Proceedings of GLOGIFT 17
December 11-13, 2017
Delhi School of Management, Delhi Technological University, Delhi
pp. 195-204

Ingredients of Startup Success

Abhishek Kumbhat[1] and Sushil[2]

Abstract

Startups and ecosystem around them have become a new contributor to economy and career paths for youngsters. On one hand, where the low entry barrier for youngsters to commence startups at times without being worried about a sustainable business, on the other hand the extremely high failure rate of startups has raised concern over sustainability of the whole eco-system. A number of researchers and industry experts have talked about do's and don'ts for young entrepreneurs, however most of them have either talked about a very specific industry, culture or country or they have been focused on a specific set of expectations from startups and entrepreneurs thereof. This paper proposes a very comprehensive, yet generic and practical list of success factors for startups - the ingredients of startup success. These ingredients flock around attributes associated with value proposition offered by the startup, resources of the startups - especially the founders, target market - industry, customer and competition, cost and revenue structures, and other environmental variables. A deeper look at these success factors not only help the entrepreneurs build a right recipe of success for their startup, but also help the investors evaluate the startup for a prospective investment.

Keywords: Success Factors, Ingredients of success, Startups, Entrepreneurship, startup success, failure factors.

Introduction

In recent years, new age startups have become a key contributor to socio-economic prosperity of each country. Blank (2015) explained this as a critical tipping point of economic transition from industrial era to information era businesses, whereby each declining industrial era company is getting replaced with high-growth technology startups in information era; whereby the top nine big companies of the tech world, that didn't exist 15 years ago, have collectively created a new wealth of almost a trillion dollars as compared to $15 trillion worth of the entire U.S. GDP. More interestingly, Pink (2005) introduced the conceptual age of creativity and entrepreneurial attitude; whereby after industrial and information age, a new wave of entrepreneurship and a massive ecosystem to support it. While there is a lack of formal data about the numbers of new businesses starting worldwide, a few researchers estimate that almost 100 million startups open every year (Mason, 2004; Get 2 Growth, 2014).

Low cost of setup, quicker adoption of new technology by consumers, easier access to funds and entrepreneurship been evolved as an independent management stream have contributed to the explosive growth of startups (Blank, 2015). In addition, the changed economic environment

1. (Research Scholar at Department of Management Studies, IIT Delhi; Head – Technology & Innovation at Skilrock Technologies)
2. (Faculty at Department of Management Studies, IIT Delhi)

powered by the startup ecosystem has given a celebrity status of founders of large startups, resulting in very high youth attractiveness towards entrepreneurship (Kumbhat, 2017). A good number of young entrepreneurs commenced startups without any thought over implementable and sustainable business models and this flood of startup businesses is supported by a huge inflow of funds and investor appetite to invest in high risk startups. However few of the recent data show (Chanchani, 2015) that while the amount of funds raised by startups is increasing year on year, the number of deals has not grown in the same order. The investors have been much more careful in selecting the right startup and have preferred to invest in startups only post validation stage of its development, instead of just at discovery stage (Kumbhat & Sushil, 2017).

Increased rate of startup failure or termination, up to the order of 90% (Mason, 2004; Patel, 2015) and number of startup founders returning back to a standard employment (Julka, 2015) have further strengthened the concern about sustainability of this ecosystem. More so, this concern has spread not only to investors, but also to new entrepreneurs, economists and researchers. Especially researchers have dwelled on whether a well-defined framework for success of a startup could be drafted, and thereby published numerous research papers showcasing do's and don'ts for a startup. Some of these studies are either associated with a particular industry or a limited geography or country, therefore at times resulting in contrary generalization due to these contextual differences. In addition, a number of scholars have proposed and analyzed various success factors associated with either venture survival or venture performance, having assumed their own definitions for survival and performance.

The objective of this paper is to propose a comprehensive, yet generic list of success factors - the ingredients for startup success. Understanding of these factors is important from the perspective of, not only the investors to find a better prospect for return on their investments, but also entrepreneurs to incorporate the desired recipe of success in their startup.

Ingredients to Success

A raw, un-compiled and un-categorized long list of ingredients for startup success can lead to confusion in the minds of entrepreneurs, leading to wrongful implications; therefore it is very important to have a well-structured categorizationof these ingredients. Such possible categorization may either be based on business model components like value proposition, market, resources, partners, cost and revenue structures (Huarng, 2013; Dubosson-Torbay et al., 2002; Osterwalder and Pigneur, 2010) or be based on dimensions of development stages like objective, product, customer, finance, business model, revenues, team and culture (Churchill and Lewis, 1983; Kumbhat and Sushil, 2017).However, few of the components of business models or dimensions of development stages, may not have any specific success factor. Therefore both the options of categorization may lead to mere academic exercise, than practical implementation. Therefore this paper proposes a comprehensive list of startup success factors with a very practical categorization of such factors such as attributes associated with value proposition offered by the startup, resources of the startups - especially the founders, target market -industry, customer and competition, cost and revenue cost structures, etc.

Factors related to Product Offering

Value Drivers

The four value drivers associated with offered product or service (the value proposition) as proposed by Amit and Zott (2000) play a critical role in startup success. Startup's ability to offer transaction efficiency, which is achieved by improved information sharing between seller and buyer, by offering a large range of options to choose from and by assisting to perform

quicker decisions, results in decreased cost per transaction, thereby creating an easy pull for prospective customers. Startups can also leverage extra potential by offering a range of complementary products / services to their customers, such complementary items can either be vertical complementarities (e.g. after-sales service) or horizontal complementarities (e.g. one-stop shopping, or cameras and films).In addition, the ability of a startup to lock-in (motivating customers for repeat transactions - stickiness) prevents customers' migrationto competitors and increases number of transaction by a single customer. This increased retention and increased life time value of a customer can be achieved by a startup using customer lock-in features, typically implemented either through internal means (loyalty program, brand, IP) or external means (network effect). In addition, novel business models (beyond just the innovative products or services) focus on value creation by capturing hidden consumer needs, by creating new markets and by appropriate selection of participating parties. A startup can create lock-in (increased switching costs) by capturing customer mindshare and developing brand and reputation at a faster pace and much lower costs as compared to its followers.

Innovation

Innovation enhances firm's market strength, improvesits ability overcomecompetitionand reducesits cost of production.Typically younger firms may benefit disproportionately from the opportunities created by innovation due to their greater flexibility; thereby for a startup, it is important to build an innovation culture for better performance. In addition, to some industries which are governed by long R&D cycles, protecting the innovation through IPRs is also critical (Rosenbusch et al., 2011). More so, role of nature of innovation in firm survival and success is dependent on development stage of the startup (Hyytinen et al., 2015). Especially for young and early stage startups, it is important to have mass market oriented innovationthan just at the level of experimentation, as such innovation may lead to excess liability and will question startup's survival. Despite of the core need of innovation for startups, it is equally important to identify the mode of such innovation, especially in the eyes of limited resources a startup has. It is typically observed that disruptive innovations might be easier to develop internally, while incremental innovations might be better pursued with external partners. However better negotiating power of an external collaborator may result into unfavorable terms for young startups, therefore it is advisable for young startups to focus on internal innovation than through external collaborators(Rosenbusch et al., 2011).

In addition, it is always observed that illegal communities not only are pioneers in the use of new technologies and create new markets, but also provide invaluable market insights and help emergence of new legitimate business models for legitimate industry (Choia et al., 2007). Therefore startups should always keep an eye for inspiration from such pirate communities and other sources of radical innovations to find opportunities to reconfigure their business models and emerging technologies for legitimate businesses.

First Mover Advantage & Scope for Late Entrants

An early entry into themarket than later entry, resulting into more profit, market share and higher chances of survival, defines first mover advantage for a firm (Lieberman and Montgomery, 2013). However depending on various market dynamics being a first mover has both advantages(typically in case of Winner-takes-most markets) and disadvantages(typically in early industry evolution stages) (Markides and Sosa, 2013).

Role of first mover advantage for a startup's survival and performance depends on level of industry evolution (Markides and Geroski, 2005), especially early in an industry's evolution, firms that follow "fast-second", utilizing an innovative business model, are more successful.

Typically, when attacked by later entrants, incumbents will fight to the death before giving up. Therefore unless the late entrants have some serious advantages (e.g. superior and patented technology) over the established firms or unless they utilize an innovative strategy to attack, the established firms will most likely win out (Markides and Sosa, 2013).

A startup as a late entrant in the market should adopt an innovative strategy to avoid imitation and disrupt the established players and should typically use three key ingredients in their business model- achieve proximity to the inherent advantages of the value propositions of established firms; achieve competitive advantagein another dimension of the value proposition; and impede leader retaliation by using different and conflicting business model than that of established firms(Christensen, 1997).Alternatively, a startup as a late entrant can even succeed in entering a market without using an innovative business model if this market has already reached maturity and first mover advantages have eroded, which typically do with time.

In addition, the first movers should continuously innovate to maintain the edge through differentiation and to keep shifting the basis of competition, thereby allowing these first movers to continuous leverage first mover advantage, irrespective of later ent rants (Glemet and Mira, 1993), thus resulting in better survival and success for startups.

Quality and Time to market

Product or service quality is paramount to everything to ensure startup survival, way before its success. Startup's ability to beat industry standard product quality and performance can lead to an easy access to customer base, thereby leading to higher chances for its survival and success. In addition, for industries having shorter product lifecycles and are not controlled by intellectual property rights, speed to market is key to product profitability and success. Life time profitability of a product in increased by 33%, in case of six months earlier market entry; on the other hand, if the market entry is six months late, the lifetime profitability will be decreased by 30-35%.

Factors related to Startup Team

Entrepreneur Personality

Starting of a business (entrepreneurial intension) is clearly different from making it survive or succeed (Lucaa et al., 2012). Risk propensity (openness to experiment) is positively related to intention to start a business, while it is negatively related to startup survival or success; average level of risk propensity is linked with firm survival, while extreme (low and high) levels of risk propensity lead to exit from entrepreneurship (Zhao et al., 2010). The need to handle situations that are unstructured and uncertain about the outcome of decisions, makes risk propensity important for successful entrepreneurs than managers (Stewart and Roth, 2001).

Specifically identified personality traits of founders may have better person - entrepreneurship fit and higher chances of startup success (Markman and Baron, 2003). Individuals with higher self-efficacy and achievement oriented attitude not only prefer challenging activities; but also display higher staying power in those pursuits, resulting in high performing entrepreneurs. These successful entrepreneurs, the founders and growth oriented entrepreneurs, showcase better self-confidence to organize and effectively execute actions for outcomes(Stewart and Roth, 2007; Zhao and Seibert, 2006).

Skills for high-potential opportunity recognition and spotting obstacles in-time also lead to the creation of superior ventures. Markman and Baron (2003) also suggested that successful entrepreneurs have significantly higher Adversity Quotient score (Stoltz, 2000) - higher levels of perceived control over adversity; higher ability to withstand and quickly overcome setbacks and

failures; and higher accountability for the outcome of the adversity regardless of its origin. These entrepreneurial personality traits are further explained as big-five or OCEAN (Openness to Experience, Conscientiousness, Extraversion, Agreeableness, and Neuroticism) factors by Brandstätter (2011). In addition, impact of personality traits on entrepreneurship is further explained as differentiation between entrepreneurs and managers (Zhao and Seibert, 2006), as impact on entrepreneurial intentions (Zhao et al., 2010) and as impact on venture survival (Ciavarella et al., 2004).Ciavarella et al. (2004) further suggested that an entrepreneur needs to show conscientious attitude and be averse to experiments, like a manager, for long-term new venture survival. In addition, having attention to details, high level of energies, proactive approach and positive attitude are personality traits of entrepreneurs contributing to successful ventures.

Human and social capital and social skills

Markman and Baron (2003) suggested that during early stages of the startup, while high levels of human and social capital may be particularly crucial in facilitating access to resources, social skills are important to leverage such resources, once attained. Human capital (abilities influenced by genetics - intelligence, health and attractiveness as well as acquired skills - formal education, work experience and interpersonal relationships) offer better access to professional circles for entrepreneurs. In complementary to human capital, strong social capital of entrepreneurs further offers them opportunities enabled through organizational positions, elite institutional ties and social networks and provides access to information and increased cooperation from others; thereby resulting in better chances to receive funds from VCs. In addition, effective social skills help entrepreneurs in raising external capital, generating commitment in employees, attracting effective stakeholders and negotiating with others (Baron and Markman, 2000).

Entrepreneurial Experiences

Founder's prior managerial work experience adds to positive contribution to startup success, and if this prior experience is in the same industry, that too not very far in the past, it adds to this positive contribution especially to set more accurate, realistic and less over-optimistic expectations. Also, industries with higher uncertainty, like high-tech and R&D, are likely get more benefited from founder's industry experience (Cassar, 2014).

While more experienced entrepreneurs are expected to set up better performing startups, as their experience helps them to generalize the knowledge from earlier ventures and effectively apply it to new venture. However this may not stand true, if incorrect inferences and conclusions are drawn from earlier experiences. Interestingly, Toft-Kehler et al. (2013) observed that experienced entrepreneurs may perform rather worse in new venture due to barriers to learning, whichprevent extraction of appropriate knowledge from prior ventures or appropriate application of existing knowledge to new ventures. While content- andcontext- domain differences (industry, geographic, and temporal) between earlier and current ventures results in barriers to learning, on the other hand contextual similarities can not only minimize negative knowledge transfers to new ventures, thus weakening negative experience-performance relationship for novice entrepreneurs but also can additionally strengthen the positive nature of experience–performance relationship for expert entrepreneurs. Toft-Kehler et al. (2013) further concluded that venture performance holds a U-shaped relationship with entrepreneurial experience, i.e. venture performance initially decreases, then increases with increasing entrepreneurial experience. More so, too many failed instances of earlier entrepreneurship rather contribute negatively to startup success, reflecting entrepreneur's barrier to learning.

Baptista et al. (2014) suggested that opportunity-driven entrepreneurs start a new business after finding a promising business opportunity and leave current job for the new business as

opportunity cost. On the other hand, unemployment driven people primarily consider a new business as an option to uncertain future and unemployment, therefore most of the time, such entrepreneurship is started without spending time in search for good opportunities, without building comprehensive plans, without obtaining appropriate funding, and without seeking advice. Hence, it impacts the chances of survival. In addition, prior experience matter only for founders who were not unemployed prior to startup and such founders are indeed more likely to have engaged in opportunity evaluation and are better equipped for opportunity exploitation, while unemployment-driven entrepreneurs are less likely to search and evaluate opportunities, relying on earlier entrepreneurial experience to persevere in early years.

In addition, portfolio entrepreneurs are less likely to face financial constraints for a new firm than serial entrepreneurs, because they can deploy assets from their other firms. Theseportfolio entrepreneurs are likely to provide more network connections and knowledge of potential customers.

Gender

In most of the cases, it has been found that gender of the founder does not impact firm survival or its success. However Kalnins and Williams (2014) found that different industrial and geographic contexts provide different opportunities and constraints for female-owned businesses, impacting firm survival. Unless being in disadvantageous situations to acquire necessary skills, female-owned startups didn't not underperform on firm survival rates than male-owned startups (Robb and Watson, 2012). However, due to female preferences of being risk averse, female-owned firms are typically smaller than male-owned firms.

Attitude towards Radical Innovation

While studying of innovations over last century across the globe, Preston (2001) found that often the market leader brought the radical innovations to the world, but mostly didn't took the same to the market because either it considered it not much market value or feared that such innovation would cannibalize sales of existing profitable products. And, with that attitude of ignoring radical innovation, established players lost major market share to new entrants.

Effectuation

Effectuation (Sarasvathy, 2001), is a thought process to help entrepreneurs in the processes of opportunity identification, decision making and new venture creation. Effectual Thinking of entrepreneurs (What can I achieve with what I have) differentiates them with typical causal thinking of managers (defined delivery with defined resources), thereby making them the right fit for a new venture. Expert entrepreneurs employ effectuation principles in situations of uncertainty (unpredictable future, unclear goals and lack of independent environment), using these principles as as the ultimate selection mechanism. While studying the relationship between effectual principles and venture performance, Read et al. (2009) found that all the heuristics of effectuation except Design and Affordable Loss are positively related to venture performance.

Founding Team

Preston (2001) suggested that chances of success increase dramatically with team size unless the size reaches four or five founders; making a team of two - three founders as most ideal size of founding team. In addition, a founding team members with complementary skills will have a much higher probability of success; more so such teams with core and complementary resources helpleverage the first mover advantage for the startup (Vidal and Mitchell 2013). In addition, a good understanding and relationship among founders result in reduced chances of co-founder conflict, which initially helps a startup to survive and in long term contributes to its success.

Factors related to Other Environmental Circumstances

Market

Evaluation of a target market using product market matrix (existing or new market being targeted through existing or new product) is important to evaluate the startup. On one side where targeting an existing market with existing products does not give any leverage to a startup, on the other hand, targeting a new market with a new product may take a long time for customer education and market establishment, resulting in reduced chances for startup survival. In addition, a startup increases its chance to survive and succeed, if its target market is growing on its own as well as holds good investor attractiveness. Also target market being not already very crowded and having a right product pricing fit of the startup are additional ingredients to startup success. A startup should also target a mass market opportunities, giving it an opportunity to scale and thereby attract easy investments.

Investors

While investors with deep pockets offer a startup better chances to stay afloat till success, investors offering a significant leveragecan not only help opening many doors, but also save months long, non-directional, efforts.

Investment Sizes and Timing

Not only the funding raised in small chunks gives opportunity to competitors to aggressively enter the market killing the startup, but also sufficiently sized investment trenches at right times is very critical to ensure that founding team spends most of its time in growing the business than in raising money; sizing and timing of the fund raising is critical for its survival and success.

Stock Options to Employees

When ownership is distributed to employees, they behave fundamentally different and contribute multi-fold the growth and survival of the startup. Therefore an opportunity to offer stock options to employees has contributed to Startup success (Preston, 2001)

Location

Location of the firm is a key determinant of success and business should be located close to its biggest competitors and/or to its most demanding customers - economic clusters. Being located in a cluster of companies with complementary or competitive skill-sets, it becomes easy to find required resources, support and infrastructure (Porter, 2001; Pe'er and Keil, 2013). Thereby the location plays a key role in startup survival and success.

Culture

The impact of culture to have passion, not fear and celebrating failures are very important to foster entrepreneurship. Also, Rosenbusch et al. (2011) found that impact of innovation on firm-performance is way stronger in cultures characterized by collectivism (as in many Asian countries) than in individualistic cultures (as in U.S.). A higher level of individualism restricts team-effort and social interactions (internal and external),which areimportant for the success of innovation and impact thereof on the firm.

Others

Beyond the number of research literature reviewed, startups being one of the most talked about subject, a number of articles and blogs are available talking about startups. With the diversity

of startup environment and ever evolving eco-system, knowledge through such articles can't be ignored. A number of other factors have been proposed in different articles.

- Age of Entrepreneur - starting out late in life, when family liabilities have raised and / or energy levels of the entrepreneurs are not at same levels as younger counterparts; thereby reducing the chances of startup success against the competition.
- A good and comprehensive pre-startup planning (product, market and competitive study) before commencement of business as full time, helps increase the chances for startup survival. In addition, this planning gives the founder(s) an opportunity to build enough cash reserves for himself / family to sustain by the time revenues or funding comes for the startup; thereby increasing the chances of startup survival.
- It is very important to stay focused and sustain to ensured continued efforts for the success of the startup. Maximum number of early startup closures are because of entrepreneur who either leaves the business to go back to employment or moves to the new idea. Capacity to stay afloat for an extended period of time - due to financial reasons or family support reasons is one of the key reasons for entrepreneurs quitting the business.
- Role of right mentors for the growth of a startup is very critical, especially in case of a very highly tech founding team. Deepaliet. al (2017) described the role of mentors for successful entrepreneurship and how an entrepreneur can select the best mentor to assist the right path for growth.
- Ability of internationalization in the light of size of home market, can contribute for scaling and thus long term success of a startup.
- Startups should ensure cost optimized operations for its survival, thereby it is important for them to run operations in cost effective way, instead of a flamboyant approach.
- Ensuring a balanced scaling across dimensions (customer, product, team, financials, business model) offers higher chances of a startup to survive longer (Startup Genome Report, 2012; Kumbhat & Sushil, 2017).

Conclusions

In conclusion, this paper proposes a comprehensive yet practical list of ingredients to startup success, across startup's value proposition, team and other environmental aspects. Such a deep and practical understanding of success factors and evaluation of a startup against such factors can result into a formal startup rating system. Not only such information can be utilized for better entrepreneurial education but also be used to evaluate a particular investment opportunity by an investor.

References

- Amit R. and Zott C. (2000). Value Drivers for e-Commerce Business Models, available at
- Baptista R., Karaöz M. and Mendonça J. (2014). The impact of human capital on the early success of necessity versus opportunity-based entrepreneurs, Small Bus Econ 42:831–847
- Baron, R. A., and Markman, G. D. (2000). Beyond social capital: the role of social competence in entrepreneurs' success. *Academy of Management Executive*, 14(1), 106–116.
- Blank S. (2015). The Global Startup Ecosystem Ranking 2015, *The Startup Ecosystem Report Series*, Compass.co (formerly Startup Genome), URL : http://startup-ecosystem.compass.co/ser2015/
- Brandstätter H. (2011). Personality aspects of entrepreneurship: A look at five meta-analyses, *Personality and Individual Differences,* 51, 222–230
- Cassar G. (2014). Industry and startup experience on entrepreneur forecast performance in new firms*, Journal of Business Venturing,* 29, 137–151

- Chanchani M. (2015). Frenetic Deal Making - VC Funds Coming in Droves, With Sackfuls of Cash, The Economic Times - Delhi, Jun 29 2015 - Ref. *VCCEdge Report*, URL : http://epaperbeta.timesofindia.com/Article.aspx?eid=31816&articlexml=FRENETIC-DEALMAKING-VC-Funds-Coming-in-Droves-With-29062015001036
- Choia, D. Y. and Perezb, A. (2007). Online piracy, innovation, and legitimate business models. *Technovation,* 27, 168–178
- Ciavarella M.A., Buchholtz A. K., Riordan C. M., Gatewood R. D. and Stokes G. S. (2004). The Big Five and venture survival: Is there a linkage?, *Journal of Business Venturing*, 19, 465–483
- Christensen, C., (1997). The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail. *Harvard Business School Press*, Boston, MA.
- Churchill N. C. & Lewis V. L. (1983). *The Five Stages of Small Business Growth*. Entrepreneurial Management Magazine – Harvard Business Review, May,1983 Issue
- Pink D. H. (2005).A Whole New Mind - Why Right-Brainers Will Rule the Future. *Penguin Group Publishing, USA*
- Deepali, Jain S. K. & Chaudhary H. (2017). Quest for Effective Mentors: A Way of Mentoring Potential Entrepreneurs Successfully, Global Journal of Flexible Systems Management, 18(2), 99–109.
- Dubosson-Torbay M., Osterwalder A. and Pigneur Y. (2002). E-Business Model Design, Classification, and Measurements, Thunderbird International Business Review, Vol. 44(1), 5–23
- Get2growth (2014). How Many Startups Are There?, URL : http://get2growth.com/how-many-startups/
- Glemet, F., Mira, R.,(1993). The brand leader's dilemma. *McKinsey Quarterly* (2), 3-15.
- Huarng K.H. (2013). A two-tier business model and its realization for entrepreneurship, *Journal of Business Research,* 66, 2102–2105
- Hyytinen A., Pajarinen M. and Rouvinen P. (2015). Does innovativeness reduce startup survival rates?, *Journal of Business Venturing,* 30, 564–581
- Julka H. and Advani S. (2015). The curious case of startup founders who went back to 9 to 5 jobs, *The Economic Times – Delhi,* July 3 2015, URL http://economictimes.indiatimes.com/articleshow/47917824.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst
- Kalnins A., Williams M. (2014). When do female-owned businesses out-survive male-owned businesses? - A disaggregated approach by industry and geography, *Journal of Business Venturing,* 29, 822–835
- Kumbhat A. (2017). Startup – Fashion or Fad – Youth Attractiveness – presentation at Startup Oasis Event, India. (URL : http://newinyou.com/2017/09/startup-youth-attractiveness/)
- Kumbhat A. & Sushil (2017), Multi-Dimensional Development Model for Early Stage Startups, *Proceedings of International Conference on Strategies in Volatile and Uncertain Environment for Emerging Markets,* July 14-15, 2017 IIT Delhi, pp.726-735, URL : http://strategiesinemergingmarkets.com/proceedings/T6/Paper%2082,%20ENTRE1714.pdf
- Lieberman M. B. and Montgomery D. B. (2013). Conundra and Progress: Research on Entry Order and Performance, *Long Range Planning,* 46, 312 – 324
- Lucaa M. R., Cazana A., Tomulescu D. (2012). To be or not to be an entrepreneur…, Procedia - *Social and Behavioral Sciences,* 33, 173-177
- Mason M. K. (2004). Worldwide Business Startups, URL : http://www.moyak.com/papers/business-startups-entrepreneurs.html
- Markides, C. and Geroski, P., (2005). Fast Second: How Smart Companies Bypass Radical Innovation to Enter and Dominate New Markets. Jossey-Bass, San Francisco.
- Markides C. and Sosa L. (2013). Pioneering and First Mover Advantages: The Importance of Business Models. *Long Range Planning,* 46, 325-334
- Markman G.D. and Baron R.A. (2003). Person–entrepreneurship fit: why some people are more successful as entrepreneurs than others, *Human Resource Management Review*, 13, 281–301

- Osterwalder A. and Pigneur Y. (2010). *Business Model Generation*
- Patel N. (2015). 90% Of Startups Fail: Here's What You Need To Know About The 10%, Forbes – Entrepreneurs, Jan 16 2015, URL : http://www.forbes.com/sites/neilpatel/2015/01/16/90-of-startups-will-fail-heres-what-you-need-to-know-about-the-10/
- Pe'er A. and Keil T. (2013). Are all startups affected similarly by clusters? Agglomeration, competition, firm heterogeneity, and survival, *Journal of Business Venturing,* 28, 354–372
- Porter, M.E. (2001). *Strategy and the Internet*. Harvard Business Review 79 (3), 62–79.
- Preston J. T. (2001). *Success Factors in Technology-based Entrepreneurship,* MIT Entrepreneurship Center, Lecture delivered in Tokyo
- Read S., Song M. and Smit W., (2009). A meta-analytic review of effectuation and venture performance, *Journal of Business Venturing,* 24, 573–587
- Robb A. M., Watson J. (2012). Gender differences in firm performance: Evidence from new ventures in the United States, *Journal of Business Venturing,* 27, 544–558
- Rosenbusch N., Brinckmann J. and Bausch A. (2011). Is innovation always beneficial? A meta-analysis of the relationship between innovation and performance in SMEs, *Journal of Business Venturing,* 26, 441–457
- SarasvathySaras D. (2001). What makes entrepreneurs entrepreneurial, http://www.effectuation.org/sites/default/files/documents/what-makes-entrepreneurs-entrepreneurial-sarasvathy.pdf
- Startup Genome Report (2012). Startup Genome Report : premature scaling, v 1.2 (edited March 2012)
- Stewart, W. H., Jr., and Roth, P. L. (2001). Risk propensity differences between entrepreneurs and managers: A meta-analytic review. *Journal of Applied Psychology,* 86, 145–153.
- Stewart, W. H., Jr., and Roth, P. L. (2007). A meta-analysis of achievement motivation - Differences between entrepreneurs and managers. *Journal of Small Business Management,* 45, 401–421.
- Toft-Kehler R., Wennberg K. and Kim P. H. (2013). Practice makes perfect: Entrepreneurial-experience curves and venture performance. *Journal of Business Venturing,* 29, 453-470
- Vidal E. and Mitchel Will (2013). When do First Entrants become First Survivors?, *Long Range Planning,* 46, 335-347
- Zhao, H., and Seibert, S. E. (2006). The Big Five personality dimensions and entrepreneurial status: A meta-analytical review. *Journal of Applied Psychology*, 91, 259–271.
- Zhao, H., Seibert, S. E., and Lumpkin, G. T. (2010). The relationship of personality to entrepreneurial intentions and performance: A meta-analytic review. *Journal of Management*, 36, 381–404