

Module 2

Your Idea

Lesson 1



Funded by the
Erasmus+ Programme
of the European Union



Starting Up Young Social
Entrepreneurship

Learning Outcomes

By the end of this module you will:

- Be aware of a business idea and be able to use specialised knowledge and opportunities
- Have the ability to self assess your attitudes and characteristics
- Be able to present your social business idea



Funded by the
Erasmus+ Programme
of the European Union



Starting Up Young Social
Entrepreneurship

What Makes Our Social Idea Good?

The social business idea is a short and clear explanation of the main activities of the business and answers the questions:

- What product are we offering
- What needs are being met
- How does it make positive change and impact
- Who are the customers
- How much will they pay



Funded by the
Erasmus+ Programme
of the European Union

S

U

Y

S

E

Starting Up Young Social
Entrepreneurship

What Makes Our Social Idea Good?

Short explanation:

- **Product** – an item offered for sale. It could be an object, or a service, which our customers buy from us and it might satisfy a want or need.
- **Need** - a lack of something requisite, desirable, or useful. It is a motivating force that compels action for its satisfaction. Needs range from basic survival needs (food, cloths, protection) to cultural, intellectual, and social needs. Identifying and analysing the needs will help us to come up with the decision of what the product could be
- **Impact/positive change** – realising how through our social business we could make a difference and change the situation. This is very important for the social business, whose purpose is to achieve social benefit along with making a profit.



Funded by the
Erasmus+ Programme
of the European Union



Starting Up Young Social
Entrepreneurship

How to Assess the Idea

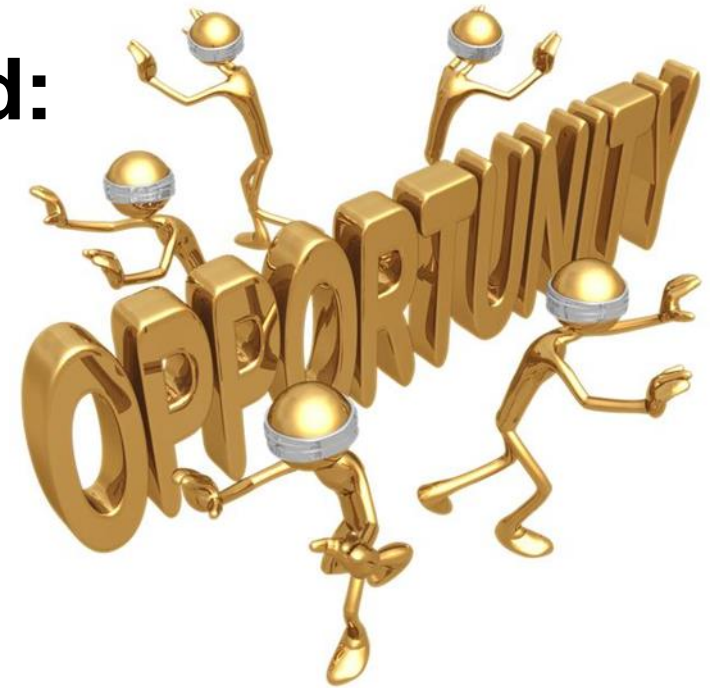
1. Viability of the idea for a social business/
how will the idea work
 - **Opportunity** identified
 - **Market demand/** needs
 - **Competition**
 - **Risk** analysis
2. Self-assessment and
Team to implement the idea
3. Financial Assessment/ Resources
secured/needed



1. Viability of a Business Idea/ How It Works

1.1. Opportunity identified:

- New product/technology/ approach we are going to offer
- Its **unique** characteristics:
 - Advantages
 - Weakness
- What kind of **demand/needs** are being met
- How big is the market opportunity?
- Is the opportunity profitable?



1. Viability of a Business Idea/ How It Works

1.1. Opportunity identified

Explanation:

It could be a demand for a new unknown, but needed product, that the customers would buy or identification of a bad service, which could be improved or replaced with better one. It might be ineffective management, which our service could change for the best. We can offer a new technology/product or approach, more effective, cheaper, or attractive to the customers. It is very important to emphasise on the unique characteristics of the product.



Funded by the
Erasmus+ Programme
of the European Union



Starting Up Young Social
Entrepreneurship

1. Viability of a Business Idea/ How It Works

1.2. Market demand/ needs

- What problem our product solves or
- What potential our product utilises
- What needs our product meets
- Who are our customers
- How much can they pay
- How are we going to get the customers
- How long it takes our product to get to the market



1. Viability of a Business Idea/ How It Works

1.2. Market demand/ needs

Explanation:

- **Customers** - those, who will buy and pay for our products. Might be specific people, of groups of people, or ideally all people in an area. There is a difference between customers and beneficiaries (those who will use the product of your business), though both groups could have overlap.
- **Price** – money which our customers will pay – It is absolutely necessary to assess which will be the realistic price, that the customers will afford to pay for your product, and afterwards will it allow your business to earn good income and be profitable
- **Competitors** – all who deliver the same or similar product, or substitute of what we offer. Competitors are not only those, who neighbor us, through Internet and the new technologies we might face competition from all over the world. New trends, or newly developing products could also bring us a competition.



Funded by the
Erasmus+ Programme
of the European Union

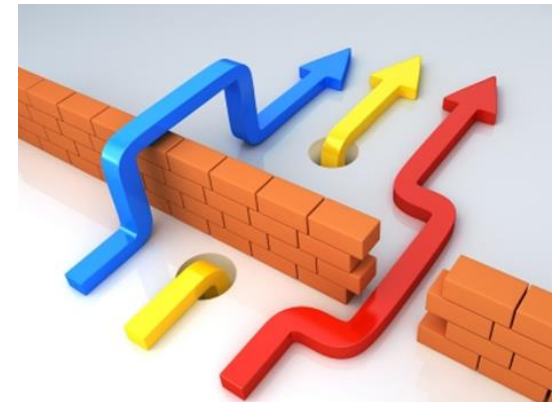


Starting Up Young Social
Entrepreneurship

1. Viability of a Business Idea/ How It Works

1.3. Competition. How will our social products differ from competitors'?

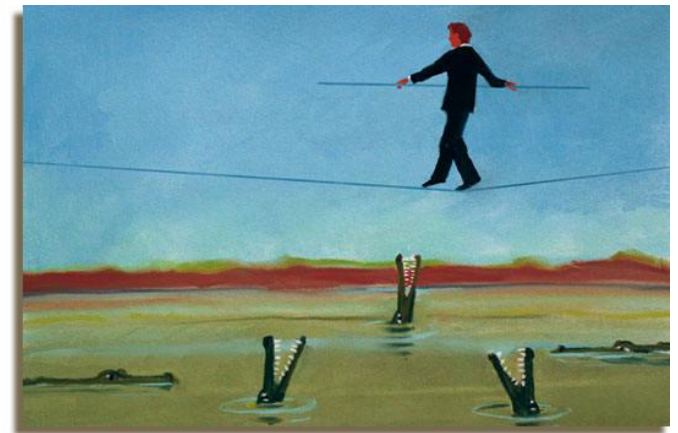
- Who are our competitors?
 - Direct and indirect
- Comparing ourselves to our competitors what is the difference in our:
 - Products/technology/approach,
 - Quality,
 - Prices
- What do they miss in problema solving/meeting the needs
 - How will we satisfy the clients better?
 - How will we deal with competition?



1. Viability of a Business Idea/ How It Works

1.4. Possible risks

- What kind of risks do we identify
- How do we rank them – low/medium/high
- How will we manage the risks
 - ❑ what will we do to avoid them
 - ❑ our system



Funded by the
Erasmus+ Programme
of the European Union

S

U

Y

S

E

Starting Up Young Social
Entrepreneurship

1. Viability of a Business Idea/ How It Works

1.4. Risks

Explanation:

- **Risk** - a probability or threat of damage, liability, loss or any other negative occurrence, that may be avoided through preemptive action
- Acknowledgment of any possible risk concerning operations, marketing, financial, personnel and outside risks etc. need to be carefully listed and ranked. Adequate measures have to be undertaken, if possible before the risk occurs. Plan how to avoid each risk, what it means and resources that will be needed.



Funded by the
Erasmus+ Programme
of the European Union

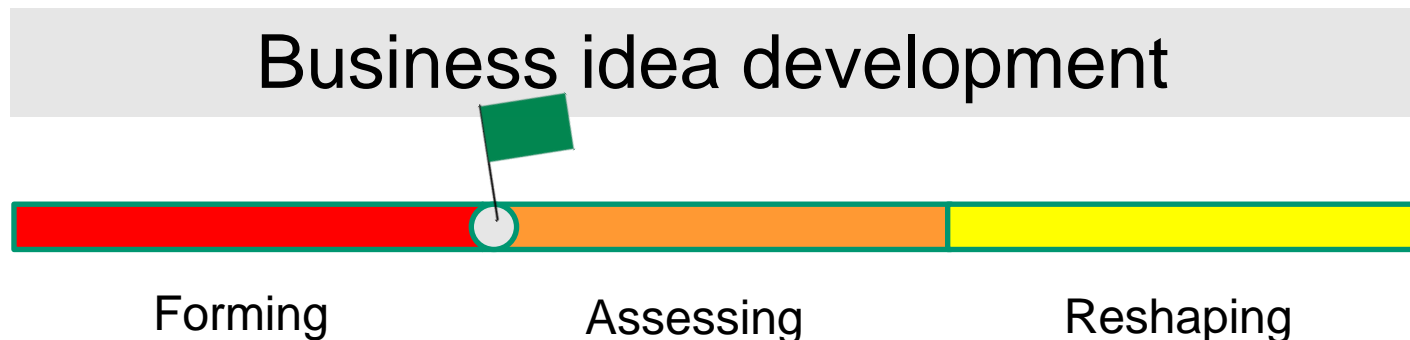


Starting Up Young Social
Entrepreneurship

Assessing the Business Idea

When the business idea is already formed, look at the main points and check again.

- Assess the business idea – important evaluation to understand if the idea will work properly, which could be done with or without external support
- Reshaping - if necessary the idea could be changed in order to reach the aims and may be better for the entrepreneur



This project has been funded by the European Union, under de Programme Erasmus+ KA2 Strategic Partnerships



"This document reflects the views only of the authors, and the Education, Audiovisual and Culture Executive Agency and the European Commission cannot be held responsible for any use which may be made of the information contained therein."



Funded by the
Erasmus+ Programme
of the European Union



Starting Up Young Social
Entrepreneurship