



An initiative by
GROWTH-POINT
PROPERTIES



ENTREPRENEURSHIP WORKBOOK



TEAM MEMBERS: _____

SCHOOL: _____

VIDEO ON LABELLED USB: YES NO

WELCOME TO THE

GROWSMART ENTREPRENEURSHIP COMPETITION

Are you resourceful with a drive to shape your own future? Then you are already on your way to becoming an entrepreneur! The world needs more people like you because entrepreneurs inspire change and help to improve the standards of living.

The Growsmart Entrepreneurship competition allows you to set up a business and develop a product or service. During the process, you will learn about different aspects of entrepreneurship, including financial literacy and life skills.

STARTER HIT

To help you get started on your exciting journey, each team receives the following:

- A USB stick for the video. Remember to label your USB.
- A project display board.
- A journal. This is a book for scribbling, writing down ideas and notes, and developing the business model. This will be submitted for evaluation along with the display board.
- Pens and pencil.
- A calculator.

FOLLOW THESE STEPS

1. Fill in your details on the front page.
2. Select a topic from the list on page 3.
Find a business idea.
Define and/or illustrate your final product.
3. Conduct market research.
Compile a target group profile.
Do a SWOT analysis.
4. Decide on a business name.
Create a logo.
Create a brand.
Create a marketing strategy.
5. Determine costing for your business.
Set a product or service price.
6. Draw up a budget.
Prepare an income statement based on budget.
Improve your results.
Prepare a revised income statement.
Prepare a final income statement and determine the final profit/loss.
7. Create a video that explains and promotes your product or service.

Track your progress on the ladder to success on the back cover!

SEMINARS

Attend all three seminars to take full advantage of the knowledge shared by our incredible speakers.

Seminar 1: Starting a business

28 March 2020

9 am – 1 pm

Seminar 2: Costing and pricing

4 April 2020

9 am – 1 pm

Seminar 3: Selling, advertising and financial tools

9 May 2020

9 am – 3 pm

ELEMENTS OF A GREAT MARKETING VIDEO

A marketing video is an effective way to tell your brand's story. Follow these tips to put your best foot forward:

1. Grab the viewer's attention in the first 10 seconds.
2. Show how your product or service can improve the viewer's life.
3. Make your video exciting. Ask yourself: Is it something you would enjoy watching?
4. Use the opportunity to educate your viewers with advice or tips relevant to your offering.
5. Add music to create an atmosphere.
6. End with a call to action. What do you want the viewer to do after watching your video?

LIST OF TOPICS

	CHOOSE ONE OF THE FOLLOWING TOPICS:	DO YOU HAVE ANY INITIAL IDEAS FOR THIS TOPIC?
1.	<p>Identify a social environment problem in your school or community. Provide an entrepreneurial solution to this problem:</p> <ul style="list-style-type: none">1.1 Pollution For example: litter, rubbish1.2 Recreational space/safe play spaces For example: hip hop, skateboarding, music studio1.3 eLearning centres For example: access to the internet, basic coding1.4 Water or electricity-saving measures; mechanisms generating funds	
2.	<p>A market day with a difference For example: showcasing new products</p>	
3.	<p>Corporate fundraiser</p>	
4.	<p>Bringing tourists into your neighbourhood For example: a digital tour guide</p>	
5.	<p>Focus foods For example: prepare or sell and redesign</p>	
6.	<p>The fitness-fever facilities For example: creating a space to exercise; developing gym equipment</p>	
7.	<p>Designer/school wear For example: fashion; redesign a current school uniform</p>	
8.	<p>Wood/iron creations For example: arts and crafts</p>	

YOUR BUSINESS

Time to put on your thinking cap! Sit together as a team and let your imaginations run wild. While you brainstorm ideas for a product or service, consider the following:

Your passions and the activities you enjoy:

Skills and talents you already have:

Ideas that can improve someone's life or fill a need:

From the list on page 3, which topics are you most excited about?

Compare your answers above to the list of topics. Which topics tie in best with your skills and knowledge?

Narrow down your options and decide which product or service is the best idea to execute:

DESCRIBE OR DRAW YOUR PRODUCT OR SERVICE.
EXPLAIN WHY YOU SELECTED THIS.

A large, empty rectangular area defined by a dashed yellow border, intended for drawing or writing a description of a product or service.

MARKET RESEARCH

You have a BIG IDEA for your business. Great! But before you consider mass production and selling strategies, ask yourself this:

Is there a need in the market for your business? Is the demand for your offering big enough to generate a profit?

Who are your competitors? Are there other businesses that offer the same product or service, or an alternative option?

Who would buy your product or service?
This is your target market.

Will you be able to cover the start-up costs for this type of business? Would you be able to find investors who are keen?

DEFINE YOUR TARGET GROUP

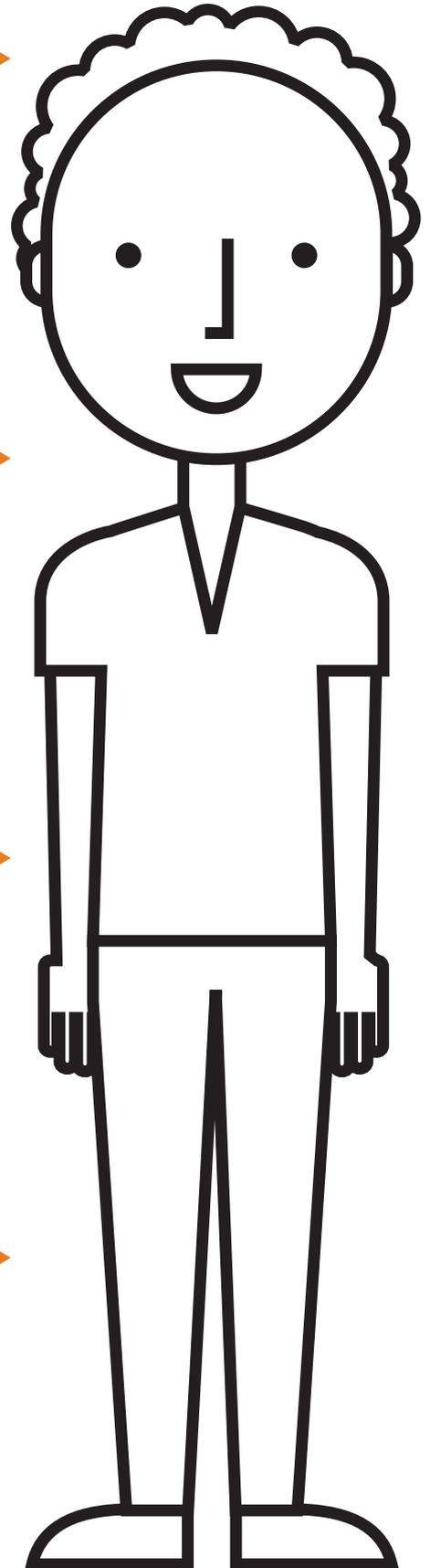
Who would be most interested in your product or service? Try to answer these questions to help you understand your target group. Create a profile for a fictional buyer below:

Which demographics are relevant to your target group? This may include age, gender, family status, income, hobbies and interests.

Where do they live and work, and how would you reach them?

Does your target market use similar products or services? Can they afford to make use of your business? What do they spend money on?

Why do they need your product or service?
What would convince them to make use of your business?



SWOT ANALYSIS

A **SWOT analysis** is a tool that helps you figure out how your business idea is going to work. It is an analysis of the strengths, weaknesses, opportunities and threats of a business. These values may change over time as the business evolves.

STRENGTHS

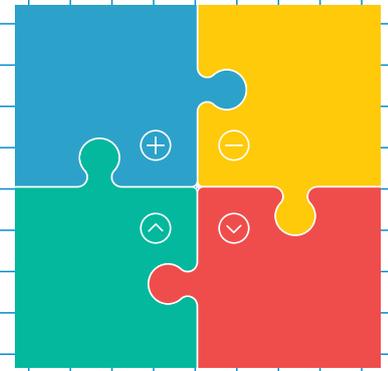
- Positive internal attributes that we can control.
- All the positive characteristics you have.

WEAKNESSES

- Negative internal attributes that we can control.
- All the things that you are not so good at but can improve.

Example: You want to start a sweets business and sell candyfloss to the children at school.

- A **strength** could be that you have a unique recipe for candy floss.
- A **weakness** could be that you cannot transport more than 20 units because you ride your bicycle to school.
- You could employ someone to help you transport and sell more candyfloss, which is an **opportunity**.
- A rival could start selling the same candyfloss for cheaper. This would be a **threat**.



OPPORTUNITIES

- Things or circumstances in the external environment that can help us realise our goals.

THREATS

- Things in the external environment over which we do not have much control.
- They cannot be minimised or avoided.

BRANDING

Branding describes how people see your business image, the emotions that it makes them feel and the values that it creates in their mind.

Look at the well-known brands around you. Which colours, pictures and songs do these brands use in their advertising? How does that make you feel about the brand? Which values do you believe the business has, based only on what you can see in the branding?

Now start to think about your own branding for your business. How do you want people to see your business, and how do you want them to feel about you? Which values do you want your business to show?

Your branding should be relevant to what you are selling. If you are redesigning school wear, you may want your business to be seen as trendy and popular. However, if you are selling a product that reduces electricity use, you might want to be seen as safe and trustworthy. If you are hosting corporate fundraisers, you may want to be seen as professional and formal; while if you are selling fitness equipment, you may want to be seen as fun and energetic.

Your turn!

ANALYSE A WELL-KNOWN BRAND

Brand:

Which colours, images and songs do the brand use?

What emotions do the brand make you feel?

What do you think are the company's values, based on their branding?

CREATE YOUR OWN:

BUSINESS BRANDING

Select colours, images and a song for your branding:

List the emotions that you want people to feel when they are looking at your branding:

Write down your business values:

MARKETING

Now that you have given a face to your business through branding, it is time to start marketing your business! This can be an effective way of growing your sales.

When creating a marketing message, it is important to keep your target group in mind. Refer back to your market research. You may be very excited about your business, but

your target market does not know you yet. What message would convince them to buy from you? Put yourself in their shoes, and imagine what they need to hear.

What are the benefits of your product or service? Create interest in your business.

What need does your product or service fill for your target group? Show that you understand what they want or need.

Is your product or service different from others, or a better option than similar businesses?

Using your answers on the left, decide what your marketing message will focus on. Select one or two main messages that you want people to remember. If you provide too much information, they may lose interest or forget.

Make sure that your marketing will reach your target group.

For instance, you won't reach as many people through Instagram if your target market prefers Facebook. If you want to make use of physical advertising, make sure to select locations that your target group visits.

Select marketing platforms that are affordable to your growing business.

Social media remains a very affordable option, and your friends can help drive your marketing by sharing it. You can also create your own posters, or print flyers at a low cost.

Which marketing platforms would reach your target group?

Which marketing platforms can you afford?

Select the marketing options that will reach the most people for the least money.

Facebook can boost your page for a very small amount. This would allow you to reach hundreds of people, where a poster of the same price may not be seen by as many.

Marketing should be relevant to the target group.

If your business is expensive and formal, people would want to see more professional marketing. Otherwise your business may not look safe and trustworthy. If your business is fun and trendy, unusual marketing like a pop-up show can create the same sense of excitement as your brand.

Which marketing platforms would reach a large group of people?

Which types of marketing would fit your target group?

Media that is used in advertising:

- Print: pamphlets, newspapers, magazines
- Outdoor: posters, banners, billboards
- Broadcast: television, radio, film

- Electronic: emails, SMS, WhatsApp
- Digital: web banners, social media, adwords

CREATE A MARKETING PLAN

Create your own marketing plan here. Decide which media you want to use, and how it will be distributed. You can also sketch what your advertising or packaging would look like. Remember to inform people on how they can buy your product or service, and make it as easy as possible for them to find you.

COPYRIGHT

When you create your own marketing, make sure that you do not break any copyright laws. You cannot use someone else's pictures, but you can take your own pictures with your phone or find free images from sites like unsplash.com.

Make sure that your music is royalty free and may be used for commercial purposes.

ETHICAL ADVERTISING

Your advertising may not be offensive to any person's moral or spiritual values. Make sure that your advertising shows people in a respectful way, especially children. Get consent from people before you use them in your advertising. No person or animal should be harmed in the making of your advertising.

CREATE YOUR OWN:

BUSINESS NAME

Your business name must be two things: catchy enough for people to remember it and easy to say. A strong business name will make a good first impression. It should give your

customers an idea of what you are selling. How do you want them to feel about your product? Put that feeling into your name. Think of iconic examples like Apple and Facebook.

1.	2.	3.	4.

LOGO OPTIONS

Along with the name, your logo plays an important role in how your business will be perceived. Keep it simple and avoid too many colours or elements. Complex logos can be confusing and they do not work on all materials, for

example, small items like pens and motor license discs. If colour is a strong feature of your logo, make sure it has the same impact in black and white.

Try to create your own logo options below:

COSTING

WRITE DOWN YOUR COSTS

FIXED COSTS

Fixed costs stay the same no matter how many products are made. For example, rent still has to be paid whether you produce 1 T-shirt or 100. The same goes for insurance, salaries and loan payments. These costs are necessary to keep your business alive. When you add your variable costs together with your fixed costs, you get the total cost of producing your product or service.

VARIABLE COSTS

Variable costs might change from month to month, depending on the number of products you produce. These costs are directly related to the product being made. For example, if you sell printed T-shirts and you suddenly receive a big order, you will have to spend more money on fabric, printing and delivery costs.

TOTAL COST

Variable costs + fixed costs = total cost

Calculate your monthly cost and volume here:

OPEN A BANK ACCOUNT

Once your business is up and running, consider opening a bank account to keep your earnings safe. Ask a parent to help you.

PRODUCT PRICING

You need to decide on a price for your product or service – one that your target group would be willing to pay, while allowing you to make a profit. Determine the price per unit of your product or service by considering the following factors:

PRICE VS QUANTITY

- Sell many units at a low price. Though your profit per unit is low, your income is still high, if you sell many units. Selling more units is more work, but convincing customers to spend a small amount is easier.
- Sell fewer units at a higher price. The quantity you sell is low, but your income is still high, because your profit per unit is higher. You would not need to sell a lot, but convincing customers to spend a large amount is harder.

SUPPLY AND DEMAND

- If your business is in high demand, meaning many customers want it, you could charge a higher price and they would still be interested.
- If your product or service is in low demand, meaning not many customers want it, you would need a lower price to encourage customers to buy it.

COST VS VALUE

- The price of your product or service means what customers will pay for it.
- The cost of your product means what you must pay to produce it, including the cost of your own labour.
- The value of your product or service refers to what the customers believe it to be worth.
- Just because your product costs a certain amount to produce, does not mean it is worth that amount to the customer.

COMPETITIVE PRICING

- Do you have any competitors that offer a similar product or service?
- What do they charge?
- If you charge less than your competitors, your price is competitive and more affordable, but you would also make less profit.
- If you charge more than your competitors, your price may be seen as too expensive, and you would sell fewer units.

COST PER UNIT

- Calculate the cost of making each product or providing each hour of service. This is the cost per unit.
- Divide your total cost on the previous page by the number of products you will make, or the number of hours you will work.
- Make sure you set your price above the cost per unit, or you will make a loss.

Cost per product = total cost
÷ number of products that can be made

Cost per hour of service = total cost
÷ number of hours of work

Calculate your cost per unit:

STARTUP COSTS

- How much will it cost to start your business? What materials or equipment will you need to buy before you can get started?
- The amount of money you need to launch your business is called the "startup cost". Unlike the monthly fixed costs, some of the startup costs may be once-off.
- How will you cover your startup costs? Are you getting a loan? Can you find an investor?
- Remember that loans must be repaid with interest, so you will need to pay back more money than you loan.
- An investor may ask for a percentage of your profit, depending on the agreement you make.

Calculate your startup costs:

CREATE A BUDGET

A budget is a useful tool to help you plan for future expenses, like new equipment, emergency repairs or product improvements. In the budget, you record the expected income and expenses of the business during a specific period. Use the following format to **create a monthly or annual budget**:

INCOME

In this section, record all the money you anticipate receiving for the selling of your product or service.

EXPENDITURE

In this section, write down all your expected expenditure. This may be things like purchases of materials, hiring of equipment, telephone costs, packing materials, etc.

Now subtract the expenditure from the income:
Income - expenditure = balance

Calculate your balance here:

These are your possible results:

- A surplus (a positive balance with money left over)
- A deficit (a negative balance)
- No difference (a zero balance where you break even)

Write your result here:

What is your result?

INCOME STATEMENT 1

Unlike a budget, which is an estimation of income and expenses, an income statement records the actual amount of money your business generated over a certain period, as well as the expenses spent to generate the income. This statement will show whether your business made a profit or a loss.

INCOME: MONTH 1

Record all the actual income you receive for the selling of your product or service during your first month of business:

EXPENSES: MONTH 1

Record all your actual expenses for your first month of business:

PROFIT OR LOSS

To determine whether you made a profit or a loss, you must subtract the expenses from the income. If the income is greater than the expenses, you have made a profit. Give your team a high five! If it costs more to produce your product or service than the amount you can sell it for, you are making a loss. But don't worry! Take a closer look at every aspect of your business to see where you can improve or cut costs on the next page.

Income - expenditure = balance

Calculate your profit or loss here:

IMPROVE YOUR RESULTS

DECREASE YOUR EXPENSES

Look at all of your expenses. Are there any expenses that you can avoid next month? Are there any expenses you can reduce? Can you find more cost effective suppliers for materials, equipment or services?

Expenses that could be reduced:

Explain how the expenses are reduced. For instance, are you using less of a product or using another supplier?

Expenses that could be cut:

Explain how these expenses are cut. Can your business get by without it? Is it something you can do yourself?

List materials or services that you would like to find alternatives for:

List the alternative suppliers or material that you will use from now on:

It may be impossible for you to trim your expenses further. Don't worry! You can still increase your income in various ways, or advertise your business in more or different ways.

Did you end with a deficit? Were you hoping for a greater surplus? Do not give up on your goal of becoming an entrepreneur yet! A deficit is normal when trying to get a new business up and running. Here are some steps you can follow to achieve a better result next month. See which steps would bring you the greatest results.

INCREASE YOUR INCOME

The three simplest ways of increasing your income are to sell your product or service at a higher price, to sell more units of your product or service to new customers, or to upsell the amount of units that you sell to existing customers.

Sell at a different price:

- Did you price your product or service correctly?
- If your price is too high, customers won't use your business.
- If your price is too low, you may run at a loss or not make enough profit.
- As you become more experienced, you could adjust your price, as your business would be perceived to be more professional.
- Remember that your product or service is valued at what others are willing to pay for it. This may be more or less than what you think it should cost.

Will your price be higher, lower, or the same?

Sell to new customers:

- Where can you find new customers who will be willing to make use of your business?
- Can you broaden your target market?
- Can you broaden the area in which your product or service is available?
- Can you find new customers through advertising?
- Can you approach businesses that can afford to purchase larger quantities of your product or services?

How can you sell to new customers?

Upsell to existing customers:

- Your current customers are already interested in your product or service.
- Under which circumstances would they be interested in buying more?
- Can you offer them any other related products or services that they might be interested in that offer additional value?
- Do not oversell to your existing customers, as they may get irritated or run out of money to spend on your business.

How can you upsell to existing customers?

If you made a loss in the first month, calculate how long you can afford to run at a deficit, before you run out of money. This will help you determine how long you have to turn the loss into a profit.

INCOME STATEMENT 2

INCOME: MONTH 2

Record all the actual income you receive for the selling of your product or service during your second month of business:

EXPENSES: MONTH 2

Record all your actual expenses for your second month of business:

Calculate your profit and losses here:

Did you achieve a surplus, a deficit or no difference?
Write your result here:

Did you do better or worse than the previous month?

INCOME STATEMENT 3

INCOME: MONTH 3

Record all the actual income you receive for the selling of your product or service during your third month of business:

EXPENSES: MONTH 3

Record all your actual expenses for your third month of business:

Calculate your profit and losses here:

**Did you achieve a surplus, a deficit or no difference?
Write your result here:**

Did you do better or worse than the previous month?

PRODUCE YOUR VIDEO

Who will be filming the video? Who has the best phone, tablet or video camera to take the video with?

Select a location for your video. Will you be filming the video outdoors, at someone's home, in a classroom, at an office? If you are hosting an event, remember to take footage of this as well.

Select which team members will present which parts of the video. How will you, the actors, be styled? For instance, will you be wearing school uniforms, or do you have outfits or costumes that represent your business?

Do you need other props besides your product to illustrate how your business works?

Will your video have background music? What music do you want to use?

How will you present your product or service in the video? Will you show the product being used?
Will you film yourselves while working, if you are offering a service? Will you be interviewing satisfied customers?

Write a script for your video here:

Did you get consent from all the people that appear in your video? Did you use music or images that are not copyrighted?

SELF - EVALUATION

What did you learn about being an entrepreneur?

Do you think your business is successful and why?

What would you have done differently?

Now that you have completed this process, rate your new skill level on the following aspects of entrepreneurship.
Circle the icon you agree with:

Creating a business idea:			
Conducting market research:			
Creating a marketing plan:			
Determining a product price:			
Drawing up a budget:			
Preparing an income statement:			

Start writing down ideas for your next business venture!

Will you continue with your business venture after the programme?

MOVE UP THE SUCCESS LADDER!

CHECK OFF THE STEPS
TO SUCCESS AS YOU
COMPLETE THEM



STEP 9:

- Create a video for your business.
- Label your USB.

STEP 8:

- Prepare a final income statement.
- Calculate the final profit/loss.

STEP 7:

- Improve your results.
- Prepare a revised income statement.

STEP 6:

- Draw up a budget.
- Prepare an income statement.

STEP 5:

- Determine costing.
- Set a product or service price.

STEP 4:

- Choose a business name.
- Create a logo.
- Decide on a brand.
- Create a marketing plan.

STEP 3:

- Conduct market research.
- Define a target group.
- Do a SWOT analysis.

STEP 2:

- Select a topic.
- Find a business idea.
- Define your idea.

STEP 1:

- Fill in your details on the cover.

