



What if my idea won't work?

John Mullins explains why it pays to challenge your business idea before throwing time and money at it.

In the US, 64 per cent of people see the opportunity to start a business as a desirable career choice (Global Entrepreneurship Monitor, 2014). But without passion, conviction and tenacity, few entrepreneurs can endure the challenges, setbacks and twists in the road. Along with these traits, the best entrepreneurs have a willingness to ask a simple question: "What if my idea won't work?"

Being an entrepreneur requires unwavering commitment. In the UK, an average week sees entrepreneurs spend 44 hours working on their idea, compared to a typical 39-hour full-time employee working week (Barclays research). Aspiring entrepreneurs – whether contemplating a raw start-up or buried deep in an established company – ask this important question for a simple reason. They understand the odds. They know most business plans never raise money. They know most new ventures fail. Most of all, they don't want to end up starting and running a business that goes nowhere in the end. Despite asking this question every day, their passion never wavers. They are so committed that they want to know why they might be wrong before they are proved to be so.

Fear of failure

According to the Global Entrepreneurship Monitor, 36 per cent of people in the UK say that fear of failure stops them exploiting the business opportunities they see. But the successful entrepreneur finds the flaws before they launch and modifies their idea accordingly. If the flaw can't be shaped to better fit the hotly competitive world and appears to be truly fatal, they can abandon the idea and avoid wasting years pursuing something that won't fly.

Better yet, if after asking "What if?", and probing, testing, and experimenting, the signs remain positive, they know their idea really is an opportunity worth pursuing.



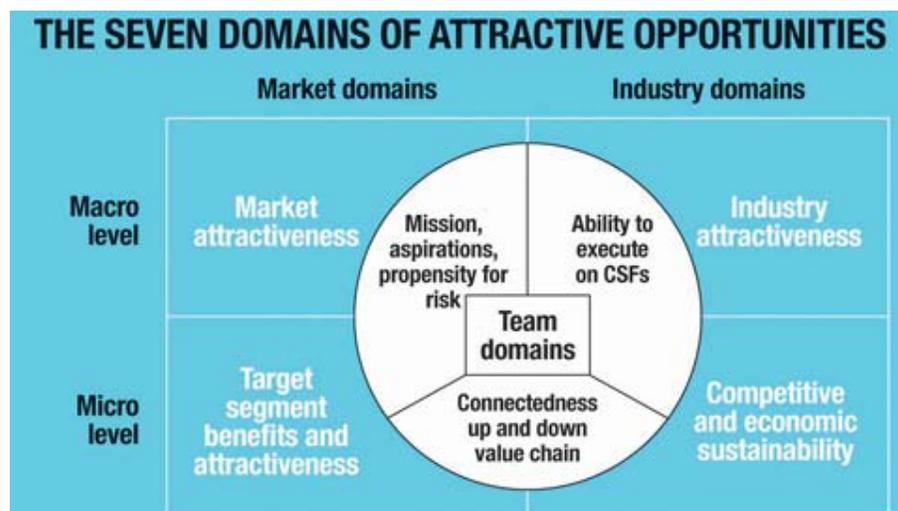
When talking about fledgling businesses, management thinker Peter Drucker said: “If a new venture does succeed, more often than not it is:

- In a market other than the one it was originally intended to serve
- Selling products and services outside of its original remit
- Attracting customers that the founder hadn’t considered when launching the business
- Used for purposes besides the ones for which the products were first designed.”

To help entrepreneurs avoid missing the obvious pitfalls in their ventures, there is a framework to help: the seven domains.

Seven ways for an idea to fly

The seven domains model offers a toolkit for assessing and shaping market opportunities and creating a better way for entrepreneurs to assess the adequacy of the idea. The model also outlines a customer-driven feasibility study to guide entrepreneurs’ assessments before they invest precious time in writing a business plan.



At first glance, the seven domains model simply summarises what everybody already knows about assessing opportunities. Upon more careful scrutiny, however, the model goes further to highlight three crucial distinctions and observations that many entrepreneurs (and investors) often overlook:

- Markets and industries are not the same
- Markets and industries must be examined at both macro and micro-levels
- The keys to assessing entrepreneurs and entrepreneurial teams aren’t found in character surveys or psychological tests.

Moreover, the model’s seven domains are not equally important. A simple checklist won’t do. In fact, the wrong combinations can kill your venture. On the other hand, sufficient strength on some



factors can mitigate weaknesses on others. Attractive opportunities for example can be found in less attractive industries.

The seven domains address the central elements in assessing any market opportunity:

- Are the market and industry attractive?
- Does the opportunity offer compelling customer benefits and sustainable advantage, alongside a business model that won't soon run out of cash?
- Can the team deliver the results it seek and deliver on its promises to others?

The good news is that opportunities are not static and can be shaped in many ways. Potentially fatal flaws can sometimes be fixed. You can choose a different target market that is more receptive to your proposed offering, which can be adapted to better fit market needs. The opportunity can be pursued at a different level in the value chain, such as a distributor, rather than retailer or manufacturer – if a different industry setting would better suit it.

So ask, “What if?” and road test your entrepreneurial dream before you even think about launching your fledgling idea.

John Mullins is author of three business best-sellers, including *The New Business Road Test: What Entrepreneurs and Executives Should Do Before Launching a Lean Start-Up* (2013)

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