
AN EMPIRICAL STUDY ON START-UPS

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Abstract

A startup company is an entrepreneurial venture which is typically a newly emerged business that aims to meet a market place need by developing a viable business model around a product, service, process or a platform. Start-up India is an initiative of Government of India. The purpose of the study is to fill up significant gaps in the literature on study of start-ups carried out by other researchers whose major focus was on OI (Open Innovation) process in developing state of Gujarat in India. This paper makes a valuable contribution given the fact that there are only a limited number of comprehensive studies dealing with the assessment of Start-ups and limited funding bodies with no ample facilities to expand and their perception towards expansion and handling customers across Gujarat state. The current study aims to study the transformation process of entrepreneurs from an igniting idea to a successful start-up and their perception.

INTRODUCTION

A start-up company is an entrepreneurial venture which is typically a newly emerged business that aims to meet a market place need by developing a viable business model around any product, service, process or a platform start-up India is an initiative of Government of India. This study is carried out taking into consideration following root causes:

- Knowing pre-requisites for starting any business.
- Funding sources.
- Key areas (sectors) to explore.
- To know about the security measures and channels of communication.
- To understand the Insights of Entrepreneurs regarding start up.

LITERATURE REVIEW

- John-Christopher Spender, (ESADE Business School, Barcelona, Spain) examined that start-up companies represent a powerful engine of open innovation (OI) processes. The purpose of his paper was to represent a first step in building a map of the state-of-the-art knowledge of the “start-ups in an OI context” phenomenon.

- Keshav Kumar IIM, Udaipur, India presented the paper with intent to explore the start-up ecosystem of India and hence compare it with leading start-up ecosystems of the world like USA, Israel, Singapore and New Zealand in order find gaps in our system. It compared the initiatives taken by respective Government to boost up the ecosystem and role of incubators and accelerators.
- Nagila N.J. Torres (Universidade Federal do Para), Brazil conducted a study on understanding the components and the relationships that exist among the elements of a start-up ecosystem enables decision making about how best to encourage this ecosystem. There is a global interest in encouraging start-ups companies because of the expected economic growth in the regions where these start-ups are located
- Natalia Shipilova Digital Strategist / Concept Developer contributed to the topic by her view that the industry experts from start-up incubators and accelerators mostly see disruptive potential in the problem a start-up tries to solve and, in a team, which is capable of showing their roadmap of actions rather than promises.

RESEARCH METHODOLOGY

Researcher adopted Qualitative method of research for study, opted for In-depth Interview to study the transformation process of entrepreneurs from an igniting idea to a successful start-up and their perception. Researcher framed a brief-note that contains all the projected insightful questions so that no question can be missed. Interview was done based on data based provided by GUSEC. There was a note-taker during the interview to note down whole interview. Each interview was around 45 minutes of length.

CHARACTERISTICS OF THE SAMPLE

The population was comprised of start-ups of GUSEC (Gujarat University start-up and Entrepreneurship Council). In all GUSEC has encouraged 75 start-ups. Sample size of this research paper consists of 16 respondents. A questionnaire of 17 questions was used to question the sample.



DESCRIPTIVE STATISTICS

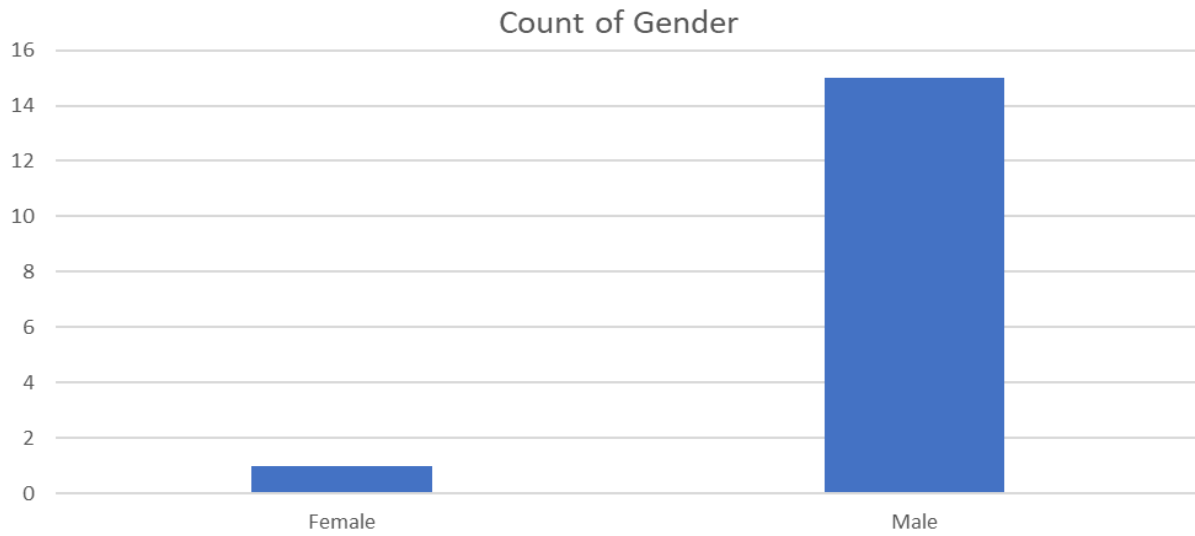


Chart 1: Gender:

In total sample size of 17 out of which 15 were male and 2 are female. Sample is skewed towards male respondents.

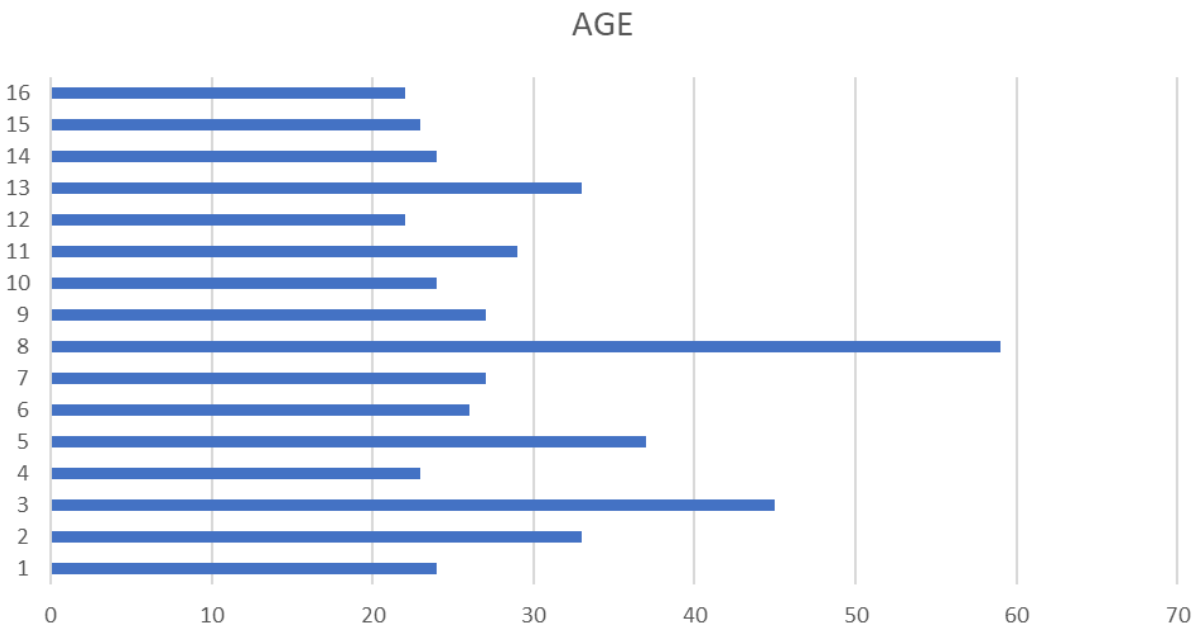


Chart 2: Age:

Majority are in the age group of 20 to 28 years



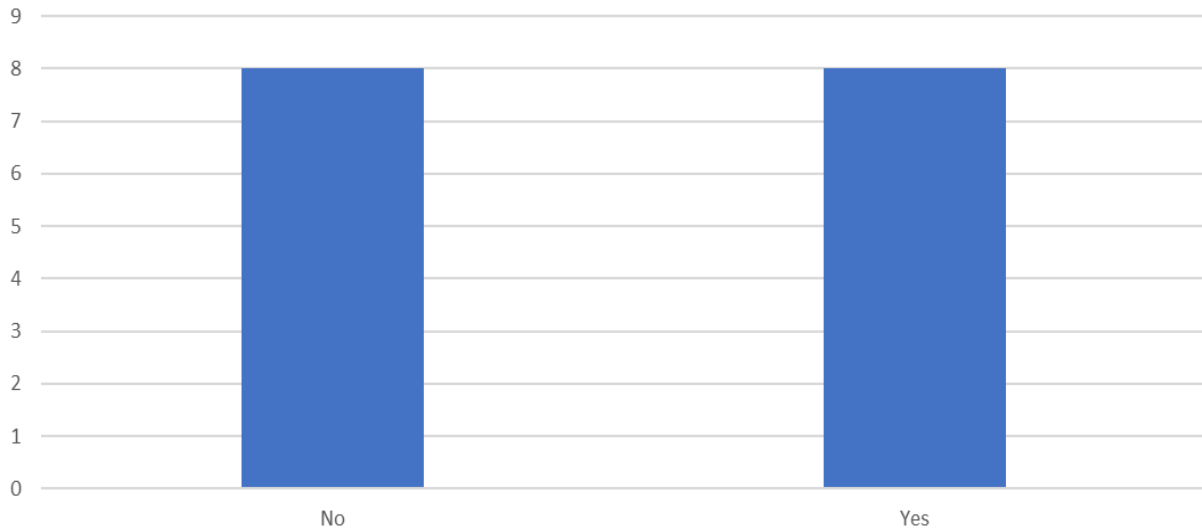


Chart 3: Resource Findings:

Half start-ups find it easy to get resources.

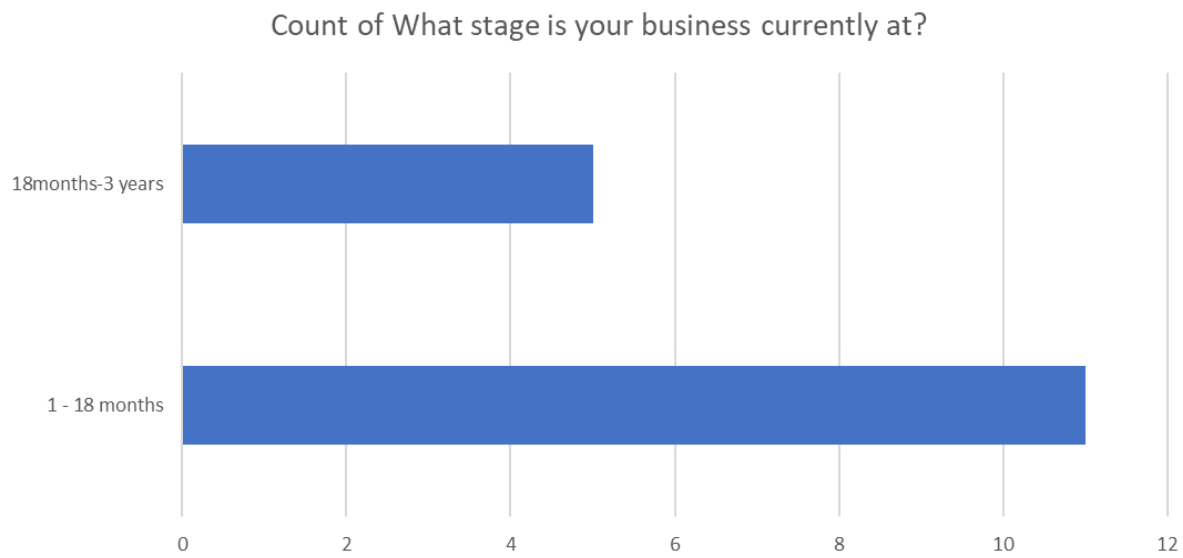


Chart 4: Business Stage:

More than 65% are in their initial phase of start-up.

Count of Are you working on this full-time?

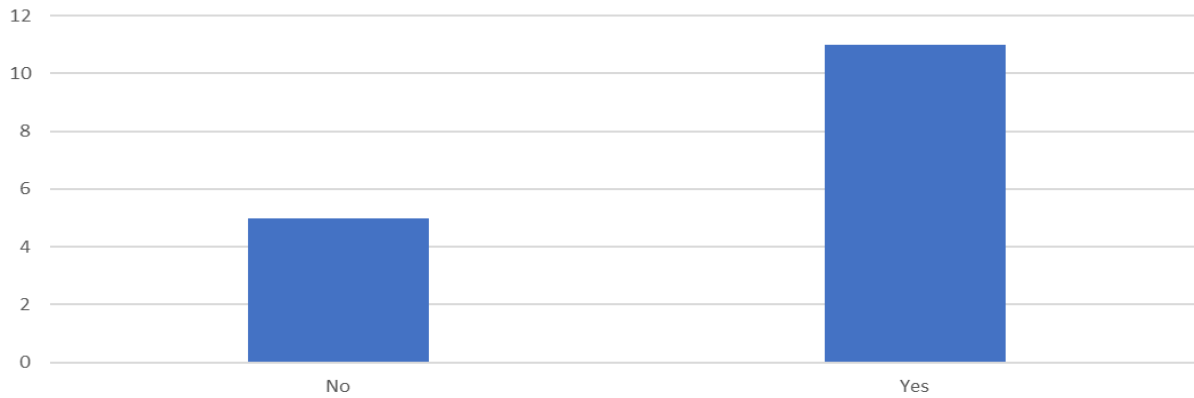


Chart 5: Nature of Startups:

69% startups are working Full- Time.

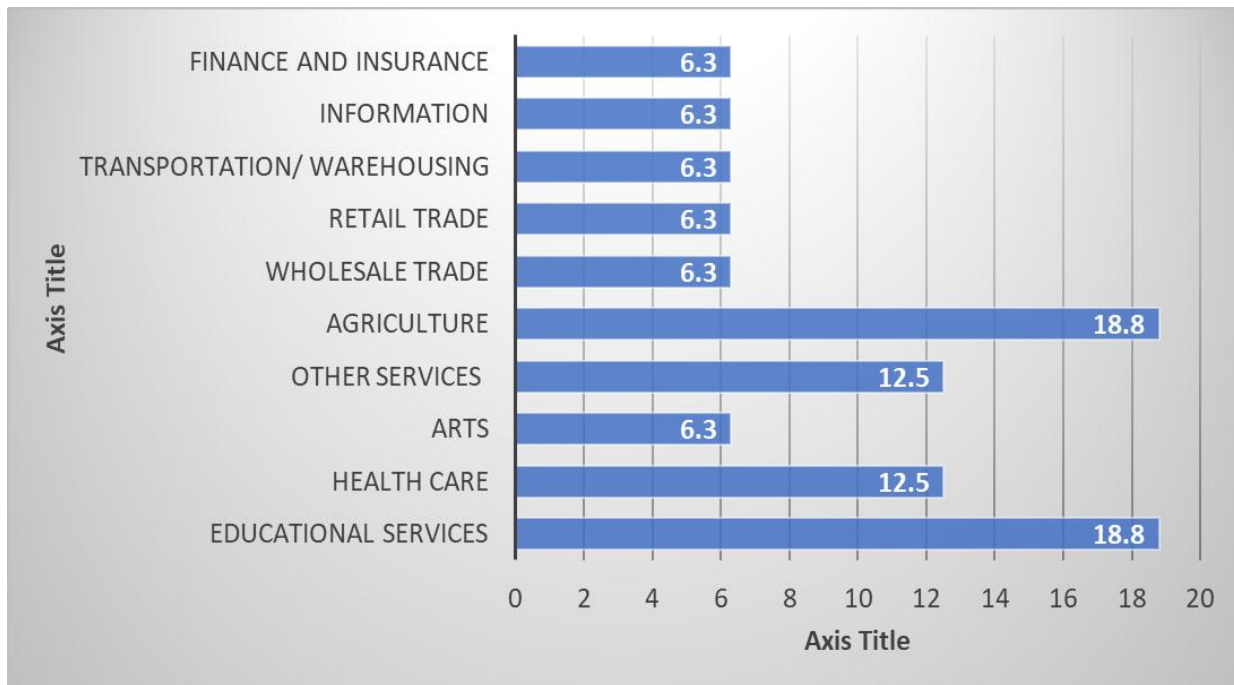


Chart 6: Field of Startups:

Major share in the field of Start-ups is by Educational and Agricultural sector (18.8 %).



Count of Are you B2B (Business to Business), B2C (Business to Customer) or a mix?

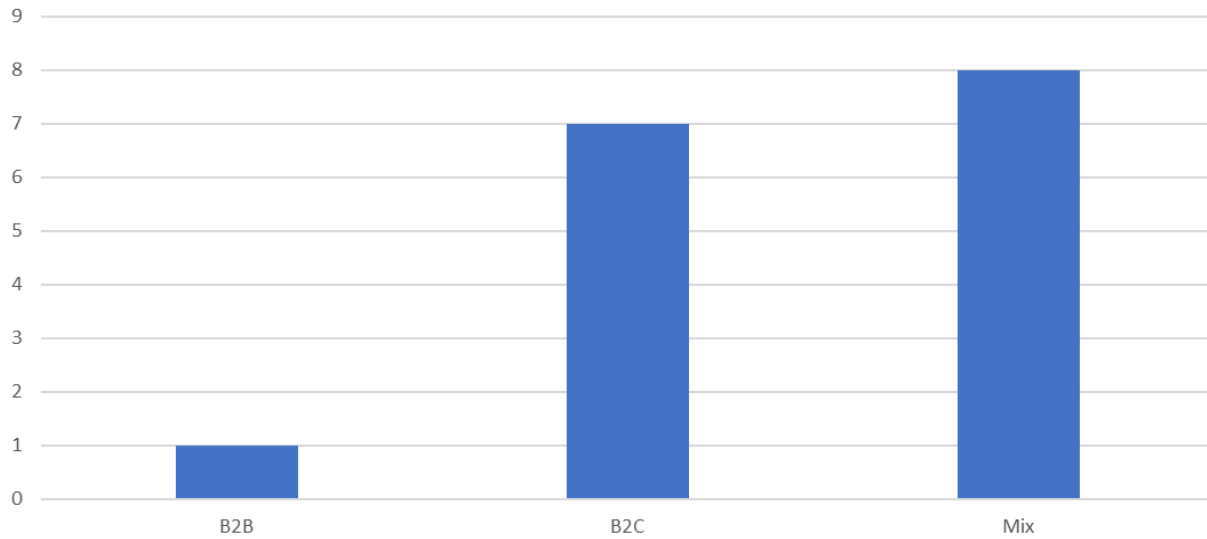


Chart 7: Type of Business:

50% start up is in "MIX" business followed by B2C which is 48%

Count of How many people does your business employ?

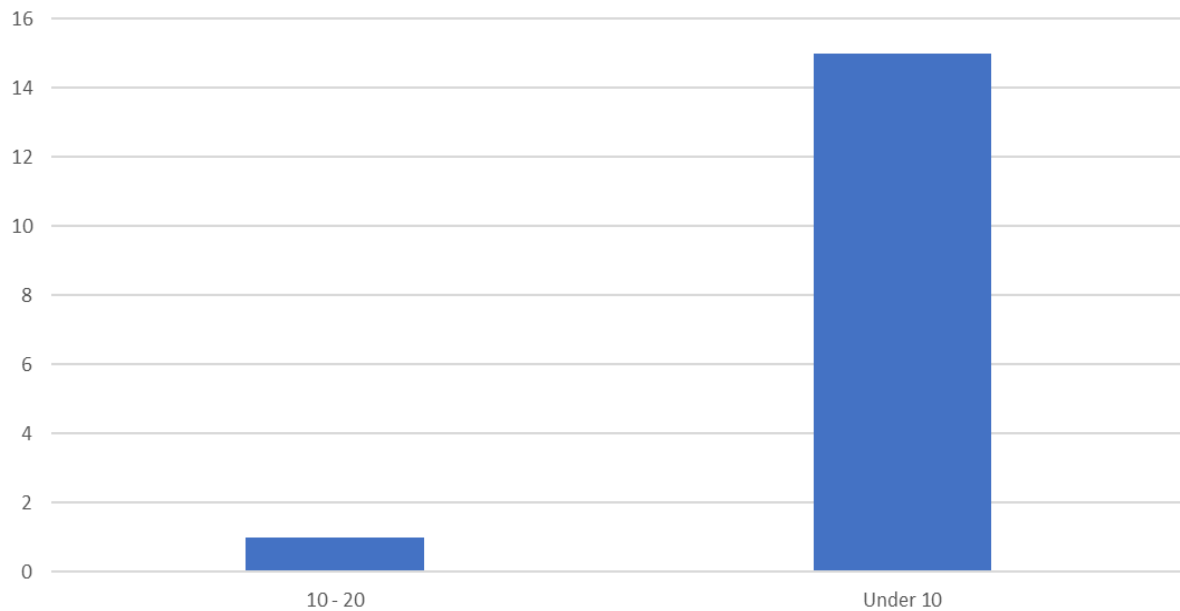


Chart 8: Number of Employees:

94% start-ups employ less than 10 employees.



Count of Which of the following do you use in your everyday job?

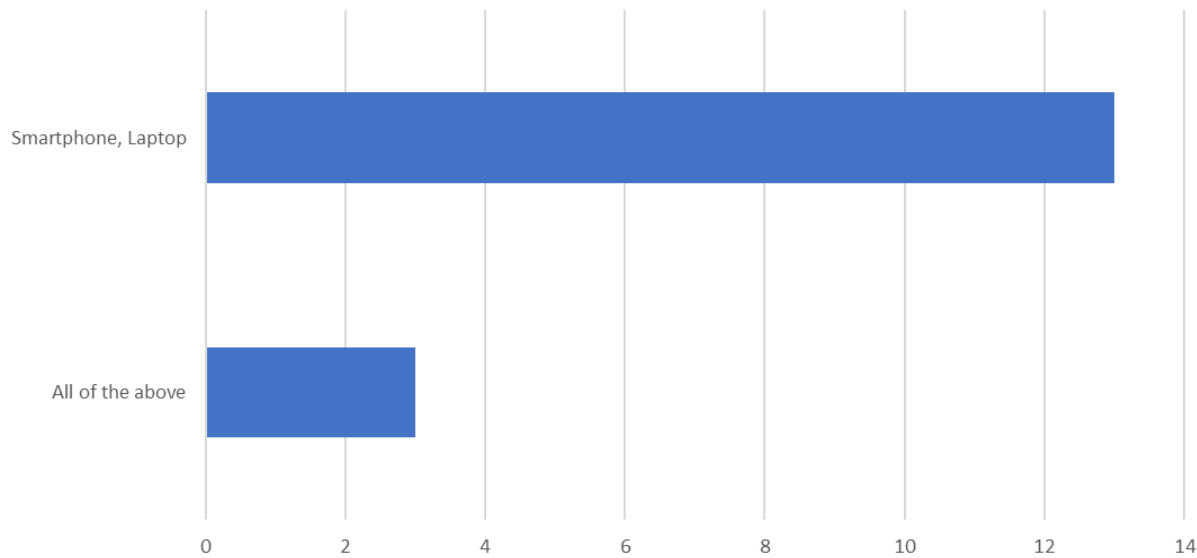


Chart 9: Basic requirement of Business:

Smart phones and Laptops are must have. Tablet is obsolete.

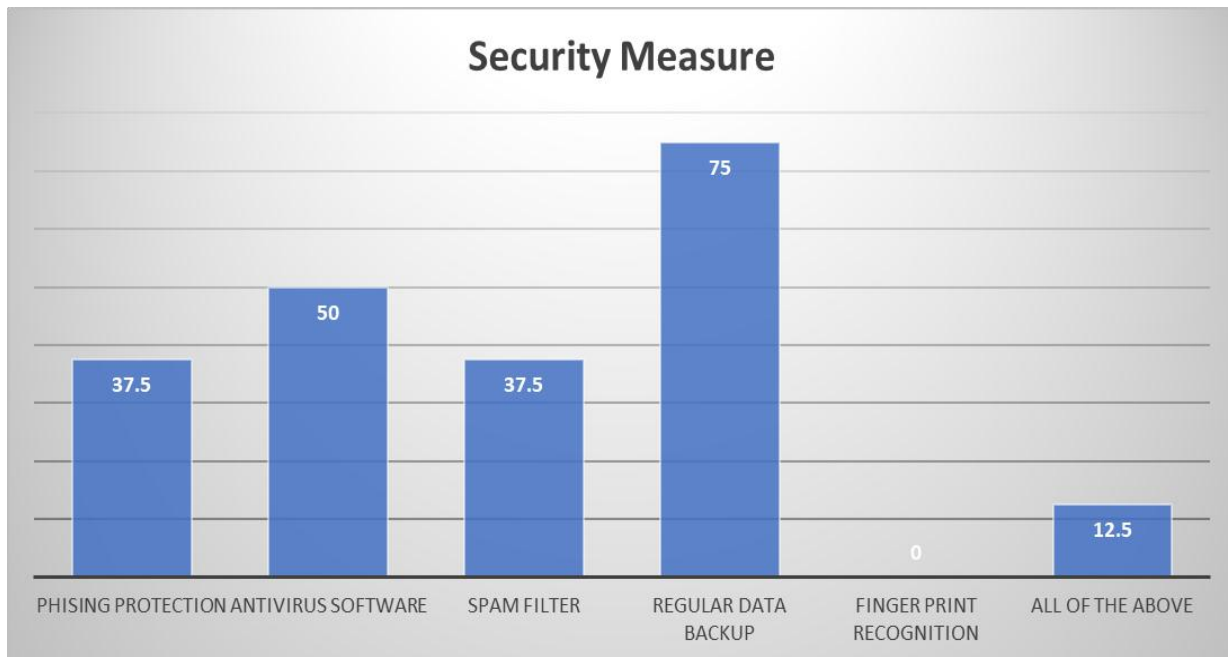


Chart 10: Important factor:

Regular data back up is the most important factor.



Channel used to engage with Customer

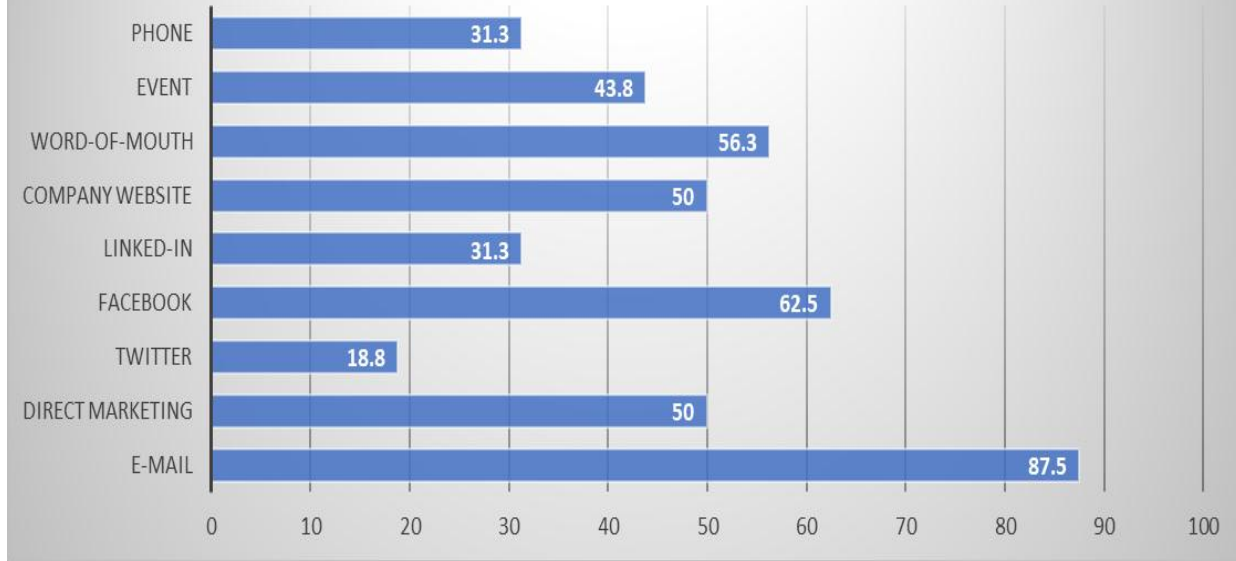


Chart 11: Nature of Marketing:

Start ups prefer Direct Marketing via email followed by digital marketing over facebook and linkedin.

Funding Resources

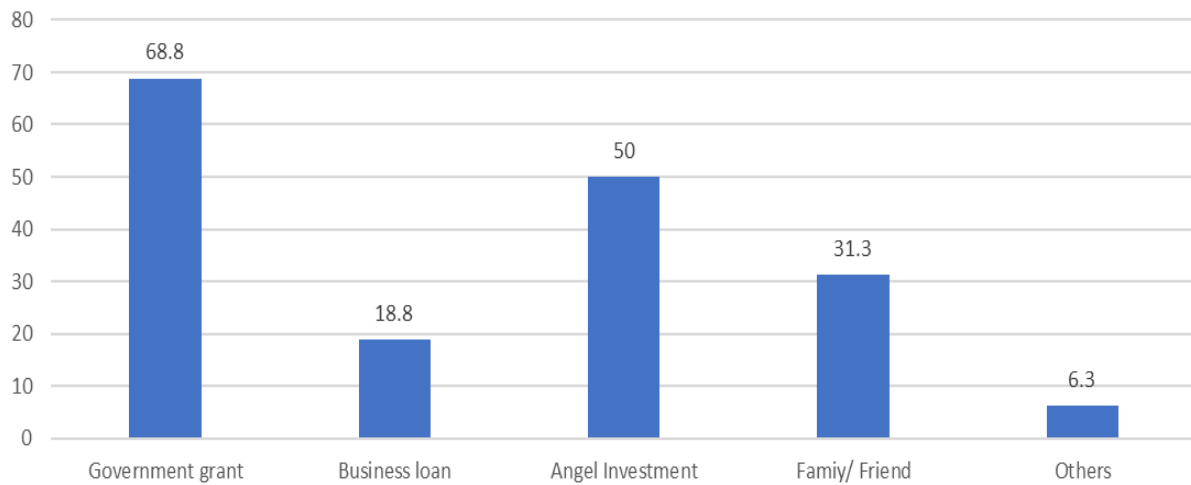


Chart 12: Best funding resources:

Government grants are the best sources after it angel investment is for funding.





Count of What resources did you use when conducting market research for your start-up?

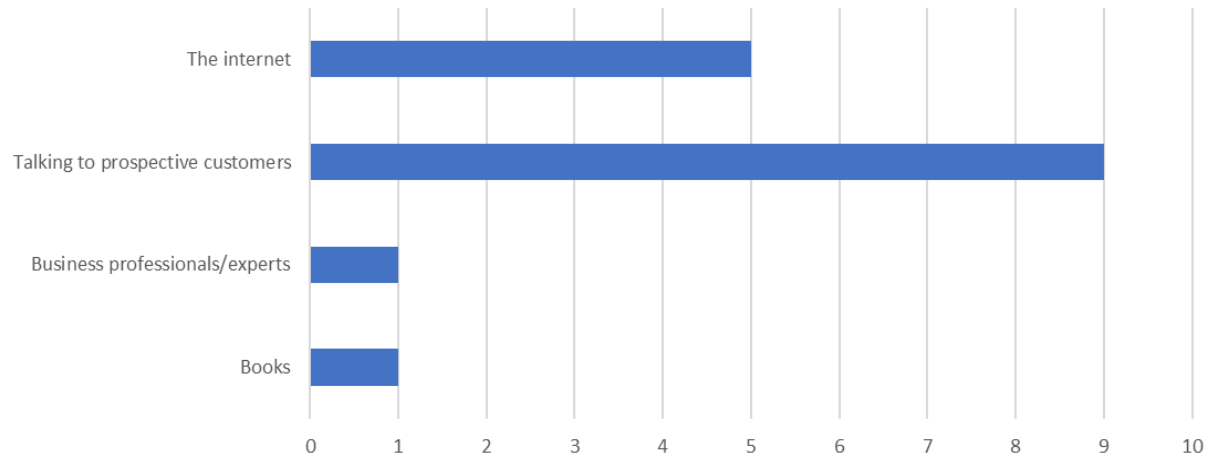


Chart 13: Importance of customers talk:

Star-ups prefer to directly talk to prospective customers over technology use.

What lessons have you learned when starting your business?

16 responses

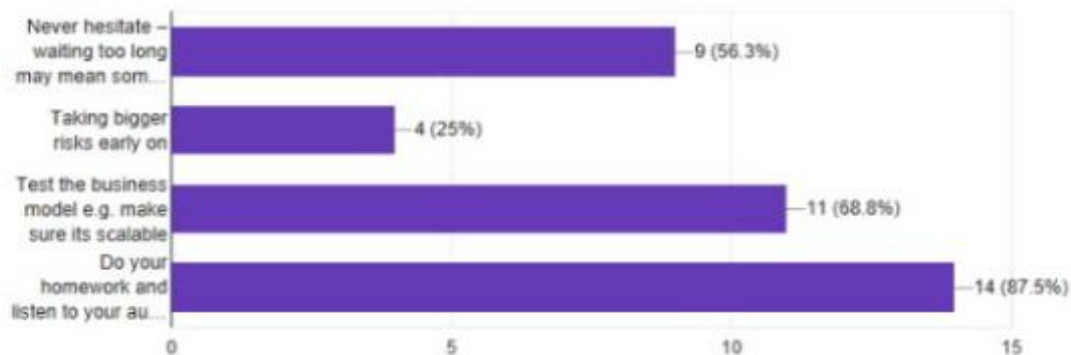


Chart 14: Important factor for success:

There are many things to focus on in business but “Mind your own business” and understanding customer’s need is the main thing to do.



