

## **Where Do Entrepreneurs Get Their Ideas**

Newspapers and business journals are full of stories about people who start new businesses. Some of their ideas seem obvious in hindsight, while others seem silly and illogical, but somewhere along the way, each idea was grasped by the entrepreneur and turned into a working business. How does this happen? Where do entrepreneurs get their ideas for starting a business?

The truth is that there is no single source of business ideas. They can spring from many sources and in many forms, but the one thing they have in common is that someone took each idea and made it into a business. Let's take a look at some of the ways ideas emerge into the thoughts of successful entrepreneurs.

### **Traditional method**

A very traditional approach to developing entrepreneurial ideas is much less creative than it is methodical. Following a traditional development path, ideas are born out of research and evaluation based on measurable criteria, and then massaged and analyzed and tested through an exhaustive process of planning and preparation. A typical process might look something like this:

- Choose an industry or field in which you think you would like to work
- Investigate the types of businesses and business models within that industry or field
- Conduct research to evaluate the marketplace, including potential demand, competing products, prices, distribution methods, etc.
- Begin work on a business plan, testing the plan against additional information gathered through research and evaluation
- Determine financing needs
- Finalize the business plan and secure appropriate financing
- Start the business

Not exactly a "bolt of lightning" out of the blue, but this process does work and has worked for many entrepreneurs. The key is to be very thorough and very patient, because it takes time and serious thought

to get from the initial step of selecting an industry to the final step of actually starting the business.

### **Pursue your passion**

Many entrepreneurs generate their ideas by paying attention to the things in their lives about which they have great enthusiasm and passion. This is the romantic version of discovering a great business idea, one that attracts a large number of people who are unhappy in their lives or otherwise feel a strong need to do something that is more fulfilling and worthwhile.

While it is true that finding and pursuing an idea with personal meaning is a great way to generate ideas, to be successful the process needs to have at least some measure of structure and responsible evaluation. A typical idea development process might look something like this:

- Personal reflection and self-discovery to determine what you really want, what really excites you, and how that might apply to a business
- Capture ideas that come into your mind, both the spontaneous kind that just pop into your head as well as the "slow burning" kind that emerge over time
- Pay attention to the world around you and look for needs or desires that are not met by someone else's products or services
- Replicate another successful business, but in a way that is tailored to your marketplace and incorporates unique features that make your business stand out in some way
- Think about where you like to shop, eat, spend your time, etc., and pursue a franchise opportunity in that area

Once you discover a great idea and test it against sound business practices, if it appears to be a viable business idea then you are in a position to move forward and start your own business.