

A Study on Market Orientation and Entrepreneurial Ecosystem Analysis of Agri Startups in Telangana State

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ABSTRACT: India's startup ecosystem has become an example for the entire world. With hundreds of innovative youngsters choosing to pursue the path of entrepreneurship instead of joining the corporate industry or the government sectors. The agri-startup entrepreneurs faced some challenges in maintaining the startup *i.e.*, financial, scaling up, establishment related and marketing, human resource related challenges. Ex- post facto research design was adopted for the study and purposive random sampling was done for selection of respondents. A total of 60 agri-startups were taken for the study from Telangana state. The findings showed that majority (35.00%) of the respondents belonged to young and early middle age group, 68.30 percent were male respondents, 91.67 percent of the respondents were graduates, 71.67 percent of the respondents had high level of market orientation and 81.67 percent of the respondents had high entrepreneurial ecosystem. There was a significant association (0.602**) between the market orientation and entrepreneurial ecosystem.

Keywords: Agri-startup, market orientation, entrepreneurial ecosystem.

INTRODUCTION

Agriculture is the backbone of the Indian economy. India, with 118.7 million farmers, more than half of the population, depends on agriculture as its primary source of income. The agriculture industry in India contributes merely 17-18% to its GDP (FICCI, 2018). India's startup ecosystem has become an example for the entire world. With hundreds of innovative youngsters choosing to pursue the path of entrepreneurship instead of joining the multinational corporate industry or government sectors, the business world has witnessed an explosion of ground-breaking startups providing solutions to the real problems at a mass level. India now stands as the third largest startup ecosystem in the world after the United Nations and the United Kingdom with a total of 7,700 tech startups in 2018. In 2018 Indian startups have raised \$11.23 billion so far, of which, Hyderabad-based startups accounted for \$400.95 million - that's 3.5 percent of the total (Anand and Raj 2019).

Market orientation is defined as "the organization-wide generation of market intelligence, dissemination of the intelligence across departments and organization-wide responsiveness to it" (Kohli and Jaworski 1990). The entrepreneurial ecosystem is referred as 'a set of interconnected entrepreneurial actors, organizations, institutions and processes which formally and informally coalesce to connect, mediate and govern the performance within the local entrepreneurial environment' (Mason and Brown 2014).

Isenberg (2011) an entrepreneurial ecosystem consists of elements that can be grouped into six domains within the entrepreneurial system such as a conducive culture, enabling policies and leadership, availability of appropriate finance, relevant human capital, venture friendly markets for products and a range of institutional and supports.

MATERIALS AND METHODS

The study was conducted in Telangana state. Purposive sampling was adopted for the study based on the

availability of startup clusters. A total of 60 Agri-Startups were selected from Hyderabad, Ranga reddy, Medchal-Malkajgiri, Sangareddy, Siddepet and Warangal rural from the districts of Telangana state.

Objective of the study. To study the market orientation and entrepreneurial ecosystem of selected agri startup entrepreneurs in Telangana state.

The findings in the Table 1 indicated that, on the basis of chronological age, the respondents were classified into four categories namely young (23-32 years), early middle (33-41 years), late middle (42-50 years) and old age (above 50 years). The majority (35.00%) of the respondents belonged to young and early middle age group, followed by 28.30 percent of the respondents who belonged to late middle age group and remaining 1.70 percent of the respondents belonged to old age group. The reason for the above trend, might be that the entrepreneurs in young and middle ages were more enthusiastic, efficient and energetic than the old age group to start business. The Government of India is also encouraging and promoting entrepreneurship among young people through different schemes such as young entrepreneurship scheme, which provides them a chance to explore new ideas and opportunities. This encourages youth to establish new start-ups, become independent and self-employed. The present study also showed majority of entrepreneurs in young and early middle age groups. Nambiar (2020) studied on impact of startup policy initiatives of Kerala government on start ups in Kerala, founded that the majority of entrepreneurs were in the age group of 25-35 years. Swathi (2019) conducted an empirical study on startup financing for entrepreneurs in India, indicated that majority of entrepreneurs were up to 30 years age group, followed by 31-40 years age group.

RESULTS AND DISCUSSION

The gender of the respondents was classified into two categories male or female. The results indicated that majority (68.30%) were male respondents and remaining 31.70 percent were female respondents. From the findings it can observed that though both genders actively participate in the startups, female respondents have additional tasks apart from startup activities like running household works, taking care of children, aged at home etc. This may be the reason for less percentage of women entrepreneurs in the startup field. Another reason for majority of respondents being male was that they were more capable to work all hours. Swathi (2019) reported that the majority of entrepreneurs were male and the remaining all respondents were female. Sainath and Sai (2018) studied on start-up India initiative and its positive implication, revealed that majority of entrepreneurs were male and the remaining respondents were female. The educational level of the respondents was classified into three categories namely graduation, post graduation and Ph.D.

Table 1: Profile characteristics of agri startup entrepreneurs in Telangana state (n = 60).

Sr. No.	Variables	F	%
1.	Age		
	Young (23-32)	21	35.00
	Early middle (33-41)	21	35.00
	Late middle (42-50)	17	28.30
	Old age (above 50)	1	1.70
Total		60	100.00
2.	Gender		
	Male	41	68.30
	Female	19	31.70
Total		60	100.00
3.	Educational level		
	Graduation	55	91.67
	Post graduation	3	5.00
	Ph.D	2	3.33
Total		60	100.00

The results indicated that majority (91.67%) of the respondents were graduates, while 5.00 percent of the respondents had post graduation degrees and remaining 3.33 percent of the respondents completed their doctorate degrees. The probable reason for majority of respondents to be graduates was that higher qualification was essential to run their own business. Education plays a crucial role in entrepreneurship with a direct impact on opportunity identification, profitability, growth rates, and decision making. Another reason for majority of respondents to be graduates might be that most of them belonged to major cities and towns like Hyderabad, Ranga reddy, Medchal-Malkajgiri, Sangareddy, Siddipet, Warangal and Nalgonda, being in cities and having a passion towards entrepreneurship made them to study more. Nambiar (2020) founded that majority of the respondents were graduates followed by post graduates. **Result on market orientation of selected agri startup entrepreneurs in Telangana State.** The Table 2 indicated that majority (71.67%) of the respondents had high level of market orientation followed by 28.33 percent of the respondents who had medium level of market orientation. Majority of the startup entrepreneurs were marketing their product with in the country to get sufficient price. In general entrepreneurs produce the products which have more market demand and upgrade new technologies in their startup. Another reason may be that the most of entrepreneurs were using online app for marketing the product through various mass media platforms. These might be the reasons for the respondents to more aware about the market related aspects. Sumana (2017) conducted a study on entrepreneurial behaviour and marketing practices of grape growers in Chikkaballapura district, revealed that majority of the respondents had high level of market orientation.

Table 2: Market orientation of respondents (n = 60).

Sr. No.	Market orientation	F	%
1.	Low (7-11)	0	0
2.	Medium (12-16)	17	28.33
3.	High (17-21)	43	71.67
Total		60	100.00

Results on entrepreneurial ecosystem of selected agri startup entrepreneurs in Telangana state. Table 3 indicated that respondents were classified into three categories namely low, medium and high. The majority (81.67%) of the respondents had high level of entrepreneurial ecosystem and remaining 18.33 percent of the respondents had medium level of entrepreneurial ecosystem. The reason might be that as the majority of respondents were graduates and living in cities they were aware about various aspects of entrepreneurial ecosystem.

Table 3: Entrepreneurial ecosystem of respondents (n = 60).

Sr. No.	Entrepreneurial ecosystem	F	%
1.	Low (64-106)	0	0
2.	Medium (107-149)	11	18.33
3.	High (150-192)	49	81.67
Total		60	100.00

Table 4: Correlation analysis of Independent variable - market orientation with Dependent variable – entrepreneurial ecosystem (n = 60).

Sr. No.	Independent variable	Entrepreneurial ecosystem
		Correlation coefficient (r) value
1.	Market orientation	(0.602**)

** Correlation is significant at the 0.01 level of probability.

In order to study the association between the market orientation and entrepreneurial ecosystem, *r* values were computed and value was presented in Table 4. The association between the market orientation and entrepreneurial ecosystem was tested by null and empirical hypothesis.

Table 4 revealed there was a significant association between the market orientation and entrepreneurial ecosystem. The entrepreneurial ecosystem was significantly and positively correlated at 1% level of significance with market orientation ($r=0.602^{**}$). Hence the empirical hypothesis was accepted. The reason for such association between market orientation and entrepreneurial ecosystem can be attributed to the fact that entrepreneurs being graduates and above were more confident in decision making, solving problems, opportunity identification, growth rates, identification of market need and demands, innovation and critical thinking, and being in cities they were exposed to market orientation which contributed to high entrepreneurial ecosystem. Kumar (2012) in his study on regimes of vermicompost technology in Guntur district of Andhra Pradesh, reported that market orientation was positively and significantly correlated with attitude of agripreneurs towards agripreneurship.

The majority of respondents had high level of decision making capacity and problem solving attitude, market orientation, risk orientation, knowledge of enterprise, innovativeness and critical thinking and medium level of achievement motivation and supportive environments. All these factors made of respondents fall in high level of entrepreneurial ecosystem. Isenberg (2011) studied on entrepreneurship ecosystem strategy for economic development, founded that an entrepreneurship ecosystem consists of six domains within the entrepreneurial system like a conducive culture, enabling policies and leadership, availability of appropriate finance, relevant human capital, venture friendly markets for products and a range of institutional and supports.

CONCLUSION

Findings of this study showed that majority of the respondents belonged to young and early middle age groups and belonged to male category. The majority (81.67%) of the respondents had high level of entrepreneurial ecosystem and remaining 18.33 percent had medium level of entrepreneurial ecosystem. The association between the market orientation and entrepreneurial ecosystem was positive and significant. Improving their market orientation and change in their attitude towards their Agri-startup business, can make a world of difference to these startup enterprise. The startups playing a major role in employment generation and job creation which lead to economic growth and development. There are many ideas and strategies through which one can promote the start-up, but one need to understand the audience, their needs, necessary of product or service and the nature of the business. A successful start-up is not impossible but one need to be sure before every step because of the limited resources, competition in market and understanding about various dimensions in entrepreneurial ecosystem, thinking differently than others and being innovative and creative can get success.

FUTURE SCOPE

Future research can be done on other dimensions of entrepreneurial ecosystem and also study the startup and entrepreneurial ecosystem of other various fields of startups.

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Conflict of Interest. None.

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