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EVALUATION REPORT LCBB5001
ENTREPRENEURSHIP
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Introduction

An entrepreneur is a person who recognises opportunities, takes sensible risks, and gathers resources in order to establish and develop a business. Innovative thinking, a drive to take on challenges, and the capacity to adjust to changing conditions are often attributes of entrepreneurs. They are inspired by the idea of bringing innovative goods, services, or solutions to the market, and have a great deal of passion for the projects they work on.

Entrepreneurial drive, as suggested by the Global Entrepreneurship Monitor (GEM) (Barringer, 2019), could be triggered by factors such as the desire to bring an innovative product opportunity to the market or out of necessity, where other forms of employment are limited.

Motivational factors

Entrepreneurs have the talent to observe their surroundings and recognise business opportunities and underdeveloped market niches. Such opportunities often resemble an activity or product the entrepreneur has a special interest or knowledge about.

Developing a business plan for a sourdough bakery business was driven by the lack of such an establishment in the area combined with personal and professional motivational factors. Passion for baking brings joy and satisfaction in the process of creating bread from scratch, experimenting with different recipes and developing new techniques. Entrepreneurship offers a sense of independence and autonomy that isn't available in traditional employment. Starting a bread business allows individuals to be their own boss, make their own decisions, and control their destiny. Baking bread is a form of creative expression giving the opportunity to showcase creativity through unique bread recipes, innovative flavour combinations, and attractive presentation.

A survey published by Statista(2023) shows a decrease in the consumption of white bread in the UK over the last decade partially owing to health and wellness trends where users are switching from traditional sliced white bread to healthier alternatives such as sourdough bread.

A great motivational factor for starting a successful baking business is the opportunity to generate a sustainable income to support individual financial goals. It is also a way to connect with the local community, provide a staple food item, and contribute to neighbourhood culture.

Evaluating the feasibility, market potential and sustainability of such a business venture involves the following steps:

- Market research – to understand the demand for sourdough products in the targeted market, identify target customers and their buying behaviour, analyse existing competitors, products offered, pricing strategies and market positioning;

- Unique Selling Proposition – determine differentiating features of the offered product and ensure they resonate with the targeted market;
- Product development – develop a range of products that appeal to the chosen target market;
- Financial planning – develop a comprehensive financial plan to estimate start-up and operating costs;
- Marketing and branding – create marketing strategies to attract customers and build brand awareness;
- Regulatory and compliance – comply with local regulations, food safety standards, and licensing requirements for operating a bread business in the area (Mariotti, 2016)

Entrepreneurial traits, skills and behaviour

Entrepreneurs are an essential part of every economy contributing with innovative ideas, products and services. Successful entrepreneurs should possess a number of skills, traits and behaviours transferable to different roles and business sectors, helping them overcome problems occurring along the way to establishing a new business (Indeed, 2023). A few of these traits, skills and behaviours and their importance to business are:

- Adaptability – a behaviour helping an individual adjust to rapidly changing circumstances, market conditions and trends. In today's rapidly evolving business environment, adaptability is crucial for businesses to remain competitive and responsive to market dynamics. Adaptable entrepreneurs can pivot their strategies, innovate, and seize new opportunities, ensuring the long-term viability and growth of their businesses. Implementing adaptability within the baking business can help better understand customer preferences and adjust offerings accordingly. Despite the initially chosen counter-service business model, adapting to the modern online sales model can be implemented and developed into a delivery service for remote customers (Mariotti, 2016).
- Resilience - The capacity to bounce back from setbacks, failures, and challenges. Resilient entrepreneurs can overcome obstacles, learn from failures, and persist in the face of adversity. Their resilience enables them to stay focused on their goals, maintain motivation, and ultimately succeed despite encountering obstacles along the way. Resilient entrepreneur can use draw-backs as learning curve and create new ways and products to help the business thrive.
- Creativity - The ability to generate novel ideas, think outside the box, and find innovative solutions to problems. Creativity could come as a trait but could also be acquired as a skill through training and education. Creative entrepreneurs can identify new opportunities, develop unique products or services, and create value for customers in innovative ways. Creativity also fosters competitiveness, enabling businesses to stand out in crowded markets and capture the attention of consumers. Sourdough baking is certainly a field with

endless creative paths making it easier to develop a unique range of products (Mariotti, 2016).

- Good communicators – the skill to transmit ideas, information, and goals clearly and persuasively to stakeholders, including employees, customers, investors, and partners. Effective communication is essential for building relationships, aligning teams, and inspiring confidence in the business. Entrepreneurs who communicate well can articulate their vision, motivate their team, and engage with customers and investors effectively. Strong communication skills facilitate collaboration, negotiation, and problem-solving, contributing to the success of the business.
- Risk-taking – a trait or behaviour depicting a willingness to take calculated risks and venture into the unknown. Entrepreneurship essentially involves uncertainty and risk. Entrepreneurs who are willing to take risks can grasp opportunities, innovate, and pursue growth. While not all risks lead to success, calculated risk-taking is essential for discovering new markets, experimenting with new ideas, and achieving breakthroughs. Without risk-taking, businesses may stagnate and miss out on valuable opportunities for growth and innovation (Barringer, 2019)

SWOT Analysis

When taking an entrepreneurial path the individual should inevitably reflect on their personality, skills traits and habits. A self-assessment would help them determine their strengths and obstacles when venturing into a business idea (Bishop, 2013). A SWOT analysis could aid in evaluating any negatives and finding ways to improve.

SWOT analysis	
Strengths	Weaknesses
- In the process of acquiring managerial skills through BA Business Management course - Inborn passion for baking - Artistic and creative traits in food preparation	- Lack of practical experience in management - Lack of practical experience in commercial baking - Financial limitations - Fear of failure and loss
Opportunities	Threats
- Underdeveloped niche in the local area - Opportunity to connect to the local community and actively participate - Opportunity to develop new skills in baking and management	- Strong competition from local supermarkets - Cost of living crisis - Fluctuating cost of imported materials

Self-assessment

Skills I have	Example
Emotional intelligence	I can contain my emotions during difficult situations. I have faced tense interactions with patients as a dental professional and have always maintained composure and professionalism.
Reliability	Maintaining punctuality in both personal and professional life is a top priority. Being responsible for opening dental practice for dentists and patients has played a big part in my punctuality and so is the responsibility of taking my child to school on time every day. Fulfilling promises and assigned tasks is of utmost importance to me.
Positivity	Maintaining a positive outlook and not overstressing with problems has always been a habit of mine. Keeping my mind calm and positive often reflects my surroundings, keeps stress levels down and positively affects my productivity.
Active listening	Being an introvert I have always preferred listening to talking. In my work, I have often experienced situations where I would understand the patients' needs better than the dentist they are talking to. On the negative side, I often spend more time than I have available listening to others.
Openness to feedback	I believe that accepting constructive criticism is a good way of self-improvement. Openness to feedback helps me reflect on myself and identify areas needing improvement.
Skills I need to acquire	Example
Communication and public speaking	Being an introvert makes communicating with people outside my close circle rather difficult. I make an effort to connect with university colleagues and fellow parents at my child's school to overcome this problem. University presentations are a good way to get used to speaking in front of an audience.
Leadership	Develop my skills through additional training. Although I believe leadership is more of a trait than a skill, in most cases where I have been put in charge it was at a time of need rather than choice (Simplilearn, 2023)
Negotiation	Work on my critical thinking and problem-solving skills as they are crucial to successful negotiation.
Teamwork	Being an introvert, I have a preference for solo work. Current university course often puts students in situations where teamwork is needed and this is a good start to improving this skill.

UK food industry PEST analysis

POLITICAL	ECONOMIC
○ Regulations and Food Safety Standards ○ Trade Policies and Brexit	○ Consumer Spending Power ○ Supply Chain Costs
SOCIAL	TECHNOLOGICAL
○ Health and Wellness Trends ○ Dietary Preferences and Diversity	○ E-commerce and Delivery Services ○ Food production technology

The bakery industry in the United Kingdom totals approximately £5 billion and represents a significant portion of the UK food sector. The total number is currently slightly under 4 billion units, which equates to about 11 million pieces purchased each day. The industry is divided into three main sectors. Plant baking enterprises generate approximately eighty percent of the product marketed in the UK. In-store bakeries (ISBs) within retailers' premises generate approximately 17%, while high-street artisan bakers account for the remainder (FOB, 2023).

Political

The UK food market is heavily regulated by government agencies such as the Food Standards Agency (FSA) and the Department for Environment, Food & Rural Affairs (DEFRA). Changes in regulations related to food labelling, health claims, and food safety standards can significantly impact food businesses.

Brexit has implications for trade agreements, tariffs, and regulations affecting the import and export of food products. Changes in trade policies, tariffs, and customs procedures can influence sourcing, supply chains, and pricing within the UK food market.

Economic

Economic conditions, including factors like inflation, unemployment rates, and disposable income levels, influence consumer spending patterns on food products. Economic downturns may lead consumers to seek lower-priced options or reduce discretionary spending on premium food items.

Fluctuations in commodity prices, transportation costs, and currency exchange rates can affect the cost of raw materials, production, and distribution within the food supply chain. Businesses may need to adjust pricing strategies or seek efficiencies to mitigate cost pressures.

Social

Changing consumer preferences toward healthier, organic, and sustainably sourced food products impact the demand for certain food categories. Businesses need to adapt to consumer expectations for transparency, clean labelling, and ethical sourcing practices.

The UK food market reflects diverse dietary preferences, including vegetarian, vegan, gluten-free, and multicultural cuisine (Kantar, 2023). Businesses must cater to these preferences by offering a variety of options and addressing specific dietary requirements.

Technological

Technological advancements in e-commerce platforms and delivery services have transformed the way consumers purchase food products. Businesses in the UK food market need to embrace online retail channels, digital marketing, and delivery logistics to reach customers effectively.

Innovations in food production technology, such as automation, robotics, and precision farming, impact efficiency, quality, and sustainability in the food supply chain (BBM, 2023). Adopting advanced technologies can enhance productivity, reduce costs, and improve product quality for food businesses (FOB, 2023).

Conclusion

In conclusion, the UK food market is influenced by a multitude of factors across the political, economic, social, and technological domains. Regulatory changes, trade policies, and Brexit implications impact operations and trade within the industry. Economic fluctuations and consumer spending power shape demand for food products and affect supply chain costs. Changing societal trends towards health, wellness, and dietary diversity require businesses to adapt their offerings accordingly. Furthermore, technological advancements, particularly in e-commerce and food production, are reshaping the way food businesses operate and interact with consumers. Understanding and effectively navigating these factors are crucial for businesses to thrive and remain competitive in the dynamic UK food market.

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