

## Pit falls that an Entrepreneur should avoid

by Prof. Andy J. Ferreria, Ed.D

An entrepreneur must avoid the price game...

The success of an entrepreneur may sometimes lead to complacency. Entrepreneurs must not forget that the rise to success is driven by an innovative mindset that will take the big boys by surprise. As such, entrepreneurs must continue to think out of the box even if success is already at hand. This will enable them to avoid the price game.

And the formula for innovation is quite simple.

Entrepreneurs must not mistake innovation as purely creative. Think of it as like a multi layered sandwich. The base bread is the current logic of the game – the current box.

Based on the current logic, creativity must be utilized to be inventive. To create new layers and new fillings for the sandwich. This results in an innovation that is topped by a new bread or a new logic that reinforces and improves the existing one.

There is a saying ... creativity that is not founded on logic does not guarantee innovation. It might just result to something different that does not make any difference. And for an innovation to work, it must make a difference in two areas. A difference in the market place and a difference in the financials of the innovator.

In the market place, innovation will drive the basis of competitiveness away from the price game. Fresh options will give the market something new that no competitor is currently offering. Financially, it will result to more profits (since the competitiveness is no longer price based).

An entrepreneur must avoid being complacent and continuously strive to come up with a winning formula. If a new idea has disrupted the market, it will be the target of copying or cloning by competitors. And being copied is the best proof that an innovation has disrupted the game.

Complacency must not set in. The sandwich must again be injected with creativity. This new filling will again be topped off by a piece of bread or new logic. Thus, making what was copied by the competitor generic and at times, obsolete, because the game has once again levelled up.

If an entrepreneur stops innovating, failure will be around the corner. And if an entrepreneur is failing, it is high time to start thinking out of the box again.

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