

Module 1: Entrepreneurship

Digital Entrepreneurship

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Unit 4	Digital Entrepreneurship
Topic 1	The Golden Circle
Topic 2	Competitor's Analysis
Topic 3	Digital Business Design
Topic 4	Prototyping
Topic 5	Digital Assets
Topic 6	Web Accessibility

Module: Learning Outcomes

Module 1/Unit 4

Introduction text: In the subtopic of digital entrepreneurship, we will cover the basics of launching a digital business. By the end of the lesson, you will be able to identify the purpose of your business, identify and analyse your competitors, understand how to convert your visitors into customers, learn about minimum viable products, and learn how to make your website more accessible.

Knowledge (Statements of what a learner knows)

Golden Circle, Digital Literacy, Digital Prototyping, Digital Assets, Accessible vs Inaccessible Web Design, Competitor's Analysis, SWOT Analysis

Skills (Statements of what a learner understand

Effective Internal communication, Innovative Thinking, Digital Prototyping, Productivity and Efficiency, Web Accessibility

Competences: (Statements of what a learner is able to do on completion of a learning process)

How to communicate with the customer, Innovation, Digital Competences, Accessible Web Designing, Digital Assets

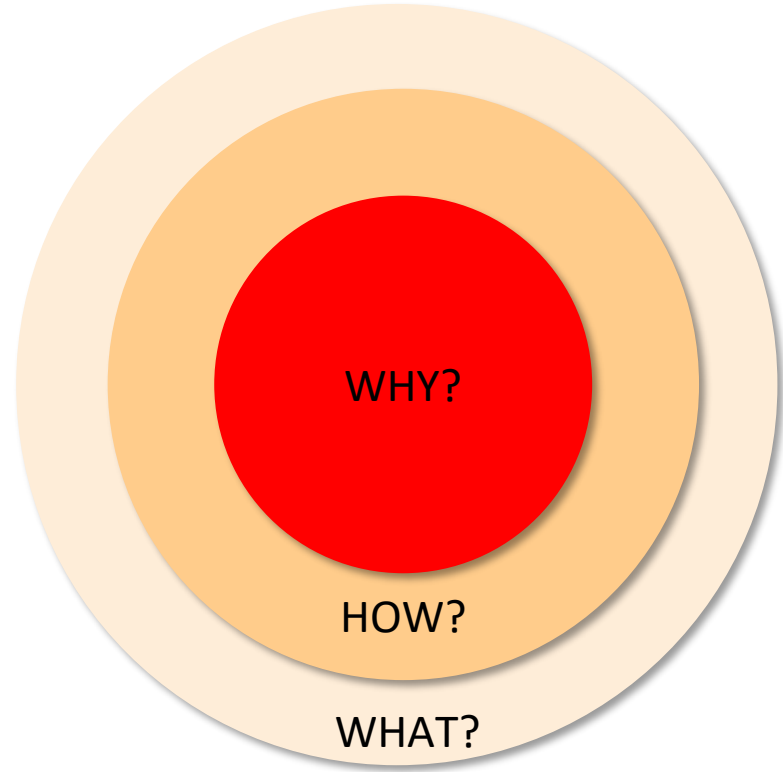
Introductory video

In the subtopic of digital entrepreneurship, we will cover the basics of launching a digital business. By the end of the lesson, you will be able to identify the purpose of your business, identify and analyse your competitors, understand how to convert your visitors into customers, learn about minimum viable products, and learn how to make your website more accessible.

Unit 4: Digital Entrepreneurship

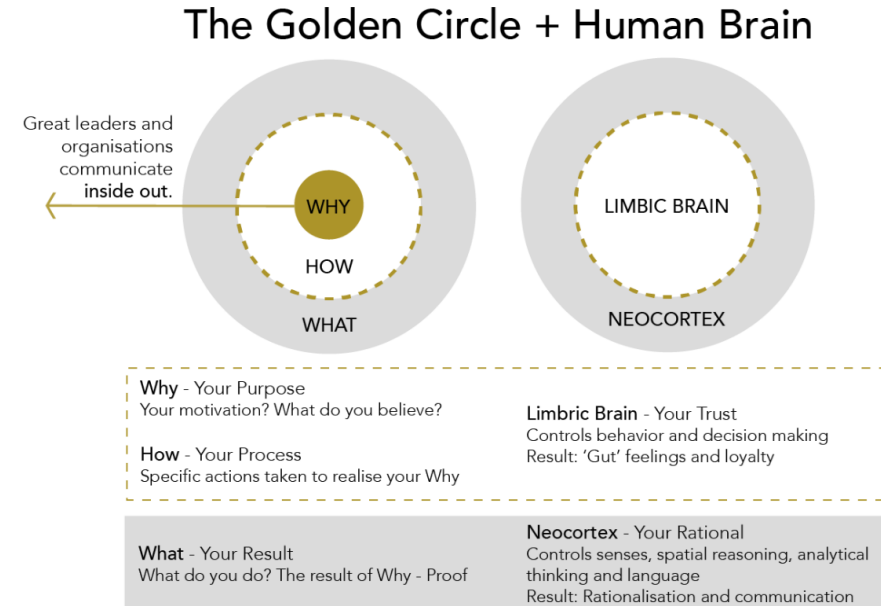
Topic 4.1: The Golden Circle

- ❑ Why? ☞ **Identity**, Intrinsic Motivation, Purpose, Cause, Driving force behind everything we do
- ❑ How? ☞ **Process**, Unique Selling Point (USP), Action we take, habits, routine
- ❑ What? ☞ **The Product/Outcomes**, Tangible Manifestation, Intellectual Outcomes, What you want to achieve



Topic 4.1: The Golden Circle

➤ Your “Why” is the most important message an organisation or individual can communicate. Your “Why” is your approach to problem-solving in the community. With your product or service, you are attempting to address a particular problem or meet a specific demand. According to Sinek’s theory, correctly articulating your “Why” is a technique to communicate with the limbic brain of the listener. This is the region of the brain that processes emotions such as Trust and Loyalty, motivating individuals to act and make choices.



- Your "How" echoes your "Why" in that it demonstrates what you do to solve an issue or achieve a certain goal. You are already involved in the how-you-do-it once you begin running a business, let's say in arts and crafts.
- Your customers can also view your product, which represents the "What" of your company. According to Sinek, your product or service can only link with the neocortex of your customer, so accessing only their analytical and rational processes. As a result, people are less inclined to purchase your product or service because they do not grasp your purpose.

Topic 4.2: Competitor's Analysis

After identifying your own "Why" and defining the scope of your business, the next step in developing your digital entrepreneurial idea is to conduct ***competitive research***. A well-selected competitor not only clarifies your own business idea but also allows you to clarify your competitive advantage [i.e., your Unique Selling Point (USP)]: how your entrepreneurial idea will be different from or greater than the competitor. It is possible to identify competitors by locating companies that target similar customer markets, that employ comparable strategies and resources, or by doing both.

Topic 4.2: Competitor's Analysis

One way to Analyze your Competitors is by using SWOT Analysis. Using the following table, you can analyze your competitors by identifying their Strengths, Weakness, Opportunities, and Threats.

SWOT Analysis: <i>[Company Name]</i>	
Strengths	Weaknesses
<i>[Explain the key strengths of the organization. These strengths are internal attributes where the organization stands above competitors, such as intellectual property, its workforce, etc.]</i>	<i>[Outline where the company might fail or struggle internally. Examples might include a poor pricing model or unclear leadership.]</i>
Opportunities	Threats
<i>[List the external opportunities the company could benefit from, such as a growing demand for its product/services.]</i>	<i>[Provide an overview of the threats this organization faces. One example might be a new tax on the products/services the business provides.]</i>
<i>Table by HubSpot</i>	

Topic 4.2: Questions for Competitor's Analysis

1. Determine who your competitors are
2. Determine what products your competitors offer.
3. Research your competitor's sales tactics and results
4. Ensure you're meeting competitive shipping costs.
5. Analyze how your competitors market their products
6. Take note of your competition's content strategy

Topic 4.3: Digital Business Design

The structure of a *digital business design* is based on a three-step process, or the ABCs: **Acquisition**, **Behavior**, and **Conversion**. The initial test of a digital company concept will consist of attempting to acquire or attract new visitors, inviting visitors to do something online, and then converting a visitor into a client by having them execute an action that has value for the business (Allen, 2019, 42).



Topic 4.3: Digital Business Design

Acquisition: Digital marketing provides a variety of techniques intended to deliver qualified, focused traffic to your website. The most common sources of clients are search engine results and social media platforms. Consumers have a high level of confidence in the quality of search results, perceiving them as only slightly less reliable than personal recommendations, and more reliable than practically any other source of information. The top search result will likely draw the most traffic, with an average of 25-35% of searchers clicking through to your website. Due to the amount of time spent on social networks and the relevance of personal recommendations, product evaluations, and other types of "electronic word of mouth" in purchasing decisions, social media has become incredibly crucial for client acquisition.

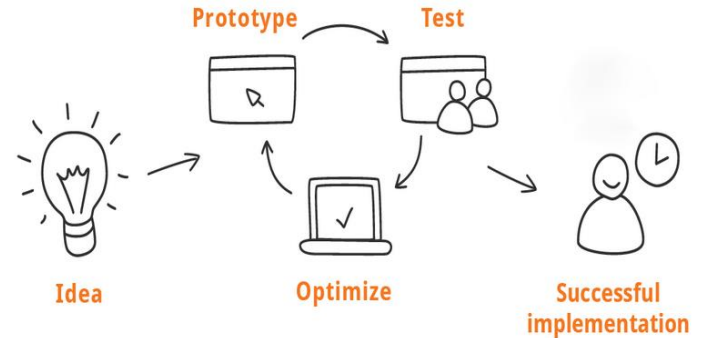
Behaviour: Visitors arrive at a digital business in response to a need or desire to do something. For a particular visitor behaviour to occur, the visitor must have an online presence to visit. The starting point for an online presence is usually a website, located at a specific domain name. A prospective customer must be able to successfully execute the most important use case without difficulty and be satisfied in a manner that contributes to a successful business outcome.

Conversion: The third step in the process is conversion, the specific online action that a visitor will perform to represent business success. Consider a digital business site as a 'conversion engine' instead of a beautiful brochure or content source. The conversion rate is the percentage of visitors that accomplish a conversion objective. The conversion equation multiplies the desired number of visitors in a given time period (usually per month) by a conversion rate to calculate the number of conversions a business is trying to achieve.

Topic 4.4: Prototyping

A digital prototype has no engineering behind it and has little or no working functionalities or real data. The prototype is often a front, an interactive visualization, or a clickable trailer of the product – a tool to test and validate the look and feels chosen thus far, as well as the main business concept. The most important factor is that prototyping is completed rapidly and with a minimum investment of time and resources. Prototypes serve as the first "real-world" test of your product concept.

It serves as a Minimum Viable Product (MVP), providing entrepreneurs with a tool to start testing their businesses. A digital MVP is simple to develop, edit, and distribute. A digital MVP could be as basic as a piece of content like a video, podcast, or webinar.



Topic 4.4: Prototyping

In the book (2016) “Sprint: How to Solve Big Problems and Test New Ideas In Just Five Days” by Jake Knapp, John Zeratsky and Braden Kowitz, the following single scrum print across five days is mentioned in the section on how to build your prototype:

1. Identify the problem you wish to solve.
2. Come up with a variety of potential solutions.
3. Determine how to formulate a testable hypothesis from your ideas.
4. Develop a prototype to test the hypothesis.
5. Validate the prototype.

The point here is that no digital prototype is intended to be developed into the final product. The prototype is a presentation of the characteristics and appearance, not the product itself. What actually helps you to launch your first product is customers' reactions to your prototype, which help you to launch your first product by enhancing your understanding of the suggested characteristics of your design, its risks, its potential market impact, and whether or not your idea is worth pursuing.

Topic 4.5: Digital Assets

A website with a domain name is the simplest business asset an entrepreneur can own, control, and build a following for. Schwerdt (2018) says to 'treat your website as the mothership' because from a business perspective, 'your website is an asset you own'.

The first step for a website prototype is to find a domain name available for purchase. Over 70% of domain registrations are in the .com. Because .com domains are so popular, they are the best known and tend to convey more trust to visitors.

The second step is to find a home for your prototype website. A cheap and relatively simple solution is to use a web hosting service. The web host makes files, documents, and web pages available through the internet and allows the installation of software to create and manage more sophisticated websites. The most popular content management software is WordPress.

Topic 4.6: Web Accessibility

When designing a Website, it should be taken into account to be accessible. Web Accessibility means that websites, tools, and technologies are designed and developed so that people with special needs can use them. More specifically, people can *perceive*, *understand*, *navigate*, and *interact* with the Web.

- European Accessibility Act is proposed in 2011 and passed in 2016.
- This year (28th of June 2022), the guidelines for accessibility became mandatory by law.

When creating a website, designed content and the user interface should be created in a manner that is accessible to people with vision impairments, including the use of appropriate typefaces, descriptions in images, changeable font sizes, and suitable colour contrast. Appropriate plugins should be utilised to make the homepage more accessible for Vision-Impaired People, Screen Reader for blind persons, Keyboard Navigation for people with motor impairments, and ADHD-friendly profiles with more focus and fewer distractions.

Accessible WebDesign: e.g.: <https://bluemodus.com/>

Inaccessible WebDesign: <https://www.zara.com/cy/>; <https://www.ebay.com/>

Topic 4.6: Web Accessibility

Technical Tips: How to make your website more accessible

- **Provide text alternatives for any non-text content:** All images, icons, videos, and buttons that convey meaning or are interactive should have a text alternative. Not only is this good for visitors that are consuming your content via a screen reader, but it is also great for search engines.
- **Make sure that all links and form inputs have descriptive text:** Links, buttons, and form elements all need to have actual text that indicates what it does or where it goes. Otherwise, screen readers will read out that the user has a link or button selected, but will have no idea what it does
- **Keyboard navigation:** Some users use their keyboard to navigate webpages and forms out of preference. Some visitors must use the keyboard or some sort of assistive device that emulates a keyboard to navigate websites

Topic 4.6: Web Accessibility

Design Tips: How to make your website more accessible

1. Make sure that when a user zooms their browser to 200% content remains visible and readable.
2. It is not advised to make fonts much smaller than 16px as it may become hard for visitors to read.
3. Avoid using colour as the only way of communicating information. A surprising percentage of the world population is colour blind.
4. Make sure that there is sufficient contrast between the colour of text and the background so that users with limited vision can read the content
5. Avoid animations that flash rapidly (more than three times per second) as it could trigger seizures in some visitors.



Learning Activity 1: Title

Please provide here relevant practical tools and exercises for the specific section and elaborate a mini-toolkit (3-5 learning activities per module ideally –1 per unit). The following table provides a structure for the activities. Please describe each activity within the table. Provide additional materials for an activity as a list of links or as an annex (e.g. handouts, images, graphics, charts, presentations, games, mind-maps, videos etc.). The table is filled with one example.

Educational goal	Type of activity	Content	Additional materials
Knowledge and skills related to Social Media Planning	Individual exercise / simulation	After revising the Unit X, download the handout “Social Media Planning“ and prepare a social media plan to promote the product/event X of your team.	List of resources, links, videos that might be useful for the target group.

Evaluation

Question 1:

What is the central idea behind the "Golden Circle" concept?

- a) How to develop a unique selling point (USP) for a product
- b) Identifying the intrinsic motivation and driving force behind everything we do
- c) The tangible manifestation and outcomes of a product or service
- d) Setting specific goals and actions to achieve success

Correct answer: b) Identifying the intrinsic motivation and driving force behind everything we do.

Question 2:

What is the primary purpose of conducting competitive research in developing a digital entrepreneurial idea?

- a) Identifying potential investors for your business
- b) Finding companies to collaborate with
- c) Clarifying your competitive advantage and Unique Selling Point (USP)
- d) Exploring office party planning strategies

Correct answer: c) Clarifying your competitive advantage and Unique Selling Point (USP)

Question 3:

Which method can be used to analyze competitors, and assess their strengths, weaknesses, opportunities, and threats?

a) PESTEL analysis

b) SWOT analysis

c) Social media engagement

Correct answer: b) SWOT analysis

Question 4:

What are the three steps involved in the structure of a digital business design, often referred to as the ABCs?

- a) A/B testing, Business strategy, Conversion rate optimization
- b) Acquisition, Behavior, and Conversion
- c) Analyzing data, Branding, Customer retention
- d) Social media marketing, Employee engagement, Financial forecasting

Correct answer: b) Acquisition, Behavior, and Conversion.

Question 5:

Which of the following statements best describes the characteristics and purpose of a digital prototype?

- a) A fully functional product with real data and engineering behind it
- b) A tool to test and validate the look and feel of the product concept with little or no working functionalities
- c) A marketing trailer to promote the product to potential customers
- d) A detailed business plan outlining the product's features and functionalities

Correct answer: b) A tool to test and validate the look and feel of the product concept with little or no working functionalities.

Further material for Unit 4

Watch Sinek's speeches to understand the importance of finding your own why in your entrepreneurial idea:

- Sinek, S. (2009). The Golden Circle, [VIDEO], *YouTube*, <https://youtu.be/fMOlfsR7SMQ>
- Sinek, S. (2013). Start with Why, [VIDEO], *YouTube*, <https://youtu.be/nokBj14p4Mc>

Read Digital Entrepreneurship by Allen (2019); in particular chapters 6, 7 and 8, to better understand how to design a website in WordPress as the initial asset of an online business, how to install and use plugins and their functionality and effectiveness, and web analytics in Chapter 8 as to how to adapt them in the Acquisition, Behaviour, and Conversion model or on Canvas Business Model.

References

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- W. Reinartz, J.S. Thomas, and V. Kumar. (2005). Balancing Acquisition and Retention Resources to Maximize Customer Profitability, *Journal of Marketing*, vol. 69, no. 1.
- D. Ryan. (2016). *Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation*. London: Kogan Page Publishers.
- B. Schwerdt. (2018). *How to Build an Online Business*. Milton, Queensland: John Wiley & Sons.
- Allen, J. P. (2019). *Digital entrepreneurship*. Routledge.
- Belka, Artur. (2018). Digital Product – Prototyping – what’s it all about? *BOLDARE*, <https://www.boldare.com/blog/digital-product-prototyping-whats-it-all-about/>
- Spears, J. (2016). Knapp, Jake with others. Sprint: How To Solve Big Problems and Test New Ideas in Just Five Days. *Library Journal*, 141(4), 107-109.

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- Mediamodifier. (2022). E-commerce, Selling Online, E-Commerce [ONLINE], *Pixabay*. Available at: <https://pixabay.com/photos/ecommerce-selling-online-2140603/> [Accessed on 12th of January 2023].
- Turner, Marcia L. (2023). How to conduct a competitive analysis [ONLINE], *LegalZoom*. Available at: <https://www.legalzoom.com/articles/how-to-conduct-a-competitive-analysis> [Accessed at 13th of January 2023]
- ADUK Gmbh. (2021). *What Types of Prototyping Are There?* [ONLINE], Available at: <https://aduk.de/blog/types-of-prototypes-i-what-types-of-prototyping-are-there/> [Accessed on 22nd of January 2023].

In-text citations

Examples of APA 7th edition citations:

If there are **1 or 2 authors**, the first and successive times that they are cited, all the authors must be mentioned.

If there are **3 or more authors**, the surname of the first author and "et al." from the first time they are cited (in references ALL AUTHORS ARE CITED).

PARAPHRASING

While improvements in aerobic capacity have been shown after 8 to 12 weeks of training (Eather et al., 2016; Goins, 2014; Heinrich et al., 2014; Murawska-Cialowicz et al., 2015; Smith et al., 2013), only Goins (2014) obtained significant improvements in anaerobic capacity after 6 weeks of the CrossFit programme.

QUOTATIONS

Díaz and Hernández (2010), consider that cooperative learning is "the pedagogical use of a small community, in which students work together to increase their training and that of other members" (p. 87).

References

Examples of APA 7th edition referencing:

For articles:

Surname, A. A. (Year). Title of the work. *Title of the publication in italics, volume in italics*(issue), pages. doi or link

Oliver, K. L., & Lalik, R. (2004). Critical Inquiry on the Body in Girls' Physical Education Classes: A Critical Poststructural Perspective. *Journal of Teaching in Physical Education*, 23(1), 162 -195. <https://doi.org/10.1123/jtpe.23.2.162>

For books:

Surname, A. A. (Year). *Title in italics*. Publisher.

Spiegel, D. (1981). *Reading for pleasure: Guidelines*. International Readin Association.

For book chapters:

Surname, A. A., & Surname, A. A. (Year). Title of the chapter. In A. Surname & A. A. Surname (Eds.), *Title of the book in italics* (pp. xx-xx). Publisher.

Aron, L., Botella, M., & Lubart, T. (2019). Culinary arts: Talent and their development. In R. F. Subotnik, P. Olszewski-Kubilius, & F. C. Worrell (Eds.), *The psychology of high performance: Developing human potential into domain-specific talent* (pp. 345–359). American Psychological Association. <https://doi.org/10.1037/0000120-016>