



Alan Hall, Contributor

Speaker, author, investor and catalyst for entrepreneurial growth.

Subscribe

208

ENTREPRENEURS | 7/10/2012 @ 8:24AM | 28,796 views

How to Create a Winning Business Idea--in Six Easy Steps

I often meet business founders whose minds are overflowing with brilliant ideas for new products. They seem to develop terrific new concepts every single day of their lives. They are watchful, always inquiring, perceptive and continually seeking (and often finding) the next big thing. Their never-ending challenge is to pick a winner—(only one!)—out of scores of possibilities, and run with it.

On the other hand, I listen to intelligent and aspiring entrepreneurs who can't concoct a single viable idea. These great souls are bright and earnest, but for some reason, imaginative ideas escape.

Within my circle of friends I see both types of individuals. One is the quintessential entrepreneur who has developed several companies and has recently launched a new firm.

The other struggles to envision the next great product everyone in America would want. From time to time, he asks me if there is a method to generating a great idea.

Today I am happy to share with you the process for creating a world-class idea, in six easy steps:

1. Infinite Ideas Remarkable new product ideas are everywhere and there is a limitless supply of concepts waiting to be commercialized, launched and marketed. They are there to be seen and pursued by those who seek them. In fact, ideas are available to everyone, worldwide, and at any moment. In some cases, an innovator in Israel and a thinker in Palo Alto will be enlightened at the same moment in time.



Entrepreneurs can learn to create a winning idea

Ideas can be small and simple, or large and complex. A passion for a subject may be the genesis of a compelling idea; derived from time enjoying a cherished hobby. A new product may result from a tinkerer who sees an opportunity to transpose an existing concept to a totally new context. Or someone might envision blending two disparate disciplines into an entirely new field of endeavor.

Special note: for entrepreneurs who have trouble generating ideas on their own, they can look to universities that have technology transfer offices. Research universities have a wealth of ideas awaiting the arrival of someone who can take the products to market. If an entrepreneur can take a researched idea, validate it in the marketplace and license it from the university, he or she can commercialize the product it as though the idea were his own.

2. Knowledge Ideas are generally developed from known facts; not from thin air. [Business](#) builders who generate bold ideas possess a high level of knowledge acquired by study, instruction and experience. Many high achievers have benefited from lessons learned from earlier educational and prior career experiences that have become foundational underpinnings of understanding.

Ideas are born by listening to customer needs and their perspective on new concepts; from data gathered on products manufactured and sold; from marketing research summaries; from the results gained from pilots of programs, and by observing established procedures. For example, an employee may see an opportunity to start his or her new business by automating a labor intensive and costly business procedure, via a software application that an entire industry may purchase.

3. Connecting the Dots In my opinion, genius or idea generation is an epiphany that results from a person's ability to mentally connect the relationship between two or more different but related facts. When joined together, they create a clear view of something novel which has never been seen, developed or commercialized before. For example, 60 years ago my uncle H. Tracy Hall, a research chemist and university professor, invented and commercialized man-made diamonds. His idea emerged as he noted several known facts;

- a) Mother nature forms natural diamonds abundantly
- b) via a chemical process,
- c) intense pressure, and
- d) significant heat.
- e) All are powerfully focused to change the internal structure of carbon atoms.

From these facts, he formulated an idea as he theorized that he could couple a natural chemical process with a powerful physical device to manufacture real diamonds by replicating the powers and actions within the earth. He envisioned, in his mind, injecting a chemical catalyst into a tiny chamber filled with carbon crystals that would endure extremely high temperatures and enormous pressure.

Based on his hypothesis he developed a design, purchased the materials, built

a press system and began to test his theory of producing synthetic diamonds. Did it work? Absolutely. Now many years later, tons of manmade diamonds are sold for cutting, grinding and drilling worldwide, every year.

4. Test the Idea Dr. Hall followed what is known as the scientific method. In short, it's a process that begins with an observation of a situation; perhaps a problem or opportunity. The observer then asks himself, what is happening and why. This leads to the gathering of information followed by a thoughtful prediction that might explain the matter. The process continues with an experiment to test the prediction, followed by the collection, analysis and interpretation of data. The process concludes with a tested and viable solution.

In sum, I believe all great ideas are ultimately proven to be successful via the scientific method of discovery.

5. Timing of Ideas Some innovative ideas will meet the needs of consumers today; other concepts will be conceived now but are not anticipated nor sought yet by shoppers. Consider [Xerox](#) Parc, which developed many of the technologies we use today. For example, scientists at the Parc developed laser printers, personal workstations, Ethernet, fiber optics and the graphical user interface. Its mission was to develop the "office of the future."

Most of these now famous products were imagined more than thirty years ago and came to market long after the initial idea was born.

6. Good Idea? Remember an idea is worth nothing until it has been commercialized and there are paying customers. Some ideas will be wildly profitable; others will be a failed dream. Learn to eliminate the bad ones quickly; don't waste your time, energy and money. In the end, remarkable ideas lead to compelling products purchased by vast markets of enthusiastic buyers. The goal of any dreamer is to determine what idea will ultimately be the best choice among several options.

In conclusion, please note the following general steps leading to great ideas.

1. Know there are ideas with your name on them. Find them.
2. Look and see problems and opportunities within your environment. They exist.
3. Based upon knowledge, imagine solutions to what you find. Ideas are born.
4. Be zealous and passionate about your ideas. They're yours.
5. Test your ideas. Will they work and will customers want to buy them?
6. Is the market ready for your ideas? Now or later?

Are you ready to create your new idea? I welcome your thoughts.

Which Step in Creating a Winning Business Idea Do You Think is the Most Important?

- Know there are ideas with your name on them. Find them.
- Look and see problems and opportunities within your environment. They exist.
- Based upon knowledge, imagine solutions to what you find. Ideas are born.
- Be zealous and passionate about your ideas. They're yours.
- Test your ideas. Will they work and will customers want to buy them?
- Is the market ready for your ideas? Now or later?

[Vote](#) [View results](#)

This article is available online at:

<http://www.forbes.com/sites/alanhall/2012/07/10/how-to-create-a-world-class-business-idea-in-six-easy-steps/>