"Transformation of innovations into start-ups"

[a]Yash Agresar, [b]Shirish Limaye

[a]Symbiosis College of Arts and Commerce, Pune - 411 004, MS, India

[b]Head, Department of Accountancy, Symbiosis College of Arts & Commerce, Pune 411 004, MS, India

Abstract

This research is focused on studying whether innovations can be transformed into start-ups. What needs to be done for implementing and developing an idea into start-up projects. The researcher had an opportunity to participated in a workshop conducted by IIM Calcutta on "Entrepreneurship skill development". There, the researcher had come across four innovative ideas for startups. In this research, the researcher will explore the practical applicability of the startups projects. The researcher will carry out a survey of financers and will find out whether they are ready to invest in these startups. In addition, the researcher will conduct a survey of probable consumers of the products of these startups. He will also ask for their suggestions. He will find out whether college youth are willing to undertake these startup ideas. A pilot survey will be conducted to know their willingness.

The researcher will use primary data as well as secondary data. Primary data will be collected by preparing a questionnaire and the data collected will be analysed by using simple statistical tools like percentages, averages and proportions. The data will be presented in the form of charts, diagrams and graphs. The secondary data will be collected through literature review, websites etc. The research project will contain acknowledgements, introduction, hypothesis, objectives, research methodology, analysis of research results, summary and conclusion. The questionnaires and other validation documents will be enclosed with the research report. (223 words)

KEYWORDS : Start-Ups, Innovations, Entrepreneurship, Skill Development

THE GENESIS :

Recently researcher had attended a workshop on "ENTREPRENEURSHIP SKILL DEVELOPMENT" organized by CCCI and IIM Calcutta in Thane. It was a 2-day workshop. In this workshop they all were brought to light about how to start a business & how wild/innovative idea can be practically executed or can be developed as a startup. Many wild ideas were discussed during the seminars. Some of them were, Flying Hover boards, Unstoppable train, Water transplanting from rivers to deserts, Starting daily meals for pets, On the go garage , setup a network of housewives , starting a website for all brooked people in relationships/marriages , selling chopped vegies door to door etc.

1. INQUISITIVE MIND :

Then a thought entered researcher's mind that this group activity if not just considered a group activity and taken into consideration very seriously then can these ideas be really developed as full-fledged startups? If yes than who will be the customers of such products? Will they accept these ideas? Are they profitable? Are these ideas practically viable? Will entrepreneurs take up these ideas as their startups?

2. OBJECTIVES :

For research, select 4 ideas out of all discussed in the workshop, and check whether these wild/innovative ideas can be practically developed as startups or no. The selected ideas are as follows:

1.   Name of startup - PETPOOJA.COM

Starting a day to day meal (dabbas) for dogs or other pets (thrice a day) with a regular check up of a proper nutritionist and veterinary doctor .

2.   Name of startup – SABJIMANDI@DOORSTEP

Starting a door to door service of chopped and sorted vegetables as per the customer's demand by just placing the order a day before.

3.   Name of the startup – GOGARAGE

Starting a on the go garage which will be available on app, just make the bookings through app and the servicing or any work of your car/bike will be done on your doorstep within 3 hrs.& you can rate different garages who provide service to you. Hence it will be zomato for cars & bikes, in which you will check the ratings/reviews to garages and render services.

4.   Name of the startup – NOSHESE (Nosh means food & Ese means skills)

Starting to set up a network for all the housewives to connect with other housewives & customers by just being at home so as to share the best recipes they can cook and sell them to their fellow newly met housewives & customers. This will foster women entrepreneurship and build a self confidence in them.

Finding answers to all the questions which popped in the head. Now all the MOTIVES which were there behind writing this research article BECAME the OBJECTIVES.

3. NEED OR RELEVANCE :

The need for writing this research article is that startup itself is a very innovative phenomenon. All startups were different or wild when they were being developed, people took time to accept and have faith in them. Hence ideas which are seeming to be absurd or are different are needed to be looked from a different angle as these absurd ideas may develop into huge startups like FLIPKART, UBER, AMAZON etc. which seemed to be absurd too when they were emerging.

4. LIBRARY APPROACH/ SECONDARY DATA :

Startup India campaign is based on an action plan aimed at promoting bank financing for start-up ventures to boost entrepreneurship and encourage start ups with jobs creation. The campaign was first announced by Prime Minister Narendra Modi in his 15 August 2015 address from the Red Fort. It is focused on to restrict role of States in policy domain and to get rid of "license raj" and hindrances like in land permissions, foreign investment proposal, environmental clearances. It was organized by Department of Industrial Policy and Promotion (DIPP). A startup is an entity that is headquartered in India which was opened less than five years ago and has an annual turnover less than   25 crore (US$3.7 million).(Wikipedia) The government has

already launched iMADE, an app development platform aimed at producing 1,000,000 apps and PMMY, the MUDRA Bank, a new institution set up for development and refinancing activities relating to micro units with a refinance Fund of   200 billion (US$3.0 billion).(Wikipedia)

Hence startup India is the new face of India which fosters entrepreneurship and many job opportunities which will lead the nation towards development.

The country has more than 19,000 technology-enabled startups, led by consumer Internet and financial services startups, the report said. "Indian startups raised $3.5 billion in funding in the first half of 2015, and the number of active investors in India increased from 220 in 2014 to 490 in 2015. As of December 2015, eight Indian startups belonged to the 'Unicorn' club (ventures that are valued at $1 billion and upwards)." Total funding for Indian venture capital-backed companies .
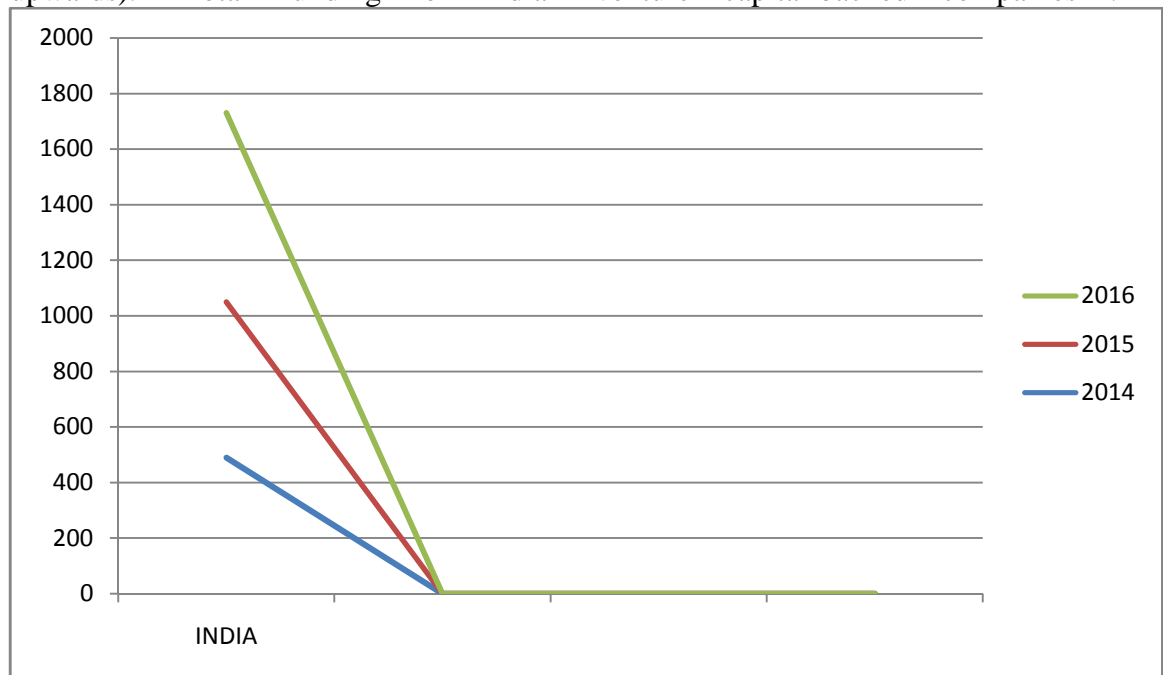
(Gooptu,   2016)Read   more   at: http://economictimes.Indiatimes.com/articleshow/51161562.cms?utm_source=content ofinterest&utm_medium=text&utm_campaign=cppst

Entrepreneurship was not so prevalent. If you were an entrepreneur or part of a startup, it was likely a family endeavor or enterprise. However, the present scenario is entirely different. Today's youth are keen to experiment and take risks. At present, many young fearless entrepreneurs have set the path for a wave of entrepreneurship in the country. This entrepreneurial spirit has resulted in not just innovation but also in entrepreneurship being recognized as the driving force of the market. Also, with government actively endorsing startups and small businesses, the wheel of entrepreneur-driven innovation has started rolling. Today, India is at a threshold of startup boom, as we are world's third fastest growing startup eco-system. With 3,100 startups, India is closely behind UK with 4,000 startups and catching up to US which

has 41,500 startups. India is changing and so are the aspirations of its people.
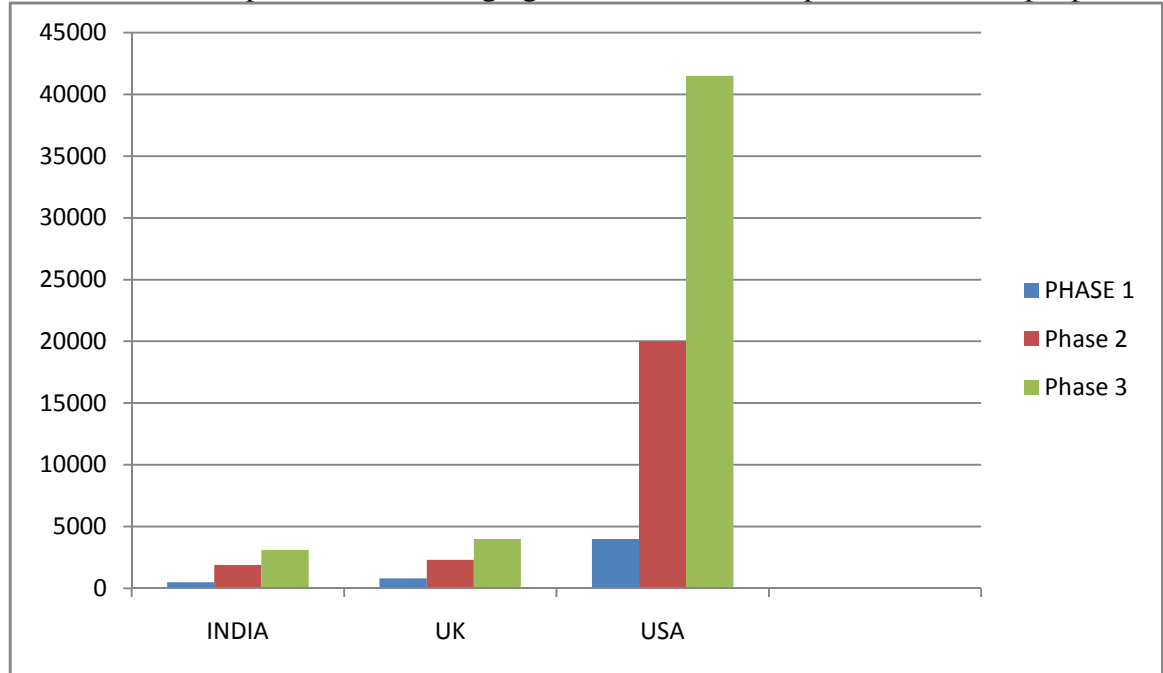
It has been estimated that in order to accommodate the 300 million people who will join India's workforce between 2010 and 2040, India needs to create roughly 10 million jobs a year. This gap can't be filled by existing and large enterprises alone. Therefore, India must increase employment opportunities by not only forging partnerships with industries overseas, but also supporting and empowering its youth to start businesses. As we have seen in the other countries, small businesses, especially those positioned to grow both locally and globally, drive the economy and employment.(Jain, 2015)

There are two types of indicators you need to be aware of:

1. Leading indicators often change prior to large economic adjustments and, as such, can be used to predict future trends.Because leading indicators have the potential to forecast where an economy is headed, fiscal policymakers and governments make use of them to implement or alter programs in order to ward off a recession or other negative economic events.
2. Lagging indicators, however, reflect the economy's historical performance and changes to these are only identifiable after an economic trend or pattern has already been established.Unlike leading indicators, lagging indicators shift after the economy changes. Although they do not typically tell us where the economy is headed, they indicate how the economy changes over time and can help identify long-term trends.(Smith)

5. LIMITATIONS :

The launch of Start Up India plan has generated huge enthusiasm among young entrepreneurs. With the state acting as a facilitator in the backdrop, the country now waits for the birth of a new Mark Zuckerberg or a Steve Jobs. A group of energetic-young Indians, or may be just an individual, who can help gain us global recognition. A real brown-skinned fella – and not just another Indian American – who will bring about the next major change in the world. It is difficult not to be

enthusiastic about such a proposition. This, after all, is a century that is supposed to belong to India.

India is among the top countries with the largest numbers of start-ups.

And many have already succeeded. Look at Flipkart or Oyo Rooms for that matter. But yes, the percentage of success is very low.

An obvious factor is that a start up on most occasions is way too difficult to sustain. Let's face it, startups are never a cake walk and most of them are bound to fail. Some startups stand out from others purely because they are brilliant ideas. And not all ideas are brilliant. The good ones successfully draw the attention of investors and grow big.

So, why does the government need to facilitate an atmosphere that helps start-ups.

Why can't the government correct the existing problems at their end which slows businesses and, well, not call it anything. Wouldn't that be a more ethical way of going about their job? But then it is not just about ethics, is it. It is also about money. And a lot of money.

Critics have pointed out that the funds for the start-up plan will come from the taxpayers' money invested in venture-capital fund.

And most economists agree that this is not a smart move. They say venture-capital funds are high risk investments and the government does not need to risk public money on it.

Economics aside, the start-up plan does not seem to have a Pan-India appeal. The problem begins with the government's definition of a start-up which many have questioned.

It only includes those aspirants who can make clever use of technology.

If somebody wants to develop a new app-based business, that could qualify as a start-up.

But if a young person in some remote corner of the country wants to start a new business, which is traditional in nature, it may not necessarily qualify as a start-up.

The Start-Up India project has little promise for the youth living in India's small towns.

It is for young Indians of big cities who have access to niche skills and resources. So, if you don't have a friend who knows coding, it is very unlikely you can be part of a start-up. (Adhikary, 2016)

6. IMPORTANCE OF THE STUDY :

As all these things are needed to be considered and not taken lightly as proper study of this is needed at this point of time when many young entrepreneurs are coming out in the nation, by doing various startups. As everything has pros and cons, startups do too. Hence a proper study of the economy and its pros and cons is also necessary with an innovative idea.

7. NATURE OF RESEARCH :

The research will be on 3 levels:

1. Budding Entrepreneurs
2. Financers/Investors/Venture Capitalists
3. Customers (of the respective start-ups)

8. SCOPE OF THE RESEARCH :

Questioning:

10 Students who are interested in entrepreneurship or wish to do their own startup someday.

10 Customers who are general people who are customers of already prevailing startups and are interested to buy new products.

5 Financers/Investors/Venture Capitalists who are interested in investing in startups by young budding entrepreneurs.

10. LIMITATIONS OF RESEARCHER:

1.Time: - Time required to carry out a more extensive research is very less as article needs to be submitted on time.

2. Finance: - To carry out such a vast research equivalent finance is required; which researcher being a student cannot afford.

3. Limited Respondents: - As time given is limited the variety of respondents is also limited as the research needs to be finished in time.

4. Area limits: - The topic selected for this particular research by me is quite vast, as more and more will be the survey the more outputs would come out. I need to survey a heterogeneous crowd which means surveying different people of different areas which at this point is impossible because of time restrictions and lack of finance.

11. RESEARCH METHODOLOGY :

 I am going to consider Primary as well as Secondary Data for this particular research article as the topic is vast and needs to be surveyed on different grounds. Primary data will be collected by preparing a **questionnaire (which is enclosed at**

the end) and undergoing a 3 dimensional survey which will be in the point of view of investors/financers/venture capitalists, budding entrepreneurs, and customers. Then analyzing the data with the general statistical tools and presenting it in the form of pie charts and graphs. The secondary data will be collected in reference to various websites, reviews etc. The suggestions given be considered in conclusion.

12. ANALYSIS OF DATA :

From the point of view of **INVESTORS**:
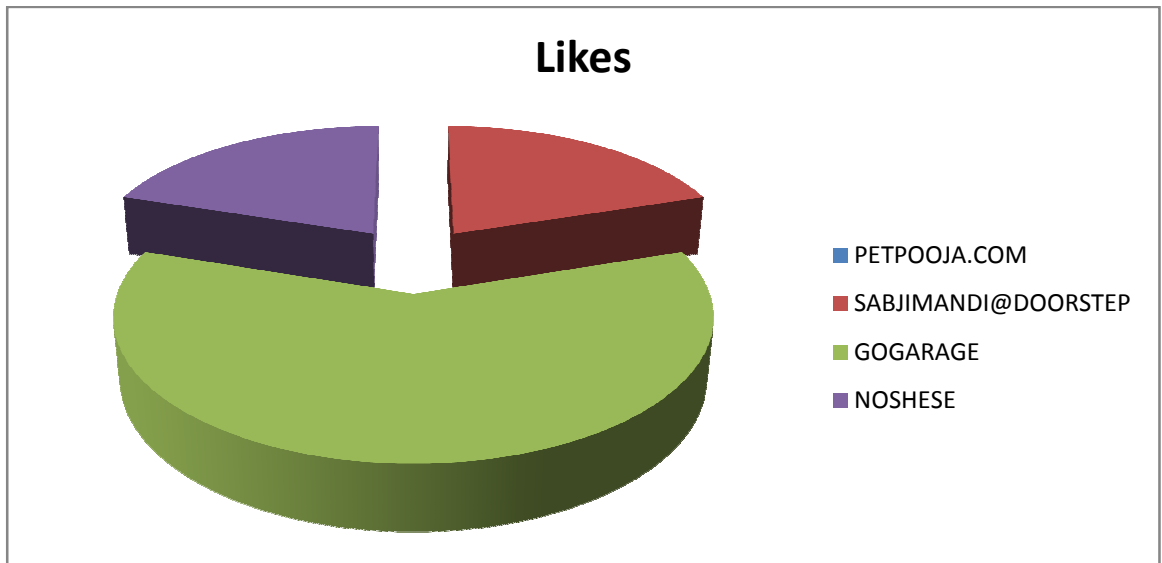
As you can see Investors are more keen in investing in GOGARAGE. Other ideas are not bad but most of them eventually will invest in GOGARAGE & SABJIMANDI more as they think these are practically executable. PETPOOJA has a condition and that is to have pets which everyone do not have. Some would love to invest in SABJIMANDI & NOSHESE too.

From the point of view of **CUSTOMERS** :
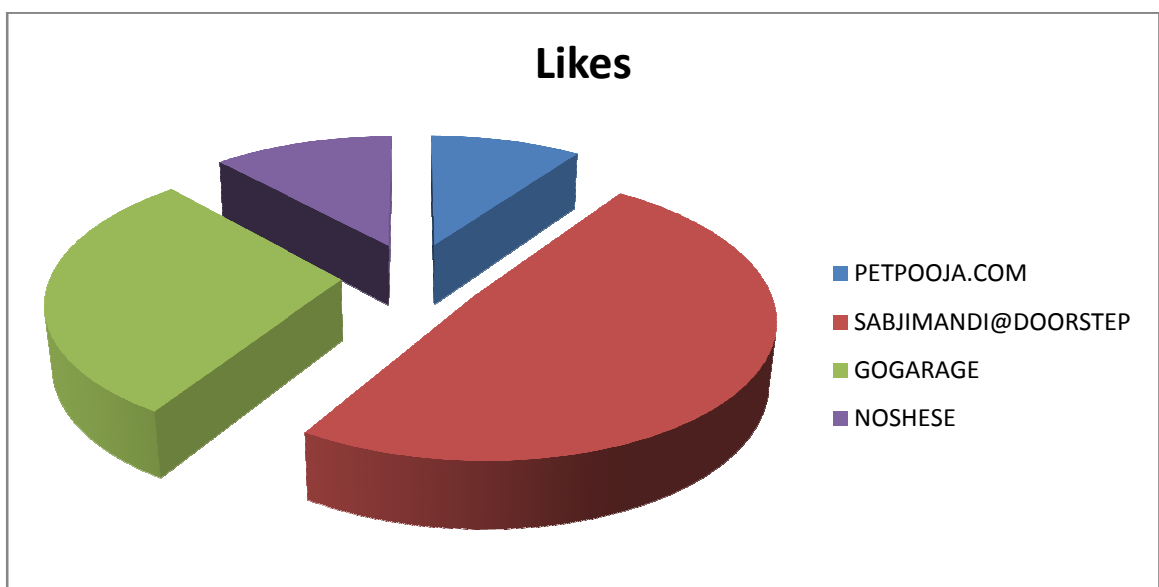
As you can see the choices differ a bit of investors and customers as they are preferring to buy SABJIMANDI@DOORSTEP more than other 3 ideas. About 50% of customers think that SABJIMANDI is need of the hour today as many people don't get time to chop the vegies and store them hence ordering them will save the time and help them in reducing time consumption for cooking and saved time could be utilized in some other activity. 25% customers would love to have GOGARAGE also as many people have vehicles but due to the busy routine they are not able to maintain them and take them to garage hence rendering the services of GOGARAGE will help them take care of their vehicles. 12.5% would also go for PETPOOJA and NOSHESE as these ideas are aslo liked but condition for having pet prevails. NOSHESE is related to cooking, nowadays everyone doesn't know cooking. And many women customers were excited about this idea as many of them to love improvise new recipes.

From the point of view of **BUDDING ENTREPRENEURS** :
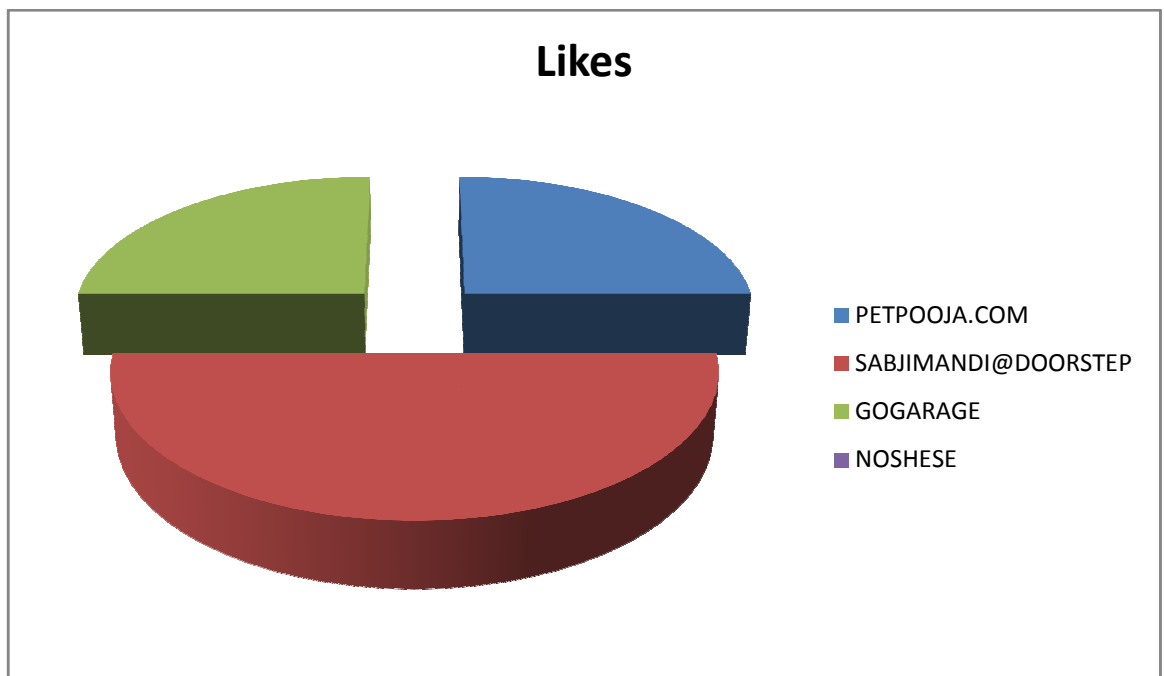
As you can see 50% Budding Entrepreneurs are more keen in taking SABJIMANDI@DOOSRSTEP as their startup project as they find this idea as need of the hour and very attractive too. They find this idea creative amongst all the other ones. Starting such kind of startup in areas close to IT hubs will be very beneficial in terms of business in their opinion. 25% of them would go for PETPOOJA & GOGARAGE each respectively as they find these ideas attractive too. Entrepreneurs are differing their votes from investors and relating very closely to customers as they have a similar choice zone too. Many entrepreneurs also find all the 4 ideas practically executable. As entrepreneur is a leader he finds some or the other thing in a good or bad idea.

13. FINDINGS :

After researching on this particular topic, researcher found out that Budding Entrepreneurs were at least ready to take up 2 of these wild/innovative ideas as their start-ups , Investors were ready to fund at least 1 of these wild/innovative ideas as

their investments for business purpose & customers were ready to buy the byproducts of at least 2 of these wild/innovative ideas/services/products which would be start-ups.

14. SUGGESTIONS :

Suggestions	PETPOOJA.COM	SABJIMANDI @DOORSTEP	GOGARAGE	NOSHESE
INVESTORS	Nil	Requires to be marketed properly & hygiene is to maintained .	Investment is high but if systems are backed properly would do good business.	Nil
ENTREPRENEURS	Including vaccinations for pets& maintaining proper hygiene.	Could add other products as frozen roti , groceries , medicines etc. & also service should be in hours & not days.	Need to have many backup systems as all business is dependent on website/app, cannot afford system failure.	Nil
CUSTOMERS	Nil	Nil	Nil	Don't limit to food recipes only , can sell other homemade products by women too.

15. REFERENCE & BIBLIOGRAPHY:

All the primary data was collected with help of a survey via questionnaire and secondary data was collected from leading websites & reviews and reference of it is already given as & when required. (APA format)

16. CONCLUSIONS :

The motive turned objective of this research article i.e. "How can the apparently wild and innovative ideas be executed and developed as Startups?" was answered as this 3 dimensional approach with respect to Financers/Investors/Venture Capitalists, Budding Entrepreneurs & Customers was complete.

A **PILOT SURVEY** was also carried telling Entrepreneurs that some selected ideas were backed by investors, then would it change your opinion about the ideas?

But Entrepreneurs were not affected by this survey as their decisions remained unchanged which proved the primary data authentic.

Conclusion :

Wild/Innovative ideas can probably be developed in to featured start-ups. In each level every investor, customer & entrepreneur is ready to take at least 1 idea on an average as their startup; all the 4 ideas were wild/innovative which proves the fact that they can be practically executed & developed into start-ups.

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