

UNIT ONE: ENTREPRENEURIAL OPPORTUNITY

Chapter Two: Problem Identification and Idea Generation

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 - ❖ Problem Identification: Concept, objectives and uses of problem identification
 - ❖ Idea Generation
 - ❖ Idea fields
 - ❖ Sources of idea fields

Problem Identification Meaning



{ When there is a road block in a situation, which poses a conflict and forces for the entrepreneur to find solution, then this road block is the problem and when one identifies this road block , it is called as problem identification .

Objectives of Problem Identification :

- It should clearly state the problem
- It should be able to identify the target groups facing the problem
- Its objective is to find the market acceptability of the solution to problems of the target groups.

Uses of Problem Identification:

Identification of problem helps the entrepreneur in the following ways:

- To understand the need and problems of the market.
- To bring out new product in the market.
- To become creative
- To increase employment generation
- To increase the national income of the country

Problems are generally identified by the entrepreneur themselves. Sometimes, the problems are present for which the customer wants the instant solution. Here, the entrepreneur , finds out the solution to the problem by bringing new products or services in the market (example ready to cook meal)



IDEA GENERATION

Idea Generation:

CONCEPT and MEANING

Idea generation is an essential part of the design process that can be defined as the process of creating, developing and communicating the ideas that can be either concrete, abstract or visual.

The process comprises the various stages from

- constructing the idea
- innovating the concept
- develop a process
- and actualization of the concept.

Business ideas are the outcome of

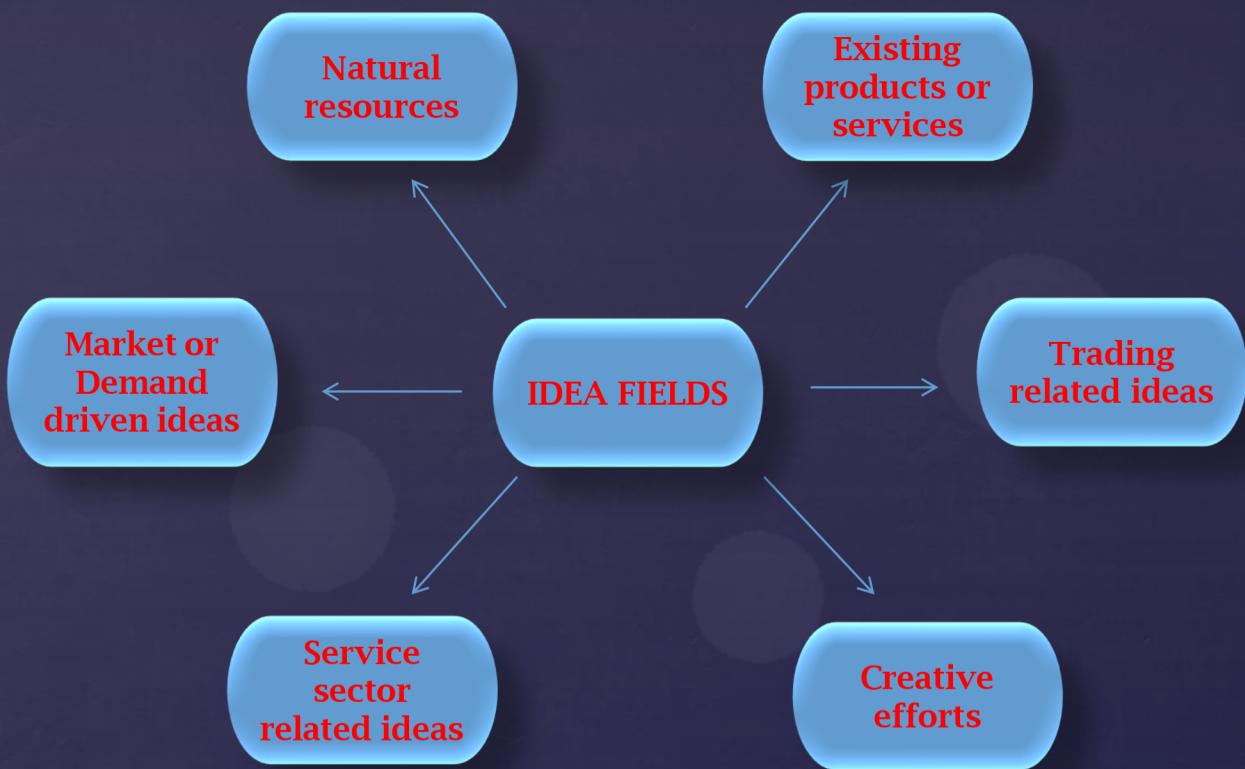
- Careful analysis of market trend
- Careful analysis of consumer needs
- Creation of something or discovery through accident
- Exploring the ways of getting new ideas.

Idea Fields: concept and meaning

Idea fields are well defined frames of reference that guide the generation of ideas.

{ The process of generation of ideas can be streamlined by developing an awareness for different idea fields.

Idea fields help in enlarging the scope of thinking and also provide benefit to the entrepreneur of structuring the ideas based on convenient frames of reference.



Sources of idea fields

Idea fields are well defined frames of reference that guide the generation of ideas. Various idea fields are examined below:

1. NATURAL RESOURCES

{ The idea for a product or service can be derived from the available natural resources like
Agricultural
Breeding and Caring of animals (animal husbandry)
Cultivation or Horticulture
Human
Mineral or Soil
Solar, Tidal, Wind

Entirely new products or service related ideas can be generated from these resources or ideas to supplement these natural resources can be derived.

{ 2.Current products or services:

It requires careful analysis of the existing products or services and put the expertise and imagination to improve the current products or services. The demand for a product or service or the need to tackle the competition will also help in origination of a new idea. As the value addition to the existing product or service is as good as inventing a new product, the existing products or services also act as a good source of new ideas.

{ 3. Demand or Market:

Conducting a research in the market to procure the information relation to the gap between demand and supply, changing consumer preferences, trends, technology helps in the generation of new ideas for products or services. The data gathered is analyzed using business intelligence and helps as a good sources of new ideas. In addition to this, the demand prevailing in the market will also help in generation of new ideas. The analysis of the products and services offered by the competitors will also act as a valuable source for generating a new idea.

{ 4. Trade:

As the globalization has expanded the scope of business to the entire world, a careful analysis of the prevailing trades and methods will act as a good source of idea generation. Earlier the trading was limited to local distribution network or grocery stores. However the trade has expanded from the local market to import and export of goods. The most recent revolution in the trade is e-commerce and has broadened the scope of trading globally and is not time bound. Thus it became a valuable, most effective, less risk prone area for originating new ideas.

{ 5. Service sector

As the society is becoming more educated and there is tremendous growth in information and technology, it opened up new challenges and opportunities and became a great source for generation of new ideas in various entrepreneurial sectors. Few of the sources are in the Service of home appliances

- & Automobile servicing
- & Fast food
- & Cool drink outlets
- & Ice cream outlets
- & Tourism
- & Personal grooming
- & Career counseling
- & Emigration services

6. Creativity

Creativity being one of the most important competency of an entrepreneur plays a vital role in getting an idea for a new product or service or improving an existing product or service. Most often it is noticed that the need to solve a problem triggers creativity to come up with new ideas. It helps in

- ❖ Adding additional value to an existing product or service
- ❖ Innovate a new product or service
- ❖ Innovate a new methodology or material to produce a product
- ❖ Expand the demand and market for the current product or service
- ❖ Expand the usability of an existing product or service