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Entrepreneurship

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Entrepreneurs are usually perceived as risk takers, cavaliers who throw caution to the wind tackling any and all new ventures. In reality, most are calculated decision-makers.

Usually, before an entrepreneur establishes a new business, or before a bank or venture capitalist backs any new business, each party has compiled enough information to identify and justify any pitfalls or risks. The only way they can "safely" risk investing their time, money and other resources is if enough due diligence or market research has been conducted.

Let's say that you come up with a brilliant idea of manufacturing and selling specially designed clothes for persons with disabilities! Great idea!

But, before you even consider what equipment, materials and space you need, you also need to you know if there are enough people with disabilities who may potentially purchase your clothes. Of these, how many need or even want specially designed clothes?

The only way you will acquire this information is to ask them. As it is not cost or time effective to call each individual, you will want to acquire mailing lists from your local chapter of The Canadian Paraplegic Association or some other organization. Surveys should get the answers you need.

If worded properly, surveys can provide you with most of the information you need. Who needs your clothing line the most?: - an individual who is blind who might want Velcro tabs to colour co-ordinate their attire or a quadriplegic who needs extra long pant legs to compensate for sitting?

If your data tells you that there are enough people who need your product and have the money to spend, then you are one step closer to deciding if manufacturing and selling specially designed clothes is really a good idea.

Numerous other questions also need to be addressed such as, Why should these individuals purchase from you? What "advantage" do you bring to the table? Why would they not just purchase from a national chain such as Zellers? Do you farm out the manufacturing or do you perform it in house. What financial, human or other resources are necessary to get started? How will you advertise? Will strategic alliances be necessary to acquire raw materials or to establish a distribution network? What is the competition like? Should a competitor be bought out?

Not as cavalier as you originally thought, is it! Entrepreneurs sometimes spend millions of dollars in research without even creating, designing, manufacturing or selling a single product. However, the millions they spend in discovering the necessary answers may save them billions of dollars.

Even if all the appropriate market research has been conducted, the idea may still fail. Most entrepreneurs fail at least three times before succeeding. However, there are millions of entrepreneurs waiting to become the next Bill Gates or Henry Ford. Are you one of them?

