



Research, technology cut risk in business

Technology is helping entrepreneurs minimize the risk of small [business](#).

Mark Burwell, national director of Urban Hope Entrepreneur Center (E-Hub) headquartered in Green Bay, says that [industry](#) intelligence is allowing entrepreneurs to take a glimpse into the future.

"Some people say that there is no crystal ball, but there is," Burwell said. "Industry intelligence is a sophisticated, advanced decision-making tool to help [businesses](#) and entrepreneurs."

Students in Burwell's Entrepreneur Advantage classes at E-Hub are provided with a comprehensive report that details an industry, including current and projected performance, the product and markets, regulations, operating conditions, the competitive landscape and trends.

Burwell explained the significance. "What are people drinking?" he asked. "Suppose you're planning on opening a martini bar and need to know the trends. When we ran a recent report, it showed that the martini drinker was now into craft beers."

That helps a business reduce [risk](#) by defining the current market. The report was good news for craft brewers but bad news for martini bars. However, once current behaviors are defined, there are other issues.

"There could be regulations that put the kibosh on your plans," Burwell noted.

The intelligence report digs deep into governmental regulations and licensing. Before spending money on a startup, an [entrepreneur](#) may be pursuing something that isn't even allowed. Or, there can be stringent licensing requirements that can't be met.

The reports also detail the opportunities in an industry. While reports commonly have looked at demographic information such as age, sex and household income, these also include psychographics, and detailed industry [data](#). Psychographics relate to behavioral variables; attributes related to personality, values, attitudes, interests or lifestyles.

"It would be so time-consuming to try to find this information on your own. A full report is 40 to 50 pages," Burwell said.

The detail of the information helps to determine location, define strategy, consider new markets, understand market share, and utilize the best channels of distribution. It provides industry averages in terms of income and expenses to help entrepreneurs develop their [business plans](#).

If the information is utilized correctly, Burwell says that it will help support decision-making from what equipment to buy to the best channels of distribution. It will also help an entrepreneur obtaining financing.

"It is a key component of our program to get entrepreneurs investment ready," Burwell noted. "A strong business plan needs industry intelligence to show what needs to be done to succeed."

Tina Dettman-Bielefeldt is co-owner of DB Commercial Real Estate in Green Bay and assistant district director for SCORE, Wisconsin.

