

# Exercise

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## Chapter 12 – Entrepreneurship in the Digital Age

### *Definitions (1–10)*

#### **1. Entrepreneur**

An entrepreneur is a person who starts a new business, takes risks, and aims to earn profit through innovation and hard work.

#### **2. Entrepreneurship**

Entrepreneurship is the process of starting, organizing, and managing a new business to make a profit.

#### **3. Digital Entrepreneurship**

Digital entrepreneurship uses digital technologies (like websites, apps, and social media) to start and run a business.

#### **4. E-commerce Platform**

An e-commerce platform is a website or software that helps businesses sell products and services online (e.g., Daraz, Shopify).

#### **5. Innovation**

Innovation means creating new ideas, products, or methods to solve problems or improve things.

#### **6. Business Plan**

A business plan is a written document that describes a new business, its goals, target market, revenue models, and marketing strategies.

#### **7. Revenue Model**

A revenue model shows how a business will make money (e.g., selling products, offering services, or subscriptions).

#### **8. Market Analysis**

Market analysis means studying the target customers, competitors, and market trends to make better business decisions.

#### **9. Design Thinking**

Design thinking is a creative way to solve problems by understanding users, generating ideas, and testing solutions.

#### **10. Sustainable Development Goals (SDGs)**

SDGs are global goals set by the United Nations to improve the world by 2030 in areas like education, health, environment, and economy.

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**Multiple Choice Questions (11–20)****11. What is entrepreneurship?**

- (a) The process of starting a new business or organization ✓
- (b) The process of buying and selling stocks
- (c) The process of working for a large company
- (d) The process of creating a marketing campaign

**12. What is a key characteristic of entrepreneurs?**

- (a) Avoiding risks
- (b) Seeking job security
- (c) Innovation ✓
- (d) Following established methods

**13. What is an example of a digital technology used by modern entrepreneurs?**

- (a) Newspaper advertisements
- (b) Television commercials
- (c) Mobile apps ✓
- (d) Door-to-door sales

**14. Which of the following is a digital tool for creating and editing documents online?**

- (a) SurveyMonkey
- (b) Google Docs ✓
- (c) SEMrush
- (d) Zendesk

**15. Which tool is commonly used for optimizing website content for search engines?**

- (a) Hootsuite
- (b) Yoast SEO ✓
- (c) Shopify
- (d) PayPal

**16. Which of the following is NOT a technique for identifying market needs?**

- (a) Surveys and Questionnaires
- (b) Market Research
- (c) Observation
- (d) Brainstorming ✓

**17. What is the first step in the design thinking process?**

- (a) Prototyping
- (b) Testing
- (c) Empathizing ✓
- (d) Defining

**18. What is the primary purpose of creating a business plan?**

- (a) To attract investors ✓
- (b) To outline strategies for growth
- (c) To study market trends
- (d) To implement digital marketing strategies

**19. What does market analysis involve?**

- (a) Calculating revenue forecasts
- (b) Researching competitors and understanding customer needs ✓
- (c) Developing pricing strategies
- (d) Implementing digital marketing campaigns

**20. Which Sustainable Development Goal (SDG) focuses on affordable and clean energy?**

- (a) SDG5
  - (b) SDG7 ✓
  - (c) SDG12
  - (d) SDG17
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**Short Questions and Answers (21–28)****21. What is the meaning of the word entrepreneur and its origin?**

The word *entrepreneur* comes from the French word *entreprendre*, meaning "to undertake." It refers to a person who starts a business and takes financial risks to earn profit.

**22. How do digital technologies help entrepreneurs reach a global audience?**

Digital technologies like websites, mobile apps, and social media allow entrepreneurs to advertise, sell, and interact with customers anywhere in the world at low cost.

**23. What is an e-commerce platform, and why is it important for businesses?**

An e-commerce platform is a website or app that helps businesses sell online. It is important because it allows businesses to reach more customers and operate 24/7.

**24. Why is it important to identify market needs when generating a business idea?**

Identifying market needs helps ensure that the product or service solves a real problem or demand. This increases the chances of business success.

**25. What is the main purpose of using design thinking in creative problem-solving?**

The main purpose is to deeply understand the user's needs and come up with creative and effective solutions that improve user experience.

**26. Explain the importance of market analysis in a business plan. Give an example relevant to a local business in Pakistan.**

Market analysis helps understand customer behavior, preferences, and competitors. For example, a local clothing brand in Pakistan can study seasonal trends and competitors' prices to improve sales.

**27. What are revenue models, and why are they essential components of a business plan?**

Revenue models explain how a business will earn money. They are essential because they help plan for profitability and attract investors.

**28. How can businesses contribute to environmental sustainability according to the Sustainable Development Goals?**

Businesses can use eco-friendly materials, reduce waste, and support clean energy to protect the environment, fulfilling SDG goals like SDG7 (clean energy) and SDG12 (responsible consumption).

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**Long Questions and Answers (29–34)****29. Explain why entrepreneurship is important for economic growth and innovation. Provide examples from the text.**

Entrepreneurship creates jobs, introduces new products, and solves local problems. It drives innovation and economic activity. For example, digital entrepreneurs in Pakistan create online stores that boost employment and offer new services.

**30. Explain how market research tools, online marketing tools, and e-commerce platforms work together to help a business succeed.**

Market research tools help businesses understand customer needs. Online marketing tools (like social media) help promote products. E-commerce platforms enable selling online. Together, they help reach more people, improve products, and increase profits.

**31. Explain the design thinking process and how it can be applied to create a new product or service. Provide an example related to farmers in rural Pakistan.**

Design thinking involves five steps:

1. Empathize – understand the farmer's needs
  2. Define – identify the problem (e.g., lack of market access)
  3. Ideate – generate ideas (e.g., mobile app to sell crops)
  4. Prototype – create a basic app
  5. Test – get feedback and improve
- This helps farmers sell directly to buyers and increase income.

**32. Imagine you want to start a small online bookstore for students in your area. Create a business plan that includes:**

- (a) **Market Analysis:** Students in Pakistan need affordable academic books. Competitors include local bookshops and online sellers.
- (b) **Revenue Model:** Income will come from book sales, delivery charges, and premium services like book bundles.
- (c) **Digital Marketing Strategies:** Promote the bookstore using Instagram, WhatsApp, and student groups. Offer discounts during exams. Use Google Ads to reach more customers.

**33. Provide detailed and practical examples relevant to starting your bookstore in Pakistan.**

Offer free delivery for orders over Rs. 1000. Partner with publishers to get discounts. Create an app in Urdu and English for easy access. Provide used books to attract low-income students.

**34. Choose a local business in Pakistan and discuss how it aligns with SDGs. Include its impact on social, environmental, and economic sustainability.**

Example: *Sehat Kahani* is a health startup offering telemedicine services.

- **Social:** Provides healthcare access to rural women
  - **Environmental:** Reduces travel, saving fuel
  - **Economic:** Creates jobs for female doctors
- It supports SDG3 (Good Health), SDG5 (Gender Equality), and SDG9 (Industry, Innovation).
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