

IMPACT OF TECHNOLOGY ON ENTREPRENEURSHIP

¹T.Radhika
¹Research Scholar
¹KL University

Abstract: An entrepreneur is an owner or manager of business enterprise who makes money through risk and initiative. In the era of technological revolution various business models are coming into existence, with the extensive usage of internet where technology has become the integral part of the business, majority of the people vote for digitalization. e-Entrepreneurship is a platform where trading of goods and services takes place using computer networks. In this scenario we are witnessing most of the start-ups setting their stores online before a physical setup. So that they can study the market pulse about the acceptance of their products. The present paper tries to throw light on the various trends of e-commerce, e-retailing, e-business etc.

Key Words: Entrepreneurs, e-commerce, technology.

Introduction:-

Entrepreneurship is a multifaceted phenomenon that involves human creativity, financial resources, and technological capital, fostering the discovery and establishment of new ways to organize production processes and new institutional forms, leading to such outcomes as enterprise growth and new ventures. It is the process of creating something new and exploit such ideas into gainful opportunities by assuming and accepting both the risks and rewards. E-entrepreneurship is a business activity on internet which is characterized to buy or sell products only online. The adoption of technology is enabling the e-entrepreneurs to be more reachable to the people using mobile commerce, 4G and Wi-fi connected devices like smart phones, electronic data interchange, internet etc. there are various trends of e-entrepreneurship with different business models who are the strategic players fighting for a fair share of customers mind and wallet.

Entrepreneurship:

According to Hirsch and Peters (2002), entrepreneurship consist on the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence.

Entrepreneur:

An entrepreneur is an owner or manager of a business enterprise who makes money through risk and initiative. Entrepreneur in English is a term applied to a person who is willing to help launch a new venture or enterprise and accept full responsibility for the outcome. Jean-Baptiste Say, a French economist, is believed to have coined the word "entrepreneur" in the 19th century - he defined an entrepreneur as "one who undertakes an enterprise, especially a contractor, acting as intermediary between capital and labor".

E-entrepreneurship:

E-entrepreneurship has been regarded to be a subcategory of entrepreneurship, oriented at virtualization of selected or all business activities and processes, which in a traditional organizations were performed physically. Emergence of the Internet was one of the most important milestones in the development of business surroundings which expanded from the traditional market to market space available on the Internet. This was followed by a remodeling of entrepreneurship into Internet entrepreneurship or e-entrepreneurship. Internet has caused a switch from the traditional closed model of innovations to a model of open innovations. Easy access to Internet communication solutions, development of social media, stimulates customers activity not only as buyers but also as experts, consultants, promoters of products and brands more over, importantly, creative innovators. Enterprises involved in e-entrepreneurial processes encourage customers to cooperate with them, because customers are the best and immediate source of information about current market needs. These customers also deliver ideas about product improvements or demand on new products.

Recent Trends in E-Entrepreneurship:

- Aggregator Model
- Infomediary Model
- Subscription Revenue model
- Enterprise Cloud computing
- Transaction Broker
- Advertisement Revenue model
- Affiliate Revenue Model
- Social Networks
- Business Incubators
- Click and collect service

Aggregator Model:

The aggregator business model runs on a two-fold customers strategy where the service consumers as well as the goods/service providers acts as the customers of the company. The brand is built in such a way so as to attract both of the parties to use this platform rather than the competitors'. This model is getting increased day by day because of its ease of execution and large acceptance. For aggregator, it gives benefit of execution based on "Just in Time" while for individuals it gives benefit of large scale recognition. Ola, Shuttle, Grofers, FoodPanda, Swiggyetc are some of the examples of aggregator business model.

Infomediary Model

The simplest form of an infomediary model is the registration model. In this scenario, companies require users to register before gaining access to information on their Web sites, even if the information itself is provided at no charge. Independently collected data about producers and their products are useful to consumers when considering a purchase. Some firms function as infomediaries assisting buyers and sellers understand the current market. Few types of Infomediary models are :-

Advertising Networks : service that feeds banner ads to a network of sites, thereby enabling advertisers to deploy large marketing campaigns. By using cookies, the Ad Network operator collects data on web users that can be used to analyze marketing effectiveness.

Audience Measurement Services : Online audience market research agencies.

Incentive Marketing: The customer loyalty program model. Provides incentives to customers such as redeemable points or coupons for making purchases from associated retailers. Data collected about users is sold for the purpose of targeted advertising.

- **Subscription Revenue model**

The subscription business model is a business model where a customer must pay a subscription price to have access to a product or service. The model was pioneered by magazines and newspapers, but is now used by many businesses and websites. The subscription model has been long used in the offline world, mostly in the publishing industry. Digital subscriptions are tied to services and there is no exchange of physical product, the entire account is managed online allowing the company to manage it as a service. The concept of this business model is simple. Customers pay a recurring fee usually monthly or yearly to use a product or service. The subscription business model isn't just seen in small, local businesses like milk delivery or magazine rentals. Big companies like Amazon, Microsoft and Adobe used to sell products for a single, flat fee, but now have started selling them on a subscription basis. Subscription businesses focus on selling to existing customers who keep coming back for repeat purchases. This model is beneficiary to both owners in the form of predictable demand and revenue by automated selling and paying as well as customers by enjoying more value for less price and assurance of great service.

- **Enterprise Cloud computing**

Cloud computing represents a shift away from computing as a product that is purchased, to computing as a service that is delivered to consumers over the internet from large-scale data centers - or "clouds". Enterprise cloud computing is the provision of cloud computing services to businesses. This is in contrast to consumer-oriented cloud computing services. In enterprise cloud computing, individual companies and businesses rely on contracts with cloud providers or vendors to outsource different types of IT services. The benefits of enterprise cloud computing are partly related to security and cost. Businesses can take advantage of cloud vendors with superior security methods, while controlling overhead by only using the services they need at any given time. Instead of costly hardware procurement and installation, companies can simply order services for as long as they need them. These sophisticated business contracts are often facilitated through something called a service level agreement (SLA) that spells out exactly what the cloud provider is offering to the client business, and what the client can expect

- **Transaction Broker**

Transaction Broker, which has become the newest form of business transaction and has grown exponentially since the start of the 21st century. A transaction broker is not a representative or agent for either the buyer or the seller. The job of a transaction broker is to help both the buyer and the seller by bringing them together with the necessary platform provided where products and services are being traded for value. By doing so, the brokers earned commissions each time a sales transaction is made.

- **Advertisement Revenue model**

Online businesses and media companies often look to advertisers for most or all of their revenue. This is known as an advertising-based revenue model. It is difficult to get users to pay for content that they can find for free in most cases. Thus, the basic premise is to present news, information or feature articles that attract users and then sell advertising space to businesses that have a message for your audience. Online service providers with in-demand services such as music or picture editing often have more flexibility in that they can make money from paying customers or attract advertisers.

- **Affiliate Revenue Model**

Affiliate marketing is one of the foundational business models that almost everyone who has made money online has some experience with. It can be incredibly lucrative, but provides its own set of benefits and flaws, as every business model does. It is simply where you sign up with a company or a network to sell their products or services. You get paid typically every time someone either buys something or executes the desired action. You are paid a commission every time you succeed, and this money is more or

less from the marketing budget of the company who is offering the affiliate program. Some affiliate programs will pay you long after you make the sale as well-known as rebills. These products can be harder to sell, but with the right angle, they can be worth it in the value they offer with their monthly paychecks.

- **Social Networks**

Social Network is a powerful tool for ecommerce websites. The ability to not only direct shoppers toward a new product or an attractive deal, but to engage with them and create a sense of community, is incredibly useful. A complete social media presence also includes direct sales through some networks, as well as having the back-end tools in place to let customers share products and recent purchases with friends and followers through just a single click. Just as social networks promotes an ecommerce storefront, the storefront needs to highlight a social presence. Spending valuable time crafting posts for one or many networks isn't effective if shoppers aren't directed toward and encouraged to follow these pages. Use social media icons at the bottom of each webpage and provide links for sharing specific products.

- **Business Incubators**

Incubators are the nurseries in which Internet startups can develop their business plans, products, services, and infrastructures, secured with plenty of financial capital, physical space, and on-hand expertise. In short, incubators are companies in business to support and bring to life new companies, particularly dot-coms. Incubators are full-service company accelerators, offering everything from finance capital and management expertise to marketing analysis and legal advice. They tend to provide their e-commerce companies with office space, ample facilities and infrastructure, and recruitment services so as to attract executives capable of making the business stand on its own. Typically, incubator firms maintain their own staff to comb over the companies' business plans and implement Web sites and technological infrastructure, while at the same time seeking out venture capital funding and creating equity pools for each client. Once the companies are prepared to stand on their own, they are turned loose to generate their own later-stage venture capital and move toward an initial public offering (IPO). Incubators generate their own profits primarily by reaping returns on their initial investment, as the formerly incubating firm grows and its stock price soars, the value of the incubator's original stake grows as well.

- **Click and collect service**

Click and collect is all about customers making a purchase online and choosing to collect that purchase at a pre-chosen location, rather than have it delivered to their home. Opting for a click and collect system allows you to offer customers different options for collection fulfillment. differentiation yourself from other. Customers who use click and collect get to control when they want to pick up their delivery. They no longer have to consider or think about missing a delivery. Also, they're not met with any added delivery costs. It's much more convenient for them this way. Click and collect works best for items such as fashion, gadgets and household gadgets such as TV's. bulkier items such as furniture and kitchenware are less likely to be ordered via click and collect Collaboration. Even if your e-Commerce store doesn't have a physical store, you can still utilise click and collect. Many stores collaborate and allow customers to collect online orders at their stores.

Conclusion:

Entrepreneurship has been the sprouting ground for various discoveries, inventions, innovations, products and processes. The Internet technology causes that companies do not only benefit from significantly lower operating costs, but they also are able to operate on a scale that is larger than before. Opportunities for international expansion are becoming quite natural and common. The development of technologies should be followed by removal of regulatory barriers. In the Internet business models, contribution of users (customers or traders) to co-creation and co-development of services which they use is critical. Nowadays, under conditions of continuous innovation and accelerated development of technologies and business models, it is necessary to ensure that legislation is brought in dialogue with online businesses and users of internet services. Transformation of traditional business towards e-entrepreneurial business is carried out by converting values, resources, structures and strategies. Virtualization of such processes as ordering, payments, after-sales customer services, communication or e-marketing ensures more effective implementation of current business objectives and changes the approach of companies to a new model of e-business.

References

1. Waesche NM. *Internet Entrepreneurship in Europe: Venture Failure and the Timing of Telecommunications Reform*, Published by Edward Elgar Publishing Limited Glosenda House, 2003.
2. Floyd SW, Wooldridge B. Knowledge creation and social networks in corporate entrepreneurship: The renewal of organizational capability. *Entrepreneurship Theory and Practice*
3. KILBY, Peter (1971), *Entrepreneurship and Economic Development*, New York
4. Hull CE., Hung YTC., Hair N., Perotti V., DeMartino R. Taking advantage of digital opportunities: a typology of digital entrepreneurship, *International Journal of Networking and Virtual Organisations*
5. Hafezieh N., Akhavan P., Eshraghian F. Exploratory of process and competitive factors of entrepreneurship in digital space. *Education, Business and Society: Contemporary Middle Eastern Issues*
6. Hamill J, Gregory K. Internet marketing in the internationalisation of UK SMEs. *Journal of Marketing Management*,
7. Lassen, A. H., Gertsen, F. and Riis, J. O., The Nexus of Corporate Entrepreneurship and Radical Innovation. *Creativity and Innovation Management*
8. Bratnicki M. Configuration Approach to Organizational Entrepreneurship, *Economics and Organization of Enterprises* (Konfiguracyjny ujęcie przedsiębiorczości organizacyjnej, *Ekonomika i Organizacja Przedsiębiorstw*),
9. Zhao F., Exploring the synergy between entrepreneurship and innovation", *International Journal of Entrepreneurial Behaviour & Research*,
10. Singh, M., & Waddell, D. (Eds.) (2003). *E-business innovation and change management*. Hershey, PA: Idea Group Publishing.