

## **Quadrant II- Transcript and Related Materials**

**Programme: Bachelor of commerce (Second Year)**

**Subject: Commerce**

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**Paper Title: Entrepreneurship Development**

**Unit I – Introduction**

**Module Name: Types of Entrepreneurs**

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**Name of the Presenter: Ms. Sandra Fernandes**

### **TYPES OF ENTREPRENEURS**

BASED ON TYPE OF BUSINESS

**1) BUSINESS ENTREPRENEUR**

The entrepreneur who envisages an idea for a new product or service is called as a business entrepreneur. These entrepreneurs conceive an innovative idea for a new product or service and then convert the same into business. Thus, the entrepreneur develops new business opportunities by combining production and marketing resources.

**2) TRADING ENTREPRENEUR**

As the name itself suggests, the trading entrepreneur undertakes the trading activities. These entrepreneurs are not involved in any manufacturing activities. They procure finished products from the manufacturers and sell these directly to customers or serve as middlemen as wholesaler, dealer or retailer. They give more emphasis on distribution and marketing of goods.

### 3) AGRICULTURAL ENTREPRENEURS

Entrepreneurs who undertake agricultural activities like cultivation, marketing of agricultural produce, irrigation, mechanism and technology. This could also include the allied occupations such as floriculture, horticulture or dairy farming etc.

### 4) INDUSTRIAL ENTREPRENEURS

An entrepreneur who starts an industrial unit is an industrial entrepreneur. Thus he identifies the potential needs of the customers and thus undertakes manufacturing of the product to meet the needs. These entrepreneurs have the ability to convert economic resources and technology into a considerably profitable venture.

### 5) CORPORATE ENTREPRENEURS

A Corporate entrepreneur is one who plans and develops and manages a corporate body. He is an individual in an organisation who turns new ideas into new profitable ventures. He may be a promoter, part of Board of Director or an owner. He gets the corporate body registered under the requisite Act.

## BASED ON USE OF TECHNOLOGY

### 1) TECHNICAL ENTREPRENEURS

These are entrepreneurs who focus more on production and make use of science and technology in their enterprises. These entrepreneurs run science and technology based industries. Expectedly they use new and innovative methods of production in their enterprises.

### 2) NON-TECHNICAL ENTREPRENEURS

These are entrepreneurs who are concerned with the use of alternative and imitative methods of marketing and distribution strategies to make their business survive and thrive in the competitive market.

### 3) PROFESSIONAL ENTREPRENEUR

A Professional entrepreneur is one who is interested in establishing a business but does not have interest in managing or operating it once it is established. A professional entrepreneur sells out the running business and starts another venture with the sales proceeds. Thus, these entrepreneurs develop alternative projects.

## BASED ON MOTIVATION

### 1) PURE ENTREPRENEUR

Pure entrepreneur is one who may or may not possess an aptitude for entrepreneurship but is tempted by the monetary rewards or profits to be earned from the business venture. He is status conscious and wants recognition.

### 2) INDUCED ENTREPRENEUR

Most of the entrepreneurs who enter into business are induced entrepreneurs as various kinds of financial, technical and managerial facilities are provided by the government to promote entrepreneurship. Incentives, concessions, benefits offered by government for entrepreneurs motivate him.

### 3) MOTIVATED ENTREPRENEUR

The desire for self fulfilment motivates new entrepreneurs. They come into being because of the possibility of making and marketing some new product for the use of the consumers.

### 4) SPONTANEOUS ENTREPRENEUR

These entrepreneurs are naturally talented. They are persons with initiative, boldness and confidence in their ability that motivates them to undertake entrepreneurial activity.

## CLARANCE DANHOF CLASSIFICATION

### 1) INNOVATIVE ENTREPRENEURS

These are entrepreneurs who are generally aggressive or experimental and cleverly put attractive possibilities into practice. They are very adventurous. These entrepreneurs sense new opportunities and take advantage of the same. They introduce new products and services, new methods of production, discover new markets and reorganise the enterprise.

### 2) IMITATIVE ENTREPRENEURS

These entrepreneurs are also known as adoptive entrepreneurs. They imitate a certain feature or innovation in a particular product to make it more appealing and have a competitive edge over the current market. Thus, they develop a quick and usable product and penetrate the market. They do not innovate any changes themselves. They copy and learn from the innovating entrepreneurs.

### 3) FABIAN ENTREPRENEURS

Fabian entrepreneurs are cautious, rigid and timid. They do not venture to take risks. They prefer to follow the footsteps of their successors, thus they mostly follow the traditional methods and do not prefer to change. They are dominated by customs, religions, traditions and past practices. They adopt new technology or new projects only when they realize that failure to adopt will lead to loss or collapse of the enterprise.

#### 4) DRONE ENTREPRENEURS

Drone entrepreneurs are ones who refuse to adopt any changes. They do not like to get rid of their traditional business and traditional ways of operations. These entrepreneurs are conservative in their outlook. Even if the products have lost marketability and the activities of the enterprise have been proved to be uneconomical and suffers losses, they are not ready to make any changes in their products or operations.