JETIR.ORG ISSN: 2349-5162 | ESTD Year : 2014 | Monthly Issue
JOURNAL OF EMERGING TECHNOLOGIES AND INNOVATIVE RESEARCH (JETIR)
An International Scholarly Open Access, Peer-reviewed, Refereed Journal

Comparative Study on Business Models of Indian and American Startups

[1]ABHINAV SHARMA, [2]SUNIL KANT MISHRA

[1]RESEARCH SCHOLAR, [2]PROFESSOR
[1]DEPARTMENT OF COMMERCE,
[1]CMP DEGREE COLLEGE, PRAYAGRAJ, INDIA

Abstract : To compare the business models used by startups in the US and India, this report compares them. The study's objectives are to classify and identify the most common business models employed by these startups and to examine the essential elements and organisational frameworks of those models. This research offers insights into the similarities and differences between the business models of Indian and American startups, highlighting the elements that contribute to their success and sustainability through a thorough assessment of the literature and comparative analysis.

***Terms* – Business Model.Startups,**

I. INTRODUCTION

Over the past few decades, there has been a notable expansion of the entrepreneurial scene in both India and the US, with startups being essential in promoting innovation, generating employment, and bolstering economic growth. Their business model, which forms the basis for their operations, revenue generation, and consumer value proposition, is essential to these firms' success. Even while the body of research on startup business models is expanding, there is still a dearth of information in the literature comparing the business models of American and Indian businesses. By comparing the business models used by startups in the US and India, this article aims to close this gap. The study's objectives are to classify and identify the most common business models employed by these startups and to examine the essential elements and organisational frameworks of those models. This study aims to shed light on the variables that affect the viability and success of Indian and American startups by contrasting and comparing their business strategies. Due to the distinct opportunities and problems found in each of these ecosystems, it is especially important to comprehend the business models of startups in the US and India. India offers a rich environment for entrepreneurs seeking to develop and thrive, thanks to its fast-expanding economy and sizable consumer base. However, the US provides a competitive climate for businesses to succeed because of its developed startup ecosystem and easy access to funding. This study intends to shed light on the variables influencing the choice of business model, the parallels and divergences in business model innovation, and the implications for theory and practice by analysing the business models of startups in these two nations. Researchers, entrepreneurs, and policymakers interested in learning about the dynamics of startup ecosystems and how business models contribute to their success are anticipated to find value in the study's findings.

II. LITERATURE REVIEW:

Due to its critical role in deciding the success or failure of startups, the study of business models has attracted a great deal of attention in the fields of strategic management and entrepreneurship. For a few reasons, it is crucial to comprehend the business models used by startups in various nations, including the US and India. The body of research on business models offers a thorough grasp of their definition, diversity, classification, and use across national boundaries. Business models are defined by academics such as Chesbrough and Rosenbloom (2002) as the reasoning behind a company's activities, comprising income streams, clientele, goods and services, and approaches for providing, obtaining, and generating value. According to Zott and Amit (2007), market dynamics, regulatory contexts, and technical improvements all have an impact on the diversity of business models found in different enterprises and industries. The Business Model Canvas, as proposed by Osterwalder and Pigneur (2010), divides company models into nine components, including value propositions and income streams. According to Isenberg's (2010) research, business models are shaped by the economic, cultural, and institutional environments of various nations, with the United States encouraging novel and disruptive models. As Jain and George (2016) point out, the U.S. environment surrounding Silicon Valley's scalable technology platforms is very different from the dynamic startup ecosystem in India, which is driven by market size, a growing middle class, and digital penetration (Blank, 2013). Comparative study sheds light on how Indian and American businesses approach value development, client acquisition, and revenue generation differently. Business model decisions are heavily influenced by legal frameworks, market situations, and technical improvements, as addressed by Teece (2010), Datta et al. (2017), and Zott and Amit (2008). These decisions are further influenced by resource limitations and entrepreneurial ecosystems, as noted by Eisenhardt and Sull (2001) and Isenberg (2010). Hofstede (2001) and Chesbrough (2010) have examined cultural aspects, performance indicators, and scalability considerations, which highlight the significance of innovation and adaptation in business models. Startups must leverage ecosystem assistance and achieve market fit, as noted by Blank (2013) and Isenberg (2010). Indian and American startups differ in their value proposition, revenue streams, and customer engagement strategies. While American startups concentrate on cutting-edge technology and global markets, Indian startups prioritise local market needs (Osterwalder and Pigneur, 2010; Chesbrough and Rosenbloom, 2002; Zott and Amit, 2007). Indian startups face greater obstacles in terms of technology adoption, global expansion strategies, and regulatory environments than their counterparts (Blank, 2013; Jain and George, 2016; Datta et al., 2017). According to Osterwalder and Pigneur (2010), constant business model optimisation is necessary for adaptability and competitiveness since it helps new businesses find inefficiencies and match their tactics to what the market needs.

III. METHODOLOGY:

The present study adopts a comparative research design to analyze and contrast the business models of Indian and American startups. Guided by objectives such as identifying common business models in both countries, examining their structural elements, and understanding the factors influencing their success and viability, the research relies entirely on secondary data drawn from existing literature, financial reports, case studies, and market research publications. The analysis combines qualitative and quantitative approaches, beginning with the classification of prevalent business models—such as e-commerce, fintech, SaaS, and edtech in India, and subscription-based, on-demand, freemium, ad-supported, and marketplace models in the United States. This is followed by a comparative evaluation of key components including value propositions, customer segments, revenue streams, and cost structures, highlighting contrasts such as India's focus on affordability, accessibility, and diversified revenue models versus the US emphasis on innovation, convenience, and scalable high-margin income sources. Furthermore, the study examines how market conditions, regulatory frameworks, and technological advances shape business model choices in each country, noting India's mobile-first, frugal innovation environment and supportive initiatives like Digital India and Startup India, compared to the US ecosystem driven by strong intellectual property protection and early adoption of advanced technologies such as AI and blockchain. Through this structured comparative analysis, the study aims to provide meaningful insights into the strategic decisions shaping startup business models within these two contrasting entrepreneurial ecosystems.

IV. FINDINGS AND DISCUSSION:

Understanding business Model: A business model describes how an organisation generates, provides, and obtains value. It includes the target client categories, income streams, cost structures, essential operations, and value proposition of the business. A wide range of elements, including market demands, technical developments, regulatory frameworks, and cultural norms, can influence the design of business models. Business models in the context of startups are frequently novel and disruptive, upending long-standing participants in the market and customs.

- Common Business Models for Indian Startups: Indian entrepreneurs have thrived in a variety of industries by utilising technology to meet regional need and seize business possibilities. India's expanding internet and smartphone usage is a boon for e-commerce and marketplace models like Flipkart, Snapdeal, and Myntra. These businesses make money from transaction and listing fees as well as value-added services. Driven by the government's desire for digital payments and a tech-savvy populace, fintech startups like Paytm, PhonePe, and Razorpay have revolutionised financial services with digital wallets, peer-to-peer lending, and payment gateways. SaaS providers, such as Freshworks, Zoho, and Postman, provide SMEs with scalable, cloud-based software solutions in exchange for recurrent subscription payments. Due in large part to the COVID-19 epidemic, edtech businesses like BYJU'S, Unacademy, and Vedantu have emerged as major actors in the education sector. These companies use technology to offer flexible online learning experiences and rely on membership fees, course fees, and advertising for their revenue. By matching drivers and passengers using smartphone applications and making money through partnerships, trip commissions, and advertising, ride-hailing businesses like Ola and Rapido have revolutionised urban transportation and met the need for convenient, reasonably priced transportation in crowded cities.
- Common Business Models for American Startups: American startups use a variety of business models to make money and succeed. By charging monthly fees for access to goods or services, subscription-based business models—made famous by firms like Netflix and Dollar Shave Club—produce predictable, recurrent revenue and build client loyalty. Uber and DoorDash are two examples of on-demand firms that meet consumer demand for quick access to products and services while making money through commissions and service fees. Dropbox and LinkedIn are two companies that use the freemium business model, which draws in a lot of users by providing basic services for free and charging for premium capabilities, which generates income through subscriptions. Ad-supported models are widely used in digital media and social networking platforms such as Facebook and Google. They rely on targeted advertising to make money by using user data to create customised ads. Last but not least, marketplace and platform models—found in businesses such as Amazon and Airbnb—enable user-to-user transactions while profiting from commissions and service fees as well as network effects that raise the platform's value as more users utilise it.
- Comparative Analysis: Although Indian and American entrepreneurs utilise comparable business concepts, there are notable distinctions because of economic, cultural, and regulatory aspects. The maturation of the U.S. market—marked by more disposable income and a willingness to pay for convenience and quality—allows subscription services and freemium business models to proliferate. Indian consumers, on the other hand, are more cost conscious and prefer value-for-money business models like marketplaces and reasonably priced fintech products. There are notable distinctions in technological infrastructure and innovation. American entrepreneurs have the advantage of sophisticated technology and a robust innovation culture, which facilitates on-demand services and ad-supported business models. Indian companies concentrate on developing affordable, scalable solutions to local problems like financial inclusion and accessible education. The regulatory environment also has a significant impact. While Indian regulatory initiatives like Digital India and Startup India have furled the growth of fintech and edtech startups by aligning business models with government priorities, the United States offers a stable, supportive framework for a variety of business models.

• Conclusion: Comprehending the prevailing business models utilised by startups in the US and India highlights the fundamental methods for startup development in disparate cultural and economic environments. While both nations display a blend of disruptive and inventive company models, the distinctions draw attention to the consumer behaviours and market realities in each location. Through the analysis of these models, investors and entrepreneurs can more adeptly navigate startup ecosystems, customising their approaches to suit specific conditions and opportunities. This comparative study emphasises how crucial creativity and adaptation are in the dynamic world of startups.

Key Components of business Models: The value proposition, or the unique value a startup offers to its customers; customer segments, or the target groups the startup aims to serve; channels, or the means by which the startup delivers its value proposition to customers; customer relationships, or the nature of the relationship the startup establishes with its customers; revenue streams, or the means by which the startup generates income; key resources, or the assets required to deliver the value proposition; key activities, or the necessary actions needed to execute the business model; key partnerships, or the network of suppliers and partners that support the startup; and the cost structure, or the total amount of money required to launch and operate a business model.

• Value Proposition: Indian companies create value propositions that target a budget-conscious consumer base by emphasising accessibility and cost. For instance, edtech companies like BYJU'S and Unacademy offer premium educational content at reasonable pricing to fulfil a range of educational demands, while fintech companies like Paytm and PhonePe offer economical digital payment options to improve financial inclusion. In contrast, the value propositions of American entrepreneurs place a strong emphasis on innovation, convenience, and high quality. Uber and Lyft are two companies that offer smooth ride-hailing services. Apple and Google, on the other hand, are digital titans that capitalise on the desire of the American market to pay for high-end services and products by focusing on creative products and improved user experiences.

• Customer Segments: Indian entrepreneurs frequently focus on underserved and unbanked segments through microfinance and fintech solutions, targeting a wide range of customers, including those in urban and rural areas. In addition, they are increasingly catering to Gen Z and tech-savvy millennials, with firms like Flipkart and Ola providing services that suit semi-urban and urban clients. American startups, on the other hand, usually focus on narrow markets and certain consumer segments that possess significant purchasing power. While LinkedIn serves businesses and professionals, Netflix and Hulu cater mostly to entertainment aficionados. American companies are able to efficiently target segments with their goods and marketing techniques thanks to this focused approach.

• Revenue Streams: Indian startups often rely on multiple revenue streams to diversify their income sources, such as e-commerce platforms like Flipkart, which generate revenue through sales commissions, advertising, and premium memberships, and fintech companies like Paytm, which earn from transaction fees, merchant services, and financial products. This diversification is necessary due to the competitive and price-sensitive nature of the Indian market. In contrast, American startups tend to focus on scalable and high-margin revenue streams, with SaaS companies like Salesforce and Slack generating recurring revenue through subscription fees and ad-supported models like Facebook and Google monetizing user data through targeted advertising. The maturity of the U.S. market allows for higher pricing strategies and more predictable revenue streams.

• Customer Engagement Strategies: Indian startups emphasize customer engagement through localized and personalized experiences, such as offering regional language support and tailored product recommendations on e-commerce platforms. They commonly use loyalty programs and cashback offers to retain customers and encourage repeat business, with social media and mobile apps playing a crucial role in customer interaction due to high mobile internet penetration. In contrast, American startups focus on building strong brand loyalty and community engagement. Subscription services enhance customer experience with personalized content recommendations and user-friendly interfaces, while companies like Airbnb and Uber use customer feedback and reviews to build trust and improve services. They place a high emphasis on seamless user experiences and robust customer support to maintain engagement.

• Key Resource Activities: Indian companies engage in content creation and technology for edtech, and they make use of local relationships and resources, such as delivery networks and logistics for e commerce. They concentrate on affordable, scalable solutions designed specifically for the Indian market. American startups, on the other hand, place a higher priority on personnel and technology investments, especially when it comes to R&D and innovation for software and proprietary technologies. To remain competitive in the US market, they place a strong emphasis on marketing, product development, and strategic alliances.

• Key Partnership: Indian startups usually collaborate with foreign investors, local companies, and government organisations. Fintech companies, for example, cooperate with banks to broaden their service offerings, while e-commerce platforms interact with logistics companies to enhance their delivery systems. These collaborations help companies grow their businesses and get past regulatory obstacles. On the other hand, US entrepreneurs frequently form strategic partnerships with IT companies and industry heavyweights. To guarantee service availability, SaaS companies may interact with cloud service providers like AWS or Microsoft Azure, while on-demand service platforms would work with nearby companies and drivers. Through these collaborations, startups can gain access to outside knowledge and resources, which promotes quicker development and innovation.

• Cost Structure: In an industry where consumers are price-sensitive, Indian entrepreneurs concentrate on keeping their cost structures as low as possible. They use low-cost labour, automation, and outsourcing techniques to cut costs. For example, many outsource backend operations and customer service. It takes effective cost management to achieve sustainability and profitability. On the other hand, because they are spending more on marketing, personnel, and technology, American startups typically have greater running costs. They do, however, gain from increased market valuation and revenue possibilities. They prioritise high-margin revenue sources and maximise operational efficiency to balance cost structures, and they see strategic investments in R&D and technology as critical to long-term success.

• Conclusion: A comparative analysis of the essential elements and frameworks of business models between Indian and American startups indicates different strategies influenced by commercial, cultural, and economic considerations. American startups prioritise innovation, convenience, and superior quality, while Indian startups prioritise price, accessibility, and localization. Comprehending these distinctions offers significant perspectives for entrepreneurs, financiers, and policymakers, underscoring the need of customising business tactics to regional market circumstances and prospects. Cross-training and cooperation between Indian and American startups can stimulate creativity and promote mutual growth as the global startup ecosystem keeps changing.

Factors Affecting American and Indian Startups' Decisions About Their Business Models: Selecting a business model is one of the most important choices a firm must make because it outlines the strategy for value creation, delivery, and acquisition. Different business models are adopted by startups in the US and India due to a range of reasons, including market dynamics, legislative frameworks, and advances in technology. In order to comprehend the reasons for the preference of business models in each nation, this essay will look at these issues. These motivating factors might help us understand the strategic decisions startups make in various situations.

- Market Conditions: Indian companies use economies of scale and local supply chains to deliver cost effective solutions to consumers that are price conscious. By using models that work for both markets, such as inclusive financial services from fintech firms like Paytm and PhonePe, they bridge the gap between urban and rural areas. As seen by edtech platforms like BYJU'S, India's youthful, tech-savvy populace pushes tech-based firms to concentrate on mobile-first solutions. American entrepreneurs, on the other hand, cater to customers with more disposable income and offer high-end goods and services, such as the subscription models of Netflix and Spotify. The constant need for innovation in the U.S. market forces startups—like Apple and Tesla—to keep getting better. Due to the abundance of growth prospects and venture funding available in the developed market environment in the United States, businesses are able to test and improve their business models for optimal market fit.
- Regulatory Environment: The fintech industry benefits from rules that encourage cashless transactions, and government initiatives like Digital India and Startup India in India encourage companies to concentrate on digital solutions like e-governance and online services. Startups, however, have difficulty navigating complicated regulations, particularly those that deal with compliance and data privacy. Developing smart cities and increasing internet connectivity are examples of infrastructure development initiatives that have an impact on business strategies, especially for startups in the logistics and e commerce sectors. The United States, on the other hand, provides a more liberal regulatory framework that fosters creativity and a wide range of business models, such as those employed by the ride-hailing sector. Robust intellectual property rights promote research and development expenditures as well as the creation of exclusive innovations. Meanwhile, financial policies that provide easy access to financing are essential for disruptive businesses seeking to grow quickly.
- Technological Advancement: The extensive use of mobile technology in India encourages entrepreneurs to concentrate on mobile-first solutions; this is evident in industries such as e-commerce, finance, and edtech, where businesses such as Ola and Zomato provide user-friendly mobile services. As evidenced by Jio's inexpensive data plans, which encouraged the uptake of digital services, Indian companies frequently place a high priority on frugal innovation, developing affordable solutions for the mass market. With access to tech talent, incubators, and accelerators that promote innovation, cities like Bengaluru and Hyderabad offer a burgeoning tech environment that helps businesses adopt tech-driven business models. On the other hand, US firms are pioneers in fusing cutting-edge technologies like blockchain, AI, and machine learning; Google and Amazon are prime examples of this movement. Startups are encouraged to develop models that leverage digital technology due to the rapid digital change of the U.S. market. Startups are encouraged to embrace models that capitalise on digital trends, such as SaaS and cloud computing, as exemplified by businesses like Zoom and Slack, by virtue of the U.S. market's rapid digital transition. Innovation hotspots like Silicon Valley provide an environment that is conducive to experimentation and growth for startups, fostering a range of business models from tech-driven solutions to disruptive newcomers to the market.
- Conclusion: Market dynamics, legislative frameworks, and technical breakthroughs interact in a complicated way to impact the business models that American and Indian companies choose. American startups prioritise innovation, premium quality, and cutting-edge technology integration, whereas Indian startups frequently stress price, accessibility, and thrifty innovation. Gaining insight into these motivating elements helps one better understand the strategic choices companies make in various situations. Recognising and adjusting to these impacts will be essential for entrepreneurs hoping to flourish in a variety of regions as the global startup scene continues to change.

Assessing Business Models' Performance and Scalability in American and Indian Startups: An early startup's business model's performance and scalability are critical markers of its long-term viability and success. Startups use a variety of business models that are specific to their markets in both the US and India. The purpose of this article is to assess various business models' scalability and performance in order to identify the most successful and long-lasting ones.We may learn more about the elements that support startups' resilient and successful growth in a variety of economic contexts by comprehending these facets.

- Performance of Business Models: Indian startups have demonstrated impressive performance and scalability across multiple industries. With a large selection of goods available at affordable costs, e commerce sites such as Flipkart and Myntra have prospered. The strategic significance of Flipkart was underscored by Walmart's acquisition of the company. Financial services have undergone a transformation thanks to fintech businesses like Paytm and PhonePe, which prioritise financial inclusion and offer easily accessible digital payment alternatives. Edtech businesses that provide high-quality education to a broad audience, such as BYJU'S and Unacademy, have experienced exponential development, particularly during the COVID-19 pandemic. With convenient and cost-effective transportation choices, ride-hailing startups such as Ola have revolutionised urban mobility and are now venturing into electric vehicles and overseas markets. While on-demand services like Uber and DoorDash revolutionise convenience, subscription-based businesses like Netflix and Spotify in the US profit from recurring income streams and strong customer retention rates. Freemium business models, like those used by LinkedIn and Dropbox, draw a sizable user base by charging for premium features and providing basic services at no cost. As a result, LinkedIn has emerged as the preeminent professional networking platform. Ad-supported platforms, which Google and Facebook are prime examples of, monetize user data by means of tailored advertising and exhibit strong performance and scalability.

• Scalability of Business Models: Through smart investments in technology, logistics, and regulatory assistance, Indian companies in the e-commerce, fintech, edtech, and ride-hailing sectors show that they are scalable. Scalability is demonstrated by the way platforms such as Flipkart manage high transaction volumes, particularly during peak seasons. Digital adoption and regulatory support are advantageous for fintech businesses, as seen by the ease of growing of integrated platforms like as Paytm. Edtech businesses, such as BYJU'S, use technology to reach a large student body and are always coming up with new ideas to expand. Ola and other ride-hailing business models grow quickly by satisfying the need for urban transit and branching out into other cities and services. Subscription businesses like Netflix, with their steady revenue sources and international expansion, scale effectively in the United States. By using technology to match supply and demand, on-demand firms like Uber grow into new markets and services. Freemium business models, like those used by LinkedIn and Dropbox, successfully draw in and convert people. Google is an example of an ad-supported strategy that scales with data and user base growth to provide worldwide ad serving at low marginal costs.

• Factor influencing Performance and Scalablity: Big and expanding markets are advantageous to both Indian and American entrepreneurs; India's enormous population offers a big consumer base, while the U.S.'s strong purchasing power supports premium services. While increasing infrastructure, such as internet penetration, is essential for digital company scalability in India, the developed technological infrastructure in the United States facilitates the scalability of tech-driven business models. Scalability is greatly impacted by venture capital availability; the U.S. has a more developed ecosystem, although India is seeing an increase in investments and government backing. Scalability depends on a favourable regulatory framework, which the United States promotes through flexible regulations, and which India fosters through programmes like Startup India. Both nations rely on highly skilled labour; the United States gains from having a highly skilled labour population, while India's expanding tech talent pool and entrepreneurial culture facilitate scalability.

• Conclusion: The performance and scalability of business models in American and Indian companies demonstrate the distinct advantages and strengths of each ecosystem. While American entrepreneurs lead in innovation and premium service offerings, Indian companies succeed in developing accessible, all-inclusive solutions that appeal to a wide range of consumers. To encourage sustainable and profitable business models in both regions, entrepreneurs, investors, and legislators can benefit from an understanding of the variables that affect performance and scalability. Long-term success will depend on an ability to continuously adapt and learn from various markets as the global startup ecosystem changes.

Recommendation for Indian and American Startups: There are a tonne of chances for growth and innovation in the quickly developing startup ecosystems in the US and India. On the other hand, long-term success and steady development necessitate entrepreneurs to constantly improve their business models. This article offers suggestions for American and Indian businesses looking to improve performance and adjust to shifting market conditions in their company plans. Through the application of comparative analysis, entrepreneurs can enhance their chances of long-term success in the marketplaces in which they operate

Recommendation to Indian Startups			
S No.	Recommendation	Rationale	Implementation
1	Stress Accessible Innovation	Considering how sensitive the Indian market is to pricing, it is imperative to provide affordable alternatives without sacrificing quality.	-Adopt Frugal Innovation: Concentrate on developing creative yet reasonably priced goods and services. For instance, Jio, the telecom startup, transformed the market by offering inexpensive data plans that led to widespread adoption. -Localise Offerings: Tailor goods and services to the particular requirements of various Indian regions. This may entail cultural adjustments, language localization, and pricing plans tailored to particular regions.
2	Make Use of Digital Revolution-	Digital-first company models have a lot of opportunities thanks to the growing adoption of internet and mobile technology.	-A mobile-first strategy: Create mobile platforms and apps that offer smooth user interfaces. Fintech businesses, such as Paytm, have effectively utilised mobile technology to provide digital payment options. -Invest in Digital Services and E-commerce: Use digital services and e-commerce platforms to increase your online visibility. The trend towards online buying and remote services has accelerated due to the COVID-19 pandemic, creating an environment that is conducive to growth.
3	Establish Strategic Alliances	Partnerships with well-known companies, governmental organisations, and foreign partners can expand market reach and scalability.	- Government Collaboration: To secure financing and support, participate in government programmes like Startup India and Digital India. Overcoming regulatory obstacles can also be facilitated by working together with government initiatives. - Corporate Partnerships: To take use of their distribution networks and resources, form strategic collaborations with major corporations. For example, Flipkart has been able to expand its operations and enhance its logistical capabilities because to its collaboration with Walmart.
4	Pay attention to accessibility and financial inclusion	With a large segment of the population still lacking access to banking services, there is a great chance to	- Extend Digital Payment Solutions: Keep up the innovation in the field of digital payments by bringing in new offerings like insurance, savings plans, and microloans. These kinds of services are already

		promote financial inclusion by utilising cutting-edge fintech technologies.	being added to the service portfolios of startups like PhonePe and Paytm. - Inclusive Product Design: Create financial goods that are accessible and affordable to a range of socioeconomic brackets. Products such as low-cost microloans and basic savings accounts can fall under this category.
5	Strengthen Customer Engagement and Retention Rationale	Long-term growth and sustainability depend on fostering good customer relationships.	- Personalised Marketing: To enable tailored marketing initiatives, leverage data analytics to comprehend consumer behaviour and preferences. Personalised learning experiences are a useful tool for increasing student engagement in edtech businesses such as BYJU'S. - Loyalty Programmes: To keep clients and promote repeat business, implement loyalty programmes and incentives. Loyalty points and special offers are used by e-commerce sites such as Flipkart and Myntra to cultivate consumer loyalty.

Recommendation to American Startups			
S No.	Recommendation	Rationale	Implementation
1	Promote innovation via R&D	In the developed and highly technologically advanced U.S. market, innovation is a major source of economic advantage.	- Invest in Research and Development: Devote a sizeable portion of your budget to R&D in order to create innovative goods and services. To keep one step ahead of the competition, businesses like Apple and Google constantly innovate. - Promote an Innovative Culture: Encourage an environment at work where experimentation and originality
2	Emphasis on Premium Quality and User Experience	American customers are prepared to shell out more money for superior products and user experiences.	- High-Quality Standards: Make certain that goods and services live up to the greatest standards of quality. Businesses such as Tesla are renowned for their dedication to quality, which draws in a devoted clientele. - User-Centric Design: Consider the user experience when creating products and services. To improve their products, startups should carry out in-depth user testing and feedback loops. The popularity of user-friendly websites like Airbnb emphasises how crucial this strategy is.
3	Grow Internationally	Due of the intense competition in the US market, going worldwide may present new prospects for growth.	- Research on International Markets: Find potential overseas markets by conducting in-depth research. Take into account variables including the size of the market, the legal landscape, and cultural fit. - Localised Strategies: Create customised plans for every market, accounting for regional laws and customs. With the help of content and UI localization, Netflix has been able to establish itself in a number of foreign regions.
4	Apply the Data-Driven Decision Making	Using analytics and big data can yield insightful information that can be used to improve corporate operations and strategy.	- Data Analytics Infrastructure: To collect and evaluate customer data, make a significant investment in a strong data analytics infrastructure. Businesses such as Amazon leverage data analytics to enhance their supply chain operations and customise their consumer experiences. - Predictive Analytics: Make proactive strategy revisions by using predictive analytics to foresee market developments and customer needs. This strategy can spur growth and increase consumer satisfaction.
5	Reinforce the Financial Management	Maintaining development and assuring long-term viability require effective financial management.	- Financial Planning and Analysis: To track results and pinpoint areas in need of development, establish thorough procedures for financial planning and analysis. Startups should evaluate financial data on a frequent basis and modify their plans as necessary. - Diversify Revenue Streams: By distributing your money, you can lessen your reliance on a single source of income. For example, SaaS companies can look into selling more products or services to enhance their main business.

V. CONCLUSION:

In a study, a comparative analysis on business model on Indian and American startups demonstrates different strategies influenced by market, cultural, and economic variables. Indian startups, which target a budget-conscious consumer base and concentrate on digital transformation and strategic alliances, excel in accessibility, affordability, and economical innovation. However, by utilising a developed market ecosystem and an innovative culture, American companies are at the forefront of innovation, premium quality, and advanced technological integration. Indian startups should prioritise inexpensive innovation, digital transformation, strategic collaborations, financial inclusion, and consumer engagement in order to optimise their business models for greater growth and sustainability. Conversely, R&D-driven innovation, superior quality and user experience, international expansion, data-driven decision-making, and financial management should be the primary priorities of American entrepreneurs. Startups in both nations can improve their performance, scalability, and resilience in a cutthroat international market by putting these suggestions into practice. Startups will need to constantly adapt and learn from each other's capabilities if they are to succeed and support innovation and economic growth in their particular industries.

VI. REFERENCES:

1. Blank, S. (2013). Why the lean start-up changes everything. Harvard Business Review, 91(5), 63–72.
2. Chesbrough, H. (2010). Business model innovation: Opportunities and barriers. Long Range Planning, 43(2–3), 354–363.
3. Chesbrough, H., & Rosenbloom, R. S. (2002). The role of the business model in capturing value from innovation: Evidence from Xerox Corporation’s technology spin-off companies. Industrial and Corporate Change, 11(3), 529–555. https://doi.org/10.1093/icc/11.3.529
4. Datta, A., Mukherjee, A., & Jessup, L. (2017). Creating value in ecosystems: Business models for digital innovation. Information & Management, 54(3), 356–368.
5. Eisenhardt, K. M., & Sull, D. N. (2001). Strategy as simple rules. Harvard Business Review, 79(1), 106–116.
6. Hofstede, G. (2001). Culture’s consequences: Comparing values, behaviors, institutions, and organizations across nations (2nd ed.). SAGE Publications.
7. Isenberg, D. J. (2010). How to start an entrepreneurial revolution. Harvard Business Review, 88(6), 40–50.
8. Jain, S., & George, G. (2016). Technology startups in India: Evolving business models and ecosystem. IIMB Management Review, 28(2), 74–85.
9. Kamaluddin, F. A. (2021). Indian startup ecosystem: Analysing investment patterns and government programmes. Institute for Social and Economic Change Working Paper, 514.
10. Kompella, S. (2025). A study of the evolving entrepreneurship ecosystem in India. International Journal of Applied and Practical Trends, 1(1), 1–15.
11. Osterwalder, A., & Pigneur, Y. (2010). Business model generation: A handbook for visionaries, game changers, and challengers. John Wiley & Sons.
12. Pokojski, Z. (2021). Business model – The context of innovation. Humanities and Social Sciences, 28(3), 133–144.
13. Ramdani, B., Binsaif, A., & Boukrami, E. (2019). Business model innovation: A review and research agenda. International Journal of Innovation Management, 23(7), 1950057.
14. Teece, D. J. (2010). Business models, business strategy and innovation. Long Range Planning, 43(2–3), 172–194. https://doi.org/10.1016/j.lrp.2009.07.003
15. Zott, C., & Amit, R. (2007). Business model design and the performance of entrepreneurial firms. Organization Science, 18(2), 181–199. https://doi.org/10.1287/orsc.1060.0232
16. Andreini, D., Bettinelli, C., Foss, N. J., & Verona, G. (2021). Business model innovation: A review of the process-based literature. Journal of Management & Governance, 25(4), 1041–1072.
17. Ciszewska-Mlinarič, M. (2023). Exploring the drivers of business model innovation and its impact on firm performance. Journal of Management and Financial Sciences, 46(1), 9–28.
18. Ciszewska-Mlinarič, M., Obłój, K., & Wąsowska, A. (2019). Business model innovation in entrepreneurship. In Proceedings of the International Conference on Innovation.
19. Kamaluddin, F. A., & Fakih, A. (2021). Indian startup ecosystem: Analysing investment trends and performance of government programmes. Journal of Entrepreneurship and Public Policy, 10(3), 345–364.
20. Sharma, R., & KPMG. (2024). India’s startup ecosystem: Growth drivers, challenges and opportunities. KPMG India.