



**Material IO1\_2\_6:**  
**Our business idea**

Setting up a Student Company is more complicated than you initially think. Finding a sustainable business idea is only the first step. Investors want to be convinced of the business idea and demand a financial plan. Potential customers must be won over.



You could, for instance, produce something that the world has been waiting for. Or come up with a clever service where you will have many future customers.

**What to think about!**

Student Companies can:

- Manufacture products, e.g. jewellery, bags, shelves
- Offer service, e.g. advertising materials
- Trade with products, e.g. in a school kiosk



These features can overlap with each other!

Student Companies can also attract very different kinds of customers:

- Students from your school
- Parents and other employees at school (teachers and school leadership, etc.)
- Companies and people outside of school

1. What is your business idea? Explain it briefly and concisely. Your business idea forms the basis for all your considerations in the coming weeks. Think about how you could present the core of your business idea to the outside world in three sentences!

Our business idea:

---



---



---



---



---



---



### Material IO1\_2\_7:

## Strengths and weaknesses of our business idea: the SWOT analysis

The task now is to put your business idea to the test and to scrutinise whether it is viable. To do so, you need to expand further on the idea and examine the conditions. You are bringing a business idea to a market that already exists, i.e. you must check who your customers (demand) and competitors (existing offer on the market) are; and what are the prevailing prices on the market where you would like to sell.

You also need to assess the strengths and weaknesses of your idea; and how you can manage and exploit them. Only the person who knows the strengths and weaknesses of the business idea can develop strategies and keep an eye on the risks before it is too late!

#### Info: What is a “market”?

Supermarket, weekly market, flea market – that’s what we think about when hearing the word “market”. But there are many other types of markets, which you would not recognize by the name alone. Auctions, such as those on the online platform eBay, or the Frankfurt Stock Exchange where shares are traded.

The term market is used principally for buyers and sellers coming together to trade something. It does not really matter where this trade takes place as a market needs no fixed market place. It can, for instance, be on the internet.

A SWOT analysis is excellent for these purposes.

**SWOT**, stands for:

**S**trength, **W**eaknesses, **O**pportunities and **T**hreats

1. Form two groups and take ten minutes to work out the strengths and weaknesses of your business idea.
  - a) A group identifies the weaknesses of your idea and of your team, formulating which threats need to be considered when implementing your business idea.
  - b) The second group works out your strengths: What trump cards do you have? Do you have any competition? What can you do better than the competition? What advantages do you have compared with the competition? And how can you generate interest among customers for your offer? What opportunities can you use for your business model?

Which group do you belong to?



These are our weaknesses:	These are our risks:
These are our strengths:	These are our opportunities:

2. Present the results of your work to the other group: Write keywords on the board which summarise your considerations and justify them.

Can the words on the board be expanded by both groups?

3. Look at the results of your group work from a different perspective: Which weaknesses can be regarded as a chance and which as a risk?

Consider:

- a) Which weaknesses can you turn into strengths (e.g. up to now, no experience in accounting: Who can help you or who can support you at the outset)?
- b) Which weaknesses remain a risk for your Student Company?
- c) Which strengths can you use to defend against any dangers (e.g. can you counteract reducing demand for your product with targeted marketing or inquire about local demand through surveys)?
- d) Which defence strategies can you develop so that weaknesses do not end up being threats?