DIGITAL STARTUPS –A DISCUSSION

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Purpose of the study – the purpose of this study is to investigate the changing scenario of digital entrepreneurship across the world and in Hyderabad specifically and understanding the pros and cons on the phenomenon and the opportunities that are available for these startups and the challenges being faced by them in the volatile, uncertainty, complex and ambiguous (VUCA) environment

Design/Methodology/Approach – a descriptive study of Hyderabad based select organizations is conducted using a online and social network analysis. The study is based on qualitative data, complemented by quantitative data. These select startups are investigated within its time, providing an integrative approach to analysis.

Research limitations/ Implications – This research brings implications to startup based in Hyderabad only that are aiming to transform their businesses towards greater digitalization, and drives on the importance and sustainability the other segments of India are not captured which is also a limitation of the study

Originality/Value – The novelty of this research is related to how external factors contribute to a these select startups to adapt and create value, and how these Hyderabad based digital startups may exploit opportunities by configuring internal resources and external factors with the support of information technology. The study considers digital entrepreneurship in dynamics, distinguishes between different levels of digitalization, and prescribes them different enablers in achieving sustainability

Introduction

A paradigm shift in reviving up research and innovation, today budding influencers' diligently are taking up everything. One such venturing is the startups were evaluated based on the quality of technology solutions, growth potential, product readiness, and scalable business model targeted to create business opportunities. Hyderabad is fast emerging as the best global destination. Playing a major role as the startup revolution throughout the country by establishing startup ecosystem that influences and inspires development and mentorship to nascent phase startups, The dynamics of digital entrepreneurship are unpredictable and unique which are external to the business.

Objectives of the study

To study the credibility in taking risk

To study the sustainability of startups

Review of literature

1. Limitovsky M (2015) In the Russian Federation, only 10-15% of the total number of the Russian startups can be called successful

2. Dr S.S.Sodha (2019) analyzed that the current economic scenario in India is on expansion mode. The Indian government is increasingly showing greater enthusiasm to increase the GDP rate of growth from grass root levels with introduction of liberal policies and initiatives for entrepreneurs like 'make in India', 'startup India', Mudra etc. 'make in India' is great opportunity for the Indian start-ups. The startup arena has lot of challenges ranging from finance to human resources and from launch to sustaining the growth with tenacity. Being a country with large population, the plethora of opportunities available are many for startups offering products and services ranging from food, retail, and hygiene to solar and it applications for day to day problems which could be delivered at affordable prices. It is not out of place to mention that some of these startups would become unicorns and may become world renowned businesses by expanding into other developing and underdeveloped countries.

3. Whiting R, Whereas the demand for big data software and services is currently growing by more than 18% per year, it is estimated by experts that in future the growth will accelerate, because the total amount of digital data will increase from 16.1 zettabytes in 2017 up to 163 zettabytes in 2025
4. World Robotics Industrial Robots, Report, 2016.The full-scale introduction of these innovative technologies into the world economy in future may have an effect on productivity and labor market being comparable to the industrial revolutions of the past. Thus, for the global economy the anticipated annual effect of introducing the Internet of things may amount to USD 4 tln - USD 11 tln by 2025
5. Michael Rachinger *et al*.,(2019) identified that increased digitalization has influenced various business activities including companies' business models (BMs) by enabling various new forms of cooperation between companies and leading to new product and service offerings as well as new forms of company relationships with customers and employees. At the same time, this digitalization has put pressure on companies to reflect on their current strategy and explore new business opportunities systematically and at early stages. While research on digitalization in the context of BMs is now gaining increased attention, a research gap still exists in this field since the number of empirical insights is limited.
6. Krasovskaya O (2014), Annually not only in Russia, but also in the whole world, a large number of innovative startup companies can start their activities. However, only 2-3 out of 10 launched startups succeed. The analysis of the American experience of venture entrepreneurship allowed making the conclusion that the period of formation and maturation of small innovative firms continues for 5-7 years on average, then about 20% of small firms is transformed into open corporations, 60% of firms is absorbed by more powerful competitors, and 20 % of them become bankrupt

Challenge of startup

1. Pashtova L & Baev G (2015)The main problem upon launching a startup is its financing. Thus, the most significant expense item when launching a startup is R & D. This stage appeared to be the most burdensome for all segments of startups, except for the “energy efficiency” segment, where raw materials and materials account for the largest share in the cost structure (49.4% versus 22.9% for research and development). The largest share of the cost of equipment in total costs when launching a startup was recorded in industrial startups: the share of equipment costs was 29.5% .

Objective 1

1. Creating a niche for the new startup
2. Innovating and design thinking
3. adaptable
4. synergize
5. continuous investment in in R & D for expanded market share
6. competitive
7. greater approach for upscale

Objective 2

1. Taking risks is directly connected to Startup. Leaving a steady-paying job to start your own business is a risk in itself and often requires a substantial amount of funds. As any startup has to risk in creating their own identify by risking their reputation such as risks involved in hiring employees, marketing strategies, and even customer service. Eventually any startup overall involves a great deal of risk, must be prepared to take risk before initiating any startup.

2. No innovation is risk free it involves changing how people do things. It is about sharing and teaching what the innovation is about, and putting new ideas into practice. A calculative risk is always better before venturing any risk.

3. Any innovation involves changing how people do things. It is about sharing and teaching what is new and positioning new ideas into practice.

4. No startup can initiate if they do not accept risk because the purpose of business or any startup is assuming risk. The level of risk might be less eventually reduced.

List of Home grown startups

List of Home grown Startups at Hyderabad have created a niche among the similar line of services/products.

- **Toppr -** students are at the centre of our universe. We believe that every student is different and has different learning needs. We work relentlessly to solve student problems using advanced technology and help them learn better. We have thoughtfully designed Toppr to ensure that it is a one-stop after-school learning platform. It has more than 1.5 million learning pieces, including adaptive practice questions, solutions, concepts, and videos that come together seamlessly to give 360° learning. We use artificial intelligence based machine learning algorithms on top of this strong infrastructure, to create personalised learning paths for millions of students.
  Mission: Make Learning Personalised
- **Skill-Lync** - delivers quality education by leveraging technology to equip students with the technical skillset they require, to start and succeed in their respective career paths. Quality educational content created by industry experts is distributed online through our platform across the globe at an affordable rate.
  Primary Industry: EdTech (Internet | Education & Training)
- **Agile CRM** – Agile CRM is diversified customer relationship management system. Started in 2013 it has not just been recognized at top quality CRM system in India but also in the Global market. Within a short period of time, it was able to capture a huge share of market share.
- **Intellect Design Arena -** is a Leading financial platform for Corporate Banking, Retail Banking, Brokerage Solution, Treasury Management, and Insurance Software. It creates financial technologies that help banks lead businesses on the

path to growth and success. Our solutions help move the banking world forward; because that's what happens when the world knows it has financial institutions it can rely on. This is the philosophy that we, at Intellect follow, and is our commitment to our customer's success. Our commitment is to take banking into the future, anticipating and solving the needs of tomorrow's businesses. We know this because of the long-term matters. Its a Fintech Company

- **Darwinbox** – Darwinbox is a Cloud HRMS platform. It started in 2016 as an end to end model. With its scalable platform and business structure, it has been working mostly for enterprise level clients. In a short period, it has created a significant impact in the market.
- **High Radius** – HighRadius is a Fintech enterprise Software-as-a-Service (SaaS) company which leverages Artificial Intelligence-based Autonomous Systems to help companies automate Accounts Receivable and Treasury processes.
- **CMS IT services** - As one of India's top IT services firms, CMS IT services has support infrastructure spread across 30 branches and 220 direct support locations in India. CMS IT provides complete solutions to large corporations across all sectors, including banking, insurance, retail, telecom and manufacturing. CMS IT provides new, cost-effective and cutting-edge IT infrastructure solutions that are reliable, resilient and responsive. CMS IT Managed Services includes high quality, end-to-end IT infrastructure solutions to cost-effectively manage your IT operations efficiently. CMS IT Asset Management Services provides innovative technology support solutions. CMS IT Support Services ensures that the functioning of your systems is optimized with end user support and data center management. CMS IT System Integration Services includes cutting edge solutions to install and integrate hardware and software to manage complex IT implementation projects successfully.

  Mission: They believe in creating an inclusive & diverse work environment that would prove as platform for professionals who are motivated, innovative and prepared to excel.

  Vision: Integrity, Reliability & Collaboration are the key values of CMS IT.

  Primary Industry: IT services and Consulting

The above home grown startups have adopted digitalization as a mainstream to create and demonstrate their presence with their innovative strategies to standup with sustainability

Conclusion

1. Startup risk must create a business opportunity
2. Every startup must strive to learn to have patience for the realization of profits
3. A startup should have a societal concern and a change agent in bringing a positive change in the society through their novel themes (products/services)
4. Must touch the untouched with their services
5. Startups must venture with Unique Selling Proposition (USP)
6. Digitalization will create wider scope and space for the startups and media is a greater platform to campaign for the startups
7. Hyderabad will become India's largest startup hub in the years to come. With the support and help from the government of Telangana, It is believed that Hyderabad it will transform into a global cradle of startups wherein the government has taken many initiatives especially T-Hub which acts as click to kickoff for any new venture.

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