

# A Study On The Scope Of Innovative Business Model For The Growth Of Start Up In India

Dr. Rakesh Kumar Patra<sup>1\*</sup>, A. Nishitha<sup>2</sup>, Harika Reddy<sup>3</sup>, M.Vivekanandha<sup>4</sup>, Y.Hemanth Krishna<sup>5</sup>

<sup>1</sup>\*Associate Professor, Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

<sup>2</sup>Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

<sup>3</sup>Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

<sup>4</sup>Reddy, Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

<sup>5</sup>Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

\*Corresponding Author: Dr. Rakesh Kumar Patra

\*Associate Professor, Koneru Lakshmaiah Education Foundation, Hyderabad, Telangana

DOI:10.47750/pnr.2023.14.S01.98

## Abstract

India's innovative business model for startup growth is fairly broad and has a lot of promise, according to the report's findings. There are several factors to consider when writing a business plan for the growth of startups in India. The report has information on the market, the client, the technology, the team, the business model, the funding, and the ecosystem. It is an effort to have qualitative research and focus on the ideas where start ups will get success.

## INTRODUCTION:

India is developing south country, it is the most populous of the seven largest countries, and its population suggests that it has the largest potential market. People in the modern world are under a lot of pressure to find work, so in recent years, young people in India have been encouraged to pursue self-employment rather than depend on their parents, the government, or opportunities. As we are aware, India is a populous nation with little employment possibilities for newcomers, whereas start-ups provide more employment opportunities. Instead, they begin to take the initiative to search for new challenges.

In India, the atmosphere that encourages self-employment gave rise to the startup sector.

## WHO ARE THE START-UPS?

Due to the subjective and fully involved stage of their life cycle, the amount and level of finance achieved, the department of industry policy and promotion, the start up does not exist in India.

The start-up is a young firm that is just starting to expand and flourish, and this is how the public should understand it.

According to a UK-based accounting firm, India is the fourth highest developer of billion dollar start-ups, with 12 billion dollar start-ups including Flipart, Snapdeal, ShopClue, Zomato, and Ola.

1. Innovation ideas can open doors to international markets: Due to innovation ideas, the number of entrepreneurs in the nation has increased recently.
2. Close the economic and development gap in India the value of startups to the Indian economy. Fresh business concepts dependable revenue for entrepreneurs

Young people will develop and prosper in a society with jobs thanks to it. The purpose of start India standups is to actually solve problems. Indian startups' potential I have a map

The startup of the internet era currently existing

The pandemic had accelerated India's startup ecosystem's digital expansion. Chances to grow your business and experience new things

## NECESSITY OF THE STUDY

Startups are essential for driving economic recovery and responsible growth as well as societal transformation.

A handful of Global Innovator Unicorns and Technology Pioneers will attend the Annual Meeting to provide their perspectives on the largest global concerns.

Scale-ups and startups can only be successful if they fill a gap in the market. For us, that need is patient access to successful drugs and clinical trials. A corporation becomes sustainable and accountable when it has an impact-oriented mission, in our case, one that is patient-centric.

A company is prepared to scale sustainably and ethically if it has both of these components—an impact-based business strategy and a dedicated attitude.

## OBJECTIVES OF THE STUDY

### 1. Business Concept

A startup cannot flourish without a brilliant business idea, but it is not the only aspect that determines whether a firm will succeed or fail. Even with a million-dollar idea, an entrepreneur may not be able to make money off of it due to poor timing, an unreliable team, a lack of thorough market research, inadequate planning, etc.

### 2. Business Plan

Companies are able to strategically plan their development, track their progress, and make appropriate modifications by creating a thorough and rational business plan. Unprepared and disorganised startups are less likely to prosper and overcome unforeseen challenges.

### 3. Core Group

Putting together a dream team is one of the top 3 essential elements for a successful startup. Businesses typically start off with a small team of managers juggling a range of jobs and managing several processes. The key to success is assembling a group of motivated experts who are capable, committed, and willing to put in the extra effort.

### 4. Timing of Execution

Timing is the most difficult success component to control, because it affects even the strongest ideas and teams.

You could still fail even if you understand the business climate and carefully calculate taking into account every conceivable variable.

### Goals of the Study

Building a robust ecosystem to support innovation and businesses throughout the nation is the goal of the Startup India Scheme. Additionally, such a move would promote long-term economic expansion and generate significant employment prospects. Additionally, to lessen the regulatory load on startups so they can concentrate on their main business and maintain minimal compliance expenses.

Aims and objectives for a startup: Final Reflections

Your startup's goal is what will carry you through the challenging first few years. Setting both long-term goals and immediate targets might give you the resources you need to meet industry problems and build a reputation for your company in the future.

To encourage/boost new business ventures

To reduce the reliance of new firms on state policies

The goal of care is to provide the most jobs possible.

To strengthen the banking industry and finance.

### Studying methodology

"A Study on the Potential of Innovative Business Model for the Development of Start-up in India."

Since this is a quality study, the majority of the data comes from sector sources. Textbook research papers, general period essays, wave articles, etc.

## READING REVIEW

Rakesh Patra recently completed a study on the potential of innovative business models for the growth of start-ups in India, which included the following: raising awareness of the significance of start-ups and their potential economic impact.

**Start up** The government has given India an initial capital of 10,000 crore over a four-year period. By 2022, this initial investment might have attracted a tenfold increase. A customer-centric business model that is concentrated on meeting a particular demand is more likely to be successful. India's popularity as a foreign investor can be attributed to many factors, but the main one is consumer growth supported by the mobile revolution. Food, fashion, health, education, travel, and payment platforms are just a few of the internet-based businesses that have recently gained prominence. Government and business both seek reciprocity. A 19-point plan was revealed by the prime minister. This is the culture of startups. Studies were included in our review if they specifically addressed the business model and were top-rated according to the UK association business school list. This rating was used because it takes into account both the comprehensive journal rating and the journal's "impact factor" as a measure of the quality of the journal. In order to reduce research bias, a system literature review of the business model literature was conducted.

Significant findings, theoretical stances, and areas of innovation (i.e., components, elements, and activities) were all incorporated in the protocol. All publications were classified in order to determine the key themes of business model innovation research.

Value Proposition, Value Creation, and Value Capture are three areas of alternative business models that might be investigated in relation to our research emphasis. The authors' coding was cross-checked on a random sample, indicating great accuracy between them. The authors were able to recognise the key themes after comparing and contrasting the results.

## A STUDY ON THE SCOPE OF INNOVATION BUSINESS MODEL FOR THE GROWTH OF START UP INDIA, ARTICLES IN THIS

### Start-up idea in India

The goal of the Start Up in India campaign is to support bank financing for new businesses in order to support entrepreneurs and promote the development of new jobs. Focused on limiting the role of the state in matters of policy and doing away with "License Raj" and obstacles including land permits, requests for foreign investment, and environmental clearances. On August 15, 2015, our prime minister, shri. Narendra Modi, announced the campaign.

### INNOVATIVE BUSINESS MODEL

The following should be part of the creative business plan for the expansion of startups in India:

-Product Innovation: Product innovation is a major force behind startup growth in India. This could take the shape of creating brand-new items or upgrading ones that already exist.

-Business Model Innovation: This entails developing fresh business strategies or enhancing current ones. This can entail generating new client segments, streamlining operations, or creating new revenue streams.

Technology innovation refers to the use of fresh or enhanced technology to gain a competitive edge. This could take the form of creating new hardware or software or enhancing current technologies.

-Process Innovation: This entails developing new or enhanced procedures in order to boost output or quality. This could take the shape of establishing new marketing strategies, simplifying production operations, or enhancing customer service procedures.

### THE SCOPE OF INNOVATIVE BUSINESS

There is a huge potential for the development of new business models in India. India has a sizable market and a sizable population. There is enormous room for expansion in India. India is a popular location for startups due to a variety of variables. India boasts a sizable population of gifted and skilled individuals. In India, starting and maintaining a business is not very expensive. India has a good business climate as well. The Indian government has launched a number of measures to encourage and foster the expansion of startups in India. India has a lot of room for creative business models. In India, there are several chances for companies to develop and prosper.

The greatest innovative business model for the development of startups in India would rely on the specific startup's goods or services, target market, and corporate objectives. However, internet marketplaces, social enterprise models, and collaborative consumption models are some of the typical creative business models for startups in India.

The following should be part of the creative business plan for the expansion of startups in India: – A succinct and clear value proposition -A clearly defined target market -An elaborate company plan -A thorough marketing strategy -A potent implementation approach

### BUSINESS MODEL'S IMPACT ON STARTUP

The success of a startup can be significantly influenced by its business model. A startup can focus on its primary value propositions, pinpoint its target market, and attract investment with the aid of a well-designed business model. On the other hand, a business model that is badly developed can prevent a startup from growing to its full potential. The startup's selected model will define how it makes money, engages with customers, and what its expenses will be. A startup that chooses its business model wisely has a better chance of being successful soon than one that makes poor financial decisions. The business model for a startup should be carefully chosen to complement its advantages and disadvantages.

### CONCLUSION

This report's conclusion is that India's innovative business model for startup growth is quite broad and has a lot of promise. When creating a business plan for the expansion of startups in India, numerous things must be taken into account. The market, the client, the technology, the team, the business model, the funding, and the ecosystem have all been covered in the report.

The following should be part of the creative business plan for the expansion of startups in India:

- Encouraging and supporting new entrepreneurs by giving them access to resources and mentorship programmes.
- Supporting an atmosphere that encourages innovation and creativity.
- Raising awareness of the value of startups and of the potential effects they may have on the economy.
- Offering tax breaks and financial support to startups.

The scope of an innovative business strategy would differ based on the particular industry, sector, and market in which the company operates in India. A focus on client demands and preferences, a lean and agile operating structure, a culture of invention and creativity, and a dedication to ongoing learning and improvement are some crucial components that should be taken into account in any such company model. Success also depends on having the capacity to quickly adapt and react to changes in the market environment.

As the best business model for a company will differ depending on the particular market, product, or service, and sector. However, the research on creative business models for startups in India can be used to make the following broad conclusions:

A startup must have a thorough awareness of its target market's needs and wants if it hopes to succeed.

-A business model that is customer-centric and concentrated on addressing a particular issue or unmet need is more likely to be successful than a conventional approach that is concentrated on upselling.

-A startup's business strategy needs to be scalable in order to expand with the business.

-In the current market, cutting-edge business models that make use of technology and the Internet can be highly profitable. With the increase in the number of startups and the money they have been receiving over the past few years, the Indian startup ecosystem has been growing quickly. The rising availability of capital, the government's encouraging policies, and the development of an entrepreneurial culture in India have all contributed to the growth of startups. The Indian startup ecosystem has showed a lot of promise despite the difficulties and has the ability to rank among the top startup ecosystems worldwide. A clear and cutting-edge business model is essential to maintaining the growth of startups in India. The business plan should be able to help businesses expand by giving them access to the resources they need, like capital, mentorship, and networking opportunities. Additionally, it must be able to foster an atmosphere that encourages originality and creativity. In addition to helping the startup ecosystem maintain its growth, a clearly defined and creative business plan will also assist it draw in additional startups and boost employment.

## FUTURE RESEARCH SCOPE

The study of startup growth in India has a vast amount of potential. Potential research areas could be:

1. Determining the critical success variables for startup expansion in India
2. Analyzing the effect of government startup efforts on the expansion of startups.
3. Researching how India's startup growth is impacted by the funding environment.
4. Researching how incubators and accelerators support the expansion of startups.
5. Examining how mentoring can promote startup growth.
6. Examining how the digital revolution has affected India's startup growth.
7. Evaluating the effect of the Make in India strategy on the expansion of startups.
8. Analyzing the effect of the Skill India initiative on the expansion of startups.

The potential for creative business models to support the expansion of startups in India is enormous. Numerous entrepreneurs in India have had remarkable success by creating innovative business concepts. Ola, Flipkart, Snapdeal, Paytm, and other successful startups in India include these. There is a tonne of room for research in this field because India has a large number of companies that haven't yet found success.

Innovative business models have a lot of potential to help companies in India grow. Future study could be done in a number of areas, including:

- 1) Concentrating on cutting-edge business models that Indian businesses can use.
- 2) Comparatively examining the various business models used by startups in India and other nations.
- 3) Researching the effects of innovative business models on the expansion and success of startups in India.
- 4) Researching the elements that spur entrepreneurs to use novel business models.
- 5) Examining how government regulations help startups in India to innovate their business models.

Because the potential for inventive business models for startup growth varies according to the particular industry and sector in question. Future study may focus on topics such as how to successfully commercialise new business models, how to scale up successful firms, and how to build an environment that encourages innovation and entrepreneurship.

The cutting-edge business strategy for the expansion of startups in India Future study will look into the following topics:

1. Analyzing how the innovative business model affects the expansion of startups in India.
2. Researching the elements that support the development of a startup in India and its creative business strategy.
3. Analyzing the effect of the novel business model on the Indian startup ecosystem.
4. Researching the novel business model's scalability for the expansion of startups in India
5. Evaluating the viability of the creative business model to support the expansion of startups in India.

## REFERENCE

1. Emerald Insight - <https://www.emerald.com/insight/content/doi/10.1108/NEJE-06-2019-0030/full/html>
2. Sage Journals – <https://journals.sagepub.com/doi/10.1177/0149206316675927>
3. Wikipedia – Business Model innovative
4. World Scientific.com – <https://www.worldscientific.com/doi/10.1142/S0219877020500431>
5. Research Gate – [https://www.researchgate.net/publication/336593272\\_Business\\_model\\_innovation\\_a\\_review\\_and\\_research\\_agenda](https://www.researchgate.net/publication/336593272_Business_model_innovation_a_review_and_research_agenda)