

International Entrepreneurship Educator's Programme

Entrepreneurial Learning - Pedagogical Note Series

36. Exercises in Finding Ideas for Business

1. What are exercises in Finding Business Ideas?

The aim is to present participants with exercises focused upon identifying ways into business. They are presented with a select range of opportunities for finding ideas. Some of these were discussed in Pedagogical Note 28 on Opportunity Identification.

2. How are exercises constructed?

A range of up to 32 'Ways into Business' can be introduced (see Annex below). Each of these can be discussed with participants. They can be asked to add to the list of examples and then to discuss ways of approaching the opportunity based upon the general content outlined in the Annex and their own experience..

Students may then be broken into groups and given a selection of 'ideas', asked to select one or more and then given a project to identify, evaluate and present the findings to the class as below.

- Group 1
- a) import replacement possibilities!
 - b) substitute materials components in an existing product or service where there are problems
- Group 2
- a) add value to an existing product/service
 - b) use under-utilised people
- Group 3
- a) meeting an unmet need
 - b) meeting a market shortage

Other groups can be given further assignments from the list in the Annex.

Students report back and present the results of their assignment to the whole class. There may then a vote on the most convincing presentation of an opportunity and how they researched it. There can also be an accompanying discussion of how the particular opportunity was chosen.

3. Relevance to Entrepreneurial Learning

The exercise is essentially one of, brainstorming on the basis of existing knowledge, action learning with the use of frameworks and analysis and presentation.

4. Outcomes

That participants know clearly a large numbers of entry points into business and have explored many of these. That they are also motivated to follow up on this.

ANNEX

GATEWAYS INTO BUSINESS

There are 32 'Ways into Business' listed below, each with examples and guides as to what actions may be taken to pursue the opportunity. The way in which these 'Ways' can be used for learning have been set out above.

1. **MANUFACTURING UNDER LICENSE**
2. **FRANCHISING YOUR BUSINESS**
3. **REBUILDING OR REMANUFACTURING PRODUCTS**
4. **ASSEMBLING A PRODUCT**
5. **IMPORT REPLACEMENT**
6. **BECOMING A SUPPLIER TO ANOTHER PRODUCER**
7. **GAINING A SMALL PERCENTAGE OF A LARGE MARKET**
8. **CATERING TO LEFT BEHIND MARKETS**
9. **SUBSTITUTING MATERIALS IN EXISTING PRODUCTS**
10. **ADDING VALUE TO EXISTING PRODUCTS**
11. **DRAWING UPON THE RESOURCES OF UNDER-USED PEOPLE**
12. **COMBINING TWO OR MORE ASSETS INTO A NEW ONE**
13. **TAKING ADVANTAGE OF A MARKET SWITCH**
14. **PACKAGING**
15. **TAKING ADVANTAGE OF A FASHION OPPORTUNITY**
16. **CAPITALIZING ON A GROWTH TREND**
17. **SECOND-TRY SITUATIONS**
18. **IMITATING SUCCESSFUL PRODUCTS OR BUSINESS IDEAS**
19. **IMPROVING AN EXISTING PRODUCT OR SERVICE**
20. **IDENTIFYING MARKET GAPS OR SHORTAGES AND FILLING THEM**
21. **INVENTING A NEW PRODUCT**
22. **TRANSFERRING CONCEPTS FROM ONE INDUSTRY TO ANOTHER**
23. **MARKETING SOMEONE ELSE'S PRODUCT**
24. **LOCATING A PATENT OPPORTUNITY**
25. **BECOMING A DISTRIBUTOR FOR SOMEONE'S PRODUCT OR SERVICE**
26. **BECOMING AN AGENT FOR SOMEONE'S PRODUCT OR SERVICE**
27. **EXPORT DISTRIBUTION**
28. **BECOMING AN IMPORT DISTRIBUTOR OR AGENT FOR PRODUCTS AND SERVICES MADE OUTSIDE THE UK**
29. **IDENTIFYING UNIQUE CLIENT GROUPS AND TAILORING PRODUCTS FOR THEM**
30. **TAKING LOCAL EXISTING PRODUCTS TO NEW MARKETS**
31. **PLANNING AND PROMOTING EVENTS**
32. **DISCOUNT SELLING**

1. MANUFACTURING UNDER LICENSE

Defined as?

Purchasing the rights to manufacture and/or sell a product* Alternatively, selling the rights for someone in another are to manufacture a product you own the rights to.

*The license can give you exclusive rights for a geographic area and/or a specific market.

What Are Some Examples?

1. The 'Workhorse' for woodworkers was invented by a North American and the license to manufacture it was sold to Black & Decker.
2. Publish books is a form of manufacturing under license. Authors create books, sell the rights for their materials to publishers, and receive royalties.
3. One young European entrepreneur contacted a United States manufacturer of toy soldiers and obtained the rights to manufacture the toys in Europe.

How Would I Do It?

1. Decide what type of manufacturing you would like to do.
2. Locate a product to manufacture by:
 - (a) Advertising for inventors to submit ideas
 - (b) Reading publications related to new products in your field
 - (c) Looking for products manufactured in other countries
 - (d) Approaching companies which may have rights to products they do not want to manufacture at the present time
 - (e) Attending trade shows
 - (f) Contacting venture capital organizations
 - (g) Contacting a local Innovation Office
 - (h) Reading the business opportunities sections in newspapers and trade magazines.
3. If you want to sell manufacturing rights to a product or service, locate a manufacturer by:
 - (a) Contacting manufacturing associations in the UK and other countries
 - (b) Contacting the local Innovation Office of Business Links
 - (c) Advertising in the business opportunities sections of newspapers
 - (d) Identifying manufacturers of similar products or products which would go well together in a package with your item
 - (e) Contacting manufacturers' agents
 - (f) Displaying your products at trade shows
 - (g) Contacting venture capital organizations

Key Questions for Brainstorming:

For what product or service could we purchase the manufacturing rights?

For what product or service could we sell the manufacturing rights.

2. FRANCHISING YOUR BUSINESS

Defined as?

Selling the rights and support systems for another person to operate a business patterned after your concept or business, in another location. The contract usually provides for ongoing income from royalties and/or sales of suppliers. It might also provide for shared costs for advertising.

What Are Some Examples?

1. Pizzaland
2. Prontoprint - based originally on the quick print concept in the US but tried and tested in the North East of England before national and international dissemination
3. Poppies – a successful domestic cleaning service – tested in the North East of England and subsequently expanded

How Would I Do It?

1. Establish a successful business or concept for a business that is easily duplicated.
2. Buy a book and get professional advice related to selling franchises.
3. Decide where you wish to grant franchises.
4. Advertise through newspapers, trade associates, magazines, franchise shows, chambers of commerce and other sources.

Key Questions for Brainstorming:

How could we develop a business concept that can be franchised?

3. REBUILDING OR REMANUFACTURING PRODUCTS

Defined as?

Taking a product that has come to the end of its useful condition and rebuilding it to a newer condition, or remanufacturing it into another product.

What Are Some Examples?

1. A company takes alternators and starters from wrecked cars, rebuilds them and sells them as recondition parts.
2. A handyman takes household appliances, reconditions them and resells them.
3. A company takes motors out of wrecked cars and remanufactures them into inboard marine motors.

How Would I Do It?

1. Identify a product which has the following qualities:
 - (a) It wears out with use over time
 - (b) It can be rebuilt by adding new parts or reconditioning the old parts to original standards
 - (c) The original product is expensive enough to warrant a rebuild.
2. Identify a product which has component parts which can be used as the basis for some other product and which has the following qualities:
 - (a) The product wears out with use over time
 - (b) The original product does not warrant rebuilding to its new condition for reasons such as obsolescence
 - (c) The parts are cheaper to obtain from the used product, than they are to obtain as a new item.
3. Identify an economical and reliable way to obtain the used parts.
4. Identify a procedure to disassemble, rebuild and reassemble the components.
5. Identify a market for the reconditioned or newly created products.

Key Question for Brainstorming:

What product could we buy in a used condition and remake into a new condition or use the components to make another product?

4. ASSEMBLING A PRODUCT

Defined as?

Purchasing all parts for a product and assembling them to produce the finished product, or providing an assembly service for parts purchased by others.

What Are Some Examples?

1. A mechanic offers an assembly service for customers who purchase car kits.
2. A company formed by a recreation student brings in playground equipment kits, consisting of pipes in various shapes and assembles large playground structures.

How Would I Do It?

1. Look for products which are made of several parts, where one or more the following conditions apply:
 - (a) The assembly process is expensive for individuals to do and costs can be reduced by using a central assembly service.
 - (b) The product is assembled from parts manufactured in various locations. Your location is conveniently located as a collection point for assembly of these parts.
 - (c) The product needs to be assembled into a single form before being shipped from you area to another.
 - (d) The assembled product is too expensive to ship into your area as a completed unit, but it is less expensive to ship the unassembled parts.
 - (e) The product is sold in parts to consumers, but the average person cannot, or is not willing to assemble it.
 - (f) The product is a bulky item which is awkward to ship, but the separate parts are easier to transport.
2. Analyze various products and assembly operations to find situations where you can save yourself or someone else time, effort or costs by setting up your own assembly unit.

Key Question for Brainstorming:

What products could we assemble which would save someone time, effort or money.

5. IMPORT REPLACEMENT

Defined as?

Identifying a product or service which is imported and then replacing the imported item by producing a similar product locally.

What Are Some Examples?

1. A Line of farming irrigation equipment was imported from Europe. A UK company began making similar equipment as a import replacement in the local market.
2. Domestic dehumidifier equipment was imported into the UK. A local company in the North East decided to make its own version and built a substantial business

How Would I Do It?

1. Identify a product or service which is imported into Canada and which you could produce locally. These can be identified by:
 - (a) Examining import publications and importers' catalogues.
 - (b) Contacting purchasing agents to identify goods which are purchased by local industries.
 - (c) Examining products which are all around you to determine where they are made.
 - (d) Reading statistical reports of imported goods and scouring buying sources of local large companies.
2. Identify an area of your expertise and then analyze imported products related to that area to find those which you could reproduce locally.
3. Identify imported products in your markets that are too expensive because of shipping costs or tariffs. Replace them with lower cost goods of similar nature.

Key Question for Brainstorming:

What imported products could we replace by producing locally.

6. BECOMING A SUPPLIER TO ANOTHER PRODUCER

Defined as?

Produce a product or service which is needed by someone else to create a larger product or service. The opportunity might be to supply a specialized part or a large volume of simple parts. In some case, becoming a second supplier of parts is an opportunity, where the larger producer does not want to rely on a single source of supply for critical parts.

What Are Some Examples?

1. A local company supplies brake harnesses to truck manufacturing plants.
2. Second suppliers of specialized integrated circuit chips are needed by computer manufacturers to avoid supply shortages when single suppliers have production problems or labour troubles.
3. A woman provides an editing and proof-reading service which helps consultants in various industries complete their project reports in a professional manner.

How Would I Do It?

1. Ask your current employer for rights to supply a component of the manufacturing process being used.
2. Ask purchasing agents in manufacturing companies for information about their needs for suppliers, trying to identify supplies which are difficult to obtain, too expensive, or at risk from single supply sources.
3. Look for request-for-supply notices in newspapers and trade journals.
4. Read trade journals to identify problems in supply for particular industries.
5. Have your name added to mailing lists of public purchasing agencies which are required to advertise publicly for tenders on supplies.
6. Read publications which explain how to sell products and services to specialized organizations such as the military or governments
 - (a) Read government publications which list opportunities for suppliers of goods and services.
7. Identify a product or service you can offer and analyze the range of producing organizations which could use it as part of their process.

Key Question for Brainstorming:

What products or services could we supply for use by other producers?

7. GAINING A SMALL PERCENTAGE OF A LARGE MARKET

Defined as?

Taking a high volume market and attempting to serve a small piece of it. The market should be large enough so that a small portion of it will be profitable.

What Are Some Examples?

1. The fast food business is a large and growing market. A woman opened a small fish restaurant in a suburban area and succeeded despite major fast-food chains operating in the area.
2. A small brewery opened with the intention of serving only a small percentage of the market and was successful and not a major threat to major breweries.
3. Several local software companies have recognized the profits available from serving only a small portion of the computer market. They focus on limited segments of the market with specialized products.

How Would I Do It?

1. Identify the large volume markets in the region and nationally by examining economic reports, trade association figures and marketing studies.
2. Select a market to work in and devise a way to compete effectively by seeking advantages such as location, type of facilities, personal reputation, level of service, selection of goods, price, business concept, advertising or similar factors. Note that it is difficult to gain even a small share in some highly competitive markets where larger organizations are battling for each single percentage point.

Key Question for Brainstorming:

What product or service could we offer to gain a small percentage of a large volume market?

8. CATERING TO LEFT-BEHIND MARKETS

Defined as?

Catering to markets which have been left behind by companies for the following reasons:

1. Companies are competing on the leading edge of a technology and have decided not to service markets based on older technologies.
2. Companies have become so large that they cannot or do not wish to handle small-lot orders.
3. Companies are expanding into different markets so quickly that they are unable to service all of them properly.

What Are Some Examples?

1. Heavy puddings in restaurants were going out of fashion for health and other reasons. A restaurant decided that it would recapture this market by specialising in traditional puddings.
2. Large airlines cannot afford to service small communities, leaving a market for small commuter airlines.
3. Dairy packages milk in bottles and delivers. Other dairies package milk in cardboard containers, leaving a market of people who prefer milk in bottles and door to door services along with the offer of other goods
4. Obtaining parts for antique cars, tractors, boats and other equipment is difficult for hobbyists in those areas, and left-behind markets exist for companies to replace the supply from original manufacturers.

How Would I Do It?

1. Identify areas of technology which many companies are moving into and analyze the markets left behind as a result of those moves.
2. Identify companies who have changed their products or services and find their previous customers who require a continued supply of the former type.
3. Identify products which become obsolete quickly but are still useful and have a long-life. Analyse services which are left behind by companies which continuously focus on the newest models as they arrive in the market.
4. Look for industries which have taken a new direction to appear up-to-date and analyze the opportunities created by the move away from previous ways of operating.

Key Question for Brainstorming:

Where has the market opportunity been left behind as a result of changes to keep up-to-date in technology, products or approaches to business?

9. SUBSTITUTING MATERIALS IN EXISTING PRODUCTS

Defined as?

Improving an existing product by changing the type of material it is made of. This procedure can often make the product lighter, strong, more flexible or cheaper to produce.

What Are Some Examples?

1. A company substituted plastic for metal in fishing lures. The lures are now less expensive to produce, lighter in weight and easier to keep shiny.
2. A plastics manufacturer in makes heavy duty plastic buckets for garden use. They are stronger than those previously and do not split.

How Would I Do It?

1. Examine a product and identify where it might be improved through the use of alternative materials.
2. Identify a material you have in good supply, analyze its characteristics and identify various products in which it might be used to improve their characteristics.
3. Find production processes which are hindered by use of current materials and find ways to improve the process by replacing the materials used. These might be examples where current materials are too expensive, too difficult to work with, unsafe, in short supply or are consumed in the process. They might be replaced with other materials which are cheaper, easier to work with, safer, in greater supply or can be reused in the process.

Key Question for Brainstorming:

Are there a better materials that could used to produce a given product?

10. ADDING VALUE TO EXISTING PRODUCTS

Defined as?

Taking an existing product or service and adding materials or services to create a more valuable end product. To add value, you purchase the product or service and use it as a base for additional operations you want to do before reselling it in a changed form.

The value can be added in several ways:

- (a) Putting the product through an additional process
- (b) Combining the product with other products
- (c) Offering the product as part of a larger package of services
- (d) Removing something to change the original use of the product

What Are Some Examples?

1. A student who was operating a home painting business expanded his operations by buying unfinished furniture, painting and reselling it.
2. A local businessman bought irrigation pipes, rolled them into oval shapes, screwed fittings onto them and marketed them as sailboat masts.
3. A local company buys wood lattices, puts them through an assembly machine and creates assembled sections of lattice fencing.

How Would I Do It?

1. Identify an existing product or service which you could use as a base. Then find an additional process or product that can be added to create a new product before reselling it. For example, find a product or service which needs additional elements such as packaging or distribution to be successful in the market.
2. Identify a process or service you could provide and then analyze the types of existing products or services which could be used as its base. For example, if you can provide a packaging service, look for products that would become more valuable if you added a packaging process.
3. Finding an existing product which can be changed into a different or improved product by adding or subtracting elements. Then locate the additional elements and add them to create a new product, or take some elements of the original product before reselling it.
4. Find a client group which is not served by a product or service and make changes in existing goods to meet the needs of the new client group.
5. Find a product which does not work very well, or is not well accepted by a client group, but could be improved by adding or altering its elements.
6. Read newspaper columns and innovation booklets..

Key Question for Brainstorming:

For every product or service we are aware of, how can we make it more marketable by including an additional process before reselling it?

11. DRAWING UPON THE RESOURCES OF UNDER-USED PEOPLE

Defined as?

Identifying and using the skills, talents and energy of under-used people who can provide useful services and are available for part-time or full-time work.

What Are Some Examples?

1. A local businesswoman started a word process and computer data entry service, distributing piecework to people who had computers in their homes.
2. Three unemployed tradesmen pooled their resources, bought an older rundown home and renovated it for resale.
3. An unemployed accountant and teacher designed a computer-based training package to teach accounting to high school students.

How Would I Do It?

1. Identify people with valuable talents and knowledge who are not working regularly by:
 - (a) Checking with job placement agencies
 - (b) Asking training agencies for names of graduates who are not employed
2. Identify your own employees who have specialized training in a field which is not related to their current job and see how their skills can be used to exploit opportunities.
3. Locate employees with specialized training who are on temporary leave from their jobs for reasons such as maternity, academic students or personal renewal. They can be used as short-term, part-time members of special project teams.
4. Check lists of association members to find people who are not associated with existing companies.
5. Attend meetings of unemployed people with connections to specialized occupations, such as engineers or teachers, to identify valuable skills which can be used to explore business opportunities.
6. Analyse the skills of people you know are currently out of work, or handicapped in some way, and think of services which could be offered using their individual or group talents.
7. Investigate a project to determine if it could be handled by under-used talent that is available to you.

Key Questions for Brainstorming:

Where could we find under-used people with skills that we can work with to develop a business opportunity? What kinds of business opportunities could we explore with people whose talents are currently not being used?

12. COMBINING TWO OR MORE ASSETS INTO A NEW ONE

Defined as?

Combining two different products or services to create a new offering. Ideally, the interaction of the original items creates something which is unique and more marketable than the separate items along. These items can be products, services, people, businesses or assets.

What Are Some Examples?

1. A sun tanning parlour and a beauty salon owned by the same woman were joined together in the same facility to offer an expanded range of services. Business improved for both.
2. In a Launderette and a cocktail lounge was combined so that people could have a drink and talk while waiting for their clothes.
3. Sales of cranberry juice were dramatically increased by combining it with other fruit juices to create a new range of drinks.
4. A comprehensive home maintenance and repair business was established by combining services of several tradesmen.

How Would I Do It?

1. Start with a business, idea or product that interests you and ask what could be integrated with it to create something unique, where the whole is greater than the sum of the separate parts.
2. Identify needs of various customer groups which could be served by integrating two or more existing products or services.
3. Look at various possibilities to see what will fit together. Use lists of business topics (index for the telephone yellow pages) and imagine the effects of different combinations among the topics listed.

Key Question for Brainstorming:

What items or services could be combined to create a new opportunity?

13. TAKING ADVANTAGE OF A MARKET SWITCH

Defined as?

Providing products or services for a group of consumers who have moved from one type of product to another on a long-term basis. Market switches relate to long-term changes in types of products and services used by consumers.

What Are Some Examples?

1. The switch from traditional children's bicycles to mountain bikes provided an opportunity for a bicycle shop to start a local racing club and racing track. This involvement in racing captured a large share of the local market.
2. To take advantage of the market switch from large to smaller cars one company designed and manufactured bicycle and ski racks designed for small cars.
3. Two vocational school joinery graduates noted the market switch from standard home conservatories to bespoke design and set up an advisory and manufacturing company to cater for this. equipment.

How Would I Do It?

1. Analyse major changes in consumer buying habits by:
 - (a) Reading marketing research reports.
 - (b) Investigating current fads that could turn into long-term changes.
 - (c) Observing new products which are becoming increasingly popular.
 - (d) Looking for trade association research forecasts.
 - (e) Analysing changes in the types of products you personally buy, especially where items are obsolete and are replaced by items with entirely different characteristics.
2. Find the product which is associated with a market switch by:
 - (a) Analysing the advantages of new products to find those which are greatly superior and will likely replace more traditional items.
 - (b) Looking for new technologies or new products based on concepts which are revolutionary for an industry.
3. If a major product or service has not yet been provided for changing consumer needs, fill the demand.
4. If the major product exists in the switch, decide on a related service or product that can be used in association with the major product.

Key Question for Brainstorming:

Where are there market switches happening in the consumer market and how can we take advantage of them?

14. PACKAGING

Defined as?

Taking an existing product and developing a better way of packaging it for sale. The improved package might be more attractive, more convenient to use, preserve the product better, be reusable, be degradable or other factors. Opportunities may also exist in taken free materials and packaging them as novelty items. Another aspect is breaking bulk, where supplies are bought in large quantities, sorted into smaller amounts and re-packaged for sale.

What Are Some Examples?

1. Strawberries are bought in bulk, sorted into smaller volumes and packaged in attractive boxes for resale.
2. A company buys steak and lobster tails, packages them together as steak and lobster dinner and sells them as gourmet meals in food stores.
3. A company buys salmon and packages it for passengers on airlines.

How Would I Do It?

1. Identify a product that is poorly packaged and then devise an improved package for it.
2. Find a product that is normally sold without a package and devise a package that would increase its sales.
3. Find a product that you can buy in bulk quantities and re-package into smaller amounts.
4. Identify products that consumers normally use at the same time, but by separately. Devise a package to combine them for sale as a kit.

Key Question for brainstorming:

How could we package or re-package a product so that it would sell better.

15. TAKING ADVANTAGE OF A FASHION OPPORTUNITY

Defined as?

Providing a product or service that caters to an up-to-date or prevailing style in dress or behaviour. The fashion may be something which already exists, is ready to be recycled from previous times, or does not exist as yet.

A related opportunity concerns fads, which are similar to fashions, but are more intense and of shorter duration. Because of their rapid rise and fall in popularity, fads require much quicker response in providing goods and reducing inventories.

What Are Some Examples?

1. A Doctoral student notes that there is a thriving t-shirt industry which caters to a broad fashion opportunity of t-shirts with a message and at the same time serves faddish interests through the signs and pictures pressed onto the t-shirts. This then enables him to move into bespoke clothing for sports and other local organisations.
2. Young urban professional life styles involve working long hours and playing hard backed up with affluence from two income families. There is a life- style fashion market emerging for this group involving high quality rental housing and furniture, high style clothing and quality restaurants.

How Would I Do It?

1. Choose a subject area you wish to use as a focus for your work in fads and fashions. Some examples are toys, clothes, lifestyle, recreation or business.
2. Identify current fashions by analyzing magazine advertisements, fashion trade publications and other leading-edge magazines from the industry you have selected.
3. Read popular magazines which cater to fashionable people.
4. Observe fashions and fads in other countries especially the United States.
5. Find contacts in the major fashion centres of the world, develop and maintain an information exchange with them.
6. Attend trade and fashion shows.
7. Think of ways to transfer fashion ideas from other industries to your own areas of interest.
8. Imitate fashions from popular movies, television series and lifestyles of famous people.
9. Develop fads for events such as trade fairs, sports events, annual celebrations, large conferences or other well-known activities.

Key Question for Brainstorming:

What industry or event could we use to capitalize with a fad or fashion venture?

16. CAPITALIZING ON A GROWTH TREND

What Is It?

Offering a product or service in an industry or activity which increasing numbers of people are becoming engaged in.

What Are Some Examples?

1. There is a growth trend toward personal fitness and health. Several firms are manufacturing equipment for maintaining physical fitness, while others are offering keep-fit classes to capitalize on the trend. There is a particular market segment for older people. One local company developed and markets digital jogging meters to monitor heart rate while running.
2. A woman who manufactured facial cream expanded her marketing strategy from women to men, taking advantage of men's increasing interest in health and skin care.
3. There is a growth trend toward and more leisure time, more frequent travel by the public. The move is away from travel agents to the internet yet advice is still needed. One young businesswoman took advantage of this trend by establishing an internet advisory site funded by advertisers.
4. The tremendous growth in people trying to release their own personal potential via education and personal development programmes. This provided a business opportunity for a young psychologist to provide personal development advisory services.

How Would I Do It?

1. Identify the growth trends by:
 - (a) Reading books which describe social and economic trends. Typical examples in the past have included Toffler's "The Third Wave", Ferguson's "The Aquarian Conspiracy" and Naisbitt's "Megatrends".
 - (b) Reading futurist magazines.
 - (c) Talking to community trend-setters.
 - (d) Asking librarians which books are most popular.
 - (e) Observing growth trends in other areas or countries.
 - (f) Observing the expansion of new retail speciality stores.
 - (g) Attending speeches by innovative leaders in society.
 - (h) Asking people who travel frequently for their impressions of growing trends or factors in other places which may affect directions of local society.
2. Make a list of growth trends and select those which particularly interest you, based on your knowledge, experience and potential abilities.
3. Study specific growth trends in depth to find out the causes, main issues, effects on society and future possibilities.
4. Look for an opportunity within the trend that you can profit from by introducing a product or service.

Key Questions for Brainstorming:

What growth trend could we provide a service or product for?
What product or service could we offer?

17. SECOND-TRY SITUATIONS

Defined as?

Finding a good product that has failed for a variety of reasons in the past and devising a new strategy for making it succeed.

What Are Some Examples?

1. A business focusing upon selling domestic fitness centre concepts failed because of poor marketing.. It was taken over and built up steadily.
2. A young woman specialising in aromatherapy failed to get off the ground after an attempt over three years. It was taken up by a former bank employee who 'sold' it to the service through the bank on the basis that it would relieve stress among employees.
3. A restaurant with a good concept failed because of poor management. A second-try with new management was successful.

How Would I Do It?

1. Ask business consultants and advisors if they know of good products or services which have failed because of poor management, marketing or other factors which you can improve for a second-try.
2. Look for business failures and analyse the causes to identify situations where you can organize a second-try by solving the original problems. The failures can be found by watching for bankruptcy notices, talking with bankers, watching auction notices, reading trade newsletters or talking to accountants who specialize in receiverships.
3. Look for ideas that were ahead of their time and failed or which were successful and became out of style at some point. Read old magazines and catalogues for ideas whose time has come again.
4. Run newspaper advertisements asking for good products which people tried to market and failed.
5. Identify your strengths and look for second-try opportunities where your talents would be the strategic factor for success.

Key Question for Brainstorming:

Where is there a service or product which failed in the past that could be made successful by factors such as a new marketing program, new management techniques, new finance or new business strategy.

18. IMITATING SUCCESSFUL PRODUCTS OR BUSINESS IDEAS

Defined as?

Finding a successful Product or service and imitating it.

What Are Some Examples?

1. A local clothing manufacturer imitates high fashion originals and offers them at a lower cost.
2. When Trivia became popular as a game, several companies began producing imitations of specialized versions.
3. When Cabbage Patch dolls were popular, local mainland women began producing look-alikes and were collectively marketed.
4. Prontoprint was originally a copy of a US concept.

How Would I Do It?

1. Look for what is selling well and assess future market potential.
2. Check for potential conflicts related to patents, copyrights or licences.
3. Identify key success factors of the product or service.
4. Find out how to make a similar product in a cost-efficient way.
5. Produce and market the item.

Key Question for Brainstorming:

Is there an item or service that is selling well, which we could imitate.

19. IMPROVING AN EXISTING PRODUCT OR SERVICE

Defined as?

Improving an existing product or service by making it:

- (a) More valuable through upgrading the quality
- (b) More cost-efficient to produce or purchase
- (c) More convenient
- (d) More comprehensive
- (e) More economical to use
- (f) More powerful or durable

The new item is a “plus” over the previous ones because it has one or more features which are an improvement. Its value is greater because of the improvements.

The difference between Improving and Adding Value to an Existing Product, is that in Improving you do not purchase the product as a base for your additions instead, you use only the idea from the previous products and create a completely separate item or service.

What Are Some Examples?

1. It happened in the photography processing business where firms were set up to process film within a few hours instead of the normal wait of several days for return of prints.
2. One North East woman writes alternative instruction manuals for computer software programs. The manuals are easier to use and understand than those enclosed with the software.

How Would I Do It?

1. Select an existing product or service you would like to compete with and analyze the strengths and weakness of the competition. Then identify the factors you could improve and think of various ways you could provide improvements.
2. Identify faults in existing products or services which you can eliminate in a similar product or service. Then imagine various alternatives which might be tried, and ask “What if ...?” to think up creative ways of improving existing products and services.

Key Questions for Brainstorming:

How can we provide a product or service that is better than the existing ones?

How can we improve an existing product or service to make it more marketable?

20. IDENTIFYING MARKET GAPS OR SHORTAGES AND FILLING THEM

Defined as?

Identifying situations where customers want a product or service and cannot obtain it in sufficient amounts.

What Are Some Examples?

1. Each summer the demand for houseboats to rent was greater than the supply of boats available to boat rental companies in an East Anglian area. One company began building houseboats, selling them and renting them for owners when they were not being used.
2. A hotel employee noticed that there was no service provided for repairing mattresses. She quickly signed contracts with several hotels and opened a mattress repair business.
3. A computer store employee realized that there was no well developed source of second-hand computers for clients who could not afford or did not need a new one. He set up a second-hand computer store.

How Would I Do It?

1. Look for situations where there are customer waiting lists to obtain a product or service by:
 - (a) Checking delivery times and availability for orders of popular products and services
 - (b) Asking distributors, agents and retailers to suggest items which are in short supply.
 - (c) Asking companies to list services they cannot obtain.
2. Analyse potential shortages in supply caused by companies going out of business, changing their production focus, shutting down for periods of time or similar causes by:
 - (a) Analysing news stories and reading trade publications
 - (b) Analysing list of companies in receivership and bankruptcy.

Key Question for Brainstorming:

Where is there a market gap which is not being serviced?

21. INVENTING A NEW PRODUCT

Defined as?

Devise an innovative product or service which meets a need in the marketplace.

What Are Some Examples?

1. One entrepreneur recognized the work hospital personnel went through propping patients up in their beds. He then invented the mechanical hospital bed.
2. An unemployed professional woman recognised how often at receptions and cocktail parties it was not possible for participants to eat and drink at the same time while standing. Glasses were therefore put down and often forgotten about. She invented a clip on plastic glass holder that attached to the plate.
3. A part time builder in the Lake District recognised that farmers often had trouble in driving in wooden fencing posts. He therefore invented a pencil sharpener for posts
4. Finding space for hanging up clothes can be difficult in small locations.. A Richmond inventor recognised the problem and invented the Closet Organizer, which is now sold in most building supply stores.

How Would I Do It?

1. Concentrate on products and processes which are familiar to you.
2. Observe products or services that could be made more effective to save time, effort or money; or look for products or services which people are requesting and do not exist.
3. Examine present products and services from a variety of perspectives to see if there are elements which could be added, subtracted, changed or combined to produce improvements.
4. Read newspaper columns and magazine sections devoted to people's ideas about products and services they would like to see invented.
5. Use processes of creative thinking to develop a new product or service.
6. If your innovation is sufficiently valuable, seek professional advice from a patents attorney. They are list in the Yellow Pages under "Patent Attorneys and Agents Registered". Each region has a patents receiving office..
7. Obtain free booklets on patents, copyrights, industrial designs and trademarks through Business Links.

Key Question for Brainstorming:

What new product or service might we invent?

22. TRANSFERRING CONCEPTS FROM ONE INDUSTRY TO ANOTHER

Defines as?

Taking an idea or method from one industry and transferring its use to another industry.

What Are Some Examples?

1. A company which used a specific process to join electrical cables side by side took the same technique to splice rigging for sailboats.
2. A video store noticed that customers did not like to carry video machines home, so a video-to-go service was set up to deliver rental machines to homes. The idea was based on the fast-food delivery concept used by pizza, chicken and Chinese food outlets.
3. The idea of keeping animals in cages was transferred to the fish farming industry, which raised fish in large cages located in bodies of coastal water.
4. Concepts of computerized inventory control were transferred to feed rationing in the cattle industry, where each cow is fitted with a device which permits computers to automatically record and limit daily food intake by controlling the cow's access to a feeding trough.

How Would I Do It?

1. Notice a good idea and think of other industries or settings where it could be used.
2. Identify a problem which needs to be solved in an industry or sector of the economy and look for potential solutions in other industries which can be transferred.
3. Assess the potential effects of using the ideas or procedures from one situation to solve the problems in another.
4. Develop a method of applying the ideas from one industry to the problems of another.

Key Questions for Brainstorming:

How can this successful idea or product be transferred to another industry?

What successful idea or product from another industry can help solve a problem, or create an opportunity in industries/services with which we are familiar?

23. MARKETING SOMEONE ELSE'S PRODUCT

Defined as?

Finding a product made by someone else and taking on the full responsibility for all aspects of marketing the product.

What Are Some Examples?

1. A sales agent in the north east found an innovative educational game developed by a local inventor and became the marketing agent for the game. She arranged for packaging, advertising, distribution and general management of the marketing process.
2. A marketing consultant markets the services of other consultants. He represents them, promotes their talents, schedules their appearances and negotiates their contracts. For example a consultant represents a group of foreign language interpreters,

How Would I Do It?

1. Look for a product which has not been marketed at all, or which has been marketed poorly.
2. Look for new businesses which have need of marketing services, but have not established a marketing department.
3. Ask business consultants and advisors if they know of products which need better marketing.
4. Examine newspaper classified columns or mail order advertisements, looking for individuals or small companies which are selling products on a small scale, where potential exists for expansion to larger volumes. Look for good products using inadequate advertising.
5. Look for inventors' clubs, read their newsletters and attend meetings.
6. Contact marketing companies or advertising agencies, looking for products which they were not able to serve for various reasons.
7. Contact trade or industry association managements, asking if they know of good products or services that need marketing.

Key Question for Brainstorming:

Where can we find a product with good potential that needs a marketing service.

24. LOCATING A PATENT OPPORTUNITY

Defined as?

Looking for a patent to a product or service which has commercial value, but which has never been produced or has not been marketed well. This could also include patents which have expired and can be duplicated without a license.

What Are Some Examples?

1. A farmer noticed a need for mechanical rock pickers and wanted to manufacture and market the product. He then had a patents search done and several rock pickers were found. He contacted the patent owners and found one person who had not started to build his rock picker for commercial sale. The farmer bought the patent rights and started manufacturing the equipment.
2. An electrical contractor in the Lake District looking to solve the problem of burst pipes finds a patent relating to thermostatically controlled electric current which will pass through copper pipes when the temperature falls towards freezing..
2. One young patents searcher makes a practice of searching for old patents which were ahead of their time and could still be marketed today.

How Would I Do It?

1. Select an area of patents you wish to search. Some terms used to describe the various categories include electrical, mechanical, chemical, seeds and plants and style design.
2. Start your search in one or more of the following ways:
 - (a) Go to the Patents Office in your region. The staff will suggest which category to look under after you have described your purpose.
 - (b) Locate a patents lawyer or agent for professional assistance. They can be found in the Yellow Pages.
 - (c) Locate a company or organization related to the design or marketing of patents. They can be found in the Yellow Pages. Ask for information about rights to patented products or services they are currently developing for clients.
 - (d) Advertise for inventors to contact you in reference to their patented products and services. Another source might be major companies who own patents to products they currently are not producing.

Key Question for Brainstorming:

What patent might we search for that could be used as the basis for a business opportunity?

25. BECOMING A DISTRIBUTOR FOR SOMEONE'S PRODUCT OR SERVICE

Defined as?

Buying a producer's products or services for resale to retail outlets, manufacturers, other businesses or directly to the public.

What Are Some Examples?

1. A woman who owns a direct mail distribution company buys local handicrafts from producers in the in the Lake district and advertises them for resale.
2. A training company conducts a series of management workshops for companies and hires management consultants to act as workshop directors. The training company buys the consultants' services and markets them at a high price.
3. A local young farmer buys large quantities of top soil and resells it by the truckload to garden supply shops.
4. A large retail carpet store utilises its volume discounts from carpet manufacturers and becomes a distributor to small contractors.

How Would I Do It?

1. Analyse your current purchasing volumes and discounts to identify situations where you could act as a distributor to take advantage of your buying power.
2. Find producers or manufacturers who would give you exclusive rights to distribute their products in return for your advanced financial support for orders.
3. Find a producer who only wants to deal with large orders, but whose products need distribution in small-order lots. You can become a distributor and relieve the producer of small-order problems.
4. Find a group of clients who have to wait for delivery of products from the manufacturer because of distance or production time. You can become a distributor with stock on hand to provide immediate delivery.
5. Look for "distributors wanted" advertisements in trade magazines and business opportunities sections of newspapers.
6. Contact manufacturers, read trade publications and attend trade shows to find items without local distribution networks.

Key Questions for Brainstorming:

What product or service could we buy, stock and wholesale in our region in a profitable manner?

26. BECOMING AN AGENT FOR SOMEONE'S PRODUCT OR SERVICE

Defined as?

Taking a contract to sell a producer's or distributor's products or services for a fee or commission.

What Are Some Examples?

1. A local business lady becomes the North East sales agent for a large post card printing company in the south.
2. A former Himalayan climber from the Lake district becomes an agent for Italian boot and adventure clothing company.
2. A sales agent in the north is contracted with several distribution companies to be their representative for that area by selling novelties, records, magazines, electronic equipment and CDs

How Would I Do It?

1. Identify a type of product or service you believe you can sell directly to consumers or businesses.
2. Find producers or distributors of a product or service who require an agent's services for direct selling.
3. Examine business opportunities sections in newspapers and read classified advertisements for sales agents.
4. Join sales and marketing groups, attend meetings and read their newsletters.
5. Contact manufacturers, read trade publications and attend trade shows to find items not being sold in your area.

Key Question for Brainstorming:

What product or service could we independently contract to sell as a sales agent for a producer or distributor?

27. EXPORT DISTRIBUTION

Defined as?

Promoting and shipping British made products and services to other countries.

What Are Some Examples?

1. A British couple who were engaged in a small landscape business who usually holidayed in Spain, went on a special holiday in New Zealand and noticed the growing interest in Latin American style tiled kitchens. Their initial analysis showed a lack of supply. On return to the UK they contacted existing suppliers and became an exporter of tiles to New Zealand.
2. A former EU employee noted the considerable user of British consultants in European Union Development Assistance programmes. On retiring he set up an agency to provide quality lists of consultants in key areas and a service to the consultants themselves on opportunities for tendering.

How Would I Do It?

1. Contact local producers who may want to sell their items in foreign countries.
2. Identify a country you would like to export to, then contact local producers of goods for the rights to distribute into that country. Read federal government publications on export opportunities.
3. Examine foreign countries to study their need for types of products made in the UK.
4. Contact foreign trade counsels to identify needs which require service in other countries.
5. Contact the relevant UK Ministries and the local regional Development Agency
6. Join local export clubs, make contacts and look for ideas or companies that need assistance to export
7. Read how-to-do books on exporting from libraries or bookstores.

Key Questions for Brainstorming:

Are we aware at all of products and services that might be exported to other countries?

Which countries might seem to present the best opportunities?

28. BECOMING AN IMPORT DISTRIBUTOR OR AGENT FOR PRODUCTS AND SERVICES MADE OUTSIDE THE UK

Defined as?

Bringing services and products into the UK for distribution and sale. A wide variety of products and services are available from around the world. Many producers are looking for distributors or agents in the UK to expand the markets for their items. Distributors would buy their products for resale, while agents would sell products on a commission basis.

What Are Some Examples?

1. While working in Thailand a UK professor identified a particular type of green tea to which he became quite partial. On returning home he decided to set up a company to import and distribute this tea through the internet.
2. A businesswoman had a health problem which forced her to retire early. She could not locate an adequate medical apparatus in the UK for her problem. She searched abroad and found a suitable model in Europe and now is the UK importer for this line of equipment.
3. A consultant visiting Eastern Europe recognises how much cheaper it is to get high quality website design done in Croatia. He therefore sets up an agency to outsource web design to that country.

How Would I Do It?

1. Read overseas trade magazines such as International Trade Winds.
2. Identify marketable products made in other countries which have not been previously sold in .
3. Contact trade associations in other countries to ask for information.
4. Identify a client group with special needs that can be met only with products from another country.
5. Look for new and innovative items made in other countries by travelling to those countries or reading advertising materials in their magazines.
6. Join import-export associations, read their newsletters and attend meetings.
7. Look for successful products in other countries which have not been imported to UK
8. Ask friends who travel regularly for suggestions about foreign products which could be successful in the UK market.

Key Question for Brainstorming:

What products or services might we import for sale in the UK?

29. IDENTIFYING UNIQUE CLIENT GROUPS AND TAILORING PRODUCTS FOR THEM

Defined as?

Taking an existing product or service and tailoring or adapting it to meet the unique needs of a particular group of clients. These needs could relate to characteristics of the people (left-handed, over-weight, disabled); life styles (leisure activities, timing of life activities); owned assets (cars, boats, houses); or similar factors.

This may also involve creating new products especially for unique needs of some client groups.

What Are Some Examples?

1. Taking an existing education, recreation or other community service and offering it in a foreign language for a particular ethnic group.
2. A store was set up to supply products for left-handed people.
3. A man in Durham established a personalized service where club members could bring glasses, dishes, cutlery and other club objects to have their names laser-engraved on these items.
4. There are many vacation products now tailored to select groups, for example singles, retirees, adventurers, academics, lovers of history, religion walking, sailing, climbing and so on. A small firm in the Lake District for example specialises in archaeological digging and site discovery holidays.

How Would I Do It?

1. Find a unique client group you would like to service. The group could be based on language, age, life style, geographical location, profession or any other important characteristic. To find special groups, try the following suggestions:
 - (a) Analyse the telephone yellow pages for specific activities and interest groups (truckers, sports groups, doctors, brides, seniors)
 - (b) Analyse newspaper stories to identify special interest groups.
 - (c) Observe unique sections of own (ethnic areas, etc).
 - (d) Identify groups who live in remote or unique regions.
 - (e) Analyze magazines available for special interest groups.
2. Analyse the special needs of the group by:
 - (a) Studying unique characteristics of the people
 - (b) Observing their activities.
3. Identify products and services which are not offered to the group, or are not well tailored for the special characteristics of the group by:
 - (a) Listing complaints related to commonly used products and services
 - (b) listing items that people express a need for
4. Find products, services, resources or assets which can be adapted to meet the special needs of the group or create new products for the group.

Key Questions for Brainstorming:

Where is there a group of people with unique characteristics which we could serve with specialized products and services?

Where is there a product or service which we could modify to serve the unique needs of a client group we want to serve?

30. TAKING LOCAL EXISTING PRODUCTS TO NEW MARKETS

Defined as?

Taking a product which is made locally and is successful in the local area and expanding the marketing to new geographic areas.

What Are Some Examples?

1. A northern company which supplied equipment for mountain climbers and hikers was so successful it expanded to a second operation in Europe.
2. A Lake District company which specialised in 'survival' equipment expanded its operations across the country and to new army related customers abroad.
3. A company specialising in Future Trends originally services the North East development agency market and then subsequently expands its niche market to other similar agencies across the country.

How Would I Do It?

1. Identify products or services offered by your company or a company known to you within your own region that could be expanded to new markets in other areas.
2. Identify local made products or services made by someone else which are successful but are not distributed to other areas. Try the following suggestions:
 - (a) Talk to purchasing agents
 - (b) Put classified advertisements in newspapers
 - (c) Contact local chamber of commerce/economic development staff
 - (d) Analyse local advertising
 - (e) Talk to local business people
 - (f) Look for locally made products in stores
 - (g) Look for local stories in business magazines and newspapers
 - (h) Through local tourists and travel industry personnel, find specific products and services which attract visitors and which could be imitated, franchised or marketed in other areas
3. Look for one-of-a-kind successful businesses that are obviously developed by local people. Some ways to identify them include:
 - (a) Analysing yellow pages
 - (b) Identifying local fashions and lifestyle activities
 - (c) Observing retail stores and services in local areas
 - (d) Listening for positive comments from local consumers and business people about local businesses
 - (e) Asking travellers and visitors for names of unique businesses they have noticed in the local area which they would like to have in their own region.

Key Question for Brainstorming:

Where can we find a local product or service which can be transferred to a new market in another geographic region?

31. PLANNING AND PROMOTING EVENTS

Defined as?

Planning, organizing and advertising special events. The events could include entertainment, education, special meetings, and other types of gatherings where large numbers of people meet together.

What Are Some Examples?

1. A northern woman specialises in bringing top quality speakers and educators to the region for promotion of female enterprise..
2. A small company promotes entertainment events such as rock and roll shows, folk festivals and touring theatre groups.
3. A group of interpreters decide to set up a company to provide an 'holistic international conference' .facility bringing together interpretation with location selection advice, hotel and catering, sightseeing trips, transport, presentation technology etc. This brings together a number of subcontract small service firms into a coherent 'holistic; facility.

How Would I Do It?

1. Identify a type of event or meeting you believe you could successfully promote in your region.
2. Identify specific groups that would let you represent them to organize their appearance in your region.
3. Identify trade associations or other groups that meet in your region and who need services of a meeting planner and promoter.
4. Identify facilities and locations in your area which would let you act as their agent to organize events to use their space.
5. Join associations of professional meeting and event planners, read their literature and attend conferences and meetings to gain new ideas.
6. Contact organizers of events in other areas to identify successful events, groups, themes or concepts which could be used for local events.

Key Question for Brainstorming:

What types of events could we best plan and promote in our region?

32. DISCOUNT SELLING

What Is It?

Obtaining goods through various low-cost sources and reselling them at a lower-than-market level.

What Are Some Examples?

1. A second hand office furniture supply company buys stock from bankruptcy and company closure sales and resells.
2. A young graduate buys post sell by date foodstuff from large supermarkets and sells it quite safely to retirement homes and old age pensioners supply outlets. .
3. A common practice is to have products manufactured in third-world countries at low labour costs and then imported and sold at discount prices.

How Would I Do It?

1. Decide what type of goods or services you want to market at a discount.
2. Locate sources of supply which will sell to you at an extremely low price, including:
 - (a) Bankrupt companies
 - (b) Manufacturers with seconds
 - (c) Companies with custom orders not sold
 - (d) Companies with oversupply of goods they cannot sell
 - (e) Companies with out-of-season leftovers
 - (f) Companies in need of immediate cash
3. The kinds of people who can assist you in finding these companies are:
 - (a) Sales agents
 - (b) Discount operators in other non-competitive markets
 - (c) Bankers and receivers
 - (d) Trade association staff members
 - (e) Accountants
 - (f) Distributors
 - (g) Marketing consultants
4. Join a buying group that has been organized for discount buying.
5. Make arrangements for your supplies and start selling.

Key Question for Brainstorming:

Where can we find a source of supplies which we could buy and sell at a discount?