Feedback Tutorial Letter

Innovation, Creativity and Entrepreneurship

(ICE712S)

Assignment 1
Innovation, Creativity and Entrepreneurship

Assignment 1 /2021
Second Semester

1.1 Briefly discuss five managerial factors that result in entrepreneurial venture success for the entrepreneurs in the case study. (10)

Answer:

Planning
✓ Faster decisions than through trial & error
✓ Efficient resource management – minimize bottlenecks
✓ Turn abstract goals into concrete goals
✓ Increase performance & survival
Knowledge of competitors
✓ Who are they, products, how to differentiate.
✓ take informed decisions, be proactive, plan strategically, fill open gaps,
Mainly market oriented
✓ Target market?, requirements, needs, differentiate, customer vs product oriented
✓ Client service
✓ Good relations with clients & employees; quality of product/service, repeat purchases,
High quality work enjoys priority
✓ Align quality to price, value for money, best
Financial insight and management
✓ Know and use sound financial principles, NB for decisions
Knowledge and skills with regard to the business
✓ Knowledge of business, own limitations, role of experts
The use of experts
✓ Outside experts – lawyers, accountants, bankers, consultants

1.2 To be a successful entrepreneur, certain skills enable people to manage their ventures successfully. You are required to introduce a business of your choice and explain how you will employ the managerial success factors in managing your business. (NOTE: The factors should be applied to your chosen business.) (10)

Answer:
✓ Planning
✓ Knowledge of competitors
✓ Mainly Market oriented
✓ Client Service
✓ High Quality
Financial Insight and management
Knowledge and skills
The use of experts

**Note:** Explain how you will employ the managerial success factors in managing your business. (NOTE: The factors should be applied to your chosen business (Explanation - 1 mark each and Listing of managerial factors – 1 mark for each)

1.3 Advise entrepreneurs about any five legal forms of protection that can use to protect any newly invented ingenuities. (10)

Answer:

- Patents
- Licenses
- Know-how
- Trademarks
- Registered designs
- Unlawful Competition

**Note:** Advice as well as the listing of any five legal forms/ to mention any newly invented initiative will be an advantage (Advice -1 mark each and Listing – 1 mark for each)

1.4 Market structure is one of the main factors determining the attractiveness of a market. Discuss how the market structure can be used to determine the attractiveness of a market. (20)

Answer:

Market structure – number of sellers in the market
- Size distribution of sellers
- Product differentiation
- Entry and exit conditions

Market size - Is it large and growing?
- Portion of market capture no threat to competitors
- Small portion of market share translate into substantial volumes
- Small and stagnant market not attractive to enter

Market capacity - Is the market in full capacity?
- Does demand outweigh supply?
- Can the venture reach its highest potential?

Market share - Can the venture become market leader?
- What can contribute to becoming a high-growth venture?
- When is it a low-growth potential venture?

Cost structure - Is it attractive in terms of providing low-cost goods and services?
- Does the venture experience declining cost conditions on a continual basis?

**Note:** 4 marks each with Discussions

END OF ASSIGNMENT 1