



Boots to Business Module 2

The Right Idea? Basics of Opportunity Recognition

Version 4.0



ASSOCIATION OF
WOMEN'S BUSINESS CENTERS



MISSISSIPPI STATE
UNIVERSITY

The Boots to Business entrepreneurship training program is provided through the coordinated efforts of the SBA and its valued partner network. All SBA services are extended to the public on a nondiscriminatory basis. Reasonable arrangements for persons with disabilities will be made if requested at least two weeks in advance.

Objective

- Describe the process and activities related to understanding the ‘business case’ for turning an idea into a sustainable business concept.
- Understand how to refine and refocus current ideas.

Agenda

- The Entrepreneurial Process
- Finding Opportunity
- Your Value Proposition
- From Idea to Concept

Entrepreneurship

Capacity:

To perceive and act upon opportunities in the environment

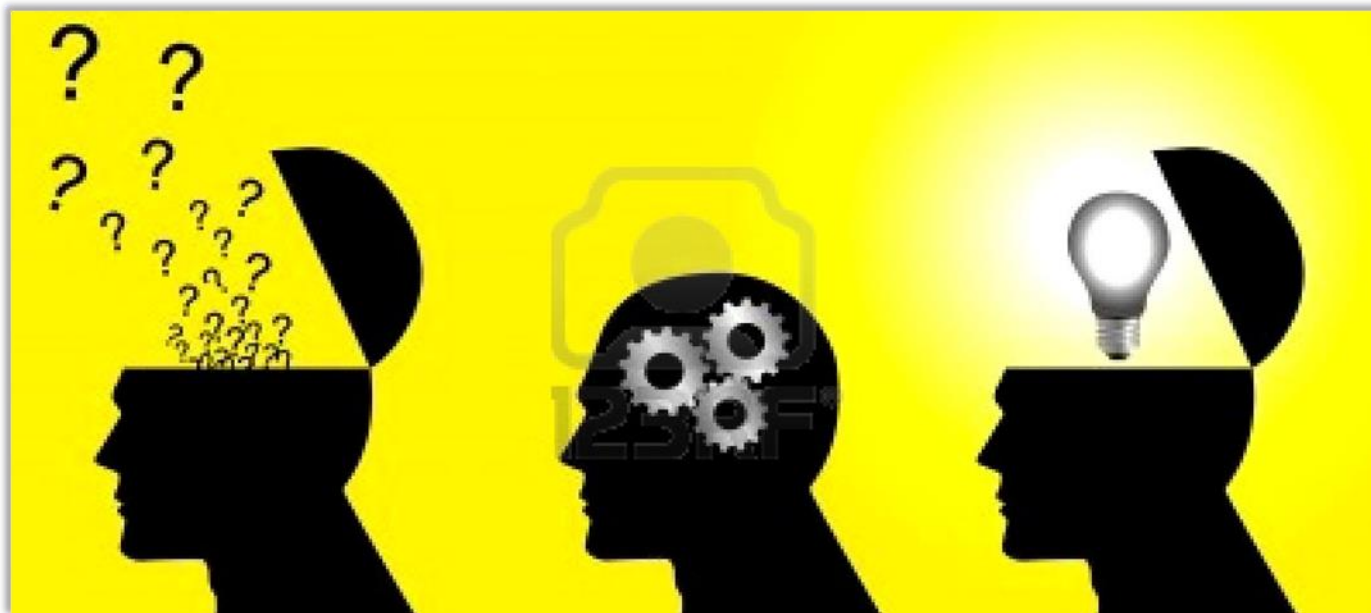


Ability:

To create and build something from practically nothing

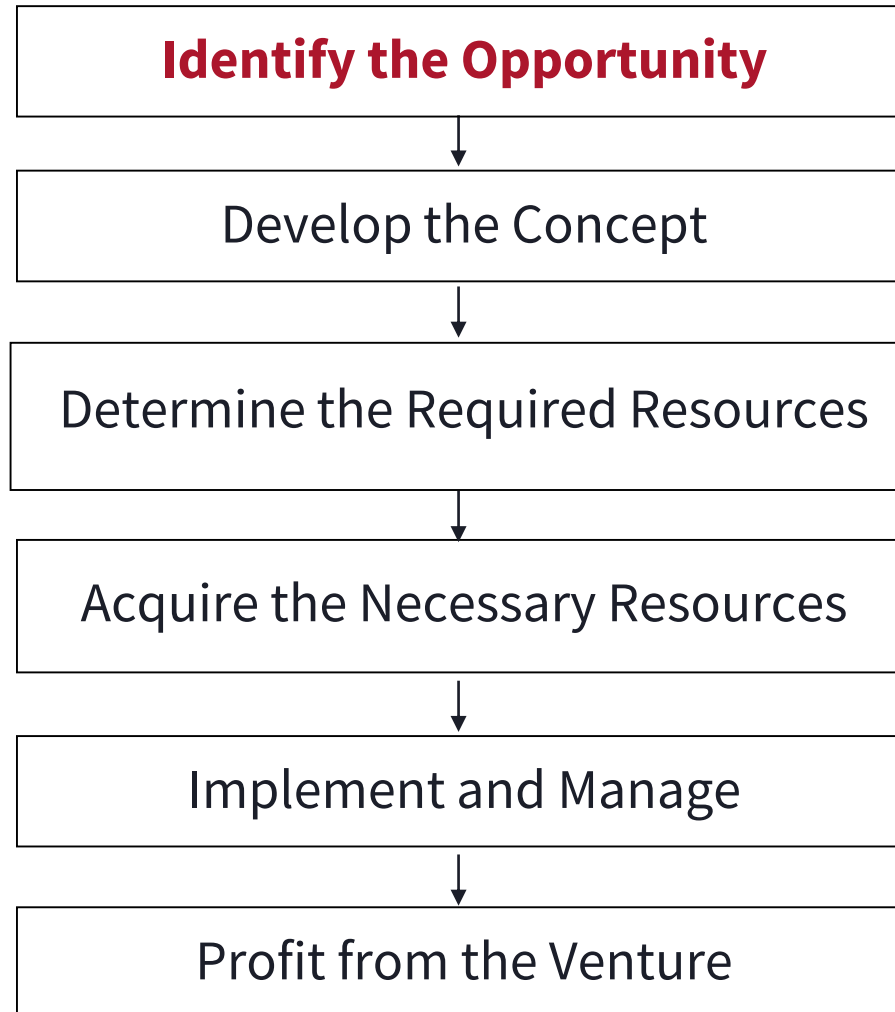


Problem + Solution = Opportunity



- What is it?
- Where do you find it?
- How do you know you've got it right?

The Entrepreneurial Process



Solving Problems

- Aging of the population
- Working parents
- Concerns about national, business, home and personal security
- Social networking - people want to be connected
- People searching for roots and stability
- Extreme experiences
- And now COVID-19...

What is a Value Proposition?

Your Value Proposition describes the **benefits** customers receive from your products or services - a clear statement that explains how a product solves the customer's problem, need or desire.

PRODUCT
Features



VALUE
PROPOSITION

PRODUCT
Solution/Benefits



VALUE
PROPOSITION

Features vs Benefits

PRODUCT/SERVICE	FEATURE	BENEFIT TO THE CUSTOMER
Toy	Batteries Included	Ready out of the box with no disappointed kids
Baby Gifts	Hand Painted Personalized Piggy Bank	Uniquely personal gift that lasts a lifetime
Mobile Phone	Integrated Email App	Check mail wherever you are allowing you to keep in touch with your customers
Lawyer	Expert in Business Law	Advice you need to run your business legally
Realtor	20 years experience selling in the neighborhood	Benefit from expert knowledge of what sells, what sells quickly and for highest amount in your neighborhood
Computer Store	Carry all makes and models	One-stop shopping for comparing all models to find the perfect computer for your needs
Hotel	Located next to the business district	Sleep in and travel from hotel to meetings in minutes
Web Design	Professional Website Design	Create a positive first impression for your business
Office Chair	Seat adjustment designed by ergonomic experts	Long hours at the office don't translate to poor posture and back pain

Opportunity = Problem + Solution

Think Value Proposition



An Idea or a Business Concept

Do you have a specific value-creating method to capitalize on the opportunity?

How will you be different from your competitors?

- A new or improved product, service or process?
- Technical expertise?
- Better location?
- Better level of service?

An Idea or a Business Concept

Key Criteria:

- Clear benefit and value proposition
- Profit potential (*customers' willingness to pay*)
- Reason to believe (*from your market research*)
- New and different enough from alternatives
- Could potentially lead to other products/services
- Minimal barriers to entry (*to you going into the market and for competitors entering your market*)
- Meaning: most of all, is this venture going to be worth the investment of your time, energy and resources?

Questions & Discussion