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USING IMAGINATION TO CREATE BETTER BUSINESS OPPORTUNITIES? AN EXPERIMENTAL STUDY (SUMMARY)

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≈ SUMMARY ≈

USING IMAGINATION TO CREATE BETTER BUSINESS OPPORTUNITIES? AN EXPERIMENTAL STUDY

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Principal Topic

Many scholars state that entrepreneurs use their imagination. Imagination is the creation of mental images of external objects, events or situations currently not present to the senses. Imagination can be subdivided in three distinct processes: prospective thinking, counterfactual thinking, and perspective taking. Potential entrepreneurs use their imagination, among others, to recognize or create business opportunities. However, whether or not the use of imagination leads to better business opportunities is not empirically tested. The aim of this paper is to test which imagination process leads to better business opportunities. Using an experimental setting we contribute to the discussion on business opportunities by introducing the imagination concept and its three sub processes.

Methods

For this survey-based experiment we use a basic randomized design with the three imagination conditions (prospective thinking, counterfactual thinking, and perspective taking) and a control group. Using manipulation tasks, we trigger the participants to use a specific imagination process in each condition, and no imagination process in the control group. These imagination processes are the independent variable in this study. The dependent variable is the quality of the business opportunity, operationalized as potential economic value, newness, and perceived desirability. 170 students from diverse study backgrounds, who joined an entrepreneurship elective, participated in this study.

Results and Implications

We find that participants in the prospective thinking condition come up with business opportunities of which the quality is significantly higher than the business opportunities of the participants in the other conditions. The finding is a first step in testing the claim of many scholars that the use of imagination is important for recognizing business opportunities. Additionally, entrepreneurial education programs aimed at enhancing opportunity identification ability may look into training the use of imagination.

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