

## Chapter 2 Review

### Build It

#### Emma's Final Business Decision: Business Blogger

In Chapter 1, Emma conducted a self-assessment to analyze her interests, abilities, and aptitudes. The results of her interest inventory led to the discovery of three unique business ideas: English tutor, business blogger, or childcare provider.

Review the factors Emma considered to arrive at her final decision of business blogger in Part 1. Then complete the sections of Part 2 to guide you in a similar process.

#### Part 1

Emma was excited about the three business ideas she generated. They all represented areas she was interested in and potentially suited to. To help her decide which business to pursue, she answered the following entrepreneurial discovery questions.

- What am I passionate about?  
*I am very passionate about writing. I love using the written word to convey ideas. I'm also passionate about design. I love how words and images work together to tell a story. I will often spend hours crafting new posts for my personal blog because I enjoy sharing the story of my life with others and building connections with new people.*
- What skills do I have that would make me a good business owner?  
*I'm extremely hardworking and I never give up. Even when I'm faced with a challenge, I always find a way to overcome it. I think tenacity and perseverance are good skills to have if I want to be an entrepreneur.*
- Why do I want to start my own business?  
*I like the idea of being in control of my own destiny. If I start my own business and it becomes successful, imagine what else I can do. I also want to start my own business to help people. I think my skill set combined with my people skills make entrepreneurship a good path for me.*
- How do my business ideas align with my goals?  
*Being an English tutor and childcare provider somewhat align with my goals because they allow me to work with children and share knowledge. But ultimately, I'm not really interested in pursuing education as a career field. Business blogging seems more in line with my long-term career goals because of how active I am in the journalism community in my school. I've considered careers like an editor or content writer for online websites. Starting a business blogging company would help me reach this goal.*
- What do I hope to accomplish by starting a business?  
*I hope to be able to help other people while also strengthening my own skills. I know it won't be easy, but I am excited for the challenge.*

After Emma reflected on the entrepreneurial discovery questions, she realized that becoming a business blogger most aligned with her goals, interests, aptitudes, and abilities. Now that she established a clear business idea, she went to work analyzing whether the idea was feasible. To test the feasibility of the business idea, she researched and examined start-up costs, profit potential, customer needs, and business type and model.

### 1. Start-up Costs and Equipment

Emma already had some of the equipment and resources she would need to start her business, including a smartphone that could work to take photos if necessary. However, she would like to offer her customers video creation services as part of their online profile, so she determines purchasing a higher quality video camera is in her best interest. While Emma has access to a laptop that she shares with her brother, purchasing her own business laptop would provide her more flexibility in completing jobs. Her mom agreed to loan her start-up funds if her business plan demonstrated how the business would be successful.

While conducting research on blogging, Emma decided that, in addition to her own equipment, she would need the following items to start her business.

- Computer
- Video camera
- Online ad
- Website domain
- Social media accounts
- Business cards

Emma estimated she would need approximately \$700 to cover the costs of starting her business.

### 2. Profit Potential

Emma collected data through observations and internet searches to conclude that the profit potential of business blogging could be very attractive. She observed that in her area alone, there are hundreds of small businesses registered with the chamber of commerce that have some type of web presence.

### 3. Consumer Needs

Emma has previous experience helping small business owners manage their social media accounts and craft unique content for websites and blogs. Her mom's friend owns a boutique jewelry line where she makes custom fine jewelry from different metals; she does not have a brick-and-mortar storefront and sells everything through a website. Emma helped her set up a blog, create social media posts on the most popular networking sites, and create a "meet-the-artist" video showcasing the jeweler's passion. Emma also attended her chamber of commerce's most recent networking event and talked with business owners about their social media and online needs. The three areas she observed businesses needed the most help in are blogging, social media management, and video production.

### 4. Business Type and Model

While Emma loves the idea of someday creating a nonprofit, she realized that being a business blogger is best suited to be a for-profit entity for now. She is saving money for college and a car, and the funds she earns will be both reinvested into her business and saved for her long-term goals. Emma considered all of the business models and determined that a direct sales model would be most appropriate so that her customers could hire her on an as-needed basis.



**1. Start-up Costs**

In the table below, list the equipment or resources that are required to successfully operate each of the three businesses that you are considering starting, and indicate whether or not you already own or have access to them.

Choice #1	Equipment and Resources Required	Own?
Choice #2	Equipment and Resources Required	Own?
Choice #3	Equipment and Resources Required	Own?

## 2. Profit Potential

In the table below, list the salary and job outlooks for each of the three businesses that you are considering starting. In the second column, fill in salary information you discover, such as an hourly pay rate, yearly salary, and how much you may be able to make from starting that type of business. In the third column, record job outlook information, such as how fast each industry is growing and how many future jobs will be added for each industry.

Choice #1	Salary Information	Job Outlook Information
Choice #2	Salary Information	Job Outlook Information
Choice #3	Salary Information	Job Outlook Information

### 3. Consumer Needs

In the table below, list the consumer needs for each of the three businesses that you are considering starting.

Choice #1	Consumer Needs
	<ul style="list-style-type: none"><li>•</li><li>•</li><li>•</li><li>•</li><li>•</li></ul>
Choice #2	Consumer Needs
	<ul style="list-style-type: none"><li>•</li><li>•</li><li>•</li><li>•</li><li>•</li></ul>
Choice #3	Consumer Needs
	<ul style="list-style-type: none"><li>•</li><li>•</li><li>•</li><li>•</li><li>•</li></ul>

#### 4. Business Type and Model

In the table below, list the business type and model that makes the most sense for each of the three businesses that you are considering. If you are unsure which type of model would be appropriate, use the internet to research similar organizations. Review their websites and determine which business type and model they use.

Choice #1	Business Type (for-profit or not-for-profit)	Business Model (direct sales, franchise, freemium, subscription)
Choice #2	Business Type (for-profit or not-for-profit)	Business Model (direct sales, franchise, freemium, subscription)
Choice #3	Business Type (for-profit or not-for-profit)	Business Model (direct sales, franchise, freemium, subscription)

## 5. Business Ownership

In the table below, select the business ownership that makes the most sense for each of the three businesses that you are considering. If you are unsure which form of business ownership would be appropriate, use the internet to research similar organizations. Review their websites and determine which form of ownership they utilize.

Choice #1	Form of Business Ownership (sole proprietorship, partnership, corporation, limited liability company)
Choice #2	Form of Business Ownership (sole proprietorship, partnership, corporation, limited liability company)
Choice #3	Form of Business Ownership (sole proprietorship, partnership, corporation, limited liability company)



## 6. Final Decision

Based on the tables you completed for steps 1–5, select one of the three businesses to pursue for your entrepreneurial venture. Compile your final answers for your selected business in the table below.

	<b>Final Business Selection:</b> <hr/>
<b>Start-up costs (equipment and resources)</b>	
<b>Potential profit (salary information and job outlook)</b>	
<b>Consumer needs</b>	
<b>Business type</b>	
<b>Business model</b>	
<b>Form of business ownership</b>	