

Research on the Identification of College Students Entrepreneurial Opportunity in the Era of Service Economy

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Abstract: *With the upgrading of global industrial structure, the service industry has become more and more important in China's economic development, and China has entered the era of service economy. The development of the times can not be separated from the promotion of innovation. As one of the main sources of innovation and entrepreneurship, college students will contribute to the development and progress of social economy. This paper first explains the connotation of service economy and the identification of college students' entrepreneurial opportunities, and then analyzes the new opportunities and challenges of the identification of college students' entrepreneurial opportunities in the era of service economy, finally, this paper puts forward some countermeasures to improve the ability of identifying entrepreneurial opportunities of university students in the era of service economy, with a view to expanding the level of entrepreneurship of university students through the improvement of their ability of identifying entrepreneurial opportunities, creating a new pattern of starting an undertaking in the new economic era.*

Keywords: *Identifying entrepreneurial opportunities, Serving the economy, College students*

1. Introduction

Under the background of economic globalization and knowledge-based, service industry has gradually become the dominant economic sector in the world economy. Since 2012, the status of China's service economy has risen rapidly, contributing 60% to the development of the national economy. According to the 2020 National Economic and Social Development Statistics Bulletin of the National Bureau of Statistics of the People's Republic of China, the value added of the tertiary sector of the economy was 5,539.77 billion yuan, up 2.1 percent, and the tertiary sector of the economy added 54.5 percent. In 2020, the contribution rate of the tertiary sector of the economy to GDP will reach 47.3%. As the largest industry in China's economy, the service sector has become the main driving force and new engine for the development of the national economy. First quarter figures from the 2021, released by the National Bureau of Statistics of the People's Republic of China, showed that GDP in the service sector rose 15.6 percent year on year to 1.45355 billion yuan, accounting for 58.30 percent of GDP. At present, China's economy is in the new normal period, service economy obviously plays an increasingly important role in the development of national economy. As the main force of innovation and entrepreneurship, college students can effectively identify the entrepreneurial opportunities in the service economy, and then carry out entrepreneurial activities in the service industry, which will play an important role in promoting the transformation and development of future industrial structure. In this paper, the identification of entrepreneurial opportunities for college students in the era of service economy is studied, which not only combines the economic characteristics of the era's development with entrepreneurial theory, moreover, it provides a certain guiding role for the identification of entrepreneurial opportunities for college students in the new era, and also lays a foundation for college students entrepreneurs to successfully carry out entrepreneurial activities in the new era.

2. The Connotation of Identifying the Entrepreneurial Opportunity of College Students in the Era of Service Economy

2.1 Concept of Service Economy

The service economy refers to the proportion of the output value of the service sector in the gross

domestic product (GDP) exceeding 60%, or an economic condition in which service workers account for more than 60% of the total employment in the national economy. Service Economy is an economic structure, growth mode and social form with human capital as the basic factor of production. Compared with the traditional economic form, the modern service economy is highly interactive, highly innovative and high added value, which is the product of the high development stage of industrialization. In the era of service economy, human resources have become the basic element, and the upgrading of human needs has become the main driving force for the realization of economic transformation and leap-forward development, innovation and entrepreneurship around human needs will bring new opportunities for the optimization and upgrading of the service industry. With the rapid development of information technology, the status and role of service industry in social economy are increasing day by day. The service level of a country also reflects its economic development level and international competitiveness; the service economy will spread across the globe.

2.2 The Connotation of Identifying Entrepreneurial Opportunity of College Students

And the service economy also spreads in the global scope, there is a wave of innovation and entrepreneurship, the arrival of the service economy era has ushered in a new opportunity for college students to innovate and start businesses. So far, the question of how college students can succeed in starting a business in the service economy has become increasingly important, and the core of entrepreneurship is opportunity, and opportunity identification is a core element of entrepreneurial success [14]. Whether the entrepreneur has a correct understanding and grasp of the entrepreneurial opportunity is related to the success of the venture [5]. Among them, the entrepreneurial activities of college students start from entrepreneurial opportunities, successful entrepreneurial activities can not be separated from effective entrepreneurial opportunities identification, the development of the new economy has put forward a new definition of entrepreneurial opportunities, and it also makes the identification of entrepreneurial opportunities with distinctive features of the times. Schumpeter (1934) pointed out that entrepreneurial opportunities refer to the possibility of creatively combining resources to meet market demands and create value. Bandura (1978)[13] argues that entrepreneurial opportunity identification is the perception of opportunity and the pursuit of opportunity through the creation of an organization. Jarrillo-mossi (1986)[16] argues that entrepreneurial opportunity identification is the ability of entrepreneurs to integrate resources and create value. Kirzner (1997) argues that entrepreneurial opportunity identification is an undefined underlying need and may also be a resource that has not been formally acquired or utilized. Ardichvili et al. (2003)[12] argue that from the point of view of acquiring prospective consumers, opportunity actually means that the potential value that entrepreneurs are seeking is a market demand that is not precisely defined, or underutilized or underutilized resources or capabilities. Opportunity identification is an important part of the entrepreneurial process, a precursor for entrepreneurs to conduct opportunity assessment and other entrepreneurial activities, and a resource for existing enterprises to generate sustainable competitive advantage (Zhang Hong, 2014)[10]. To sum up, this paper holds that entrepreneurial opportunity is the possibility that entrepreneurs realize value creation by integrating existing resources to meet potential market demand or create future market demand [6].

The identification of entrepreneurial opportunity is a dynamic cognitive process, which includes the process of opportunity discovery and opportunity formation. There are two concepts about the identification of entrepreneurial opportunity: The Opportunity Discovery View and the opportunity identification view. The Opportunity Discovery View holds that opportunities exist in an objective environment, discovered by particular entrepreneurs, in which individuals with prior experience and knowledge are more likely to discover new entrepreneurial opportunities (Alvarez & Barney, 2007). In the context of the service economy era, the concept of opportunity discovery requires college students with rich knowledge and skills to discover unmet or potential needs in their environment and to take advantage of these opportunities to start their own businesses [15]. Another point of view, that is, the concept of opportunity creation holds that opportunity is created based on the feeling and interpretation of the external environment, emphasizing the initiative of entrepreneurs and social construction by using creative imagination, in the collection, interpretation and collation of information by entrepreneurs [17]. In contrast to the concept of opportunity discovery, the concept of opportunity creation requires the entrepreneurs of university students to grasp the opportunity, that is, to use their knowledge and insight of the external market to create the demand that consumers have not yet discovered or proposed, then realizes leads the consumptive demand, impels the consumptive innovation the pioneering process[4].

3. New Opportunities and Challenges of Identifying Entrepreneurial Opportunities for College Students in the Era of Service Economy

The era of service economy has brought about profound changes in social economic structure and industrial formation, as well as a new upsurge of entrepreneurship. As a representative force in the new era of the 21st century, college students should fully grasp the new business opportunities in the service economy, and strive for the realization of their personal ideals and the development of the new economy despite the new challenges.

3.1 New Opportunities for Identifying Entrepreneurial Opportunities

According to relevant data available, the main research findings of the China Report of Global Entrepreneurship Watch (GEM) 2017/2018 indicate that there are two types of entrepreneurial motivation: survival and opportunity. On average, china's entrepreneurial activity in the opportunity-based motivation accounted for more than 60% of the total, and continue to improve. Wholesale or retail-based customer service is the main area of entrepreneurship in China, with more than 60 percent of entrepreneurs in the sector, followed by manufacturing and transportation. This shows that the service industry entrepreneurial activities show a good development trend. During the 15-year period from 2002 to 2017, the trend of entrepreneurial activity in China showed an increase in the proportion of entrepreneurs with high educational qualifications. Specifically, among entrepreneurs without formal education or with primary education in 2017, only 25% of entrepreneurs are opportunistic entrepreneurs, compared with 81.8% of those with a bachelor's degree or higher, the China Report of Global Entrepreneurship Watch (Gem)2017/2018 points out that although the percentage of business service businesses with professional services, financial services and management services as representatives of entrepreneurial activities in China is still low, it accounts for only 14.3 per cent of all entrepreneurial activity, but that is a marked improvement over the past decade. The industrial distribution of China's entrepreneurial activities is still mainly concentrated in the wholesale and retail customer service industry, accounting for more than 60% of all entrepreneurial activities. These data fully illustrate that the college students in the opportunity-based entrepreneurial activities in the key to the service economy era will bring new entrepreneurial opportunities for college students.

3.1.1 College Students Have the Advantage of Identifying Entrepreneurial Opportunities

Shane (1998) argues that for all entrepreneurs, any given entrepreneurial opportunity is not always obvious, and that each individual's heterogeneous prior knowledge creates a "Knowledge corridor", this is really a perception of a particular opportunity rather than something else, Shane (2000) goes on to say that prior knowledge creates a "Knowledge corridor" for entrepreneurs, helping them to interpret opportunities that are closely related to prior knowledge, thus increasing the possibilities for entrepreneurial opportunity development. In the era of service economy, entrepreneurial opportunities originate from the integrated application of individual innovation and prior knowledge of entrepreneurs, Who use their previous knowledge to seek and create new opportunities (Sun Yongbo and Ding Yixin, 2018) [7]. Then adapt to the market demand changes, so that the integration of industries, such as relying on internet technology and developed logistics tracking technology, O2O business model. These "Brand-new" entrepreneurial opportunities often require entrepreneurs to have a strong ability to innovate and identify opportunities. As the main body of entrepreneurial opportunity identification, the university student entrepreneurs use their own characteristics and depend on their prior knowledge to identify the unique entrepreneurial opportunity. With the development of computer and Internet, contemporary college students have strong ability of searching and processing information, and can quickly master the new skills of computer application. At the same time, they have received higher education, have accumulated certain prior knowledge, are curious and sensitive to new things, have strong observation and creativity, and can maintain a strong sense of innovation, these characteristics undoubtedly become the advantages of identifying entrepreneurial opportunities for college students in the era of service economy.

3.1.2 The Service Economy Provides College Students with New Entrepreneurial Opportunities

The service economy has not only changed the social economic structure and the industrial form, but also changed people's consumption demand idea. Personalized, customized needs to replace the original large-scale, standardized needs, from the spiritual level, emotional needs gradually beyond the material needs to become the dominant needs. The upgrading of demand and the change of industrial structure mean that a new era will bring new entrepreneurial opportunities for college students. That is to say, under the background of service economy, college students entrepreneurs should pay more attention

to the upgrading and change of people's needs in the process of identifying entrepreneurial opportunities. When an entrepreneur identifies an opportunity to start a business, he or she needs to detect changes in consumer demand and even lead consumers to the forefront of demand, to discover existing unmet needs or needs that have not been truly tapped out, these new requirements will be key to the development of entrepreneurial opportunities.

3.2 New Challenges in Identifying Entrepreneurial Opportunities

3.2.1 College Students Lack Market Sensitivity and Low Entrepreneurial Vigilance

Entrepreneurial alertness is a kind of sensitive attitude that entrepreneurs can find potential market demand and have innovative spirit, and the attribute of contemporary college students "Away from" the market is the main reason for their low entrepreneurial alertness. The effective identification of entrepreneurial opportunities comes from the perception of market demands and changes, and college students spend much more time on their professional education than on their social practice, and lack of adequate understanding of the market, it is not easy to identify and excavate the deep potential demand of the market, but the sensitivity to the change of the demand of the market can be acquired only after accumulating rich practical experience. Although the college students have the ability of information search and opportunity discovery, their ability of information interpretation is not strong enough to match the information they have with the potential demand of the market, as a result, the entrepreneurial opportunities they find often do not meet the potential needs of the market and can not be put into effective entrepreneurial practice. In the era of service economy, the competition among enterprises has already extended from the competition of goods to the competition of services, and the entrepreneurs of college students lack the sensitivity to the market and the alertness to the opportunities, it's even harder to start a business in a competitive market.

3.2.2 University Student Entrepreneurs Often Lack the Ability to Combine Theory with Practice

College students' entrepreneurial knowledge mostly comes from classroom theoretical knowledge and innovative entrepreneurial competition experience, and lacks real entrepreneurial experience. On the one hand, the lack of practice makes college students unable to effectively identify market opportunities; on the other hand, it also causes the separation of theory and practice of college students. Finally, it is difficult to "Learn for use" in the process of practice. However, the highly interactive and personalized service economy is different from the traditional large-scale and standardized industrial economy, which requires the new entrepreneurs to be more flexible, this makes it all the more necessary for entrepreneurs to have a wealth of professional knowledge to cope with the changing market and consumer demand, the weakness of college students entrepreneurs lies in the fact that they can not combine their professional knowledge with their entrepreneurial practice effectively. If they can combine the two effectively, then college students really have the quality of entrepreneurs.

3.2.3 The Social Network of College Students is Relatively Weak

In the era of service economy, a new social relationship has emerged. The traditional relationship between merchants and consumers has been transformed into the relationship between the server and the served. The competition among merchants has expanded from the competition of commodities to the competition of services, social relations present a more complex network structure. [11] social networks influence how entrepreneurs collect, integrate and use information. Entrepreneurs discover and identify entrepreneurial opportunities through their social networks. A good social network provides entrepreneurs with a way to capture information about environmental change, but also forms a bridge between entrepreneurial opportunities and entrepreneurial activities. However, the social network of college students is basically distributed in the campus, and the social relationship network is weak, which can not catch the business opportunity in time.

4. The Countermeasures to Improve the Ability of College Students to Identify Entrepreneurial Opportunities in the Era of Service Economy

4.1 Individual Measures for University Students Entrepreneurs

4.1.1 Awareness of Changes in Demand and Environment

Identifying entrepreneurial opportunity is the basic requirement of entrepreneurial behavior, and is also the most important task of university student entrepreneurs. University student entrepreneurs must

be able to distinguish high-market-value information from complex information, arouse awareness of identifying entrepreneurial opportunities, and determine the direction for the next action (Shi Qiheng and Wang Chun, 2021)[3]. There are four sources of entrepreneurial opportunity: a change in the macro environment; unmet consumer demand; the emergence of new growth enterprises; and business model innovation and the application of new technologies. As noted above, consumer demand, macro policy, and technological change are all sources of entrepreneurial opportunity. A good entrepreneur is often able to capture demand and changes in policy, technology, and other market gaps, and successfully identify entrepreneurial opportunities. In the era of service economy, in order to improve the ability of identifying entrepreneurial opportunities, the entrepreneurs of college students should consciously improve their entrepreneurial alertness and cultivate their ability to collect and process information, to tap the potential demand in key areas of entrepreneurship and continuously grasp the orientation of consumer demand and the direction of policy, only the entrepreneurial opportunities that are adapted to the characteristics of the service economy era can be identified, will "Create" a more long-term development of the "Industry."

4.1.2 Expand Social Contacts, Improve Social Networks, and Diversify Source of Entrepreneurial Information

Social network refers to the stable relationship established by individual members through communication and interaction with team members (Chen Hansong et al., 2017)[1], when an individual can use social network instrumentally and make it produce certain value, social networks translate into social capital (Wang Zhong et al., 2017)[9]. Social relationship network provides entrepreneurs with information and resources to sense the change of social environment, is an important invisible resource throughout the entrepreneurial activities, and is also a guarantee of effective entrepreneurial opportunity identification. Sentence is too long, please supply a shorter sentence.

4.1.3 Paying Attention to the Trend of Market Demand and Choosing Business Projects Carefully

In the era of service economy, entrepreneurship is the activity of discovering and excavating the market demand, identifying the market opportunity, and managing the demand through investment. College students entrepreneurs should pay close attention to the trend of market demand, make a comprehensive and in-depth understanding and investigation of market demand, and make the choice of entrepreneurial project. This process involves the process of identifying and screening entrepreneurial opportunities, which requires entrepreneurs to make correct entrepreneurial identification based on rich prior knowledge, so as to provide guarantees for the smooth operation of entrepreneurial activities.

4.2 Policies of Universities and Governments

At present, the development momentum of the service economy is only increasing and not decreasing. In order to achieve a breakthrough in entrepreneurship, university entrepreneurs need not only to prepare themselves in terms of knowledge and ability, but also the support of universities and governments.

4.2.1 Measures to be Taken by Universities

Colleges and universities should strengthen the entrepreneurship education and training of college students, and cultivate their entrepreneurship quality and ability. First of all, we should start with the education of entrepreneurship management courses for college students, cultivate new ideas of entrepreneurship in the new era, and realize a smooth transition from improving the ability of identifying entrepreneurial opportunities to improving the ability of entrepreneurship management, cultivating the entrepreneurship of college students in the era of service economy, because entrepreneurship is the soft power of college students to start their own businesses, it can also improve the ability of college students to identify entrepreneurial opportunities in the era of Service Economy (Wang Jingyi, 2019)[8]. The second is to carry out entrepreneurial training. According to the characteristics of modern service industry, which are highly interactive and innovative, universities can provide university students with interactive entrepreneurial simulation exercises, or hold innovative entrepreneurial practice competition to cultivate the entrepreneurial quality and skills of college students. Finally, colleges and universities can hire successful contemporary entrepreneurs and service entrepreneurs to form a team of lecturers to teach the ideas and methods of service economy entrepreneurship to college students who want to start or are starting their own businesses, finally, realize the benign development of mutual sharing of entrepreneurial knowledge, practice and experience.

4.2.2 Government Response

Local governments, in order to better attract high-educated talents with entrepreneurial knowledge, skills and experience as well as social capital to actively engage in entrepreneurial activities, should provide adequate policy support and create a good entrepreneurial environment, improving the relative returns to entrepreneurship among college students (Dong Yanfang and Zhang Zeyue, 2019)[2]. Government departments should strengthen the support for college students to start their own business and improve the success rate of starting their own business. Government departments should start from improving the entrepreneurial environment for university students, reduce the entrepreneurial cost appropriately, improve the financial support for university students' entrepreneurship, such as setting up university students' Entrepreneurship Fund, and improve the service efficiency for university students' entrepreneurs, and on this basis, to encourage college students to carry out innovative entrepreneurship, constantly adapt to the requirements of the new economic development, constantly meet the needs of consumers upgrading. At the same time, the government can provide guidance and training for college students to start their own business, and guide them to make suggestions for the economic transformation and development, so as to realize the superiority and advanced development of the service economy.

5. Conclusion

The biggest difference between the service economy and the Commodity is that the service economy has created a new kind of social relationship, and enterprises have systematically expanded their efficient and orderly service system, and take it as an important element of core competence. With the fierce competition among enterprises in the era of service economy, the service economy has put forward new and higher requirements for college students to start their own businesses, it needs the joint efforts of the community of college students and the government of colleges and universities. Only the college students who have the spirit and ability of pioneering work are the main force of pioneering activities in the new era, is the backbone of the new normal economy.

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