E-VENTURE: SETTING UP SHOP ONLINE: CREATING A STUDENT E-BUSINESS PRE-INCUBATOR EXPERIENCE

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ABSTRACT

The focus of this paper is a relatively new undergraduate major in direct and interactive marketing, which during the capstone experience, allows seniors to develop a new cyber venture. The e-venture practicum provides a pre-incubator experience that enables would be student-entrepreneurs to focus on and develop a business plan, an e-business model, and to create and beta test websites and other electronic marketing tools for a new cyber operation, and to do so while still in school. Once the business plan is approved, eligible student-entrepreneurs are transferred to a cooperating local industrial technology incubator to launch the operation.

INTRODUCTION

As the digital economy rebounds from the dot-com meltdown of 2000–2002 (Strauss, El-Ansary, and Frost 2006), the budding cyber entrepreneur is faced with increasing challenges and opportunities. The Internet and related information technology has changed the way businesses market and provide goods and services. The Web has served to change the rules in selling books, music, and travel and according to Business Week Online (2004) is posed to transform other industries as the Internet gains greater acceptance. In a report, prepared for the Small Business Administration, entitled "E-Biz.com: Strategies for Small Business Success," the Internet is viewed as offering unparallel new opportunities for small businesses (Pratt 2002). Creating a cyber business or reorganizing as an e-business may provide entrepreneurs with greater access to markets at low cost; provide greater visibility and extended geographical reach, and aid in the development of customer relations through the use of the Internet (Dilts and Kahai 2004).

The Internet continues to grow and has become part of the mainstream business culture, representing both opportunities and challenges for small businesses and would-be entrepreneurs. The most recent estimates released by the U.S. Department of Commerce indicate that retail e-commerce adjusted sales for the second quarter of 2007 was $33.6 billion; an increase of 20.8 percent over the second quarter of 2006 and an increase in annual sales of 3.8 percent between 2006 and 2007 (U.S. Census Bureau of the Department of Commerce, August 2007). In an e-commerce multi-sector report (U.S. Department of Commerce, May 2007), total e-commerce sales were estimated at $2,400 billion; with business-to-business (B-to-B) and business-to-consumer (B-to-C) respectively accounting for $2,211 billion and $189 billion in sales in 2005. Forrester Research estimates that the latter retail e-commerce sales (B-to-C) will rise from 211.4 billion in 2006 to $329 billion in 2010 (BusinessWeek Online 2006). Consequently, steady growth in both the B-to-B and B-to-C sectors is expected.

Small businesses and would-be entrepreneurs are increasingly establishing an online presence. Overall, established small business firms, with fewer than 100 employees, account for 20 percent of e-commerce spending in the United States (Pratt 2002). Globally, Internet technology has been adopted by approximately 55 percent of the small and medium-sized firms (SMEs) in the U.S., 48 percent in the European Union, and 63 percent in Canada (Johnston, Wade, and McClean 2007). However, not all SMEs have equally embraced the use of Internet technology (Dilts and Kahai 2004). While 60 percent of small businesses, that have adopted the new technology, have established an online presence, it is estimated that only one-third have established a transactional site that is capable of selling goods online. The greatest potential in online sales, however, is likely to be generated by micro-firms, having fewer than ten employees (Pratt 2002).

The focus of this paper is the integration of a relatively new (2004) undergraduate major in direct and interactive marketing with a traditional entrepreneurship program and a capstone experience, which offers the student an opportunity to create and launch a cyber business. The e-venture project provides a pre-incubator experience

that enables would-be entrepreneurs to focus on and develop a business plan, an e-business model and to create and beta test a variety of Internet marketing tools for a new cyber operation and to do so while still in school. Once the business plan has been approved, the eligible student entrepreneur is then transferred to a local industrial incubator to begin operations.

The following paper will discuss the development of the E-Venture pre-incubator program by first looking at the university's Entrepreneurial and eMarketing and Advertising programs. Next, it will focus on the role of the E-Venture program as the capstone experience for Internet-focused would be student entrepreneurs. Finally, the paper discusses the partnership with the local community's Global Business Accelerator to complete the learning to application curve and to provide the business community with successful entrepreneurs.

NEW BUSINESS INITIATIVES

Creating viable opportunities for new business development is a major strategic design principle common to many state universities. Increasing the likelihood of a successful introduction of a new business entity requires a program that carefully blends business theory and concept with opportunities to apply proven business practices. The new business development initiative described in this paper combines the unique learning experiences of two highly successful programs offered at a large Midwestern state university.

The integration of a nationally recognized Entrepreneurship program with one of the nation's largest eMarketing programs within the venue of the largest interactive direct marketing facility in the country has created an unparallel opportunity for launching new and innovative eMarketing ventures. These unique programs and venues will substantially increase the likelihood of successful new market startups. While such training may not guarantee success, the availability of significant educational and support resources can provide a startup breeding ground that may serve to enhance the probability of participating students being successful with their new ventures (Crane 2006; Merritt 2000; Stein 2000).

ENTREPRENEURSHIP PROGRAM

Building a solid foundation for a new business startup begins with a series of entrepreneurial courses that provide the necessary background for conceptualizing and planning a new eMarketing enterprise. Student course work begins with an introductory course in entrepreneurship in which they are exposed to the basic knowledge base associated with starting a small business. The stages of new business development process are investigated in this course. Upon successful exploration of each stage of this process, the follow up course, New Venture Creation, requires the student to develop a business plan suited to the needs of the anticipated start-up. A third course on the financial aspects, (e.g., financing, legal, taxation, and insurance) common to new venture management is also available and recommended. Completion of the entrepreneurship curriculum provides the would-be start-up with the general business foundation for designing a unique value offering through a specific marketing channel (Internet) to selected target markets.

E-MARKETING PROGRAM

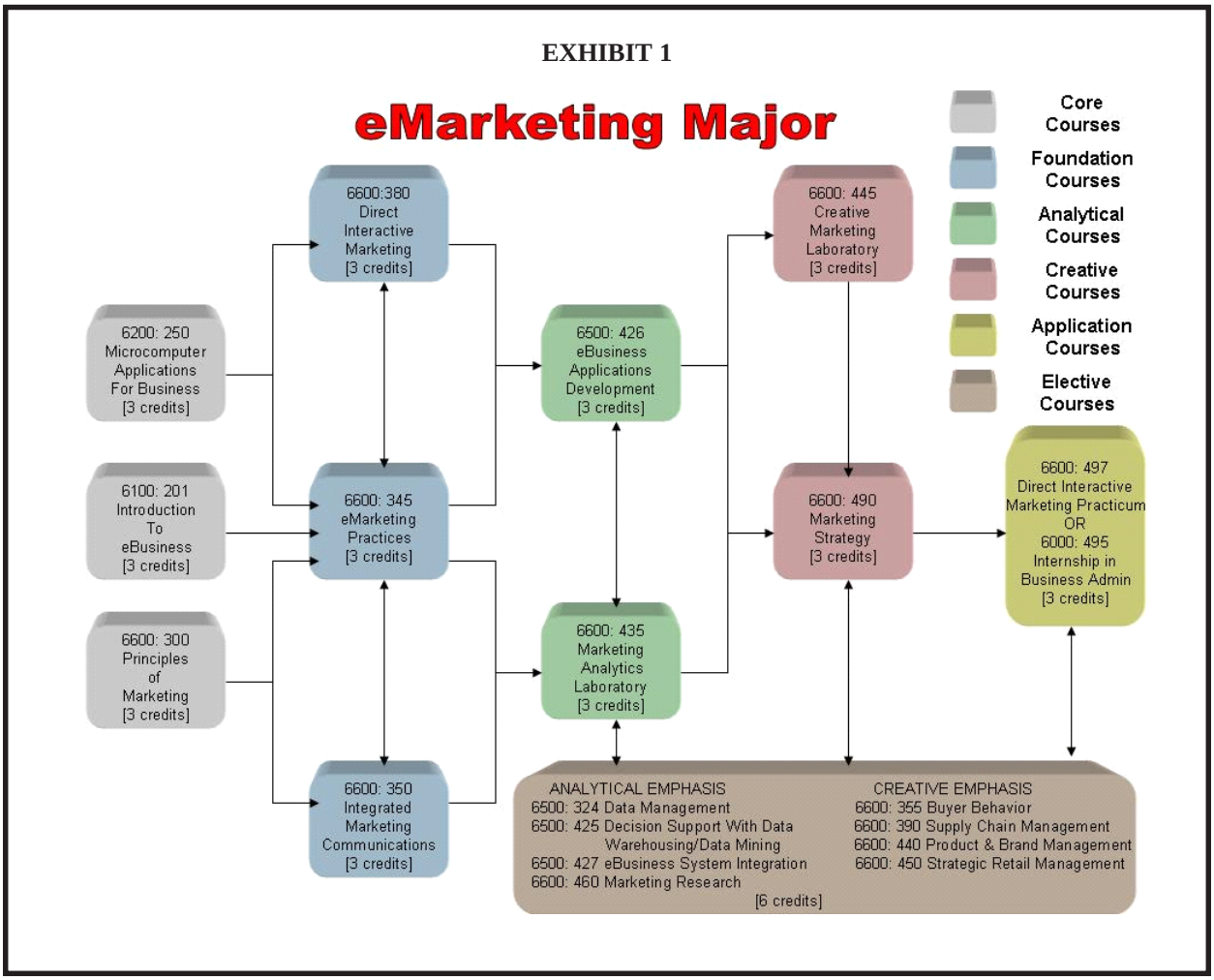
The use of the Internet and information technology in marketing education has been cited in the literature as being both inevitable and beneficial (Hunt, Eagle, and Kitchen 2004); promoting efficient teaching and improved student learning, while enhancing critical technical skills of students (Hannaford, Erffmeyer, and Tomkovick 2005). In order to address these factors and to provide students with the appropriate blending of theory and practice, the Department of Marketing at the same Midwestern University formulated and implemented a curriculum major titled eMarketing and Advertising. Prior to entering the major, the students must complete nine hours of core courses required of all marketing majors. Concurrent with this, the student completes the introductory entrepreneurship course and the New Venture Creation course. Next, they complete the major (see Exhibit 1) consisting of a total of 31 hours of coursework of which 25 hours are required and six are elective. The senior capstone courses of Direct Interactive Marketing Practicum and/or Internship in Business Administration serve to test and hone the business plan formulated in the New Ventures Creation course. The primary purpose of this groundbreaking effort is to design and offer a creative and comprehensive undergraduate curriculum in direct interactive marketing that is consistent with student needs and employer expectations (Hauser and Lewison 2005).

The goal of this major is to provide hands-on, real life experience in the areas of eMarketing, Direct Marketing, and other forms of multi-channel marketing. In order to provide the students with the needed tools and facilities, a highly successful alumnus of the Marketing Department made a multi-million dollar donation to create the new Institute for Direct Marketing. The facility is approximately 24,000 square feet and consists of student laboratories and classrooms that are technologically enhanced. The physical and technological resources available in the Institute are summarized in Exhibit 2.

CAPSTONE EXPERIENCES

The strength of this integrated new business development program is that it provides the vehicle to take the student from the theory and concept (what to do) to practice and application (how to do it). Here, a customized

EXHIBIT 1



learning experience is provided to individual students and teams of students. This program provides students with several choices in making the transition from a business concept to a business prototype. Capstone learning experience options include: (1) a consulting practicum, (2) a traditional internship, and (3) a pre-incubator project.

First, student teams may work on real problems with actual business clients providing them with consulting services similar to that provided by the Small Business Institute program (Hatten and Ruhland 1995), but with attention given to the client's needs regarding direct and interactive marketing. A common cliental for these projects are small and new business enterprises that have resource difficulties of all kinds. Examining problematic businesses, finding workable solutions, and recommending courses of action are all excellent learning episodes that provide the know-how to pursue a new business venture.

Secondly, individual students may gain valuable real world experience by working as a paid intern with firms in the direct and interactive marketing industry. Here, students may evaluate their strengths and weaknesses and interests in working in the industry and possibly starting a business venture of their own (Dilts and Fowler 1999).

The third path, which serves as the focus of this paper, involves students in setting up and operating their own e-venture. This pre-incubator experience provides both internal and external learning venues where students develop a new venture plan within a protective environment before committing to the risk of running a business.

The focus is on experiential education which serves to integrate students' academic studies with opportunities for direct learning. In effect, students learn by doing. According to Hunt, Eagle, and Kitchen (2004, p. 85), there is a ". . . paradigm shift from viewing learning as the accumulation of facts to a form of personal growth in which the student identifies meaning in information and learns to apply it to real-world problems and tasks." In essence, the traditional classroom model, reflecting the long-standing passive lecture-based paradigm, is being replaced by a more applications-based, hands-on, experiential learning model (Ueltcy 2001; Young, Klemz, and Murphy 2003). The use of experiential learning, which focuses on real world problems, not only encourages the development of critical thinking and problem-solving skills (Peterson and Albertson 2006; Young 2002), but also serves to develop and enhance other important skills

EXHIBIT 2
TECHNOLOGY-RELATED RESOURCES

RESOURCE	USED TO SUPPORT
24 Station Data Analytics Laboratory With analytical and data-mining software (e.g., SPSS/PC, SAS/PC).	Marketing Analytics – Data-mining, analysis, interpretation of actionable intelligence to clients.
Creative Laboratory With Dell and Apple personal computers; creative software in the form of ADOBE Suite (Acrobat, GoLive, Illustrator, Photoshop, InDesign) and MACROMEDIA Suite (Dreamweaver, Flash, Fireworks) and Quark.	Development of integrated marketing campaigns including Websites, brochures, e-newsletters, promotional and other collateral materials for clients. Apple and Dell computers used to provide students with experience on systems predominately used in industry.
12 Station Call Center Fully functional state-of-the-art facility, with interactive intelligence software.	Student hands-on experience in the telemarketing industry; including campaign development, script writing, caller relationship management, and ethics/ privacy considerations.
Multi-Media Enhanced Board Room	Practical, real-world, experience presenting to business clients.
Wireless*, Enhanced Multi-Media Classrooms and Integrated CBA Intranet.	Multi-Media lectures and presentations, as well as continuous electronic interaction between faculty, students, and clients.
9 Station Direct Response Laboratory With Dell and Apple PCs and software.	Development and implementation of direct mail campaigns, catalogs, and other direct response collateral materials.
7 Station eMarketing Laboratory	Students work on class and client projects in "Internet-Café" setting.
Technology Enhanced Professional Classroom (50 seats) With built in "clicker" technology.	Student testing of infomercials and other products with larger audience using instantaneous participant responses.
Infomercial Studio With essential lighting, sets, cameras, mixers, and production equipment.	Creation of student conceived and completed infomercials providing experience in all aspects of TV/ DVD production.
Applied Research Center With Focus Group Facility and e-Usability Laboratory.	Student hands-on experience in focus group research with real clients. State-of-the-art analysis of client based and student created Websites.
3 Creative "Think Tank" Rooms	Specially designed rooms for ideation, where students my write on walls, etc.
E-Venture Pre-Incubator Facility Accommodates up to four would-be student-entrepreneurs during the practicum.	A pre-incubator program that bridges the gap between academics and a real world regional technology incubator. Would be student-entrepreneurs develop business plans and websites for a proposed Internet business, using the Institute's resources.

*University ranked 3rd in Intel's 2005 "Most Unwired College Campus" Survey.

that may not be well developed in a more traditional passive learning environment; such as skills involving project and time management or the assessment of communications among others and the offering of constructive criticism to peers (Elam and Spotts 2004).

TRADITIONAL AND ONLINE STUDENT-OPERATED BUSINESSES

Traditional student-operated businesses provide participants with an experiential, entrepreneurial learning experience that cannot be duplicated by other means in the classroom. The process of marketing a product that is conceived, promoted, and delivered by students is associated with real world consequences and involves risk taking, creative and critical problem solving, and the development of interpersonal relationships with employees, vendors, and consumers. Students effectively "learn by doing" and, in the process, develop critically needed skills that will serve them well throughout their career (Peterson and Albertson 2006; Young 2002).

Setting up shop online moves beyond the traditional student-operated business in two ways, according to Daly (2001). First, the creation of an e-business provides students with a real world experience in which their Internet-related skills are considerably enhanced. Secondly, students gain experience in dealing with a challenging, dynamic online marketplace, where an understanding of customers and their Internet behavior is critical to success.

Much has been made of the use of the Internet and related information technology in business education; particularly in terms of its ability to further key educational objectives and aid in the development of critical student skills (Granitz and Hugstad 2004). By actively creating a virtual venture, the Internet not only provides students with the means to apply marketing and business knowledge on a first-hand basis, but it also serves to bring together a wide variety of Internet-related skills that are required to implement the business (Daly 2001). According to Mitchell and Strauss (2001, p. 91), this may involve the following skill and cognitive-based clusters that may be necessary to the understanding and use of the Internet; including: "Web page and site design, Web site marketing, server-side programming and management, telephony and videoconferencing, marketing strategy, macro environmental issues, and information and networking strategies."

Increasingly, business schools have expanded their entrepreneurial programs by providing a laboratory for students. Such programs provide students with a chance to identify opportunities and create plans for new Internet ventures, while using resources of the school, including the use of faculty and a network of business advisors as a sounding board for the venture (Melville 2001; Merritt 2000; Siskes and Popowsky 2000; Stein 2000). While the majority of these entrepreneurial programs have focused primarily on graduate students, the emphasis here is on undergraduates.

E-VENTURE: A PRE-INCUBATOR EXPERIENCE

E-Venture is a pre-incubator program that bridges the gap between academics and a real world technology incubator. A pre-incubator serves to fill the gap in the innovation system by linking universities with new business incubators. Here, the would be entrepreneur has access to diverse resources that enables the student to create a business plan and to test the feasibility of their business ideas before taking the risk of setting-up their own enterprise (Saurio 2004).

During the pre-incubator period (e.g., Direct Interactive Marketing Practicum), approximately a semester in length, the would be student-entrepreneur will develop their business or proof of concept and their websites, using the institute's facilities and related information technology resources available. Having already been exposed to course work in entrepreneurship and the eMarketing major and the Internet and related information technology, the students will be better prepared to use the capstone experience to forge ahead in making their business idea a reality.

DESCRIPTION

The pre-incubator program enables a student to create a "Net play" or "Pure play" venture. Entry would be limited to the online service, retail, or direct marketing industries. During the semester, the student develops an appropriate e-business model and related marketing strategy and tactical plan. The intent of this step is for the student to clearly define the goals and objectives of his/her e-business plan and the steps needed to implement it. Next, the student develops, tests, and refines this business plan over the semester. This is done under the supervision of marketing faculty and a cadre of local practitioners. Most of the full-time and part-time faculty in the program have years of hands-on experience in the development of new businesses, especially those in e-marketing. The practitioners are currently the owners of small e-boutique companies or leading e-marketers from large companies in the region. Finally, the student will design and beta test the e-product (i.e., website or other Internet–based marketing tools) under the supervision of the pre-incubator staff. This includes a specially designed e-usability laboratory where structured research on the user's interaction (e.g., easy of navigation, stickiness) with the website or e-product can be observed and analyzed.

In order to successfully accomplish the above, the student, as part of the capstone experience, will be awarded a pre-incubator scholarship that allows the new business in its ideation stage to benefit from the facilities,

resources, and faculty at the Direct Marketing Institute. A select committee of business practitioners and faculty will review and rank student proposals with the top proposals receiving the pre-incubator scholarships. These scholarships are used to offset the facilities and resources of the Institute that will be made available to the student.

SUPPORTIVE ENVIRONMENT

A supportive environment will be provided free of charge for students to be concurrently enrolled in the capstone course. The technology-related resources of the Direct Marketing Institute (described earlier in Exhibit 2) will be available and accessible to students participating in the e-venture. In addition, the novice student entrepreneur receives ongoing coaching, informational resources, technical assistance, and business plan developmental assistance from faculty, advisors, and relevant business mentors. Office facilities are provided, along with a computer, Internet access, use of printers, phones, fax, and copiers, as well as access to the Institute's other resources, including creative and analytical software. Length of tenancy is limited to a year, depending upon the number of qualified candidates wishing to participate in the pre-incubator program during a given semester.

Upon completion of the in-house pre-incubator program, the students' progress is assessed and, if ready, they are transferred to the local publicly funded Global Business Accelerator. This highly successful program opened its doors to its first new business start up in May 1983. Initially located in a small building at the edge of the campus, the accelerator today occupies in excess of 200,000 square feet and has the ability to house over fifty companies.

STUDENT ELIGIBILITY IN THE PRE-INCUBATOR PROGRAM

Student eligibility in the e-venture pre-incubator program is primarily based on the following criteria. First, students will be in their senior year of school and completed the majority of both the entrepreneurship and eMarketing and advertising core courses. Second, interested students notify the manager of the E-Venture program of their intent to apply for one of the pre-incubator openings. The manager then provides the interested students with the necessary paperwork to apply for one of the positions. Included in this paperwork are the rules and responsibilities for using the facilities, expectations, timelines and so forth. Students are then asked, as part of the admission process, to prepare a brief essay on what they expect to achieve in the program and why they should be selected. Third, a committee composed of the Director of the Entrepreneurship program, the Director of the Direct Marketing Institute, and the faculty/practitioners in the e-Venture program serve as a committee to identify and select the appropriate students. Their selection criteria is based on (but not limited to) such factors as grade point average, application essay, feasibility of proposed e-product, and likelihood of success.

Once selected into the program, the students develop both a business plan and a prototype of the website or other eMarketing tool. Work on the business plan and prototype is done under the close supervision and advising of a broad group of faculty and business community advisors. The intent here is to both provide the students with guidance from experts in their fields and to also create essential networks for their future career development and business start-ups. These experts include faculty and executive advisors in the college of business's Institute for Entrepreneurship and Direct Marketing Institute, local business groups and associations such as the local chapters of the AMA and DMA, local small business authority, area chamber of commerce, and business guidance groups such as SCORE (Service Corps of Retired Executives).

Upon completion of the in-house pre-incubator program, the students' progress is assessed and, if ready, they are transferred to a highly successful local, publicly funded, Global Business Accelerator for additional experience and mentoring. The accelerator currently occupies in excess of 200,000 square feet and has the ability to house over fifty companies. The expanded facilities include upscale modular office space, eight wet labs, conference rooms, a conferencing facility, and a data center. Additional assistance in marketing, finance, information technology was also added during this expansion. The program is now structured in such a manner that an entrepreneur can enter the facility in the imagining or conceptual stage and work through product development, prototyping, test market and, finally, production and never have to leave the facility since it can adequately meet the needs at each of the above stages.

This extra "seasoning" is essential for two major reasons. First, most first time enterprises require more than a semester of startup time. By extending the time period and mentoring in an incubator environment, the chances for success increase dramatically. Second, the geographical business reach of the global business accelerator provides the new entrepreneur with a wide network of contacts in which to prospect and grow his or her business. Thus, the student entrepreneur remains, after graduation, in a continuous learning environment, an environment that provides the resources for growth and also the business networks to enhance this growth process.

In addition, the entrepreneur has access to on-site, operations consulting to address the needs of day to day operations. If problems arise that cannot be addressed by on-site staff, the Director of the program can reach into the resources of the community incubator, depending on the need, to apply the specialized business or technical re-

sources needed to resolve the problem. Additionally, the following cutting edge information technology services are offered to all tenants of the Accelerator:

1. IP Telephony;
2. Virtual Server Hosting;
3. Internet Access delivered over VLAN, up to Gigabyte Speed;
4. VLAN Switching;
5. Remote Backup Services;
6. Computer Lab Access;
7. Collocation Services;
8. On Site Help Desk.

The selection process for entry into the accelerator program is rigorous. Any individual interested in space in the Accelerator is required to submit a preliminary application which provides basic information about the business, the product, the technology involved, and the physical needs of the business as it related to space. The preliminary application is reviewed by the Director of the Accelerator. If the business opportunity appears promising and the facility can meet the needs of the business, the entrepreneur is invited to submit a business plan. The plan is then reviewed and presented to the Chairman of the Board of Directors for the Accelerator. The Chairman and Board Members make the final decision as it relates to admission to the program. If accepted, the entrepreneur begins work with the Director to identify space and complete the lease agreement. The entrepreneur must provide sales, investment, and employment data on a quarterly basis to the Accelerator. This is used to measure the progress of the tenant and evaluate how successful the Accelerator is in providing an environment that encourages growth in revenue and investment.

SIGNIFICANCE OF PROGRAM

While the concept is not new, the focus is. E-Ventures provides a pre-incubator experience in which senior level undergraduate students get a head start in creating their own cyber business while still in school. During this transitional phase students have access to facilities, technical resources, and a network of resource people that will aid in the process of creating their business plan, e-business model, and in creating and beta testing their website for their venture. While most academic programs focus primarily on graduate students, the focus here is on undergraduates. Secondly, the program enables seniors to work on the "idea stage" of starting a business before committing to the risk of actually running a business. Thirdly, the partnership between university and community enables the student to implement the business idea in a supportive local incubator setting, providing a wealth of local and regional networking contacts.

Furthermore, there are many challenges facing entrepreneurial education. Of particular relevance are three challenges discussed by Kuratko (2005), including "power of one," the "use of technology," and the "Dot-com legacy." The contributing donor, an alumnus of the College, is an entrepreneur in his own right, starting his own direct marketing enterprise in 1982. Today, it is one of the fastest growing private companies in America, ranking as the third largest privately held teleservices company; with operations and approximately 2,800 employees in three states. It was his vision, i.e., "power of one," of elevating direct and interactive marketing as a profession and teaching these valuable skills to business students that led to the creation of the Institute and the e-major – a one-of-a-kind undergraduate direct marketing program.

The second challenge of relevance facing education is the use and application of technology. Education is changing at a significant pace, accelerated by the explosion of information and technology. The integration of the Internet and information technology presents more teaching options and opportunities for business educators to enhance the learning environment (Close, Dixit, and Malhotra 2005). In defining technology and its use in the classroom we adopt Malhotra's (2002, p. 1) definition:

> Instructional technology includes hardware and software tools and techniques that are used directly or indirectly in facilitating, enhancing, and improving the effectiveness and efficiency of teaching, learning, and practicing marketing knowledge.

As is evident from the previous exhibit, Exhibit 2, the use of the Internet and information technology is well integrated across the entire e-Major curriculum to advance educational objectives and to provide a relatively unique learning environment.

The third challenge of relevance involves overcoming the "legacy of the dot-com meltdown." The e-program addresses this by focusing on the education of the next generation of business leaders so that they might develop more sustainable e-ventures. Attention is given to returning to traditional roots of business development, relying on well-grounded strategy and sound business practices; focusing on ways to increase the profit of the venture. Central to this process is a need to create an effective e-business model, that was absent in many of the "pure plays" during the pre-dot-com bust, that (1) articulates the nature of the target market and the value proposition; (2) identifies the relevant sources of revenues; and (3) provides guidance in designing a Website that will be both inviting to site visitors as well as retain customers. It is for these above reasons that we respectfully submit that the e-program is of significance and will make a positive contribution to the education of our students.

CONCLUSION

The e-Venture program discussed above uniquely spans the gap between the traditional university role of providing "theory" and the business community's role of providing "practice." eMarketing and Advertising stu-

dents, entrepreneurial by nature, have the unique opportunity to use a plethora of academic and professional resources and experiences to get a solid start on their proposed business ventures. By developing their business plans and prototype e-products in a resource enhanced incubator environment, the students stand a better chance of starting their careers on a sound and firm foundation.

At the same time the E-Venture program serves as a very valuable conduit between the university, the local city government, and the business community. Not only are partnerships enhanced, this environment is fertile for the development of new programs and relationships in the future. As the e-Venture program grows and as its graduates become successful entrepreneurs, the program, working in conjunction with existing and new business/governmental partners, will expand its geographical reach to both the national and international level.

Above all else, the heart of the program is the successful student entrepreneurs it produces. Not only do the e-Venture students receive training and guidance from academic and professional experts, they create the intangible value addition of developing long lasting and fruitful networks with an expanding web of business contacts and potential clients. In turn, this provides highly favorable "word of mouth" advertising and life-time value for the E-Venture programs as these ex-students, now successful business persons, become both the advocates and examples of a highly successful and beneficial program.

Finally, while the direct marketing facilities described above were fortunate to be funded by benefactor of the college and industry leader, the process and protocols discussed above can be adapted by programs with less physical resources. At the heart of the program is providing students with applied courses that let them hone their skills in real business situations under the mentorship of experienced faculty and local practitioners. By enabling the students to develop and test business plans in a pre-incubator environment, they are integrating theory with practice and are using it to formulate their businesses. Couple this with a local business incubator program, whether it be a physical facility or mentoring relationships with local business professionals, and the process becomes continuous learning that is motivational/rewarding for the student and welcomed by the business community.

SUMMARY

Due to the exponential growth of the Internet in the past decade, college students have substantially increased their interest and motivation in developing their own companies. As history has continued to demonstrate many of these start-up companies are doomed to failure due to a lack of theoretical foundations (i.e., entrepreneurship, marketing) and real-world experience. Through the cooperation of two institutes in the college of business administration at a large Midwestern state university and the publicly funded local Global Business Accelerator program, a new partnership has been developed which enables students to develop a business plan and create and test their prototype e-product (e.g., website) in a secure, non-threatening incubator environment.

The E-Venture program starts with courses and guidance from the Institute for Entrepreneurship and the Institute for Direct Marketing to provide the students with the necessary business foundations. At the same time the advanced technological resources (e.g., creative laboratory, analytics laboratory, e-usability laboratory) provide the students the appropriate environment to hatch and incubate their business ideas, products, and plans. Upon successful development of the plan and completion of the prototype, the students are then transferred to the local Global Business Accelerator to further develop and actually introduce their businesses.

Students selected for this program are seniors who have completed the prerequisite foundation courses in the entrepreneurship and eMarketing and advertising programs. Applications to the program include a student essay on why they should be selected along with their rudimentary business start-up ideas and plans. A committee of the directors of the two institutes and the global business accelerator then select the appropriate candidates for the program. A maximum of four students are selected to the program on a semester basis for up to one year. The selected students receive their own offices and have access to the vast array of resources in the Direct Marketing Institute and to the expertise and guidance from its network of business and community partners. Upon successful completion of the pre-incubator program, the students are seamlessly transferred to the global business accelerator to further hone their plans and products and fully implement their businesses.

The E-Venture program not only serves as a value added, practical educational experience for the student, it weaves both the university and the business community into an expanding partnership where students not only get to learn under the guidance of experts, they also become part of an expanding network, one in which they can continue to grow professionally and, most importantly, use to expand their business. These successful students then become the "word of mouth" advertisers for the E-Ventures programs as both examples and advocates.

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