

Handout II.1.C, “Learning from Others”

Directions: Besides looking at your own experiences, interests, and talents, another way to come up with ideas for a business is to look outside one’s self—specifically, by researching customer preferences and the experiences of other entrepreneurs. This handout will present three strategies to guide you in gathering research about customers’ likes and dislikes, the experiences of other entrepreneurs, and other sources for generating business ideas.

Three Strategies for Generating Business Ideas

I. Researching Customers’ Likes and Dislikes

An entrepreneur seeks to meet people’s needs. You can get clues about what people need by looking at what they buy and what they complain about. In order to learn about customer preferences gather research about businesses that provide products or services that interest you by looking at the web sites in “A” below and then answer the four questions in “B.”

- A. Look at websites listed below. On these web sites you will find customer reviews of products and services. These websites can be valuable sources of information on customer preferences and complaints.
 1. Consumer Reports (www.consumerreports.org) is perhaps the most well-known provider of customer reviews. Access to the information requires a paid subscription.
 2. ASVA Research (www.asvaresearch.com) is a free alternative. Consider visiting these sites and reading customer reviews to understand what customers are looking for.
 3. Another website to visit is Amazon.com, which includes customer reviews for products sold through the website.
 4. Do a web search of a product or service you would be interested in providing in your business to discover other sources for customer reviews.
- B. After gathering research on the sites listed above, answer the following questions:
 1. What customer needs do the businesses you looked at in “A” above meet?
 2. Could you do the same in a different location?
 3. Are there people who need the products or services but do not yet have access to them?
 4. What complaints do people have about the current products or services?

II. Learn About the Experiences of Other Entrepreneurs

Visit the web sites listed below. On these web sites, you will find videos and success stories of entrepreneurs.

- A. Entrepreneur.com has stories of successful entrepreneurs and how they developed their businesses. Be sure to check out “From Couch Potato to Furniture King,” the story of Shawn Nelson, who made a “huge beanbag thing” at age 18 and ended up creating LoveSac, a company that he started in his parents’ basement that grew to \$30 million in sales in 2004.
<http://www.entrepreneur.com/startingabusiness/successstories/index.html>

- B. Junior Achievement’s JA Be Entrepreneurial website has free podcasts available from entrepreneurial author and speaker Larry Farrell. Check out Podcast #2: in this podcast, he talks about how to choose a product or service for your business. He shares how some of the most famous entrepreneurs found their business inspiration, such as Oprah Winfrey, Steve Jobs, and Walt Disney (just press play to listen to the podcast; you can also click on the link if you want to save the file to your computer).
http://www.ja.org/programs/programs_high_be_entre_podcasts.shtml
- C. Check out the New York State Small Business Development Center for even more success stories. This website has dozens of entrepreneur success stories, and all of them are from New York State. The NYSSBDC has a number of other great online resources for entrepreneurs, so make sure you take some time to check out the rest of the site.
<http://www.nyssbdc.org/success/Success/success.aspx?id=133>
- D. If you’d like to see additional resources for entrepreneurs nationwide, check out the resources on the U.S. Small Business Administration website: www.sba.gov.

III. Additional Sources for Generating Business Ideas.

- Attend trade shows in industries of interest to you.
- Join industry associations.
- Read business magazines.
- Read the [*Wall Street Journal*](#).
- Read your local newspaper.
- Read books and articles that describe how other entrepreneurs got the ideas to start their businesses.
- Visit www.mysmallbiz.com to see an online collection of business ideas.

Adapted from: <http://www.oe2.nyssbdc.org/Entreskills2/Chapters/Chapter3/Section4.php>