

Transcript

'Listening practice: setting up a business'

Interviewer: OK, Katherine, um, we're going to talk about setting up a business today. Can you tell me what you think are the first steps involved in setting up a business?

Katherine: Well, obviously, the first thing you have to do is you have to have an idea - you have to have a concept. You have to see a niche in the market somewhere. You have to have an idea of a product or a service which you can offer either locally or nationally, or even internationally. And normally this would be related to your own experience. Um, if you're going to go into the services market, then it needs to be probably something that you have worked in the sector that you have worked in before. Not necessarily, but it's a good idea.

Interviewer: Mm mm. OK. Um, and how do you go about defining the market that you're aiming at?

Katherine: Well, again, um, if it's a service or a product, you have to have an idea of who your target customers or clients are going to be: you need a profile of them. You need to know what age group they belong to. You need to know if it's aimed at men or women or both. Um, the kind of income group that these people belong to. And perhaps nationality. Maybe it's a national market, maybe it's international. You also need to know, um, if your market is static or if it's likely to grow and, if it's going to grow, in which direction it will grow. You need also to have an idea of your principal competitors in the field and see what they're doing and, once you've looked at what they're doing, you have to define what is your competitive advantage. What makes your product or your service special? It may be cheaper price. It may be some kind of added value on the product or the service. It may be a personalisation of a product or a service.

Interviewer: Mm. OK. It sounds like a very complex process.