1. **Finding the reason and motivation**
   Ideally: to add value to the world  
   Other: to have fun, to make money, to work independently

2. **Assess how starting a business fits your personal goals and needs**
   Types of businesses:
   - Survival: (e.g. lawn service, dog sitter, home-care services)
   - Lifestyle - Managed growth: (comfortable life for owner)
   - Aggressive growth (e.g. computer startup)

3. **Identifying a biz opportunity**

   IMPORTANT: Identify a problem or an opportunity
   Sources of opportunity
   - problem you or people you know are facing
   - Socio-economic trends and changes
   - Technological trends
   - Political actions and policy changes
   - Brainstorming with friends

   Types of business models: a) custom solution, b) market lead/creation, c) valuable component, d) recurring revenue, e) freemium, f) eyeballs, g) virtual goods

4. **Screening your biz idea**

   Approach 1: The NABC test: Need-Approach-Benefit-Competition
   Approach 2: Extensive questions Appendix 2.1 in Barr book
   Approach 3: The Lean Startup canvas (see material in iLearn)

5. **Summarizing your idea: elevator pitch**

   Elevator pitch: 1-2 minutes that capture the excitement and promise of your idea

   Needs to cover:
   - what you do
   - what is the problem you solve
   - why is this an important problem
   - what is your novel unique approach
   - how you beat the competition
   - what is the market and how you are going to reach it
   - what is the status and progress of the company
   - who is the team and why they are the right people for the job