. Identify the product
2. Determine its price
3. Reach the customer
4. Implement the of promotional strategy

Accounting: It is a process of keeping financial record or preparing financial record. It includes analysis, verification and reporting of records.

Negotiating: It is a process through which people settle all the problems which occur between two or more parties. Parties try to reach at mutual beneficial outcome through negotiation. Process of negotiation includes following stages:

- Preparation
- Discussion
- Goal clarification
- Arriving at mutual beneficial point

3. Entrepreneurial skills

- **Innovation**
- **Persistency**
- **Visionary**
- **Flexibility**

1. **Innovation and Risk Taking Ability:** It is a process of translating new ideas into services that create value. An idea must be replicable at economical cost and satisfy customer's need. Innovation is synonymous with risk taking. An organization that creates new idea, takes great risk of implementing a new market.
2. **Persistency In this skill:** it is, if someone continues to do something even though it is difficult or even if other people are against it. This skill requires lot of patience and determination.
3. **Visionary:** Someone who can visualize the future and take action according to that is visionary. A visionary has clear ideas about what should happen and what strategy can be formed to achieve best possible results.
4. **Flexibility:** Flexibility is willingness to change as per the changing environment, for betterment. One should not be stringent about his/her way of working; rather should be able to adapt new ways easily.

Meaning of business opportunity

- Opportunities are ideas. They may be referred to as something that exists on paper.
- Opportunities that turned by individuals into profitable and functioning businesses are referred to as realized opportunities.
- Therefore in practical terms, opportunities may be defined, as business concept that, if turned into a tangible product or service may arise that what do opportunities in business really mean.
- Business ideas and business opportunities very often are used interchangeably.
- Opportunity is considered as a viable business idea, which the entrepreneur selects from several ideas suited to his own capabilities and subsequently he takes it up as a good investment proposition.

Identification of business opportunities

- The ability to identify, pursue and capture the value from business opportunities is accepted as the key to entrepreneurship.
- No one can call a person an entrepreneur until they have proved them self .
- It is very hard to generalize what makes a good opportunity and also where entrepreneurs find opportunity.
- Some entrepreneurs find opportunity as a result of extended thought and exploration.
- Other find them due to a fortunate set of circumstance and by responding to a phone call from a desperate potential customer.
- Hence it is not so easy to generalize from the experiences of successful and unsuccessful entrepreneurs regarding opportunity.
- However, we will make an attempt to summarize what we know about identification of business opportunities.

1.Opportunities Relate to the Creation of Value:

- Entrepreneurs should communicate the value of the product i.e. they have to come in at the right cost. It is not necessary that the cost should be lowered.
- Lowering the cost may sometimes lead to failure of the product. It is very simple that if it is worth it, people pay.

2. Opportunities are not similar to all: Opportunities are not the same to all.

- The reason is obvious. Every one of us is not equally equipped to perceive or capture an opportunity.
- The experience of each individual or team makes him or her more or less able to identify and capture opportunity.
- In addition, each individual's perspective (Which is a product of their products, services, markets or skills) is different.
- It means that something which is perceived by one as an opportunity may not be perceived by others so.

- It depends up on whether one is capable of implementing it or not. As capacity between individuals to implement an idea differs, opportunities seem to be different among individuals.

3. Only Some Pursues Opportunities: Every if the opportunities are obvious, only some pursues them and not all.

- Profit is left to those who wish to show initiative and actually pursue rather than just think about a business opportunity.
- Creative thought is wonderful but if it does not lead to action it is only an expenditure of energy.
- Mostly people and companies pursue opportunity, especially if they are not reasonably satisfied with the status quo. One must show real initiative to pursue opportunity.

4. Complex Opportunities do not work: Some opportunities involve large numerous of people and integrates number steps and components.

- They are referred to as complex opportunities. The more complex an opportunity is the more it is unlikely to attain.
- Some entrepreneurs have ideas but when they try to pursue them, they find they must involve more and more people.

5. Opportunities Found Rarely in Well Grown Markets: Opportunities are not found always in well grown market.

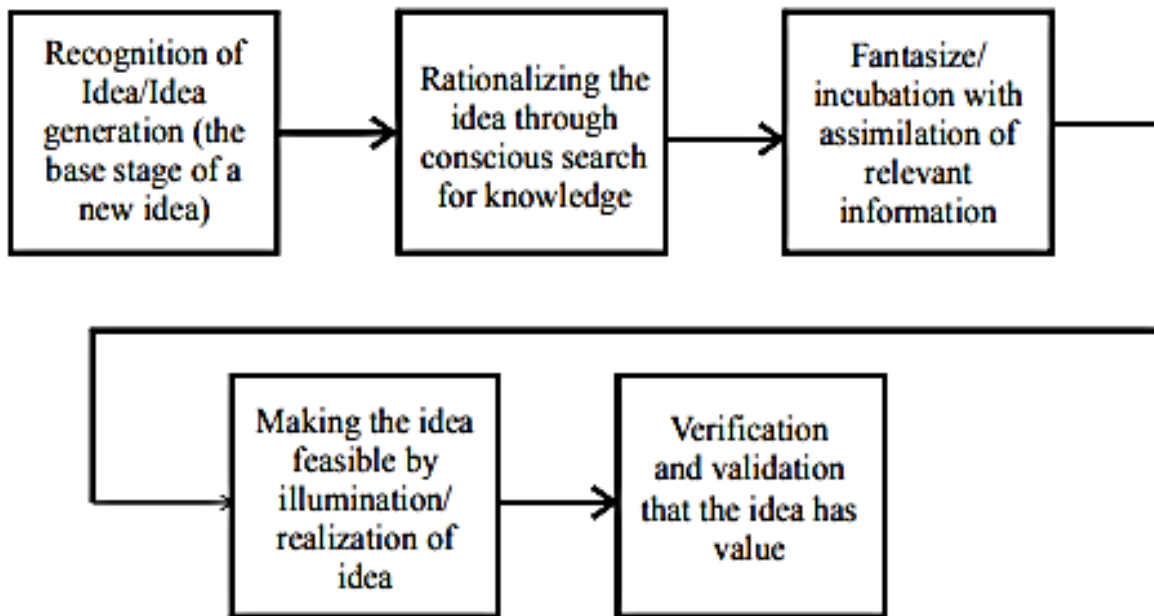
- Once market started picking up entrepreneurs enter in many numbers to pursue the investment opportunities there.
- Even if it is so only a few will survive because of imbalance between demand and supply.

6. Opportunities need Not Necessarily the Outcome of Inventions made by the Entrepreneur: Entrepreneurs are not necessarily inventors.

- But many entrepreneurs invest their time and effort in searching for opportunities based on some kind of technological breakthrough.
- Though, this may be admirable and even desirable it is necessary.

Creativity

- In this fiercely competitive, global world, creativity is not only an important source for building a competitive advantage, but it is also a necessity for survival.
- When developing creative solutions to modern problems, entrepreneurs must go beyond merely relying on what has worked in the past.
- Ideas usually evolve through a creative process whereby imaginative people germinate ideas, nurture them, and develop them successfully.
- Various labels have been applied to stages in the creative process, but most social scientists agree on five stages.



Five stages of creativity

Bolton and Thompson (2000) associate invention closely with creativity but link it with entrepreneurship if the invention becomes a commercial opportunity.

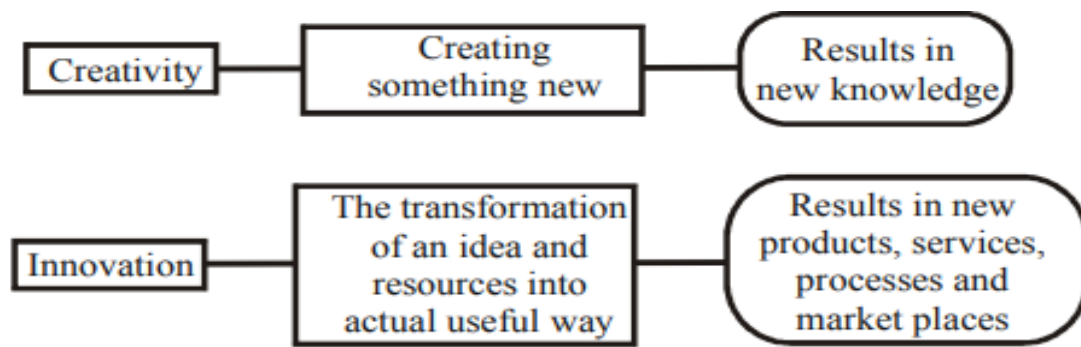
- ‘Creativity is the starting point whether it is associated with invention or opportunity spotting.
- This creativity is turned to practical reality (a product, for example) through innovation.
- Entrepreneurship then sets that innovation in the context of an enterprise (the actual business), which is something of recognized value.’
- Creativity and innovation need the entrepreneurial context to become a business reality.

Creativity	High	B The Struggler	A The Innovator
	Low	The Stagnator D	The Copier C
		Low	High
		Entrepreneurship	

- Only in **quadrant A** is there a winning combination of creativity and entrepreneurship.
- In **quadrant B** there is a firm struggling with too many wasted ideas. It lacks an entrepreneur with the ability both to see the commercial application of the idea and to exploit it.
- In **quadrant C** there is a firm that lacks creativity but can at least copy and perhaps improve on creativity coming from other firms if they have a commercial application.
- Firms in **quadrant D** lack creativity and entrepreneurship are certain never to grow and indeed their survival may be questioned.

Innovation

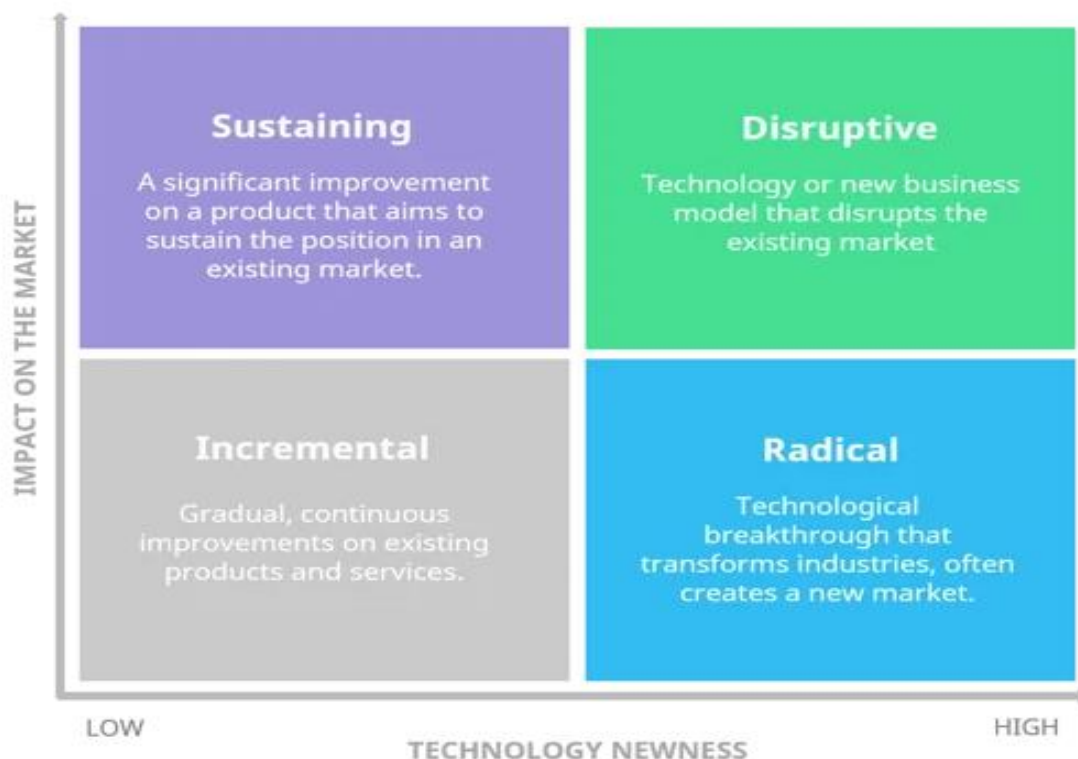
- It is ‘the means to break away from established patterns’, in other words doing things really differently.
- Therefore, simply introducing a new product or service that has customer’s willing to buy it, is not necessarily innovation.
- Innovations have to break the mould of how things are done.
- To really innovate, Mintzberg says that ‘one engages in divergent thinking aimed at innovation; the other is convergent thinking aimed at perfection’.
- Most innovations introduced to the market are ordinary innovations, that is, with little uniqueness or technology.
- As expected, there are fewer technological innovations and breakthrough innovations with the number of actual innovations decreasing as the technology involved increases.
- Regardless of its level of uniqueness or technology, each innovation (particularly the latter two types) evolves into and develops toward commercialization through one of three mechanisms:
 1. The government,
 2. Intrapreneurship,
 3. Entrepreneurship
- It includes new processes of production, introduction of new products, and creation of new markets, discovery of a new and better form of industrial organization. Earlier, we defined innovation as the process of doing new things.
- It is important to recognize the innovation more focus on action not conceiving new ideas only.



- To innovate effectively, therefore, requires insight - into customers and markets, into what is possible and what is not, and into how to make things happen. It is also helped by good luck.
- What is more, innovation may be a necessary condition for establishing a growth business, but it is not a sufficient condition.
- To exploit an innovation successfully requires strength of personal character, managerial ability and often money, which bring us back to the central role of the entrepreneur.

Types of innovation

Any innovative manager should be on the lookout for ideas to implement, whether they've intentionally created an innovation process or not. There are a few types of innovation ideas



1. Incremental innovation

- **Incremental innovation** is the step-by-step change of something that already exists, usually in the form of linear improvement.
- The focus is on the further development of products, services, processes, technologies, and business models.
- In practice, **incremental innovation** includes new product functions, new designs, improved processes and cost reductions.
- They are just a little better than the previous version of the product or service and has only slight variations on an existing product formulation or service delivery method.

Eg: Land line phones Walky talkiescell phones....

- Benefits of **incremental innovation** include:
- The majority of innovations are incremental changes
- Relatively low risk
- Short- to medium-term focus on success

2. Disruptive innovation

- Disruptive innovation is a theory that refers to a concept, product, or a service **that creates a new value network** either by entering an existing market or by creating a completely new market.
- Disruptive innovation refers to innovations and technologies that make expensive or sophisticated products and services accessible and more affordable to a broader market.
- Disruptive innovation refers to the use of technology that upsets a structure, as opposed to "disruptive technology", which refers to the technology itself.

Eg: Amazon, launched as an online bookstore in the mid-1990s, is an example of disruptive innovation.

- These types of innovations are often capable of turning non-customers into customers

3. Sustaining innovation

- Sustaining innovation occurs when a company, already successful, creates better-performing products to sell for higher profits to its best customers.
- The motivating factor in sustaining innovation is profit, by creating better products for its best customers, a business can pursue ever-higher profit margins.

- Sustaining innovation is the opposite of disruptive innovation as it exists in the current market and instead of creating new value networks, it improves and grows the existing ones by satisfying the needs of a customer.
- Just like incremental innovation, the product performance of sustaining innovation is made slightly better with every iteration, reducing defects.
- The new improved version of the product can be more expensive and have higher margins than the previous one if it targets more demanding, high-end customers with better performance than what was previously available and may become cheap if it leads to higher volumes .

Eg: In 2019, Apple released its iPhone 11 with three rear cameras.

Then in 2020, Apple released the iPhones 12 Pro and 12 Pro Max with a lidar scanner. Lidar scanners provide these iPhone models with a new type of depth-sensing that aids with augmented reality..

4. Radical innovation

- Radical innovation is rare as it has similar characteristics to disruptive innovation but is different in a way that it simultaneously **uses revolutionary technology and a new business model**.
- Radical innovation solves global problems and addresses needs in completely new ways than what we're used to and even provides solutions to needs and problems we didn't know we had, completely transforming the market, or even the entire economy.
- Although radical innovations are rare, there have been more and more of them in the recent past.

Eg: Washing machines

Innovation Principles

- 1. Innovation should come from everywhere:** Innovation can come from anywhere in the company and many times, allowing each employee the opportunity to contribute to big innovative ideas, to get some surprising results.
- 2. Focus on the User:** Product design decisions should always be made around solving customers' problems, not by how much money it will make. A useful user experience definitely follows revenue.
- 3. Think out of the box:** Thinking bigger than what is possible is much important in innovation. Irrespective of available resources, thinking more than that is very important

4. **Unique Insights:** Every organization has unique insights because they see the world through a certain lens that no one else has. But should not stuck at own innovation and should aim for next big idea to change the world.

Launch and Iterate: The most important factor for any product is the feedback of user. Some companies only ship when products are flawless and perfect. The problem is that no product is ever perfect. Once it hits the users, there are always nooks and crannies that appear full of issues and needed improvements. So taking a leap of faith and releasing next product as a reasonably functioning prototype and letting users provide feedback is key for successful product.

6. **Giving 20% Time to employees:** Giving employees 20% of their time to focus on the items they are most passionate about. But when the ideas are shared around, people spend their 20% time and resources to the best ones, creating a self-governing and self-regulating environment. This truly allows everyone in the organization the time to act on their innovative spirit.

7. **Default to open:** Everyone wants to hire the best and brightest top 1%. Tapping the collective wisdom of the customers and letting them come up with marketing ideas and strategies.

8. **Fail often:** fail often means trying hard enough. pushing the boundaries of innovation by working many times and failing many times is the key principle of innovation. Failing many times is a badge of honor and pride.

9. **Set a purposeful goal and build belief in goal:** The most important principle for innovation in any organization is having a goal that people can believe in. Having a purpose to the goal gets employees to work with the need to be innovative.

Sources of Business Ideas

1. Hobbies/Interests

- A hobby is a favorite leisure-time activity or occupation. Many people, in pursuit of their hobbies or interests, have founded businesses. If, for example, you enjoy playing with computers, cooking, music, traveling, sport or performing, to name but a few, you may be able to develop in to bussiness.
- To illustrate this, if you enjoy traveling, performing, and/or hospitality, you may consider going into tourism – which is one of the biggest industries in the world.
- Another example is freelance writing. Perhaps you have a passion for writing and spend much of your spare time reading stimulating novels from some of the world's best authors.
- Over the last few years, the number of remote writing jobs has exploded with startups, small businesses, and large corporations looking for writing talent all over the globe

2. Personal Skills and Experience

- Over half of the ideas for successful businesses come from experiences in the workplace, e.g. a mechanic with experience in working for a large garage who eventually sets up his/her own car repair or a used car business. Thus, the background of potential entrepreneurs plays a crucial role in the decision to go into business as well as the type of venture to be created.
- Your skills and experience are probably your most important resource, not only in generating ideas but also in capitalizing on them.

3. Franchises

- A franchise is an arrangement whereby the manufacturer or sole distributor of a trademark, product, or service gives exclusive rights for local distribution to independent retailers in return for their payment of royalties and conformity to standardized operating procedures.
- Franchising may take several forms, but the one of interest is the type that offers a name, image, method of doing business, and operating procedures.

4. Mass Media

- The mass media is a great source of information, ideas, and often opportunity. Newspapers, magazines, television, and nowadays the Internet are all examples of mass media.
- Take a careful look, for example, at the commercial advertisements in a newspaper or magazine and you may well find businesses for sale. Well, one way to become an entrepreneur is to respond to such an offer. Articles in the printed press or on the Internet or documentaries on television may report on changes in fashions or consumer needs.
- For example, you may read or hear that people are now increasingly interested in healthy eating or physical fitness. You may also find advertisements calling for the provision of certain services based on skills, for example, accounting, catering, or security. Or you may discover a new concept for which investors are required, such as a franchise.

5. Exhibitions

- Another way to find ideas for a business is to attend exhibitions and trade fairs. These are usually advertised on the radio or in newspapers.

By visiting such events regularly, you will not only discover new products and services, but you will also meet sales representatives, manufacturers, wholesalers, distributors, and franchisers.

6. Surveys

- The focal point for a *new business idea* should be the **customer**. The needs and wants of the customer, which provide the rationale for a product or service, can be ascertained through a survey.
- Such a survey might be conducted informally or formally by talking to people – usually using a questionnaire or through interviews – and/or through observation.
- You may start by talking to your family and friends to find out what they think is needed or wanted that is not available. Or, for example, whether they are dissatisfied with an existing product or service and what improvements or changes they would like to see.
- You can then move on and talk to people who are part of the distribution chain that is manufacturers, wholesalers, distributors, agents, and retailers.

7. Complaints

- Complaints and frustrations on the part of customers have led to many a new product or service.
- Whenever consumers complain bitterly about a product or service, or when you hear someone say ‘I wish there was ...’ or ‘If only there were a product/service that could ...’, you have the potential for a business idea.
- The idea could be to set up a rival firm offering a better product or service, or it might be a new product or service which could be sold to the firm in question and/or to others.

8. Brainstorming

- Brainstorming is a technique or creative problem-solving as well as for generating ideas. The object is to come up with as many ideas as possible. It usually starts with a question or problem statement.
- For example, you may ask “What are the products and services needed in the home today which are not available?” Each idea leads to one or more additional ideas, resulting in a good number.