





Module 6 Business Plan Presentation

- Nuts and Bolts issues around starting a company
- Entrepreneurs success and failure stories
- Business Plan contest



Nuts and Bolts issues around starting a company

- Indian start-ups are playing a significant role in economic growth of the country.
- These startups are utilizing technology to bring in transparency for customers as well as for investors and other stakeholders.
- Other than generating employment these institutions are leveraging available resources for operational and financial optimization.
- Due to this very fact, start-ups are getting support from government.



India has the third-largest ecosystem for startups, but research reveals that more than

- 70% startups fail to generate positive returns on investments
- 21.5% of start-ups fail in the first year,
- 30% in the second year,
- 50% in the fifth year,
- 70% in their 10th year.

Nuts and Bolts issues around starting a company

- Nearly 80% of venture capitalists feel Indian start-ups **lack unique business models**, as most of them simply copy successfully established business models without putting unique local insights into it.
- But, only lack of uniqueness cannot be taken as scapegoat for failure of all start-ups. There are many **other considerable reasons for these failures**.
- **Lack of Passion and Agility**
- **Lack of Innovation**
- **Insufficient Funds**
- **Indefiniteness**
- **Unfit product**
- **Leadership**
- **Legal Challenges**



Lack of Passion and Agility

- Starting up of new business comes with so many responsibilities and unpredictable challenges.
- It increases working hours of founders and disturb their work life balance. This burn out is essential to build a strong and successful company, but many founders find unprepared for this and gradually lose passion towards their business and its functions.



Lack of Innovation

- Surveys revealed that almost three-fourth venture capitalists agree upon lack of innovativeness in Indian startups.
- Study led by a renowned training institute for business value showed that 91% Indian startups get shut down because of lack of innovation in their approach.



Insufficient Funds

- Turning an idea into business needs funds, insufficient capital is also one of the major reasons of Start-ups failure.
- Having said so, fund utilization is also a cause of concern.
- Various startups have successfully received seed funding from available sources, but they either failed to utilize it properly or found incapable of proving a profit making business model.



Indefiniteness

- It is very much important for businesses in start-up phase to keep focus on primary functions important for the success of business.
-
- Over enthusiasm and non-availability of human resources in the beginning lead to overburdened team members and finally results in failure.
- Bangalore based app development company, started to offer web and mobile application development and marketing services to other businesses, got failed due to launch of too many products without focusing on what was the exact requirement of client.



Unfit product

- Many startups do not focus or invest much on market survey and value proposition of their customers.
- Without proper understanding of market, startups end up with product/service offerings having less value for customers.
- One of the Subscription based milk delivery start up entered in market with service of home delivery of milk, groceries, dairy products and other essentials
- Despite of having sufficient funding and visionary founders, company failed to take off because it did not have any differentiating value for customers over other market players.



Leadership

- Founder of startup may have a great idea, but converting that idea into vision and then operationalizing the same is critical but important in medium to long term.
- It has been found that founders of business are good at technical understanding about the product or services they want to offer, but lacks in business management skill, which in most of the cases prove to be suicidal for most of the startups.



Inefficient Employees

- Studies have shown that one-fourth of startups have failed due to inefficient and incompetent human resource.
- Hiring right talent is very essential as startups do not have time and money cushion to replace the hire with better one.
- Many a times management team make mistake in assessing required numbers of employees, estimating more or less numbers of people also fatal.
- One of the food tech start-up in India failed because of excess hiring of delivery boys than actual requirement.



Legal Challenges

- Following the laws of land is very much essential for startups.
- In case of ignorance towards any implied law may result in great loss for business.
- Few fintech companies in India with good and innovative business models were forced to shut down their operations as RBI's regulation for virtual currency didn't allow their operational compliance under Indian financial system.

Entrepreneurs success and failure stories



Business Plan contest

- **Choose any business of your choice and prepare a business plan that includes a description of products/services, the Unique selling proposition, marketing strategy, and your competitors.**

Entrepreneurs success and failure stories.

Lecture 43,44,45

klinton(ID:2635)

klintonamaladass@karunya.edu.in

Introduction

- * What is an Entrepreneur
- * The History of Entrepreneurship
- * Types of Entrepreneurs

What is an Entrepreneur?

An entrepreneur is an individual who identifies an opportunity and creates a new venture to capitalize on it.

Entrepreneurs are often characterized by their innovative thinking, risk-taking, and ability to bring new products or services to the market.

The History of Entrepreneurship:

Entrepreneurship has existed since ancient times, with early examples including traders, craftspeople, and merchants.

The modern concept of entrepreneurship emerged in the 18th century with the Industrial Revolution and the rise of capitalism.

Types of Entrepreneurs:

There are several types of entrepreneurs, including small business owners, social entrepreneurs, serial entrepreneurs, and corporate entrepreneurs.

Each type of entrepreneur has its own unique motivations, goals, and strategies for success.

Success Stories



Steve Jobs - Apple

- **Started Apple in 1976**
- **Introduced the iPhone in 2007**
- **Oversaw Apple's rise to the world's most valuable company**



Success Stories

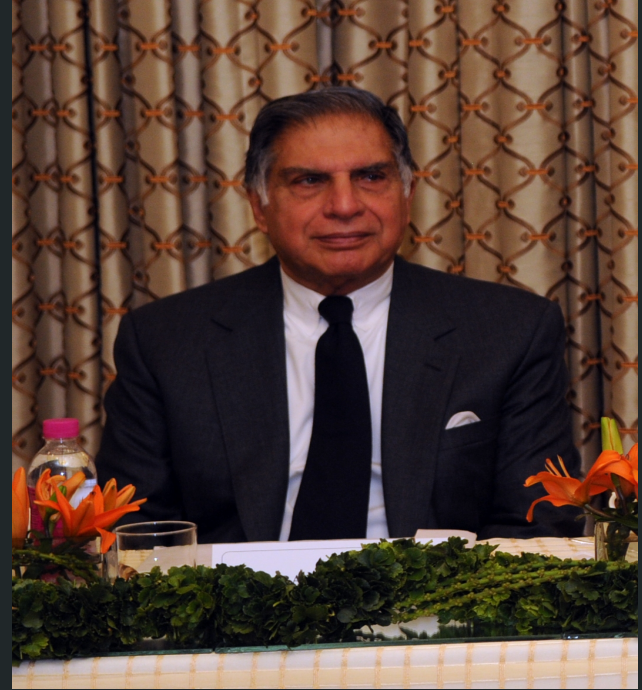


Jeff Bezos - Amazon

- **Founded Amazon in 1994**
- **Innovated the online shopping experience**
- **Became the world's richest man in 2018**



Success Stories



Ratan Tata

- The Tata Group is an Indian multinational conglomerate headquartered in Mumbai. Established in 1868, it is India's largest conglomerate, with products and services in over 150 countries, and operations in 100 countries across six continents.
- Founder: Jamsetji Tata
- Subsidiaries: Tata Motors, Tata Steel Ltd, MORE



Failure Stories



Sean Parker -Napster

- **Revolutionary music-sharing service**
- **Shut down in 2001 due to copyright infringement**
- **Led to the rise of legal music streaming services**



Failure Stories



Suresh John- Rooms Tonite

- **RoomsTonite** was an app that allowed travellers to book hotel rooms at the last minute when travelling to or within India.
- Despite the company's announcement of raising \$1.5 million in funding, it faced severe financial difficulties, most likely due to a delay in receiving the payment or complications in the transfer process.



Challenges Faced by Entrepreneurs

- * Financial Risk
 - * Need to secure funding
 - * Difficult to generate revenue
 - * High failure rate

Challenges Faced by Entrepreneurs

- * Time Management
 - * Working long hours
 - * Juggling multiple tasks
 - * Balancing work and personal life

Challenges Faced by Entrepreneurs

- * Stress
 - * High pressure environment
 - * Dealing with failure
 - * Making decisions quickly

Strategies to Succeed

Each entrepreneur uses different methods of experimentation

What strategies did you use in your business for success?

- Develop a Business Plan
 - Build a Network
 - Stay Organized
-

Strategies to Succeed

- * Develop a Business Plan
 - * Outline your goals and objectives
 - * Identify potential risks
 - * Establish a timeline

Strategies to Succeed

- * Build a Network
 - * Surround yourself with experienced mentors
 - * Connect with potential customers
 - * Leverage existing resources

Strategies to Succeed

- * Stay Organized
 - * Prioritize tasks
 - * Maintain records of progress
 - * Create a system for tracking results

Takeaways

- The importance of having a clear vision and strategy
- The need to be creative and innovative
- The value of persistence and resilience in the face of challenges and setbacks
- The importance of effective marketing and branding
- The significance of understanding the market and consumer needs
- The need to build a strong team and network of supporters
- The dangers of overconfidence and underestimating risks and challenges
- The need to learn from failures and use them as opportunities for growth and improvement.

Conclusion

- Learning from both success and failure stories in entrepreneurship is essential for anyone looking to start or grow their own venture. By studying the experiences of successful entrepreneurs, we can gain insight into the factors that contribute to their achievements, such as vision, creativity, and perseverance.
- Similarly, analyzing the reasons for failure can help us understand the pitfalls to avoid and the importance of effective planning and risk management. By reflecting on these lessons and applying them to our own entrepreneurial endeavors, we can increase our chances of success and make a positive impact on the world.