

3 business lessons learned watching shark tank

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Millions of viewers tune into to see entrepreneurs try their best to win over the panel of investors, AKA The Sharks. But, besides the entertaining banter between sharks and hopeful entrepreneurs, the show also teaches vital business lessons to viewers at home. Here are three of the eye-opening business lessons I've learned from *Shark Tank* :

1. Prove there is a market.

Any entrepreneur is allowed to sign up for a chance to get in the tank, whether they have an idea, a product prototype or an established business. But time and time again, the sharks have shown you have sales that prove there are customers out there willing to buy your product. Some entrepreneurs focus solely on online sales to prove their market, while others seek out distributors to get on retailers' shelves quickly.

Joel Goldstein, president of , a network of retail distributors and wholesalers, has assisted in the launch of dozens of future Shark Tank products direct to independent retailers and onto the shelves of over 100 big box stores. “ The more diversity in retail sales outlets that a product has proven, the less of a risk it seems to investors,” Goldstein says. “ We focus on getting products

into stores quickly right where the customer can see them, at the checkout counter or in a nearby cooler. If your product isn't showing, it's not selling."

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The bottom line? by proving that a demand for your product exists.

Goldstein's advice to new products: " Test before you invest. You're going to want to split test your in-store marketing, product packaging and point of sale displays just as you would split test an advertisement online. Getting the product on the shelf is the first obstacle, staying there is how you become a national brand."

Focusing on how " sticky" your product is on the shelf, and how you can generate more sales for the retailer will keep your product on sale longer. Your goal should be to generate more buzz so when you present your product to other retailers they will already know about it before you walk in the door.

2. Focus on your strengths.

Although kid-entrepreneur Mo Bridges walked out of the tank without a deal, he may have gotten something more valuable in a mentorship with shark . A Shark Tank update showed Bridges talking to John about his plans to expand Mo's Bows from bow ties to a full men's clothing collection. John warned about making an expansion too soon and cautioned Bridges to focus on his core competency -- bow ties.

The lesson? Don't expand your product or service line until you're the best at what you initially started out to do. Mo's Bows was not the only pitch that

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demonstrated this powerful lesson. In fact, the sharks backed out of a number of deals because the entrepreneur was too focused on expanding quickly instead of building an empire based on the company's strengths.

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see when an entrepreneur is making their pitch. It's not always the product that the investor wants to invest in; it's the future ideas and other iterations of the same product where they see the opportunity. Find out the passion that motivates you to succeed and build that into the first few minutes of your pitch. This will make the investors you're speaking to understand that you're willing to make this business a success even if you have to sacrifice personally.

3. Don't limit yourself.

Don't get me wrong, niche products can definitely be successful. But, why narrow down your market to a small group when a larger market usually leads to higher sales?

Take , a product that was designed to allow women with breast implants comfortably sleep on their stomachs. The sharks immediately began to criticize the micro-niche market it was targeting. The customer has to: A.) be a woman, B.) prefer to sleep on her stomach and C.) have breast implants.

Targeting your product to women is fine, just ask the multi-billion dollar cosmetic industry. But when you narrow your market more and more, you back yourself into a corner and limit your product's potential.

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Distribution is . Whether you're pitching your product on Shark Tank or at a board meeting, knowing your numbers, discount schedules and retail sales is key. Building a path to market that includes direct to retail sales can be daunting, however the rewards for getting a product on the shelf and building a business that generates employment and supports families can be incredibly rewarding.

Focus on what motivates you to succeed and understand that the passion that you have behind the business is the principle factor deciding whether you just hold on and survive, or you thrive!