Activities

SECTION 2: Module 7
Making profit from imagination

Activity name: The profit game

Method: Group or Individual
Materials Needed: Cash (amount depending on no. of individuals or groups)
Duration: 37 Min of tutor time plus the time specified by the tutor for the teams/ individuals to make a profit.

What is It?

In this activity, students are given a small amount of money (suggested amount £5 or equivalent) and told they must use the money in a way that will make them a profit. It is anticipated that in most cases students will be guided towards buying an item/ items or making an item with the cash which is/ are then sold on for a greater sum. On completion of the exercise, students must return the original investment and can keep any profit they made. This exercise can be done as a competition between individual members or teams within the group

Why Do It?

This exercise will give students practical experience of the process of making a profit. It will encourage them to think creatively and use competitive strategies to ensure they raise a good profit on the initial investment

How to do it

Introduction: 4 Min

Briefly introduce the notion of making a profit to the students and why profit is so important for a business. Explain that they will be given a small sum of cash and the idea is that they will engage in activity that will allow then to turn it into a profit.

Set The Rules: 3 Min

At this stage either divide the group into teams or tell students that it is an individual activity and tell them the rules of the game. Rules will include the length of time they have to complete the task, the types of activity they can do to make a profit (illegal and immoral activities are not allowed), whether they need to return the £5 at the end of the activity. At this stage the tutor should also give some examples of how the students can make money e.g. buying items from a charity shop and selling on e-bay for a higher price, buying ingredients to make cakes which can be sold at a coffee morning etc

Brain storming: 30 Min

Groups or individuals will come up with a plan to make money from the cash they have been given. They should discuss their ideas with the tutor prior to starting work and should be supported by the tutor throughout.

The tutor will decide how long the students to have to make a profit. It is likely that this will be until their next session with the tutor.

Activity name: Crowdfunding

Method: Group or individual
Materials Needed: Internet access, pens and paper
Duration: 120 mins (variable)

What is it?
This exercise aims to help participants explore ways in which creative business ideas can be financed. In their groups, participants will research a crowdfunding website, choose 3 projects from the site to discuss in their groups. After analysing the financial information available they will talk about their 'favourite' project to the rest of the groups and highlight any learnings for financing their own business idea. They will then create a mock crowdfunding page for their own idea.

Why do it?
This simple research activity stretches the imagination of participants. By learning about the finances of other creative projects and businesses it will help overcome a barrier and fear traditionally faced by young people setting up a business – finance. By researching crowdfunding, it will help them look beyond traditional methods of finance and explore what might be better suited for creative projects. Working in groups will support collaborative working processes and develop communication skills.

How to do it?
Introduction – 4 mins
Give a brief overview of crowdfunding from the information provided in the module notes. Demonstrate some of the sites to the group from the resources provided in the module notes e.g. www.fundit.ie or www.kickstarter.com.

Research 1 – 30 mins
Each group should familiarise themselves with their chosen crowdfunding site and select 3 projects or ideas to explore.

The group should ask the following questions of each project:

- What do we like about these ideas/projects?
- How will it appeal to others?
- How are they asking for finance?
- What are the 'rewards' for the customer/investor?
- Why will others buy into this?

Research 2 – 30 mins

The group should select a 'favourite' project and give thought to how what they have learned could be applied to their own idea.

They should think particularly about:

- How they could finance their idea using this model
- How they could apply similar marketing techniques
- How they could make their idea attractive to investors/customers

Create a funding page – 30 mins

The groups can now take what they have learned and create their own 'mock' crowdfunding page. The group should pay particular attention to explaining and describing what the customer/investor gets for their money.

Feedback – 30 mins (variable)

The group should now present their crowdfunding page to the rest of the groups. They should focus on highlighting information on:

- The idea
- The finance model
- How they believe people will buy into it.

The tutor should facilitate a short questions and answer session as part of the presentations to ensure full understanding among the entire group.