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Topic :- Generation of new entry of opertunity.

→ New Entry :-

A A New Entry reffer's to :-

1. Offering a new product to an established or a new Market.
2. Offering an established product to a new market.
3. Creating a new organisation

B New Ness is both +ve or -ve.

1. Newness can Help differentiate a firm from a its Compititors.
2. However, Newness Creates a no. of challenges for entrepreneurs.

C Entrepreneurial Strategy represents the set of decision, action and reaction that first Generate, and then exploit over time, a new entry in a way that maximizes the benefits of newness and minimises its cost.

D The elements of an entrepreneurial statergy are :-

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, the result of a Combination of Knowledge and other resources into a bundle that will be valuable, rare and difficult for other to imitate.

2. To exploitation of a New entry of opportunity
3. A feedback loop.

E If the entry warrants exploitation, then firm performance depends on.

1. The entry strategy, the risk reduction stratergy.
2. The way the firm is Organised.
3. The competance of the entrepruneur and the Management Team.

F Long run performance is depend upon the ability to generate and expbit nemerous new entry.

II Generation of New Entry Oppertunity :-

A Resources as a Source of Competitive Advantage

1. Resources are the basic building blocks to a firm's performance.

a) These resources are the inputs into the production process.

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b. These can be combined in different ways to achieve supirior performance.

2. These resources needs to be considered as a bundle rather than just the resources that may up the bundle.

3. In order for a bundle of resources to be the basis of a firm's superior performance, the resources must be valuable, rare intimitable.

For example :- A High skilled Workforce will be miss use if the organisation's culture, teamwork, communication does not support them.

4. A bundle of resources is :-

a) Valuable when it enables the firm to pursue opportunities, neutralize threats, and to offer products and services that are valued by customers.

b) Rare when it is passed (possessed) by fews, if any compititors.

c) Intimitable when replication of this combination of resources would be difficulty or costly for the compititors.

5 The text uses the example of Breeze Technology Inc., which invented a technology that could be applied to the ventilation of athletic shoes to reduce foot temperature

a) The product was valuable because it provide the means of entering into a large, market.
b) This technology also appeared to be rare and inimitable.
c) The process was also novel and obvious.
d) A patent protects the owner of the technology from people inimating the technology.

$\boxed{B}$ Creating a Resource Bundle That is Valuable, Rare and Inimitable.

1) The ability to obtain, and then recombine, resources into a bundle that is valuable, rare and inimitable represents as imp. entrepreneurial resource. :-

a) The basis of this resource is knowledge, built up over time through experience.
b) Experience is idosyncratic - unique to the life of Individual and therefore can be considered rare.
c) Knowledge is imp. for generating a bundle of resources that enables the firm to prosper.

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d) This sort of knowledge is unlikely to be learned in a text or in a class.

2. Market Knowledge refers to the entrepreneur's possession of Info., technology, Know-How, skill that provide insight into a market and its customer.

a.) The entrepreneur shares some of the same knowledge that customer have about the use and performance of product.

b) Entrepreneur's Market Knowledge is deeper than the knowledge that could have be gained through market research.

c) Entrepreneurs who lack this intimate knowledge are less likely to recognise or create attractive opportunities of a new product or new markets.

d) The text again uses the example of mountain bikes who were aware of the problems that they personally encountered.

3. Technological Knowledge reffer to the entrepreneur's possession of info., technology, Know-how, skills that provide insight into ways to create new knowledge.

1) Example is the New Markets that have arisen from the development of computer Technology.
2) The text uses the example of laser technology - those with expertise in the industry are more able to adapt and improve the technology and open up a potentially attractive market.
4. The resource bundle is created from the entrepreneur's market knowledge, technological knowledge and other resources.

III Assessing the Attractiveness of a New Entry Opportunity :-

A. A entrepreneur needs to determine whether a new product is in fact valuable, rare and inimitable.

B. Info. on a New Entry :-

1. Prior Knowledge and info. search can also Help assess the attractiveness of an opportunity.

a) More prior Knowledge means the entreprenur starts from a position of Less ignorance.

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b) Knowledge can be increased by searching for info. On the attractiveness of the new entry opportunity.
c) A longer search period gives the entrepreneur more time to gain more info. about Customer demand and protection from imitation.
d) However, there are costs associated with this search in terms of money and time.

2. Window Of Opportunity
a. When a window of opportunity is open, the environment is favourable for entrepreneurs to exploit a new product.
b) However, window opportunity may close.
c) The time spent in collecting additional info. inc. the likelihood that the window of opportunity will close.

C) Comfort with Making a Decision under uncertainty.

1.) The trade off. b/w More info. and the window of opportunity's closing Present a dilemma.
2.) The entrepreneur can commit an error of Commission over an error of omission or vice-versa.
3.) An error of commission occour from

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the decision to pursue the new entry opportunity only to find that the entrepruer overestimated His or Her ability to create customer demand.

4. An error of omission occour from the decision not to act on the new entry opportunity, only to find out later that the entrepreneur under-estimated his or her ability to create customer demand.

D Decision to Exploit or not to Exploit the New Entry.

1) The decision on whether to exploit or not to exploit the new entry opportunity depends on whether the entreprenure have sufficient info. to make decision and whether the window is still open.

2) The assessment of a new entry attractiveness is less about whether the opportunity "really" exists and more about and whether the entrepreneur believes he or she can make it work.