**OLAYENI FADHILAT BISIRODIPE**

**UBE5391BEN74448**

**ENTREPRENEURSHIP**

**ESSAY ON**

**IDEAS AND OPPORTUNITIES IN ENTREPRENEURSHIP**

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**introduction**

The first step in planning a business venture is to have an idea. A business idea is a mental picture of a direction to be taken on a specific situation in order to have a positive result. The result could be a product/service (Gana, 2001).

Basically an entrepreneur must have in mind the type of business s/he desires, before the opportunity identification or recognition stage can result into a meaningful search. (Oduyoye, Onu. 2014).

Business idea and opportunity comes from a variety of ways. Idea generation can be made possible through the vision, insight, observation, experience, education, training and exposure of an entrepreneur (Hisrich, Peters&Shepherd, 2008; Vennapoosa, 2012).

Some ideas comes through what we encounter in our daily life activities. Entrepreneurs need to think outside the box in dealing with business ideas. Ideas may be generated from problem or frustration that we combat in our daily activities whether at home, garden, salon, office and a host of other places.

Entrepreneurs must be able to fathom the differences between idea and opportunity, this will make them comprehend when to hit such idea into the market for business as soon as opportunity arrives. Entrepreneurs should understand the types of ideas and how to generate ideas as well as opportunities and how to recognize such.

This essay enumerate the steps to take as an entrepreneur in dealing with ideas and opportunities in order to make the right choices in business venturing.

**The differences between opportunity and idea**

Ideas are creative lifeblood of a business. People that generates lots of ideas are good at solving problems. However, an idea is not an opportunity. Idea can be described as an inspiration while opportunity as perspiration. Specifically, entrepreneurs do not put funds into an idea but opportunity.

Entrepreneurs aspiring for a new idea must go through experiences, new destinations, new sensations. Those are the things that inspire new ideas. You cannot brainstorm new, unless you experience new. (Patel, 2014).

An opportunity is a beneficial set of situations that generate a need for a new product /service. An entrepreneur recognizes a problem or an opportunity gap and creates a business to address the problem or fill the identified gap. (Barringer, Ireland, 2016).

Opportunities are tough to spot. It is relatively difficult to identify a product/service that is different from the one already in the market. (Barrringer, Ireland, 2016). Meanwhile, some entrepreneurs are misled by their thoughts of likeness of a certain product, which they improve to their satisfaction as a better version of the goods available. Tactically, this should not be the case. Identification of products or services that are viable is the key or source of opportunity recognition.

An opportunity has four essential qualities, which are:

1. Attractive
2. Timely
3. Durable and
4. Anchored in a product/service that add value for its buyers and end users.

For an entrepreneur to put fund on an idea, its window of opportunity must be opened. The term, ”window of opportunity” is a metaphor that describes the period of time in which a firm can realistically enter a new market. Once the market for a new product is established, its window of opportunity opens.

Importantly, there is need to understand that there is difference between an idea and opportunity. An idea is a thought, an impression, or a notion. An idea may or may not meet the criteria of an opportunity. (Barrringer, Ireland, 2016). Many entrepreneurs fails because they only work and develop the ideas for business without knowing fully that such idea must be matched with an opportunity Therefore, before getting excited about a business idea, it is crucial to understand whether the idea fills a need and meets with the criteria for an opportunity.

**Types of Start-Ups ideas**

1. ***New Market Ideas***

Many startups are concerned with providing customers with a product /service that does not exist in a particular market or area but does exist somewhere else. There’s ample evidence that some of the biggest businesses are built by taking existing ideas and applying them in a new context, says Randell Rothenberg, an author and former director of Intellectual Capital. In other words, this type of idea may have the greatest potential, as a result of this, taking this angle on new venture idea should be given careful consideration. (Longnecker et al, 2016).

1. ***New Technology Ideas***

This may involve new or relatively new knowledge breakthroughs. This type of idea may be high risk and may also offer margin success. Entrepreneurs must pay total and close attention to the basic of a well-informed ideas, which must be unique and better than the one available in this type of venture. The idea must be feasible to implement, it must be viable as well. It must be a technology that people are willing to accept, therefore, in embracing new technology idea, the entrepreneur must be focused on market need and gather a very deep knowledge, skills, resources and all the connections necessary to generate sufficient sales. (Longnecker et al, 2016).

1. ***New Benefits Idea***

This type of business idea renders benefits to customers from new or improved product/service in a better way/method, quite different from the product/service on ground. Example is Nicky Bronner who founded Unreal Brands Inc., in 2012 to satisfy his sweet tooth without wrecking his health. He set out to “unjunk” snacks by creating and selling his own version of M&Ms, Snickers and other popular candies that are delicious but made of from far more wholesome and nutritious ingredients. (Longnecker et al, 2016).

**Common sources of business ideas**

According to the study made by National Federation of Independent Business (NFIB), found out that sources of ideas for small business start-ups are 45% of prior work experience,16% of personal interest and hobbies while 11% accounted for chance happenings and a host of others like family business represents the rests. Therefore, work experience, hobbies and personal interests, accidental or chance discovery are three common sources of start-ups ideas. (Longnecker et al, 2016).

***Work Experience***

This is one of the sources of start-ups ideas. Having a prior knowledge or skills relating to one’s company helps in achieving such business aims and boost the business to a successful outcome.

***Hobbies/Personal interests***

This is an important aspect that an entrepreneur must possess in starting up a venture. Personal interest serves as a trait to keep you going when faced with daunting tasks in the process of building up your business. Many people have turned their hobbies to a significant profit potential. When you have hobby and you develop enthusiasm into it, it pave way to the development and success of business.

***Accidental Discovery***

As it name implies, this source of start-ups ideas comes up as an accident. This happens when you bump into a business idea that are really needed in a particular place and period. Accidental discovery occurs even when you are not intentionally working towards it. (Longnecker et al, 2016).

**Other sources of business ideas**

Other sources of new business ideas are **changing environmental trends**, which can be divided into *economic trends*, social trends, technological advances, political action *and regulatory changes*. **Unsolved problems**, and **Gaps in the marketplace**. Specifically, all these trends are interrelated and should be considered synchronously when brainstorming business ideas. (Barrringer, Ireland, 2016).

***Economic trends***

An entrepreneur must understand economic trends to ascertain areas that are suitable for new business ideas and which are to avoid. Economic trends helps in recognizing when the economy is strong and otherwise. For instance, if there is increase of ladies/women in the workforce there will be tendency that they will involve in purchasing office wears/shoes/bags, therefore, an entrepreneur must be able to study the trend carefully as to meet the opportunity. Another example is when baby boomers reach their retirement age, a sizeable portion of their spending will be redirected to areas that facilitate their retirement. Baby boomers have greater disposable income to spend in many areas such as healthcare, travel, housing, recreation and many more, which would invariably spawn new businesses in many areas. As a result of this, an entrepreneur must be able to have knowledge of which trend is a business idea that can eventually be turned to a business opportunity. (Barrringer, Ireland, 2016).

***Social trends***

Understanding the social way of life o people will make way for new business ideas and opportunities. Such way of life includes what products/services are viable to people and which the society consumes. For example, nowadays, people are too busy with their job/ profession that they hardly have time to cook at home, the reason for increasing or upsurge of fast foods and restaurants at almost every corner of the environment. It is a social trends that can bring a business idea and business opportunity for entrepreneurs.

There are also changes in social trends, which affect the way people set their priorities. Such changes affect how products/services are built and sold. Examples of social trends may include:

* Aging of the population
* Growth in the use of mobile devices
* The increasing diversification on the workforce
* Increasing interest in healthy foods and green products
* The rise of personal and home entertainment
* Emphasis on alternative forms of energy
* Increasing need for devices that enhance the security of individuals, buildings, public gatherings, transportation system s, etc.
* Continual migration of people from small towns to cities
* Desire for personalization, which creates a need for products/services that entrepreneurs can remake to their tastes or needs.

Each of these trends provides the force for new business ideas and business opportunities may engulfed from such ideas. (Barrringer, Ireland, 2016).

***Technological advances***

This provides an ongoing source for new business ideas. It enables entrepreneurs to see how technology can be used and harnessed to help satisfy changing human needs. This also gives room to help people perform everyday tasks in a better and more comfortable way. Technological advances often enhances ideas and chances for entrepreneurs to create accessories and apps for example, for smartphones and Android users, knowing fully well that the average smartphone user’s will spend about $55 on accessories per device. Apps industry are not left behind in giving value for each dollar spent on downloading apps by users to derive satisfaction from such apps. (Barrringer, Ireland, 2016).

***Political action and regulatory changes***

This provides the basic of new business ideas. For instance, new laws often spur start-ups which are launched to take advantage of the consequences of the laws. Changes in government regulations motivates entrepreneurs to have business ideas, which will exceed the government regulations. (Barrringer, Ireland, 2016).

Political change also engender new business ideas and products opportunities. For instance, worldwide political instability and the threats of terrorism have ensued individuals, businesses, communities in becoming more security conscious. Specifically, each of these sets of people needs unique security products and services to ensure their safety, which will directly make business opportunities for entrepreneurs. (Barrringer, Ireland, 2016).

***Unsolved problems***

Unsolved problems is another approach to new business ideas. Problems are being experienced by people through their jobs, hobbies, and everyday activities. Business ideas are numerous if only entrepreneurs look closely to unsolved problems. Every problems is a brilliantly opportunity in disguised.-John Gardner. Entrepreneurs must be conversant and consistent in observing unsolved problems, which can turn out to be a business idea that can also be the best business opportunity ever.

Take my home country for instance, there is a particular food that requires pestle and mortar to prepare, which are the same time stressful. Thanks to the entrepreneurs who made the pounding machine available, no need for sweating so much while pounding using pestle and mortar. There are lots of unsolved problems within us if only we look closely. (Barrringer, Ireland, 2016).

***Gaps in the marketplace***

Gaps in the marketplace enhance entrepreneurs to bring in products and services to the areas that are being needed. Gaps in the marketplace are commonly recognized when people become frustrated because they can’t find a product/service that they needed. These gaps can be of any sector, namely, healthcare, fashion, entertainment, education, industry, etcetera.

Gaps in the marketplace can also exist when a geographic area need a particular service but doesn’t have a large enough population to justify a traditional store or service provider or the store provider does not open at night or on weekends. Another approach to filling gaps is to look at existing businesses and determine if a different version of such business is needed as a result of changing environmental trends. (Barrringer, Ireland, 2016).

Other ideas may be for someone listening to customers, staying in tune with industry changes, consulting websites like Trendhunters.com and JWIntelligence.com helps spot emerging development and meaningful patterns.

**Uses of Innovative Thinking to Generate Business Idea**

***Borrow Heavily from Existing Product /Service Ideas/Other Industry***

“Good artists borrow; great artists steal”, says Pablo Picasso. There’s nothing bad in accelerating the growth of an existing business, as a matter of fact, this method of generating ideas is a powerful starting place for innovation. For instance, Steve Jobs identified technology that was developed by Xerox, which were not in use to develop Microsoft. (Longnecker et al, 2016).

***Combine Two Businesses to Create a Market Opening***

This is by putting two businesses together to form one, which often leads to unique products /services that customers cannot get anywhere. Examples are theaters / cinemas that combine dinner and a movie. Bookstores that add a coffee shop. This is also a strategy known as diversification.

***Begin With a Problem in Mind***

High potential business ideas often address problems that people have or a pain that a new business idea could relieve. By thinking about a community problem and proffer solution to it, will make a great impact to the society because people will be willing to get the solution to their problem.

The Uber-entrepreneur and founder of the Virgin Group Empire, Richard Branson, stated that all start-ups should be thinking, what frustrated me, and how can I make it better? It might be a small thing or a big thing, but that is the best way for entrepreneurs to think. They are likely to build a very successful business by doing so.

For instance, the emerge of rechargeable handheld fan in my country, Nigeria and some parts of Africa, is widely acceptable by the society due to the hot weather and epileptic power supply. Therefore, once a product can solve people’s problem, it will be widely acceptable by the society. (Longnecker et al, 2016).

***Recognize a Hot Trend and Ride the Wave***

This is by watching and recognizing the markets environment /industry trends. Such trends brings changes into the society that people would be willing to buy.

***Explore Ways to improve the function of an Existing product /service***

This is the case of suitcases. Nowadays, suitcases comes with wheels so there’s no need of lifting heavy suitcases but rather drag them with their wheels. This innovation was perfected by Robert Plath, who created Rollaboard design in 1987. Luggage without wheels are still functional but adding this feature opened the door to new sales and a new venture for the satisfaction of the users. (Longnecker et al, 2016).

Other innovative thinking in generating ideas are: modifying products/services to meet customers’ needs in a different way, keeping an eye on new technology and many more.

**Techniques of Generating Business ideas**

***Brainstorming***

Brainstorming is the common way of generating new business ideas. It is simply the process of bringing up several ideas about a specific topic. It includes a group of people jotting down ideas and thoughts to a business ideas. Sharing of ideas in a lively session, ideas generating through brainstorming session needs to be filtered and analyzed. (Barrringer, Ireland, 2016).

**Focus Group**

A focus group is a meeting of 5 to 10 people that are being selected to discuss a familiar issue, which may be used to get a new business idea. Focus group brought together a group of people that can respond to questions and shed light on the topic of reference through give-and-take nature of a group discussion. Focus group is best used as follow-up to brainstorming techniques of generating business ideas. (Barrringer, Ireland, 2016).

***Library***

Libraries are often an underutilized source of information for generating business ideas. The best approach to utilize a library is to discuss your area of interest with a reference librarian who can pinpoint useful resources such as industry specific magazines, trade journals among other research books that can spark up new and more business ideas.

Large public libraries are also being used to generate business ideas with the use of powerful search engines and databases. IBISworld ([www.Ibis.com](http://www.Ibis.com)) is an example of a company that publishes market research on all major industries and subcategories within industries. (Barrringer, Ireland, 2016).

**Start with family**

Tapping family for a great business idea may seems like an obvious technique of getting idea. Many a few entrepreneur are successor of family business idea. Example is Donald Trump who learn real estate from his dad. (Weinstein, 2004).

***Get a little help from friends***

Discussing and rubbing minds with friends can bring out the best business idea that may excel. It may help in determining the idea that worth going for. For instance, Steve Jobs got the business idea from his close friend who was a computer genius. Steve Job saw the marketing potential for developing a new type of apple computers and phones. The important lesson here is to keep eyes open at all times to be able to discover good ideas when stumble on them. Recognizing someone else idea and developing such idea may be a great business of all. (Weinstein, 2004).

***Look at all things that annoys you***

Most often, the things that gave us problem could be a business idea to pursue. We come across lots of problems in dealing with our everyday life. Such problems or discomforts might be from a product we are using or unsatisfactory services rendered by an entrepreneur. (Weinstein, 2004). For instance, King C. Gillette was fed up with the tedious process of sharpening his straight edge razor, with such dissatisfaction, he had the idea and he founded the massive disposable razor industry.

***Tap for interest***

Doing what we have enthusiasm for often lead to a good business idea. An artist who draws and paint images will definitely sell those beautiful and amazing portraits to people who adore his work of arts. Furthermore, a bag designer will not stop creating different designs in order to satisfy ladies/women taste to match such bags to their outfits.

***Travel***

Traveling opens one’s eyes to a plethora of potential business ideas. (Weinstein, 2004). For example, Leopoldo Fernandez Pujals discovered Domino’s Pizza on a trip to the United States of America from his native land, Spain. He was so impressed with the fast food operation that he went back to Spain to launch his own version called Telepizza in 1986.

***Internet Research***

This is also a vital source of generating new business ideas. This may trigger an idea or concept we never thought of. The use of Google, Twitter, Bing are available on the internet to assist entrepreneurs in search of new business ideas. (Barrringer, Ireland, 2016).

**Feasibility Study**

A feasibility study can be defined as a restrained procedure for identifying problems and opportunities, determining objectives, descriptions of situations, defining successful outcomes, and assessing the range of costs and benefits associated with several alternatives for solving a problem. (Allan, 2005).

A feasibility study is done to determine whether a proposed business has a high enough probability to success. It is carried out first in order to know if the business will be viable before venturing into it. It is also done to determine if there will be a return on investment (ROI). (Utibe, 2019).

It is estimated that only one in fifty business ideas are actually commercially viable. As a result of this, a business feasibility study is an effective way to safeguard against wastages of further investment or resources (Goftan,1997; Brickerdyke et al. 2000). Therefore, if a business idea is seen to be feasible from the result of the study, the next logical step is to proceed with the business plan.

For a feasibility study to be valid, it should have taken into account all of the factors that could influence the outcome of a project. Some of the components or elements are as follows:

***Description of the business***

This is a layout. It describes the business and it offers in terms of products and services. It also describes how the business will make its products and services available.

***Market feasibility***

This describes industry, the current market, anticipated future market potential, competition and potential buyers.

***Technical Feasibility***

Details how your products and services will be delivered, including issues of materials, labour, transportation, location of the business and the technology needed.

***Financial feasibility***

This projects how much fund will be needed as start-up. The capital you will need and examines potential sources of capital and Return on Investment.

***Organizational Feasibility***

This is the part of the study that concerns itself with legal and corporate structure of the new business idea. It includes a lot of information about the people behind the project, including their backgrounds and the skill sets they possess to bring the project to life.

Feasibility study contain comprehensive detailed information about your business structure, products, services and the market. They also examine the logistics of how you will deliver a product or service and the resources you need to make the business run efficiently.

**Entrepreneurial opportunities**

The concept of an entrepreneurial opportunity is central for the study and theory of entrepreneurship. Entrepreneurs are individuals who pursue entrepreneurial opportunities. (Autio, 2015). Without entrepreneurial opportunities therefore, there will be no entrepreneurship, ideally speaking.

Entrepreneurial opportunities are usually defined as situation where products/services can be sold at a price higher than the cost of their production. (Autio, 2015).

**Recognizing Good Business Opportunities**

Getting involved in a bad business opportunity can be incredibly costly and discouraging, but the truth is, it happens all the time. It is incredibly tough to find good business opportunities, even successful entrepreneurs made it known that getting it right takes time and consistency. (Rampton, 2014).

The best way to find a good business opportunities is to explore, read journals and of course, autobiography and biography of successful business men and women. It is good to know that business success is not guaranteed but it is good to begin. (Rampton, 2014).

To find a good business opportunities would be meaningless if you can’t recognize it. Recognizing good business opportunities involves talents and smart mind. There are many types of business opportunities varying from franchise ownership, distributorship/dealership, licensing among others.

***Viability of a good business opportunity***

* The product/service must meet a need.
* The Business opportunity must work in your location
* You must have the availability of resources needed to execute the business to succeed.
* Being able to provide product/service at the right price.
* Timing: Poor timing can prevent a product/service from constituting a valuable investment opportunity, even when the concept is good (Enikanseli ,2008;Hisrich, Peter & Shepherd, 2008; Bakare, Onu, Adefulu, Akpa, 2009; Kao&Liang,2001l).

**CONCLUSION**

Ideas and opportunities are essential in setting up a business. Without idea, there would not be opportunity, likewise, without opportunity there will be no business. A business idea must be viable to meet the business opportunity. Entrepreneurs should endeavor to know the difference between idea and opportunity before embarking on any business. Many ideas are not viable, the reason the feasibility study of idea should be carried out. Not all ideas are opportunities; entrepreneurs should take note of that.

In the above essay, entrepreneurs needs to understand the types of ideas, sources of business ideas, the techniques of sourcing for more business ideas and the feasibility analysis of any chosen idea. Opportunity must also be recognized in order to make a successful business. Descriptively, an idea is like a foundation while the pillars and building are the business. As a result of this, entrepreneurs need to seek for a feasible idea and strike for the golden opportunity so as to have a very successful business.

Furthermore, there are countless opportunities in ownership of a business, which entrepreneurs may choose from, which varies from auto-dealership, franchise ownership and or starting your own preferred business.

Above all, the most important thing entrepreneurs need to comprehend is the issue of funds. It is vital in deciding on which kind of business opportunity to venture into. Idea must meet opportunity and opportunity must be viable so as to have a successful new business.

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