



# YOPEVA Entrepreneur

## Course 2 - Creativity, idea generation and definition



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## Course#2 General objective

The general objective of this course is that participants choose, define and start developing a business idea. Later Courses (3 & 4) will assist in the full deployment of the business idea. This Course 2 also counts on a series of one-to-one project reviews to assist participants with the idea definition process. To achieve such a goal, Course 2 focuses on:

- a) Creativity techniques to generate ideas (come up with several ideas participants could be interested in, find variations and alternatives to already thought ideas....)
- b) Defining and analyzing the ideas in business terms (clarify what is the specific proposal, assess the logic and coherence of the ideas of interest)
- c) Initial business idea testing (check if the idea has already been carried out by someone, where, how..., explore potential client opinions, needs and wants, check if the idea is adequate and worth to invest time and effort in developing it in Course 3).

If this course is taught consecutive to Course 1, it is important to keep in mind that one of the aims of Course 1 was to allow participants to experiment with different ideas and get to know themselves as entrepreneurs. Consequently, the purpose of Course 2 is that each participant chooses a business idea to develop and starts testing its validity.

One of our purposes is to complete a design-thinking cycle throughout Course 2 and Course 3. Thanks to a mentoring approach, in this **Course 2** we approach the first two phases in Design-thinking (**Phase 1: Empathize**, and **Phase 2: Define the problem**), while in the next **Course 3** we complete the cycle with "**Phase 3: Ideate**", "**Phase 4: Prototype**" and "**Phase 5: Validate**".

For this reason, one-to-one project reviews should be incorporated right from the start in Course 2 (find below a more accurate explanation of one-to-one project reviews extracted from the Learning Methodologies document). One-to-one project reviews have been included to emulate a mentoring approach that addresses individualized participants' needs. This way, students will be supported right from the start with the idea definition and adaptation.

### ***"One-to-one project reviews:***

***Mentoring is a key element of most successful entrepreneurship programs, and this is so because such support can be adjusted to each individual situation, project and intentions. For this reason, we should seriously consider one-to-one project reviews with a mentoring approach to provide guidance and tailored feedbacks to students.***

*More specifically, **the aims of one-to-one project reviews** are to:*

1. *Help students perceive the utility and use of the program for their personal goals.*
2. *Support youngsters in applying the contents learnt during group sessions to their own entrepreneurial project.*
3. *Clarify doubts.*
4. *Pay a high degree of attention to every single participant: 1- monitoring their knowledge and competencies being learnt in the course. 2- considering their background, intentions, motivations, etc.*
5. *Encourage and empower participants, increasing their value feeling.*

*Following the YEP-Young Enterprise Program (Bonavitacola et al., 2018), **individual reviews are crucial to complement group sessions** and ensure their effectiveness in the overall training. On one hand, they support youngsters in applying the contents*

*learnt during group sessions to their own entrepreneurial project; on the other hand, they help young people clarify any doubt and/or issue. In fact, students might not be particularly used to participatory training settings and they might be reluctant to express themselves in front of their peers and trainers. They should be encouraged by the trainer and the activities he/she may propose.*

*Moreover, individual sessions are aimed at **reviewing and assessing the project design and development, as well as at building skills and self-confidence in participants**. For this, Bonavitacola et al. (2018) recommend such individual sessions should:*

- *Last approximately 30 minutes. In case of very advanced and well-structured projects, a shorter time might be appropriated. However, it is advisable to carefully evaluate the participant's needs in order to offer adequate support.*
- *Be mandatory. This provides stronger motivation for participants to engage in the training and work on their project. It also enables the trainer to hold onto each participant's progress.*
- *Have participants rotating in taking part in the meetings. Each of them should engage in at least 3 individual project reviews throughout the whole training.*
- *Be scheduled each week for the next one, to allow participants to properly prepare and make the most out of the meeting.*
- *Naturally, trainers should communicate by phone and email with the participants between group and/or individual sessions, so as to keep them engaged and motivated throughout the course."*

The logic behind this methodology is to allow participants to practice concepts and skills in groups so as to later apply them to their personal project.

## **Course#2 Learning objectives**

1. To learn how to use creativity processes and techniques to generate business ideas.
2. To learn how to define an idea in business terms.
3. To learn how to analyze the key components of a business idea.
4. To learn how to start checking for the validity of the business idea.

## **Course#2 Duration (weeks)**

The approximate duration of Course 2 is three weeks. We suggest two sessions per week, one dedicated to Unit teaching and the other one to a one-to-one project review session. The recommended duration is a minimum of 2 hours and a maximum of 4-5h for Unit teaching sessions; and 15-25 min for project reviews sessions. If one learning unit (see Contents display below) is considered too relevant to be assimilated in one session, it could be displayed in more than one session. However, it is important to consider that Units should be followed by one-to-one project reviews to support participants' application of the course contents to their project.

We want to stress the message that the literature reviewed advocates for a minimum of two sessions per week in this type of courses. If participants' training time commitment is less than ideal, we recommend adding extra assignments to be submitted online or increase one-to-one project reviews.

## Course#2 Contents

Course 2 contents are displayed throughout 3 learning Units as follows:

- Unit 1: Creativity and idea generation
- Unit 2: The business idea key components
- Unit 3: Initial idea validation

*(See a visual display of the course in **Annex 1**)*

Please, note that it is highly recommended that the contents displayed in terms of new information and knowledge for students must be combined throughout the course with key related **soft skills training**. In this Course 2 we have identified the following soft skills that could be easily be integrated into the course contents and activities: **creativity, problem solving, and customer orientation**.

**Creativity:** This soft skill is encouraged throughout the course, both in terms of processes and tools & techniques. This requires at the same time a number of practical exercises in the classroom, or the presentation of business examples.

**Problem solving:** It is frequently argued that a major component of a successful business idea is that it addresses a real problem, contributing therefore to solve or alleviate a situation, a need in the market. The business idea participants will be developing would be grounded in that need, linking need with proposed action.

**Customer orientation:** This is a key skill in the development of a business idea and a business project. Although there are many issues in relation to customer orientation we start here introducing the competence by defining how potential customers would benefit from the business idea, and exploring during the validation phase how customer react to our business proposal.

## **Unit 1: Creativity and idea generation**

### **Objective Unit 1.**

The main objective of Unit 1 is to get to understand the role of creativity in entrepreneurship and to introduce the creative market insight approach. Moreover, the Unit focuses on learning how and when to use creativity techniques in the development process.

### **Contents Unit 1.**

This first Unit covers the following elements:

1. Introduction to the course and the personal project
2. Why is creativity important?
3. Role of creativity in entrepreneurship
4. Creativity tools and techniques
5. Personal project assignment
6. Support material

### **1. Introduction to the course and the personal project**

It is imperative that the trainer starts the course by emphasizing its overall objective as well as the contents/units that will help achieving the course's goal. That overall objective of this Course 2 is that:

“Participants choose, define and start developing a business idea”, that will be further developed in Course 3.

To achieve such a goal, Course 2 focuses on:

- a) [Unit 1] Creativity techniques: participants get familiar with generating ideas and then choose one to be developed.
- b) [Unit 2] Defining and analyzing their ideas in business terms.
- c) [Unit 3] Initial testing of the business idea (check if the idea has already been carried out by someone, where, how..., explore potential client opinions, needs and wants, check if the idea is adequate and worth to invest time and effort in developing it (Course 3).

*TO EMPHASIZE: Although this is a training course, we believe it would be beneficial that trainees consider and expect being ready to start their own business. For this reason, mentoring sessions have been incorporated, to provide tailored support to each participant, helping him or her with his or her business/start-up project.*

The contents and dynamics of this Course 2 require we incorporate regular one-to-one mentoring sessions from day one. This will be highly valued by participants in developing their personal projects. “One-to-one project reviews” need to be presented to students as an individualized assistance they will receive in order to apply the contents of the course to their business project. In doing so, students will feel accompanied in their creativity and development processes, and receiving tailored help to their specific needs and obstacles when needed.

## 2. Creativity: Why is it important?

Creativity can be defined in many ways, usually it is described as the ability to generate new and innovative ideas, concepts, or solutions that are original and valuable (e.g. a new idea that proposes a solution to a given problem). It frequently involves thinking outside the box, making connections between seemingly unrelated concepts, and/or approaching problems from different perspectives/angles.

Creativity is key in the entrepreneurship process for a lot of reasons, Find below some examples:

- **Innovation:** Introducing products, processes or procedures that are new to the context; finding new ways of developing/delivering an existing product or service.
- **Adaptation and problem-solving:** Building on creativity allows you to adapt to an ever-changing environment. High competition, limited resources and changing business environments require innovations, fast adoption and finding solutions to upcoming problems.
- **Competitive advantage:** Creativity leads to generation of novel and innovative ways of doing business. Exploring new niches and generating new ideas lead to efficiency and eventually give an entrepreneur the required edge over the competition.

## 3. Role of creativity in entrepreneurship

### *Creative market insight*

Creativity it is not just about generating new ideas. It is a general approach for entrepreneurship and business. Usually, the process of entrepreneurship is thought as a short sequence of events in which an entrepreneur has a (great/new) idea and carries it out. However, is this actually true? Not really, surely there will be success stories using such an approach, but they are uncommon. A key element is missing: empathy with the customer.

Following Soren Hougaard (2006), empathy with customer needs is a primary, crucial condition for the success of a new business venture. Any idea that resulting from the inspiration of the entrepreneur (without investigating the problem or interacting with potential clients) will hardly be able to compete with an idea originated through a creative understanding of the market. The problem has to be analyzed, and the exploratory idea is born to address customers perceived needs.

The message that there is "no viable business without any profound insight into the market "tends to be underestimated by starting entrepreneurs. Perhaps it is more motivating to think about a product idea and a functional possibility than tracing a need and seeing the world through the eyes of customers? Creative market understanding is the first step on the way towards formulating new and viable business ideas.

Creative market insight and tracing market opportunities are the results of an analytical-creative process. Creative market insight is not identical to gifted market analysis, it takes new ways of thinking beyond what is usual: Questions that lead to creative market insight have to be concrete, such as: New cars have central locks with remote control. Why not having a remote control for locks to houses? Or: Would it not be possible to give brown bread a designer label just like coffee or cheese? Why should we put up with dripping wine

bottles? Or: What an inconvenience it is to change the bag of the vacuum cleaner. Is it really necessary?

The function of the entrepreneur is precisely to uncover what has been overlooked. Uncovering problems in the market has to do with identifying what the customer is looking for (interested in) in the market: “business opportunity” (so-called external source). An alternative approach is to base our ideas on our major competencies or interests: Ask yourself what is that I can do and want to do and, based on that, track down areas where these abilities can unfold (so-called internal source).

To sum up, creative market insight involves gaining a deep understanding of the market, including the needs and desires of potential customers, as well as trends, competitors, and other factors that could impact the success of a new products or services. However, how can all this be taken into account in the process of generating business ideas or finding innovative solutions?

One problem-solving method that incorporates these aspects is **Design thinking**.

### *Design thinking*

Design thinking is a design methodology that focuses on empathy for the user/customer views and needs, creativity, and experimentation to generate innovative solutions.

One of the bases of design thinking is that the end-user is at the center of the process, which means that the decisions we make should always respond to their needs or desires. In other words, each step and decision is validated with the user, rather than at the end of the development process. Therefore, the design of the product or service is not necessarily linear, and we can go back to a previous phase in the process after validating with the user if we are on the right track or not. We do not design based on unvalidated assumptions, but rather taking into account what is relevant to the user: that is how we can ensure that we provide true value to them.

Another important aspect of design thinking is that it promotes creativity. The goal is not only to launch products or services that respond to the user's needs or desires, but also to do so in a way that is somewhat different and/or improves on previous approaches. Innovation is about finding new ways to address people's problems and needs, generating solutions that are more effective, efficient, and/or satisfying than those that currently exist in the market.

Design thinking has 5 distinctive phases:

#### Phase 0 – Challenge:

Define the problem or the challenge. Design thinking is frequently used when there is a problem or aspect that we want to address, explore, understand and then be able to generate solutions in relation to the needs or desires of a group of users. For example, a problem can be finding a business idea in a certain specific field. It is thus important to initially frame and define the problem/challenge/purpose we are facing. The first definition tends to be somewhat broad or unspecific as information is missing at the beginning. In future phases, as we gather new information, this definition will be updated and made more specific and concrete.

Here are some examples of problems/challenges that may be addressed with design thinking:

1. A coffee shop wants to improve its customer experience and attract more customers.
2. A software company needs to design a new product that solves a common problem in the healthcare industry.
3. A clothing brand needs to create a new line of products that appeal to a younger demographic.
4. A small business owner wants to develop a new marketing strategy to increase sales.
5. A restaurant wants to improve the efficiency of its kitchen operations without sacrificing food quality.
6. A real estate company needs to design a more engaging and informative website to attract more leads.

### Phase 1 – Empathize (Data collection):

This stage involves understanding the user or customer, their needs, and the context in which they will use the product or service. Design thinkers engage in observation, conversation (interviews, important questions we want the user to answer), and other methods to gain insights into the user's experiences and needs. This is a phase of research and information gathering.

**Building a question guide:** Brainstorm as a team on themes you want to learn about your customers. What do you need to learn about your challenge? What are you hoping to understand about people's motivations and frustrations? Then formulate questions that explore these topics. Frame them as open-ended questions, such as: "Tell me about your experience...", "What are the best/worst parts about...?" or "Can you help me to better understand...?"

Typology of questions that may be used:

- Open-ended questions: These are broad and non-specific questions that allow customers to speak freely and express their thoughts and feelings. For example, "Can you tell me about your experience with the product/service?"
- Behavioral questions: These questions focus on customers' actions and behaviors. For example, "How do you typically use the product/service?"
- Needs-based questions: These questions seek to identify customers' needs and desires. For example, "What are the most important features you look for in this kind of product/service?"
- Hypothetical questions: These questions explore customers' attitudes towards possible scenarios. For example, "How would you feel if "X" feature was added to the product/service?"
- Emotional questions: These questions probe customers' emotional responses to the product/service. For example, "How do you feel when you use the product/service?"

Please, find below some brief examples on particular problems/challenges, their respective target populations, and some example questions you may want to raise to better understand the nature of the problem/question:



<b>Problem/Challenge</b>	<b>Target</b>	<b>Sample Generic Questions</b>
<b>A coffee shop wants to improve its customer experience and attract more customers.</b>	Coffee drinkers, current and potential customers.	How do you usually decide which coffee shop to go to? What do you look for in a coffee shop experience? Can you describe your ideal coffee shop experience?
<b>A software company needs to design a new product that solves a common problem in the healthcare industry.</b>	Healthcare professionals, patients, healthcare institutions.	What are the biggest challenges you face in providing/receiving healthcare? What are your pain points with current healthcare solutions? What features would be essential in a healthcare software product?
<b>A clothing brand needs to create a new line of products that appeal to a younger demographic.</b>	Young adults, regular clothing shoppers, fashion enthusiasts	How do you keep up with the latest fashion trends? What brands do you typically shop from and why? What do you look for in clothing brands?
<b>A small business owner wants to develop a new marketing strategy to increase sales.</b>	Current and potential customers, industry experts	What influences your purchasing decisions for this type of product/service? How do you typically discover new products/services? What do you think are the most effective marketing channels for reaching target audience?
<b>A restaurant wants to improve the efficiency of its kitchen operations without sacrificing food quality.</b>	Kitchen staff, servers, customers	What are the biggest challenges you face in the kitchen/serving area? How do you prioritize tasks during busy times? What are your thoughts on wait times for food and table turnover?
<b>A real estate company needs to design a more engaging and informative website to attract more leads.</b>	Potential homebuyers, renters, real estate agents	What information do you typically look for on a real estate website? What do you think is missing from current real estate websites? How do you typically search for properties?

Following MIT & LaunchX training course (see support materials), it is suggested:

<b>What NOT To Do</b>	<b>What To Do</b>
<ul style="list-style-type: none"> <li>Do not come into a customer interview feeling that you have all the answers. If your idea does not adapt based on these conversations, you are not listening.</li> <li>Do not expect customers to have the answer. They may be aware of their frustrations and needs, but not necessarily how to solve them.</li> <li>Avoid selling during customer interviews. This is a learning opportunity, so refrain from mentioning your specific ideas for solving the problem.</li> <li>Avoid including friends and family in your interviews, as they may not provide a realistic perspective on the problems.</li> </ul>	<ul style="list-style-type: none"> <li>Focus on the need, not the solution.</li> <li>Be cautious of confirmation bias. Your goal is not to validate your preconceived notions but to uncover genuine needs.</li> <li>Conduct interviews in person, one at a time. This enables you to observe non-verbal cues from gestures and facial expressions.</li> <li>Use open-ended questions to foster a conversational environment and explore the depth of needs you may not have considered before.</li> <li>Encourage subjects to share stories to gain richer insights.</li> <li>Practice active listening and prioritize listening over talking.</li> <li>Follow your curiosity and delve deeper by asking "why?" repeatedly.</li> <li>Seek to understand their priorities and what matters most to them.</li> </ul>

### Phase 2- Define:

This stage involves synthesizing the insights gained from Phase 1: Empathize, and then using them to define the problem that needs to be solved. The problem statement should be clear, focused, and framed in a way that inspires creative thinking. To this aim, Phase 2 typically includes a meeting to organize all the information and analyze it with the purpose of clearly locating the most important needs and desires (also referred to as "pains" and

"gains") for the users in the context (in other words, searching for potential opportunity areas).

This Phase 2, therefore, should culminate with a plausible solution to the original problem/challenge. This, in turn, redefines the problem/challenge itself:

- A coffee shop wants to improve its customer experience and attract more customers -> A coffee shop wants to increase their variety of drink options.
- A software company needs to design a new product that solves a common problem in the healthcare industry. -> A software company needs to design a new product that has a user-friendly interface and efficient search functionality in the healthcare industry.

<b>Problem/Challenge</b>	<b>Aspects to define</b>	<b>Possible results</b>
<b>A coffee shop wants to improve its customer experience and attract more customers.</b>	Define the key features and qualities that customers prioritize in a coffee shop.	Fast service, quality coffee, comfortable seating, convenient location, affordable prices, appealing atmosphere, variety of food and drink options, etc.
<b>A software company needs to design a new product that solves a common problem in the healthcare industry.</b>	Define the key features and capabilities that the product needs to have in order to solve the identified problems.	User-friendly interface, data security, efficient search functions, easy integration with existing systems, customizable settings, analytics and reporting tools, etc.
<b>A clothing brand needs to create a new line of products that appeal to a younger demographic.</b>	Define the specific styles, trends, and features that are most appealing to the target demographic.	Sustainable materials, customizable options, bold colors and patterns, retro-inspired designs, vintage and thrift-inspired styles, etc.
<b>A small business owner wants to develop a new marketing strategy to increase sales.</b>	Define the most effective channels and messaging to reach the target demographic.	Social media advertising, influencer partnerships, email marketing, promotional events, loyalty programs, etc.
<b>A restaurant wants to improve the efficiency of its kitchen operations without sacrificing food quality.</b>	Define the key bottlenecks and inefficiencies in the current workflow and develop a plan to streamline and optimize kitchen operations while maintaining food quality.	Implementing a new ordering and tracking system, reorganizing the kitchen layout, training staff on new procedures, using higher-quality equipment, etc.
<b>A real estate company needs to design a more engaging and informative website to attract more leads.</b>	Define the specific information and features that are most important to prospective home buyers.	Interactive floor plans, virtual tours, neighborhood information, mortgage calculators, customer reviews and testimonials, mobile-friendly design, etc.

### Phase 3 - Ideate:

This stage involves generating a wide range of ideas for solving the problem. The goal is to generate as many ideas as possible, without judging them based on feasibility or practicality at this point, with the aim of later refining and selecting the best ones.

These ideas should serve two purposes: first, to address the challenge presented, and second, to provide improvements over the way in which that need or desire has been addressed until now. Finally, you will move on to selecting the most valuable ideas. In such a process, you may want to consider criteria such as the value it provides to the user, the feasibility of implementation, and the potential impact on the business.

Use creativity techniques to generate ideas! You may know of some already (e.g. brainwriting, SCAMPER). Use them to address the problem/challenge you are facing. If you do not know of any creative techniques, please see Section 4 on *Creativity tools and techniques*.

This is how the examples set above may evolve after a brainstorming process or any other creativity techniques:

<b>Problem</b>	<b>Key Features and Qualities</b>	<b>Possible selected ideas</b>
<b>Coffee shop wants to improve customer experience and attract more customers</b>	Fast service, quality coffee, comfortable seating	Implementing a loyalty program, offering seasonal specials, hosting live music events, etc.
<b>Software company needs to design a new product that solves a common problem in the healthcare industry</b>	User-friendly interface, data security, efficient search functions	Voice recognition capabilities, customizable dashboards, mobile app integration, etc.
<b>Clothing brand needs to create a new line of products that appeal to a younger demographic</b>	Sustainable materials, customizable options	Graphic tees with bold designs, customizable jackets with detachable patches, etc.
<b>Small business owner wants to develop a new marketing strategy to increase sales</b>	Social media advertising, influencer partnerships	Partnering with local businesses for cross-promotion, creating a referral program for loyal customers, etc.
<b>Restaurant wants to improve the efficiency of its kitchen operations without sacrificing food quality</b>	Streamlined workflow, optimized equipment placement	Implementing a new inventory management system, reorganizing the layout for better flow, using more energy-efficient equipment, etc.
<b>Real estate company needs to design a more engaging and informative website to attract more leads</b>	Interactive floor plans, virtual tours, neighborhood information	Mortgage calculator, blog with home buying tips, virtual staging tools, etc.

#### Phase 4 - Prototype:

This phase consists of getting a tangible and understandable prototype both for the team and for anyone to whom it is presented. The idea will take shape and will be developed in more detail so that it can be understood. This stage involves creating a physical or digital representation of one or more of the ideas generated in the “ideate” phase. Prototypes can take many forms, from sketches and mockups to fully-functional prototypes. The most important aspect is to land and describe the idea enough to make it understandable and show the benefits and needs it covers for the user.

<b>Problem</b>	<b>Example of a Prototype</b>
<b>Coffee shop wants to improve customer experience and attract more customers</b>	Develop a mobile app mock-up that allows customers to pre-order their drinks and food for pickup, as well as earn rewards points for frequent visits.
<b>Software company needs to design a new product that solves a common problem in the healthcare industry</b>	Create a web-based platform mock-up that allows healthcare providers to securely share patient records and collaborate on treatment plans.
<b>Clothing brand needs to create a new line of products that appeal to a younger demographic</b>	Design a demo line of customizable clothing that can be personalized by customers with their own artwork or graphics.
<b>Small business owner wants</b>	Create an example of a social media advertising campaign offering a

<b>to develop a new marketing strategy to increase sales</b>	discount for first-time customers.
<b>Restaurant wants to improve the efficiency of its kitchen operations without sacrificing food quality</b>	Sketch a new inventory management system that automatically tracks ingredients and notifies staff when supplies are running low.
<b>Real estate company needs to design a more engaging and informative website to attract more leads</b>	Add a demo of a virtual staging feature to the website, allowing potential homebuyers to visualize different furniture arrangements in a room.

Phase 5- Validate (Testing):

This stage involves testing the prototype with users or customers with the same characteristics as in Phase 1 (those for whom we are designing) with the aim of gathering feedback and insights. The goal is to understand how well the prototype meets user needs, as well as to identify areas for improvement. Before starting to validate, it is very important to define what is going to be evaluated. Once this is defined, the user's feedback is collected, which will indicate which aspects of the idea seem valuable to them or not. Based on the feedback received, we will make decisions and review our results.

Example:

<b>Phase</b>	<b>Example of an ecological meat brand</b>
<b>Phase 0: Challenge</b>	A group of farmers want to: "launch an ecological meat brand that stands out".
<b>Phase 1: Empathize (Data collection)</b>	To achieve this, they decided to follow a design thinking methodology and start by doing plenty of interviews to potential customers in the street and outside supermarkets
<b>Phase 2: Define the problem</b>	<p>They organized the information and obtained:</p> <ul style="list-style-type: none"> <li>• Consumers (70%) want high-quality meat that is healthy and sustainably produced.</li> <li>• A good amount (65%) of customers are willing to pay a premium price for organic and sustainable meat products.</li> <li>• Customers (70%) feel they do not always know how to cook the premium meet to take profit of its entire flavor.</li> </ul> <p>The team decided to focus on creating an organic meat brand that emphasized quality, taste, and sustainability; but also offered suggested recipes on how to cook the meat products.</p> <p>Redefinition: "launch an ecological meat brand that stands out" -&gt; "launch an ecological meat brand that is cooking oriented and focused on gourmet recipes and on premium meat flavor"</p>
<b>Phase 3: Ideate</b>	To approach this phase they used the SCAMPER technique. Many creative ideas were generated for the brand creation, including exploring innovative ways to produce and distribute organic meat. It was decided that a strong brand identity related to premium meat recipes could be a key aspect to differentiate the brand from the competition.
<b>Phase 4: Prototype</b>	Packaging and brand design prototypes were created to evaluate and refine the brand concepts. Different meat flavors and cuts were tested to ensure they met quality and taste expectations.
<b>Phase 5: Validate (Testing)</b>	Surveys were conducted and free samples were offered to try the product. Customers commented that, while they liked the product and the recipes proposal, they would only buy it if it was sold in regular supermarkets rather than stores specialized in organic products.

	<p>Most of young customers interviewed mentioned they would be interested in buying it online, especially if it was not available in the supermarket. Youth also mentioned they would like to be able to check the recipes on social media like tik tok, and not only on the packaging and the webpage of the company.</p> <p>Based on the feedback received, the team decided to adjust their distribution strategy and begin seeking agreements with regular supermarkets before launching the product. In case the supermarkets agreement would not be successfully achieved, they started exploring the online business option. Moreover, it was concluded that a solid online presence would be key. New empathy phases were planned to approach these new issues.</p>
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#### 4. Creativity tools and techniques

This section reviews some creativity techniques that can be used to generate innovative ideas and solutions for problem solving. These may come handy and be very useful when facing a problem or need to react/adapt to changes in the environment.

One essential rule common to almost all creativity techniques is to defer all judgment when generating ideas; and this statement should be reinforced at every interaction. It is important to emphasize that the more ideas we are able to list, the greater the odds that one will resolve the problem. Teams will surely not produce many ideas if they spend most of the time criticizing and evaluating them. They should save evaluation for a later point in time, once all the ideas have been listed.

As stated, we have selected for you a number of creative techniques:

##### ***Brainstorming and brainwriting:***

These are probably two of the most famous creativity technique. The idea is simple: try to generate as many ideas as possible without evaluating them and, afterwards, evaluate them, combine them, analyze them, etc. and finally choose one. This is usually a group technique although it that can also be done individually. A step-by-step description of both brainstorming and brainwriting follows:

Brainstorming	Brainwriting
<ol style="list-style-type: none"> <li>1. Preparation: Before starting the brainstorming session, it's important to define the objective of the session and select the appropriate participants. The ground rules should also be established, which may include things like not judging ideas, allowing free association of ideas, and not interrupting others during the session.</li> <li>2. Idea generation: During this phase, participants focus on generating as many ideas as possible. Different techniques can be used to facilitate this process, such as brainstorming or mind mapping. It's important to remember that all ideas are welcome, no matter how crazy or seemingly irrelevant they may seem.</li> <li>3. Evaluation: Once enough ideas have been</li> </ol>	<ol style="list-style-type: none"> <li>1. Preparation: As with brainstorming, it's important to define the objective of the session and select the appropriate participants. In this case, each participant is provided with a sheet of paper or card to write his or her ideas on.</li> <li>2. Individual idea generation: During this phase, each participant generates their own ideas in writing on their sheet of paper or card. Participants are given a limited amount of time to do so, for example, 5-10 minutes.</li> <li>3. Idea exchange: Once individual idea generation is complete, participants pass their sheets of paper or cards to another participant to review and build upon previous ideas. This process continues until all participants review cards.</li> <li>4. Discussion and evaluation: After the idea</li> </ol>

generated, it's time to evaluate and refine them. In this phase, different techniques can be used to select the best ideas, such as an evaluation matrix or voting. It's important to note that the evaluation should not be too critical or restrictive since it can limit creativity and innovation.	exchange, participants discuss and evaluate the ideas generated. Different techniques can be used to select the best ideas, such as the evaluation matrix or voting.
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It is worth mentioning that even experienced brainstorming groups find that the well runs dry after interacting with the same people year after year. Most individuals and groups in organizations occasionally need a brainpower boost to achieve "home run" or breakthrough ideas. And they need to use a number of additional methods in their idea toolkits (e.g. SCAMPER). The more methods they can use, the greater the odds of producing an innovative idea.

### **SCAMPER**

The SCAMPER method is a creative thinking technique used to generate new ideas from an existing product, service, or situation. It is based on the idea that changes and improvements can be made to something existing to create something new and innovative.

The word "SCAMPER" is an acronym for different actions/changes that can be done to the existing product/service/situation to generate new proposals:

- **Substitute:** Identify elements or components of the existing product, service or situation that could be substituted with other elements to improve or modify the product, service, or situation.
- **Combine:** Identify elements or components of the existing product, service, or situation that could be combined in a different way to improve or modify the product, service, or situation.
- **Adapt:** Identify how the existing product, service, or situation could be adapted or modified to meet different or changing needs or situations.
- **Modify:** Identify elements or components of the existing product, service, or situation that could be modified to improve or modify the product, service, or situation.
- **Put to another use:** Identify how the existing product, service, or situation could be used in a different way or for a different purpose.
- **Eliminate:** Identify elements or components of the existing product, service, or situation that could be eliminated without significantly affecting the end result.
- **Reverse:** Identify how the order or sequence of elements or components of the existing product, service, or situation could be reversed or changed to create something new and innovative.

### **Six thinking Hats**

The Six Thinking Hats is a tool for group discussion and individual thinking. This method is a simple yet powerful framework that allows individuals or teams to approach a problem or idea from six different perspectives, so-called "hats", each of them represented by a different color:

1. White Hat - focuses on facts, data, and information that is known or needs to be gathered.
2. Red Hat - represents feelings, emotions, and intuition.
3. Black Hat - looks at potential problems, risks, and negative aspects.



4. Yellow Hat - focuses on positive aspects, benefits, and opportunities.
5. Green Hat - encourages creativity, new ideas, and possibilities.
6. Blue Hat - facilitates the thinking process, manages the discussion, and ensures that all perspectives are considered.

When you look closer into these definitions you realized each color represents a thinking style. When using this technique all members in the group wear all hats at some point in the process, exception made of the blue hat.

#### *The blue hat*

The **Blue hat is unique** and is typically used by only one person, namely the individual who is leading or facilitating the meeting. The blue hat will call for the usage of the other hats at the appropriate time and ensure that each color hat is being used in the correct way. The blue hat is for control and planning: it is used to organize the meeting and control the whole process. The person wearing the blue hat is responsible for introducing the topic to the meeting and making sure all participants keep focused on the outcome.

It could be said that the person wearing the blue hat acts as the conductor of an orchestra, keeping everyone together and going in the right direction.

#### *The white hat*

Although there is no set order in which to call for the different hats, probably starting with the white hat is best.

The white hat represents information. It focuses on the facts, what data do we have, past, current, and future data. What further information do we need? What info is relevant and which is not relevant? When wearing the white hat you need to be neutral and objective in your thinking, presenting checked and proven facts, and also sometimes facts that still need to be checked. All participants in the meeting wear the white hat and could contribute to the information gathering. The objective is to present everything that is needed to know. Participants typically ask for further information in a neutral way, with no intention to criticize; remember, it is about gathering information.

#### *The red hat*

The red hat represents the emotions and feelings and when being used you can express anything you feel, knowing that there will be no judgment or questioning of your comments. If, for example, you say that you do not think something is a good idea, you may express it but you do not need to say why, no one can ask you. Frequently it is just your gut feeling, intuition or sixth sense telling you something. Without the red hat, many people would not say how they feel about something because they often cannot or just do not want to justify what they have just said, nor have a logical reasoning behind what they said. It normally takes the form of a short round with everyone saying what they feel. For example, some people might say "the proposal is terrible", "I do not like it", "great, it is awesome".

#### *The yellow hat*

The yellow hat is often called the sunshine hat and is positive and constructive. Again, all participants must wear the yellow hat, and no matter what their initial thoughts are, they need to think about what is good and what is positive about the proposal. So even if they

are against the idea, they need to look beyond that and express what can be good and what works well. No matter how negative a person is, they can always find something good. This is important since it makes people look at proposals in a different light, and maybe change their views or accept other proposals better.

### *The black hat*

The black hat is the hat of caution or carefulness. When using black hat thinking you look at decisions and their potentially negative outcomes. You look at them cautiously and defensively, trying to see why they might not work. This is important because it highlights the weak points in a plan or a proposal, allowing you to eliminate them, alter them, or prepare contingency plans to counter them. Even the person who proposed the idea must wear the black hat at this point, as do the other people who support the idea.

Black hat thinking helps you make your plans stronger and more resilient. It can also help you spot fatal flaws and risks before you embark on a course of action. It is one of the true benefits of this technique, as many successful people get so used to thinking positively that they often fail to anticipate problems. This leaves them underprepared to face difficulties. One rather important point here is not to see this hat as a negative hat.

### *The green hat*

The green hat is a creativity hat that allows participants to explore alternatives and other solutions. Its objective is to improve what has already been proposed. All participants of the meeting should put on the green hat and, if they wish, use creativity and idea-generating techniques to make changes to the proposal, suggest new approaches, or even come up with a new proposal that may not have been considered before.

The Six Thinking Hats technique can be used in a variety of settings, it helps to promote critical thinking, encourages constructive dialogue, and facilitates the generation of innovative solutions.

### *Example*

This example outlines the possibilities offered by the six-thinking-hats technique when applied to a particular management decision.

The team is composed of John, Timmy, Jorge, and Lucas (who is wearing the Blue Hat and facilitating the discussion). They are using the Six Thinking Hats technique to decide whether or not to move the company offices to a different neighborhood. They want to explore different aspects of the problem and generate ideas to address their concerns.

The current office location is located in a busy city center, surrounded by restaurants, shops, and other businesses. The office space is 40 square meters, with a small kitchenette and one shared bathroom. The company has been renting this space for the past 5 years, but recently the landlord has informed them that in 3 months the rent will increase significantly.

The team is considering two potential new office locations: one in a trendy, up-and-coming neighborhood on the outskirts of the city, and another in a more suburban area with lower rent prices but longer commute times for some team members.



Hat Color	Possible Commentaries Example
<b>Blue Hat</b>	<ul style="list-style-type: none"> <li>Lucas: Okay guys, we are going to debate about moving our office (headquarters) to another neighbourhood.</li> </ul>
<b>White Hat</b>	<ul style="list-style-type: none"> <li>Lucas: Let's start by talking about the facts. What do we know about our current location and what we might want to know about the possible future locations?</li> <li>John: Our current location is 40 square meters and sometimes products do not fit in the place.</li> <li>Timmy: How big are the potential new locations?</li> <li>Jorge: What are the rent prices of the potential new locations?</li> <li>Lucas: Good questions, let's gather all the relevant information and make a list.</li> </ul>
<b>Red Hat</b>	<ul style="list-style-type: none"> <li>Lucas: How do you feel about the potential move?</li> <li>Timmy: I feel excited about the prospect of moving to a new location, but also nervous about the change.</li> <li>John: I'm feeling a bit overwhelmed by the thought of moving and finding a new office space.</li> <li>Jorge: I'm feeling cautious about making a decision without all the information we need.</li> <li>Lucas: It's important to acknowledge our emotions and feelings about this potential change. Let's keep these in mind as we move forward.</li> </ul>
<b>Black Hat</b>	<ul style="list-style-type: none"> <li>Lucas: What are some potential drawbacks or challenges we might face with each potential location?</li> <li>Timmy: The suburban location might be too far for some team members to commute easily.</li> <li>John: The trendy neighborhood might have higher rent prices and more competition for office spaces.</li> <li>Jorge: We might not be able to find a new location that meets all of our needs and preferences.</li> </ul>
<b>Yellow Hat</b>	<ul style="list-style-type: none"> <li>Lucas: What are some potential benefits to the move?</li> <li>Jorge: If the new neighborhood has more foot traffic, it could help us increase our sales.</li> <li>Timmy: The suburban location might be quieter and more peaceful than the city center.</li> <li>John: The trendy neighborhood might attract new clients and customers to our business.</li> </ul>
<b>Green Hat</b>	<ul style="list-style-type: none"> <li>Lucas: Let's think outside the box and brainstorm some creative solutions to address the concerns we raised with the black hat.</li> <li>John: What if we consider sharing office space with another business in the trendy neighborhood?</li> <li>Timmy: What if we negotiate a lower rent price for the suburban location?</li> <li>Jorge: What if we invest in some space-saving furniture for our new office space?</li> <li>Lucas: These are all great ideas. Let's evaluate them using the different thinking hats to see which ones are most feasible and effective.</li> </ul>

### *[PROPOSED ACTIVITY#1 – DESIGN THINKING]*

The purpose of this exercise is to make students practice and experience the utility of design thinking methodology and creativity techniques. This way, each participant can use the Design Thinking process to solve a real-world problem, learning how to empathize, define, ideate, prototype, and test his/her solutions, and how to reflect on the process to improve their problem-solving skills.

- Get the class to work in teams composed of 5 participants (ideally/approximately).
- Phase 0: Challenge.
  - Ask teams to define/choose a real-world problem they are interested in solving (options can be given to participants, too). It can be a problem that they have experienced, or a problem that affects a wider community or society. It can be interesting to choose a business idea definition problem (however it is not mandatory). Write it down as a statement. (e.g. 5 min)
- Phase 1: Empathize. Role-playing: conducting empathy interviews.

- Ask teams to define the key aspects they want to learn about in their conversations with customers. Then formulate questions that explore these topics. Frame them as open-ended questions, such as: “Tell me about an experience...”, “What are the best/worst parts about...?” or “Can you help me understand more about...?” (e.g. 10 min)
- Ask teams: think about important questions that should be asked to the customer, you can focus on satisfied or unsatisfied desires/needs. (e.g. 10-15 min)
- Divide the team in sub-groups of 2-3 participants, both sub-groups need to have the questions they have agreed and defined. Each subgroup will be paired with a subgroup of another team. First, one sub-group will explain their problem, and the other sub-group will pretend to be the potential customer. They will perform a time-limited roleplay (e.g. 10 min) asking as many key questions they can, it is important not to settle for short answers. Try to obtain a rich comprehension of customer's point of view: try to gain a deep understanding of the problem, the people it affects and how it affects them.
- Repeat the role-play changing roles. (e.g. 10 min)
- Phase 2: Define the problem.
  - Ask teams to rejoin, share the obtained information and organize it: Based on their empathy work, they need to define the problem in a clear and concise statement. Remember them that to make sure the new definition has to be specific, actionable, and focused on the needs of the people who are affected by it. (e.g. 15 min)
- Phase 3: Ideate.
  - Brainstorm as many ideas as possible to solve the problem. Use techniques like mind mapping, sketching, and role-playing to generate new and creative solutions. (e.g. 20 min)
- Phase 4: Prototype.
  - In teams: Choose one or more of your ideas and turn them into a drawn sketch of a tangible prototype. Use materials like paper or digital tools to create a quick low-fidelity prototype to show back again to the customers you interviewed in phase 1. In a real-life scenario, it would be better to create a tangible prototype that can be tested and refined. (e.g. 20 min)
  - Ask teams to define what are the advantages of this new solution and how does it solve the problem in a better way. Then think about some topics that need to be explored with customers. (e.g. 10 min)
- Phase 5: Test.
  - Divide the teams in the same sub-groups and perform the role-play again, this time presenting the prototype and gathering the feedback. (20 min)
  - Back in teams, share the observed reactions and feedback, and use it to refine the prototype and improve the solution. Take some future perspective decision and next steps. (10 min).
- Reflect on the process and outcome (individually or in groups). What did you learn? What worked well and what didn't? How could you improve the Design Thinking process for future projects? (10 min).

Expected time: 155 min.

Please, note that the role of the trainer is to walk around the class checking students' progress, listening to their reasoning and providing instant feedback. Students play a central role helping each other's learning process. It is important to remind students to share their points of view regarding each other's tasks and to be open-minded to accept feedback from peers.

## 5. Personal project assignment

### *Proposed task before the project review session with the student*

The objective of this first mentoring session will be promoting participants to put into practice creativity techniques and to choose a definitive idea to work with for the remainder of the training. To do so, participants will have to:

1. Generate multiple ideas
  2. Select the best ones (2 or 3)
  3. Plan the initial Empathize phase of the design thinking approach for each.
1. Use creativity techniques reviewed in class to **generate several ideas** (solutions/business ideas). You can base yourself on areas of interest/experience in which you might consider starting-up.

*Note: You can use the following template to inspire reflection of your interests and skills:*

Inspiration topics	Questions
Already existing entrepreneurship ideas	<ul style="list-style-type: none"> <li>• What ideas do you have?</li> <li>• If you could not fail, what kind of business would you be running in five years?</li> </ul>
Interests	<ul style="list-style-type: none"> <li>• What are you passionate about? (Think about hobbies, past jobs, educations, fields you are interested in, topics you like to watch on social media etc.)</li> <li>• What are 5 things you really enjoy doing in your personal life?</li> <li>• What are 5 things you really enjoy doing in your "day" job?</li> </ul>
Skills and knowledge	<ul style="list-style-type: none"> <li>• What are your skills and knowledge? (Think about hobbies, past jobs, educations, fields you are interested in, topics you like to watch on social media etc.)</li> <li>• Consider 3 of your strengths. What are they?</li> </ul>

2. **Choose two or three ideas** you would like to develop further on, they can be modifications and variations of other ideas (e.g. already thought ideas). Even if the participant is initially devoted to one idea, it would be important to practice at least one creativity technique (to integrate it) and generate new ideas. You never know if you will come up with a new and more promising variant of the already thought idea.
3. Imagine you are in the **Phases 0 and 1 of design thinking**: define the challenge, the target customer, and the main aspects you want to learn about potential customers/clients (how they use the type of product/service, negative-positive aspects, etc.). Then formulate questions that explore these topics.

*Note: You can use the following template:*

Initial Idea/interest	Phase 0: Challenge statement	Phase 1: Target population	Phase 1: Key aspects and topic to explore the problem
	"Find a new product/service that solves a common problem in my field of interest/expertise"		<u>Current experience of customers: use, frequency, etc.</u> <ul style="list-style-type: none"> <li>• "Can you tell me about your experience with the product/service?"</li> <li>• "How do you typically use the product/service?"</li> <li>• "How do you feel when</li> </ul>

			<p>you use the product/service?"</p> <p><b><u>Needs and desires.</u></b></p> <ul style="list-style-type: none"> <li>• "What are the most important features you look for in this kind of product/service?"</li> <li>• "How would you feel if "X" feature was added to the product/service?"</li> </ul>
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### ***Project review sessions***

The trainer starts getting to know each participant interests, expectations, need and desires: What are you interested in? What do you expect regarding the training and your idea? What do you need/want help with? Is starting-up an option for you? Why / Why not?

Participants explain and present to the trainer:

- The creativity technique they have use.
- The obtained and selected idea/s
- The planned phases for each idea:
  - The challenge.
  - The costumers.
  - Key aspects to explore.
  - Question to ask to customers.

This way, the trainer starts learning about participants' interests and expectations. The trainer gives feedback and opines about the ideas and the planned Empathize phases.

Together they discuss so that the participant chooses a definitive idea.

Finally, the trainer talks about the possibility of performing the field work of Phase 1 before Unit 3; it would be ideal that each participant could perform some interviews/surveys to potential customers before Unit 3.

In the next personal project session participants will explain their progress of phase 1.

Remind participant goal setting principles when planning Phase 1:

- Clarity: it needs to be specific, measurable, and time-bound (Conduct "X" interviews/surveys to "X" particular people before a specific day).
- Challenge: it is not too easy (e.g. 1 interview to a sibling) or too difficult (e.g. 50 interviews).
- Commitment: it is important and logic (e.g. necessary to validate my idea).
- Feedback: after the first interviews I might need to adapt the questions or the number of interview.
- Task complexity: It is divided into smaller goals (3 interviews the first week, 3 interviews the second week, compiling all information and concluding).

End up explaining the assessment task.

*[ASSESSMENT TASK 1 – IDEA GENERATION AND DESIGN THINKING]*

Submit the template of your chosen idea before Unit 2 sessions applying the feedback changes/modifications the trainer suggested. Unit 2 is oriented to start working with the business idea so be sure to have a selected idea.

Initial Idea/interest	Phase 0: Challenge statement (3 points)	Phase 1: Target population (3 points)	Phase 1: Key aspects and topics to explore the problem. Formulate at least 5 questions. (10 points)
	"Find a new product/service that solves a common problem in my field of interest/expertise"		<p><b><u>Current experience of customers: use, frequency, etc.</u></b></p> <ul style="list-style-type: none"> <li>• "Can you tell me about your experience with the product/service?"</li> <li>• "How do you typically use the product/service?"</li> <li>• "How do you feel when you use the product/service?"</li> </ul> <p><b><u>Needs and desires.</u></b></p> <ul style="list-style-type: none"> <li>• "What are the most important features you look for in this kind of product/service?"</li> <li>• "How would you feel if "X" feature was added to the product/service?"</li> </ul>

The evaluation will be based on:

- Phase 0: concreteness of the challenge statement (3 points).
- Phase 1:
  - Target population: the chosen target population will be able to provide the necessary information (3 points)
  - Key aspects and topics to explore the problem (10 points): There are at least 5 questions (maximum of 2 points for each):
    - Each question explores a key aspect (1 point).
    - Each question is adapted (easy to understand) to the target population (1 point).

Total points: 16.

Explain **how it is going to be evaluated**, what aspects will be considered when grading the task. Remember that the most important point is that they learn how to initiate the first steps of a creative market research methodology like design thinking; this is not an exam. This means that questions regarding the task can be asked to the trainer (e.g. by mail). Students can help each other, too.

## 6. Support material

### Creativity:

Why Is It Important For An Entrepreneur To Have Creativity? (Carosa, 2022):

<https://www.forbes.com/sites/chrisarosa/2022/10/16/why-is-it-important-for-an-entrepreneur-to-have-creativity/?sh=39d4973b67ae>

The Importance of Creativity in Business. (Boyles, 2022) *Harvard Business School Online's Business Insights Blog*: <https://online.hbs.edu/blog/post/importance-of-creativity-in-business>

AGILITe Project MOOC: Creativity: <https://mooc.agilite-project.eu/io2-creativity/>

AGILITe Project MOOC: Spotting Opportunities: <https://mooc.agilite-project.eu/io2-spotting-opportunities/>

### **Creative market insight:**

Hougaard, S. (2006). *The business idea: the early stages of entrepreneurship*. Springer. <https://link.springer.com/book/10.1007/b138370> (no free to access option available).

### **Design thinking:**

Original author's book: Herbert A. Simon (1969) "The Sciences of the Artificial"

IDEO's Design Thinking for Educators Toolkit: <https://education.uky.edu/nxgla/wp-content/uploads/sites/33/2016/11/Design-Thinking-for-Educators.pdf>

Get Started with Design Thinking. <https://dschool.stanford.edu/resources/getting-started-with-design-thinking>

[ESP] Metodología Design Thinking en español. [https://youtu.be/\\_ul3wfkss58](https://youtu.be/_ul3wfkss58)

### **Market research:**

MOOC type course: *Becoming an Entrepreneur*. MIT & LaunchX (2017): <https://www.edx.org/course/becoming-an-entrepreneur> Youtube link of the course: <https://www.youtube.com/watch?v=3M9X88adJ8&list=PLCUM6hFkkgEFAHSFuazEmfB3p6M0jDRYB>

### **Creativity techniques**

VanGundy, A. B. (2008). *101 activities for teaching creativity and problem solving*. John Wiley & Sons. (Available for free on google scholar: <https://ds.amu.edu.et/xmlui/bitstream/handle/123456789/1493/01270.pdf?sequence=1&isAllowed=y>)

Michalko, M. (2006). *Thinkertoys: A handbook of creative-thinking techniques*. Ten Speed Press.

Mindtools website: <https://www.mindtools.com/>

### **Six thinking hats:**

Original author's book: Edward de Bono (2007). *Six Thinking Hats: An Essential Approach to Business*. Management. Little, Brown & Company.

What Is Six Thinking Hats? <https://youtu.be/UZ8vF8HRWE4>

How to use the Edward de Bono's Six Thinking Hats for decision making. <https://youtu.be/uYBaSZYZ3sl>

### **SCAMPER:**

Original author's book: Bob Eberle "SCAMPER: Creative Games and Activities for Imagination Development" 1971.

Mindtools content team: SCAMPER: <https://www.mindtools.com/ao2rt8j/scamper>

[ESP] Método SCAMPER con ejemplos y aplicación en Design Thinking y otros procesos creativos. [https://youtu.be/T\\_TkM10PG8Y](https://youtu.be/T_TkM10PG8Y)

[ESP] TECNICA DESIGN THINKING: IDEAR – SCAMPER <https://youtu.be/EXpz1wyr3So>

## Unit 2: The business idea key components

### Objective Unit 2.

The main objective of Unit 2 is to convey a clear understanding about the basic components of the business idea before developing it in greater depth during Course 3. By the end of the course, participants will know how to define and analyze their ideas in business terms.

### Contents Unit 2.

This Unit 2 covers the following elements:

1. Success in entrepreneurship
2. What is a business idea?
3. Types of potential business ideas
4. The 4 Basic key components of the business idea
5. Personal project assignment
6. Support material

Before starting with the key components of the business idea, it might be interesting to quickly overview some information regarding business success and the business idea itself. Do not place much emphasis on sections 1 and 2, and bear in mind that the central point and focus of this unit is the business idea and its key components.

### 1. Success in entrepreneurship

There is no a clear-cut answer to what success in entrepreneurship is and means. The following tips could serve to the purpose of becoming a successful entrepreneur:

- Research - check out the market in advance - is there a need for your idea? *Remember the design thinking approach.*
- How to make money? Make a good business plan - Set up forecasts for sales 1st year. *Remember that a business plan will be fully developed in later courses.*
- Access to capital? - investors or sponsors - important to be able to pitch the idea, what are you actually selling. *Remember that in course 5 you will learn how to pitch your idea effectively.*
- Have faith in the idea, do not give up, but turn in time. *Train the soft-skills learned in Course 1*
- Network access - who should you talk to when?
- Map skills needs - create a team - connect with people who are better than you, and have other skills. *Remember Course 1 Team building tips.*
- Mentor - important with a sparring partner and advisor.
- Dare to think big - have goals and ambitions.
- Be fearless and seize opportunities.
- Time consuming - be persistent while you are impatient - find the balance there.
- Get more people involved - create excitement for your idea, get others to speak up and give input - again important with the right pitch.
- Create your own pitch for each target group.
- Mentor, investor, network, partner - focus on what to sell to whom.



## 2. What is a business Idea?

A business idea is a concept that can be used for financial gain that is usually centered on a product or service that can be offered for money:

- A business idea is the reason for setting up a firm. It drives everything about the company, from what products and services are offered to how these products are marketed. A successful idea does not need to be unique, but it must have the potential to capture part of its target market.
- It must be built on inclinations, desires, talents and passions.
- It has to be YOUR idea, an idea that suits you and the passion for it to be the foundation on which the future enterprise stands.

## 3. Types of potential business ideas

When starting a business, most entrepreneurs rely on the following:

- Personal experience or skills:
  - Previous work experience: utilised skills they have learned in their career.
  - Their education and training.
  - Application of his or her own skills: for example, an interest or hobby that can be monetised.
- Innovation and market insight:
  - A gap in the market.
  - New product, service or invention.
  - Innovative solution to an everyday problem.
  - Copying or importing ideas seen elsewhere.
  - Analysis of perceptible changes in the environment.

Questions to ask yourself as a future entrepreneur:

- Which are your talents?
- What are you passionate about?
- What ideas do you have?
- If you could not fail, what kind of business would you like to be running in five years time?

Steps to undertake for developing a sound business idea:

- Identify clear market advantages.
- Identify the potential risks.
- Minimizing the financing effort: the less capital needed, the better.

## 4. The 4 Basic key components of the business idea

A successful small business must have 4 things in their focus – **product, market, money & people**. Whether you are a startup looking for venture capital or you want to become a successful small business all on your own, there are a few basic – but important – components every business must have.

This unit aims at displaying basic concepts for a business idea. It is intentionally simplified for students for them to get a clear picture of the challenges a business idea faces. Further courses (particularly Courses 3 & 4) go deep in many of these concepts. As stated this Course 2

## **Product**

The product (or service) refers to a clear offer, much better if it aims at solving a specific problem and if it is easy to describe.

There are 3 main things needed to develop a worthy product:

- **Create Better Services**

For a small business to grow and thrive, it has to be offering clear, demonstrable, products and services to its clients. Products that are superior to what is already in the market are an added advantage. This is what will help your brand stand out.

For this reason, it is rather important to identify a market gap (so-called niche) that is yet to be occupied, or there is room for a better solution. Use the opportunity to describe to your customers how well your product will solve their problems, for example, save time, improve health, save money, improve the productivity of their business, enhance quality of life, etc. The design thinking methodology can be key to identify and validate ideas and proposals.

Start by identifying a problem that your customers and potential customers may have. The problem should have a certain level of difficulty, to be complex enough for people to struggle to solve it. If you are providing and/or delivering a service, your words are frequently your greatest asset. Connecting with your potential customers (also called prospects) using relatable language (making them feel they relate to the message and to the offer) will help them get to know you and trust you.

- **Optimize your offers**

Start your business by establishing high-quality specialized services. This may include concentrating on specified solutions or beginning by focusing on a narrow niche, this may mean, for example, focusing on a specific group of customers with particular needs and preferences. The idea behind focusing on narrow niches is that by offering high-quality specialized services to a specific group of customers, you can stand out as an expert in that field and more effectively meet their needs. By concentrating on a narrow niche, you can create tailored and customized offerings that could solve specific problems and generate greater value for your customers.

Once you have established a solid foundation and your signature service is selling consistently, it could be time to develop another offer: you can consider expanding into other niches or areas of specialization. It is frequently advised to wait until the delivery of the first offer/product/service is running smoothly before launching a second one.

- **Consider premium pricing**

Properly determined price is essential for maximizing revenue. Typically, prices are inversely related to sales volume. What that means is you would probably need to sell more of lower priced services to stay afloat. Keep your prices high enough to give you a healthy profit, and reasonable enough to keep your clients returning.

## **Market**

A market for the product refers to people that need it, want it and get it. It is best if there is already some proof that demand for your product/service exists. This key component requires taking action in several areas:

- **Develop a simple marketing plan.**

The business world is competitive, and requires in turn you become competitive too. A marketing strategy should be one of your central focuses. First, get to know which **channels** you need in place so as to create a strong presence of your product/service and to develop awareness about your brand. These channels should include your target customers. Second, have a specific **message** about your products and services to showcase in the marketplace that is effective enough to intrigue prospects and turn them into paying customers.

A good marketing strategy and captivating messaging give your product solid traction in reaching the marketplace. Make your case highly convincing by showing the world that you already have customers lined up to buy from you, for example.

- **Evaluate marketing performance**

Evaluate your marketing strategy on a regular basis. Get to know what is working and what is not, compare results and use the information to reinforce successful customer acquisition methods and eliminate costly channels that aren't working. Ask yourself about the following to review your actions:

- Are your prices competitive?
- Is your brand and messaging positioning you as an expert in the field?
- Are your customers fully satisfied?
- Does your product/service make your customers come back for?
- Are your channels working?

- **Maintain the customers you already have and use them to promote your products.**

Keep selling to your current customers and work extra hard to satisfy them. They are your biggest brand advocates. Do not get busy reaching for new ones and neglect the ones you already have. Getting new customers is usually expensive.

Use your direct interactions with customers to promote your products and ask them to encourage others to try your products as well. Get case studies (examples) from those who are excelling as a result of your help. This is an inexpensive but powerful tool, especially if you can build strong customer relations from the very beginning.

## **Money**

Owners/investors must be able to continue financing the business idea while it is in start-up mode. Many businesses fail because they run out of financial resources and underestimate the time it takes to get their product to the adequate buyers. You need to design a practical plan to finance your business during its start-up mode.

This key component requires considering the following elements:

- **Financial projections**

A good financial plan can predict how well your venture resists hard times, particularly first months/years. A startup does not earn profits right away and it may take time for substantial returns to your investment to be seen. When it comes to financing your business, never rely on hope or vision. Make sure you are prepared. Gather facts and make credible assumptions.

In the following courses, we will deepen in the financial aspects of the entrepreneurship process with the **Business Model Canvas** (Course 3) and the **Business Plan** (Course 4).

- **Understand your numbers**

It is essential to comprehend the financial impact on daily business operations. You must be prepared to run a business without making substantial cash inflow. This requires figuring out the period you can operate safely before you can make a substantial profit, and how much money you can afford to spend, to keep your business surviving during not-too-good times. Methods like Profit First are recommended for effective financial management (see <https://relayfi.com/blog/profit-first-method#what-is-profit-first>).

## **People**

Ideas are cheap. Execution is everything. It is the action that follows having a great idea that makes a business work. A business idea may have all the three elements listed above and still fail if you do not have the right team members (tenacious, curious and ready to carry out under all kinds of circumstances). Key success elements:

- **Leadership team.**

The fourth major area worthy of investment, and often overlooked, is you and your partners. In the process, owners face hundreds (sometimes thousands) of roadblocks. Your strength, mindset and tenacity will get you through those setbacks faster and your curiosity and creativity will find you a better solution, a way out.

- **Hire competent people**

Whatever you cannot do well yourself, you need to find others who excel at those tasks. Your team members are some of the most important assets to your business. Having the right people who share your goals and have a vision aligned with that of your business is the final ingredient for a successful business venture. Customers buy from people, so you need to find individuals who can contribute to branding and building your business, individuals who are willing to do whatever it takes to create strong relationships with customers and foster loyalty.

### ***[PROPOSED ACTIVITY#2.1 – BUSINESS IDEA COMPONENTS]***

This activity aims at allowing students to analyze their chosen business idea basic components.

1. Get each participant to fulfill the template below.

2. Each participant shares his/her idea.
3. Next, participants can give their opinion on the other participants' ideas, propose changes, ask doubts, etc.

	Dimension	Concept	Scale (0-10)	Justification
<b>A</b>	Real problem	<u>What customer needs do you address?</u> The idea addresses a gap in the market or <b>solves a real problem</b> . Does it solve an issue that customers have or covers a want/need?		<i>What is your specific solution? What customer needs do you need to address? What makes you unique?</i>
<b>B</b>	Potential customers	<u>Who has the problem (or need/want) that your idea solves?</u> Identify the potential customers that would be willing to buy your product or service.		<i>Who has this need?</i>
<b>C</b>	Competitors	What other companies offer similar services/products? What products or services will you compete against?		
<b>D</b>	Market advantage (value proposal)	What (unique) features or benefits does your product or service offer compared to existing options in the market? The market advantage must be clearly recognizable. The more significant the market advantage (e.g. low price), the higher the chances of success of a start-up.		<i>Why should customers buy your particular product or service, if they are happy with what they have today? (Example: think for yourself; what does it take for you to change hairdresser, dentist or car repair shop for that matter, if you are very happy with the ones you use today?) You as an entrepreneur should think about what is different about you from the rest of the market. What makes you unique?</i>
<b>E</b>	Passion, interest, and motivation.	The idea/problem to solve produces you <b>motivation and excitement</b> : is it something you could commit to and work hard on it? Remember that the process will sometimes be extremely frustrating or demanding.		<i>Is the problem or the business idea related to your passions or interests?</i>
<b>F</b>	Talents, knowledge, and skills.	The idea/problem to solve involves abilities, <b>skills and strengths</b> you have. Is it something you have knowledge or skills to work on (e.g. education, work experience, hobbies, etc.)?		<i>Is the problem or the business idea related to your knowledge and skills? How could you contribute to the development of the business idea? In which matters would you need help on?</i>
<b>G</b>	Low financial effort	Can it be started with a moderate investment? The idea should not be too <b>expensive</b> or high <b>resources</b> requiring.		<i>Could the idea be simplified? How? Could the resources needed be changed, reduced or renounced? What modifications would that imply?</i>

Please, note that the role of the trainer is to walk around the class checking students' progress, listening to their reasoning and providing instant feedback. Students play a central role helping each other's learning process. It is important to remind students to share their points of view regarding each other's tasks and to be open-minded to accept feedback from peers.

Moreover, note that the trainer should explain that this task is the assessment task of the unit. Explain how the student will be evaluated, that is what aspects will be considered when grading the task outlined above (check assessment task section). Remember that the most important thing is that they learn how to analyze the basic components of a business idea to have a more informed picture of it. Encourage participants to ask any doubt they have, even if it might seem obvious; also students can help each other.

**IMPORTANT: DO NOT WRITE THE ANSWERS FOR THEM**, give examples and try to guide the student to the right answer: it is essential that each student knows how to define these components of a business idea.

*[PROPOSED ACTIVITY#2.2 – IDEA REQUIREMENTS]*

**This activity aims at helping participants gaining a general insight of the resources demanded by their idea.**

*NOTE: This activity was done in course 1, but it would be interesting to repeat it with the definitive chosen idea.*

1. This activity could be done in groups or individually and can be integrated within the previous one.
2. Make participants identify what would their idea require in terms of resources using the template below.
3. Share the results in groups.

Supply chain elements	Requirements
Design of the product or service	What is the concrete offering? What is needed to design it? Can you design it? Would you need help from others? Who? What knowledge is necessary?
Production of the product	What is necessary to produce the product? Can you do it at home (e.g. cheesecake)? Would you need a manufacturer (e.g. plastic product)? What about suppliers (e.g. Clothes)?
Connect the customer with the product or service	How is the target population going to know about your offering? What does the marketing strategy require? Online advertising? Contacting influencers?
Distribution of the product	How is the product going to reach the target population? In a store? Online? What is needed?
Providing the service	How is the service going to be provided? Does it require a physical location (e.g. a massage)? Can it be delivered online (e.g. a lesson)? Who is going to provide it? A professional? Could you provide it by yourself (e.g. consulting)? Etc.
Bureaucracy, procedures, legal aspects, etc.	What legal aspects need to be checked (e.g. confidentiality/privacy policies)? Is the idea legally possible? Does the idea already exist? Does this affect you?

Please, note that the role of the trainer is to walk around the class checking students' progress, listening to their reasoning and providing instant feedback. Students play a central role helping each other's learning process. It is important to remind students to share their points of view regarding each others' tasks and to be open-minded to accept feedback from peers.

Moreover, note that the trainer should explain that this task will be the assessment task of the unit. Explain how the student will be evaluated, that is what aspects will be considered when grading the task outlined above (check assessment task section). Remember that the most important thing is that they learn how to analyze the basic components of a business

idea to have a more informed picture of it. Encourage participants to ask any doubt they have, even if it might seem obvious; also students can help each other.

IMPORTANT: DO NOT WRITE THE ANSWERS FOR THEM, give examples and try to guide the student to the right answer: it is essential that each student knows how to define these components of a business idea.

## 5. Personal project assignment

### *Proposed task before the project review session with the student*

The objective of this second mentoring session will be to get participants their idea more precisely defined. Moreover, keep monitoring the field work of Phase 1 – Empathize defined in the last personal project session.

Before the session, participants will have to fulfill both templates of activities [PROPOSED ACTIVITY#2.2 – IDEA REQUIREMENTS] and [PROPOSED ACTIVITY#2.1 – BUSINESS IDEA COMPONENTS] regarding their chosen idea.

### *Project review sessions*

Participants explain their impressions after the definition and deepening of their ideas to the trainer. The templates are reviewed and the trainer gives feedback. Finally, the participant updates the trainer regarding Phase 1 – Empathize, and they talk about the remaining steps before Unit 3. It is important to have some information gathered before Unit 3 as some activities will be directed to working with that information.

### *[ASSESSMENT TASK 2 – BUSINESS IDEA COMPONENTS]:*

Submit the templates of your chosen idea before Unit 3 sessions with the corrections of the trainer.

	Dimension	Concept	Scale (0-10)	Justification
<b>A</b>	Real problem (2 points)	<u>What customer needs do you address?</u> The idea addresses a gap in the market or <b>solves a real problem</b> . Does it solve an issue that customers have or covers a want/need?		<i>What is your specific solution?</i> <i>What customer needs do you need to address?</i> <i>What makes you unique?</i>
<b>B</b>	Potential customers (2 points)	<u>Who has the problem (or need/want) that your idea solves?</u> Identify the potential customers that would be willing to buy your product or service.		<i>Who has this need?</i>
<b>C</b>	Competitors (2 points)	What other companies offer similar services/products? What products or services will you compete against?		
<b>D</b>	Market advantage (value proposal) (2 points)	What (unique) features or benefits does your product or service offer compared to existing options in the market? The market advantage must be clearly recognizable. The more significant the market advantage (e.g. low price), the higher the chances of success of a start-up.		<i>Why should customers buy your particular product or service, if they are happy with what they have today?</i> <i>(Example: think for yourself; what does it take for you to change hairdresser, dentist or car</i>



				<i>repair shop for that matter, if you are very happy with the ones you use today?) You as an entrepreneur should think about what is different about you from the rest of the market. What makes you unique?</i>
<b>E</b>	Passion, interest, and motivation.  (2 points)	The idea/problem to solve produces you <b>motivation and excitement</b> : is it something you could commit to and work hard on it? Remember that the process will sometimes be extremely frustrating or demanding.		<i>Is the problem or the business idea related to your passions or interests?</i>
<b>F</b>	Talents, knowledge, and skills.  (2 points)	The idea/problem to solve involves abilities, <b>skills and strengths</b> you have. Is it something you have knowledge or skills to work on (e.g. education, work experience, hobbies, etc.)?		<i>Is the problem or the business idea related to your knowledge and skills? How could you contribute to the development of the business idea? In which matters would you need help on?</i>
<b>G</b>	Low financial effort  (2 points)	Can it be started with a moderate investment? The idea should not be too <b>expensive</b> or high <b>resources</b> requiring.		<i>Could the idea be simplified? How? Could the resources needed be changed, reduced or renounced? What modifications would that imply?</i>

Supply chain elements	Requirements
Design of the product or service (2 points)	What is the concrete offering? What is needed to design it? Can you design it? Would you need help from others? Who? What knowledge is necessary?
Production of the product (2 points)	What is necessary to produce the product? Can you do it at home (e.g. cheesecake)? Would you need a manufacturer (e.g. plastic product)? What about suppliers (e.g. Clothes)?
Connect the customer with the product or service (2 points)	How is the target population going to know about your offering? What does the marketing strategy require? Online advertising? Contacting influencers?
Distribution of the product	How is the product going to reach the target population? In a store? Online? What is needed?
Providing the service  (2 points)	How is the service going to be provided? Does it require a physical location (e.g. a massage)? Can it be delivered online (e.g. a lesson)? Who is going to provide it? A professional? Could you provide it by yourself (e.g. consulting)? Etc.
Bureaucracy, procedures, legal aspects, etc. (2 points)	What legal aspects need to be checked (e.g. confidentiality/privacy policies)? Is the idea legally possible? Does the idea already exist? Does this affect you?

Please, note that the trainer will need to explain in class how this Task 2 will be evaluated, what aspects will be considered when grading the task.

In this case, students should only receive less than 2 points per row if an important element is found missing. For example, if it is not clear what is the market advantage or how would the distribution of the product would exactly work, 1 point or 0 points should be given.

Total points: 24.



Remember that the most important feature in Task 2 is that they learn how to analyze the basic components of a business idea to have a more informed picture of it. Written feedback should be given to students.

## **6. Support material**

### **Identifying the focal problem:**

Problem Tree Analysis: <https://mspguide.org/2022/03/18/problem-tree/>

Identifying the focal issue with 'Problem Tree Analysis' technique:  
<https://www.youtube.com/watch?v=-j-Y7D35H4>

## **Unit 3: Initial idea validation**

### **Objectives Unit 3.**

The main objective of Unit 3 is that participants learn how to perform an initial business idea testing, to evaluate its adequacy and gain some market insights. In other words, to first-check if the idea is adequate and worth to invest time and effort in developing it.

### **Contents Unit 3.**

This unit covers the following elements:

1. Importance of validating your business idea
2. Potential clients opinions, needs and wants
3. Gather information about your competitors or similar projects
4. Talk to suppliers, distributors and retailers of competing products
5. Other sources of information
6. Personal project assignment
7. Support material

*Previous note: Our purpose here is to show students how to start checking their ideas for validity (we want to avoid going through all the business idea model and then find out it is of no use)*

### **1. Importance of validating your business idea**

Many entrepreneurs forget some of the most basic things in their business idea:

- Will the market accept the product or service you want to sell?
- Are customers willing to pay? For what reasons?
- Have others done it before? Did it work out? Why?

If you are going to set up a business, part of the purpose must be that you have a well-thought-out idea that the market could embrace. The big question is, of course, whether it will go well and whether the business will be able to make a profit. No one can give a definitive answer to that, but if you are market-oriented (remember the Design thinking methodology), you can gain some clues about how customers perceive your product and make the necessary changes before launching.

This Unit provides a fast check before you go on and gather all the necessary data to write a Business Model Canvas (Course 3) and a Business Plan (Course 4). By posing to you a series of relevant questions, it provides you with some clues as to how it might work and reassure on the main points rose so far.

### **2. Potential clients opinions, needs and wants.**

One of the most basics aspects is to get information from your target audience regarding your product. If you have properly identified your business idea components, you have identified who your customers are.

One option can be performing interviews or sending out a market survey. By sending out market research to your target audience, you will quickly and easily find out if there is a need for your product, if customers like the new idea and if your product or service is good enough, or needs improvements to meet customer needs. There are many different tools for conducting a market research. A free tool that works well is SurveyMonkey which some of you may have used.

The most important questions in a market research tend to be:

- How do customers want the product to be?
- How and by whom do customers buy the product today?
- What are customers willing to pay for the product?
- What payment terms do they use?
- What service do customers want?

Other interesting information could be:

- Where do they buy they product?
- How do they get to know new products?

Find out as much as possible about their needs and priorities. What do they want? What makes you unique?

### **3. Gather information about your competitors or similar projects**

If you have properly identified your business idea components, you have also identified who your competitors are. Your main concern should be: How can your business stand out?

Try to find out as much as possible about them and their products. When conducting research on competitors or similar projects, utilize a combination of methods such as online searches, social media monitoring, purchasing their products, attending industry events or trade shows, and conducting surveys or interviews with your target audience about products from competitors they consume (ask them about their experiences, preferences, and what they believe is missing from existing offerings). The more comprehensive your research, the better equipped you will be to make informed decisions and differentiate your business effectively. This information can help you refine your product/service features, pricing, marketing messages, and overall customer experience.

Remember, while it is essential to gather information about your competitors, focus on understanding their strategies and positioning, rather than imitating them directly. Use this knowledge to develop a unique value proposition that resonates with your target market and sets your business apart.

It can also be the case that your project is innovative, therefore, you should be interested searching for existing (or past) projects with similar ideas, maybe in other countries or contexts. Try to find out what did they do, how did it go, why is your project different, etc. Learning from their experiences can help you refine your concept, identify potential challenges, and enhance your business idea. By understanding what worked or did not work for similar projects, you can make informed decisions and develop a stronger value proposition.

Some key questions that can be considered when gathering information about your competitors include:

- What products/services do you use to [solve this problem]?
- What are the key features and benefits that you find most appealing in this kind of products?
- What are the limitations or drawbacks you have experienced or heard about regarding existing products or services in the market?
- How do you perceive the pricing of the products or services currently available in the market?
- When seeking information about products or services like ours, where do you typically find or learn about them?
- Based on your experiences or interactions, what do you feel is missing or could be improved upon in the current customer experience provided by existing products or services?

#### **4. Talk to suppliers, distributors and retailers of competing products.**

Engaging with suppliers, distributors, and retailers of competing products is a great approach to gather valuable insights about the strengths and weaknesses of the products you are researching. It can help finding out as much as possible about the strengths and weaknesses of these products:

- **Supplier Perspective:** Suppliers often have a deep understanding of the products they provide and the industry as a whole. They can offer insights into the manufacturing process, materials used, and potential limitations or advantages of competing products. They may also provide information about pricing, availability, and any unique features that differentiate the products. Some example questions that could be asked to suppliers could be:
  - What materials or components do you think would be essential to include in a product like ours to meet customer expectations and industry standards?
  - From your experience, what are the main challenges or limitations that customers face with existing products in the market?
  - Are there any emerging trends or innovations in the industry that we should consider when developing our product?
- **Distributor Perspective:** Distributors play a crucial role in getting products from manufacturers to retailers. They have insights into the market demand, consumer preferences, and sales performance of different products. By talking to distributors, you can learn about the market share, popularity, and overall performance of competing products. They may also provide feedback on issues related to distribution, logistics, and packaging. Some example questions that could be asked to suppliers could be:
  - Based on your interactions with retailers and customers, do you see a demand for a product like ours? If so, what factors contribute to this demand?
  - Are there any specific distribution or logistical challenges we should be aware of when bringing a product like ours to the market?
  - How do you think our product would fit within the existing product offerings in terms of differentiation and competitive advantage?

- **Retailer Perspective:** Retailers are at the forefront of customer interactions and have direct insights into consumer preferences, buying behavior, and product performance. By speaking with retailers, you can gain valuable information about the strengths and weaknesses of competing products from the perspective of end consumers. They may share feedback on features that customers appreciate, common complaints or issues, pricing sensitivity, and overall customer satisfaction levels. Some example questions that could be asked to retailers could be:
  - From your interactions with customers, do you see a need or interest in a product like ours? What are the key points or desires that our product could address?
  - Are there any specific product features or attributes that customers often inquire about or request in this market?
  - How do you think our proposal would compare to existing products in terms of price, quality, and overall customer satisfaction?

By gathering insights from suppliers, distributors, and retailers, you can build a comprehensive understanding of the competitive landscape. This information will enable you to identify gaps and opportunities in the market, improve upon existing products, or develop a unique value proposition for your own product or service. Additionally, it can help you make informed decisions regarding pricing, distribution channels, marketing strategies, and product positioning.

When engaging with these stakeholders, it is important to approach them professionally and respectfully. Clearly communicate your intent and be open to their feedback and expertise.

## **5. Other sources of information**

Other options such as asking industry organizations (also known as trade associations or professional associations) or using available official statistics can be a great idea. Try to get as much information as possible about the structure of the industry, what trends are coming, what profitability the players have, how big the total market is, how the market is divided and so on.

Industry organizations are dedicated to promoting and representing the interests of businesses within a specific sector. They often have access to comprehensive industry data, market reports, and research findings. By engaging with these organizations, you can gain insights into the overall industry landscape, current trends, regulatory changes, and emerging opportunities. This information can help you make informed business decisions and stay ahead of the curve. Industry organizations may also provide data on market size, growth rates, and the breakdown of market segments. This knowledge enables you to assess the potential demand for your product or service, identify untapped market niches, and tailor your marketing and sales strategies accordingly. Some example questions that could be asked to trade associations could be:

- What are the current trends and emerging opportunities within the industry that we should be aware of when developing our business idea?
- Can you provide any insights on the profitability levels or average financial performance of businesses within the industry?
- Are there any specific market segments or niches that are currently underserved or have growth potential?

Official statistics are typically collected and published by government agencies, and they can provide reliable and authoritative data on various aspects of the industry. Official

statistics can offer insights into industry trends, growth rates, market size, and overall performance. These data points can help you assess the current state of the industry and identify opportunities or challenges. Official statistics may include information on regulations, policies, and legal frameworks relevant to the industry. Understanding the regulatory landscape can help you ensure compliance, anticipate changes, and mitigate potential risks. Some example questions that could be interesting to try answer when reviewing official statistics could be:

- What is the estimated market size of the industry and how has it been changing over the past few years?
- Are there any notable growth rates or projections for the industry as a whole or specific market segments? Are there any specific demographic or consumer behavior trends that align with our target market?
- Is there any information on regulatory changes, policies, or legal frameworks that may impact the industry in the near future?

### Proposed Activity

#### *[PROPOSED ACTIVITY#3.1 –IDEA VALIDATION RESULTS]*

This activity aims at making participants perform a “Phase 2- Define” of the process of the design thinking methodology, which in this context serves as an initial validation of participants’ originals ideas.

- In groups of 3 or 4 people, ask each participant to:
  1. Present their challenge (Phase 0 of design thinking) and the conducted phase 1 methodology (e.g. surveys, interviews; to whom, etc.); the template from the assessment task in unit 1 can be used.
  2. Share their results obtained from their field work, so that all participants of the group can read customers’ answers.
  3. As a group, synthesize the most important information (e.g. customer main needs and desires) and draw some conclusion (you can use the template below).
  4. Redefine the original challenge.
- Repeat the process with each participant.
- If there is some time left, Phase 3 can be started (e.g. participants can brainstorm ideas for each group member new redefined challenge).

Initial challenge	Main conclusions extracted from the information gathered	Redefinition of the challenge

Please, note that the role of the trainer is to walk around the class checking students’ progress, listening to their reasoning and providing instant feedback. Students play a central role helping each other’s learning process. It is important to remind students to

share their points of view regarding each others' tasks and to be open-minded to accept feedback from peers.

Moreover, note that the trainer should explain that this task will be the assessment task of the unit. Explain how the student will be evaluated, that is what aspects will be considered when grading the task outlined above (check assessment task section). Remember that the most important thing is that they learn how to organize, analyze and use the information obtained from customers to draw conclusion and adapt their project. Encourage participants to ask any doubt they have, even if it might seem obvious; also students can help each other.

**IMPORTANT: TRY NOT TO DO THE EXERCISE FOR THE STUDENT**, give examples and try to guide the student to the right answer: it is essential that each student knows how to interpret the gathered information.

### *[PROPOSED ACTIVITY#3.2 –COMPETITORS RESEARCH]*

The objective of this activity is that each participant elaborates a plan for performing a competitors market research.

- In groups of 3 or 4 people, ask each participant to:
  1. Explain their product or service.
  2. As a group, consider the exposed methodologies:
    - online searches
    - social media monitoring
    - purchasing their products
    - attending industry events or trade shows
    - conducting surveys or interviews to your target audience
  3. As a group, elaborate a plan to perform market research regarding competitors (use the template below); consider goal setting principles, see the next example:
    - Clarity: it needs to be specific, measurable, and time-bound (Conduct “X” interviews/surveys to “X” particular people before a specific day).
    - Challenge: it is not too easy (e.g. 1 interview to a sibling) or too difficult (e.g. 50 interviews).
    - Commitment: it is important and logic (e.g. necessary to validate my idea).
    - Feedback: after the first interviews I might need to adapt the questions or the number of interview.
    - Task complexity: It is divided into smaller goals (3 interviews the first week, 3 interviews the second week, compiling all information and concluding).

Redefined challenge	Goal	Method	Target	Deadline
A software company needs to design a new product that has a user-friendly interface and an efficient search	Find out current products from competitors in the area and their features.	Interviews.	Healthcare professional from local hospitals.	
	Test competitors products to see its features.	Buy the products.	Products of competitors in the	



functionality in the healthcare industry.			area.	
	...			

Please, note that the role of the trainer is to walk around the class checking students' progress, listening to their reasoning and providing instant feedback. Students play a central role helping each other's learning process. It is important to remind students to share their points of view regarding each others' tasks and to be open-minded to accept feedback from peers.

Moreover, note that the trainer should explain that this task will be the assessment task of the unit. Explain how the student will be evaluated, that is what aspects will be considered when grading the task outlined above (check assessment task section). Remember that the most important thing is that they learn how to plan actions considering goal setting principles. Encourage participants to ask any doubt they have, even if it might seem obvious; also students can help each other.

## 6. Personal project assignment

### *Proposed task before the project review session with the student*

The objective of third mentoring session will be to draw main conclusions from the field work and activities done in class, and to talk about next steps and future prospects.

Before the session, participants will have to fulfill both templates of activities [PROPOSED ACTIVITY – UNIT 3 IDEA VALIDATION RESULTS] and [PROPOSED ACTIVITY – UNIT 3 COMPETITORS RESEARCH] regarding their chosen idea.

### *Project review sessions:*

Participants explain their impressions about their personal project after unit 3 class/es. The templates are reviewed and the trainer gives feedback. Finally, they talk about next steps and future prospects.

### *[ASSESSMENT TASK 3 –REDEFINITION AND COMPETITORS RESEARCH]:*

Submit the templates with the corrections of the trainer.

Initial challenge.	Main conclusions extracted from the information gathered. (6 points)	Redefinition of the challenge. (6 points)

Redefined challenge	Goal (3 points)	Method (3 points)	Target (2 points)	Deadline (2 points)
A software company needs to design a new product that has a user-friendly interface and an efficient search	Find out current products from competitors in the area and their features.	Interviews.	Healthcare professional from local hospitals.	
	Test competitors products to see its	Buy the products.	Products of competitors in the	

functionality in the healthcare industry.	features.		area.	
	...			

Please, note that the trainer will need to explain in class how this Task 3 will be evaluated, what aspects will be considered when grading the task.

Template 1:

Main conclusions extracted from the information gathered (6 points)

- The conclusions are based on the information gathered (2 points).
- The conclusions are relevant (2 points).
- The conclusions inform the future prospects of the project (2 points).

Redefinition of the challenge. (6 points: 2 points each)

- The redefinition is based on the conclusions.
- The redefinition adjusts the directions of the project.
- The redefinition promotes using creativity techniques in Phase 3: ideate.

Template 2:

- Goal (3 points): The proposed goals are concrete and target important elements.
- Method (3 points): The method is adequate to the goal.
- Target (2 points): The target has the information wanted.
- Deadline (2 points): The deadline is reasonable.
- 

Total points: 22.

## 7. Support material

### Market research:

IDEO's Design Thinking for Educators Toolkit:

<https://education.uky.edu/nxgla/wp-content/uploads/sites/33/2016/11/Design-Thinking-for-Educators.pdf>

Market research and competitive analysis Guide - U.S. Small Business Administration (SBA):

<https://www.sba.gov/business-guide/plan-your-business/market-research-competitive-analysis#id-use-market-research-to-find-customers>

MOOC type course: Becoming an Entrepreneur. MIT & LaunchX (2017):

<https://www.edx.org/course/becoming-an-entrepreneur>.

Youtube link of the course:

<https://www.youtube.com/watch?v=3M9X88adJ8&list=PLCUM6hFkkgEFAHSFuazEmfB3p6M0jDRYB>

[NOR] Start I Vestfold Intro course: <https://www.startivestfold.no/vi-tilbyr-kurs/kurs-1>

AGILITe Project MOOC: Valuing ideas: <https://mooc.agilite-project.eu/io2-value-ideas/>

### Industry reports:

IBISWorld - List of Industries:

<https://www.ibisworld.com/list-of-industries/>

IBISWorld - Industry Research Reports:

<https://www.ibisworld.com/market-research-reports/>

Statista (Statistics Portal for Market Data) - Countries and Regions:

<https://www.statista.com/studies-and-reports/countries-and-regions>

Statista - Companies and Products:

<https://www.statista.com/studies-and-reports/companies-and-products>

Statista - Industries and Markets:

<https://www.statista.com/studies-and-reports/industries-and-markets>

## Course#2 Assessment and feedback

The evaluation of the course is based on the sum of the assessment tasks done throughout each course's units.

- [ASSESSMENT TASK#1 – IDEA GENERATION AND DESIGN THINKING]
- [ASSESSMENT TASK#2 – BUSINESS IDEA COMPONENTS]
- [ASSESSMENT TASK#3 – REDEFINITION AND COMPETITORS RESEARCH]

The evaluation should include written feedback and numeric grade. The following sheet summarizes the proposed assessment for Course 2:

<b>TASK</b>	<b>SCORE</b>	<b>MAX</b>	<b>TASK FEEDBACK</b>
[ASSESSMENT TASK#1 – IDEA GENERATION AND DESIGN THINKING]	0	16	
[ASSESSMENT TASK#2 – BUSINESS IDEA COMPONENTS]	0	24	
[ASSESSMENT TASK#3 – REDEFINITION AND COMPETITORS RESEARCH]	0	22	
TOTAL SCORE:	0	62	OVERALL FEEDBACK OR COMENTARY (OPTIONAL):
FINAL GRADE (0 to 10):	0		

# Annex 1. Visual display.

## Unit 1: Creativity and idea generation

1	2	3	4	5	6
Introduction to the course and the personal project	Why is creativity important?	Role of creativity in entrepreneurship	Creativity tools and techniques	Personal project assignment	Support material
	Creative market insight		Brainstorming and brainwriting	ASSESSMENT TASK 1 – IDEA GENERATION AND DESIGN THINKING	
	Design thinking		SCAMPER		
			Six thinking Hats		
			ACTIVITY#1 – DESIGN THINKING		

## Unit 2: The business idea key components

1	2	3	4	5	6
Success in entrepreneurship	What is a business idea?	Types of potential business ideas	The 4 Basic key components of the business idea	Personal project assignment	Support material
	Creative market insight		Product, Market, Money and People.	ASSESSMENT TASK 2 – BUSINESS IDEA COMPONENTS	
	Design thinking		ACTIVITY#2.1 – BUSINESS IDEA COMPONENTS		
			ACTIVITY#2.2 – IDEA REQUIREMENTS		

## Unit 3: Initial idea validation

1	2	3	4	5	6	7
Importance of validating your business idea	Potential clients opinions, needs and wants	Gather information about your competitors or similar projects	Talk to suppliers, distributors and retailers of competing products	Other sources of information	Personal project assignment	Support material
				ACTIVITY#3.1 – IDEA VALIDATION RESULTS	ASSESSMENT TASK 3 – REDEFINITION AND COMPETITORS RESEARCH	
				ACTIVITY#3.2 – COMPETITORS RESEARCH		