

## MKT 2327 Final Exam Fall 2022

Only use answers from class discussions or assigned textbooks. Internet answers receive no credit

1. According to our Zoom classes and textbook, what factors should be in place before starting your first entrepreneurial venture? Please describe in detail.

When you start your **first** entrepreneurial venture, the first thing you should have is your degree. A 4-year college degree in business, allows a frame of reference to draw on when you start your entrepreneurial venture. Having taken a business course, such as this course, Entrepreneurship, and having a background in the business allows you to fall back on something. You have more knowledge of entrepreneurship. **Another** factor that should be in place before starting is having experience in the field you're trying to be an entrepreneur in. Starting your career as an employee, to become a manager, once you have this upper-level manager position, and have saved enough money to invest your money. You can become and work on your entrepreneurial venture. Setting this goal allows this. You **need** accountants, attorneys, etc being prepared. As well as a **good** credit to start.

2. What strategies should be used in order to get your first small business loan approved?

The strategies an entrepreneur should use to obtain a small business loan is,

1. **Character:** Characteristics like your business background, your familiarity with your industry, and your education, play a role in whether your application will be approved. Other factors such as stability, and how long you've lived at or operated out of your current address, will also factor into the lender's decision.
2. **Capacity:** Capacity is one of the most important considerations for the approval of a loan, it allows for a past and current history of your debt to be viewed and seen if you can repay.
3. **Capital:** Capital is more often associated with cash that is being put to work for productive or investment purposes. Lenders will often require borrowers to put up capital to secure a loan.
4. **Conditions:** the lender is willing to loan a specific amount of money, provided the applicant meets certain criteria and pending conditions.
5. **Credit Score:** Based on information from your credit report, gives the lender a prediction of your credit behavior, and how likely you are to pay a loan back on time

3. How much capital (cash) should you have on hand before opening a business that will cost \$300K? Describe each expense in detail.

Before opening a business that will cost 300K, you should have at least have 20% down for the bank, You need to consider all the agreements, materials, and every contract you are

about to sign and how much it will cost you. Whether it is a Microbusiness or Home Franchises, you have to take about fees (could be around \$200,00), location (could be around \$150,000), schooling, etc. The money can add up to **\$100,000 to have in capital cash**.

4. Using the **Principles of Selling** and the **8 step sales call**, how would you present yourself as a young successful entrepreneur in 2022?

When using the 8-step sales call and Principles of Selling, the way I would present myself as a young successful entrepreneur is, **Preparation/Research**. Knowing your target audience, knowing your product, and knowing the industry allow for great success. The products you sell should be well known by you, along with **Greeting/Introducing**. Observing, acknowledging, and knowing more about the customer/business to start small talk allows for interest. **Being confident and having interest shows you know what you're selling**. By listening to your customers, you can determine their problems. **Determining needs** allows you to find a solution for them with what you're selling. This will also allow me to give **benefits of services and products and allows for a smoother and easier process in selling**. **Presenting the product**, once mentioning there's a solution to the client's issue, and bringing up the product should be next, within the 8-step sales call. This allows the consumer to see the focus point and want to buy. **Handling questions and objections** are able to answer any questions the consumer might have or want, any recommendations should also be taken at this stage, which shows professionalism. **Closing the sale** allows customers to want more. This can lead me to more clients and more wants. When a customer wants more this is where you **Suggest selling** and offer to sell the product or business to them. Lastly, **reassuring and following up**. Always follow up with clients, show you care, and hear them. This allows for returning clients and word of mouth. **Never underestimating my client's intelligence also shows for clients respect and is another principle of selling**. This and with the 8-step sales call will allow me to present myself as a successful entrepreneur.

5. What qualities does the business community admire about present-day entrepreneurs?

Some qualities that the business community admire about present-day entrepreneurs is, How tech savvy the present-day entrepreneurs are. Social media is becoming very huge, the quality of knowing how to control it and understand technology is something many business communities admire about the present day entrepreneurs. Today, everything is running on technology, being up to date with it is something admirable.

6. Name the many contracts you might encounter as a first-time entrepreneur? Name some professionals you might hire to ensure proper compliance.

Student Loan

Employment Agreements

General Contracts

Partnership Contracts

NDA Contract

Contract Law

Licensing Agreements

Lump-Sum Contracts

Bill of Sale

These are only SOME of the contracts you may encounter as a first time entrepreneur. Some professionals you might hire to ensure proper compliance are **CPA and Attorney**.

7. How would you determine if there is consumer demand for your product or service whether it be an existing firm or start-up? How would you analyze your target market?

You have to do a feasibility study. Hiring somebody to do a feasibility study, figuring out if your product has a demand or service. They go around asking questions and conduct a Primary survey or Secondary Survey, which allows for questions to be answered. Primary Surveys are more reliable for this. Looking at the barriers to entry, capital requirements, cost advantages, access to distribution channels. Because this is a new start-up, you have no customers. You are doing a risky business but it can be done, by figuring out and trying it out. You analyze your target market by doing a lot of external marketing, doing a Primary Survey allows to analyze your target market.

8. How would you prepare to take the risk out of risky capital assets such as small businesses or real estate?

The way I would prepare to take the risk out of risky capital assets such as a small business is trying to buy the business that's great buy, turn around and increase it. Sort of similar to Real estate, buy the best location with the worst property, fix it up, and sell it for the best outcome and capital assets.

9. During this coronavirus crisis, you have witnessed many forms of crisis communications to you and your families. Why are successful communications important to firms? What do customers expect from firms? Name two firms who exhibit excellent communication skills? Why?

Successful communications are important to firms because the more firms that reach out to their clients, and agency, the more clients feel wanted and the more they like to come back to the business. Great communication can also convey a clear and strong message. Being able to respond immediately, **Be totally transparent, apologize truthfully, and taking accountability** allows for a quick understanding and lets everyone be on the same page. Many

customers expect that firms have a great communications through social media, or new technology. This allows for respect and comfortability.