The Era Of Idea-Based Entrepreneurship: Are We Pushing Young Entrepreneurs Off A Cliff?

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Entrepreneurs frequently experience eureka moments, when they think they came up with a brilliant idea that can change the world and their fortunes. Some can often get too attached and fascinated by their idea that they start planning their business and lives around it. This behaviour, however, can usher a premature demise of their venture in its cradle.

We are all responsible unfortunately for promoting this fairy image of idea-based entrepreneurship. The media and entrepreneurship blogs frequently feature articles of the type of "10 great ideas to start a business today" [1,2,3]. And across the ecosystem, accelerators and incubators are full of entrepreneurs perfecting their pitch deck for a demo day; a défilé of glamorous ideas to entertain investors. Moreover, hackathons that are meant to elicit solutions to emergent challenges, are preloaded with problem definitions and held online or behind closed doors, with little to no interaction with the real world. Even in educational institutions, the assessment of students in entrepreneurship courses is becoming more reliant on pitching their business ideas in celebratory events.

The "idea-based entrepreneurship" crisis surfaced when we interviewed entrepreneurship ecosystem experts in a recent study to garner their views on the obstacles preventing nascent entrepreneurs from achieving their potential and possible measure to address them. We held prolonged interviews with 22 experienced mentors, investors, and startup consultants from 13 countries across the world.

Experts pointed out to "idea-based entrepreneurship"; where the venture creation journey starts with a glittering idea, and often ends shortly afterwards, as the main worrisome feature among today's entrepreneurs. "A midsummer night dream" as one Silicon Valley mentor described it. They identified the signs and symptoms to detect this phenomenon among entrepreneurs: 1) have seldome spoken with a real customer 2) cannot pinpoint the exact problems that their idea is solving 3) didn't or uncapable of performing a proper market research 3) have unrealistic estimates of the addressable market and possible revenues.

Overcoming this trend is not easy, when the entrepreneurial environment nudges nascent entrepreneurs in this direction continuously. However, foreseeing the short-term livelihood of idea-based startups, experts recommended remedies that can help entrepreneurs build steadier ventures.

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[1] https://entrepreneurhandbook.co.uk/100-business-ideas-start-today/
[2] https://www.entrepreneur.com/starting-a-business/need-a-business-idea-here-are-55/201588
[3] https://www.forbes.com/advisor/business/small-business-ideas/

First, to come up with ideas grounded in community challenges. They recommend the following measures:
1. *Pitch the problem:* When pitching to investors, entrepreneurs are expected to show an insightful understanding of the different aspects that goes into shaping the problem they are addressing before zooming in on their solutions.
2. *Opportunity walk* (Neck & Greene, 2011): They advise wannabe entrepreneurs to start

with observing their household and neighbourhood. Walk around, take notes of people challenges or system defects. Then reflect on those to find opportunities for improvement.

3. *Industry discovery*: Entrepreneurs need to discuss their observations and ideas with people involved in their target industry. If they are interested in developing a healthcare solution, for example, they should talk with doctors, participate in healthcare exhibitions, and speak with patients. That's how they can get to the bottom of their topic.

Once they have a solid idea of their value proposition, another pitfall experts mentioned is that entrepreneurs often *"wait until everything is perfect"*. They urge entrepreneurs to *"go out and test what they got"*. Their next step should be to validate their solutions and they suggest several ways to do that:

1. *Share it with the world:* Experts watered down entrepreneurs' fears of copycats if they share their ideas before the business is launched. They encourage entrepreneurs to post idea briefs on online forums and social media groups to garner feedback. Moreover, by doing so they might call forth interested co-founder, partners, customers and even investors.
2. *Prototype:* Building and trying to sell an early prototype of their solution is invaluable. Usually, entrepreneurs regard their initial idea as the one and only proposition. The truth is the version that can succeed on the market is often quite different and might be even unrecognizable from the one they thought of in the beginning. Hence, they should test and improve their proposition alongside the customers in incremental iterations.
3. *Crowdfunding campaigns:* Launching and managing a crowdfunding campaign will give entrepreneurs *"a taste of the market reception of their business"*. Even, if they fail to reach their fundraising target, which is very common (60% of startups on Kickstarter), they will learn from the experience in a *"risk-free"* environment.

In conclusion, for entrepreneurs to avoid an ominous fate for their promising ideas, entrepreneurship experts advise them not to get stuck on them and take time to contemplate on the problems in the first place. Then, develop and test a feasible solution before going all in. They provided several effective and easy-to undertake remedies for spotting opportunities, creating solutions, and testing them with their intended audience to lessen the risks and improve their success chances.

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