

Empowering Entrepreneurs in India: Addressing Challenges for Growth

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Abstract—This paper aims to explore the challenges faced by new entrepreneurs in the business field, both internal and external, as well as to identify potential solutions to overcome these challenges. Secondary sources, such as online journal articles and publications, were reviewed to gather data for this study. The research findings indicate that developing a business idea and vision, raising capital for a start-up, and identifying the right business location are the most common internal challenges faced by new entrepreneurs. New entrepreneurs frequently encounter external challenges, including competition, unforeseen business challenges, and other factors. The study also identifies several potential solutions to overcome these challenges, including maintaining a positive outlook, expanding the idea and vision to potential investors, and other strategies to address specific challenges. Overall, this study sheds light on the common challenges faced by new entrepreneurs and provides valuable insights into potential solutions to help and overcome them.

Keywords—Entrepreneurship Challenges; , New entrepreneurs, Business Development; Start-ups; Well-being

I. INTRODUCTION

With its vast population and diverse cultural and economic landscape, India presents opportunities and challenges to aspiring entrepreneurs. While the Indian government has made strides in creating a favourable environment for startups and small businesses, there are still some obstacles that entrepreneurs must navigate to achieve success. Entrepreneurs in India encounter a significant hurdle in the form of a convoluted regulatory landscape. Starting and running a business in India requires navigating a maze of licenses, permits, and regulations at both the state and central levels. For example, a business owner may need to obtain separate licenses for zoning, pollution control, labour laws, and tax registration. The bureaucratic process can be time-consuming and frustrating, particularly for those who are unfamiliar with the intricacies of Indian law [1]. Another major obstacle for entrepreneurs in India is access to funding. While several venture capital firms and angel investors are operating in the country, the overall investment landscape is still relatively underdeveloped compared to other countries. Many traditional sources of funding, such as banks, are reluctant to lend to small businesses without a long track record of success. Additionally, Indian investors tend to be risk-averse, preferring to invest in established companies rather than startups. In addition to regulatory and financial challenges, entrepreneurs in India must also contend with a number of cultural and social factors that can impact their success [2]. For example, the Indian business culture tends to be hierarchical and relationship-driven, which

can make it difficult for outsiders to break into established networks. Additionally, many Indian entrepreneurs face cultural pressures to pursue more traditional career paths, such as medicine or engineering, rather than striking out on their own. Despite these challenges, there are many reasons why India remains an attractive destination for entrepreneurs. The country has a rapidly growing young population, a thriving technology sector, and a large consumer base hungry for new products and services. Additionally, the Indian government has launched several initiatives in recent years aimed at promoting entrepreneurship and innovation, such as the Startup India program and the Digital India campaign. To succeed as an entrepreneur in India, it is essential to understand the regulatory environment, access to funding, and the cultural and social factors that can impact your business. Networking and building relationships with key players in your industry can also be critical to your success. While the road ahead may be challenging, with determination and perseverance, entrepreneurs in India can overcome these obstacles and achieve their goals.

II. LITERATURE REVIEW

The journey of becoming an entrepreneur in India is filled with many challenges. These challenges are restricted to a lack of financial resources and encompass cultural, social, and bureaucratic obstacles. This literature review will discuss some of the key challenges faced by entrepreneurs in India. One of the primary challenges faced by entrepreneurs in India is access to finance [3, 4]. Securing adequate funding to commence and expand their enterprises is a significant challenge numerous entrepreneurs encounter. According to a study conducted by the World Bank, India ranks 136th out of 190 countries in ease of obtaining credit. This is due to a lack of collateral and credit history, which makes it difficult for entrepreneurs to secure loans from banks and other financial institutions. Another challenge faced by entrepreneurs in India is the complex and bureaucratic regulatory environment. India ranks 63rd out of 190 countries in ease of doing business, according to the World Bank. This is due to the numerous licenses and permits required to start and operate a business. The process of obtaining these licenses and permits can be time-consuming and expensive, which can deter potential entrepreneurs. In addition to these challenges, entrepreneurs in India also face cultural and social barriers. Entrepreneurship is not always viewed as a viable career option in India, and many individuals are discouraged from pursuing it. Additionally, women entrepreneurs often face gender biases and stereotypes, which

can make it difficult for them to succeed in the male-dominated business world. Despite these challenges, there are several initiatives underway to support entrepreneurship in India. The government has initiated various programs to stimulate entrepreneurship, such as the Startup India program and the Atal Innovation Mission [5]. Additionally, several incubators and accelerators in India support and mentor entrepreneurs. In conclusion, becoming an entrepreneur in India is not without its challenges. These challenges range from a lack of access to finance to complex regulatory environments and cultural barriers [7]. However, there are several initiatives underway to support entrepreneurship in India, and with the right support and resources, entrepreneurs in India can overcome these challenges and succeed in their ventures.

III. MOTIVATION

India has become a burgeoning hub of opportunities for enterprising individuals. With a growing economy and a burgeoning start-up ecosystem, the country attracts young, dynamic individuals who want to build their ventures. However, there are several challenges that an entrepreneur in India must overcome to be successful. One of the biggest challenges facing entrepreneurs in India is the lack of access to capital. Although many venture capitalists and angel investors are in the country, they tend to be very selective in their investments. Many entrepreneurs struggle to secure funding for their ventures, and this can be a major obstacle to their success. Another challenge is the complex regulatory environment. India has a highly bureaucratic system, with numerous regulations and red tape. This can make it difficult for entrepreneurs to get their businesses off the ground, as they must navigate a maze of rules and regulations. Infrastructure is also a significant challenge. India has a massive population, and its infrastructure has not kept pace with the growth. This can create problems for entrepreneurs, especially those who rely on logistics and transportation. Poor roads, unreliable electricity, and a lack of basic amenities can make it difficult for entrepreneurs to operate efficiently. Despite these challenges, there are many reasons why entrepreneurs should be motivated to start their businesses in India. The country has a large and growing consumer base that provides a ready market for innovative products and services [85, 86, 88]. Additionally, the government has taken steps to support the start-up ecosystem with initiatives like Start-up India and Make in India. Entrepreneurs in India also have access to a vast pool of talent, with many young and talented individuals eager to work for start-ups. This talent pool is highly educated and motivated and can provide a strong foundation for any new venture. In conclusion, while there are certainly challenges to becoming an entrepreneur in India, there are also many reasons to be motivated. With a growing economy, a supportive government, and a talented workforce, India is a land of opportunity for those who are willing to take risks and start their businesses. By overcoming the challenges and persevering through the ups and downs of entrepreneurship, individuals can create successful and impactful businesses that can transform not only their own lives but also the lives of others.

IV. RESEARCH OBJECTIVE

The primary objective of this study is to analyze the challenges hindering entrepreneurial growth in India and to propose actionable strategies for empowering aspiring and existing entrepreneurs. Specifically, the research aims to:

- 1) Identify key socio-economic, cultural, and policy-related barriers faced by Indian entrepreneurs and evaluate the effectiveness of current government policies and initiatives in fostering entrepreneurship.
- 2) Propose comprehensive solutions and key aspects to empower entrepreneurs by addressing identified challenges and fostering an ecosystem conducive to sustainable growth and innovation.

This study seeks to contribute to policy formulation, academic discourse, and practical strategies aimed at enhancing entrepreneurship's role in India's economic development.

V. METHODOLOGY

This study adopts a secondary data analysis approach to investigate novice entrepreneurs' challenges and identify potential solutions to address them. The data was obtained through a comprehensive review of relevant online scholarly articles and publications. The collected data was systematically presented and discussed to validate the research objectives. This methodology ensures that the research findings are trustworthy and credible while providing valuable insights into the topic. The study aims to shed light on the topic and offer meaningful recommendations to assist new entrepreneurs in navigating their challenges (Fig-1, Fig-2).

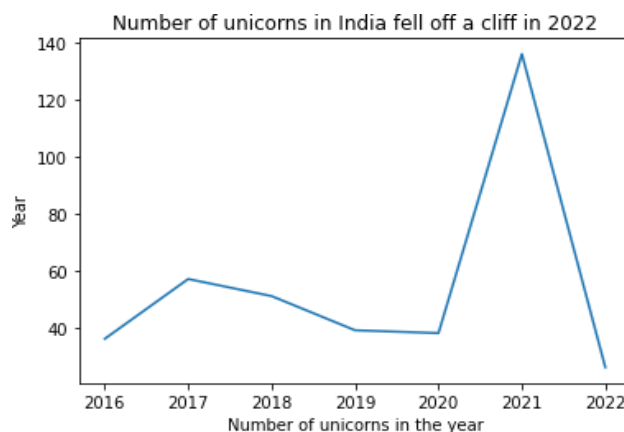


Fig. 1. Number of Unicorns in India fell graph

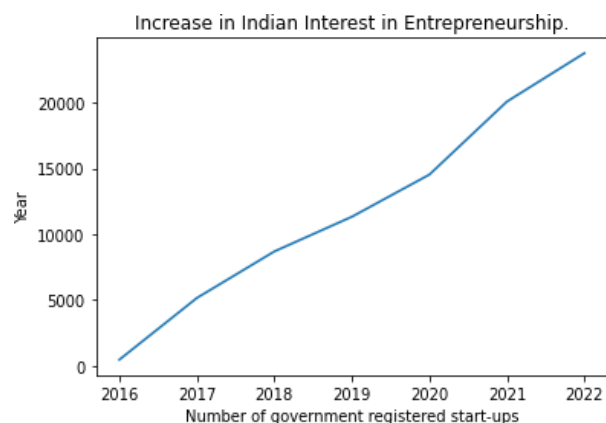


Fig. 2. Increase in Indian Interest in Entrepreneurship

VI. RESULT AND DISCUSSION

This section presents the findings and discussions of the study on the internal and external challenges encountered by new entrepreneurs and the relevant suggestions to address these challenges. The study's results provide valuable insights into the various obstacles faced by new entrepreneurs in the business environment. The discussion highlights the challenges' significance while presenting potential solutions to help new entrepreneurs overcome them. The suggestions presented in this section are designed to aid new entrepreneurs in developing their business strategies and achieving success in their endeavours.

A. Internal Challenges

Entrepreneurship demands a high level of personal resilience, and new entrepreneurs often face significant internal challenges while striving for success in the business field. These internal challenges arise from personal issues and are commonly referred to as personal pressures that new entrepreneurs experience before starting a new business. [10] Therefore, this section aims to provide an in-depth analysis of the most prevalent internal challenges new entrepreneurs face during the startup phase of their businesses. By shedding light on these challenges, we can help new entrepreneurs to develop effective strategies for overcoming them and achieving success in their entrepreneurial endeavours.

1) Political Interference:

New entrepreneurs in India often face numerous challenges related to political interference when starting and running their businesses. These issues include bureaucratic delays caused by politicians demanding bribes or engaging in corrupt practices, leading to difficulties in obtaining necessary permits and licenses.[6] This results in increased costs and longer timelines for entrepreneurs to set up and operate their businesses. Moreover,[13] local politicians may also harass and extort new entrepreneurs by demanding a share of profits or exerting control over the business in exchange for political protection. Such behaviour creates an unfavourable business environment, discouraging investment and entrepreneurship. [14] Political instability, frequent changes in government policies, and bias towards established businesses are common challenges new entrepreneurs face. Political interference can also lead to unfair competition in the market, where established businesses may receive preferential treatment, making it difficult for new entrepreneurs to compete fairly. These problems combined can make it challenging for new entrepreneurs to establish and operate their businesses successfully in India.

2) Capital Raising for Start-up:

Starting a business is a challenging endeavor requiring much effort and dedication. In addition to the external challenges, new entrepreneurs also have to face several internal challenges. One of the most significant internal challenges that new entrepreneurs usually face is the challenge of raising capital for their business start-up.[4] According to Sanjiv Kumar and Shikha Kumari[15], a new entrepreneur may have a great business idea, but without capital, the business may never get off the ground. Therefore, one of the primary responsibilities of a new entrepreneur is to search for investors who are willing to invest in their business. Nevertheless, accomplishing this feat is easier said than done. Finding investors willing to take a chance on their business idea is challenging for new entrepreneurs. According to Rajeev Kumar and Anand Kumar [17], the process of raising capital is not just about asking for money. It is also about convincing investors that the business idea is worth investing in and gaining their trust in the task proposed. Investors usually prefer investing in already established businesses with a track record of success and minimal risk. This is because they want to get returns for the risk they took. As for new entrepreneurs, it is challenging for them to be a competitor to these established businesses. They are still new in the field and may be gaining lower income in their business compared to established businesses. As a result, arousing investors' interest in investing in their nascent businesses is consistently arduous and indisputably represents a significant challenge for these entrepreneurs.

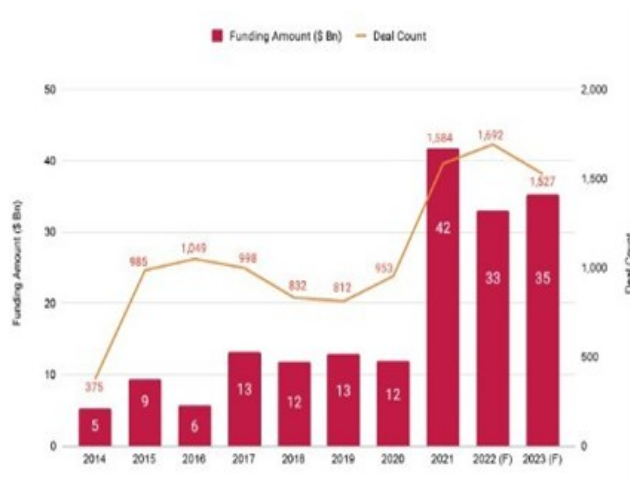


Fig. 3. Variation of Funding amount and Deal counts on start-ups in India

The difficulty in raising capital for a start-up can create several problems for new entrepreneurs. New entrepreneurs may be unable to start or expand their businesses without adequate funding.[14] They may also struggle to cover operating costs, pay employees, or invest in marketing and advertising. Moreover, without adequate funding, new entrepreneurs may not be able to attract and retain talented employees, which can

hamper their ability to grow and succeed. To overcome this internal challenge, new entrepreneurs need to be resourceful and creative in their approach to raising capital. They need to develop a strong understanding of the various sources of funding available to them, such as angel investors, venture capitalists, crowdfunding, and government grants. They must create a compelling business plan outlining their vision, goals, and strategies for success [89, 90]. They also need to build relationships with potential investors, network with other entrepreneurs and business leaders, and attend events and conferences to raise their profile.[6] In addition, new entrepreneurs need to be prepared to give up a portion of their equity in exchange for funding. This means that they need to be comfortable with the idea of sharing ownership and control of their business with outside investors. They also need to be transparent and honest about their business prospects and potential risks, as investors are likely to be more interested in open and honest businesses about their challenges and opportunities.[18] In conclusion, raising capital for a business start-up is one of the most significant internal challenges faced by new entrepreneurs. Without adequate funding, new entrepreneurs may struggle to start or expand their businesses, cover operating costs, pay employees, or invest in marketing and advertising. However, by being resourceful, developing a compelling business plan, building relationships with potential investors, and being prepared to share ownership and control of their business, new entrepreneurs can overcome this challenge and succeed in the competitive world of business.

3) Find Right Business Location and Product:

Selecting an optimal location for a business is a challenging task for entrepreneurs, as noted by James O.Okpara and Agwu M. Edwin. [36] It is critical to select a location that is efficient and can foster the future growth of the business. To achieve this, an entrepreneur must consider various factors such as infrastructure, client base, population growth, road network, and amenities. This factor can be viewed as an internal challenge, as an ideal location typically commands higher rent, leading new entrepreneurs to encounter financial difficulties. In contrast, selecting a less strategic location may result in lower rental costs but lower customer traffic and reduced income compared to a strategic location.[42] Thus, entrepreneurs face a dilemma. Consequently, new entrepreneurs must have the ability to identify and secure an optimal location for their business's development. This is undeniably challenging for them, as prime business locations are often difficult to find. Identifying a strategic business location requires a thorough understanding of the target market and its needs. Entrepreneurs must conduct extensive research to determine the best location

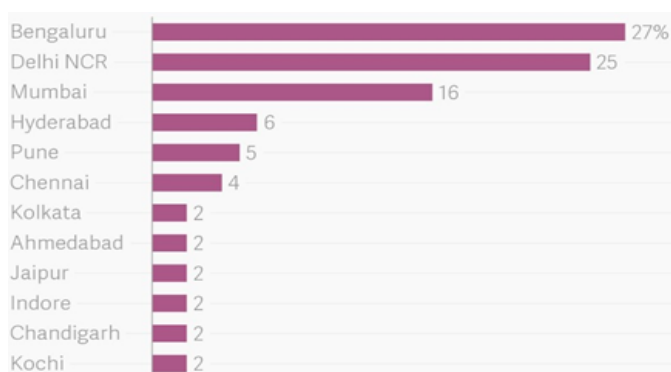


Fig. 4. Cities that have led the most start-ups in India

for their business. [45]. This research may include analyzing the competition and their locations, identifying target customers and their habits, and assessing the location's accessibility to suppliers and transportation routes. By leveraging this information, entrepreneurs can identify the ideal location that meets their business needs. Moreover, the cost of renting a strategic location is a significant challenge for entrepreneurs. New entrepreneurs may not have access to sufficient financial resources to secure a prime location, which can be costly. As a result, entrepreneurs must consider alternative locations that can be more affordable.[16] However, they must also evaluate whether the location can provide the necessary customer traffic to sustain their business. This decision requires a careful balancing of various factors, including rent, potential customer base, and business expenses.

B. External Challenges

Entrepreneurship is a journey fraught with external pressures that can impact a new entrepreneur's success in the business world. These external challenges are largely rooted in environmental factors, such as market dynamics, government regulations, and competitive forces. Specifically, external challenges refer to obstacles a business must navigate in the broader market, including product pricing, market competition, regulatory compliance, and other factors.[26] As such, it is imperative that new entrepreneurs anticipate and effectively manage these external challenges to ensure the viability and success of their ventures. This includes developing strategies to respond to market trends, establishing compliance frameworks to navigate government regulations, and innovating to differentiate themselves from competitors.[54] Entrepreneurs can mitigate risks and achieve sustainable growth in the dynamic and competitive business environment by navigating these external challenges.[36]

1) Develop Business Ideas and Vision:

For new entrepreneurs, the process of searching for a business idea or creatively developing one can be a daunting task. The challenge lies in the fact that these ideas may not be readily apparent in their daily routine.[50] In fact, finding a viable business idea is often the first challenge that all entrepreneurs face when starting a business from scratch. According to S. A. Mohammed and A. B. Idris, the key to finding a successful business idea is the ability to envision what others cannot see. This means that when others see problems, entrepreneurs must be able to see opportunities instead. Only by doing so can entrepreneurs transform these opportunities into business ideas that will eventually forge a path to success.[32] In other words, entrepreneurs must be able to create innovative products that "create value out of nothing" and satisfy the public's needs. The process of searching for a business idea is undeniably challenging, requiring entrepreneurs to possess the ability to transform problems into business opportunities, which is no easy feat.[64] Developing a vision is another crucial aspect of starting a business, and it can be a challenging task for new entrepreneurs. Entrepreneurs often find themselves in the role of a sorcerer, juggling multiple duties that require both creativity and artistic sense. For example, entrepreneurs must be able to envision and forecast the future to stay ahead before losing relevance. [30] They must also bring into the present

what is yet to be and provide solutions to people's problems. These tasks are interrelated and require a particular set of skills that not every individual may possess. Thus, developing a vision is not an easy task, and it can be particularly challenging for new entrepreneurs who are inexperienced in the field. Successful entrepreneurs need to be observant in spotting problems faced by the public, creating creative solutions, and then realizing their vision.[25]

In addition to these challenges, entrepreneurs must also navigate the external factors that impact their success. External challenges include market dynamics, government regulations, and competitive forces. Market conditions such as product pricing, market competition, and regulatory compliance are significant challenges that businesses must navigate in the broader market.[21] Government regulations can be particularly challenging, as they can be complex and time-consuming to navigate. Entrepreneurs must be able to comply with these regulations to avoid legal complications that could derail their businesses. Competing with other businesses is another significant challenge that entrepreneurs must face.[41] The competition within the market is often intense, and businesses must find ways to differentiate themselves from others to remain competitive. This requires innovation, creativity, and the ability to identify market gaps and fill them with unique offerings.[53] Moreover, entrepreneurs must also face challenges in managing their businesses effectively. Managing a business requires a range of skills, including financial management, human resources, marketing, and customer service. New entrepreneurs must learn to manage these aspects of their businesses effectively to ensure success.[52] Finally, entrepreneurs must also navigate the challenge of securing funding for their businesses. Raising capital is crucial for starting and scaling a business, but it is also one of the most challenging tasks for entrepreneurs. New entrepreneurs often lack the resources and networks necessary to secure funding. Therefore, they must learn to identify potential investors and present their ideas convincingly.[56] In conclusion, entrepreneurship presents a multitude of challenges for new entrepreneurs. The process of searching for a business idea and developing a vision requires creativity, innovation, and the ability to spot opportunities where others see problems. External challenges such as market dynamics, government regulations, and competitive forces can also impact the success of a business. Managing a business effectively and securing funding are additional challenges that entrepreneurs must navigate. Successful entrepreneurs must be able to address these challenges and adapt to changing market conditions to achieve sustainable growth.

2) Dealing with Competition:

Competition is a significant external challenge that all entrepreneurs will encounter when starting a new business. The market is constantly evolving, and the increasing number of new businesses emerging every day makes competition a huge concern for new entrepreneurs. This can lead to losing relevance in the eyes of customers and ultimately losing customers to other business choices. Moreover, pursuing new business opportunities requires keeping up with industry changes and trends that are constantly evolving to attract customers. This can be especially challenging for new entrepreneurs who lack

experience in the business field. [29] As J.M. Agbim, noted, competition in the market is essential for entrepreneurs to develop their businesses. In fact, it can be a positive challenge that stimulates innovation and the production of high-quality products at great prices to attract customers to their businesses. Competition can help entrepreneurs learn and improve their businesses based on their innovation and creativity, which are crucial aspects of an entrepreneur.[27] To cope with competition, new entrepreneurs must develop a competitive advantage by identifying their unique selling points and focusing on their strengths. This can be achieved by conducting thorough market research, identifying customer needs, and addressing the gaps in the market. By providing a unique value proposition that addresses customers' needs, new entrepreneurs can differentiate themselves from their competitors and gain a competitive advantage.[55] Moreover, entrepreneurs can leverage technology to help them compete with other businesses. With the rise of e-commerce and social media, new entrepreneurs can reach a wider audience and target specific niches to grow their businesses.[32] By using online platforms, entrepreneurs can also gather customer feedback, identify trends, and adapt their businesses accordingly. As J. M. Ulijn and M. H. Waring noted, In addition to technology, collaboration, and partnerships can also help entrepreneurs overcome the challenge of competition. By working with other businesses or industry experts, entrepreneurs can share knowledge, resources, and networks to achieve mutual benefits. This can help new entrepreneurs gain exposure, expand their reach, and develop new ideas for their businesses.[69] However, it is important to note that competition is not only external but also internal. Entrepreneurs must also manage their internal competition, such as self-doubt, fear of failure, and lack of confidence. These internal challenges can hinder entrepreneurs' ability to innovate and take risks, which are crucial for business success. Therefore, entrepreneurs must develop a growth mindset, be open to learning, and embrace failure as a learning opportunity.[52] In conclusion, competition is an unavoidable challenge that all entrepreneurs must face when starting a new business. However, it can also be a positive challenge that stimulates innovation and helps entrepreneurs develop their businesses. By developing a competitive advantage, leveraging technology, collaborating with others, and managing their internal competition, new entrepreneurs can overcome the challenges of competition and succeed in the business world.

3) Unforeseen Business Challenges and Expenses:

Entrepreneurs are always faced with unexpected challenges and expenses,[5] which can be one of the biggest obstacles to success. Such challenges can strike without warning, and an entrepreneur must always be prepared to solve these crises as they arise.[18] Unforeseen challenges can take many forms, such as unexpected lawsuits, inconsistent government policies, bad debts from customers, inadequate stock, unpaid bills, and taxes. For instance, the Asian Financial Crisis in 1997 had a profound impact on businesses in Asian countries, with many established businesses closing down due to the unstable and unexpected economic blow [87]. Entrepreneurs must handle these unforeseen challenges properly, or else they may negatively affect the progress of building a successful

business.[59] In addition, entrepreneurs face the challenge of handling unforeseen business expenses, which can unknowingly increase and result in constant negative cash flow if not managed effectively. This can ultimately lead to business failure. [60]. As highlighted by Samuel A. Adeyinka and Adewale O. Akande., managing these expenses can be a daunting task for new entrepreneurs who may lack the experience and skills to handle unexpected financial challenges.[40] Overall, unforeseen challenges and expenses are external challenges that all entrepreneurs must be prepared to handle. These challenges can threaten the survival of a business and require careful planning, management, and problem-solving skills to overcome. As such, entrepreneurs must develop the resilience and adaptability needed to handle these challenges and turn them into opportunities for growth and success.

4) Finding Good Customers:

As new entrepreneurs venture into the business world, one of the external challenges they will encounter is finding good customers. Good customers are integral to the success of a business and can contribute to its growth and development. They are the customers who consistently do the right thing, benefiting both the company and themselves. They remain loyal to the company and are forgiving in the event of a mistake or apology made by the business. Additionally, they provide constructive feedback on the service provided by the business, allowing entrepreneurs to make improvements to their products or service.[72]. However, finding such customers is a daunting task. They are not many in number, and entrepreneurs must work hard to earn their loyalty and trust. New entrepreneurs must understand that building a customer base takes time and effort. It involves building a good reputation, establishing trust, and delivering high-quality service consistently. On the other hand, bad customers are more common and must be avoided by new entrepreneurs. These customers are typically picky, demanding, and always seeking ways to exploit loopholes in the company's policies. They can be bossy on minor issues and cause disruption to the business, making it difficult for the entrepreneurs to concentrate on other important tasks. Dealing with such customers can be draining both mentally and financially, as they can negatively impact the business and reputation of the entrepreneur.[21]. Therefore, new entrepreneurs must be prepared to face the challenges that come with finding good customers. They must be able to identify bad customers and find ways to avoid them[65]. This can be achieved by setting clear policies and procedures that guide the business and by clearly communicating them to the customers. Entrepreneurs must also establish a good relationship with their customers and maintain regular communication to understand their needs and concerns.[73]. Furthermore, entrepreneurs can build a loyal customer base by offering incentives such as discounts, loyalty programs, and referral programs. They can also leverage social media and other marketing strategies to attract new customers and build brand awareness. It is essential for entrepreneurs to understand that building a strong customer base takes time and effort, and they must be willing to invest both to succeed in their business.[73]. In conclusion, finding good customers is a significant external challenge that new entrepreneurs face.

While good customers are rare, they are essential to the success of a business. Entrepreneurs must be prepared to face bad customers and find ways to avoid them. They must work hard to earn the loyalty and trust of their customers by delivering high-quality service consistently, building a good reputation, and establishing trust. By doing so, entrepreneurs can build a loyal customer base that contributes to the growth and success of their business.

C. Suggestions to overcome the Challenges

In order to overcome the challenges faced by new entrepreneurs, there are several suggestions that they can follow. Firstly, it is important for them to conduct thorough market research and analysis to identify potential competitors, target audiences, and market trends. This will help them to develop effective strategies and make informed business decisions. Secondly, networking and seeking mentorship from experienced entrepreneurs can provide valuable insights and guidance in navigating the business world. Thirdly, new entrepreneurs should prioritize financial planning and management to ensure their business stays afloat amidst unexpected expenses and challenges. Additionally, they can consider seeking funding from investors or applying for loans to support their business growth. Finally, maintaining a positive mindset and resilience is crucial in overcoming obstacles and staying motivated during tough times. These suggestions can help new entrepreneurs to build a strong foundation for their businesses and achieve long-term success. To overcome this internal challenge, new entrepreneurs need to be resourceful and creative in their approach to raising capital. They need to develop a strong understanding of the various sources of funding available to them, such as angel investors, venture capitalists, crowdfunding, and government grants. They need to create a compelling business plan that outlines their vision, goals, and strategies for success. They also need to build relationships with potential investors, network with other entrepreneurs and business leaders, and attend events and conferences to raise their profile.

1) Being Optimistic Towards Challenges:

Entrepreneurs are no strangers to challenges, obstacles, and setbacks when it comes to establishing a new business. From ideation to implementation, entrepreneurs face both internal and external challenges, which can lead to negative attitudes, stress, and ultimately, a negative impact on the competitive landscape [74].



Fig. 5. Flow Chart

Therefore, instead of allowing these challenges to deter them, entrepreneurs should approach them as opportunities to improve, learn, and avoid future failures. According to Voogd, successful entrepreneurs view failure optimistically, using it as a learning opportunity to move forward toward success [75]. In order to achieve success, entrepreneurs must adopt an optimistic attitude toward every situation, whether positive or negative. In addition to a positive attitude, motivation is also essential for entrepreneurs in overcoming the challenges they face. Entrepreneurs should seek inspiration from their original intentions for starting their businesses and use that as fuel to drive them toward success. Rather than viewing challenges as a hindrance, entrepreneurs should seize them as opportunities to take action toward the success of their business venture. [76] Moreover, [77] entrepreneurs can also develop a growth mindset, where they approach every obstacle with an open and flexible mindset, willing to learn, adapt, and grow from each experience. A growth mindset allows entrepreneurs to see the bigger picture, think creatively, and approach challenges with a solution-oriented mindset, which is crucial for their long-term success. In conclusion, while challenges, obstacles, and setbacks are common in the entrepreneurial journey, a positive attitude, motivation, and a growth mindset are essential tools for overcoming them. Entrepreneurs who approach these challenges with optimism and a willingness to learn and grow from their experiences are more likely to achieve success in their business ventures.

2) Expand the Idea and Vision to Potential Investors:

One of the primary internal hurdles confronting emerging entrepreneurs is the challenge of procuring sufficient capital to initiate their business ventures. Additionally, entrepreneurs may struggle with effectively communicating their business vision to others, as individuals may fail to comprehend the entrepreneur's idea. To overcome this challenge, it is recommended that an entrepreneur develops the ability to effectively pitch their idea and vision to potential investors. According to Fand and Kohan [78], potential investors typically evaluate the quality of an entrepreneur's management team, the strength of their business opportunity, and the potential return on their investment. As a new entrepreneur, it is essential to identify potential investors who can assist in developing the business and increase the likelihood of finding an investor who is willing to invest in their venture. Furthermore, new entrepreneurs must be adept at persuading investors to trust and invest in their proposed business idea. To achieve this, new entrepreneurs should create a clear and organized business plan that captures the attention and interest of potential investors. A well-structured business plan can help entrepreneurs be more realistic in their planning and make informed decisions when developing their businesses [79]. In summary, new entrepreneurs need to understand the importance of presenting a well-crafted business plan to attract potential investors. They should focus on developing effective communication skills to effectively pitch their idea and vision to potential investors. By doing so, entrepreneurs can increase their chances of securing investment and raising capital to establish their businesses.

3) Research the Target Market and Analyse Competitive Products:

Entrepreneurs often face stiff competition from both newly established and established businesses. To tackle this challenge, it is essential for new entrepreneurs to conduct thorough research on the target market and analyze the competitive products available in the market. [25] Holland [80] suggests that to survive in a competitive business field, entrepreneurs should analyze their competitors' successful selling methods, pricing, and advertising strategies. Unique winning strategies can help entrepreneurs to outshine their competitors. Entrepreneurs should also conduct online research on the necessary aspects of their business, as it is free of charge and can provide up-to-date trends in the business market. This is highly recommended since social media has become easily accessible by the public. Furthermore, staying online has become a daily routine for most people, enabling entrepreneurs to gain information more efficiently. [65] For instance, people leave comments on products or describe their daily problems on the internet. Thus, entrepreneurs can utilize this information to strategize their business idea and attract customers [68]. Haenlein [82] suggests that through social media, users can efficiently and conveniently research products and services. To gain an advantage in the competitive market, entrepreneurs need to offer innovative solutions to the problems faced by customers. Additionally, entrepreneurs should continuously improve their product or service quality and make changes according to the customer's feedback [81] A customer-centric approach can provide a competitive edge to entrepreneurs over their rivals. Thus, by focusing on the customers and their needs, entrepreneurs can create a strong and loyal customer base, which is essential for long-term success.

4) Enrich Oneself by Reading Inspiring Materials:

New entrepreneurs face various challenges, including mood swings and a lack of skilled labour, which can have a negative impact on their businesses. It is essential for them to cultivate a positive mindset to overcome setbacks. [34] Reading materials such as articles and biographies of successful businessmen can help in this regard. For example, John Brooks [39]' "Business Adventures" is a popular reading material highlighting the reasons behind businesses' success and failure. [43] Additionally, new entrepreneurs should read widely to enrich their knowledge and develop their businesses. By incorporating positive thinking and continuous learning, new entrepreneurs can overcome the challenges they face and build successful businesses.

VII. CONCLUSIONS

Entrepreneurship is an essential element in any country's economic development. It involves creating and operating new businesses, which contributes to job creation, innovation, and economic growth. Entrepreneurs are individuals who constantly seek change, respond to it, and exploit it as an opportunity to achieve their goals. Despite their potential for success, new entrepreneurs may face internal and external challenges that can hinder their progress. New entrepreneurs commonly face internal challenges include developing a business idea and vision, raising capital for a start-up, and finding the right business location. Developing a business idea and vision is critical for any entrepreneur as it lays the foundation for the business. However, new entrepreneurs may struggle with this, especially if they lack experience in the industry. To overcome this challenge, entrepreneurs should seek advice and mentorship from experienced business owners, conduct market research, and analyze the competition. Raising capital for start-ups is another significant challenge faced by new entrepreneurs. It can be difficult to secure funding for a new business, especially if the business idea is unproven. To overcome this challenge, entrepreneurs can consider crowdfunding, angel investors, venture capitalists, or traditional loans. They should also develop a solid business plan that outlines their revenue projections, market opportunity, and how they intend to use the funds. Finding the right business location is another challenge that entrepreneurs face. The geographical placement of a business can exert a substantial influence on its prosperity. Factors such as accessibility, foot traffic, and proximity to suppliers and customers should be considered when selecting a location. Entrepreneurs should also ensure that the location aligns with their business goals and values. Entrepreneurs commonly face external challenges include competition, unforeseen business challenges and expenses, and finding good customers. Competition is inevitable in any industry, and entrepreneurs must learn to analyse their competition, identify their unique selling proposition, and differentiate themselves in the market. Unforeseen business challenges and expenses can also arise, such as changes in regulations or unexpected operational costs. To overcome these challenges, entrepreneurs should maintain flexibility, seek professional advice, and have contingency plans in place. Finding good customers is crucial for any business but can be difficult for new entrepreneurs. Entrepreneurs should invest in marketing and advertising, provide excellent customer service, and develop a strong brand image to attract and retain customers. In order to overcome these challenges, several suggestions have been provided in this paper. These include developing a clear and organized business plan, seeking mentorship and advice from experienced business owners, analyzing the competition, maintaining flexibility and contingency plans, and investing in marketing and advertising. In conclusion, entrepreneurship is an important element in any country's economic growth, but new entrepreneurs may face several challenges that can hinder their progress. It is essential for entrepreneurs to be aware of these challenges and to develop strategies to overcome them. By doing so, they can increase their chances of success and contribute to the overall economic development of their country.

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- [53] Risk-taking: One of the biggest challenges of becoming an entrepreneur is taking risks. Entrepreneurs need to take calculated risks to build their businesses, but this can be challenging as it involves stepping out of one's comfort zone.
- [54] Funding: Another major challenge faced by entrepreneurs is securing funding. Starting a business requires money, and many entrepreneurs struggle to find investors or secure loans to get their businesses off the ground.
- [55] Time management: Entrepreneurs need to manage their time effectively to achieve their business goals. However, this can be challenging as there are often competing demands on their time, such as managing employees, dealing with customers, and handling administrative tasks.
- [56] Competition: Entrepreneurs need to navigate a crowded marketplace, with many other businesses vying for customers' attention. This can be challenging as entrepreneurs need to find ways to differentiate their products or services and stand out from the competition.
- [57] Marketing: Entrepreneurs need to be skilled at marketing their businesses, but many struggle with this aspect of entrepreneurship. They need to develop a marketing strategy that resonates with their target audience and drives sales, which can be challenging.
- [58] Hiring and managing employees: Entrepreneurs need to build a strong team to support their businesses. However, finding and retaining top talent can be challenging, and managing employees requires a range of skills that many entrepreneurs may not have.
- [59] Balancing work and personal life: Entrepreneurs often work long hours and may find it challenging to maintain a work-life balance. This can be especially difficult for those who are passionate about their businesses and find it hard to switch off from work.
- [60] Legal and regulatory compliance: Entrepreneurs need to comply with a range of laws and regulations, which can be complex and time-consuming. Failure to comply with these laws can result in fines or legal action, which can be detrimental to the business.
- [61] Dealing with failure: Failure is an inevitable part of entrepreneurship, but it can be challenging to deal with. Entrepreneurs need to be resilient and learn from their failures to improve their businesses.
- [62] Scaling the business: Once a business starts to grow, entrepreneurs need to focus on scaling it. This can be challenging as it requires a range of skills, such as managing cash flow, expanding the team, and developing new products or services.
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