

Understanding Entrepreneurship

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Quick-reference guide for students, aspiring founders, and anyone curious about how new ventures are created and grown.

1. What Is Entrepreneurship?

Aspect	Description
Definition	The process of identifying a market need, creating a value-adding solution, and building a sustainable business around it.
Core Goal	Generate economic, social, or environmental value while assuming risk and uncertainty.
Key Actors	• Entrepreneur – the individual or team that drives the venture. • Co-founders – partners who share vision, skills, and risk. • Investors – provide capital (angel, VC, crowdfunding). • Customers – validate the problem-solution fit.
Types of Entrepreneurship	1. Small-business – local services, family shops. 2. Scalable/start-up – high-growth tech or platform ventures. 3. Social – mission-driven, profit used for impact. 4. Corporate – intrapreneurship within established firms.

2. The Entrepreneurial Mindset

Trait	Why It Matters	How to Develop
Opportunity Orientation	Spots unmet needs before others do.	Practice market scanning; ask “What pain do people ignore?”
Risk Tolerance	Accepts uncertainty while managing downside.	Start with low-stakes experiments; use “pre-mortems”.
Resilience	Bounces back from failure & setbacks.	Reflect on failures; set up a support network.
Growth Mindset	Believes abilities can improve with effort.	Seek feedback; pursue continuous learning.

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Customer Empathy	Understands users deeply ? better products.	Conduct interviews, observe behavior, map journeys.

3. The Entrepreneurial Process (Step?by?Step)

1. Idea Generation

- Sources: personal experience, market trends, tech breakthroughs, gaps in existing offerings.
- Tools: brainstorming, SCAMPER, mind?maps.

2. Opportunity Evaluation

- **Problem?Solution Fit** – does the idea solve a real pain?
- **Market Size (TAM/SAM/SOM)** – total addressable market, serviceable available market, serviceable obtainable market.
- **Competitive Landscape** – direct vs. indirect rivals, barriers to entry.
- **Feasibility** – technical, regulatory, financial.

3. Business Model Design

- Use the **Business Model Canvas** (9 blocks): Value Proposition, Customer Segments, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partnerships, Cost Structure.
- Validate assumptions with **lean experiments** (MVP, smoke tests).

4. Planning & Funding

- **Lean Plan** – one?page overview of vision, metrics, milestones.
- **Funding Options**: bootstrapping, friends & family, angel investors, venture capital, grants, crowdfunding, bank loans.
- Prepare **pitch deck** (problem, solution, market, traction, business model, team, ask).

5. Building the MVP (Minimum Viable Product)

- Focus on core features that prove the value proposition.
- Iterate quickly based on user feedback (Build?Measure?Learn loop).

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6. Go-to-Market (GTM) Strategy

- Define **target persona**, **positioning**, **pricing**, **distribution channels**.
- Launch **pilot** or **beta** to