

ENTREPRENEURSHIP 12
GRADE 12 LEARNER'S MODULE 3 & 4 – 3rd Quarter, Week 5 - 8

Unit I: Developing a Business Plan
Lesson 1: Overview of Entrepreneurship

OBJECTIVES: In this module, you will learn to:

1. Recognize a potential market
 - Screen the proposed solution/s based on viability, profitability and customer requirements and select the best product or services that will meet the market need.
2. Recognize the importance of marketing mix in the development of marketing strategies.
3. Develop a Brand Name

INTRODUCTION/MOTIVATION



The strategic marketing process is a deliberate series of steps to help you identify and reach your goals. Even more, you'll discover what your customers want and develop products that meet those needs. Here are the steps to a successful strategic marketing process.

1. Mission
2. Situation Analysis
3. Marketing Strategy/Planning
4. Marketing Mix
5. Implementation and Control

INSTRUCTION / DISCUSSION

As the saying goes, the most difficult part of every task is where and how you start. The same is true with entrepreneurship. You may have all the resources needed to operate a new venture but it will never be easy to start one.

The Entrepreneurial Process

The Entrepreneurial process is a step-by-step procedure in establishing any kind of business that an entrepreneur has to undergo. It is composed of four aspects:

1. Opportunity spotting and assessment.
2. Developing a business plan.
3. Determining the capital needed.
4. Running the business.

Scanning the Marketing Environment

Scanning the marketing environment is the starting point of any new venture that involves understanding and knowing the intricacies of the macroenvironment, microenvironment, and internal environment.

Opportunities are limitless for an entrepreneur who is keen on what happens in his or her environment. Recognizing potential and paying attention to what competitors are doing can send some signals on a great product or service idea that could be the "next big thing" in the market.

Seeking, Screening, and Seizing

The 3S of opportunity spotting and assessment is the framework that most of the promising entrepreneurs use to finally come up with the ultimate product or service suited for a specific opportunity. An **opportunity** is an entrepreneur's business idea that can potentially become a commercial product or service in the future. The entrepreneur serves as the catalyst of creating a value for the customers through the new or innovated product or service. As a reward, the entrepreneur earns profits when the customers are satisfied and delighted.

S1 – Seeking the Opportunity

Opportunity seeking is the first step and is the most difficult process of all due to the number of options that the entrepreneur will have to choose from. It involves the development of new ideas from various sources as follows:

1. Macroenvironmental Sources
 - a. Sociocultural, technological, economic, environmental, political, legal, ethical, and demographic factors (STEEPLED)
 - b. Industry
 - c. New discovery or knowledge
 - d. Futuristic opportunities
2. Micromarket
 - a. Consumer preferences, interests, and perception
 - b. Competitors
 - c. Unexpected opportunities from customers
 - d. Talents, hobbies, skills, and expertise
 - e. Irritants in the marketplace such as deterrents, problems, complaints, and delays.
 - f. Location

Methods of Generating Ideas

Recognizing and understanding the vast sources of opportunities is one difficult activity to do. Also, the methods of generating ideas may be overwhelming to undergo through. Either one or a combination of the methods given can be employed by the entrepreneur in generating new ideas.

1. Focus group discussion (FGD)
2. Brainstorming.
3. Brainwriting or Internet brainstorming.
4. Problem inventory analysis.

S2 – Screening the Opportunity

Opportunity screening is the process of cautiously selecting the best opportunity. The selection will depend on the entrepreneur's *internal intent*, i.e., the main objective that the business will accomplish in the entrepreneur's life, and the *external content*, which will address the compelling needs of the target market. The entrepreneur should apply due diligence and independent judgment in selecting the opportunities that have a potential and eliminate those that are not within the scope of the entrepreneur's risk appetite. *Risk appetite* refers to the entrepreneur's tolerance of business risks.

Time must be considered by the entrepreneur in screening the opportunities at hand, as it is considered one of the most critical resources of an entrepreneur. Time should only be devoted to worthwhile opportunities.

Detailed here are the most important elements that are always present in a compelling opportunity. The entrepreneur should say no to an opportunity if it does not contain any of these *business opportunity elements*:

1. Has superior value to customers.
2. Solves a compelling problem, issue, a need, or a want.
3. Is a potential cash cow
4. Matches with the entrepreneur's skills, resources, and risk appetite.

The Opportunity Attractiveness Test

The Opportunity Attractiveness Test (OAT) (Younglesson, 2009) aims to assist entrepreneurs in ensuring that the opportunity that they will venture into is an attractive and feasible prospect. This is not the "be all" in the road to entrepreneurial success but a framework to measure how compelling an opportunity is.

BIG IDEA!

Entrepreneurs are known to be risk takers. However, entrepreneurs must make sure that the risks they take are calculated. Successful entrepreneurs know when to pivot, when not to quit, and when to regroup and switch directions if necessary.

S3 – Seizing the Opportunity

Opportunity seizing is the last step in opportunity spotting and assessment. This is the "pushing through" with the chosen opportunity. Entrepreneurs should make the best out of this opportunity, and they should exert effort and full dedication for the success of the new venture. The entrepreneur's idea can be any type of innovations listed here.

Innovation is the process of positively improving an existing product or service. It is a key driver for economic growth. Innovation is inevitable as the world constantly changes. Therefore, products and services must also adapt to these changes. There are three types of innovations according to the degree of distinctiveness.

1. Breakthrough innovation – includes inventions, occur frequently as these establish the platform on which future innovations in an area are developed.
2. Technological innovation – these are technological advancements of an existing product or service.

- 3. Ordinary innovation – commonly originating from market analysis and technology pull instead of a technology push.

The bottom line in innovation is that the product or service should improve the lives of its users.

Product or Service Planning and Development Process

In the seeking process, one opportunity stood out from a number of sources. This opportunity was tested according to its attractiveness and feasibility in the screening process. The last process, called the seizing process, involves refining and developing this opportunity. The refining process is called product or service planning and development process. It has five key stages.

The product or service planning and development process is a four-stage process. In the idea stage, the entrepreneur determines the feasible products and/or services that perfectly suit the opportunity. The second stage is the concept stage, wherein the developed idea will undergo a consumer acceptance stage. Using the information gathered during the concept stage, the entrepreneur will then move forward to the third stage, which is the product development stage. The last stage is the test marketing stage. This stage validates the work done from the first three stages to measure success in the commercialization of the product services.

Additional information:

What are the 7Ps of the Marketing mix?



Product

This could refer to a physical product, a service or an experience. Basically, anything that is being sold.

Place

Place signifies where you choose to distribute or allow access to your product or service. It could refer to anything from a warehouse or a high-street store to an e-commerce shop or cloud-based platform.

Price

How much does your product or service cost? The price you set should reflect your customer’s perceived value of your product and should correlate with your budget.

Promotion

Promoting refers to your advertising, marketing, and sales techniques. This could mean traditional advertising via TV, Radio, billboards and others that you can advertise your business.

People

Employees and customers. Those people who are involved in selling a product or service, designing it, managing teams, representing customers so the list goes on. It also involves anyone directly or indirectly in the business-side of the enterprise.

Processes

It describes a series of actions that are taken in delivering the product or service to the customer. Examining the process means assessing aspects such as the sales funnel, your payment systems, distribution procedures and managing customer relationships.

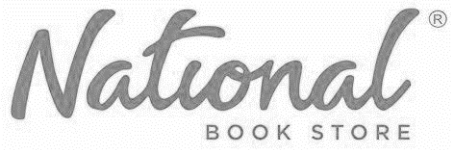
When people use your brand name as a verb, that is remarkable.

According to Canon, Perrault and McCarthy (2008), branding means “ the use of a name, term, symbol or design – or a combination of these – identify a product.” It encompasses the use of brand names, trademarks, and practically all other means of product identification. A brand combines

dimensions that differentiate the offering in some way from other offerings designed to meet similar need. A brand name is a word, letter or a group of words or letters. Example; Air21, Lucky Me!, PLDT, Datu Puti and others.

Characteristics of a good brand name

- 1. Short and simple
- 2. Easy to spell and read
- 3. Easy to recognize and remember
- 4. Easy to pronounce
- 5. Can be pronounced in all languages (for international market)
- 6. Suggestive product benefits
- 7. Adaptable to packaging/ labelling needs
- 8. No undesirable imagery
- 9. Always timely
- 10. Adaptable to any advertising medium
- 11. Legally available for use.



PRACTICE

- 1. How useful is the 3S in entrepreneurship?

REFERENCE:
ENTREPRENEURSHIP
DIWA Innovation in Education
4th Floor SEDCCO 1 Bldg., 120 Thailand corner Legazpi Streets, Legaspi Village, Makati
City, Philippines 1229

Prepared by: Mr. Teody John V. Fernandez
Ms. Stephanie Ann C. Fabia
Subject Teachers

Checked by: Lailanie L.De Guzman, M.Ed
Gr.12 Coordinator

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WRITTEN WORKS

Instructions: Complete the table below.

7Ps of Marketing	Fastfood	Beauty Parlor	Bakeshop	Handicraft
Product (Goods/Services)				
Price				
Place				
Promotion				
People				
Process				
Physical Evidence				

PERFORMANCE TASK

Think of a business that is unique and not common. Once you have already a unique business, answer the following.

Business Name: _____

Mission, Vision & Objectives:

Vision:

Mission:

Goal:

Products: (at least 5 products)

Place: (Where do you put your business?)

Price:

(How much each product?)

(How much is your sales cost?)

Promotion: (How do you promote?)

People:

(Who are your target customers?)

(How many employees will you hire?)

Process:











(What are the processes that you will do for your business?)

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Entrepreneurship 12 – Evaluation for Module #4

Name: _____ Strand: _____ Section: _____ Date: _____ Score: _____

WRITTEN OUTPUT

Direction: Determine what brand name is being asked below.

 _____	 _____	 _____	 _____	 _____
 _____	 _____	 _____	 _____	 _____

PERFORMANCE TASK

My Creative Logo

Instructions:

- 1. Based on the PT#3, think of a unique logo that is connected to your business.
- 2. Draw or create your own unique logo.
- 3. Describe its parts, color and other perspective.
- 4. Explain why you chose that logo.

LOGO

EXPLANATION