

## SUMMARY SHEET 1 – GENERATING A BUSINESS IDEA / BE CREATIVE

### KEY POINTS:

Good business ideas don't come from sitting down with a blank piece of paper and trying to just come up with an idea. The best way to come up with a good business idea is to do some exercises called 'Brainstorming Exercises'.

#### Exercise 1: *Mind-mapping*

- Using large sheets of paper, on the first sheet write the word 'hobbies' in the middle of the page and circle it. Then, using arrows coming out of this circle, write down all your hobbies/interests.
- When all your hobbies are written down, choose just one to focus in on. It could be the one you/your team are most interested in or the most popular one in the group.
- On page 2, write down the hobby you have chosen and in the centre of the page and circle this. Now draw arrows out of this circle and list all the issues/problems/improvements you can think of regarding this hobby.
- After writing all of these down, decide on just one to focus on. Then on page 3, write down a way of solving this problem/issue and see if this could make a good business idea.
- If you don't get a good business idea from this, go back to the first page and choose another hobby and start this process again until you can come up with one.

#### Exercise 2: *Change It Up!*

- Each team member should bring in an object to your next meeting and show to the group.
- For each item presented, the group has to brainstorm the different ways that this item could be modified/changed to improve it.

### Exercise 3: Mix n' Match

**Version 1:** Using all the same items from exercise number 2, the team members should discuss what, if any, items could be combined together to come up with a new idea.

**Version 2:** Each team member lists out three items they use every day. For each item, the team should discuss what other item could be combined with this item to improve it.

### Exercise 4: Everything's a Problem

- Spend a 24 hour period focusing solely on problems.
- List as many problems that you encounter on a day to day basis that you can think of.
- Then ask you family, friends, teachers, etc.... and write down their problems too.
- At your next team meeting combine all your lists of problems and discuss.
- Try narrow the list down to the top 10 problems.
- Then see can you find a way of solving one of them with a product/service.

## SUMMARY SHEET 2 – TEAMWORK / WORKING WITH OTHERS

### KEY POINTS:

- You can decide to work with others or on your own when doing the Student Enterprise Programme.
- If you/your teacher decide that you will work as part of a team, one of your first tasks will be to sit down with the team and decided who is going to be doing what in your company.
- Each person in the company should have a job.  
These are the skills the people in the company will need:
  - A good leader/decision-maker: being able to get people in the group to do their job and make sure everything is on track. Someone to manage the team.
  - Finance skills: being good with money and good at maths/figures.
  - Marketing/promotion skills: someone who is good at coming up with ideas and is creative. Not afraid to go out and promote the business. Good with people.
  - Sales skills: someone who is outgoing and confident and not afraid to knock on doors to sell your product. Someone with the gift of the gab!
  - Production skills: someone who is 'hands-on' and can organise to get the work of making the product done. For example, if you are making a product yourselves, the Production Manager will make sure that all the products get made on time to fulfil your orders.

So now you know what type of skills are needed to make your company a success, you need to create what's called an 'Organisational Chart'. An Organisational Chart makes sure everyone gets a job that's suited to them and that everyone knows what their area of responsibility is. An example of what an organisational chart looks like can be found on page 10.

Working with your teacher, you can decide who will do what job in your business.

### ***Tips for working in a team / with others:***

- Good communication is really important when working in a team. Make sure that all team members let each other know what's going on, what each person is working on, what the deadlines are and any problems they may be having.
- Hold regular team meetings, maybe once a week.
- If you have a problem, don't be afraid to speak up. For example, if you feel that you have to do more than your fair share of work and that other team members are not pulling their weight, speak to your Managing Director to get the issue sorted out.

## SUMMARY SHEET 3 – MARKET RESEARCH

### KEY POINTS:

- One of the keys to running a good business is to find out what your customers want and to give this to them, while making a profit for yourself.
- Many student enterprises each year make the mistake of not doing proper market research and they lose marks in the competition as a result.
- Market research is one of the most important things you can do to make sure that your business is a success.
- Finding out what your customers want from your product or service is called doing 'Market Research'. You are researching the 'market' or people that you want to buy your product/service.
- For the Student Enterprise Programme, you need to do two types of market research – desk research and field research.

#### **Desk Research:**

- Collect information on your competitors and the people you want to buy your product.
- List out who your competitors are, what they charge, what they do, good and bad points about their products etc...
- Look at their brochures, websites, flyers etc...

#### **Field Research:**

- Design a survey and get the kind of people who you want to be your customers to fill it in.
- In your survey, have a maximum of 10 questions and make sure that they are not all questions that people can give a 'yes' and 'no' answer to.
- Think firstly about what kind of information you need to know about your potential customers e.g. would they buy your product, would they prefer certain colours, materials, where would they be most likely to buy your product etc...
- When you have all your surveys completed, sit down with your team and analyse the results.
- The information you collect will help you greatly in deciding how you make your product, on a selling price, how you promote and market your product etc...

When you are doing your business report towards the end of the competition, it's a good idea to put the results of your market research into a graph format for the judges.

## SUMMARY SHEET 4 – INTELLECTUAL PROPERTY / MANAGING MYSELF

### KEY POINTS:

So now you have decided on your business idea, decided who is doing what on your team and done your market research – the next step is to find out a little about what we call I.P. or Intellectual Property. I.P. is basically the right to own different kinds of creativity/ideas.

### *When starting a new business, you need to make sure that:*

- a /** You do not interfere with someone else's intellectual property, and
- b /** You protect your own intellectual property

### **Patents:**

- A patent gives a business owner the right to use their 'invention'.
- When you come up with your business idea, you need to make sure that this idea has not already been patented by another company i.e. another company does not have exclusive rights to make and sell this product.
- To do this you need to check some online databases. This can be done at [www.patentsoffice.ie](http://www.patentsoffice.ie)
- If you feel that your business idea is unique and has not been done before, you can look into the option of taking out a patent on the idea. More information on this can be found at [www.patentsoffice.ie](http://www.patentsoffice.ie)

### **Trademarks:**

- A trademark is used to distinguish your product/service from those of your competitors.
- A trademark can be a word, letter, number, drawing, image, colours etc...
- Once you come up with a business name, logo, design etc... you will need to check the online databases at [www.patentsoffice.ie](http://www.patentsoffice.ie) to make sure that you are not using another company's trademark .
- You can also consider registering your own trademark if you wish.

**Designs:**

Check on [www.patentsoffice.ie](http://www.patentsoffice.ie) that the look and feel of your product is actually new and not too similar to someone else's.

**Copyright:**

- Copyright gives protection to certain things like books, music, art etc... If you see the © symbol next to something it means that it is covered by copyright.
- It is important that you do not use someone else's copyright in your business without consent – for example, don't use images pulled from the internet without having authorised permission to use them, do not use other company's text, images etc...
- Istock photo is a good website where you can purchase images to use on your business materials or you can take your own photos.

## SUMMARY SHEET 5 – PRODUCTION

### KEY POINTS:

Now, you are ready to go into production with your business idea!!!

To make sure that the production of your product/service runs smoothly, and that you can have everything ready on time for your customer, you need to look at the following points.

### Top 10 issues to consider:

1. List out all the pieces/materials that you need to make your product?
2. Make sure you have all these in place for when you plan to start production.
3. Where are you going to make the product? At school, at home or somewhere else?
4. Who will make it? Will you make it yourselves or will you get an outside company to make it for you?
5. List out the step by step process from start to finish of how your product is going to get made. Who will do what?
6. How long will it take to make the products?
7. How will you control the quality of your product/service during production?  
Maybe you could decide to make someone on your team the Quality Control Manager and this person is responsible for making sure that all products/services are of a high quality.
8. Consider asking customers for a part deposit when taking orders.
9. How will you decide on the best level of stock to hold for your business?
10. Having too much is expensive and having too little can mean you miss deadlines.

## SUMMARY SHEET 6 – MARKETING

### KEY POINTS:

Marketing your product is all about letting your customers know about your product and persuading them to buy from you. Nobody is going to buy your product if they don't know about it!

When you get around to the marketing part of your student enterprise, you will need to consider the following points:

- Who is your 'target market'? i.e. the people you are hoping to sell to – are they male/female, old/young, where do they live, work etc...) Make out a profile of the people you want to sell to.
- What are the benefits to your customers of buying your product? List at least three.
- What one thing sets you apart from your competitors? This is called your 'Unique Selling Point' (USP).
- How are you going to advertise/promote your product? Online, newspapers, leaflets, social media etc...
- Where are you going to sell your product?

### Top 3 Marketing Tips:

1. Try to be as creative as possible and think outside the box when it comes to getting your message out there. As well as traditional means of publicity such as posters, flyers etc... try maybe more creative things like being a walking advertisement and print your own t-shirts, give out free samples, do a product demonstration etc...
2. Keep focused on your USP – in all your marketing material be clear about why your product is different and better than what's on the market already.
3. Don't forget about your packaging – your packaging says a lot about your business and your customers may make a decision to buy from you based purely on eye-catching and attractive packaging.









## SUMMARY SHEET 7 – SOCIAL MEDIA / MANAGING INFORMATION & TECHNOLOGY

### KEY POINTS:

Social media is very important to businesses to help them stay connected with their customers, promote their brand and build loyalty among their customers.

For the Student Enterprise Programme, if you have permission from your teacher first, you can set up social media accounts using the following channels:

|  |   |  |
|--|---|--|
| Facebook    | Twitter   | Snapchat  |
| Instagram  | YouTube  | Vine     |

If you have a Facebook business page, your customers can post reviews of your business to your page, send messages directly to you and make recommendations to other followers on your page. Facebook also allows you to give your followers information about your business and do things like run competitions.

### Top social media tips for your business:

- Post when you know your followers are on social media. e.g. if you want to reach your fellow students, post when they finish school and are more likely to be on social media.
- Follow others on social media and see what tips and tricks you can pick up from other businesses.
- Make contact with other teams taking part in the Student Enterprise Programme. Like, share and tag their posts and tweets. They will then most likely share your posts with their followers also.
- Thank people for sharing, retweeting and tagging your posts and pics as they are helping you to share your message and your brand with their friends

Don't forget to connect with the Student Enterprise Programme on social media too for important updates and tips during the year:



studententerpriseprogramme



StudentAward



@StudentEntProg



StudentEnterpriseE



studententerpriseprogramme

## SUMMARY SHEET 8 – COSTING & PRICING / BEING NUMERATE

### KEY POINTS:

From carrying out your market research earlier, you should have found out what price approximately your potential customers are willing to pay for your product/service. It's really important before you start selling though to find out what the TOTAL price is for making your product/service so that you know if this price you are planning on charging your customers will cover all your costs and give you a decent profit.

### So, how do you work out what your costs are going to be?

- Make a list of all the things you need to buy to make and sell your product/service and put a cost next to them:
  - *Raw materials (materials to make the product)*
  - *Promotional material e.g. flyers, posters, ink, paper etc...*
  - *Phone calls*
  - *Travel costs*
  - *Wages*
  - *Packaging*
- When you add all these items up you will have the total cost of making your product.
- Divide this by the number of products you are planning to make and this will give you your 'Cost per unit' to make the product. Using your market research then, go back and look at what your customers said they would pay for your product. What kind of a profit per unit does this give you?

### How to decide on a selling price for your product?

Now that you know your cost per unit to make your product/service, you can work out how to set a selling price.

You can set your price in a few different ways, but here are the main ways you can do this for the SEP:

**Cost plus pricing:** add a percentage to each unit price. This is called your 'mark-up'.

**Competitive pricing:** set your price near to that of your main competitors.

**Penetration pricing:** set your price above your cost price but lower than your competitors. This will mean you will hopefully get customers from your competitors and then you can choose later to increase your price.

## SUMMARY SHEET 9 – FINANCE / BEING NUMERATE

### KEY POINTS:

For the Student Enterprise Programme you need to prepare the following for the Finance Section of your business report:

#### 1. *Start-Up Finance Report:*

- Give details of where you got the money from to start your business. Was it your own money you invested or did you borrow it for example from the school, parents, sponsorship, cake sale etc...

#### 2. *Cashflow Forecast / Cash Budget:*

- In business it's very important to make out a budget at the beginning to reduce the risk of the business failing.
- A budget will help you work out how much money you need to start the business, set targets and keep track of how well you are doing financially.
- Make out a budget sheet, divided into months from September to March. Include the money you plan to make each month and the money you plan to spend each month. See example on page 44 of the workbook for more details.

#### 3. *Cashflow Statement*

- A Cashflow Statement shows the actual flow of money in and out of your business during a certain timeframe.
- It details all the monies you spent and all the monies you made through sales.
- A Cashflow Statement shows all the same information as your Profit & Loss Account/Income Statement. We ask for both for the Student Enterprise Programme as it's a very handy tool for judges so they can compare your cashflow forecast and actual side by side.
- A template for a Cashflow Statement can be found on page 52.

#### 4. *Profit & Loss Account / Income Statement:*

- A Profit & Loss Account/Income Statement will show how your student business performed financially from start to finish.
- It will cover the period from September to February/March.
- An example of a Profit & Loss Account/Income Statement can be found on page 51 of the workbook.
- It essentially gives details of your:
  - *Total sales*
  - *Less cost of sales*
  - *Less expenses*
  - *Net profit*