

Risk to Reality

How an entrepreneur develops a service despite uncertainty

SS8E2.b "Explain how entrepreneurs take risks to develop new goods and services to start a business."

NAME _____

DATE _____

1 READ AND MARK _____ Read it twice

YOUR JOB Underline each detail that shows a risk or uncertainty Maya faced. In the margin, number the actions she took to test, revise, or promote her service.

Harbor Gift Guides

- ① In Savannah, Maya Ortiz noticed that visitors often wanted a quick way to find locally made gifts. She decided to start Harbor Gift Guides, a service that creates short phone-based guides to shops and artists. Maya interviewed store owners, tested a sample guide with tourists, and learned that users wanted clear prices and walking directions. Her idea was a new service, not a new physical product. To begin, she needed time, information, and money for a website, printed cards, and initial online advertising.
- ② Starting the business required Maya to take risks because no one could promise that enough people would pay for her guides. She used \$600 of savings to build the website and print cards. If customers did not buy the guides, she might not recover that money. Maya also gave up several Saturdays to visit businesses and update listings. Those hours could have been used for paid work, so she faced an opportunity cost, the value of the next best use of her time.
- ③ On the first weekend, only twelve people bought a guide, but several asked for restaurant stops. Maya could have stopped the project and lost the money already spent. Instead, she added a food section, asked two cafés to share her cards, and charged a small fee to be listed in a featured spot. These changes might attract more customers, but they also required more work and could fail. An entrepreneur studies feedback, makes decisions, and accepts uncertainty while trying to build a business.

2 ANSWER WITH EVIDENCE _____ Use the passage

1 What customer need did Maya notice, and what service did she create to meet it?

2 What did Maya do before starting the business to learn what customers wanted? Give two actions.

3 Describe Maya's financial risk and her opportunity cost.

4 How did Maya respond after the first weekend, and why were her changes still risky?

3 YOUR TURN _____ Your own words

Invent a small business that offers a new good or service in a Georgia community. Write four sentences that name the customers, explain the good or service, describe two risks, and tell how you would test or revise the idea.

PART 1 • READ AND MARK

Underline each detail that shows a risk or uncertainty Maya faced. In the margin, number the actions she took to test, revise, or promote her service. Accept any marking that follows this job and points at the right text.

PART 2 • ANSWERS

#	QUESTION	ANSWER
1	What customer need did Maya notice, and what service did she create to meet it?	She noticed that visitors wanted a quick way to find locally made gifts. She created phone-based guides to local shops and artists.
2	What did Maya do before starting the business to learn what customers wanted? Give two actions.	She interviewed store owners and tested a sample guide with tourists. She learned that users wanted clear prices and walking directions.
3	Describe Maya's financial risk and her opportunity cost.	Her financial risk was spending \$600 on the website and cards without knowing whether she would recover the money. Her opportunity cost was giving up Saturdays that could have been used for paid work.
4	How did Maya respond after the first weekend, and why were her changes still risky?	She added a food section, asked cafés to share her cards, and charged a featured-listing fee. The changes required more work and might still fail to attract enough customers.

PART 3 • YOUR TURN (SAMPLE ANSWER)

In Macon, I would start LunchLoop, a service that delivers reusable lunch containers from local restaurants to office workers. Customers could order through a simple phone form and return containers at collection bins. I risk spending \$400 on containers that may not be returned, and I might give up paid weekend hours to contact restaurants and deliver orders. I would test the service with two restaurants for one month, ask customers what they need, and change the pickup times if demand is low.

Accept equivalent descriptions of the customer need, risks, opportunity cost, and business changes when they are supported by the passage. For Your Turn, accept realistic goods or services with two distinct risks and a specific plan to test or revise the idea.