

# Identifying Opportunities | H1 Notes

## Sources of New Ideas

### Internal Sources

Many businesses gain ideas for new products internally. This can be through employee suggestions, brainstorming sessions, customer feedback or their research and development team.

### External Sources

Some businesses prefer to gain ideas for new products externally. Many government agencies provide beneficial statistical information that can be used by businesses. They also pay research agencies for their information. Some research their competitors and their ideas and attempt to expand on those.

## Market Research

Market research helps businesses to create products that are wanted by customers. It helps them to decide their marketing mix – product, place, price and promotion.

## Product Development Process

1. Idea generation – brainstorming ideas.
2. Product screening – SWOT analysis of each idea carried out, some ideas discarded.
3. Concept development – turning the idea into a product and creating a unique selling point (USP).

4. Feasibility study – check if the product can actually be made.
5. Creating a prototype.
6. Test market the item with a group of people from the target market.
7. Product launch.