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ESTABLISHMENT OF SUCCESSFUL BUSINESS VENTURE: AN EXPLORATORY APPROACH

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Abstract

This research paper aims to look into the development of a path for starting a new business. The pilot study was conducted to find the variables at different stages of the process responsible for the creation and success of a venture. The sample for this research paper included both new and experienced business people from various disciplines who completed the questionnaire online. In this study, exploratory factor analysis (EFA) was used to determine the underlying structure or dimensions of the independent variables. The findings of this study show that business requirements, market awareness, product characteristics, target market recognition, branding, innovation, promotion, feedback, and demand creation all have a significant impact on the decision-making process involved in starting a successful business venture. Even though this paper has identified several factors in the decision-making process, more work in the research design will be required to expose the cognitive processes associated with each factor. With a much larger sample of businesspeople, this helps identify general cognitive traits associated with thinking through the determination of a company's success. The uniqueness of this study lies in investigating and understanding the original factors used by businessmen to identify their innovative new ideas, create new businesses, transform them into viable products or services, and maintain them through market fluctuations.

Keywords: Successful business venture, Decision-making, Exploratory factor analysis, Venture establishment, Entrepreneurship

Introduction

Starting a business is a dream of every human being in young India. For a few, it is easy to start it. Still, the vital part is sustaining it throughout the ups and downs happening in the market due to natural or political or technical disturbances or updates. Recently happened COVID-19 pandemic is living proof of it. However, most people from the young generation with mind-blowing ideas do not know about converting that idea into a sustainable business model. Many videos and theories can be found on the internet regarding starting a business. Still, those theories are incomplete without the input from

the entrepreneurs who have failed several times but took those failures as learnings and eventually excelled with flying colours.

Why are 3,000 raw ideas required to produce one substantially new commercially successful industrial product (Stevens and Burley, 1997)? How and when did any idea come? What attributes and parameters under each attribute should be considered to shape an idea into a viable product? Why are only very few ideas successful? What is the cognitive thinking happening in the mind of an entrepreneur? Who are involved, and why are they involved? These are the few questions that should be answered while proceeding with any idea. If anyone passionate about starting a business and wants to make people's lives comfortable answers these questions, then the chances of producing a successful product will increase.

Entrepreneurship is a never-ending process involving few successes and many failures. First of all, it takes much courage to move from a daily routine job, in which one is settled, to initiate the process of converting an idea into a product. Secondly, it requires a team of very close people willing to be part of this venture and sacrifice whatever it takes to succeed in their field. Thirdly, it requires capital (large or small) depending on the type of business to be started. Lastly, but required every day is dedication, determination, perseverance and patience for facing the failures and rising every time with enthusiasm and keeping the morale of every team member high.

Apart from keeping the mental state stable, the product should dominate the competition. The product should bring the solution to the needs and expectations of the customers and market. The product should bring novelty and usability to the customers. The product should be paramount, committed to the customer and affordable. The product should create value in the life of customers. These are some of the values that should be measured before launching any product. Once the product satisfies every attribute (depending on its weightage), then it should be ready for launch.

However, launching the product is just the start of the journey. In today’s ever-changing world, where competitors emerge every day, one should be updated with the innovations in their respective products to dominate the product over the competition. Competition is the reason for making any product better than its previous version. It helps entrepreneurs to think beyond the limits and perform effectively and efficiently every day. If possible, they should be ready to compete in the market with an alternative product.

So, it can be said that transforming an idea into a product, launching it, and continuously adding extra value are three main stages of a successful business venture. There can be modifications in the stages based on the type of product, market and customer, but this should be the skeleton process for other business establishment processes and should be followed for achieving the target in the present and future.

Literature Review

An entrepreneur is a person with limited resources who tries to make the most of them by launching a new business venture to capitalise on a viable business idea (Sobel, 2008). “By starting a new business, an entrepreneur gains access to additional resources that help to boost the new venture's point of differentiation and competitiveness. As a result, entrepreneurs employ specific skills and capabilities

to assist them in making rational decisions that lead to new venture creation success" (Ozdemir et al., 2016).

"Entrepreneurs must focus on strategically analysing the external macro-environment when launching a new venture to identify gaps and deficiencies where exploitable needs/problems may exist. This type of analysis allows the entrepreneur to learn and discover new information, analyse it for trends and opportunities, and come up with unique, innovative solutions to market problems or needs" (McKelvie et al., 2007). "Rapid technological advancements have resulted in increased global hyper-competition. This has also resulted in increased market competition and activity among many SMEs in developing new strategies to meet customer demand while increasing profitability" (Crossan and Apaydin, 2010). "Aside from economic conditions, the changing social environment, market demands, trends, supply chain viability, and so on, the technological change appears to be the most pervasive factor currently influencing new venture creation. This factor is a primary source of innovation and plays a significant role in entrepreneurial decision-making, resulting in the formation of new businesses" (Gerschewski and Xiao, 2015).

"Entrepreneurship is widely recognised as a source of innovation that has an impact on economic development as a process of economic activity. The establishment of new ventures aimed at providing specific solutions to identified market needs or problems is a part of this economic activity process. The underlying premise that motivates new venture creation is to add significant value to a defined market segment, which supports and justifies the establishment of a long-term business" (Cornelissen and Clarke, 2010). "The concept of starting a new business is best explained from a cognitive standpoint. According to this viewpoint, entrepreneurs' cognitive characteristics are used to design and establish new ventures" (Mehdivand et al., 2012). When starting a business, prior knowledge, experience, and skill are required (Shane, 2003). Individual cognitive processes are best understood when it comes to the entrepreneur's identification and resolution of unresolved problems or unmet needs. Institutional theory is another approach to explaining new venture formation (Platzek et al., 2010).

Figure 1 depicts the three stages of the venture creation process: exploration, planning, and launch. Shane's (2003) opportunity identification, assessment, and exploitation model is similar. As shown in Figure 1, planning is divided into three stages (P1-3, P4 and P5). Cognitive factors are recognized and used to generate ideas and support the rationale for starting a new business. This helps determine the company's fundamental nature, such as whether it has a physical presence or is located virtually. "The venture's uncertainties (i.e., the solution's uptake by a defined market segment) and its legitimacy as a competitive player in the market are described and investigated. Uncertainty and legitimacy also ensure the development of effective competitive strategies and the efficient management of resources" (Mehdivand et al., 2012).

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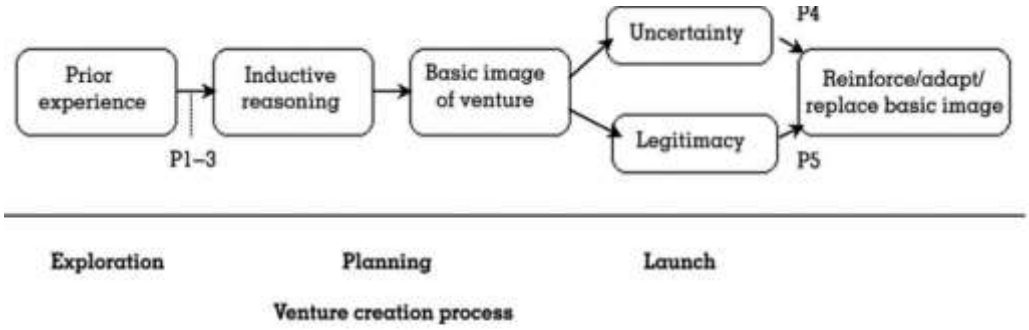


Source: Mehdivand *et al.* (2012)

Figure 1: Entrepreneurial sense-making and the venture creation process

"Entrepreneurship is based on identifying and exploiting needs/problems ahead of potential competitors and using unique and creative approaches" (Krlev, 2012). Entrepreneurs need to focus on the industry, macro environment, and competitive environment they want to enter in order to gain confidence before launching. Before launching a new venture, it is critical to analyse and quickly evaluate the key forces that it will face. "Entrepreneurs are generally thought to be risk-takers, so it's vital for them to plan, develop, and implement strategies that will help them achieve market presence, growth, and development" (Jovanovic et al., 2010). An entrepreneur can use a variety of strategies to achieve a successful outcome, including the following:

Transcendent-based approach: According to Nebhwani et al. (2011), this is based on the idea that entrepreneurs are constantly questioning the nature of things. This strategy focuses on the introduction of new products and services that meet and meet market demand. Quality is paramount in the development and design of new products. As a result, entrepreneurs prioritize maintaining and improving the quality of existing products, aiming for success and growth through their innovative ideas. This strategy assumes that the market already exists and is being served by existing products or services. The essence of this strategy is to take what already exists and improve it through quality enhancements and innovative design to take it to the next level.

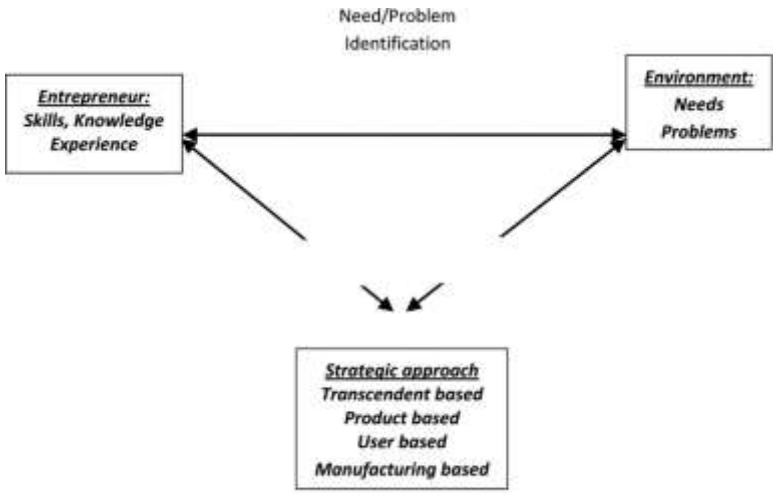
Product-based approach: According to Jovanovic et al. (2010), when entrepreneurs use the product-based approach to meet the needs and demands of customers by providing them with new and innovative products, it can be a successful strategy. The assumption here is that the company has already established itself and is now looking to grow and expand within an existing market. "The product features are one-of-a-kind and make a strong impression on customers as a "must-have" item. The product features are innovative, compelling, and designed to disrupt the traditional technology used in a specific industry" (Rose et al., 2009).

User-based approach: "The user-based approach describes a process in which an entrepreneur concentrates on the needs and demands of a specific market. In this strategy, consumers tell the entrepreneur about their needs, frustrations, and concerns about current products and services or the lack of a readily available solution. This strategy requires entrepreneurs to clearly define the problem or need areas before designing appropriate solutions to address them" (Saatci et al., 2014). This is an optimal, efficient, and low-cost approach for many new ventures in terms of assessing consumer

interest in what is offered and establishing the new venture. The principle of this approach is to create products and services that meet the minimum viable demand requirements of early adopters in the small but critical market and improve the products or services until they are generally accepted.

The *user-based approach* is the best strategy for launching new businesses. "One of the most serious issues entrepreneurs face when starting a business is the belief that they intuitively "know" what users want or what the problem is. Creating a new business is not the same as simply copying an existing business model and writing a business plan" (Blank and Dorf, 2012). Before launching a product or service, entrepreneurs should consider investigating and clearly understanding the needs and issues of users in the target market and starting a business that meets these needs in a long-term and sustainable manner.

"Entrepreneurial decision-making is influenced by organisational context, individual characteristics, and environmental factors" (Saatci et al., 2014). This implies that there are three levels or stages of analysis that can be used to help make relevant and effective decisions for a new venture. This includes personal (entrepreneurial) analysis, environmental analysis, and a strategic decision-making process for the best approach to market entry. When considering a new venture, the tacit assumption associated with this study is that there are important factors to consider in all three stages. The following diagram depicts the levels of analysis and the factors to be tested (Figure 2).



Source: Saatci *et al.* (2014)

Figure 2: An adapted entrepreneurial decision-making model

When starting a new business, the diagram above shows the entrepreneurial decision-making process and critical areas of focus (entrepreneurship, environment, strategy). Because business decisions are based on uncertainty and risk, even if potential ideas are identified, there are risks in developing a solution, and there is uncertainty about the best strategic approach. Double-headed arrows indicate the impact of changes or errors on the rest of the model. That is, a misunderstood need or problem will influence the strategic approach chosen and vice versa. The decision-making process will be influenced by unique and creative ideas, as well as the uncertainty and risks involved. As a result, the new venture requires an apparent problem/need definition in order to select an appropriate strategy while ensuring that the entrepreneur has the necessary skills and knowledge to achieve a positive outcome. According to Nebhwani et al. (2011), There are three aspects to starting a new business.

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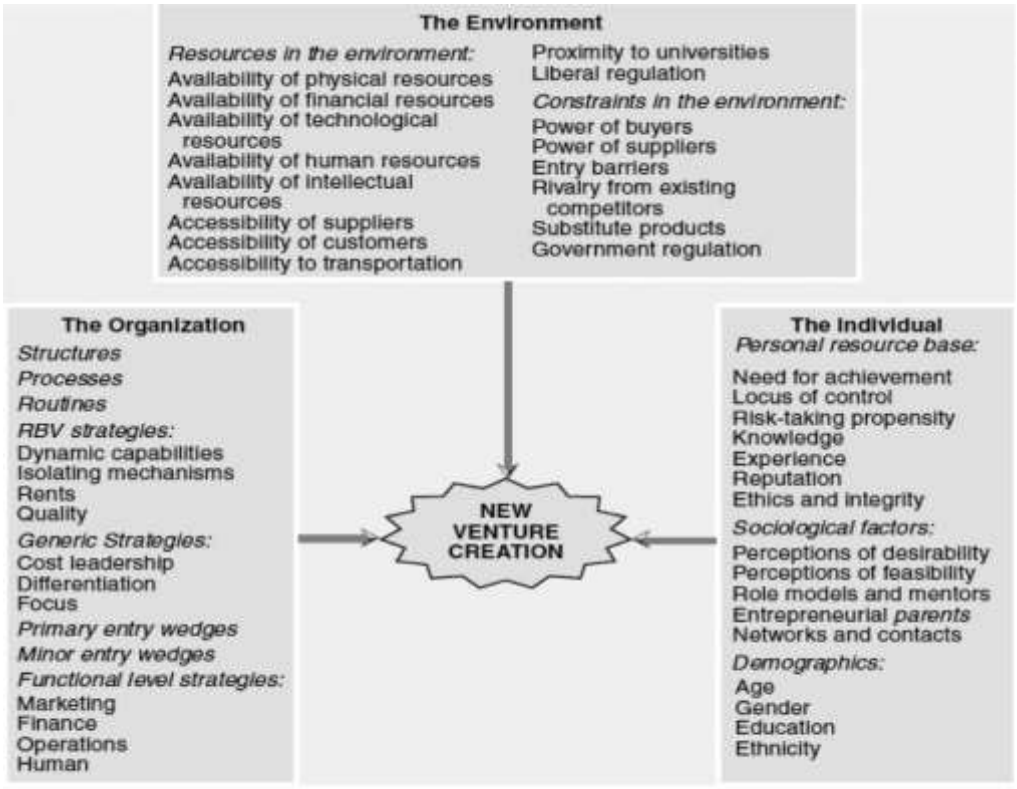
Entrepreneurs use innovative, creative, and new ideas to meet the changing needs and demands of the industry and individuals. Three dimensions generally influence their thoughts, which also influence their decision-making and actions. Individual characteristics, organisational constraints, and environmental constraints are among these dimensions, as shown in Figure 3.

The below model is similar to the adapted model in Figure 2, but it goes into greater detail about the factors that influence the decision to start a new business. When starting a new business, the environmental dimension takes precedence over the other dimensions, with the amount and nature of available resources in the environment taking precedence over the other dimensions (Mokaya, 2012). There is also a competitive analysis component, implying that prior to starting a business, entrepreneurs should investigate other market players in the industry. The model considers different generic strategies and more focused consideration of organisational capabilities in the organisational dimension, making it more strategic.



Source: Saatci *et al.* (2014, p. 279)

Figure 3: Dimensions of new venture creation

Problem Statement

The current emphasis on globalisation and rapid technological advancements have significantly increased the potential for new venture creation. Small businesses and start-ups have long been regarded as economic indicators of a country's financial health and prosperity (Hatten, 2006; Hoelscher and Elango, 2012). The potential for new venture creation has also increased significantly as technological development has accelerated. Globalisation and technology have combined to enable

positive economic development, increased benefits, and increased employment levels in domestic markets worldwide (Barba-Sanchez and Atienza-Sahuquillo, 2011).

Many countries on the Organization for Economic Cooperation and Development list have started programmes to help small and medium-sized businesses grow and thrive (SMEs). Several governments, including Japan, Iceland, New Zealand, the United Kingdom, and Germany, have formal policy-driven programmes to assist new venture creation and SME development (OECD, 1996). Many of these government initiatives focus primarily on new ventures that have been given the opportunity to build and expand their business by focusing on their innovative skills and outcomes. "Governments have contributed to this by focusing on improving business capability in terms of recognising and adopting new technology and reducing the uncertainty associated with business regulation and taxation" (McKelvie et al., 2007). As a result, an exclusive study on "Establishment of Successful Business Venture" was badly needed so that the real problem for present-day start-ups may be addressed in totality with multi-facet dimensions.

Conceptual Framework

A conceptual framework serves as a crucial foundation for academic research. It explains the relationship between variables in a study (Creswell, 2013), and the diagram shows how the researcher thinks the variables are related (Zainuddin, 2012). The conceptual framework discussed in this paper is depicted in Figure 4.

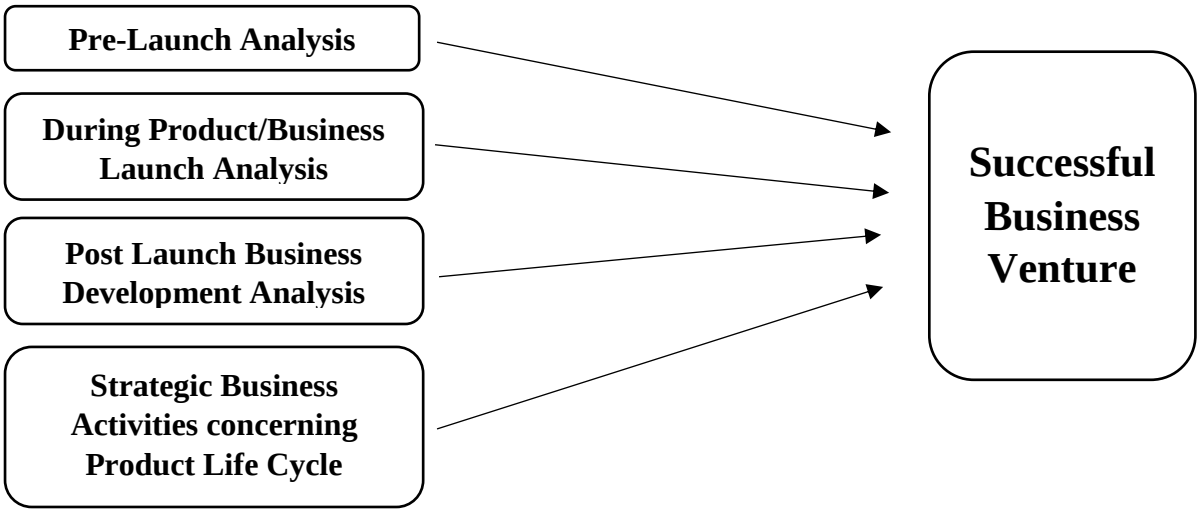


Figure 4: Conceptual Framework

The framework comprises four constructs: pre-launch analysis, during product/business launch analysis, post-launch business development analysis and strategic business activities concerning the product life cycle.

Research Instrument

The survey instrument for the study was developed after a pilot study of 50 businessmen and entrepreneurs through an open-ended questionnaire. “The instrument was presented to experts in the field to ensure content validity, with the goal of eliminating any ambiguity or unclear words from the questionnaire” (Sekaran & Roger, 2013; Zainuddin, 2012). A structured questionnaire was created using a five-point Likert Scale to collect data on successful business venture (SBV) constructs. The Likert Scale used was a 1 to 5-point scale, with 1 indicating "Strongly Disagree" and 5 indicating "Strongly Agree." The items needed for a successful business venture are listed in Table 1. This study used four constructs and thirty-six (36) newly developed items. Fifteen items belong to the pre-launch dimension, seven items to the during product/business launch dimension, six items to the post-launch business dimension, and eight items to strategic business activities concerning the product life cycle dimension.

Table 1: Items for Successful Business Venture

Constructs	Items
Pre-Launch	1. My product was new in the market. 2. I found the product gap in the existing product. 3. I was financially capable of going with the product. 4. I had all the required resources to proceed with the further process. 5. I was well aware of the market. 6. I was well aware of customer expectations. 7. I had the requisite business knowledge and skills. 8. I had information about the competitors in the market. 9. I had a future goal orientation that focused on wealth maximisation. 10. I ensured the value for money of the product. 11. My product had unique features (USP). 12. My product had mass appeal. 13. My product solved a problem. 14. My product had demand in the market. 15. My product was futuristic.
During Launch	1. The launch happened among the potential audience for my product/business. 2. The launch happened on the desired date. 3. I was within my timeline at the time of launch. 4. At the time of launch, the product was correctly positioned among the target market. 5. The product was launched at the right introductory price. 6. The sale outlet of the product/business was opened at a suitable place. 7. The launch was positioned as a grand event.

Post-Launch	1. I gained authentic and honest feedback after the launch. 2. I reviewed and responded to the feedback. 3. I validate the pricing of the product after the launch. 4. I marketed and advertised my product after the launch. 5. I used digital marketing for the promotion of the product after the launch. 6. The branding of the product was done after the launch.
Strategic Business Activities concerning Product Life Cycle	1. I maintained product quality. 2. I released a new and improved version of the product. 3. I lowered the price to increase demand for the product as a strategic measure. 4. I aimed promotion at a wider audience. 5. I created a product line. 6. I sold products in different territories/countries. 7. I changed the packaging style to give the appearance of a new and improved product. 8. I added innovative features to the product at the right time (i.e. maturity stage).

Research Methodology

This study aims to identify specific determinants that entrepreneurs should consider in building a successful business. The population is made up of both new and seasoned entrepreneurs. 537 entrepreneurs were sent structured survey questions via email. A total of 367 responses were received out of a total of 537. Structured survey questions and an online survey are used to collect data. We applied exploratory factor analysis (EFA) to identify key variables of key factors using principal component analysis (PCA) as the factor extraction method and varimax rotation as the rotation method. The decision to determine the number of factors and items is based on the following principles: i) Kaiser-Meyer-Olkin Score (KMO) test,> 0.6, ii) Significant value of Bartlett's test factor, $p < 0.001$ and iii) Factor loading for items > 0.60 (Daud et al., 2019).

Descriptive Statistics of the Respondents

Table 1 shows that male respondents made up 52.04% of the total, while female respondents made up 47.96%. The majority of the respondents (40.05%) belonged to the 24-30 years age group, while 26.98% and 32.97% of the respondents belonged to the 18-24 years and >30 years age group, respectively. The undergraduate sample constituted 53.95%, whereas 46.05% were postgraduate or more. 37.06% of respondents had more than six years of experience, 32.97% had 3-6 years of experience, and 29.97% had less than three years of experience. It was found that 37.87% of respondents reside in the urban area and 34.88% in the semi-urban area, and 26.98% in the rural area.

Table 1: Profile of the Respondents

Profile	Number of Respondents	Percentage
Gender		
Male	191	52.04
Female	176	47.96
Age Group		
18-24 years	99	26.98
24-30 years	147	40.05
>30 years	121	32.97
Level of Education		
Undergraduate	198	53.95
Postgraduate and more	169	46.05
Work Experience		
<3 years	110	29.97
3-6 years	121	32.97
>6 years	136	37.06
Living Area		
Urban	139	37.87
Semi Urban	128	34.88
Rural	99	26.98

Table 2: Descriptive Analysis

Code	Items	Mean	Std. Dev.	Coeff. Of Var.
SBV1	**Pre-Launch**			
PRL1	My product was new in the market.	4.00	1.134	0.2835
PRL2	I found the product gap in the existing product.	3.03	1.328	0.4383
PRL3	I was financially capable of going with the product.	3.02	0.652	0.2159
PRL4	I had all the required resources to proceed with the further process.	3.00	0.882	0.2940
PRL5	I was well aware of the market.	3.90	0.848	0.2174
PRL6	I was well aware of customer expectations.	3.99	0.677	0.1697
PRL7	I had the requisite business knowledge and skills.	3.01	0.600	0.1993
PRL8	I had information about the competitors in the market.	4.00	0.347	0.0868
PRL9	I had a future goal orientation that focused on wealth maximisation.	3.00	1.064	0.3547
PRL10	I ensured the value for money of the product.	4.13	0.765	0.1852
PRL11	My product had unique features (USP).	4.03	0.609	0.1511
PRL12	My product had mass appeal.	3.07	0.713	0.2322
PRL13	My product solved a problem.	4.98	0.137	0.0275
PRL14	My product had demand in the market.	4.18	0.747	0.1787
PRL15	My product was futuristic.	3.91	0.781	0.1997
	All Items in Pre-Launch	**3.68**		
SBV2	**During Launch**			
DUL1	The launch happened among the potential audience for my product/business.	3.07	0.869	0.2831
DUL2	The launch happened on the desired date.	2.97	0.750	0.2525
DUL3	I was within my timeline at the time of launch.	3.16	0.643	0.2035
DUL4	At the time of launch, the product was correctly positioned among the target market.	3.83	0.586	0.1530
DUL5	The product was launched at the right introductory price.	3.99	0.796	0.1995

DUL6	The sale outlet of the product/business was opened at a suitable place.	3.96	0.834	0.2106
DUL7	The launch was positioned as a grand event.	2.06	0.579	0.2811
	All Items in During Launch	**3.29**		
SBV3	**Post-Launch**			
POL1	I gained authentic and honest feedback after the launch.	4.02	0.789	0.1963
POL2	I reviewed and responded to the feedback.	4.08	0.802	0.1966
POL3	I validate the pricing of the product after the launch.	3.92	0.682	0.1740
POL4	I marketed and advertised my product after the launch.	3.12	0.858	0.2750
POL5	I used digital marketing for the promotion of the product after the launch.	3.00	0.777	0.2590
POL6	The branding of the product was done after the launch.	3.03	1.121	0.3700
	All Items in Post-Launch	**3.53**		
SBV4	**Strategic Business Activities concerning Product Life Cycle**			
SBA1	I maintained product quality.	3.99	0.726	0.1820
SBA2	I released a new and improved version of the product.	3.09	0.768	0.2485
SBA3	I lowered the price to increase demand for the product as a strategic measure.	2.97	1.239	0.4172
SBA4	I aimed promotion at a wider audience.	3.74	0.988	0.2642
SBA5	I created a product line.	2.96	0.773	0.2611
SBA6	I sold products in different territories/countries.	3.91	0.910	0.2327
SBA7	I changed the packaging style to give the appearance of a new and improved product.	3.02	0.746	0.2470
SBA8	I added innovative features to the product at the right time (i.e. maturity stage).	4.02	1.017	0.2530
	All Items in Strategic Business Activities concerning Product Life Cycle	**3.46**		
	Mean	**3.53**		

Descriptive Analysis

Table 2 shows the 36 items measured on the Successful Business Venture (SBV) across four constructs: Pre-Launch, During Launch, Post-Launch, and Strategic Business Activities related to the Product Life Cycle. There are fifteen items in the Pre-Launch category, seven items in the During-Launch category, six items in the Post-Launch category, and eight items in the Strategic Business Activities category related to the Product Life Cycle. Pre-Launch analysis (average mean score: 3.68) and Post-Launch analysis (average mean score: 3.53) were found to be more important than During Launch analysis (average mean score: 3.29) and Strategic Business Activities concerning Product Life Cycle (average mean score: 3.46) as conditions for success by the respondents.

The mean scores for the fifteen items in the Pre-Launch analysis construct ranged from 3.00 (items PRL4 and PRL9) to 4.98 (item PRL13). The standard deviation ranged from 0.137 (PRL13: 0.137/4.98 = 2.75 percent) to 1.328 (PRL2: 1.328/3.03 = 43.83 percent), indicating that the scores were closely clustered around the mean. During Launch analysis is divided into seven parts with a mean score ranging from 2.97 (item DUL2) to 3.99 (DUL5). The standard deviation ranged from 0.586 (DUL4: 0.586/3.83 = 15.30 percent) to 0.869 (DUL1: 0.869/3.07 = 28.31 percent), indicating that the scores were tightly packed around the mean. For the six items in the Post-Launch construct, the mean score ranged from 3.00 (item POL5) to 4.08 (item POL2). The standard deviation ranged from 0.682 (POL3: 0.682/3.92 = 17.40 percent) to 1.121 (POL6: 1.121/3.03 = 37.00 percent), indicating that the scores were tightly clustered around the mean. The eight items in the Strategic Business Activities concerning

Product Life Cycle had a mean score that ranged from 2.96 (item SBA5) to 4.02 (item SBA8). The standard deviation ranged from 0.726 (SBA1: 0.726/3.99 = 18.20 percent) to 1.239 (SBA3: 1.239/2.97 = 41.72 percent), indicating that the scores are closely clustered around the mean. The high standard deviation for items was due to the entrepreneurs' diverse backgrounds, work experience, and levels of education.

The lowest mean score is 2.06 (item DUL7: *The launch was positioned as a grand event*), while the highest mean score is 4.98 (item PRL13: *My product solved a problem*). The overall mean score for the constructs is 3.53. According to the findings, all four constructs explain the items for Successful Business Venture.

Exploratory Factor Analysis (EFA)

In the social sciences, exploratory factor analysis (EFA) is a commonly used and widely applied statistical technique (Hogarty, Hines, Kromrey, Ferron, & Mumford, 2005). EFA is a multivariate statistical procedure used to reduce a large number of factors into a smaller set of factors, establish dimensions and provide construct validity, to name a few (Williams, Onsman, & Brown, 2010).

Kiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity were used to determine the validity of the sample in this study. For the factor analysis to be appropriate, Bartlett's test of sphericity must be significant at (P0.05) (Hair, Black, Babin, & Anderson, 2014). The KMO scale runs from 0 to 1, but anything above 0.6 is considered acceptable (Hoque & Zainuddin, 2016; Hoque.; & Zainuddin, 2016). Before further analysis, the total variance explained was investigated as an item extraction process to reduce the number of items to a manageable number. In this process, items with eigenvalues exceeding 1.0 are extracted into different components (Zainuddin, 2012). After checking the rotated component matrix, only items with factor loads greater than 0.6 were retained for further analysis.

Results of Exploratory Factor Analysis

Exploratory factor analysis is a statistical method for reducing large amounts of data to a smaller number of variables. Table 3 shows the results of the study's KMO and Bartlett's Test.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.771
Bartlett's Test of Sphericity	Approx. Chi-Square	13054.618
	df	630
	Sig.	.000

KMO has a general acceptance index of over 0.6. The KMO value of 0.771, as shown in Table 3, is mediocre, exceeding the recommended value of 0.6 but falling short of 0.7. The significance of Bartlett's test for sphericity must be less than 0.05 for factor analysis to be accepted. The significance value of Bartlett's Test is 0.000, which is less than the required significance value of 0.05. (Zainuddin,

2012). As a result, a KMO score above 0.6 and Bartlett's test significance score below 0.0 indicate that the data are reasonable and appropriate for continuing the reduction procedure.

Total variance explained is the process of extracting elements and reducing them to a manageable number before further analysis. In this process, components with eigenvalues exceeding 1.0 are extracted into different components (A. S. M. M. Hoque, Zainuddin, & Ghani, 2016; Zainuddin, 2012).

The EFA has extracted ten dimensions of the SBV construct, with eigenvalues ranging from 7.599 to 1.045, as shown in Table 4. This indicates that the items are grouped into 10 dimensions and will be further investigated. In addition, this table shows that the total variance described is 80.362 percent.

According to Table 5, ten components were extracted using the EFA procedure. Only factor loadings greater than 0.6 will be kept for this study. The rotated component matrix demonstrates that 28 items have factor loadings above 0.6, and as a result, 28 items will be considered for additional analysis within the SBV construct's ten dimensions.

Table 4: Total Variance Explained for SBV Construct

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.599	21.108	21.108	7.599	21.108	21.108
2	5.877	16.324	37.432	5.877	16.324	37.432
3	3.072	8.533	45.966	3.072	8.533	45.966
4	2.868	7.967	53.933	2.868	7.967	53.933
5	2.274	6.317	60.250	2.274	6.317	60.250
6	1.864	5.177	65.427	1.864	5.177	65.427
7	1.722	4.783	70.211	1.722	4.783	70.211
8	1.444	4.010	74.221	1.444	4.010	74.221
9	1.166	3.239	77.460	1.166	3.239	77.460
10	1.045	2.903	80.362	1.045	2.903	80.362
11	.928	2.577	82.939			
12	.757	2.101	85.040			
13	.661	1.836	86.877			
14	.533	1.481	88.357			
15	.466	1.294	89.651			
16	.421	1.171	90.822			
17	.381	1.058	91.880			
18	.361	1.004	92.884			
19	.333	.925	93.809			
20	.280	.779	94.588			
21	.268	.744	95.332			
22	.236	.656	95.988			
23	.227	.630	96.619			

24	.196	.544	97.163			
25	.179	.498	97.661			
26	.168	.466	98.127			
27	.129	.358	98.485			
28	.108	.300	98.786			
29	.102	.283	99.069			
30	.099	.275	99.344			
31	.060	.166	99.509			
32	.053	.147	99.656			
33	.043	.118	99.774			
34	.038	.107	99.881			
35	.023	.063	99.944			
36	.020	.056	100.000			

Table 5: Rotated Component Matrix for Successful Business Venture

	Components									
	1	2	3	4	5	6	7	8	9	10
I had all the required resources to proceed with the further process.	0.921									
I had the requisite business knowledge and skills.	0.897									
I had a future goal orientation that focused on wealth maximisation.	0.704									
I was well aware of the market.		0.961								
I was well aware of customer expectations.		0.947								
I had information about the competitors in the market.		0.930								
My product solved a problem.			0.813							
My product was futuristic.			0.811							
My product had demand in the market.			0.804							
My product had mass appeal.			0.794							
My product was new in the market.			0.711							
At the time of launch, the product was correctly positioned among the target market.				0.779						
The sale outlet of the product/business was opened at a suitable place.				0.734						
The launch happened among the potential audience for my product/business.				0.699						
The launch happened on the desired date.					0.865					
The launch was positioned as a grand event.					0.680					
I marketed and advertised my product after the launch.						0.752				
The branding of the product was done after the launch.						0.746				

I used digital marketing for the promotion of the product after the launch.						0.663				
I gained authentic and honest feedback after the launch.							0.761			
I reviewed and responded to the feedback.							0.740			
I maintained product quality.								0.935		
I added innovative features to the product at the right time (i.e. maturity stage).								0.921		
I released a new and improved version of the product.								0.897		
I lowered the price to increase demand for the product as a strategic measure.									0.774	
I sold products in different territories/countries.									0.678	
I aimed promotion at a wider audience.										0.724
I changed the packaging style to give the appearance of a new and improved product.										0.709
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization										

Naming the Components

The extracted factors need to have names that make sense. Using the top one or two loading items for each factor is one method of factor naming. An adequately labelled factor gives an accurate, helpful description of the underlying construct, which improves the report's clarity. Table 6 shows the names of components given based on variables under each component.

Table 6: Naming the Components Extracted from Rotated Component Matrix

Component No.	Variables	Name of the Component
Component 1	I had all the required resources to proceed with the further process.	Business Requisites
	I had the requisite business knowledge and skills.	
	I had a future goal orientation that focused on wealth maximisation.	
Component 2	I was well aware of the market.	Market Awareness
	I was well aware of customer expectations.	
	I had information about the competitors in the market.	
Component 3	My product solved a problem.	Product Characteristics
	My product was futuristic.	
	My product had demand in the market.	
	My product had mass appeal.	
	My product was new in the market.	
Component 4	At the time of launch, the product was correctly positioned among the target market.	Target Market Recognition
	The sale outlet of the product/business was opened at a suitable place.	

	The launch happened among the potential audience for my product/business.	
Component 5	The launch happened on the desired date.	Product Launch
	The launch was positioned as a grand event.	
Component 6	I marketed and advertised my product after the launch.	Product Branding
	The branding of the product was done after the launch.	
	I used digital marketing for the promotion of the product after the launch.	
Component 7	I gained authentic and honest feedback after the launch.	Feedback
	I reviewed and responded to the feedback.	
Component 8	I maintained product quality.	Product Innovation
	I added innovative features to the product at the right time (i.e. maturity stage).	
	I released a new and improved version of the product.	
Component 9	I lowered the price to increase demand for the product as a strategic measure.	Demand Creation
	I sold products in different territories/countries.	
Component 10	I aimed promotion at a wider audience.	Product Promotion
	I changed the packaging style to give the appearance of a new and improved product.	

Reliability Analysis of Components of Successful Business Venture

Reliability analysis is a technique for determining the degree to which all items under each construct are error-free. Cronbach's Alpha is a measure of the reliability of items. However, the acceptance value of Cronbach's Alpha differs among the authors. For valid internal consistency reliability, Cronbach's Alpha should be greater than 0.50. (Kerlinger and Lee, 2000). Cronbach's Alpha of 0.60 or higher indicates that the instrument has a high level of internal consistency, while 0.70 indicates a high-reliability level (Hoque, Zainuddin and Siddiqui, 2018). Cronbach's Alpha of 0.60 is taken into account for this study. Cronbach's alpha values for each component are shown in Table 7. According to the results, all reliability measures for the ten dimensions of the Successful Business Venture (SBV) construct exceeded the required value of 0.6.

Table 7: Reliability Statistics for the Ten Components of SBV

Components	No. of Items	Cronbach's Alpha
Component 1	3	0.841
Component 2	3	0.805
Component 3	5	0.787
Component 4	3	0.733
Component 5	2	0.773
Component 6	3	0.720
Component 7	2	0.751
Component 8	3	0.819
Component 9	2	0.726

Component 10	2	0.717

The extracted dimensions, along with their associated items, are accurate and appropriate for measuring SBV constructs. As a result, this study suggests that those items be used to measure SBV constructs in future studies.

Findings & Discussion

The sample included people from different industries, so it was not biased towards a particular industry or profession. All the samples have some experience in their respective fields and have a good understanding of general business principles, but they are just starting their own business and are best classified as "ambitious entrepreneurs". This survey used structured survey questions and online surveys to collect data. The results of which are reported in the following topic-based analysis.

Pre-Launch Analysis

1) *Business Requisites*: The sample suggested that they had the necessary resources to start a business. Individuals believed they had the fundamental business knowledge and skills applicable to a particular industry, so they were confident in their ability to start and start a new business. Individuals were able to demonstrate a focus on wealth maximisation and value delivery in their future goals.

   The above finding applies to potential venture capitalists with the requisite resources for establishing strategic business units. Also, the respondents have the confidence to create and develop new business ventures.

2) *Market Awareness*: Respondents emphasized the importance of showing a complete understanding of each market and industry, including identifying key industry drivers and understanding the competitive environment.

   This finding presumes that the potential business developer must have an awareness of customer expectations, market knowledge, and competitors, which is very badly needed for market penetration.

3) *Product Characteristics*: The product itself needs to be significantly different from what is currently available, and it must be disruptive in some cases. Individuals in the sample have shown that simply improving an existing product or service is not sufficient in the long run and does not necessarily support the creation of new businesses.

   The above finding has a wide scope of applicability incorporating problem-solver product availability having mass appeal specialised for masses and not for classes.

During Launch Analysis

1) *Target Market Recognition*: Launching the product among the potential customers and opening the outlet at the proper place enhances the sustainability of the product/business. Apart from the product's features, it was critical for the sample to comprehend the target market fully.

   The above finding has the crux to highlight window display for gabbing the untapped market potential with best possible business place capturing whether online or offline. It has been observed that for tapping customers' purchasing power, high-margin products are placed at a conducive height.

2) *Product Launch*: According to the sample, apart from launching the product to the targeted customers, the time of launch also played a very important in the take-off of the product.

   In the present era, customers' viewpoints and perceptual thought processes must be cautiously targeted, making it an event for glorification.

Post-Launch Analysis

1) *Product Branding*: The sample suggested that after the launch of the product, advertising and marketing are must-required for creating the image and spreading the name of the product.

   In this finding, the trickle-down mechanism is used for determining the reasons for consumers'' decision-making process towards purchases which are immensely affected by the brand to which it belongs.

2) *Feedback*: The respondents strongly recommended that the feedbacks play a crucial role in sustaining the market. They tell about the strengths and weaknesses of the product. Furthermore, proper responses to the feedbacks create a positive image of the venture.

   This finding is highly applicable because every customer has an internal feeling toward risk-minimisation, which they want to achieve through a fair and efficient feedback mechanism.

Strategic Business Activities concerning Product Life Cycle

1) *Product Innovation*: It can be deduced from responses that once the product reaches the maturity stage in the product life cycle, it is necessary to add new features with maintaining the quality of the product and relaunch it as a new version.

This finding has deep interdependence with product life cycle stages and need-hierarchy staircase, thereby requiring the need for innovation or business diversification as essentiality for keeping the existence alive for the product.

2) *Demand Creation*: According to the responses, it can be stated that sometimes it is required to lower the price to increase the demand of the product, and as a result, sales of the product will also increase.

   This finding has a wide application for the 'need of the hour' business strategy, i.e. creating demand for the product in the eyes of disinterested customers so that the product can find its purchasing power parity and create its market niche.

3) *Product Promotion*: The last finding suggests that once the product reaches the maturity stage or declining stage, the promotion to a broader audience is one of the precautious measures that must be taken to sustain in the market. It can also be done by changing the packaging style, which will give it a new and improved look.

   This finding is highly applicable (with an exception in the industrial market) for attracting the customers towards purchase decisions with new and improved product features, facilities, offers etc.

Conclusion

This study contributes to the measurement of the Successful Business Venture construct, particularly in the context of entrepreneurship. An entrepreneur's decision to start a new business has been revealed to be somewhat complex, requiring significant knowledge and skill. Despite rapid and significant technological advances that enable the simplification of complex processes and the rapid deployment of innovative solutions, entrepreneurs' cognitive capacity to build sustainable new ventures that will cater to dynamic market needs and problems continues to be heavily reliant. This research is the first step in a larger project that will investigate the cognitive factors that influence the success of a business venture and will serve as a foundation for future research.

The study included new and seasoned entrepreneurs from various disciplines to eliminate biases. Their experience served as the basis for developing additional components related to the entrepreneurial decision-making process. The goal is to develop a comprehensive and shared understanding of cognitive precedents that exist in entrepreneurship and are used to identify, define and respond to market-related needs/problems in unique and innovative ways.

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