



PRIMER: FILLING A NEED

Essential Question

How do businesses define a new market for their products or develop a product for a market they have identified?

This is a question businesses great and small have to answer, whether the business is Apple or a neighborhood lemonade stand. What they all must do is:

- First, identify a need. This will require market knowledge through *market research*.
- Second, fill a need. Develop a strategy to meet a *demand* for a particular good or service.

This is what *entrepreneurs* are always searching for: needs that people have and ways those needs can be filled. They know that competitors are also trying to fill needs. So to succeed, entrepreneurs have to fill those needs better than anyone else. Or they have to fill a need that no one else is filling. This is called finding a niche—a *market segment* where they can concentrate their efforts.

Identifying a need requires market research. This is so that a business can understand as fully as possible what people need. Market research includes all kinds of information about people's preferences about a particular product, including what they are prepared to pay for it.

Once business owners know these details, they can then assess what they have to do to provide that product and meet customer needs. They can do this for a product that they already provide, for one that they don't yet provide, or for one that no business currently provides. The focus is on the customer and filling the customer's needs.

The size of a business doesn't matter. Filling a need is what business people try to do with their products or services. That's what a middle-schooler looking for thirsty customers is trying to do with her neighborhood lemonade stand. It's also what Steve Jobs was trying to do when he released the iPhone®. He made smart phones easier to use and got them to do more than they ever did before.

VOCABULARY

Market research

Longer term plan for how a market can be most effectively targeted by products and their associated marketing mix

Demand

Consumers' willingness to pay for a particular good or service

Entrepreneur

A person who establishes an enterprise or business to satisfy consumer demand for goods and services

Market segment

An identifiable group of individuals, families, businesses, or organizations sharing one or more characteristics or needs



Jobs knew that the success of the iPhone® could make Apple very profitable. However, he also understood something else. “My goal isn’t to die the richest man in the cemetery,” he once said, “but to go to bed at night thinking that we’d done something wonderful today.”

The importance of feeling pride in a day’s accomplishments applies not just to business but to life. Filling needs is something a business does for customers, but it is also something individuals can do—in their families, schools, communities, and in all aspects of daily life.

Former world heavyweight champion boxer turned successful businessman George Foreman knew this truth: “Filling a need is not merely good business; it’s a basic attitude toward life. If you see a need, do whatever you can to meet that need.”

If you know your elderly neighbor has difficulty getting her mail and you bring it to her, that is filling a need. If your mother has to run an errand and you babysit for your little brother, that is filling a need. If you volunteer to work in the church nursery on Sunday morning, that is filling a need. If you mentor a third-grader in reading and writing, that is filling a need.

Filling needs in life requires the same skills as filling needs in a market. It requires thoughtfulness and creativity. Perhaps in the nursery one child keeps fussing and nobody seems able to settle him. But you try all kinds of things and discover singing to him works! Or say you are considering a college or a particular major, and you learn that most of your peers are thinking along the same lines as each other. They’re all opting for what’s “hot.” But that might not be the right fit for you – for the difference you want to make or the need you want to fill. In business and in life, you have to be thoughtful and creative rather than just follow the crowd.

WHAT DO YOU THINK?

1. Can you think of products and services that show how businesses have filled a need?



2. How have you filled a need in your family or your community?
How did you have to think creatively about the best way to fill that need?

3. What is a need that businesses currently do not fill, or do not fill well? Why do you think that may be?

4. When it comes to a future career, is there a particular need you think you might be able to fill? How would that affect what you choose to study?