Tutorial 2: Business Ideas and Concepts

1. Describe what is a business in your own words? Highlight the important key words in your

description.

**Business**—buying and selling of products and services;

i.e. Demand vs Supply

2. Products and services are important to an entrepreneur. Give some examples of products and

services of software entrepreneur.

§§ **Product**—exists in nature or is made by human beings. In the field of software engineering….we are aiming for software and any hardware, infrastructure, hardware medium/platform which required software engineers to breach and/or close the gap for innovation

§§ **Service**—work that provides time, skills, or expertise in exchange for money.

3. What is one important area where a good business idea must have?

An business idea has to be of some commercial value for it to be a success.

4. Describe the sources of opportunity for a software entrepreneur.

Use new technology to produce a new product.

Use an existing technology to produce a new product.

Use an existing technology to produce an old product in a new way.

Find a new source of (cheaper) resources.

Develop a new market for an existing product.

5. Describe what is a good business opportunity.

1. Attractive to customers
2. Will work in your business environment
3. Can be executed in existing window of opportunity
4. Entrepreneur has resources and skills to create the business
5. What is a business plan and what are the purposes of a business plan?

* A document that you can use to start and operate your business.
* A document you can show investors and bankers to raise money (capital) for your business.

7. What is market research and what are the benefits of carrying out market research? 