

T.C.

**ISTANBUL AYDIN UNIVERSITY
INSTITUTE OF GRADUATE STUDIES**



**THE OBSTACLES FACED DURING STARTUP BUSINESS: THE
ROLE OF POLICIES AND MONOPOLY**

MASTER'S THESIS

Rayene KALLA

**Department of Social Sciences
Business Administration Program**

August, 2022

T.C.

**ISTANBUL AYDIN UNIVERSITY
INSTITUTE OF GRADUATE STUDIES**



**THE OBSTACLES FACED DURING STARTUP BUSINESS: THE
ROLE OF POLICIES AND MONOPOLY**

MASTER'S THESIS

**Rayene KALLA
(Y1912.130102)**

**Department of Social Sciences
Business Administration Program**

Thesis Advisor: Assist. Prof. Dr. Ibrahim MERT

August, 2022

APPROVAL PAGE

Rayene Kalla, Master/PPhD. Student of IAU, Institute of Graduate Studies numbered **Y1912.13102** has successfully presented his/her thesis titled **“THE OBSTACLES FACED DURING STARTUP BUSINESS: THE ROLE OF POLICIES AND MONOPOLY”** after fulfilling all the requirements stipulated by the relevant regulations in front of the jury.

Thesis advisor:

Assist. Prof. Dr. Ibrahim MERT

Istanbul Aydin University

Assist. Prof. Dr. Nurgun Komsuoglu YILMAZ

Istanbul Aydin University

Co-advisor:

(if available)

Prof. Dr. Name surname

Istanbul Aydin University

Jury members:

Assoc. Prof. Dr. Alev Dilek Aydin KORPES

Beykoz University

Assist. Prof. Dr. Mustafa OZYESIL

Istanbul Aydin University

Assist. Prof. Dr. Muge Burcu OZDEMIR (alternative juror)

Istanbul Aydin University

Assist. Prof. Dr. Emine DEMIR (alternative juror)

Istanbul Arel University

Due date:

xxx 2022

Defense date:

xxx 2022

DECLARATION

I hereby declare with the respect that the study “The Obstacles Faced During Start-up Business: The Role of Policies and Monopoly”, which I submitted as a Master thesis, is written without any assistance in violation of scientific ethics and traditions in all the processes from project phase to the conclusion of the thesis and that the works I have benefited are from those shown in the Bibliography.
(DD/MM/YY)



Rayene KALLA

FOREWORD

First and foremost, I am extremely grateful to my supervisors, Prof. Ibrahim Mert for their invaluable advice, continuous support, and patience during my master's study about the impact of personality traits on work behavior. Their immense knowledge and plentiful experience have encouraged me all the time in my academic research and daily life. I would also like to thank him for his technical support in my study. Finally, I would like to express my gratitude to my parents, without their tremendous understanding and encouragement over the past few years, it would be impossible for me to complete my study.

August, 2022

Rayene KALLA

THE OBSTACLES FACED DURING STARTUP BUSINESS: THE ROLE OF POLICIES AND MONOPOLY

ABSTRACT

When a new venture enters the market other competitors gives them a tough time making their place in the market. The study aim to make clear the obstacles and problems faced by new comers in an already established market. Also discuss how the government can encourage youth ventures to success all together. Startups are the companies that are in the earlier stage of their operations, the founder focus on bringing the product to the market depending on the demand. They often found a lack of a plan and recourses. but they produce a unique product and develop new forms that can lead the entire market to rethink about their way managing their business.

Startup as a small Business that produce and introduce a unique product to market which is irresistible to the target public and constructed on resolving defects in old existing items, they are forcing whole market to shift their methods of thinking and conducting the business.

Their goal is to create new templates in the market process and the growth of business. Monopolies are defined by the lack of competition, which can result in high customer price, substandard quality services, and illegal behavior, it's capable of producing set prices and also defying normal supply , and discourage innovation.

Bootstrapping stage: Establishing a firm with no support of funds, it's a technique of Supporting small business (self-starting and funding) Based on domestic sources of finance.

Advantages:

- Low cost that avoids emotional Consequences.
- Company's decision making
- Full focus on the core business

- More organization

Disadvantages:

- Limited capital less cash flow, personal financial debts.

Seed Stage: venture valuation, team work, market entry, development is the hardest part for most of the firms who have a lack of outside part help.

Creation Stage: it's when a business sells its products, enter the market and hire workers. With the help of research, the collected surveys and analysis is supporting the hypothesis stated before. Economies of scale have a negative impact on Startup businesses. Controlling Natural resource which is essential for final products is a form of monopoly power and is harmful to growing or startup businesses. Monopolies initiated by Government and legal policies have a positive impact on the economy. Monopolistic Powers have a negative impact on a potential competitor that just enter the market and has the potential to grow and give their competitors a tough time.

Keywords: Obstacles, Start-ups, Ventures.

STARTUP BUSINESS SIRASINDA KARŞILAŞILAN ENGELLER: POLİTİKALARIN VE TEKELİN ROLÜ

ÖZET

Yeni bir girişim pazara girdiğinde, diğer rakipler onlara pazarda yer edinme konusunda zor anlar yaşatır. Çalışma, halihazırda kurulmuş bir pazarda yeni gelenlerin karşılaştığı engelleri ve sorunları netleştirmeyi amaçlamaktadır. Ayrıca hükümetin gençlik girişimlerini hep birlikte başarıya nasıl teşvik edebileceğini tartışın. Startup'lar, faaliyetlerinin erken aşamasında olan şirketlerdir, kurucu talebe bağlı olarak ürünü pazara sunmaya odaklanır. Genellikle bir plan ve başvuru eksikliği buldular. Ancak benzersiz bir ürün üretirler ve tüm pazarın işlerini yönetme yöntemleri hakkında yeniden düşünmesine yol açabilecek yeni biçimler geliştirirler.

Hedef kitle için karşı konulmaz ve eski mevcut öğelerdeki kusurları çözmek üzerine inşa edilmiş benzersiz bir ürün üreten ve pazara sunan küçük bir İşletme olarak, tüm pazarı düşünme ve iş yapma yöntemlerini değiştirmeye zorluyorlar.

Amaçları, pazar sürecinde ve işin büyümesinde yeni şablonlar yaratmaktır. Tekeller, yüksek müşteri fiyatlarına, standartların altında kaliteli hizmetlere ve yasa dışı davranışlara neden olabilen rekabet eksikliği ile tanımlanır, belirlenmiş fiyatlar üretebilir ve ayrıca normal arza meydan okumak ve yeniliği caydırmak.

Önyükleme aşaması: Fon desteği olmadan bir firma kurmak, küçük işletmeleri destekleme tekniğidir (kendi kendine başlangıç ve finansman) Yerli finansman kaynaklarına dayalıdır.

Avantajlar:

- Duygusal Sonuçlardan kaçınan düşük maliyet.
- Şirketin karar verme süreci
- Ana faaliyet konusuna tam odaklanma
- Daha fazla organizasyon

Dezavantajları:

- Sınırlı sermaye daha az nakit akışı, kişisel finansal borçlar.

Tohum Aşaması: Girişim değerlemesi, ekip çalışması, pazara giriş, geliştirme, dış yardım eksikliği olan firmaların çoğu için en zor kısımdır.

Yaratılış aşaması: Bir işletmenin ürünlerini sattığı, pazara girdiği ve işçileri işe aldığı zamandır. Araştırma yardımı ile toplanan anketler ve analizler daha önce belirtilen hipotezi desteklemektedir. Ölçek ekonomileri Startup işletmeleri üzerinde olumsuz bir etkiye sahiptir. Nihai ürünler için gerekli olan doğal kaynağın kontrolü bir tür tekel gücüdür ve büyüyen veya yeni başlayan işletmeler için zararlıdır. Devletin başlattığı tekeller ve yasal politikalar ekonomiyi olumlu etkiler. Tekelci Güçler, pazara yeni giren ve büyüme potansiyeline sahip potansiyel bir rakip üzerinde olumsuz bir etkiye sahiptir ve rakiplerine zor anlar yaşatmaktadır.

Anahtar Kelimeler: Engeller, Start-up'lar, Girişimler.

TABLE OF CONTENTS

DECLARATION.....	iii
FOREWORD.....	iv
ABSTRACT.....	v
ÖZET.....	vii
TABLE OF CONTENTS.....	ix
LIST OF TABLES	xii
LIST OF FIGURES	xiii
I. INTRODUCTION	1
A. Definition of Keywords.....	4
1. Start-Up Business.....	4
2. Barriers to entry.....	6
3. Monopoly.....	6
II. LITERATURE REVIEW	8
A. Life Cycle of Start-ups	8
1. Bootstrapping stage.....	8
a. Pros and Cons of Bootstrapping Stage	9
2. Seed stage.....	10
3. Creation stage.....	11
B. Obstacles and Challenges of Startup Businesses.....	11
1. Financial challenges	11
2. High setup cost.....	13
3. Human resources	13
4. Talent acquisition	14
5. Legal and regulatory compliance	15
C. Barriers to Entry for A Startup Business	15
1. Types of barriers to entry in the market	16
a. Natural barriers to entry	16
i. Economies of scale.....	16
ii. Internal vs external economies of scale	18

iii. Limits to economies of scale	18
b. Artificial barriers to entry.....	19
i. Pricing strategies	19
ii. Target Customers and willingness to pay	19
iii. Competition	19
iv. Variable and fixed cost	19
v. Technological disadvantage	20
vi. Switching costs for customers.....	20
D. Monopoly	20
E. Monopoly by Nature.....	21
F. Creation of Monopoly.....	21
G. Monopolies Have a Negative Impact.....	22
H. Antitrust Laws	23
I. Dismantling Monopolies.....	24
J. Policies to Control A Monopoly.....	25
1. Price ceilings	25
a. Average cost pricing.....	26
b. Rate-of-return regulation.....	27
c. Efficient regulatory mechanisms.....	28
K. Monopolies: Advantages and Disadvantages.....	30
1. Monopoly created by the government.....	30
2. Control of a physical resource.....	30
3. Legal monopoly	30
4. Promoting innovation.....	31
a. Patent	31
b. Trademark	31
c. Copyright.....	31
d. Trade secrets.....	32
e. Intellectual property	32
f. Intimidating potential competition.....	32
L. Summary.....	33
III. RESEARCH METHODOLOGY.....	36
A. Research Model.....	36
B. Type of Research Data	36

C. Type of Sampling, Timescale, and Location.....	37
D. Data Collection and Analysis.....	37
1. Experiment.....	37
2. Surveys.....	38
3. Interview	38
4. Observation	38
5. Literature review	38
6. Case study	38
E. Analysis	39
1. Statistical analysis	39
2. Meta-analysis	39
3. Thematic analysis.....	39
4. Content analysis	39
F. Research Hypotheses and Framework	40
1. Hypotheses	40
2. Research framework.....	40
IV. RESEARCH FINDINGS	41
A. Data Screening	41
B. Descriptive Analysis.....	42
C. Demographic Statics.....	43
D. Hypothesis Testing.....	46
E. Summary and Discussion	50
V. CONCLUSION.....	53
A. Limitations	56
B. Future Recommendations.....	58
C. Contribution to Studies.....	60
VI. REFERENCES	61
RESUME.....	74

LIST OF TABLES

Table 1	Data Screening.....	41
Table 2	Reliability Statics.....	42
Table 3	Descriptive Analysis.....	42
Table 4	Demographic Validity	43
Table 5	I hereby volunteer to participate in the study. I understand that the study will be kept confidential and will only be used for study purposes.	43
Table 6	Gender	44
Table 7	Age	45
Table 8	Qualification Level	45
Table 9	Financial Obstacles (Statistics).....	47
Table 10	Financial Obstacles(T-Test)	47
Table 11	One-Sample Statistics "Economies of Scale"	47
Table 12	One-Sample T-test "Economies of Scale"	47
Table 13	One sample statistic for H2	48
Table 14	One-Sample T-test for H2	48
Table 15	One Sample Statistic for H3	49
Table 16	One Sample T-test for H3.....	49
Table 17	One Sample Statistic for H4	49
Table 18	One Sample T-test for H4.....	50
Table 19	Summary.....	59

LIST OF FIGURES

Figure 1	Life Cycle of Startups.....	8
Figure 2	Financial Challenges: Startup vs Mature Small Firms	12
Figure 3	Shows the Optimal Output with Limitations.....	26
Figure 4	Shows Average Cost Pricing Without Profit.....	26
Figure 5	Better Selection of Rate of Return.....	28
Figure 6	A Research Framework for Hypothesis.....	40
Figure 7	Data Validity	44
Figure 8	Gender Diversity	44
Figure 9	Age Diversity.....	45
Figure 10	Qualification Chart	46

I. INTRODUCTION

Startups are the companies that are in the earlier stages of their operations. The founder of startups is focused on bringing one product to the market believing in the product's demand. Startup businesses are mostly started by their owners, and they are often found lacking a completely established business plan. These businesses also usually lack enough resources to advance into the next development stage.

Startups are small businesses that produce and introduce a unique product or service to the market which is irresistible to the target public. Startups are founded on "ingenuity, repairing defects in surviving products or developing whole new forms of services and goods, leading entire markets to rethink their ways of thinking and doing business." As a result, several startups are dubbed "disruptors" in their respective sectors.

Startup businesses aim to grow rapidly. Firms are not called startups just because it was built recently. Furthermore, a startup doesn't have to concentrate on using advanced technology, acquire "venture capital", or prepare an "exit strategy" in advance. The only thing which matters for startups is "Growth" (Graham, 2018).

Before the business gets fully established, startups are mostly financed by their founders and found securing investments from venture capitalists, local crowdfunding, and loans. The starting few months are most important for startups because it is observed that many startups faced numerous obstacles in their initial three years. Entrepreneurs must collect cash, create a company strategy, hire key personnel, iron out details, and prepare for the long term.

New startups often face obstacles and challenges like financial challenges, resource problems, fierce competition, etc along with numerous barriers to entry in the respective market. Entry barriers are impediments that prevent a potential newcomer seller from entering the market and competing with present rivals., such as high costs, patents, government rules, or other problems. Because the playing field

is not equal, entrance barriers pose a severe danger to the competitive scene, and new entrants have a difficult time catching up with established players.

Mostly government intervention creates barriers(monopoly), but often free market also creates barriers. Some companies also request the Government to introduce potential barriers to entry to strengthen the reputation of the industry and to discourage new businesses from bringing fewer quality products into the markets (Hayes, 2021).

According to Kenton (2021), a Monopoly is defined as, the "Controlling of market or marketplace by a corporation and its products. Monopolies are a severe consequence of free and private enterprises in which one entity or organization grows big to own nearly all or all of the marketplace for a specific type of services or product ("infrastructure, goods, commodities, supplies, and assets") without any restrictions or constraints." (Kenton, 2021).

To understand and elaborate on the major obstacles faced by new businesses, this research is conducted. To explore the extent to which such challenges and barriers to entry affect the business, to understand and highlight monopolies and policies created due to such barriers, the effect of monopolies on startup businesses and propose some recommendations and alternatives to mitigate these barriers. The aim is to use this knowledge as a result of my research to help startup businesses enhance their work processes, such as increasing sales, and work performance, increasing reputation, increasing loyalty, retaining customers, and invading the markets.

The research framework of the study is based on one dependent variable and three independent variables to study the role of monopoly on startup businesses. The dependent variable is a monopoly, and the independent variable is the cause of a monopoly.

This study will be performed using an inclusion questionnaire approach, accompanied by qualitative interviews and surveys within their organizations with executive leaders, HR managers, managers, and employees responsible for evaluating employees. New businesses and startups are the focus demographic of this report, and this population represents most businesses in the country.

The quantitative technique will be employed in this study, and the research will be co-relational. This research will be helpful to find the relation between the role of monopoly in obstacles faced by startups. The descriptive method of investigation will be used in this. Convenient sampling will be used because of less time duration. The primary data will be collected through different organizations and secondary data from previous research.

This study's key objective is to explore several issues and obstacles faced by startup businesses when entering new markets. And this study is based on the descriptive method of investigation. The validity of the data is generally verified through this analysis, and a more comprehensive description of the analyzed data is given (Mansor & Kurt, 2019). The descriptive technique of inquiry is used in this work. This study typically verifies the data's authenticity, and it also provides a more detailed explanation of the data examined (Mansor & Kurt, 2019). Descriptive analysis is a research method that includes specific goals, dimensions, and components for a population (Malhotra, et al, 1996). The descriptive-analytical approach is used to examine every demographic feature of this study, as well as to discover its causes and prospective consequences. The research strategy used in this study is an approach to the deductive reasoning that deals with the establishment of a theory-based hypothesis and the evaluation of that hypothesis using tests. This study also entails estimating and tracking the occurrence of a certain group and providing an objective picture of a scenario.

In this analysis, the research technique is a deductive reasoning method that deals with the formation of an established theory-based hypothesis, and it uses tests to evaluate this assumption. his research also deals with calculating and recording a specific population's incidence and offers an objective image of a situation.

Data collection methods include surveying and using a questionnaire, including already existing thesis and research works. The sample will be collected from startup businesses and established businesses. Data will be collected using simple and random sampling. The information will be gathered from top managers, mid-level managers, and employees of those organizations. The number of respondents will be calculated based on the sampling formula and visiting the chamber of commerce later.

The data will be evaluated using SPSS software, and simple statistics will be applied to see mean points and deviation points on all demographic questions. R Square, reliability statistics, factor analysis, regression analysis, and ANOVA will be used to determine the degree of significance of variables, hypothesis testing for data presentation pie charts and frequency tables, and coefficient co-relation will be used to validate the link between variables.

A. Definition of Keywords

1. Start-Up Business

Startups are small businesses that produce and introduce a unique product or service to market which is irresistible to the target public. Startups are constructed on “resolving defects in old existing items or generating completely new sorts of products and services, forcing whole markets to shift their methods of thinking and conducting business”.

Regular companies work on already existing business templates. On the other hand, the goal of startups is to create new templates in the market. The speed of the process and the growth of business in startups are much more than that of regular businesses. Startups also work to enhance their target market rapidly. This allows them to gain bigger market shares, which allows them to collect more capital, which allows them to expand their offerings and audience even more.

Startup businesses aim to grow rapidly. Firms are not called startups just because it was built recently. Furthermore, a startup doesn't have to concentrate on using advanced technology, acquire "venture capital", or prepare an "exit strategy" in advance. The only thing which matters for startups is "Growth" (Graham, 2018).

Not every freshly established business is a startup. Every year, millions of businesses are founded in the United States. Only a small percentage are start-ups. The majority are service companies, such as restaurants, barbershops, and plumbers. Except in a few exceptional situations, these are not startups. A barbershop isn't built to expand quickly. A search engine, on the other hand, is (Graham, 2018).

This is the Discontinuity Age. While change has become the norm, it generally happens in a disjointed manner, and it is abrupt and permanent. The term "quantum society" was used by Zohar and Marshall (1994) to stress the ambiguity and

unpredictability of our present surroundings. Furthermore, uncertainty brings new chances for profit and growth with it. Individuals or companies that can discover and capitalize on these possibilities can earn a lot of money (McGrath, 2000).

As Timmons (1999) concluded from his research, “23.7 percent of new businesses face failure during the starting year or two, and just 37.3 percent survive in the sixth year. This demonstrates that ensuring the survival of a new company has always been a difficult managerial task. Raising finances, recruiting partners, executing product testing and development, and releasing items on the market are all examples of entrepreneurial management responsibilities. While these duties might be outlined in advance in a startup's business strategy, such strategies must be revised regularly as the company grows”.

While the previous study has focused on the resources, financing, and business strategies of new companies, there have been few thorough accounts of the nonlinear growth of firms. Most of these descriptors are vague, such as "full of danger and uncertainty." or "a procedure featuring a succession of spontaneous performances" (Miner & Eiseley, 2003).

Moreover, whereas company beginnings are a sort of context-dependent social activity, much previous start-up research has taken a somewhat linear and static theoretical approach. The “organizational theoretical model, strategic model, and organizational stage theory or organizational developmental stage startup model”, for example, offer little light on the dynamics and intricate developmental processes of firm startups. "When we try to use standard models to analyze the development process of a new firm (such as psychology models or competitive strategy models), we usually realize that these models do not function." Timmons (1999) writes. There are three reasons for this, according to Timmons:

- “One-dimensional models” focuses on extracting the key variables responsible for the growth of the business. Typically, this method can only uncover a small portion of the entire narrative.
- A thorough search for "the characteristics of successful new businesses" has been undertaken. The drawback of this scientific method is that it is in its infancy and inaccurate due to a lack of attention by economics and strategic management to the creation and performance of new companies.

- The majority of startups take place in the actual world, which lacks ‘determinacy, predictability, stability, and consistency’.

Thus, a new theoretical approach is needed to examine startups. This new perspective should help startups to determine the development procedure and to extract management implications for entrepreneur reference.

2. Barriers to entry

Barriers to entry are business and economic terms that describe characteristics that may hinder or limit new entrants from entering a market or sector, hence restraining competition. These include high start-up costs, legal restrictions, and other obstacles that make it tough for fresh rivals to enter a market. Existing firms gain from entry barriers because they safeguard their market share and revenue and profit generation capabilities.

Common entrance hurdles include specific tax benefits for patent protection, existing businesses, strong brand identification, high switching costs, and customer loyalty. Other roadblocks include the requirement for new firms to get licenses or government approval before they can begin operations.

According to an American economist, Joe S. Bain, “Existing sellers have an edge over potential entrant sellers in an industry, as seen by their ability to regularly raise prices above competitive levels without drawing new entrants into the market.”

3. Monopoly

Monopolies are defined by the lack of competition, which can result in high consumer prices, substandard quality services, and products, and illegal behavior. A firm with a monopoly in a commercial or industrial field may utilize that monopoly to its advantage, at the expense of others. It is capable of producing set prices, defying normal supply, and artificial scarcity and demand rules. It can obstruct new entrants and new product development or discourage innovation, whereas the public is at its mercy since it lacks the power to pick a competitor. When a market is monopolized, it frequently becomes unfair inefficient, and unequal.

Due to a lack of competition, monopolies often earn enormous economic profits. As discussed in Perfect Rivalry, these advantages should promote vigorous competition, but they do not due to one specific feature of monopoly. Technological,

legal, or market forces that depress or prohibit possible rivals from entering a marketplace are referred to as entry barriers. Entry barriers vary from the basic and readily overcome, for instance, rent of shop, to the very restricted (Taussig, 1913).

In some situations, entrance restrictions may result in a monopoly. In other situations, they may restrict competition to a small number of businesses. Even though the current companies are making enough profit in the markets, entrance barriers may remain. Thus, if the market has high entry barriers, high profits do not guarantee to attract new enterprises, forcing the price to decrease and resulting in surviving firms making only a regular level of profit in the long run (Taussig, 1913).

Monopolies are categorized into two types based on the kind of entry barriers they use. The first is a natural monopoly, in which entry barriers are other than statutory restrictions. Legal monopoly, on the other hand, occurs when laws prevent (or severely restrict) competition (Taussig, 1913).

In summary Chapter, 1 of this thesis contains an introduction that briefly elaborates on the thesis topic, its research objectives, the importance and purpose of the study, and the method and techniques used to conduct and conclude the thesis. Chapter 2 comprises of literature review which contains a detailed explanation of startup businesses, their types and necessary principles on which startups are built, obstacles faced by startups, a barrier to entry, and the effect of barriers on monopoly and policies and their impact on a startup business. In Chapters 3 and Chapter 4 research methodology and findings will be discussed thoroughly and finally, Chapter 5 will conclude this thesis with limitations and necessary recommendations.

II. LITERATURE REVIEW

A. Life Cycle of Start-ups

Startups are varied and difficult, with a limited lifespan. The following are the stages of the life cycle of startups:

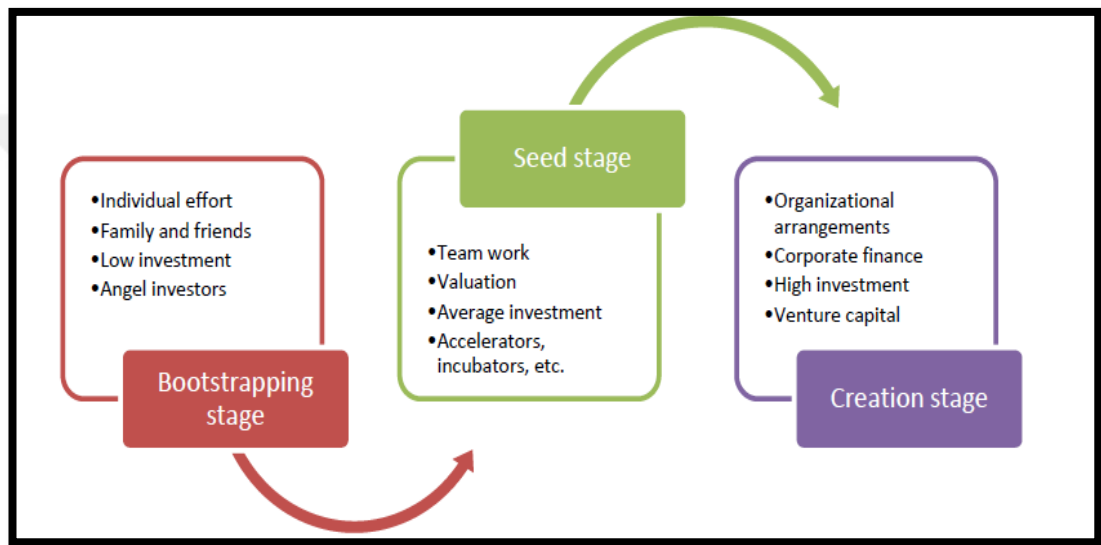


Figure 1 Life Cycle of Startups

1. Bootstrapping stage

Bootstrapping is the process of establishing a firm from scratch with no outside support or funds. It is a technique of supporting small businesses in which the owner acquires and employs resources at his or her own expense, rather than pooling equity or borrowing huge sums of money from banks (Ebben & Johnson, 2006).

“Bootstrapping is a method of self-starting and self-funding in which startup owners launch their firm without the assistance of outside financiers.” A firm that is bootstrapped differs significantly from one that is funded. It possesses the following features:

- The firm is founded either using the founders' funds or with the new company's operating income.

- The founders rely on sweat equity, lean technique, fast inventory turnover, and a lengthy cash runway to keep costs down (amount of time you can survive before running out of money).

Bootstrapping is defined by a significant reliance on domestic sources of finance, such as credit cards, mortgages, and loans. In other words, bootstrapping is defined by a lack of financial resources.

A competent development strategy, which accounts for all conceivable hazards, is required for an enterprise's effective expansion. Furthermore, money must be allocated to the most critical aspects of the company strategy.

a. Pros and Cons of Bootstrapping Stage

Bootstrapping is a great way to get your business off the ground. It has the following advantages:

- It doesn't come with a lot of expenses - debt raising entails the monetary cost of interest on an investment. The emotional cost of sharing decision-making authority comes with fundraising. Bootstrapping, on the other hand, is a low-cost option that avoids both monetary and emotional consequences.
- More say in the decision-making process — Because there is no external monetary help involved in bootstrapping, the stock isn't diluted as much, and the founders have more influence in their company's decision-making process.
- More organization inventiveness – Bootstrapping entails using minimal resources to complete a big number of activities. This fosters a more creative culture in which everyone searches for methods to reduce resource use in everything they do.
- Full focus on the core business — Without the pressure of obtaining external funds, entrepreneurs and staff may devote more time to building their core business.
- Makes the firm very appealing to future funding prospects - The fact that the company was able to get off the ground on its own makes it very appealing to potential investors.

No matter how appealing it may appear to start a firm with your own money, bootstrapping has several drawbacks. These are some of them:

- Limited capital - No matter how much money a founder puts in, it is generally a fraction of what venture investors put in. As a result, the company may be short on critical resources.
- Largely dispersed equity - When entrepreneurs bootstrap, they frequently rely on sweat equity, which eventually leads to a broad distribution of stock among employees. This makes it difficult for them to make decisions on their own because others now have a financial stake in the company.
- Less cash flow - If a company's operating profits aren't adequate to pay its operating and capital costs, a variety of issues might develop.
- Personal financial debt - Typically, money is given by one or two founders who are more financially strained than the other members of the company.
- Competitive disadvantage - For your rivals, money may sometimes turn into a significant competitive advantage, posing a significant barrier to entry for your company.

2. Seed stage

After bootstrapping stage, the next stage for startups is the seed stage. The seed stage is defined as, "Venture valuation, teamwork, market-entry, prototype development, seeking assistance systems for example incubators and accelerators, and necessary investments needed to expand the business. For many businesses, the seed stage is a shambles and is viewed as extremely risky." (Salamzadeh, 2015).

The seed-stage refers to the initial funds used to begin product and/or service development. The entrepreneur seeks help techniques to expedite the process for instance "incubators, accelerators, hatcheries, and small company development centers" (Muralidharan, 2014).

The majority of startups seem to fail during this stage. If they were unable to identify support systems, they would switch to a low-profit corporation with a poor track record of achievement. Only those who are successful in obtaining assistance have a higher chance of building profitable firms. Valuation is often performed after this process.

3. Creation stage

“A company is said to be at the creation stage when it enters the market, sells its products, and hires its first employees.” (Salamzadeh, 2015). It is often speculated that after the completion of the invention stage, entrepreneurship ends. This lends credence to the assertion that rather than management or organizational concepts, most startup theories are based on entrepreneurial notions. The organization/firm is created after this stage, and corporate finance is regarded as the key method of funding the business. Venture capitalists can assist with the creation stage by financing the firm (Ogorelc, 1999).

B. Obstacles and Challenges of Startup Businesses

Prior study on startup problems has addressed several issues that are universal to all startups (Shepherd et al., 2000). While some issues are similar, most are different, and the extent to which they have an impact on startups differs. The following are a few of the most common issues:

1. Financial challenges

The study, which was conducted in conjunction with all 12 Federal Reserve banks, looks at startups¹ and their financing and credit experiences from the second half of 2015 to the second half of 2016.

The poll discovered that a small business's age has an impact on whether it confronts problems. Around 70% of startups indicated they had financial difficulties in the preceding year. Specifically, 72 percent of businesses with a history of fewer than two years and 69 percent of startups with a history of three to five years stated they experienced problems during that time (Adebusoye & Chigozie, 2020).

In comparison, just 56% of mature small employer companies (those that have been in business for more than 5 years) reported financial difficulties in the previous year.

The graph below depicts were financial difficulties arose for startups:

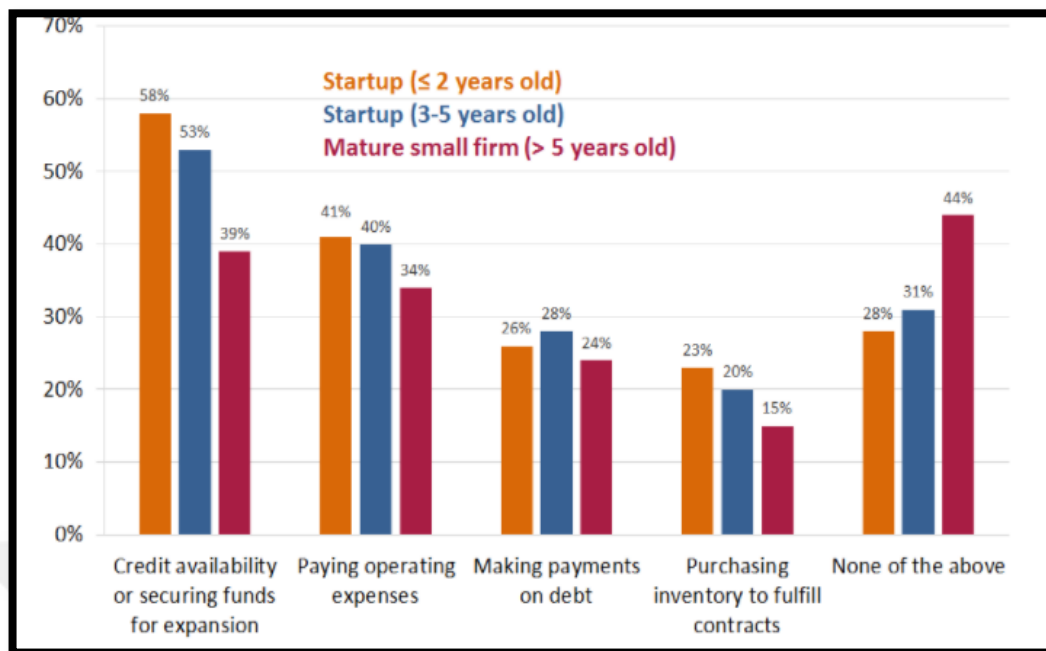


Figure 2 Financial Challenges: Startup vs Mature Small Firms

Source: “2016 small business credit survey: Report on startup firms”

Obtaining financing is far more challenging for startups than for established small businesses. As shown in the table, 58 percent of businesses with a history of fewer than two years and 53 percent of startups with a history of three to five years have had difficulty obtaining credit or funding for expansion. Although it is still a top worry for mature small enterprises, just 39% of older smaller organizations mentioned it.

Among the measures adopted to address financial difficulties are:

- Personal financing was reported by 81 percent of startups.
- 45 percent increased their debt.
- A whopping 43% of people were late with their payments.
- 42% stated they have reduced work hours and/or shrunk their operations.

According to the survey, 52 percent of all businesses have requested funding. However, 28 percent of companies who asked for funding were denied, while another 41 percent received part but not all the funding they requested.

The 48 percent of businesses that did not apply for funding cited a variety of reasons for their decision:

- More than a third of respondents (36%) stated they had enough money.

- Another 27% stated they were afraid of debt.
- 27 percent were discouraged, claiming that they did not apply because they were afraid of being rejected.

2. High setup cost

The hidden costs of starting a business can have a big impact on a startup's long-term potential, especially if planning and accounting are neglected in the early stages. Several of these expenditures, such as advertisements and marketing spending, remain lost and cannot be recovered once a company quits a market. Only 44.1 percent of all enterprises created in 2011 were still in existence five years later, as per the Office of National Statistics (ONS). Planning can help you determine whether your business concept is financially sustainable. For start-ups, cash flow is vital, thus knowing your start-up costs is critical for getting your business off the ground in the first 6-12 months (Singh et al., 2020).

3. Human resources

Small firms cannot function without one of the most crucial departments: human resource management. After all, the success of every firm depends on its personnel, from the ground floor to the top. While start-ups may not have the resources to recruit a big number of professionals for various jobs, having an active HR department is still critical (Makeyna, 2015).

To form a strong organizational structure in startups, the most significant aspect to consider is working on team building. "A team is comprised of persons with comparable interests and skills. To build an effective organization in general, team culture, and start-ups, in particular, must hire skilled employees." From the numerous people willing to work in HR, finding an applicant perfectly suitable for the work is also considered a challenge. It is still one of the insignificant challenges faced by new enterprises even in this digital era (Singh et al., 2020).

Salamzadeh (2015) explained the team structure needed for a typical start-up, that is, "It will have one founder and/or a few co-founders. After a specific span of time, the entrepreneur will require additional specialists to complete the MVP, prototype, and some other projects. Following that, he or she must bargain with others, build a team, and finally hire employees. This technique is critical to success,

and unless the entrepreneur has significant competence in the field, the firm may flop due to HR (human resource) management concerns.”.

Data suggests that teams are more likely than single entrepreneurs to establish a successful business. If you're starting and running your business part-time, you'll need a team or someone with complementary talents. “What kind of person should I hire? When am I going to make my first hire? How will I manage the team and assess their progress?” Those are three of the most crucial hiring questions for early-stage companies.

Employee retention and compensation, leadership development, and talent acquisition are the three most common issues mentioned by small business HR managers. The company's growth will be severely hampered until you discover the best solution to these problems (Makeyna, 2015).

4. Talent acquisition

Unemployment is a big problem across the world. With millions of people out of work throughout the world, it's easy to believe that there's a plentiful supply of human resources, but this couldn't be farther from reality. Recruiting the appropriate people for a small business is one of the most difficult tasks that human resources professionals face.

You must provide an appealing package to employ a suitably educated and seasoned specialist in any industry. Good, experienced experts are likely already employed somewhere, therefore the issue is persuading them to leave their current position for what you're providing. This would undoubtedly result in improved service terms, but given your limited resources, you may not be able to satisfy such demands (Singh, et al., 2020).

To address this issue, you can provide something they don't have, such as a better culture, more flexible work arrangements, a higher title, or other perks. Furthermore, the burden at your firm may be lower, allowing them to devote a few free hours per week to something else of their choosing.

Establish recruiting criteria, such as the number of years of experience necessary, as well as the desired abilities and educational background for each position. To verify that a candidate is the proper cultural fit for your organization, ask behavioral-based

questions. Consider employing a staffing firm to help with recruiting or to recommend "temp-to-hire" individuals who may work on a trial basis while you assess their suitability for the position.

Offering a decent wage and a comprehensive benefits package is an excellent place to start. It's also crucial to have a good onboarding process. According to "the Society for Human Resource Management", Onboarding should include four components of training: "Culture (the organization's values and "personality"), compliance (rules and regulations), clarity (roles and duties), and connection (relationships with existing staff, supervisors, and mentors)." Julie Jensen, the creator of Moxie HR Strategies suggests that to maintain the team, one important aspect is to encourage and allow the workers to develop, learn, and explore new abilities.

5. Legal and regulatory compliance

Noncompliance with federal, state, and municipal employment regulations, such as "those governing hiring procedures, pay, taxes, sick leave, and workplace safety" can result in significant penalties. They have the potential to put you out of business.

Keeping up with employment regulations is getting more challenging since they not only change but also become more complex in many situations. It may be a full-time job to stay on top of these developments and ensure compliance.

For the most up-to-date information on federal employment law, business owners should consult the "Department of Labor's online Employment Law Guide". Entrepreneurs are also required to learn about changes that may affect their business by visiting the website of the "state's department of labor". Consulting an attorney for specific queries or to determine whether the company complies with applicable employment regulations, specifically state and municipal ones is also essential.

C. Barriers to Entry for A Startup Business

Barriers to entry can be imposed by the government (industry regulation, legislative restrictions on new businesses, special tax incentives for established businesses, and so on), or they might arise spontaneously in the business sector. Patents on technology or business processes, strong customer loyalty, strong brand

identification, or significant customer switching costs are all examples of naturally occurring barriers to entry (Singh, et al., 2020).

New competitors are discouraged by entry obstacles. They function as a discouragement by charging newcomers a cost that veterans do not have to pay. For two reasons, startups must be aware of any barriers to entry in their sector or market:

- Startups could try to break into a marketplace having severe competition. As a consequence, the business would be at a huge disadvantage that would be difficult to undo.
- Market-leading startups should learn to protect their place by imposing entry barriers.

Barriers to entry are problems that hinder a business from entering a certain marketplace. They are one of the five elements that influence an industry's competitiveness (the bargaining power of buyers, industry rivalry, the danger of alternates, and the bargaining power of suppliers,). The degree of rivalry in a certain market determines its attractiveness.

1. Types of barriers to entry in the market

Some are listed below:

a. Natural barriers to entry

Entrance barriers may evolve naturally when an industry's dynamics take form. Potential entrants confront entrance obstacles in the form of brand recognition and consumer loyalty. Jell-O and Kleenex, for example, have such powerful brand identities that their names have become synonymous with the products they manufacture.

Rising customer costs of switching are high barriers to entry because it is difficult for new entrants to encourage potential consumers to spend the extra money necessary to change or switch. The following are examples of natural obstacles to entry:

i. Economies of scale

When manufacturing in big quantities, the cost of a product is typically decreased; but, to save money and improve profits in the long run, the business

owner must find a greater sum of money to pay for the items in the short term. This is an issue for tiny start-up firms that have already invested in the creation of the company and cannot afford to commit to such a huge sum.

As manufacturing processes grow more efficient, companies benefit from economies of scale. This may be achieved by growing productivity while decreasing costs. When expenses are distributed over a greater number of items, this occurs (Kenton, 2021).

While dealing with economies of scale, the scale of the company is important. The bigger the firm's scale, the bigger the efficiency gains. Economies of scale are mainly of two types, namely, internal and external. Internal economies of scale are the result of strategic initiatives, while external economies are the result of natural forces.

Scale economies are a critical concept for any organization in any business. because they represent the efficiency gains and key success factors that larger companies have over smaller companies. Most customers are baffled as to why a local small business asks more for an identical product than a bigger firm. This is because the amount of product produced has an impact on the cost per unit. Larger companies may produce more since their production expenditures are spread out over a larger number of things. If numerous enterprises in a business produce comparable things, the industry may be able to establish the price of a product.

Economies of scale result in cheaper per-unit costs for a variety of reasons. To begin with, employee expertise and much more interconnected technologies boost production volumes. Secondly, decreased per-unit expenses can be achieved by large purchases from suppliers, higher marketing costs, or a lower cost of capital. Third, by distributing internal functionality expenses across a larger quantity produced and distributed, costs are reduced.

Finance, information systems, and brand management are only a few of the organizational responsibilities. Operational performance and synergy are the basic criteria to consider. Mergers and acquisitions are the second and third variables, respectively.

ii. Internal vs external economies of scale

Economies of scale are of two types, as previously noted. Internal economies develop inside organizations. External ones are those that are impacted by outside factors.

Whenever a corporation saves internal expenses, it creates internal economies of scale, which are exclusive to that enterprise. This could be owing to the vastness of a firm's management alternatives. Bigger companies can be able to attain this by cutting costs while increasing performance, since they may buy resources in mass quantity, have the copyright or proprietary technology, or just have more money (de Groot & Nahuiz, 2002).

On the contrary, external economies of scale, are the outcome of external factors that affect the entire sector. Thus, no single entity can lower expenses without the help of others. The presence of a highly trained labor supply results in subsidies and/or tax incentives, alliances, and strategic partnerships that might reduce costs for several firms in a given industry.

iii. Limits to economies of scale

For decades, technology and management and technology have focused on the boundaries of economies of scale.

Setup costs are lower as a result of more versatile technology. Smaller producers, for example, craft brewers and steel mini-mills, may compete more easily since the equipment is more accurately priced to match output capacity. When functional services are outsourced, costs are more similar among enterprises of all sizes (Yang, 1994).

Micro-manufacturing, additive manufacturing (3D printing), and hyper-local manufacturing may all help you save money on setup and production. Irrespective of the scale of a single facility, global commerce, and logistics have led to decreased costs. Since around 1995, the average cost of tradeable products has been declining in industrial countries (de Groot & Nahuiz, 2002).

b. Artificial barriers to entry

Artificial obstacles to entry, also known as strategic barriers to entry, are erected by established companies to prevent newcomers from entering the market. These are some of them:

i. Pricing strategies

There are around ten different pricing methods in use in the market, and each one, when utilized correctly, functions as a formidable barrier to entry for others. Big businesses, on the other hand, frequently utilize predatory pricing strategies (also known as below-cost pricing) to remove competition and restrict the market to new entrants (Sherman, 1971).

Setting the correct pricing necessitates balancing several variables. Some factors have a direct influence on pricing, such as production costs, while others are vaguer, such as consumer willingness to pay. These are some of them:

ii. Target Customers and willingness to pay

The most essential element, which boils down to how much your target consumer is ready to pay for your service or product, is your target customer's willingness to pay. Targeting bargain-hunting customers with high-priced products is unlikely to work, whereas targeting wealthy clients with high-priced items might be a profitable approach.

iii. Competition

Customers are more likely to respond to a given level of pricing; so, competitors may be used as a guide. Gaining market share can be accomplished by undercutting competitors with lower pricing.

iv. Variable and fixed cost

Even if you don't manufacture or sell anything, your firm will suffer fixed expenditures. Postage and packing expenses, for example, are directly related to the number of clients or sales you generate. With better cost control, you may get a pricing edge over competitors.

v. Technological disadvantage

There are instances when the market leader and current companies enjoy a technological advantage over the competition. They are tight-lipped about their procedures and where they obtained the technology (Sherman, 1971).

vi. Switching costs for customers

The monetary and non-monetary costs that customers suffer as a result of changing product brands or suppliers are referred to as switching costs. Although monetary switching costs account for the bulk of switching costs, there are also psychological, effort, and time-based switching costs that operate as a barrier to consumers accepting new entrants.

Because of their brand identification and client loyalty, many tech behemoths have a stranglehold on the market when it comes to the IT business. In such fierce competition, a company would have to invest money to switch clients to continue in business. It's not easy to persuade a consumer that your services and goods are worth the expense of moving from a competitor's brand.

It causes strong market rivalry and necessitates substantial marketing operations to build your startup's identity. Take telecommunications service providers as an example. Switching from one carrier to another does not come at a hefty expense. However, retaining switching consumers takes a significant amount of promotion and effort (Sherman, 1971).

D. Monopoly

According to Adam Hayes in the research article "Monopoly", when a business and its product offer control of an industry or area, this is recognized as a monopoly. Monopoly is often used to characterize a corporation that has near-complete or complete control of a marketplace. Monopolies can arise from extreme free-market capitalism, in which, if there are no constraints or limitations, a single firm or group grows enough to possess almost all of the market for a certain type of goods or service (including by purchasing competitors). Monopolies, contrary, can emerge and persist as a result of government-enforced barriers to entry or laws that bound competition (Hayes, 2021).

E. Monopoly by Nature

Manuela Mosca describes that a natural monopoly can form when a firm acquires a monopoly owing to the high fixed or starting costs of its business. Natural monopolies can also form in businesses that need distinctive raw materials or technology, or in specialized industries where only one company can meet the industry's consumers' expectations (Mosca, 2008).

Also Mcwhinny in the article "How and Why Companies Become Monopolies" states that Companies with product patents that restrict competitors from creating the same product in a given sector might have a natural monopoly. Companies that hold product patents that restrict competitors from creating identical products in a given sector might have a natural monopoly. Patents allow the corporation to make money for numerous years without the worry of competition, allowing it to repay its investment as well as the expensive start-up and R&D expenditures. Pharmaceutical firms are frequently granted patents and a natural monopoly in order to research and stimulate innovation (Mcwhinny, 2021).

Monopolies, whether natural or sanctioned by the government, thrive in the utility business. Most of the time, a municipality or region has just one main (private) business delivering energy or water. The monopoly is permitted because these providers suffer expensive rates in generating water or electricity and supplying these essentials to every small family and business, and it is more cost-effective to have a specific source of such facilities (Mcwhinny, 2021).

F. Creation of Monopoly

According to Stuart in "creating monopoly power" in 2007 clearly stated how to create a monopoly. There are several methods for establishing a monopoly, many of which rely on governmental support. The government providing a firm's most basic way to form a monopoly is to have exclusive privileges to supply services or products. The best examples of a monopoly founded in this way are the British East India Company, to whom the British government granted exclusive rights to bring commodities from India to Britain in 1600. The corporation was the virtual ruler of India at one point, with the power to levy taxes and command armed forces (Stuart, 2007).

Nationalization is the method in which the government seizes control of a corporation or industry and is also an approach to establishing a monopoly. Delivery of mail and primary education are two services that have been nationalized in several nations. Communist countries typically take nationalization to its logical extreme, while the production fully under governmental control (Stuart, 2007).

Additionally, monopoly is also created by the government through *Copyright and patents*. The manufacturers of copyrighted items are granted monopoly control over goods such as ideas, music, tales, drawings, concepts, and even small melodies because the government has created legislation to safeguard intellectual ownership rights. Microsoft Corp.'s (MSFT) copyright on its Windows software fundamentally conferred the monopoly on what equated to a revolutionary new approach for computer users to interact, browse, and govern their on-screen activities, and this is an excellent example of this (Stuart, 2007).

Another method for establishing a monopoly is to *gain access to a scarce resource*. This is the course that Standard Oil took under John D. Rockefeller's guidance. Rockefeller amassed control of more than 90% of the oil pipelines and refineries in the United States via persistent and brutal commercial tactics. While the government was eventually successful in breaking up the monopoly, it took several tries and over 20 years. Chevron Corporation (CVX), Exxon Mobil Corporation (XOM), and ConocoPhillips Co. (COP) are all legacy businesses formed as a consequence of the monopoly's dissolution. De Beers Consolidated Mines Limited likewise established a monopoly by gaining access to a precious resource—diamonds (Stuart, 2007).

Acquisitions and mergers are other methods for establishing in the absence of a rare resource, a monopoly, or a near-monopoly. In such circumstances, economies of scale produce economic efficiencies that empower businesses to push down costs to the point where competitors simply cannot compete (Stuart, 2007).

G. Monopolies Have a Negative Impact

Tejvan Pettinger in the article put a clear view that Monopolies are wonderful for corporations that gain from a monopolistic market with no competitors, but they aren't always so great for the customers that purchase their goods. When buying from

a Monopoly, consumers frequently discover and believe they are paying exorbitant prices for low-quality goods. Furthermore, customer service is usually substandard when it comes to monopolies. Such that if a local water company delivers poor service, then one doesn't have the option of moving to another provider to let you take a bath and rinse your dishes. For these details, governments usually want to provide clients with a variety of providers from whom to choose when feasible (Pettinger, 2020).

Monopolies, on the other hand, maybe as troublesome for would-be company owners, because a monopoly's incapacity to compete might make starting a new firm impossible. It's an age-old problem that's still important today, as seen by the judicial decision to halt a merger between Sysco Corp (SYY) and U.S. Foods Inc. The foundation of the block was the argument that combining the country's two major food wholesalers would result in a monopoly that would limit competition. The proposed combination of Kraft Foods (KRFT) and H.G. Heinz (HNZ) aroused similar concerns, but the transaction was finally approved (Pettinger, 2020).

While monopolies created by the government or through government laws are frequently meant to protect consumers and innovative enterprises, monopolies created by private corporations are designed to reduce competition and enhance profits (Pettinger, 2020).

H. Antitrust Laws

James Chen in his 2021 article put clear thought regarding regulations and antitrust laws enacted to avoid monopolistic behavior, therefore outlawing trade-restrictive behaviors, safeguarding consumers, and ensuring a marketplace stays competitive and open. The Sherman Antitrust Act was the first law to restrict monopolies, passed by the United States Congress in 1890. The Sherman Antitrust Act was widely supported in Congress, passing the Senate by a vote of 51–1 and the House of Representatives by a vote of 242–0.

Two new pieces of antitrust law were enacted in 1914 to assist protect consumers and avoid monopolies. The Clayton Antitrust Act established additional restrictions for corporate and directors, as well as specific examples of Sherman Antitrust Act violations. The Federal Trade Commission Act established the Federal

Trade Commission (FTC), which, along with the Antitrust Division of the United States Department of Justice, establishes standards for corporate conduct and enforces the two antitrust statutes. Rather than just suppressing powerful firms, the regulations are meant to maintain competition and give individual new firms to enter an industry (Chen, 2021).

I. Dismantling Monopolies

In continuation, Adam Hayes in his recent research of 2021 stated about the Sherman Antitrust Act has been used to dismantle big corporations such as Standard Oil Company and the American Tobacco Company. The Sherman Antitrust Act has broken up large companies over the years, including Standard Oil Company and the American Tobacco Company.

In 1994, the US government accused Microsoft of preventing competition and maintaining a monopoly in the personal computer operating systems industry by using its substantial market share. According to the complaint, which was filed on July 15, 1994:

“The US of America, acting on the advice of the US Attorney General, files this civil action to prohibit and limit the offender Microsoft Corporation from utilizing exclusionary and anticompetitive contracts to promote its personal computer operating system software. Microsoft has illegally maintained its monopoly on personal computer operating systems and has imposed unreasonable trade restrictions through these contracts.”

In 1998, a federal district judge decided that Microsoft should be split into two technological firms, but the judgment was eventually overturned on appeal by a higher court. The contentious result was that, despite a few adjustments, Microsoft was free to continue developing its operating system, developing applications, and marketing methods (Hayes, 2021).

AT&T's demise was the most visible monopoly breakup in American history. The huge telecoms corporation was challenged under antitrust rules after being permitted to monopolize the nation's telephone service as a government-supported monopoly for decades. AT&T's demise was the most visible monopoly breakup in American history. After decades of being permissible to monopolize the nation's telephone service as a government-backed monopoly, the enormous telecoms business was challenged under antitrust laws. After an eight-year legal fight, AT&T

was compelled to divest control of 22 local exchange service businesses in 1982, and It has been compelled to sell assets or liquidate its holdings or divide divisions numerous times since then (Hayes, 2021).

J. Policies to Control A Monopoly

Lin-Ti Tan expressed in his journal in 2001 that monopoly creates two issues for society. The result is Pareto inefficient (insufficient output), and the allocation of welfare is skewed in favor of the monopoly firm.

If an industry has just one business as a result of some artificial limitation, one option is to get rid of the limitation. If the result of the limitation is abolished is more probable to be superior to the monopoly consequence. However, if the sector has a natural monopoly, removing a barrier to entry will not promote entrance. In this situation, an entrant will not be able to benefit (The market is too small to support more than one business). In the following sections, three methods of controlling the monopolist are discussed (Tan, 2001).

1. Price ceilings

J. Osborne in “Policies to control monopoly” in 1997 article statistically describes price ceilings. Let the monopolist is not permitted to charge more than p_0 . It must sell fewer than what is required at p_0 if it sells less than what is demanded at p_0 (rather than a higher price), and therefore its marginal income is p_0 . If it sells more than is requested at the price p_0 , the price remains the same as it would be in the absence of any limitation, and therefore Its marginal revenue stays unchanged. Consequently, its marginal revenue is discontinuous, as seen in the graph below (J. Osborne, 1997).

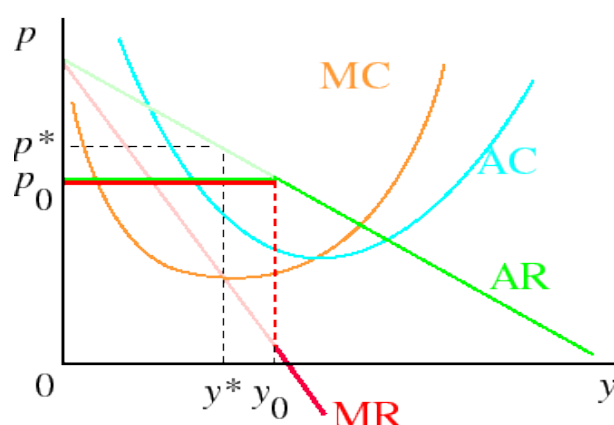


Figure 3 Shows the Optimal Output with Limitations

When in the presence of limitation, the optimal output of the company is y_0 (notice that it makes a profit on this production), with a discontinuity in marginal revenue: for lesser outputs, MR is greater than MC, while for bigger outputs, MC is greater than MR. As an outcome of the regulation, the price decreases to p_0 (from its initial value of p^*), and production rises from y^* to y_0 .

If the regulated price cap exactly matches the competitive pricing, the company is motivated to create competent output if it makes revenue. If it does not profit from this production, a subsidy, in addition to a price ceiling, is required to incentivize the business to generate efficient output (J. Osborne, 1997).

a. Average cost pricing

J. Osborne in “Policies to control monopoly” in 1997 article statistically describes average cost pricing. Assume the government mandates that the monopoly establishes a price equal to the average cost. That is, the company must select an (output, price) combination for which AC equals AR. This regulation removes profit, but it does not always result in an efficient conclusion. The consequence of this regulation is depicted in the image. The output y_0 under the regulation is greater than the efficient output y^* in the left panel, whereas it is less in the right panel. (The curves are constructed in both situations so that there is only one output when AC and AR are equal; in other cases, there may be more than one such output.)

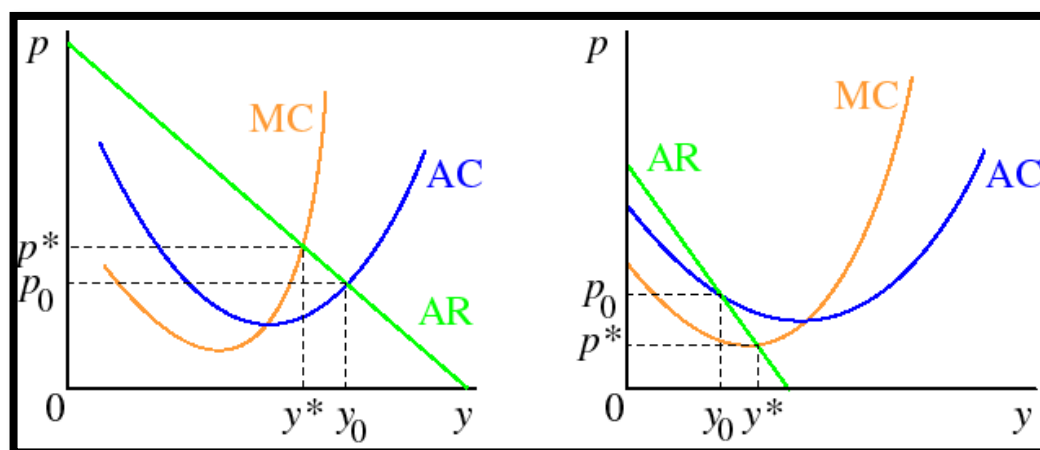


Figure 4 Shows Average Cost Pricing Without Profit

Source: J. Osborne, 1997.

b. Rate-of-return regulation

Rate-of-return regulation is a common type of control in the United States and Canada, where the rate of return on the invested money is limited. Given its production, this regulation causes a monopolist to use more capital than it would if it were uncontrolled. As an example, assume a company utilizes capital (input 2) and another input (1). The capital return is

$$TR(y) - w_1 z_1,$$

Equation 1

where z_1 represents the amount of input 1. Rate-of-return regulation sets the rate of return r and requires the company to select an output y and inputs (z_1, z_2) in such a way that

$$TR(y) - w_1 z_1 \leq r z_2,$$

Equation 2

Here, z_2 = Amount of input 2 (capital).

If $r = w_2$, then rate-of-return regulation is the same as average cost pricing: the company must generate no profit. Assume that r is greater than w_2 . The firm's profit-maximization challenge under rate-of-return regulation is then:

$$\max_{y, z_1, z_2} [TR(y) - w_1 z_1 - w_2 z_2]$$

Equation 3

subject to

$$F(z_1, z_2) \geq y$$

Equation 4

and

$$TR(y) \leq w_1 z_1 + r z_2.$$

Equation 5

Assume that (y^*, z_1^*, z_2^*) is a solution to this issue. Take a look at the y^* -isoquant. The company must employ a pair of inputs that fulfill the regulatory

restriction $TR(y) = w_1z_1 + rz_2$; that is, a pair (z_1, z_2) above the line $TR(y) = w_1z_1 + rz_2$. This line's slope is w_1/r (writing z_2 as a function of z_1), thus because $r > w_2$, it is not as steep as an isocost line. The line pivots around the point where it crosses the z_1 axis as r varies.

The firm's dilemma is depicted in the image below. The company must select an input bundle (z_1, z_2) that is on or above the y^* -isoquant and on or above the regulatory constraint (i.e. in the light blue shaded region); it prefers the one that is on the lowest feasible isocost line. This requirement is satisfied by (z_1^*, z_2^*) in the figure. Without regulation, the company would utilize the input bundle (z_1', z_2') .

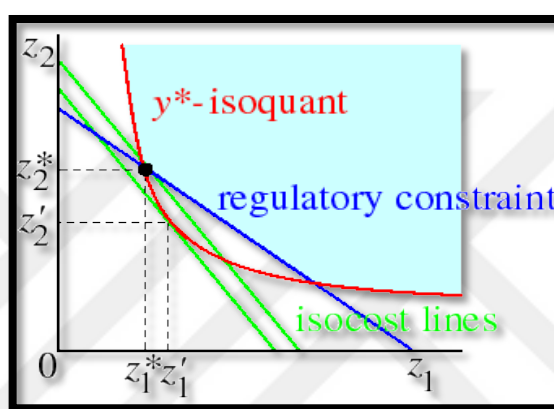


Figure 5 Better Selection of Rate of Return

As a result, we can see that the company consumes more of input 2 than it would if it were unregulated: the product is not produced at the lowest possible cost. If the prices of inputs reflect their societal costs (as they do in a competitive equilibrium of input markets), the outcome is inefficient. Of course, this inefficiency must be balanced against any change in the monopolist's output in the direction of the efficient output, as well as any change in the income distribution caused by the policy. The regulatory constraint pivots around the point where it meets the z_1 axis as r changes. As a result, if r is sufficiently big, the regulatory limitation does not influence the company. When r is not as big as shown in the picture, the company utilizes less of input 1 and more of input 2 to produce output y at the lowest possible cost (J. Osborne, 1997).

c. Efficient regulatory mechanisms

If the regulator understands the cost and demand functions, it can simply instruct the company on what to do. However, it is unlikely to have adequate precise

information on costs and demand. Assume there are numerous demanders, each of whom purchases either 0 or 1 unit of the item; buyer i has the reservation price R_i , where $R_1 > R_2 > \dots > R_n > 0$. The following method, on the other hand, drives a monopolist to produce effectively while requiring the regulator to just know the demand function (J. Osborne, 1997).

Mechanism: The monopolist receives the subsidy if he charges the price p and sells m units.

$$R_1 + R_2 + \dots + R_m - mp.$$

Equation 6

When presented with this strategy, its revenue from the sale of m units at the price p is

$$mp + (R_1 + R_2 + \dots + R_m - mp) = R_1 + R_2 + \dots + R_m.$$

Equation 7

That is, its revenue is identical to the revenue obtained by a fully discriminating monopolist when it maximizes profit. Because a profit-maximizing perfectly discriminating monopolist's output is Pareto efficient, this subsidy scheme drives the monopolist to generate the Pareto optimal output (J. Osborne, 1997).

The following is the calculation that causes the monopolist to do so. Assume it is now selling m units and is thinking about selling another. Its extra income is $p + (R_{m+1} - p) = R_{m+1}$, which is the same as the AR at m units. As a result, the monopolist decides to sell the number for which AR equals MC, which is the efficient amount (J. Osborne, 1997).

The issue is that when the monopolist decides to sell another unit, the price on the units that have "already" been sold is not reduced—the monopolist receives R_{m+1} in full (J. Osborne, 1997).

The system has the disadvantage that the monopolist receives the whole surplus: the income distribution produced by the scheme is extremely inequitable unless the monopolist is exceptionally worthy. However, as we all know, a profit tax does not affect monopolist conduct; it just allows the excess to be transferred to other members of the economy (J. Osborne, 1997).

K. Monopolies: Advantages and Disadvantages

1. Monopoly created by the government

Brozen described the government's monopoly that Industries that are tightly controlled by the government are difficult to enter. Some examples are defense contractors, cable corporations, and commercial airlines. For various reasons, the government erects strong entrance obstacles. In the case of commercial airlines, not only are rules stringent, but the government also restricts new entries to reduce air traffic and ease monitoring. Cable firms are carefully supervised and limited since their infrastructure demands extensive use of the public property (Brozen, 1968).

At times the government erects obstacles to the entrance not out of necessity, but as a result of lobbying pressure from established businesses. To become a florist or an interior decorator, for example, a few jurisdictions need a government license. 4/5 Critics argue that such rules are unnecessary and only serve to limit competition and stifle entrepreneurship (Brozen, 1968).

2. Control of a physical resource

When a corporation controls a limited physical resource, this is another form of natural monopoly. One historical example of this trend in the US economy occurred when ALCOA—the Aluminum Company of America—controlled the majority of the supply of bauxite, a crucial material needed in the production of aluminum. When ALCOA owned the majority of the bauxite in the 1930s, other companies were simply unable to create enough aluminum to compete (Spaulding, 2015).

3. Legal monopoly

Spaulding stated about the legal monopoly that government creates entry barriers for some products by banning and limiting competition. In the U. S., no organization other than the United States Postal Service is legally allowed to deliver first-class mail. Many states or municipalities have rules or regulations that restrict homeowners to only one electric provider, one water company, and one trash collection business. The majority of legal monopolies are considered utilities—products that are essential for daily living and are socially good to have. As a result, the government enables manufacturers to become controlled monopolies to ensure that consumers receive an adequate supply of these items. Furthermore, legal

monopolies are frequently susceptible to economies of scale, thus permitting only one provider makes sense (Spaulding, 2015).

Montrose in his journal “How to control monopoly” suggested some methods that are as follows.

4. Promoting innovation

Time and money are required to create innovation. Assume a company invests in R&D and develops a cure for the common cold. In this day and age, other firms might take the formula, manufacture the medicine, and undercut the price of the company that discovered the treatment because they did not pay the R&D costs. Given this option, many firms would opt not to invest in R&D, causing fewer global innovations. To prevent this from happening, Article I, Section 8 of the United States Constitution. This authority was used by Congress to create the United States Patent and Trademark Office as well as the United States Copyright Office (Montrose, 1956).

a. Patent

For a short period, A patent provides the author the exclusive legal right to make, use, or sell the invention for 20 years in the United States. The goal is to grant innovative enterprises a limited monopoly power so that they may recoup their R&D expenditure, However, if the patent expires, other companies will be able to make the goods more inexpensively (Montrose, 1956).

b. Trademark

A *trademark* is a distinguishing sign or term for a certain product, such as Chevrolet automobiles, Chiquita bananas, and sporting gear. The US government has registered around 1.9 million trademarks. A company can renew a trademark as many times as it wants as long as it is still in use (Montrose, 1956).

c. Copyright

The United States *Copyright* Office defines a copyright as “a type of protection given by United States laws for ‘original works of authorship’ encompassing literary, theatrical, architectural, musical, sculptural, graphic, cartographic, pantomimic, photographic, choreographic, and audio-visual creations.” No one may duplicate, exhibit, or perform a copyrighted work without permission from the author

Copyright is normally protected for the author's lifetime plus 70 years (Montrose, 1956).

d. Trade secrets

In general, patent law protects innovations, whereas copyright defends art, books, and music. However, in other cases, such as the development of novel software, it has been unclear whether copyright or patent security should be used. There is also a legal concept known as *trade secrets*. Competing businesses are not permitted to steal a company's secrets, even if the company does not hold a patent on the innovation. One well-known trade secret is the Coca-Cola formula, which is not protected by copyright or patent law and is merely kept private by the corporation (Montrose, 1956).

e. Intellectual property

This combination of trademarks, patents, trade secrets, and copyright, legislation is known as *intellectual property* as it suggests ownership over a concept, image, or idea rather than a tangible item of property such as a home or a car. Republics throughout the world have adopted laws to safeguard intellectual property, however, the periods and specific measures differ by country. There are ongoing discussions to encourage greater unity in different countries' intellectual property laws, both through international treaties and WIPO, to determine the extent to which copyrights and patents in a country will be respected in other countries (Montrose, 1956).

f. Intimidating potential competition

James in the article thoroughly explained that businesses have used a variety of strategies to create barriers to entry by discouraging potential competitors from joining the market. Predatory pricing is one technique, in which a company utilizes the prospect of drastic price reduction to deter competitors. Predatory pricing is a breach of antitrust law in the United States, although it is difficult to establish. Consider a huge airline that provides the majority of flights between two cities. A new, little start-up airline decides to fly between these two locations. The major airline promptly lowers costs on this route to the bone, rendering the new entrant ineligible for profit. The incumbent firm can raise prices again after the new entrant has gone out of business (James, 1993).

Large advertising costs might also serve as a deterrent to competitors in some circumstances. If the only way to introduce a successful new national cola drink is to spend more money than Coca-Cola and Pepsi Cola's promotional expenditures, not many firms will attempt. A well-established brand name might be tough to remove.

Entry barriers hinder or discourage new rivals from joining the market. These barriers include possession of a physical resource; Scale economies that lead to natural monopoly; Legislative restrictions on competition; trademark, patent, and copyright protection; and Threatening methods such as exploitative pricing. The term "intellectual property" refers to the legally secured ownership of an identifier rather than physical items. Trademarks, patents, copyrights, and trade secrets are examples of intellectual property laws. A natural monopoly occurs when economies of scale exist throughout a broad enough range of output that if one business serves the whole market, no other firm may enter without incurring a cost drawback (James, 1993).

L. Summary

Startup businesses aim to grow rapidly. Firms are not called startups just because it was built recently. Furthermore, a startup doesn't have to concentrate on using advanced technology, acquire "venture capital", or prepare an "exit strategy" in advance. The only thing which matters for startups is "Growth" (Graham, 2018). Before the business gets fully established, startups are mostly financed by their founders and found securing investments from venture capitalists, local crowdfunding, and loans. The starting few months are most important for startups because it is observed that many startups faced numerous obstacles in their initial three years. Barriers to entry can be imposed by the government (industry regulation, legislative restrictions on new businesses, special tax incentives for established businesses, and so on), or they might arise spontaneously in the business sector (Kenton, 2021).

Economies of scale are an important concept for every firm, regardless of industry, because they indicate the cost savings and competitive advantages that larger organizations have over smaller ones. Most clients don't understand why a smaller company charges more for the same goods as a larger one. This is because the cost per unit is controlled by how much the business produces. Larger companies may produce more since their production expenditures are spread out over a greater

number of things. If numerous enterprises in the industry manufacture identical things, the industry may be able to establish the price of a product. For several reasons, economies of scale result in lower per-unit costs. First and foremost, worker specialization and more integrated technology enhance output quantities. Second, cheaper per-unit costs can be obtained by supplier bulk buys, increased advertising spending, or a lower cost of capital. Third, spreading internal function expenditures over a greater number of units produced and sold reduces costs. This concludes the following hypothesis:

H1: Economies of scale are desirable for monopoly and have a negative impact on Startup business.

When a corporation controls a limited physical resource, this is another form of natural monopoly. One historical example of this trend in the US economy occurred when ALCOA—the Aluminium Company of America—controlled the majority of the supply of bauxite, a crucial material needed in the production of aluminum. When ALCOA owned the majority of the bauxite in the 1930s, other companies were simply unable to create enough aluminum to compete. Thus, the following hypothesis was deduced:

H2: Controlling Natural resource which is essential for final products is a form of monopoly power.

There are several methods for establishing a monopoly, the majority of which rely on government support. The government provides a firm's most basic way to form a monopoly is to have exclusive rights to supply products or services. The government creates entry barriers for some products by banning or limiting competition. No entity other than the United States Postal Service is legally permitted to deliver first-class mail in the United States. Many states or towns have rules or regulations that limit homes to only one electric utility, one water company, and one waste collection company. The majority of legal monopolies are considered utilities—products that are essential for daily living and are socially good to have. As a result, the government enables manufacturers to become controlled monopolies to ensure that consumers receive an adequate supply of these items. Thus, the following hypothesis was concluded:

H3: Monopolies initiated by Government and legal policies have a positive impact on the economy.

Mostly government intervention creates barriers(monopoly), but often free market also creates barriers. Some companies also request the Government to introduce potential barriers to entry to strengthen the reputation of the industry and to discourage new businesses from bringing fewer quality products into the markets (Hayes, 2021). Thus, the following hypothesis is deduced:

H4: Monopolistic Powers has a negative impact on a potential competitor.



III. RESEARCH METHODOLOGY

A. Research Model

Basic Research was conducted as it aimed at expanding the existing base of knowledge related to finding the major obstacles faced by new business, highlighting monopoly and policies created due to such barriers, and exploring the extent to which such barriers affects the business and alternatives to mitigate these barriers. *Explanatory research* was done in order to explain the relation between *Economies of scale*, *Controlling Natural resources*, *Government and legal policies*, and *potential competitors with monopolies*. Deductive research was carried out because it works from the more general to the more specific. In order to have a clear picture of the hypothesis of positive and negative relations between *Economies of scale*, *Controlling Natural resources*, *Government and legal policies*, and *potential competitors with monopolies*, so deductive research is preferred in this thesis.

B. Type of Research Data

The type of research is correlational so the quantitative method is used. This study will help to find the major obstacles faced by new business, to highlight monopoly and policies created due to such barriers, and to explore the extent to which such barriers affects the business and alternatives to mitigate these barriers. This study will be a descriptive method of investigation. The reliability and validity of the data are so important

The research method used is *primary research*. Most of the interviews and feedback that have been conducted were walk-ins from a large range of organizations. *Experimental research* was used because we concluded by using different data collected from walk-in interviews and questionnaires.

C. Type of Sampling, Timescale, and Location

I utilize convenience sampling to assess/measure their impression of their market image. Data is gathered from prospective consumers in order to better grasp specific concerns or manage the attitudes of the target audience. In some cases, it is the only available option. Convenient sampling will be used because it is unable for me to collect data from every good organization and employee because of a lack of resources.

We targeted *probability sampling* as far as possible and tried that each member of the target group has an equal chance of getting chosen for the sample. I tried my best to include both genders, and different age groups also on basis of experience.

A *cross-sectional study* was preferred in this particular scenario as timelines were tough so I included a population at a single point in time to examine the association between SCM, logistics, and international business laws, it was difficult to carry out a longitudinal study as it requires a few years.

Field research is research conducted in this thesis as I preferred the real world or a natural setting. Field research participants may or may not be aware that they are being observed.

D. Data Collection and Analysis

Primary data collection refers to the process of gathering information through interviews, surveys, or experiments. Primary data will be conducted mainly through where I can reach conveniently and secondary data research will be done through different sources.

1. Experiment

Primary data collection was done mainly as primary sources are original materials/information on which other research is based. Experiments usually provide quantitative data since they are focused on measuring things. Here we have prepared a questionnaire and tried to figure out the conclusion that there is a positive relationship between three variables that are supply chain management, logistics, and international business laws.

2. Surveys

This kind of data collecting allows me to personally confirm that primary data fulfills the availability, quality, sample requirements, and statistical power of a particular research topic. In the first study, quantitative survey questions were utilized to define a research project for the appropriate target audience.

3. Interview

It is a qualitative research method that comprises asking unrestricted questions to respondents in order to speak with them and collect data on my topic of interest. I interviewed managers of some easy-to-go organizations for a better understanding of respondent opinions in a well-planned and executed series of questions and answers so it was the primary source.

4. Observation

The observation method of data collection was conducted by seeing people in an organization on a specific day. It is a primary research method used to make sure about that how logistics and supply chain management reacts to different situations. Observational studies are part of qualitative research as. The aim is to draw out the general themes about SCM and logistics and the participant-observer strives to understand the significance of the group's experiences from each of its many distinct viewpoints.

5. Literature review

This literature review is a primary research article and qualitative research in which I have included a comprehensive summary of previous research on start-ups business and also about basic obstacles to making their place in the market. In this literature review, most of the information included is from journals and books. Articles have been given second priority. And tried best to analyze whether the information supports the hypothesis or not.

6. Case study

A case study is a primary source and qualitative research in this intensive study about organizations and performance has been done after certain decisions regarding

obstacles faced during setting up a new business and market space to establish business through their reports.

E. Analysis

SPSS is used to evaluate the data obtained, and concise statistics have been used to see deviation points and mean points on all demographic questions. Reliability statistics, factor analysis, regression analysis, ANOVA, and R Square will be used to measure the hypothesis testing for data presentation. Charts and frequency tables and coefficient co-relation will be used to validate the data between the variables.

1. Statistical analysis

In statistical analysis software, we used SPSS to analyze quantitative data. In statistical analysis, there was gathering and interpretation of data to learn patterns and trends. It is part of data analytics. Statistical analysis was used to gather research interpretations, statistical modeling, or design studies and surveys.

2. Meta-analysis

In particular, I examine meta-analysis, a quantitative method to combine data and illustrate the relation of supply chain management. A meta-analysis is a statistical study that incorporates the findings of several investigations. When several studies cover the same topic, meta-analyses can be performed, with each study offering metrics that are expected to be inaccurate to some degree.

3. Thematic analysis

In thematic analysis, we attempted to uncover descriptive themes from the original data of other research and construct overarching analytic themes that provide new concepts or explanations that apply across them, and so is a method of analyzing qualitative data.

4. Content analysis

Content analysis is a research method that evaluates and categorizes textual material in order to provide reproducible and reliable results. By meticulously

evaluating texts, qualitative data may be turned into quantitative data (e.g., documents, oral communication, and visuals).

F. Research Hypotheses and Framework

1. Hypotheses

There are hypotheses that we are going to do in this research.

H1: Economies of scale are desirable for monopoly and have a negative impact on Startup business.

H2: Controlling Natural resource which is essential for final products is a form of monopoly power.

H3: Monopolies initiated by Government and legal policies have a positive impact on the economy.

H4: Monopolistic Powers have a negative impact on a potential competitor.

2. Research framework

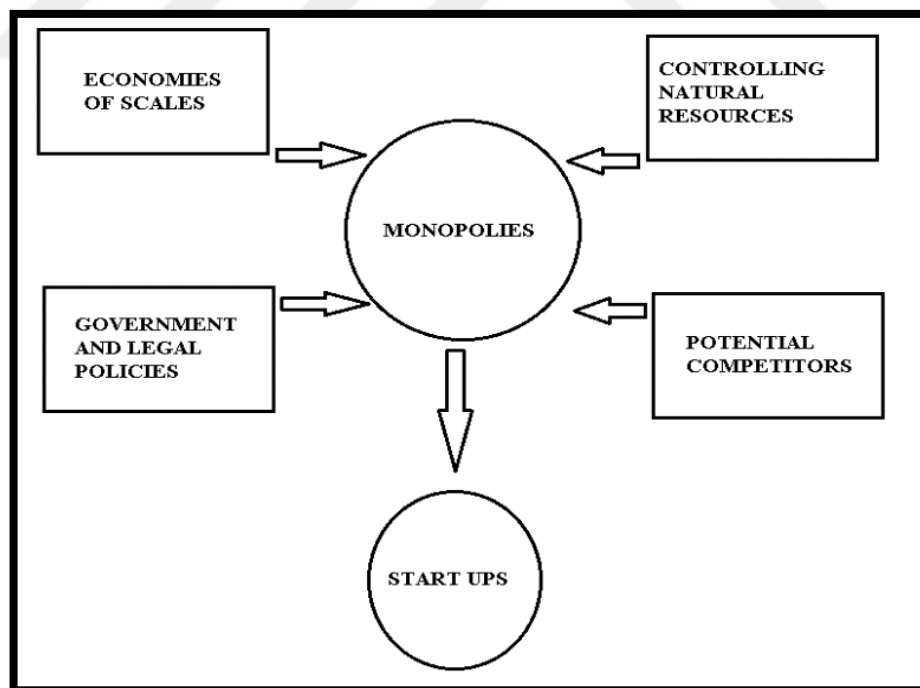


Figure 6 A Research Framework for Hypothesis

All these factors are those which affect monopolies or indirectly affect a start-up's business to make their permanent place in an already existing market.

IV. RESEARCH FINDINGS

The thesis findings are presented in this chapter. Following the data screening and missing data analysis, results of descriptive statistics and sample demographics are presented. Following that, the hypothesis testing results are described, followed by a summary and discussion of the findings.

A. Data Screening

The questionnaire was distributed to 250 participants, out of which 235 participants completed the survey. The results of the surveys were reviewed for efficiency and missing data before the findings of the questionnaire were analyzed. The range of numbers and reasonability of standard deviation and mean were measured to evaluate the correctness of discrete and continuous variables.

Table 1 Data Screening

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
1. My start-up faced financial challenges in the early days.	235	100.0%	0	0.0%	235	100.0%
2. My start-up's growth rate was hampered when dealing with employee retention and compensation.	235	100.0%	0	0.0%	235	100.0%
3. My Start-up faced cost disadvantages because economies of scale caused unavailability of material at a better rate.	235	100.0%	0	0.0%	235	100.0%
4. My Start-up faced cost disadvantages due to fixed costs being spread for a large number of products as a result of economies of scale.	235	100.0%	0	0.0%	235	100.0%
5. My Start-up faced cost disadvantages because economies of scale declined the per-unit cost of labor.	235	100.0%	0	0.0%	235	100.0%
6. My start-up faced difficulties to overcome economies of scale because of insufficient brand recognition.	235	100.0%	0	0.0%	235	100.0%
7. My start-up faced competition due to strong brand images.	235	100.0%	0	0.0%	235	100.0%
8. My start-up faced challenges due to less exposure to potential clients during its seed stage.	235	100.0%	0	0.0%	235	100.0%
9. My start-up faced cost disadvantages due to single resources control and monopolistic power.	235	100.0%	0	0.0%	235	100.0%
10. My start-up faced the competitive disadvantage of monopolistic power while entering the market.	235	100.0%	0	0.0%	235	100.0%
11. My start-up used legal barriers such as copyright and patent to use monopoly in its favor.	235	100.0%	0	0.0%	235	100.0%

Table 1 shows the missing value analysis of the data collected. It is clear from the table that no item of the survey was missing, every 235 respondents answered every question, and the data is 100% valid.

After that, the reliability of the scale was checked through reliability analysis and evaluation of Cronbach's alpha of the scale. Cronbach's alpha is a statistic for measuring a collection of scale or test items' internal consistency or reliability. To put it another way, a measurement's dependability refers to how consistent it is while measuring a concept, and Cronbach's alpha is one way to assess how strong that consistency is. All the values of $\alpha > 0.5$ indicate good reliability of the scale and internal consistency. The higher this value is, so does internal consistency.

Table 2 Reliability Statics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.894	0.893	11

Table 2 is the results of reliability statics. Here, Cronbach's alpha is 0.894, which is > 0.5 which indicates a high level of internal consistency and reliability of the scale.

B. Descriptive Analysis

The descriptive statistics of 235 participants are provided in table 3:

Table 3 Descriptive Analysis

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
1. My start-up faced financial challenges in the early days.	235	1	5	4.45	0.832
2. My start-up's growth rate was hampered when dealing with employee retention and compensation.	235	1	5	3.97	0.837
3. My Start-up faced cost disadvantages because economies of scale caused unavailability of material at a better rate.	235	1	5	4.33	0.867
4. My Start-up faced cost disadvantages due to fixed costs being spread for a large number of products as a result of economies of scale.	235	1	5	4.11	0.790
5. My Start-up faced cost disadvantages because economies of scale declined the per-unit cost of labor.	235	1	5	4.29	0.896
6. My start-up faced difficulties to overcome economies of scale because of insufficient brand recognition.	235	1	5	4.13	0.879
7. My start-up faced competition due to strong brand images.	235	1	5	4.27	0.898
8. My start-up faced challenges due to less exposure to potential clients during its seed stage.	235	1	5	4.19	0.881
9. My start-up faced cost disadvantages due to single resources control and monopolistic power.	235	1	5	4.23	0.905
10. My start-up faced the competitive disadvantage of monopolistic power while entering the market.	235	1	5	4.18	0.904
11. My start-up used legal barriers such as copyright and patent to use monopoly in its favor.	235	1	5	4.21	0.893
Valid N (listwise)	235				

Descriptive analysis is finding the central tendency of distribution to estimate the "center" of a set of values. The mean or average is the most common way of conveying central tendency. According to table 3, the mean values for all 11 questions vary from 3.97 to 4.45, showing a shift in the ideas and views of 235 respondents from agreeing to highly agreed.

Standard deviation is the measure of variability in the data set. It indicates how far it deviates from the mean on average. The more varied the data set is, the bigger the standard deviation. Table 3 shows that all the questions have a standard deviation in the range of 0.79-0.94, which is quite low, indicating that the data set is clustered around its mean value.

C. Demographic Statics

The participants for this study were the owners of startups, either small-scale or big, online or offline, from Turkey. The questionnaire was distributed to 250 participants, out of which 235 participants completed the survey. The data is 100% valid with 0% missing values as shown in table 4.

Table 4 Demographic Validity

		I hereby volunteer to participate in the study. I understand that the study will be kept confidential and will only be used for study purposes.	Gender	Age	Qualification level
N	Valid	235	235	235	235
	Missing	0	0	0	0

Table 5 I hereby volunteer to participate in the study. I understand that the study will be kept confidential and will only be used for study purposes.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	235	100.0	100.0	100.0

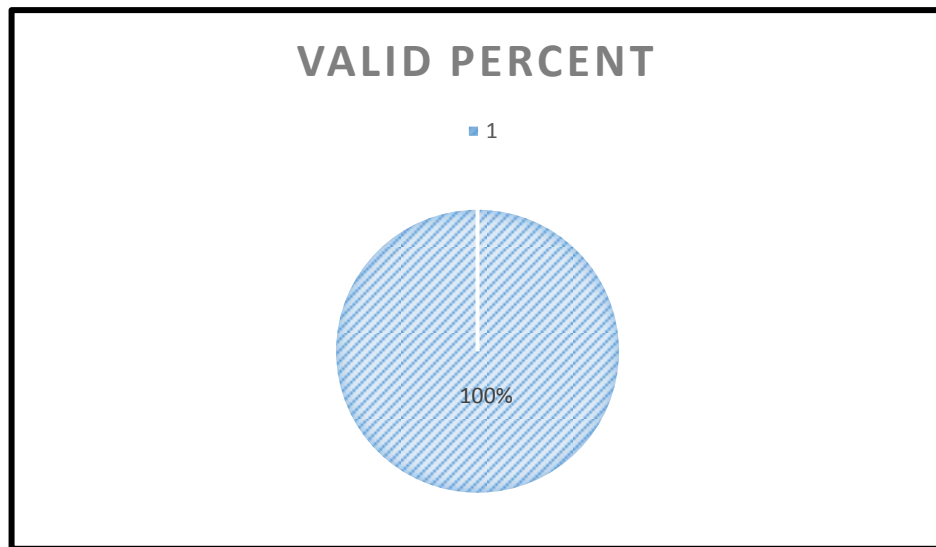


Figure 7 Data Validity

Table 5 shows that 100% of the 235 participants volunteered to participate in the research and gave their consent to use their responses for study purposes.

Table 6 Gender

		Frequency	Percent	Valid Percent
Valid	Female	80	34.0	34.0
	Male	155	66.0	66.0
	Total	235	100.0	100.0

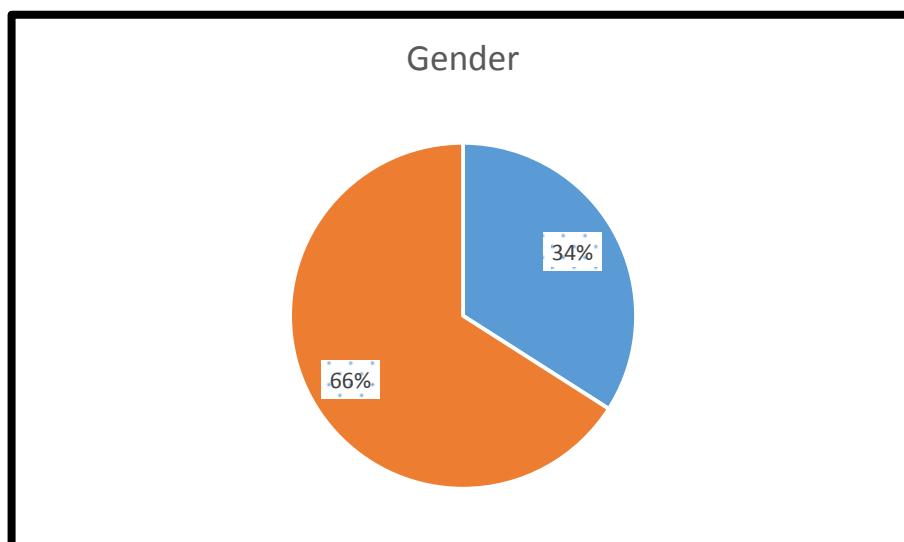


Figure 8 Gender Diversity

Gender diversity is a useful metric for assessing the sample population's various points of view. Table 6 shows the diversity in the gender of the participants of the research. Out of 235 respondents, approximately 66% were male and 34% were female.

Table 7 Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	45+	10	4.3	4.3	4.3
	below 25	28	11.9	11.9	16.2
	between 25-35	120	51.1	51.1	67.2
	between 35-45	77	32.8	32.8	100.0
	Total	235	100.0	100.0	

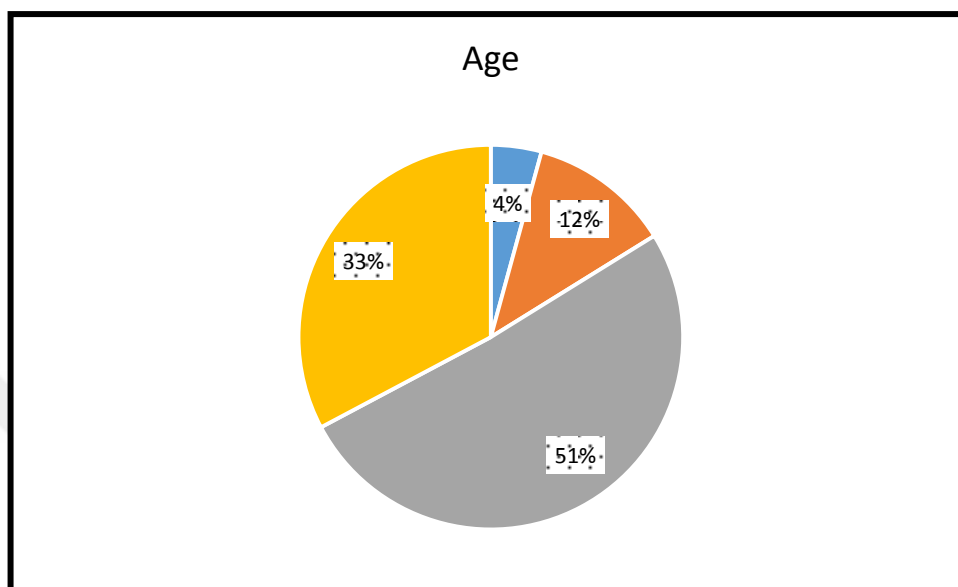


Figure 9 Age Diversity

The study was able to collect data from people of all ages who took part in the research. Table 7 shows the age distribution of the respondents who took part in the study, as seen in the graph above. According to the data, 11.9 percent of the participants were under the age of 25, 51.1 percent were between the ages of 25 and 35, 32.8 percent were between the ages of 35 and 45, and 4.3 percent were beyond the age of 45.

Table 8 Qualification Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	0.4	0.4	0.4
	Certificate/Skill level	13	5.5	5.5	6.0
	Diploma/Advanced Diploma	62	26.4	26.4	32.3
	High School	25	10.6	10.6	43.0
	Postgraduate/Masters	43	18.3	18.3	61.3
	Undergraduate/Bachelors	91	38.7	38.7	100.0
	Total	235	100.0	100.0	

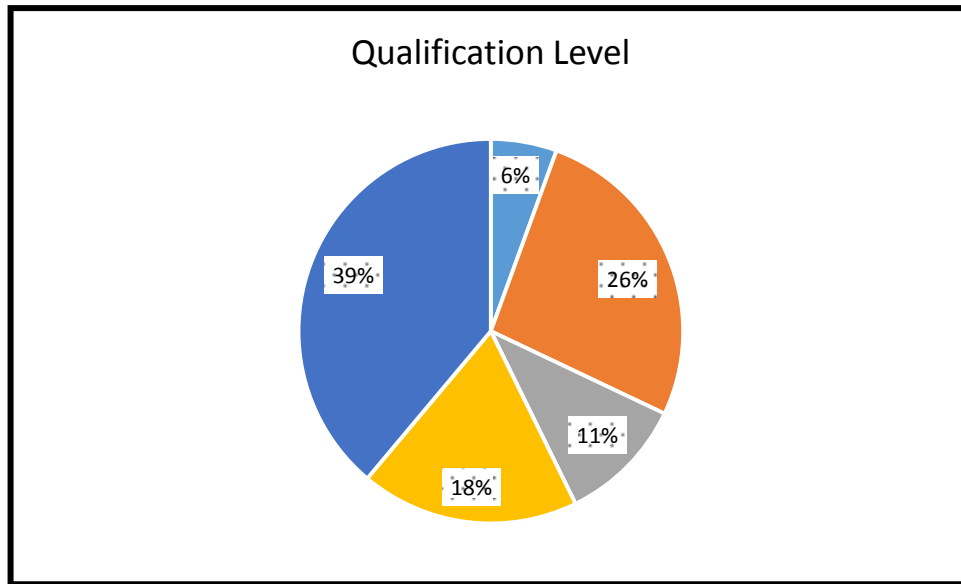


Figure 10 Qualification Chart

Table 8 shows the qualification levels of the startup owners who participated in the study, with 5.5% having a certificate/skill level of education, 26.4% having a diploma/advanced diploma, 10.6% having a high school, 18.3% having postgraduate, and finally, 38.7% having an undergraduate level of education.

D. Hypothesis Testing

The purpose of this research is to understand the obstacles tackled by startups and evaluate the role of policies and monopolies on startups. All of the questions in the survey were created using a positive item scale, which means that items with above-average responses were deemed favorable responses or in favor of the hypothesis. Since the items are not correlated, one sample T-test analysis was used to validate the hypothesis.

The One-Sample t-Test analyses if the mean of a population is statistically different from a known or projected value. The "Parametric Test" or "Single Sample T-test" are other names for it. The mean of the test variable is compared to a "test value," which is a known or assumed population means value, in a One-Sample t-Test.

Since our scale is positive, to prove the hypothesis, our response must be above average, that is 4 or 5. Thus, based on the literature review and hypothesis, the test value for T-test analysis for all hypotheses will be 4.

The data was analyzed using the "Confidence Interval" as a benchmark. Confidence intervals demonstrate the importance of estimation over hypothesis testing. It is more enlightening to indicate the magnitude of the extent of the impact rather than utilizing the significant-no significant hypothesis testing (Dahiro, 2008).

Table 9 Financial Obstacles (Statistics)

	N	Mean	Std. Deviation	Std. Error Mean
1. My start-up faced financial challenges in the early days.	235	4.45	0.832	0.054
2. My start-up's growth rate was hampered when dealing with employee retention and compensation.	235	3.97	0.837	0.055

Table 10 Financial Obstacles(T-Test)

	T	Df	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
1. My start-up faced financial challenges in the early days.	8.230	234	0.447	0.34	0.55
2. My start-up's growth rate was hampered when dealing with employee retention and compensation.	-0.468	234	-0.026	-0.13	0.08

Table 11 One-Sample Statistics "Economies of Scale"

	N	Mean	Std. Deviation	Std. Error Mean
3. My Start-up faced cost disadvantages because economies of scale caused unavailability of material at a better rate.	235	4.33	0.867	0.057
4. My Start-up faced cost disadvantages due to fixed costs being spread for a large number of products as a result of economies of scale.	235	4.11	0.790	0.052
5. My Start-up faced cost disadvantages because economies of scale declined the per-unit cost of labor.	235	4.29	0.896	0.058

Table 12 One-Sample T-test "Economies of Scale"

	t	df	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
3. My Start-up faced cost disadvantages because economies of scale caused unavailability of material at a better rate.	5.796	234	0.328	0.22	0.44
4. My Start-up faced cost disadvantages due to fixed costs being spread for a large number of products as a result of economies of scale.	2.231	234	0.115	0.01	0.22
5. My Start-up faced cost disadvantages because economies of scale declined the per-unit cost of labor.	4.877	234	0.285	0.17	0.40

Table 9 and Table 11 shows the statistics (mean and standard deviation) of Q1-Q5, which are designed to check the validity of hypothesis 1. Hypothesis 1 states that "Economies of scale are desirable for monopoly, and it has a negative impact on startups".

Table 10 and Table 12 shows the results of one sample t-test analysis for H1. According to the results of the study, the 95 percent confidence interval (CI) value indicates the least variation from the mean value and concludes that the mean difference is less than 0.5 from the mean value 95 percent of the time out of 100% of the time, which is still within the range of acceptable response values (from agreeing to strongly agree). Hence it proved that 95% of people agreed that they faced financial crises in the seed stage of their startups and economies of scale do have a negative impact on their startups.

Hence, *H1 was accepted.*

Hypothesis 2 that "Controlling natural resources which is essential for final products in the form of monopolistic power". Question 9 of the survey was designed to test the validity of this hypothesis.

Table 13 One sample statistic for H2

	N	Mean	Std. Deviation	Std. Error Mean
9. My start-up faced cost disadvantages due to single resources control and monopolistic power.	235	4.23	0.905	0.059

Table 14 One-Sample T-test for H2

	t	df	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
9. My start-up faced cost disadvantages due to single resources control and monopolistic power.	3.893	234	0.230	0.11	0.35

According to the results of the study, the t-value was 3.893 when the testing value was 4, indicating that the test value was legitimate. Furthermore, the 95 percent confidence interval (CI) value indicates the least variation from the mean value or concludes that it can vary from 0.11-0.35 from the mean value, 95 percent of the time out of 100% of the time, which is still within the range of acceptable response values.

Thus, *H2 was accepted*.

Hypothesis 3 states, “Monopolies initiated by Government and legal policies have a positive impact on the economy.” Question 9 of the survey was designed to check the validity of the hypothesis. The result of the one-sample T-test are shown in the tables:

Table 15 One Sample Statistic for H3

	N	Mean	Std. Deviation	Std. Error Mean
11. My start-up used legal barriers such as copyright and patent to use monopoly in its favor.	235	4.21	0.893	0.058

Table 16 One Sample T-test for H3

	t	df	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
11. My start-up used legal barriers such as copyright and patent to use monopoly in its favor.	3.578	234	0.209	0.09	0.32

According to the results of the study, the t-value was 3.578 when the testing value was 4, indicating that the test value was legitimate. Furthermore, the 95 percent confidence interval (CI) value indicates the least variation from the mean value or concludes that it can vary from 0.09-0.32 from the mean value 95 percent of the time out of 100% of the time, which is still within the range of acceptable response values.

Thus, *Hypothesis 3 was accepted*.

Hypothesis 4 states that "Monopolistic power has negative impacts on potential competitors". Questions 6,7,8, and 10 are designed to check the validity of this hypothesis. The result of the analysis of the responses to these questions are as follows:

Table 17 One Sample Statistic for H4

	N	Mean	Std. Deviation	Std. Error Mean
6. My start-up faced difficulties to overcome economies of scale because of insufficient brand recognition.	235	4.13	0.879	0.057
7. My start-up faced competition due to strong brand images.	235	4.27	0.898	0.059
8. My start-up faced challenges due to less exposure to potential clients during its seed stage.	235	4.19	0.881	0.057
10. My start-up faced the competitive disadvantage of	235	4.18	0.904	0.059

monopolistic power while entering the market.

Table 18 One Sample T-test for H4

	t	df	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
6. My start-up faced difficulties to overcome economies of scale because of insufficient brand recognition.	2.300	234	0.132	0.02	0.24
7. My start-up faced competition due to strong brand images.	4.651	234	0.272	0.16	0.39
8. My start-up faced challenges due to less exposure to potential clients during its seed stage.	3.257	234	0.187	0.07	0.30
10. My start-up faced the competitive disadvantage of monopolistic power while entering the market.	3.104	234	0.183	0.07	0.30

From the analysis it is evaluated that the t-value was of minimum value for all the items when the testing value was 4, proving the validity of the test value. Furthermore, the 95% of CI value indicates the least difference from the mean value for all the items and it concludes that it can decrease a maximum of 0.16 from the mean value and increase 0.39 from the mean value of 95% out of 100% of sampling, which is still in the range of agreeable response values.

Hence, *H4 was also accepted.*

E. Summary and Discussion

The purpose of this thesis is to illustrate the obstacles faced by startups, as well as the impact of monopolies and policies. The direct impact of policies and monopolies on startups is investigated in this study. The data for this thesis was collected from a group of 235 people. The sample was then subjected to various analyses using the SPSS 2.0 program.

The hypotheses were tested using "one sample T-test analysis" because the questionnaire data is not correlated. The result of the T-test was in favor of both hypotheses. Means, in a population sample, 95% of the people agree that "Economies of scale is desirable for monopoly and have a negative impact on Startup business", "Controlling Natural resource which is essential for final products is a form of monopoly power", "Monopolies initiated by Government and legal policies

have a positive impact on the economy" and "Monopolistic Powers has a negative impact on potential competitor". It was also deduced that "Financial crises" was the major obstacle faced by most startups even though their growth rate was hampered when dealing with employee retention and compensation.

It also implies that economies of scale are a critical concept for any business in any industry since they indicate the cost savings and competitive advantages that bigger businesses have over smaller businesses. Most clients are baffled as to why a smaller company would price more for the same goods as a larger one. This is because the unit cost is determined by the amount of product produced by the firm. Larger businesses may be able to create more since their manufacturing costs are spread out over a larger number of items.

Within an industry, if numerous businesses manufacture identical things, the industry may be able to decide the price of a product. For several reasons, economies of scale result in lower per-unit costs. There are several ways to counteract the negative impacts of economies of scale. To begin with, labor specialization and improved technological integration increase output. Second, lower per-unit expenses can be achieved by bulk supplier purchases, higher promotional investment, or a lower cost of capital. Thirdly, costs are reduced by spreading internal function expenditures across a larger number of units produced and sold.

It is also deduced that a monopoly can be established in a number of ways, the bulk of which rely on government assistance. The most fundamental approach for the government to create a monopoly is to provide exclusive rights to supply products or services. By prohibiting or restricting competition, the government establishes entry barriers for some products. The bulk of permissible monopolies are utilities—products that are helpful to society. As a result, the government allows firms to become regulated monopolies in order to ensure that customers have enough of these products and thus the majority of start-ups used legal barriers such as copyright and patent to use monopolies in their favor. However, another type of monopoly known as a natural monopoly that occurs when a firm owns a restricted physical resource has a negative impact on startups and according to our research findings, 955 of the population sample faced cost disadvantages due to single resources control and monopolistic power. Government interference (monopoly) is the most common source of obstacles; however, the free market is also a source of barriers. Some firms

also ask the government to erect possible entrance barriers in order to improve the industry's image and deter new enterprises from bringing lower-quality items to market. The negative impact of start-ups includes facing difficulties to overcome economies of scale because of insufficient brand recognition, strong competition due to strong brand images, facing challenges due to less exposure to the potential clients during its seed stage, and facing competitive disadvantage of monopolistic power while entering the market.

The research finding of the thesis can be summarized as follows:

- Monopolies gain from economies of scale, which provide them with a cost advantage over competitors. The legal system has the authority to award corporations monopoly rights over a resource or the production of a thing.
- Control over natural assets that are essential to the manufacture of an item is one type of monopoly power.
- The government allowing a firm exclusive right to supply services or products is the easiest method for a company to become a monopoly.
- Monopolies are harmful because they dominate the sector in which they function, resulting in no rivalry. When a corporation has no competition, customers have to buy from them they are left with no other choice.

V. CONCLUSION

This study aimed to recognize obstacles faced by start-ups in order to survive in the competitive market. The study focused on the problems and possibilities faced by start-ups and new enterprises.

Based on a quantitative analysis of start-ups and frequently asked questions about risks and problems it can be concluded that it is tough to make a place for the venture in an already flourished market. The results indicate that economies of scale and control of natural resources are desirable for a monopoly as a monopoly is not in favor of start-ups. Or in other words, monopolies are never in favor of start-ups in the competitive market.

Economies of scale are an essential concept for any corporation in any sector because they symbolize the price benefits and market opportunities that bigger corporations have over minor ones. Most customers are perplexed as to why a smaller firm charges more for the same items like a larger one. This is due to the fact that the cost per unit is determined by how much the company produces. Larger companies may produce more since their production expenditures are spread out over a greater number of things. If numerous enterprises in the industry manufacture identical things, the industry may be able to decide the cost of a product. For several reasons, economies of scale result in lower per-unit costs. First and foremost, worker specialization and better-integrated technology enhance output quantities. Second, cheaper per-unit costs can be obtained by supplier bulk buys, increased advertising spending, or a lower cost of capital. Third, spreading internal function expenditures over a greater number of units produced and sold reduces costs.

As a result, the following hypothesis emerges:

H1: Economies of scale are desirable for monopoly and have a negative impact on Startup business.

H2: Controlling Natural resource which is essential for final products is a form of monopoly power

H3: Monopolies initiated by Government and legal policies have a positive impact on the economy.

H4: Monopolistic Powers have a negative impact on the potential competitor.

Another example of a natural monopoly is when a firm owns a restricted physical resource. One historical illustration of this tendency in the US economy happened when ALCOA (the Aluminium Company of America) controlled the bulk of the supply of bauxite, a critical resource required in the manufacturing of aluminum. When ALCOA controlled the bulk of the bauxite in the 1930s, other businesses simply couldn't produce enough aluminum to compete.

There are various ways to establish a monopoly, the bulk of which rely on government assistance. The government supplying a firm is the most fundamental approach to building a monopoly. Above all, having exclusive rights to offer products or services.

By prohibiting or limiting competition, the government raises entry barriers for some products.

The vast majority of legal monopolies are considered utilities—products that are both necessary for everyday existence and beneficial to society. Consequently, to ensure that customers have an adequate supply of these items, the government allows enterprises to become controlled monopolies.

Generally, government action produces obstacles (monopolies), but the free market frequently creates hurdles as well. Some corporations also ask the government to erect possible entrance barriers in order to strengthen the industry's reputation and dissuade new enterprises from bringing less high-quality items to market (Hayes, 2021).

Further study on this topic can include the following points:

Based on these conclusions, practitioners should consider Making entrepreneurial activity one of the government's top goals. Creating successful policies for entrepreneurial ecosystems necessitates the active participation of government ministers as well as collaboration with top public employees who will assist in defining and empowering policies and initiatives.

To better understand the implications of these results, future studies could focus on greater emphasis on human and intellectual capital - formal training, education, and other support structures – in order to produce highly trained employees and, as a result, more opportunities for successful entrepreneurial operations. To develop a startup culture, it is necessary to incorporate entrepreneurship and innovation programs from the beginning of education. Improving skills is also one of the most effective strategies to boost innovation, productivity, and economic growth.

Further research is needed to emphasize that government policy is broad in scope - policy should be crafted in such a manner that it embraces all entrepreneurial components of the ecosystem rather than focusing on certain areas of particular interest.

Research has contributed to the knowledge of start-up's obstacles faced in starting phase. Some strategies to achieve this include:

Research helps the entrepreneur to already keep in mind potential obstacles they have to face when entering in market and make strategies according to the potential problems.

Here the research findings emerge are as follows:

- Monopolies gain from economies of scale, which provide them with a cost advantage over competitors.
- Control over natural resources that are critical to the manufacture of an item is one type of monopoly power.
- The government allowing a firm exclusive right to supply products or services is the simplest method for a company to become a monopoly.
- Monopolies are harmful because they monopolize the market in which they operate, resulting in no competition.

The main reason behind research regarding obstacles faced by start-ups or newcomers in the already established market is to emphasize on problems one has to face when you are entering an already flourished market so that one should make strategies accordingly. And to make awareness regarding monopolies so that government takes appropriate actions to provide newcomers equal space and chances to develop the country. Results conducted by this research were accordingly that

start-ups find it difficult to establish their venture in the market as competitors try to defeat them by economies of scale, controlling natural resources, and by creating monopolies.

In the literature review, it has been clearly stated already that there are numerous expected obstacles that one has to face, and keep in mind that due to some unforeseen circumstances there will be critical situations arrive and one must have the power to deal with all these situations. One of the most important resources is Human resources which help organizations whether to grow or to finish.

From the stated hypothesis from start-ups, most of the organizations agreed about the obstacle faced by start-ups and how competitors try their hard to not let them enter the market. Monopolies are one of the main reasons for problems in the path of new ventures.

A. Limitations

As stated in the proposal potential limitations would arrive are.

A population research sample will be taken in the country, where small and medium-sized business organizations and startups are based. Nevertheless, there are many drawbacks to doing this research:

Firstly, since there is not enough time to analyze a large sample. This study is only going to cover startups because I do not have a big approach. The entire and all analysis and examination will also qualify for completion within six months.

Secondly, it needs and requires financial help to go outside and/or collect samples from other countries, cities, and large-scale companies.

Every research project has its own set of restrictions. Research constraints can arise as a result of constraints in research design or process, and these limitations might influence the study's conclusions. Many scientists, on the other hand, are hesitant to admit errors in their research in their publications for fear of diminishing the study's scientific relevance in the eyes of readers and reviewers. Limitations in demographic research or accessible methodology may influence the final results or conclusions you receive. Even if the study has outstanding statistics and an excellent design, it may be influenced by variables such as:

There was insufficient time to collect data from large organizations since there are several ways to contact them, which wastes time. They aren't always keen to help with research. Because time was limited for this project, data was acquired solely from small and medium-sized firms.

Because the area is so concentrated in one group.

Reaching out and getting information also need financial aid. As a consequence, the majority of businesses are small since they are in close proximity, and they are also organized in areas in the form of groups, making it easier to get information from there.

Furthermore, because we are focusing on a specific region, this research will only be beneficial to small or medium-sized businesses. We cannot assume that this study will apply to large corporations because various employees have different perspectives.

Because the study necessitates polling certain individuals or organizations, you may run into issues with limited access to your respondents. Due to the restricted number of entries, you may need to change or rearrange your research. Explain why access is restricted in this situation, and show that despite the restriction, the findings are accurate and dependable.

The region is heavily emphasized. This will lead to bias in the data obtained.

Academic specialists, like students, must meet the submission date for their thesis paper to be published. As a result, the length of time available to investigate a research topic and track its evolution is limited by the "assignment" date. It was already difficult to schedule appointments before visiting amid tight deadlines, and the current pandemic was the primary reason that it was out of reach for some comparatively larger organizations. It was challenging to cover small businesses in the time allotted.

Researchers' views of some events may be skewed as a consequence of their cultural experiences or attitudes toward them, which may compromise the study's authenticity. Additionally, researchers may be prejudiced toward evidence and results that support their beliefs or statements.

Access to data was restricted. Even though the resources of well-known writers were restricted, they assisted in historical research. Due to time constraints, it was nearly impossible to collect samples from moderately big organizations or to obtain samples from all over the world in order to widen the possible region covered and ensure that this research would be applicable internationally. However, it is currently only applicable to small firms.

B. Future Recommendations

We demonstrated and highlight the major obstacles faced by new businesses and monopolies and policies created due to such barriers. And explore the extent to which such barriers affect the business. Here are some recommendations and alternatives to mitigate these barriers:

Make a thorough business strategy that addresses issues such as marketing, staffing, financing, and sales. As the business grows, evaluate and update your strategy regularly.

Take considerable time conducting market research to understand more about potential customers. This will reveal the volume of your target market and help you determine whether there is enough demand for your firm concept.

If you have a marketing budget, invest intelligently in the most relevant approaches. Measure all of your marketing efforts and, if required, adjust your methods. If there is a shortage of time or ability to perform your marketing, consider hiring a professional.

Assimilate as much information as possible, particularly on the business you're joining, the clients you're aiming for, and the rivals you'll encounter. You should also train yourself in important areas like marketing, finance, and sales by reading business advice websites, joining business clubs, attending events, and seeking mentors.

You must understand all of the charges related to your start-up and make sure that your services or products are valued correctly in order to turn a profit. Make a cash flow projection that anticipates both your sales and your loss and profit. You can then forecast how much money is incoming and outgoing from your business.

Make it a point to understand your company's objective and vision. Inform your staff of this. Employees should grasp their aims, as well as the general goals of the firm, and be completely on board with the company's direction. Make certain that Employees are kept involved and their well-being is prioritized.

Table 19 presents a summary of the hypothesis's findings.

Table 19 Summary

Hypothesis	Standard Deviation (STDEV)	t-value	Decisions
H1: Economies of scale are desirable for monopoly, and it has a negative impact on startups.	0.8345	8.23, -0.468	Accepted
H2: Controlling natural resources which is essential for final products in the form of monopolistic power	0.905	3.893	Accepted
H3: Monopolies initiated by Government and legal policies have a positive impact on the economy.	0.893	3.578	Accepted
H4: Monopolistic power has negative impacts on potential competitor	0.8905	2.300, 4.651, 3.257, 3.105	Accepted

Following the observation of the aforementioned methodological and contextual restrictions in chapter 4, there are some recommendations that may enable future studies to investigate obstacles faced by start-up businesses. A completely tested and used version of the SSPS is employed to facilitate the analysis of samples collected from various organizations. An attempt should be made to collect data for the study from a bigger and more diversified sample so that conclusions about the detrimental influence of personality features on workers' unproductive behavior may be established. It would be prudent to sample a full organization or a group of organizations, including huge and global corporations.

Whether feasible, sample populations from different organizations to see if there are any differences in cognition based on the culture and size of the organization.

Gender, age, and experience should have been considered while obtaining samples because different individuals imply various mental processes of belonging to different groups and may also assist in emphasis more on the replies of successful and experienced persons.

Try your best to collect the data individually and make sure that no person fills the survey twice or thrice as this will make data biased towards one side.

In an end, with the help of research, the collected surveys and analysis is supporting the hypothesis stated before. Economies of scale have a negative impact on Startup businesses. Controlling Natural resource which is essential for final products is a form of monopoly power and is harmful to growing or startup businesses. Monopolies initiated by Government and legal policies have a positive impact on the economy. Monopolistic Powers have a negative impact on a potential competitor that just enter the market and has the potential to grow and give their competitors a tough time.

C. Contribution to Studies

This study includes and highlights small opportunities and dangers while entering the market and how to find the market gap when entering the market. Also, this study helps you to keep in mind potential hurdles that may come your way. The primary goal of this study is to investigate to promote business culture in youth and make policies that make it easier relatively to enter the market and flourish their business.

This new perspective should help startups to determine the development process and to extract management implications for entrepreneur reference.

The monopolies regarding how government should help and encourage youth for new ventures to make development together and better are discussed to help the new entry in the market so that it may reduce the unemployed figure.

VI. REFERENCES

BOOKS

- ALAWAMLEH, K. (2021). **Entrepreneurship Challenges: The Case of Jordanian Startups.**
- ATKINSON, R. D., & FOOTE, C. (2020). **Monopoly Myths: Is Concentration Leading to Fewer Start-Ups?.** Information Technology and Innovation Foundation.
- BROOKE, M. Z. (1986). **International Management: A Review of Strategies and Operations.** London: Hutchinson.
- DENYSIUK, L. (2021). **Success factors for corporate-startup collaboration** (No. 12). LBS Working Paper.
- FOX, H. G. (2019). **Monopolies and patents.** University of Toronto Press.
- HANUSH, H. & PYKA, A. (2007). **Elgar Companion to Neo-Schumpeterian Economics**, Edward Elgar, Cheltenham, p. 857.
- ILYAS, A., HADIYONO, S., HAMZAH, A., & MASO, R. A. (2021). **Technology-Based Startups Fail to Face the Impact of Covid-19.**
- OGALI, M. (2005). **Fundamental Research Methods.** AWKA: MEKS Publishers. Nigeria.
- OLAITAN, S. O., ALI, A., EYOH, E.O. & SOWANDE, K.O. (2000). **Research Skills in Education and Social Sciences.** Onitsha: Cape Publishers International Limited.
- PORTER, M. (1998). **Competitive Strategy.** New York: Free press.
- SHOHAIEB, M. (2017). **Obstacles and problems facing launching and growing (evolution) of startups in the Egyptian environment: Exploratory Study.**
- TAUSSIG, F. (1913). **Principles of economics** (1st ed.). New York: Macmillan.

UMORU, T. A. (2005). **Basic Research Methods: Competencies and Application Printing 2nd Edition**. Onaivi and Publication Co.Ltd, Lokoja, Kogi State.

ARTICLES

ADEBUSOYE, A., & CHIGOZIE, C. (2020). Perception of Entrepreneurs on Market Entry Barriers and New Business Startup in Kwara State, Nigeria. **International Journal of Academic Management Science Research (IJAMSR)**, 4(7), 116-125. Retrieved 1 November 2021, from.

AGBOLI, M. & UKAEGBU, C. C. (2006). Business environment and entrepreneurial activity in Nigeria: Implications for industrial development. **The Journal of Modern African Studies** 44(1):1 – 30.

AJZEN, I. (1991) The theory of planned behavior. **Organizational Behavior and Human Decision Processes**, 50(2),179–211.

AJZEN, I. (2002) Perceived behavioral control, self-efficacy, locus of control, and the theory of planned behavior. **Journal of Applied Social Psychology**, 32(4), 665–683.

AKEHURST, G., SIMARRO, E. & MAS- TUR, A. (2012) Women entrepreneurship in small service firms: motivations, barriers and performance. **The Service Industries Journal**, 32(15), pp.2489–2505.

AL SAHAF, M., & AL TAHOO, L. (2021). Examining the key success factors for startups in the Kingdom of Bahrain. **International Journal of Business Ethics and Governance**, 4(2), 9-49.

ALVAREZ, C., URBANO, D., CODURAS, A., & RUIZ- NAVARRO, J. (2011) Environmental conditions and entrepreneurial activity: a regional comparison in Spain, **Journal of Small Business and Enterprise Development**, 18(1), 120–140.

ANDERSON, P. (2009). Barrier to Entry and Market Strategy: A Literature Review and a Proposed Mode. **European Business Review**, 21(1). Pp.64-77 <https://doi.org/10.1108/09555340910925184>.

- BARNIR, A., WATSON, W.E. & HUTCHINS, H.M. (2011) Mediation and Moderated Mediation in the Relationship Among Role Models, Self-Efficacy, Entrepreneurial Career Intention, and Gender. **Journal of Applied Social Psychology**, 41(2), 270–297.
- BAUGHN, C. & NEUPERT, K. (2003) Culture and national conditions facilitating entrepreneurial start-ups. **Journal of International Entrepreneurship**, 1(3), 313–330.
- BHATTACHARYA, A., MORGAN, N.A., & REGO, L.L. (2021). Customer satisfaction and firm profits in monopolies: a study of utilities. **Journal of Marketing Research**, 58(1), 202-222.
- BIRDTHISTLE, N. (2008) An examination of tertiary students' desire to found an enterprise. (ed.) G. Nabi, **Education + Training**, 50(7), 552–567.
- BOYD, N.G. & VOZIKIS, G.S. (1994) The influence of self-efficacy on the development of entrepreneurial intentions and actions. **Entrepreneurship Theory and Practice**, 18, 63–63.
- BRAEUTIGAM, R.R. (1989). Optimal policies for natural monopolies. **Handbook of industrial organization**, 2, 1289-1346.
- BROZEN, Y. (1968). Is Government the Source of Monopoly. **SSRN Electronic Journal**, 5(2), 67. doi: 10.2139/ssrn.3914919.
- BRUYANT, C. & JULIEN, PIERRE-ANDRE (2001). Defining the Field of Research in Entrepreneurship. **Journal of Business Venturing, Elsevier** 16(2). Pp. 165-180.
- BUKHORI, A. (2021). The Role of Youth in Managing Educational Startup: Case Study of PrivatQ Startup. **Research Horizon**, 1(2), 62-70.
- CANTAMESSA, M., GATTESCHI, V., PERBOLI, G., & ROSANO, M. (2018). Startups' roads to failure. **Sustainability**, 10(7), 2346.
- CHEN, R., & HUANG, S. (2010, August). Research on Welfare Distribution of Monopolistic Retail Supply Chain Upstream Based on Shapley-Value. In **2010 International Conference on Management and Service Science** (pp. 1-4). IEEE.

- CHIEN, C. (2013). Startups and patent trolls. **Stan. Tech. L. Rev.**, 17, 461.
- CHOO, S. & WONG, M. (2006) Entrepreneurial intention: Triggers and barriers to new venture creations in Singapore. **Singapore Management Review**, 28(2), 47–64.
- CHRISTOPHER, E.O. & MFONDO, A.N.M. (2018). Challenges and Prospects Facing Trading Entrepreneurial ventures in Buea municipality, Cameroon. **International Journal of Managerial Studies and Research (IJMSR)**. 6(3). Pp. 1-12.
- COLOMBO, M. G., & PIVA, E. (2008). Strengths and weaknesses of academic startups: a conceptual model. **IEEE Transactions on Engineering Management**, 55(1), 37-49.
- COSTELLO, A.B. & OSBORNE, J.W. (1994) Denpasar Declaration on Population and Development. **Integration** (Tokyo, Japan), (40), 27–29.
- CROSSA, M., & WISE, R. D. (2021). Innovation in the era of generalized monopolies: The case of the US–Mexico automotive industrial complex. **Globalizations**, 1-21.
- DE GROOT, H., & NAHUIS, R. (2002). Optimal Product Variety and Economic Growth: The Trade-off between Internal and External Economies of Scale. **Journal of Economics**, 76(1), 1-32. doi: 10.1007/s712-002-8218-6.
- DE WINTER, J.C.F. & DODOU, D. (2012) Factor recovery by principal axis factoring and maximum likelihood factor analysis as a function of factor pattern and sample size. **Journal of Applied Statistics**, 39(4), 695–710.
- FINNERTY, J.F. & KRZYSTOFIK, A.T. (1985) Barriers to Small Business Formation. **Journal of Small Business Management**, 23(3), 50–58.
- FRANKE, N. & LUTHJE, C. (2003) The “making” of an entrepreneur: testing a model of entrepreneurial intent among engineering students at MIT. **R and D Management**, 33(2), 135–147.
- FRANKE, N. & LÜTHJE, C. (2004) Entrepreneurial intentions of business students – A benchmarking study. **International Journal of Innovation and Technology Management**, 1(3), 269–288.

- GIACOMIN, O. et al. (2011) Entrepreneurial intentions, motivations and barriers: Differences among American, Asian and European students. **International Entrepreneurship and Management Journal**, 7(2), 219–238.
- HACKLER, D. & MAYER, H. (2008) Diversity, Entrepreneurship, and the Urban Environment. **Journal of Urban Affairs**, 30(3), 273–307.
- HARKNESS, J.A & SCHOUA-GLUSBERG, A. (1998) Questionnaires in Translation. **ZUMANachrichten Spezial**, (1), 87–126.
- HAWKINS, D.I. (1993) New business entrepreneurship in the Japanese economy. **Journal of Business Venturing**, 8(2), 137–150.
- HISRICH, R., LANGAN-FOX, J. & GRANT, S. (2007). Entrepreneurship Research and Practice: A call to Action for Psychology. **The American Psychology**. 62. P. 89.
- HUI-CHEN, C., KUEN-HUNG, T. & CHEN-YI, P. (2014) The entrepreneurial process: an integrated model. **International Entrepreneurship and Management Journal**, 1–19.
- HULSINK, W. & KOEK, D. (2014) The young, the fast and the furious: a study about the triggers and impediments of youth entrepreneurship. **International Journal of Entrepreneurship and Innovation Management**, 18(2/3), 182.
- HVELPLUND, F., & DJØRUP, S. (2019). Consumer ownership, natural monopolies and transition to 100% renewable energy systems. **Energy**, 181, 440-449.
- IAKOVLEVA, T.A. et al. (2014) Comparison of perceived barriers to entrepreneurship in Eastern and Western European countries. **International Journal of Entrepreneurship and Innovation Management**, 18(2-3), 115–133.
- JINRONG, Z., & FYUAN, X. (2011, May). Monopoly supplier's negotiation strategy and its impact on supply chain efficiency. In **2011 International Conference on Business Management and Electronic Information** (Vol. 5, pp. 278-282). IEEE.
- JOHANSON, J. & WIEDERSHEIM, PAUL F. (1975). The Internalization of the Firm: Four Swedish Cases. **Journal of Management Studies**. 12(3), Pp. 305 - 322.

- JOSHUA, G., ERIN, L.S. & SCOTT, S. (2018). Strategy for Start-ups. **Harvard Business Review**, 2018. May – June Issue.
- KADITI, E.A. (2013). Market dynamics in food supply chains: The impact of globalization and consolidation on firms' market power. **Agribusiness**, 29(4), 410-425.
- KAPPES, J.W. & MERKERT, R. (2013). Barriers to entry into European aviation markets revisited: A review and analysis of managerial perceptions. **Transportation Research Part E: Logistics and Transportation Review**. 57. Pp. 58-69.
- KARAKAYA, F. (2002). Barriers to Entry in Industrial Markets. **Journal of Business and Industrial Marketing**. 17(5). Pp 379-388.
- KESALE, A.M. (2017). Barriers facing startup small and medium enterprises (SMEs) in accessing external capital in Tanzania. **International Journal of Academic Research in Business and Social Sciences**, 7(3), 55-72.
- KOHLER, T. (2016). Corporate accelerators: Building bridges between corporations and startups. **Business horizons**, 59(3), 347-357.
- KOLVEREID, L. & ISAKSEN, E. (2006) New business start-up and subsequent entry into self-employment. **Journal of Business Venturing**, 21(6), 866–885.
- KRISHNA, A., AGRAWAL, A., & CHOUDHARY, A. (2016, December). Predicting the outcome of startups: less failure, more success. In **2016 IEEE 16th International Conference on Data Mining Workshops (ICDMW)** (pp. 798-805). IEEE.
- KRUEGER, N.F., REILLY, M.D. & CARSRUD, A.L. (2000) Competing models of entrepreneurial intentions. **Journal of Business Venturing**, 15(5), pp.411–432.
- KURATKO, D.F. (2011) Entrepreneurship theory, process, and practice in the 21st century. **International Journal of Entrepreneurship and Small Business**, 13(1), p.8.

- LEDYAEVA, S., GUSTAFSSON-PESONEN, A., MOCHNIKOVA, E., VASILENKO, D. (2008) Russian students' perceptions of entrepreneurship. results of a survey in three St. Petersburg universities. **Entrepreneurship development – project 2. Helsinki School of Economics**, 83.
- LIÑÁN, F. & CHEN, Y.W. (2009) Development and cross-cultural application of a specific instrument to measure entrepreneurial intentions. **Entrepreneurship: Theory and Practice**, 33(3), 593–617.
- LIÑÁN, F. & FAYOLLE, A. (2015) A systematic literature review on entrepreneurial intentions: citation, thematic analyses, and research agenda. **International Entrepreneurship and Management Journal**, 11(4), 907–933.
- LOERTSCHER, S., & MARX, L. M. (2020). Digital monopolies: Privacy protection or price regulation? **International Journal of Industrial Organization**, 71, 102623.
- MARTINS, S., COUCHI, C., PARAT, L., CARMINE, F., DONEDDU, R., & SALMON, M. (2004) Barriers to entrepreneurship and business creation, European Entrepreneurship Cooperation Observatory. **European Entrepreneurship Cooperation, Project n° EEC/Act04/02, European Social Fund**.
- MCMANIGLE, R. (2020). Transitioning from idea / invention to marketing / licensing / startup. **CMU CTTEC**.
- MEGGINSON, W.L., & MUELLER, P.C. (2022). Natural Monopoly Privatization: Minimizing Regulatory Trade-Offs Between Rent Extraction and Innovation. **Academy of Management Perspectives**, 36(1), 111-124.
- MILLER, B.K., BELL, J.D., PALMER, M., & GONZALEZ, A. (2009) Predictors of Entrepreneurial Intentions: A Quasi-Experiment Comparing Students Enrolled in Introductory Management and Entrepreneurship Classes. **Journal of Business & Entrepreneurship**, 21(2), 39.
- MITCHELL, S. (2016). Monopoly Power and the Decline of Small Business the Case for Restoring America's Once Robust Antitrust Policies. **Institute of Local Self-Reliance, ILSR**.

- MONTROSE, J. (1956). How Should We Control Monopoly?: III. **The Economic Journal**, 66(264), 578. doi: 10.2307/2227514.
- MOSCA, M. (2008). On the origins of the concept of natural monopoly: Economies of scale and competition. **The European Journal of The History of Economic Thought**, 15(2), 317-353. doi: 10.1080/09672560802037623.
- NOELIA, F.L., & ROSALIA, D.C. (2020). A dynamic analysis of the role of entrepreneurial ecosystems in reducing innovation obstacles for startups. **Journal of Business Venturing Insights**, 14, e00192.
- OLIVA, F. L., & KOTABE, M. (2019). Barriers, practices, methods and knowledge management tools in startups. **Journal of Knowledge Management**.
- PASUMARTI, S. S., & PATNAIK, A. Challenges in Obtaining Finance for SME Startups. **High technology letters**, <http://www.gjstx-e.cn>, 26, 972-979.
- PIERRE, V. (2018). 8 Examples of Barriers to Entry and Their Definition According to Porter. **Strategic Planning**.
- POMEROL, J. C. (2018). Business uncertainty, corporate decision and startups. **Journal of Decision Systems**, 27(sup1), 32-37.
- PRUETT, M., SHINNAR, R., TONEY, B., LLOPIS, F., & FOX, J. (2009) Explaining entrepreneurial intentions of university students: a cross-cultural study. **International Journal of Entrepreneurial Behaviour & Research**, 15(6), 571–594.
- RIBEIRO, M.I.B., FERNANDES, A.J.G. & DE S. DINIZ, F.J.L. (2014) Entrepreneurial potential of Portuguese agriculture higher education students: A case from the alto trás-osmontes region, Portugal. **Economy of Region**, (2), 212–220.
- ROBERTSON, M., COLLINS, A., MEDEIRA, N., SLATER, J. (2003) Barriers to start-up and their effect on aspirant entrepreneurs. **Education + Training**, 45(6), 308–316.
- ROOM, R., & ÖRNBERG, J. C. (2019). Government monopoly as an instrument for public health and welfare: lessons for cannabis from experience with alcohol monopolies. **International Journal of Drug Policy**, 74, 223-228.

- ROWLEY, J. (2009). Superpoly: monopoly in the twenty- first century. **Management research news**.
- SALEH, H.A. (2014) The Perceptions of the Lebanese Students of Choosing their Career in Entrepreneurship. **Jordan Journal Business Administration**, 10, 333.
- SESEN, H. & PRUETT, M. (2014) The Impact of Education, Economy and Culture on Entrepreneurial Motives, Barriers and Intentions: A Comparative Study of the United States and Turkey. **Journal of Entrepreneurship**, 23(2), 231–261.
- SHERMAN, R. (1971). Entry Barriers and the Growth of Firms. **Southern Economic Journal**, 38(2), 238.
- SHINNAR, R., PRUETT, M. & TONEY, B. (2009) Entrepreneurship Education: Attitudes across Campus. **Journal of Education for Business**, 84(3), 151–159.
- SHINNAR, R.S., GIACOMIN, O. & JANSSEN, F. (2012) Entrepreneurial Perceptions and Intentions: The Role of Gender and Culture. **Entrepreneurship Theory and Practice**, 36(3), 465–493.
- SINGH SANDHU, M., FAHMI SIDIQUE, S. & RIAZ, S. (2011) Entrepreneurship barriers and entrepreneurial inclination among Malaysian postgraduate students. **International Journal of Entrepreneurial Behavior & Research**, 17(4), 428–449.
- SINGH, E., WANGDA, S., KHAN, S., & KHAN, S. (2020). Exploring the Obstacles for Start-ups in Bhutan: from a Prevented Entrepreneurs Perspective. **International Journal of Innovation, Creativity and Change**, 11(4). Retrieved 1 November 2021, from.
- SITARIDIS, & KITSIOS (2016). Students’ perceptions of barriers to entrepreneurship, **EKT National Documentation center**, 1, 524-535.
- SMITH, K. & BEASLEY, M. (2011) Graduate entrepreneurs: intentions, barriers and solutions – Business ProQuest H. Matlay, ed. **Education + Training**, 53(8/9), 722–740.

- SMRITI, C. (2017). Market Structure, Meaning, Characteristics and Forms. **Economics**.
- SPARKMAN, R.M., HAIR, J.F., ANDERSON, R.E., TATHAM, R.L., & GRABLOWSKY, B.J. (1979) Multivariate Data Analysis with Readings, **Journal of Marketing Research**, 16, 437.
- SPENDER, J. C., CORVELLO, V., GRIMALDI, M., & RIPPA, P. (2017). Startups and open innovation: a review of the literature. **European Journal of Innovation Management**.
- STAMBOULIS, Y. & BARLAS, A. (2014) Entrepreneurship education impact on student attitudes. **The International Journal of Management Education**, 12(3), 365–373.
- STUART, H. (2007). Creating monopoly power. **International Journal of Industrial Organization**, 25(5), 1011-1025. doi: 10.1016/j.ijindorg.2007.05.001.
- TAN, L. (2001). Spatial Pricing Policies Reconsidered: Monopoly Performance and Location. **Journal of Regional Science**, 41(4), 601-615. doi: 10.1111/0022-4146.00234.
- WANG, J., & SHIN, H. (2015). The impact of contracts and competition on upstream innovation in a supply chain. **Production and Operations Management**, 24(1), 134-146.
- WEBSTER, J. & WATSON, R.T. (2002) Analyzing the Past to Prepare for the Future: Writing a Literature Review. **MIS Quarterly**, 26(2), xiii – xxiii.
- WEI, L., & YANG, X. (2015, June). Revenue sharing contract in a cloud computing service supply chain with a monopoly AIP and multiple competing ASPs under asymmetric information. In **2015 12th International Conference on Service Systems and Service Management (ICSSSM)** (pp. 1-6). IEEE.
- WEIBLEN, T., & CHESBROUGH, H. W. (2015). Engaging with startups to enhance corporate innovation. **California management review**, 57(2), 66-90.

WINTER, J.C.F. & DODOU, D. (2012) Factor recovery by principal axis factoring and maximum likelihood factor analysis as a function of factor pattern and sample size. **Journal of Applied Statistics**, 39(4), 695–710.

YANG, X. (1994). Endogenous vs. exogenous comparative advantage and economies of specialization vs. economies of scale. **Journal of Economics**, 60(1), 29-54. doi: 10.1007/bf01228024.

ZARROUK, H., GHAK, T. E., & BAKHOUCHE, A. (2021). Exploring economic and technological determinants of FinTech startups' success and growth in the United Arab Emirates. **Journal of Open Innovation: Technology, Market, and Complexity**, 7(1), 50.

ZHAO, F. (2005) Exploring the synergy between entrepreneurship and innovation. **International Journal of Entrepreneurial Behavior & Research**, 11(1), 25–41.

DISSERTATIONS

AYODEJI, M. A. (2015). “Entrepreneurial Development Barriers in a Developing Nation: A Case Study of The Nigerian Printing Smes”. (Master’s Thesis). Master of Business Administration Business Management and Entrepreneurship. Visamäki Spring 2015.

OTENG A. (2015). An Evaluation of Relationship Marketing Strategies for Customer Retention in The Hospitality Industry in Ghana-A Case Study of Rexmar Hotel, Kumasi. A Thesis Submitted to The Knust School of Business, Department of Strategic Management and Consulting, Kwame Nkrumah University of Science and Technology, Kumasi, In Partial Fulfillment for the Award of Master of Business Administration (Strategic Management and Consulting) Degree, Faculty of Social Sciences, College of Arts and Social Sciences.

SCASE, R. (2000). Entrepreneurship and Proprietorship in Transition: Policy Implications for the Small and Medium size Enterprise Sector. Helsinki: United Nations University World Institute for Development Economics Research.

ELECTRONIC SOURCES

- APARNA, J. (y.u). Theories of Entrepreneurship. (Retrieved 1.20pm 7/2/2020)
<http://www.economicdiscussion.net/entrepreneurship/theories-of-entrepreneurship/31823>.
- CHEN, J. (2021). Understanding Antitrust Laws. Retrieved 14 August 2021, from
<https://www.investopedia.com/ask/answers/09/antitrust-law.asp>.
- COLLINS, K.M.T. (2016). Sampling Decisions in Educational Research. The Bera/Sage Handbook of Educational Research. <https://books.google.com.ng/book!Isbn=0195385055>.
- HAYES, A. (2021). Barriers to Entry Definition. Retrieved 11 July 2021, from
<https://www.investopedia.com/terms/b/barrierstoentry.asp>.
- HAYES, A. (2021). Monopoly Definition. Retrieved 2 July 2021, from
<https://www.investopedia.com/terms/m/monopoly.asp>.
- J. OSBORNE, M. (1997). Policies to control monopoly. Retrieved 6 July 2021, from
<https://www.economics.utoronto.ca/osborne/2x3/tutorial/MONCOFRM.HTM>.
- JAMES, B. (1993). 9.1 How Monopolies Form: Barriers to Entry. Retrieved 29 July 2021, from <https://opentextbc.ca/principlesofeconomics/chapter/9-1-how-monopolies-form-barriers-to-entry/>.
- MCWHINNY, J. (2021). How and Why Companies Become Monopolies. Retrieved 23 June 2021, from <https://www.investopedia.com/articles/investing/071515/how-why-companies-become-monopolies.asp>.
- OLIVIA, LAVECCHIA & STACY, MITCHELLE, (2014) North Dakota's Pharmacy Ownership Law: Ensuring Access, Competitive Prices, and Quality Care 3, available at http://ilsr.org/wp-content/uploads/2014/10/ND_Pharmacy_Ownership_Report.pdf.
- PETTINGER, T. (2020). Advantages and disadvantages of monopolies - Economics Help. Retrieved 28 July 2021, from <https://www.economicshelp.org/blog/265/economics/are-monopolies-always-bad/>.
- SPAULDING, W. (2015). Monopoly Regulation. Retrieved 23 August 2021, from <https://thismatter.com/economics/monopoly-regulation.html>

UMAR, F. (2018). What is Market, Definition and types of Market. www.marketingtutor.net.

WOOTEN, J. (2020). Reasons for a Monopoly - Course Hero. Retrieved 28 September 2021, from <https://www.coursehero.com/sg/microeconomics/reasons-for-a-monopoly/#:~:text=Monopolies%20are%20formed%20through%20purposeful,monopolist%20makes%20above%2Dnormal%20profits>.



RESUME

