

Entrepreneurs and Enterprise



An entrepreneur is a person who owns and runs their own business

An enterprise is a person or organisation with a purpose of producing goods and services to meet customer needs

Enterprise Skills that entrepreneurs have

1. RISK TAKING
2. SHOWING INITIATIVE
3. WILLINGNESS TO UNDERTAKE NEW VENTURES

Role of Entrepreneurs

1. ORGANISE RESOURCES
2. MAKE BUSINESS DECISIONS
3. TAKE RISKS

Why do new business ideas come about?

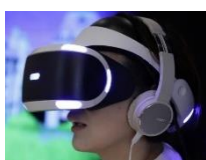
1. CHANGES IN CUSTOMER NEEDS



2. PRODUCTS BECOMING OBSOLETE



3. ADVANCES IN TECHNOLOGY



New business ideas



New business ideas come about through...

1. Adapting existing products and services

The **benefit** is that the idea already exists and has been successful

The **disadvantage** is that customers may not value the change and the new product won't make enough money to make it worthwhile

2. Original ideas

The **benefit** is that the product is unique

The **disadvantage** is that it can be very expensive and there may be no demand for the product.

Rewards



The rewards of being a successful entrepreneur are:

1. BUSINESS SUCCESS
2. PROFIT
3. INDEPENDENCE

Risk

The risks that entrepreneurs take are:

1. FINANCIAL LOSS
2. BUSINESS FAILURE
3. LOSS OF SECURITY



Risk can be reduced through ...

- MARKET RESEARCH
- PRODUCING A BUSINESS PLAN

Changes in technology

1. MAKING EXPENSIVE TECH AFFORDABLE e.g. – 3D printers reduce production costs

2. E-COMMERCE and M-COMMERCE

- **E-COMMERCE - USING THE INTERNET TO CARRY OUT BUSINESS TRANSACTIONS**
- **M-COMMERCE - USING MOBILE TECHNOLOGY TO CARRY OUT BUSINESS TRANSACTIONS**

Benefits of M-Commerce

1. More convenient for customers
2. Purchases can be made 24/7 from anywhere
3. Attract more customers – increased revenue
3. Lower costs (no shop rent)
4. Increased profits



The purpose of business activity

1. TO PRODUCE GOODS AND SERVICES
2. TO MEET CUSTOMER NEEDS
3. TO ADD VALUE

Goods and services

A good is a tangible/ physical product

e.g.

A car,

A pen,

A can of drink



A service is an intangible product that is done to or for the consumer

e.g.

A haircut,

A train journey,

A car service



Meeting Customer Needs

Businesses need to offer products and services that customers want

Basic customer needs include:

1. PRICE

Fair, reasonable prices



2. QUALITY

Products that are fit for purpose



3. CHOICE

A wide variety of products



4. CONVENIENCE

Products are easy to access



Added Value

Added value is the increase in the products value as a result of business making that product

Methods of Adding Value include:

1. BRANDING
2. CONVENIENCE
3. QUALITY AND DESIGN
4. UNIQUE SELLING POINT (USP)



