**Generating and Protecting Business Ideas Business Studies Unit 1**

**Market-Led and Product-Led Approaches**

***Task: Sort each of the following points into advantages and disadvantages of a product-led approach and a market-led approach and record in the tables on the back of this sheet.***

* Little or no competition in early stages.
* Entrepreneur good knowledge of product.
* Is the analysis accurate?
* Good contacts in an established market.
* Little or no competition in early stages.
* Easier to market a new idea than to persuade people to buy an established idea
* Idea is based on customer needs, which may improve chance of success.
* Entrepreneur may have a good reputation in the market
* Is there room in the market?
* The entrepreneur may overestimate the size of the potential market.
* Entrepreneur may not have the necessary skills, even if they are passionate
* Idea is based on customer needs, which may improve chance of success.
* Little or no competition in early stages.
* Easier to market a new idea than to persuade people to buy an established idea
* Entrepreneur will have little or no expertise in the product/service or market = mistakes.
* Is the analysis accurate?
* Competition may enter quickly and capture market.

**Product Led Approach Advantages and Disadvantages**

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| **Advantages** | **Disadvantages** |
|  |  |

**Market Led Approach Advantages and Disadvantages**

|  |  |
| --- | --- |
| **Advantages** | **Disadvantages** |
|  |  |