



The idea
is only
one piece



CONCEPTION



MODELLING



PLANNING



IMPLEMENTATION



Ajuntament de
Barcelona



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01

How business ideas come about?

Even though generalisations are never fully appropriate, when we talk about coming up with business ideas, there are common starting places for the majority of cases of business creation.

When it comes to starting a business, most entrepreneurs use the following:

- Previous work experience.
- Analysis of perceptible changes in the environment.
- Their training.
- Copying or use of ideas seen elsewhere.
- Using their own skills.

Often, the business idea has a purpose or objective as its starting point.

The main ones are as follows:

- Doing things better than others.
- Satisfying a need not met by the market.
- Occupying a space in the market.
- Creating a new way of doing something.

The first step in the process of setting up a business is to create a business idea. The development of this idea has to be monitored and established. Having the idea is equally as important as or even more important than maturing it in order to eventually analyse its viability and its actual chances of surviving in the market.

02

The importance of developing ideas

During the process of developing and maturing the idea, the most helpful tool is the business plan. The business plan as a tool for internal reflection, as a feature that questions and constantly challenges the idea you have come up with, from a conceptual and economic viability point of view. A good or original idea will become viable the moment there is a sufficient critical mass of people willing to buy the product or service being offered.

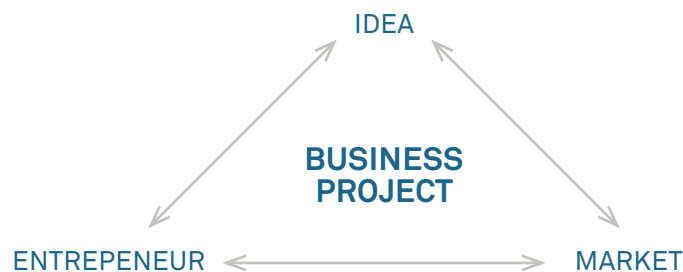
However, the supposed viability or not of the idea is not something definitive. Any initial design is subject to modifications that may add new value to the idea and improve competitiveness in the market. In other words, the idea we had initially conceived may not be viable in terms of the business plan, but it may become so by introducing some alterations for specific issues. For example, our idea could have been selling clothes and luxury items on the internet and, after analysing the characteristics of our target audience, concluding that the best distribution channel for this type of product is in physical shops.

We should not forget either the luck factor, the chance factor, which can have a determining influence (both positively and negatively) on the future of our business. We must be aware that starting up any business implies a certain level of risk often related to circumstances that may occur and which may be out of our control, even if when working on the business plan we see that it may be viable. It may seem an exaggeration but, in a way, it could be said that there is no business without failure or, at least, that the possibility of failure is part of the essence of success.

03

Projects depend on ideas, entrepreneurs and the market

It is obvious to say that the idea is an essential feature of the development of a business project, but it must be said that the idea is only one of the pieces that give the project coherence. At least two more features are as important as the business idea: the entrepreneur and the market.



The balance between the idea, the entrepreneur and the market is key when it comes to bringing the project to a successful conclusion. It is not necessary for the idea to be, in theory, viable; it is essential that the entrepreneur supports and is determined to make the necessary efforts and take actions to develop the idea and turn it into an operating business. It is advisable to look into ourselves to analyse whether we have incorporated the habits and behaviours that can contribute to the success of the idea. Remember that we are talking about habits and behaviours, so ways of being and doing that are not innate, but can be worked on, strengthened and taken onboard. These are habits and behaviours as common as persistence, performance, efficiency, quality, setting milestones or initiative.

The knowledge of the market in which we want to undertake the activity is another crucial factor that can make our project more solid. Establishing the target audience (i.e. to whom we want to sell our product or service and having in-depth knowledge of what they are like, what drives them to buy this product or service, what conditions them or what their buying habits are) will be key to developing a proper commercial strategy and getting our message across to as many people as possible who might be interested.

Knowledge of the market, however, also refers to carrying out research into our competition. Direct competition, that is, companies that do the same as us, that sell the same product or service. But also, indirect competition, i.e. companies that perhaps cover the same needs and therefore share the same target audience by having products or services different to our own. Having a thorough knowledge means not only knowing who they are with names and surnames, but also what they do and how they do it, what products or services they sell and under what conditions, and what their strengths and weaknesses are. In short, it means knowing what we can do better and where we probably will not be able to reach the same level, all with the aim of taking advantage of our strengths and working to improve our weaknesses.

04

Sources of value for your idea

The ultimate goal of the idea is to become an attractive product or service for the public, so that people will be willing to pay for it. Someone may be interested in acquiring our product or service as long as they find some value in using it and, therefore, the benefits of buying it outweigh the costs.

When we make the decision to purchase a product or service over another, we are unconsciously putting the benefits of buying it to one side and the costs to the other. When we finally purchase the product or service, we do so because we have determined that it is the one that gives us the greatest benefit and the lowest cost. Contrary to how it may seem, price is not the only cost or benefit a product or service can have and, therefore, it is not the only feature that determines the final purchase decision.

So, as entrepreneurs, we have to put ourselves on the other side of the counter and think about the potential benefits and costs of our product or service and try to make the former outweigh than the latter. It is a matter of adding value to the idea in such a way that our potential customers positively value our offer and decide to go with us.

The sources of value of the idea are many and varied, from the speed of supply, ease of payment, friendliness, personalised treatment, expert advice, variety in the offer or exclusivity. These are just some of the features that we can bring into the business in order to add value to our idea, and thus set ourselves apart from the competition and increase our chances of success.

05

Ideas are within reach of everyone

Creativity is present in each and every one of us. The only difference is that some people work on it, nurture it and encourage it. Therefore, it is not about having different abilities, rather it is about having the willingness to do something about it. It is said that will is power, and in the field of business creation this is no less true.

Using creativity to detect a business opportunity and develop an idea that responds to existing unmet needs is within everyone's reach. It is only a matter of actively observing in order to see something, to take advantage of daily life to see what everyone sees, but only some people stop to take a look.

A business idea can come from our professional activity, our hobbies, our friendships, the path we take from home to work, our training or our travels, everyday life in general.

The key to generating a business idea that leads to a business project could be behind any corner; we just have to want to find it.

06

Useful resources

RESOURCES OF INTEREST: through this questionnaire, which will take you no more than 25 minutes, you will be able gain an idea about your entrepreneurial profile, the soundness of your idea and the knowledge you have of the market. In this way, you will be able to find out which aspects of your profile or your idea you should develop and what you have to work on in order to improve it.

BUSINESS PLAN: curious about what a business plan should contain? Not sure where to start? In the business plan, you should explain your idea and develop all the factors you need to know prior to undertaking the project, such as the market, distribution channels, organisation and the economic-financial plan.

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