

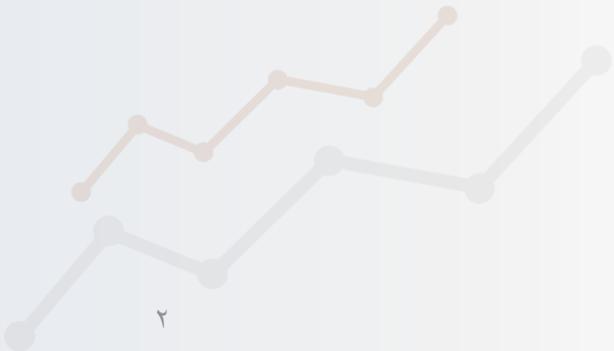
# BE AN Entrepreneur

By  
Prof. Ahmed Alshumaimri



# Chapter 4

**DETERMINE THE  
BUSINESS  
OPPORTUNITY**



# DETERMINE THE BUSINESS OPPORTUNITY

What the customer wants ?



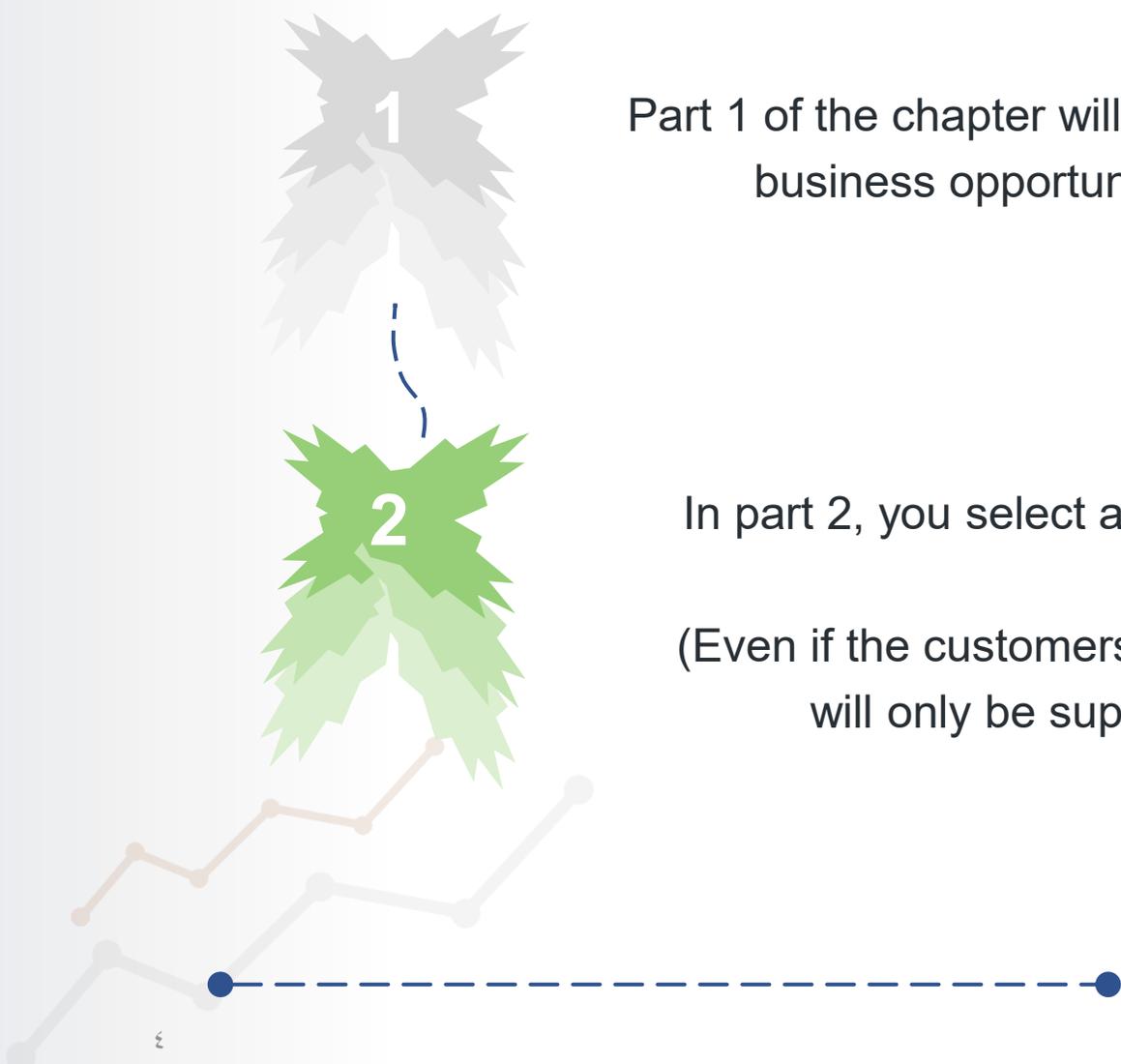
Protect your idea



What the Entrepreneur  
Wants to Do ?



# Chapter 4 overview



1

Part 1 of the chapter will focus on the customer. Specifically, for you to develop a business opportunity, you need to think about the customer's needs.

2

In part 2, you select a business opportunity based on its appeal to you, the entrepreneur.

(Even if the customers clamor for a particular product, that product will only be supplied if the entrepreneur takes action.)

# Learning Objectives



**Be**

Be able to select a business opportunity from the point of view of the customer



**Learn**

Learn how to spot an opportunity when a human need is not being met .



**Search**

Search for a business opportunity



**Find**

Find a unique selling proposition



**Be**

Be able to select a business opportunity from the point of view of the entrepreneur



**Protect**

Protect the business idea with a patent.

# Story from Real Life

In 1995, the Internet was fast becoming an indispensable part of the life of urbanized individuals. It was the dotcom era and American investors were as feverish as when gold was first discovered. But the Web was a messy, disorganized place. People bounced from website to website with no logic in their Internet travels.



# Story from Real Life

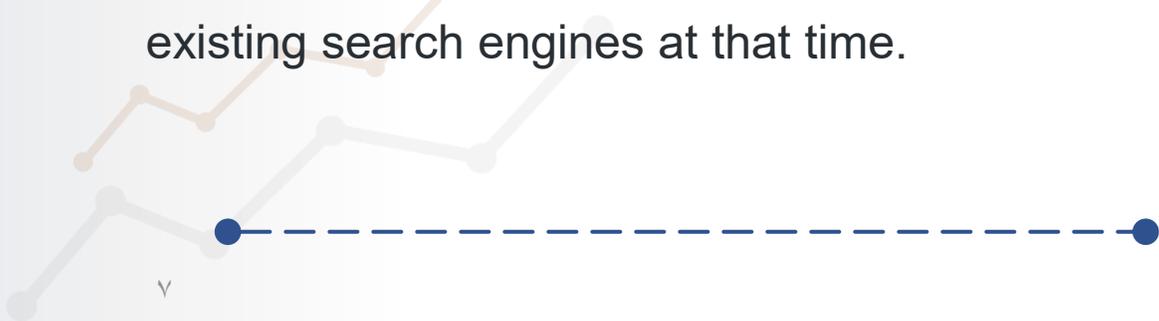
Distinctive algorithm



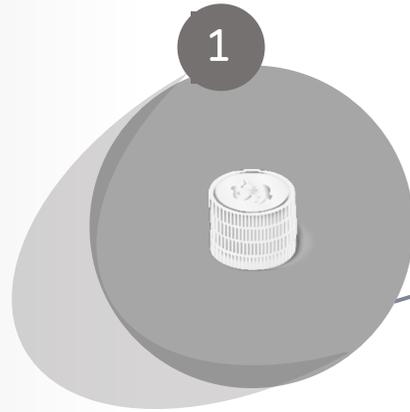
Nowadays

While search engines existed since 1945, few became widely used. In 1996, Sergey Brin and Larry Page, graduate students at Stanford University, developed the PageRank algorithm, which produced better search results compared with existing search engines at that time.

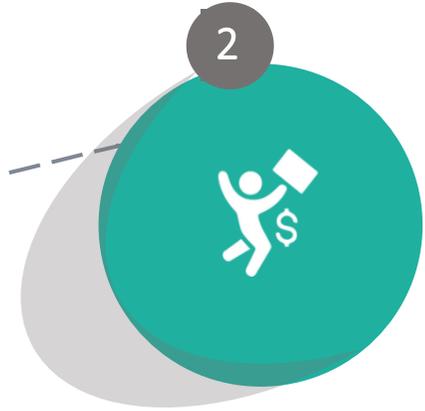
- Google is the largest web search engine company on this planet. Google's YouTube is the largest online video streaming service on earth.
- Google's Global Offices sum a total of 85 Locations worldwide.
- In 2022, Google's revenue amounted to 256.7 billion U.S.D.
- Total number of employees in 2022 was 150,028



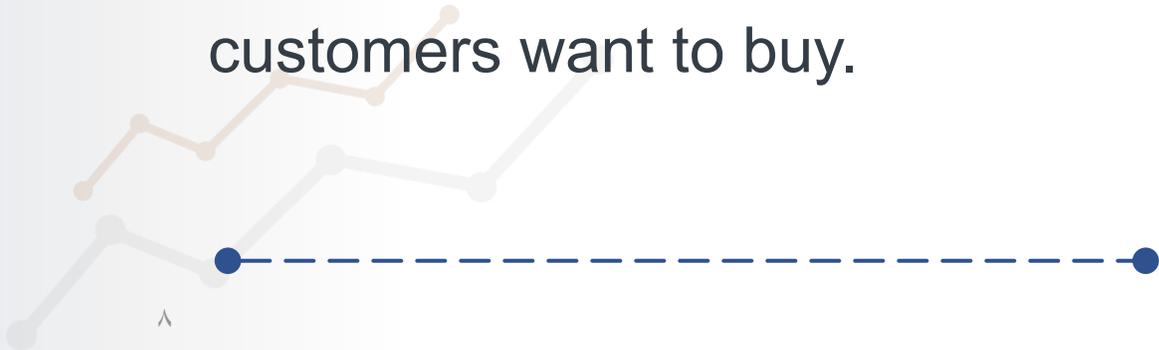
# What the Customer Wants



One of the ways of finding a business opportunity is to look for things that customers want to buy.



When you do this, you are trying to come up with a product or service that fulfills a human need.

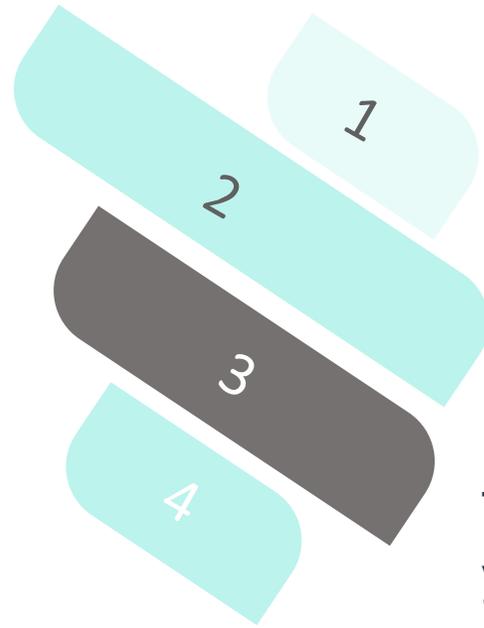


# What the Customer Wants

Products need to fulfill human needs, and remember that human needs may be those:

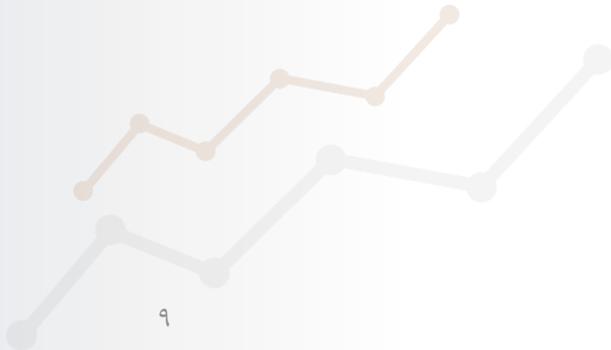
That are poorly met.

that are not recognized by the customers themselves.

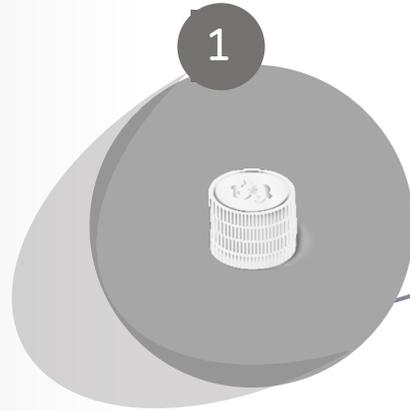


That are not being met at all.

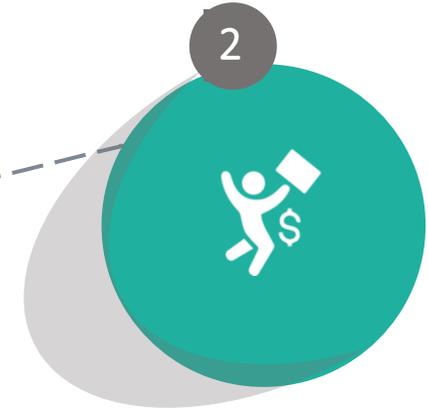
That not yet being met in your particular location.



# What the Customer Wants



To find these needs that could lead to business opportunities, you should look go to trade fairs, exporters conventions, inventor gatherings, read business newspapers, research among patent lawyers and the patent office, and technology magazines.



You may also want to find the information through the Internet, and some useful websites include The Entrepreneur's business ideas index, among others.

# What the Customer Wants



To analyze whether you should pursue the ideas that you find, trim your list of 100 into a shorter list of 10.



To trim the list, find out whether these ideas, products or services are currently in demand, need too much capital, determine whether it is



an existing product,



a variation of an old product,



a product that can be made to appeal to a new market or



a totally new product.



# What the Customer Wants

Research the market to find out:

who will be interested in your product or service.

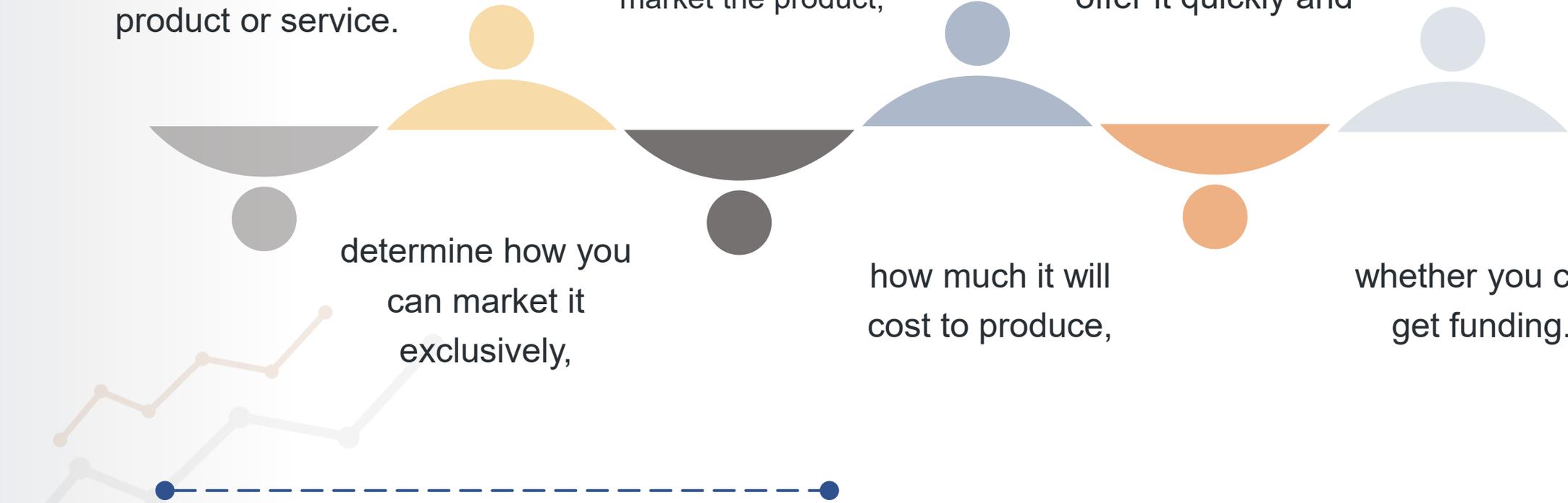
how much it will cost to market the product,

whether you can offer it quickly and

determine how you can market it exclusively,

how much it will cost to produce,

whether you can get funding.



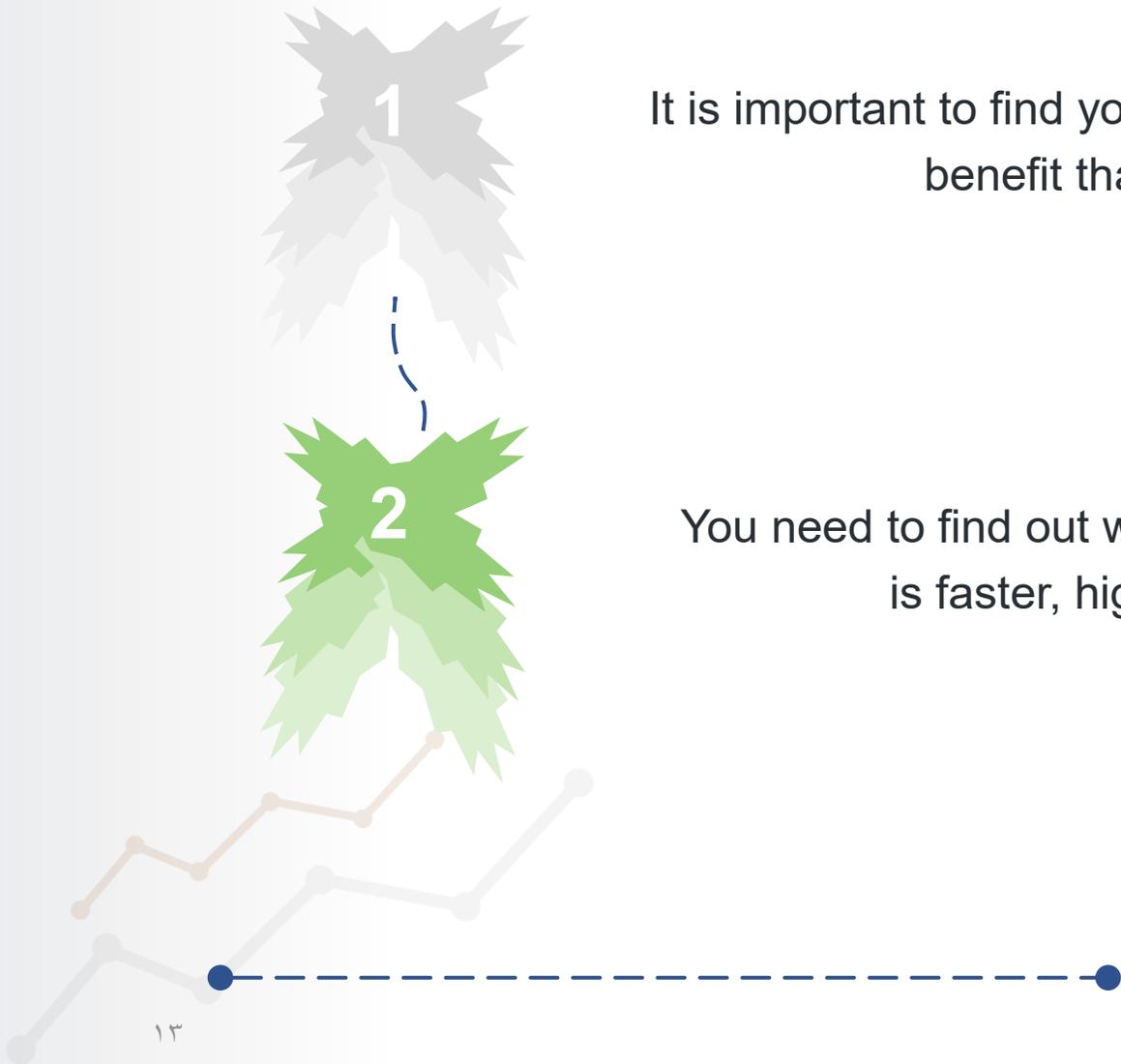
# What the Customer Wants

1

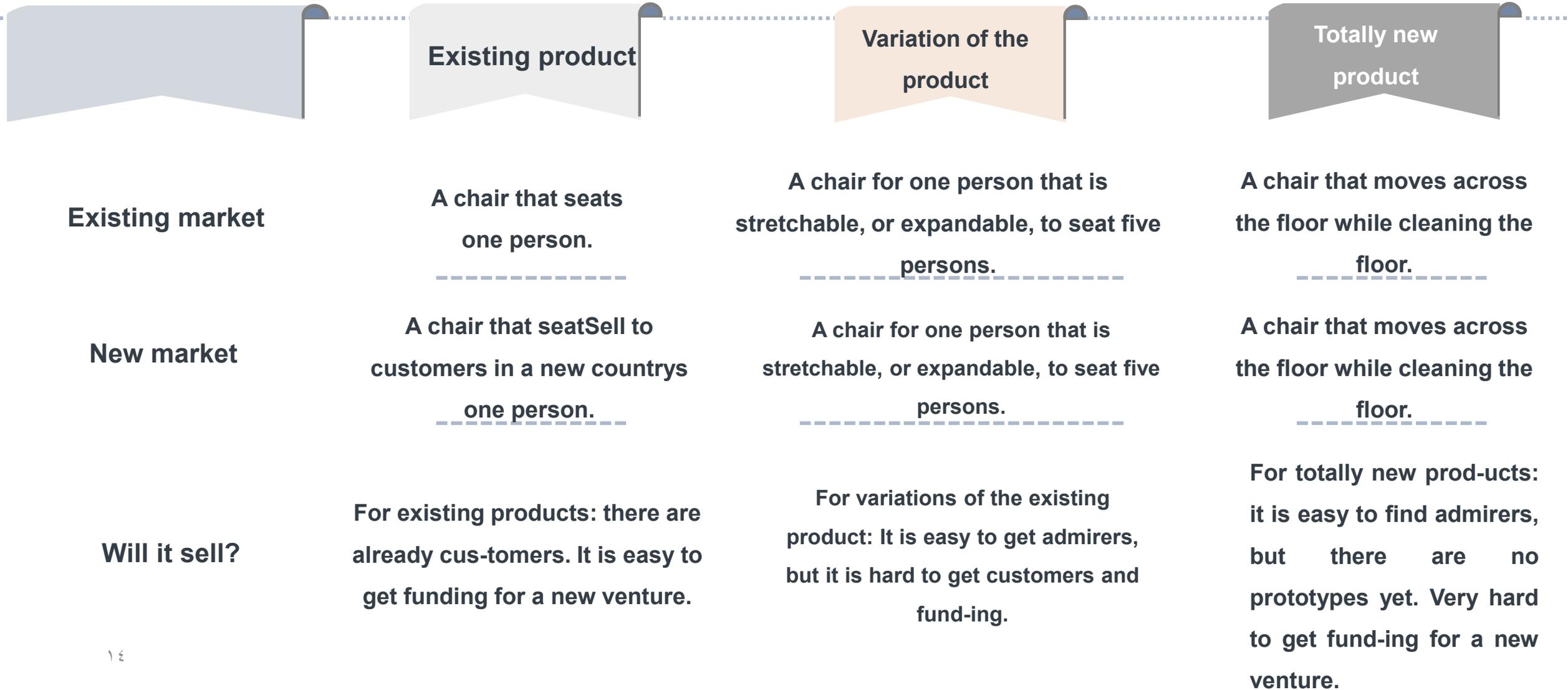
It is important to find your product's unique selling proposition—that benefit that sets it apart from all the rest.

2

You need to find out whether you are offering something that is faster, higher, or stronger than others.



# What the Customer Wants



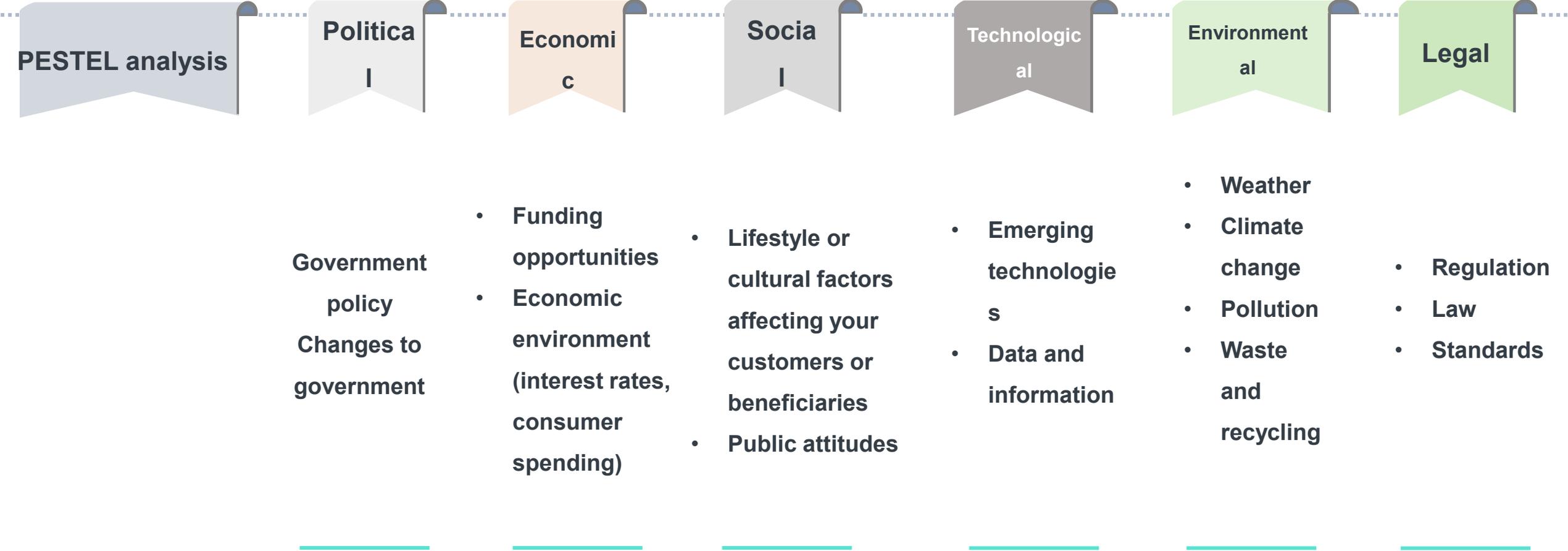
# What the Customer Wants

## Opportunity analysis

### PESTEL ANALYSIS

A PESTEL analysis is a simple tool that allows you to identify big external trends and drivers that could have a positive or negative impact on your business. (PESTEL stands for political, economic, social, technological, environmental and legal: the six areas that the analysis covers.)

# What the Customer Wants



# What the Entrepreneur Wants to do



**Think of :**



Ambitions



Talents



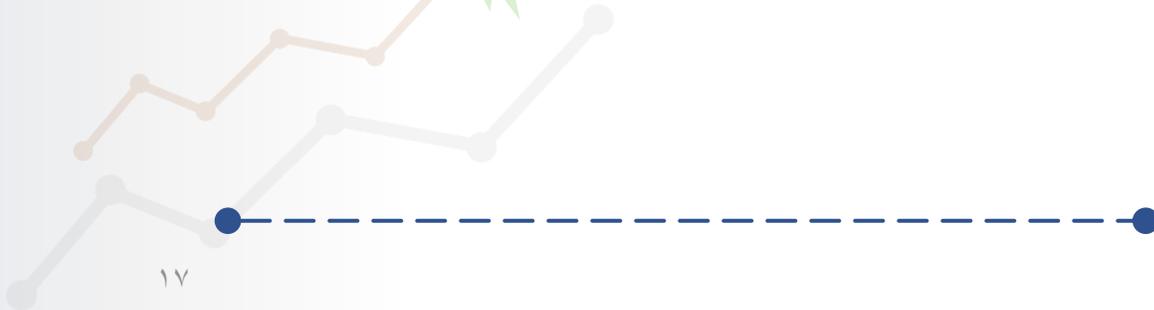
Resources



Contacts



**Evaluate your options.**



# What the Entrepreneur Wants to do

Evaluate the business ideas. You may rank your business ideas on a scale to help you to decide what is best.

**Business  
Opportunity**

**Easy to enter  
the industry**

**Level of  
risk**

**Return on investment**

**A**

**Very difficult**

**Fairly high**

**High**

**B**

**Difficult**

**Moderate**

**Moderate**

**C**

**Easy**

**Low**

**Low**

# Protect the business idea

Your ideas are your intellectual property. You deserve to get commercial benefit from them. There is a need to protect your idea from other business- men who want to copy it and make money from it. If they want to use your idea, they need to pay you some money. There are four types of common intellectual properties

# Protect the business idea

Copyright

Patent



Trademark

Trade secret



# Intellectual properties

## Copyright:

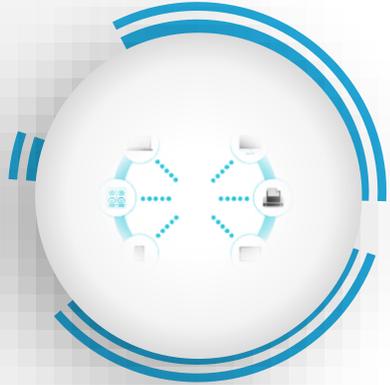
gives protection for the creative work of composers, authors/writers, artists, and filmmakers. A copyright endures during the lifetime of the creator and for many years after his or her death.

Copyright is designated by the symbol



# Intellectual properties

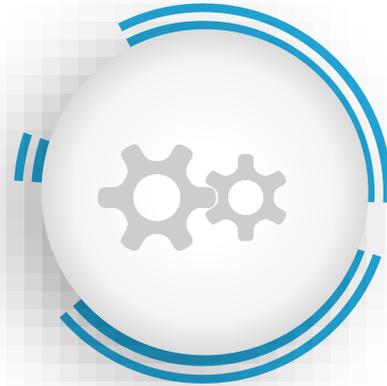
Patent: the exclusive right to use or sell an invention. There are several kinds:



patents on a  
device



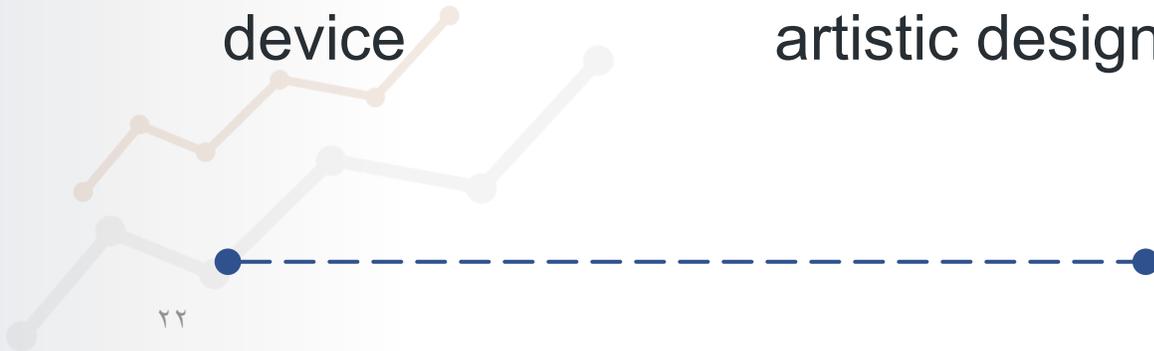
patents on an  
artistic design



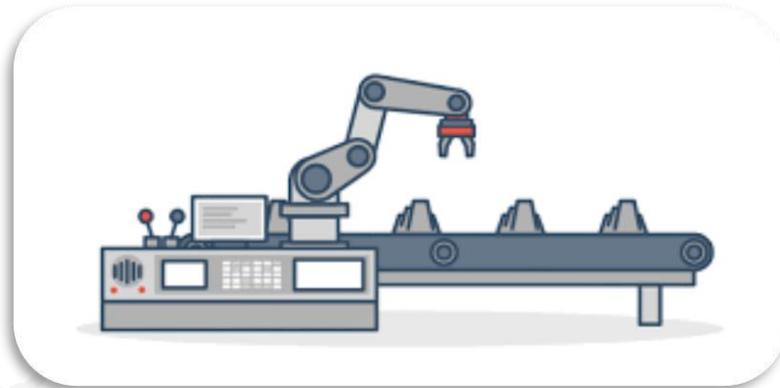
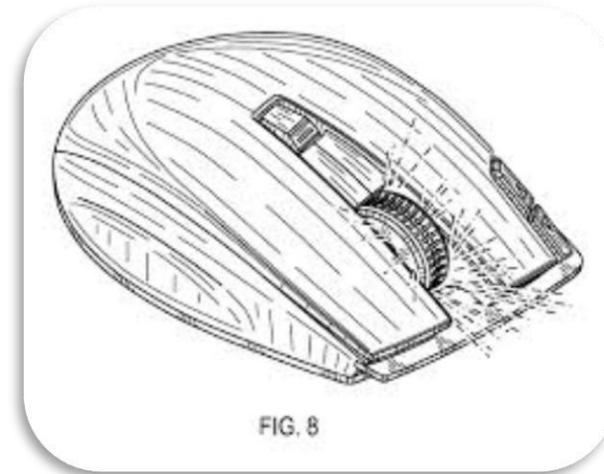
patents on a  
mechanical design



patents on a plant  
(created by a botanist)



# Intellectual properties



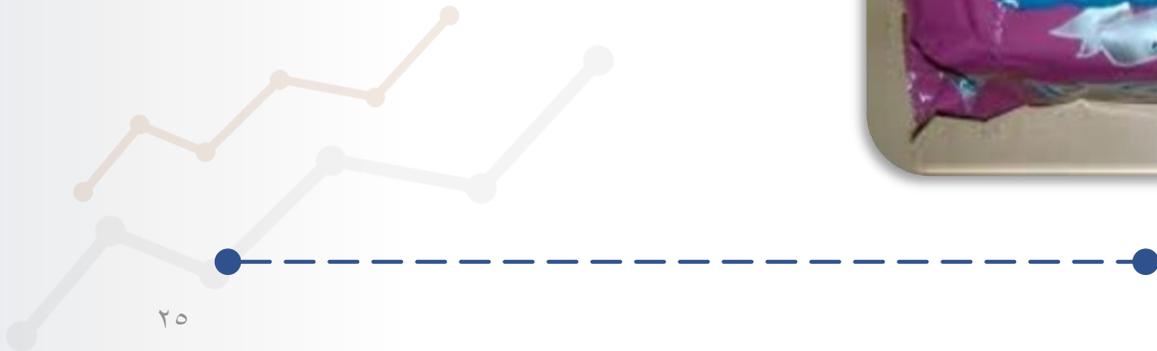
# Intellectual properties

## Trademark:

- a word or symbol used by a manufacturer or merchant to identify their goods and distinguish them from others.
- A trademark is designated by the symbol ®



# Piracy



# Intellectual properties

## Trade secret:

A secret formula, method, device, or item of information that gives an entrepreneur an advantage over competitors.



# Review Questions

How can I analyze the business opportunity from the point of view of customers?

Cite some sources of business ideas.

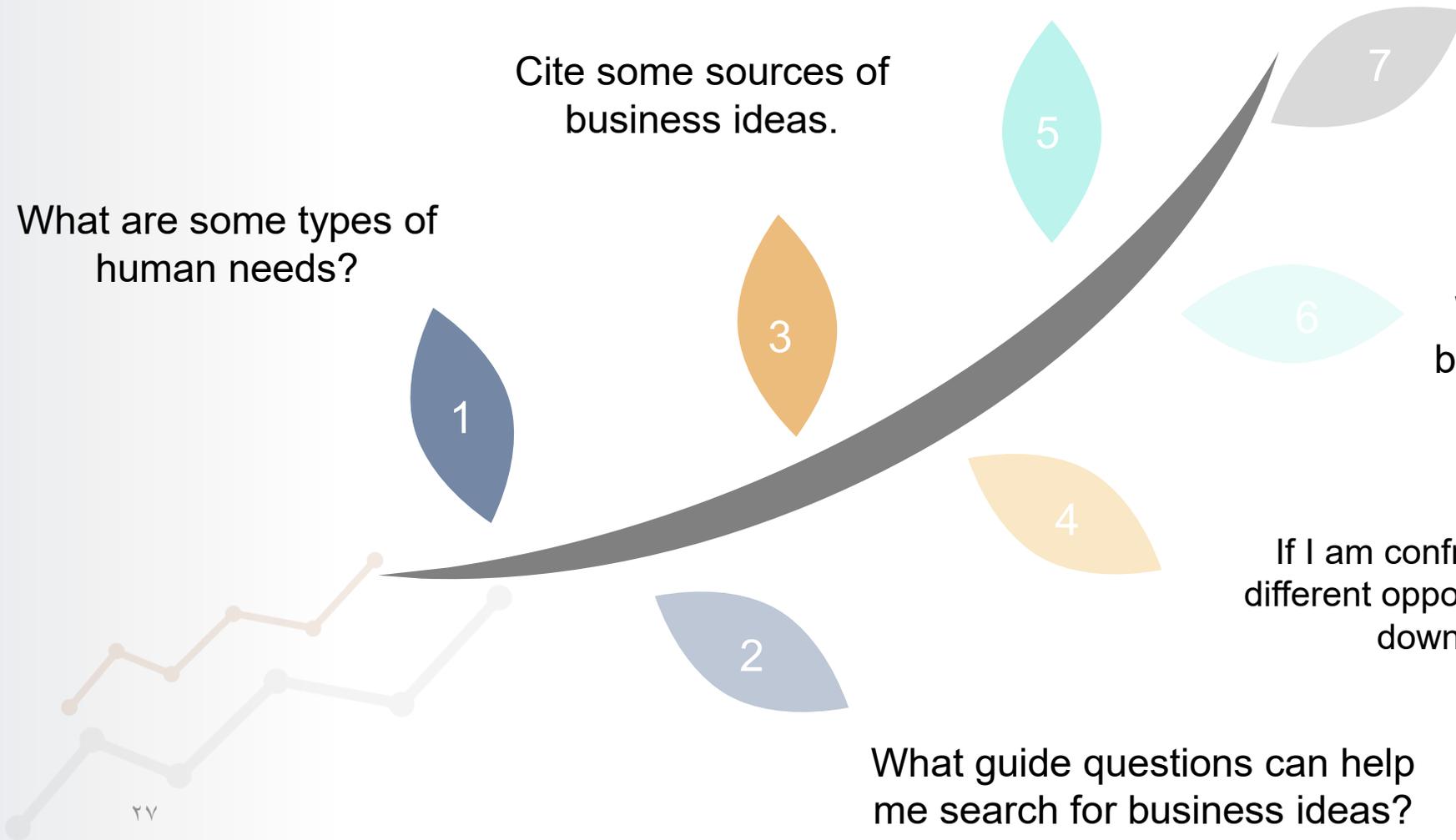
What are some types of human needs?

An existing product for an existing market?

Will the product sell (will be business get funding) if it is about:

If I am confronted with a hundred different opportunities, how can I trim down the list to ten?

What guide questions can help me search for business ideas?



# Review Questions

What guide questions should the entrepreneur ask to decide what business he wants to set up?

Why is it useful to think about the resources available to you?

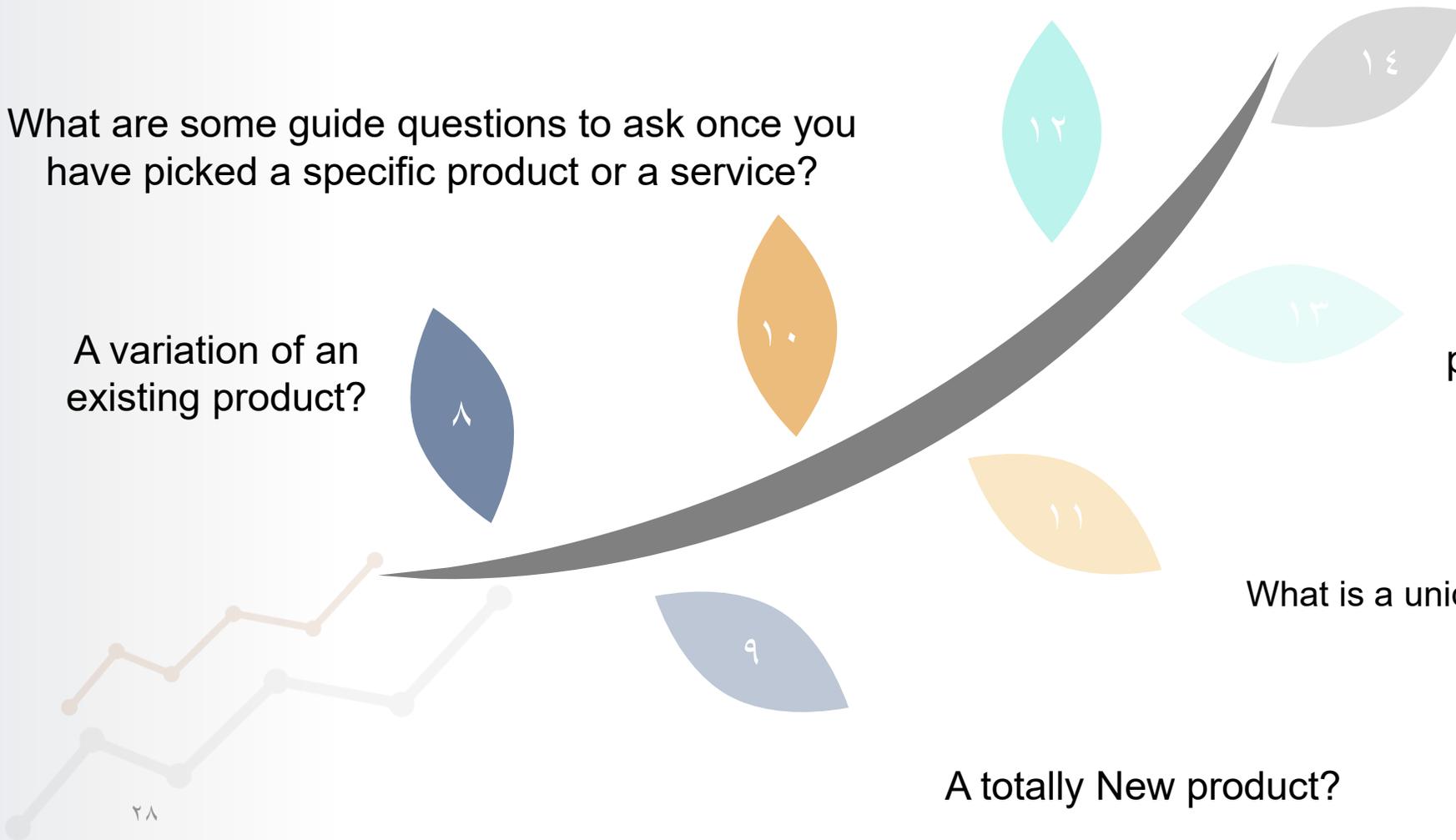
What are some guide questions to ask once you have picked a specific product or a service?

A variation of an existing product?

Who among you want a business that matches your personality? Will you adapt to the business, or will the business adapt to you?

What is a unique selling proposition?

A totally New product?



# Review Questions

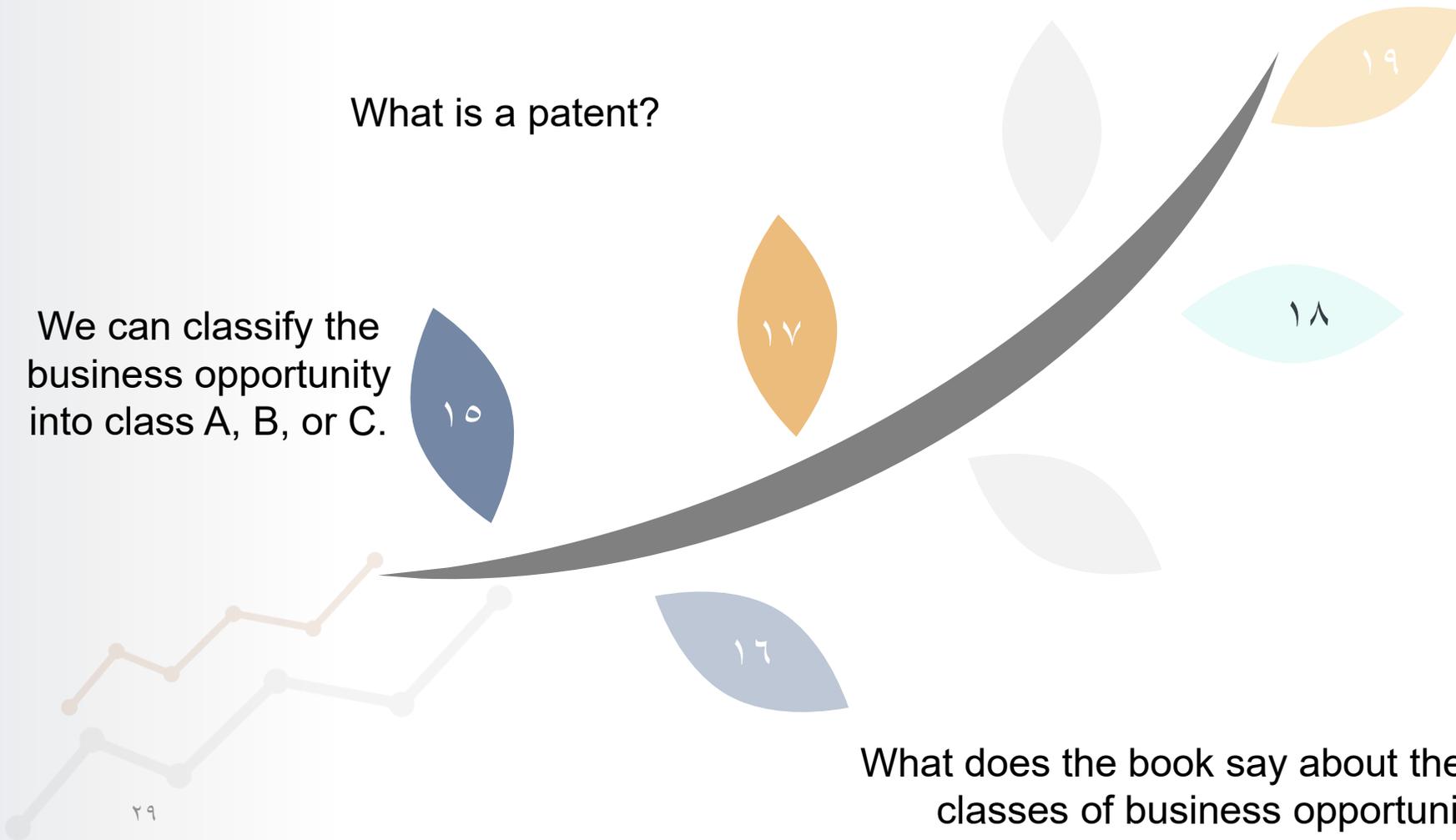
What is a patent?

We can classify the business opportunity into class A, B, or C.

What is a trademark?

What is a copyright?

What does the book say about the different classes of business opportunities?



10

17

19

18

16

# Case Study questions



Who were Larry Page and Sergey Brin?



How did they develop their business opportunity?



What observation from the academic world, inspired their business idea?



# Case Study questions



What trends did they ride on to develop their business idea?



What was Google's unique selling proposition?



What needs does Google meet?

