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The Business Experts Bureau Great Business Idea - Tuesday 25 May 2010

Subject: The essential elements of entrepreneurial activity

So you have invented a gadget or devised an innovative idea that you believe delivers a great business opportunity. Today we look at some of the essential elements of entrepreneurial activity.

Most people do not invent a brand new product from scratch but rather, spot a gap in the market which currently available products do not adequately fill. The next step in the process is **exploratory research**. This basically involves talking to those you see as potential **end users**. Ask them “What colour?” “What shape?”, “How much would you pay for it?”

As an example they may tell you “It has to be green, made of plastic, without a lockable case and able to hold 50 disks.” You then make it and take this product into the marketplace to test it. Give it away to people to use, on the condition they provide you with some feedback.

Really listen to what they say, rather than falling into the old inventor’s trap of believing the product, as made, is the best thing since sliced bread and not needing further refinement. Make the adjustments based on this feedback and take it back to the market for further testing and more feedback. This is the most critical stage of the process, re-designing and re-testing over and over until eventually you take it into the marketplace and people will love it. Conversely you may reach a point where you may need to concede that the idea is not as marketable as originally thought. This testing feedback process could save you a lot of wasted investment in manufacturing and marketing costs.

Once the majority of the market tells you it’s the right size, shape and price you can then work on your business plan. For this I always recommend a business planning expert.

Dean Dalton

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