International Journal of Smart Business and Technology
Vol. 4, No. 1, (2016), pp.15-24
http://dx.doi.org/10.21742/ijsbt.2016.4.1.03

A Study on Strategies to be Implemented for the Success of a Start-up Company

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Abstract

A Startup Company is an entrepreneurial wonder which is regularly a recently risen, quickly developing business that means to meet a commercial center's need by creating or offering an imaginative item, process, or administration. A startup is typically an organization, for example, an independent venture, an association, or an association intended to quickly build up an adaptable plan of action.

Keywords: *Business, Start-up, Organization.*

1. Introduction

A portion of the basic assignments is to assemble a fellow benefactor group to secure key aptitudes, know-how, money-related assets, and different components to lead look into on the objective market. Commonly, a startup will start by building a first least reasonable item (MVP), a model, to approve surveys and build up new thoughts or business ideas[4]. What's more, new business organizers research to develop their comprehension of the thoughts, advances, or business ideas and their business potential. An Investors' understanding (SHA) is regularly concurred right off the bat to affirm the dedication, proprietorship, and commitments of the organizers and speculators and to manage the scholarly properties and resources that might be created by the startup. Plans of action for new businesses are by and large discovered through a "base up" or "top-down" approach. An organization may stop to be a startup as it passes different turning points, for example, winding up traded on an open market on money markets in a first sale of stock (Initial public offering), or stopping to exist as an autonomous substance using a merger or procurement. Organizations may likewise come up short and stop to work out and out, a result that is likely for fight loping troublesome advancements which may not work of course and for which there may not be showcase request, notwithstanding when the item or administration is at long last created. Given that new businesses work in high-hazard areas, it can likewise be difficult to draw in financial specialists to help the item/benefit improvement or pull in purchasers.

Startup authors regularly have a more easygoing or strange state of mind in their dress, office space and promoting, when contrasted with conventional enterprises. Startup authors in

Article history:
Received (February 15, 2016), Review Result (April 10, 2016), Accepted (May 10, 2016)

ISSN: 2288-8969, eISSN: 2207-516X IJSBT

the 2010s may wear hoodies, tennis shoes, and other easygoing garments to conferences. A few new businesses have recreational offices in their workplaces, for example, pool tables, ping pong tables, and pinball machines, which are utilized to make an appealing, fun workplace, fortify group advancement and solidarity, and support inventiveness. A portion of the easygoing methodologies, for example, the utilization of "level" authoritative structures, in which customary representatives can converse with the organizers and CEOs casually, are done to advance productivity in the working environment, which is expected to get their business off the ground. In a recent report, Douglas McGregor focused on that disciplines and rewards for consistency in the work environment are a bit much, since a few people are conceived with the inspiration to work without motivating forces. A few new companies don't utilize a strict summon and control various leveled structures, with officials, directors, bosses, and representatives [1]. A few new businesses offer representatives investment opportunities, to build their "upfront investment" into the startup (as these workers remain to pick up if the organization does well). This expulsion of stressors permits the laborers and analysts in the startup to concentrate less on the workplace around them, and more on accomplishing the job that needs to be done, giving them the possibility to accomplish something extraordinary for their organization.

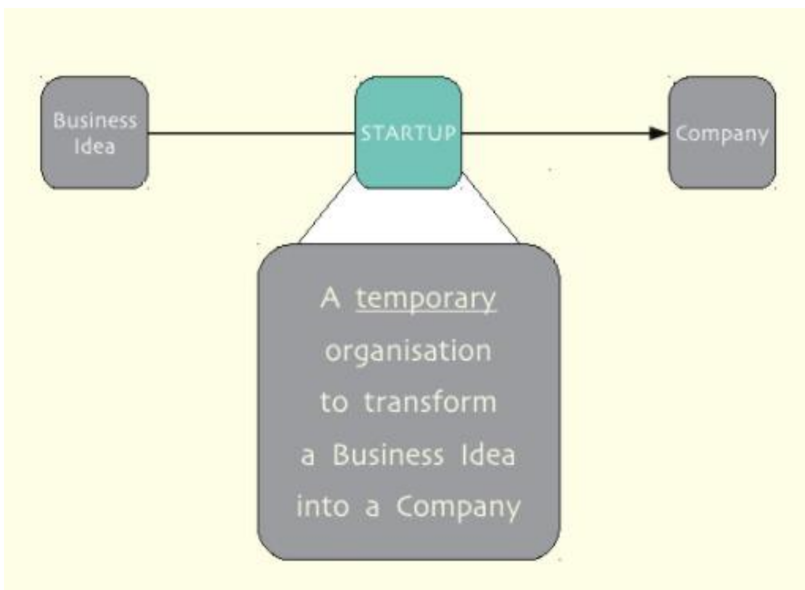

Figure 1. Schematic diagram of STARTUP

2. Strategies for implementing StartUp companies

1. Policies are only implemented when they are needed.
2. The feedback Process can be democratized.
3. Move towards leadership in the Bottom-Up and Top-Down Processes.
4. Take a liability to encourage Personal Connection.
5. Maintain an eye with Vibe.

3. Startups succeed

1. Originators are driven by effect, bringing about Commitment and Passion for work.
2. Sense of duty regarding continue through to the end and stay with a picked way
3. Eagerness to change, yet not always modifying
4. Tolerance and perseverance because of the planning jumble of desires and reality
5. Eagerness to watch, tune in, and learn
6. Build up the privileged tutoring connections
7. Administration with general and space particular business information
8. Actualizing "Lean Startup" standards: Bringing simply enough cash up in a subsidizing round to hit the following arrangement of key points of reference
9. Parity of specialized and business information, with essential specialized skill in item advancement.

4. Drawbacks where the companies fail

1. Absence of core interest
2. Absence of inspiration, duty, and enthusiasm
3. A lot of pride, bringing about an unwillingness to see or tune in
4. Taking counsel from the wrong individuals
5. Lacking great mentorship
6. Absence of general and area particular business information: back, operations, and advertising
7. Raising excessively cash too early.

5. Development phases in start-up

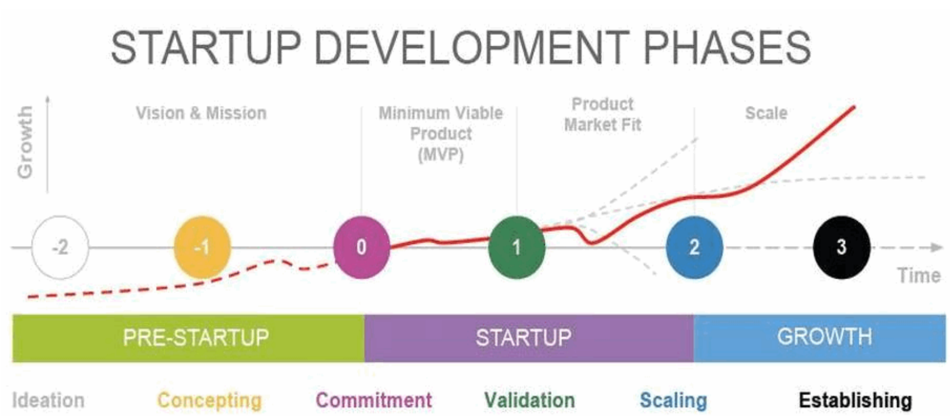

Figure 2. Development phases of STARTUP

5.1. Objectives

The main objective of the study is to identify the various strategies that are to be implemented by a startup company in India[2].

1. At the Initial stage of the business.
2. In raising the market.
3. In positioning the product.

What are the strategies that are to be implemented to face the Threats from:

1. Suppliers
2. Substitutes
3. Existing Business Units.

5.2. Methodology

Sample technique:

The convenience sampling technique has been used for collecting the data from different Startup companies in India.

Primary and secondary data:

Information is collected from studying various

1. Investment Magazines, Business Magazines, Financial chronicles.
2. Expert's opinion published in various print media while promoting a Startup Company.
3. Data available on the internet through various websites
4. Company Profiles and Promoters Profile.

5.3. E-commerce markets

1. FLIPKART
2. AMAZON
3. PAYTM
4. E-BAY
5. SNAP DEAL
6. JABONG
7. MYNTRA
8. SHOP CLUES
9. NAAPTOL

Flipkart clients comprise working-class social gatherings that are OK with internet shopping and think that it's helpful. A greater part of the clients is the expert who is occupied with their business/Job and thinks that it's helpful to buy anything on the web instead of going to the physical outlet keeping in mind the end goal to spare time and cash.

Figure 3. Flip kart logo

Driving the E-trade goliath of India, Flip kart has 75 million enrolled clients who had helped the organization to accomplish 5 billion dollars GMV (Gross stock esteem) of offers in FY15. GMV is the marker of execution of the organization as far as Total estimation of stock sold by the organization amid the period.

6. Analysis of FLIPKART strategy

Flip kart utilizes undifferentiated focusing on the procedure since individuals of all demography buy things online which is accessible to everybody where the conveyance is conceivable. National and Multinational E-trade organizations are offering neck to neck rivalry to each other, because of which their situating is imperative. Flip kart has situated itself as a trust commendable and client neighborly E-trade Brand.

Behavioral and Psychographic are the division methodologies utilized by Flip kart to fragment the market to take into account the clients changing requirements and needs. With the ascent in per capita wage and change in purchasing designs, clients are getting more familiar and are agreeable to purchasing on the web.

6.1. Advantages of using Flip Kart over others

1. They have acquired companies like Mantra, Jabong, Appiterate, let us buy, Mine360, chakpak.com, we read and the latest one being UPI-based payments start-up PhonePe. These companies are helping it in enhancing its functional capabilities.
2. Founders are Ex-Amazon employees so they have the required know-how of e-commerce.
3. The flip kart had received $700M of funding last year after which its valuation went to $15 billion.
4. It has a fantastic positioning in the mobiles and small appliances segment.

7. PAYTM

Pay TM is one of those companies which have evolved over a relatively short period and oh boy have they evolved well [3]. They came in from payment gateway to e-commerce to wallet and god knows what all. Post which they have conquered it thanks to the enormous amount of VC funding that they have received. Let's find out more about their various revenue lines and allied business activities to find out more about Pay TM Business Model.

Figure 4. E-commerce websites

Total Funding received by Pay TM: Appx 1.5 Billion USD. (as of Januarys 2016, Excluding the Credit of Working Capital Loan from ICICI Bank of 300 Cr). Pay TM Founder: Founded in 2000 by Vijay Shekhar Sharma (VSS as he is called in the circle). Pay TM is owned by One97 Communications Ltd. Valuation of Pay TM: as of Jan 2016 Appx 4 Billion USD. Funds that have invested in Pay TM include those of the Likes of Alibaba of China (via its Ant Financial Holdings Entity).

The different income lines that they have can be extensively arranged into the accompanying sub-classes:

1. PayTM.com (Web E-Commerce, App-Commerce, and so on)
2. Payments and Wallet Integration and TDR (Transaction Discounting Rate)
3. Seller Services
4. Payments Bank (Yet to launch as of the date of composing this Analysis).

Figure 5. Paytm logo

8. Key steps to a growth strategy that works immediately

I strongly suggest that would-be entrepreneurs do a business plan. As a result of completing the plan, you will be much better prepared and know whether or not your business idea is feasible. Try the following article for a shortcut. However, I caution you on following a shortcut unless you have substantial experience or knowledge about your area. Proceed with caution without a business plan!

How is your business unique, and why will your goods or services appeal to customers? What are the primary differences between your company and your competitors? What are the driving factors to choose your business over another?

In other words, what is the underlying reason a customer would do business with your company?

1. Define Your Business and Vision
2. Write Down Your Goals
3. Understand Your Customer
4. Learn From Your Competition
5. Financial Matters
6. Identify Your Marketing Strategy.

8.1. Define your business and vision

Defining your vision is important. It will become the driving force of your business. Here are questions that will help you clarify your vision:

1. Who is the customer?
2. What business are you in?
3. What do you sell (product/service)?
4. What is your plan for growth?
5. What is your primary competitive advantage?

8.2. Write down your goals

Create a list of goals with a brief description of action items. If your business is a start-up, you will want to put more effort into your short-term goals. Often a new business concept must go through a period of research and development before the outcome can be accurately predicted for longer time frames.

Create two sets of goals:

1. Short term: range from six to 12 months.
2. Long term: can be two to five years.

Explain, as specifically as possible, what you want to achieve. Start with your personal goals. Then list your business goals. Answer these questions:

1. As the owner of this business, what do you want to achieve?
2. How large or small do you want this business to be?
3. Do you want to include family in your business?
4. Staff: do you desire to provide employment, or perhaps, you have a strong opinion on not wanting to manage people.
5. Is there some cause that you want the business to address?
6. Describe the quality, quantity, and/or service and customer satisfaction levels.
7. How would you describe your primary competitive advantage?
8. How do you see the business making a difference in the lives of your customers?.

8.3. Understand your customer

It is not realistic to expect you can meet the needs of everyone, no business can. Choose your target market carefully. Overlook this area, and I guarantee you will be disappointed with the performance of your business. Get this right and you will be more than pleased with the results.

1. Needs: what unmet needs do your prospective customers have? How does your business meet those needs? It is usually something the customer does not have or a need that is not currently being met. Identify those unmet needs.
2. Wants: think of this as your customer’s desire or wish. It can also be a deficiency.
3. Problems: remember people buy things to solve a specific problem. What problems does your product or service solve?
4. Perceptions: what are the negative and positive perceptions that customers have about you, your profession, and its products or services? Identify both the negative and positive consequences. You will be able to use what you learn when you start marketing and promoting your business.

8.4. Learn from your competition

You can learn a lot about your business and customers by looking at how your competitors do business. Here are some questions to help you learn from your competition and focus on your customer:

1. What do you know about your target market?
2. What competitors do you have?
3. How are competitors approaching the market?
4. What are the competitor's weaknesses and strengths?
5. How can you improve upon the competition's approach?
6. What are the lifestyles, demographics, and psychographics of your ideal customer?

8.5. Financial matters

How will you make money? What is your break-even point? How much profit potential does your business have? Take the time to invest in preparing financial projections.

These projections should take into account the collection period for your accounts receivables (outstanding customer accounts) as well as the payment terms for your suppliers. For example, you may pay your bills in 30 days, but have to wait 45-60 days to get paid by your customers.

A cash flow projection will show you how much working capital you will need during those "gaps" in your cash position.

I recommend thinking about these six key areas:

1. Startup Investment
2. Assumptions
3. Running Monthly Overhead
4. Streamlined Sales Forecast
5. Cumulative Cash
6. Break-even.

8.6. Identify your marketing strategy

There are four steps to creating a marketing strategy for your business:

1. Identify All Target Markets: define WHO your ideal customer is or target market. Most companies experience 80% of their business from 20% of their customers. It makes sense then to direct your time and energy toward those customers who are most important.
2. Qualify the Best Target Markets: the purpose of this step is to further qualify and determine which customer profile meets the best odds of success. The strategy is to position your business at the same level as the majority of the buyers you are targeting. It is critical to figure out who your best customers are and how to best position your company in the marketplace.
3. Identify Tools, Strategies, and Methods: a market you cannot access is a market you cannot serve. Marketing is the process of finding, communicating, and educating your primary market about your products and services. Choose a combination of tools and strategies, that when combined, increase your odds of success.

4. Test Marketing Strategy and Tools: the assumptions we do not verify are typically the ones that have the potential to create business problems. Take the time to test all business assumptions, especially when you are making major expenditures.

9. Conclusion

The marketplace is constantly changing. As the world develops and grows, entrepreneurs will have to learn how to adapt and evolve with it. New strategies will be developed and startups everywhere can find both success and failure with them depending on how they're utilized. I encourage you to experiment and find the perfect solution for you and your business. You'll notice that many of the successful case studies never strictly adhered to the 'rules' per each strategy.

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