



## “Exploring Youth Entrepreneurship in India’s Startup Landscape: A Mixed-Methods Approach to Opportunity and Innovation”

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### Abstract

*This study looks at how young people in India get involved in startup businesses and what motivates them to do. India’s economy is changing fast. People think that young entrepreneurs can help the country grow. We do not really understand what makes young people want to start their own businesses. The study used a combination of surveys and interviews to find out more about entrepreneurs. We found out that young people aged 18 to 25 are more interested in starting their businesses. We also found out that men and women have reasons for wanting to start their own businesses. Women want to make an impact on society while men want to make money and be independent. The study also found out that there are obstacles that stop young people from starting their own businesses. The biggest problem is that they do not have access to money to fund their businesses. They also need guidance and support from people. These problems are worse in areas. The study shows that having someone to guide and support you are very much important if you want to start your business. We found out that young people who have access to guidance and support are more likely to want to start their businesses. So what can we do to help young people start their businesses? We need to make sure that they have access to money and guidance. We also need to teach them the skills they need to start their businesses. This means that schools and universities should include entrepreneurship in their courses. This study helps us understand more about entrepreneurs in India. It shows that they can play a role, in helping the country grow and develop. We need to do more research to find out how we can support them better. We need to make sure that young people have the opportunities they need to start their businesses and succeed. India’s youth is very important for the country’s future. We should do everything we can to help them.*

**Keywords:** Youth Entrepreneurship; Startup Ecosystem; Entrepreneurial Motivation; Mixed-Methods Research; India; Socioeconomic Barriers; Mentorship; Gender Dynamics; Innovation Policy; Entrepreneurial Intent.

### 1. Introduction

India is a place for new businesses to start. The country has a lot of people with about 66% of the population under the age of 35. This is an advantage for India. However not many young people are starting their businesses. There are some problems that are stopping them. The main goal of this study is to find out why some young people in India are not starting their businesses. We want to know what is stopping them. Previous studies have shown that some young people are motivated to start their

businesses but there are also some barriers that are stopping them. India wants to become a \$5 trillion economy. It needs new businesses to start and grow. This study will help us understand what is stopping people from starting their own businesses. We used a mixed-methods approach, which means we collected data from a lot of people and also did some in-depth interviews. [1] We found some things. For example, we found that fear of failure is not a problem for young people in India. 9.1% of the people we



surveyed said that they were afraid of failing. We also found that having a mentor is very important for people who want to start their own businesses. This study is important because it will help policymakers and educators make decisions. They can use our findings to design programs that will help young people start their businesses. We hope that our study will make a difference and help India become a place for new businesses to start. [2]

## **2.Literature Review**

Starting a business is a great way to create jobs and make money. In India many young people are interested in starting their businesses. However, there are some problems that are stopping them. First let's talk about how young people think about starting their businesses. Many young people think that starting a business is a way to be independent and make money. They also think that it is a way to make a difference in their communities. However, some young people are not sure if they can start their businesses because they do not have the right skills or resources. Now let's talk about why young people want to start their businesses. [3] Some young people are motivated by the desire to make money and be independent. Others are motivated by the desire to make a difference in their communities. We also found that some young people are motivated by the desire to create jobs and help their communities grow. However, there are some barriers that are stopping people from starting their own businesses. One of the barriers is access to money. Many young people do not have the money they need to start their businesses. Another barrier is the lack of support from the government and other organizations. We hope that our study will help us understand what is stopping people from starting their own businesses. We also hope that our findings will be useful, for policymakers and educators who want to help young people start their businesses. [4] The availability of resources and support from institutions is very important for people who want to start their businesses. Education and training programs that teach people how to be entrepreneurs have been shown to be very helpful in making them more confident and better at starting businesses. These programs also help people come up with ideas and

make their businesses more successful. [5] Entrepreneurship education and training programs are like a bridge that connects people to the resources they need to start a business. These programs help people learn skills and get the support they need to make their businesses successful. There are also places like incubators and accelerators that help people start businesses by giving them advice and access to money and other resources. Mentorship networks are also very helpful because they connect people to experienced business owners who can give them advice and support. The internet has made it easier for people to get the information and support they need to start a business. [6] Online communities and platforms have made it possible for people to connect with others who are starting businesses and get the help they need. However not everyone has the access to these resources and people who live in cities have more opportunities than people who live in rural areas. This is not fair. It means that we need to find ways to make these resources available to everyone no matter where they live.

## **3.Synthesis and Research Gap**

When we look at all the research that has been done on people starting businesses we can see that it is very important to understand what motivates them and what stops them from starting a business. We also need to understand how they feel about starting a business and what kind of support they need. [7] However, a lot of the research that has been done far has not looked at these things in a very detailed way and it has not considered the fact that young people are all different and have different needs. This study is trying to fill in the gaps in our knowledge by looking at people who are starting businesses in India. We are using a combination of research methods to get a more complete picture of what is going on. By doing this we hope to be able to give some advice to people who are making policies and starting programs to help young people start businesses.

## **4.Critical Analysis and Identified Research Gaps**

When we look at all the research that has been done on people starting businesses we can see that there are some big gaps in our knowledge. One of the things we do not know much about is what motivates young



people to start businesses. We know that some young people want to start businesses so they can be independent and make a lot of money. We do not know much about what motivates other young people. We also do not know much about how different factors like age and gender affect a person's decision to start a business. Another thing we do not know much about is what stops people from starting businesses. We know that some young people are stopped by things like not having money or not knowing how to start a business but we do not know much about how these things affect different young people. We also do not know much about how the culture and society a person lives in affects their decision to start a business. We also do not know much about how to help young people start businesses. We know that things like incubators and mentorship networks can be helpful. We do not know much about how well they work or how they can be improved. We also do not know much about how to teach people the skills they need to start a business.

### 5. Research Methodology

To try to fill in the gaps in our knowledge we are using a combination of research methods. We are collecting data by surveying people and interviewing them and we are also looking at what other researchers have found out. By using a combination of methods we hope to be able to get a complete picture of what is going on and to be able to give some useful advice to people who are making policies and starting programs to help young people start businesses.

### 6. Data Analysis

We are looking at a lot of data to try to understand what is going on with people who are starting businesses in India. We are looking at things like how old the young people are whether they are men or women and what motivates them to start businesses. We are also looking at what stops them from starting businesses and how they feel about starting businesses. Our goal is to be able to say something about how to help young people start businesses. We want to be able to give some advice to people who are making policies and starting programs to help young people start businesses. We hope that our research will be helpful in making it easier for young people

to start businesses and to be successful. Young people who start businesses are a part of India's economy and we want to do what we can to support them. The resources and support systems that are available to people who start businesses, in India are very important and we want to make sure that they are working well. [8]

#### 6.1. Data Collection Procedure

- 1) **Sampling Design:** The study focuses on youth within the age group of 18–30 years across India, representing a critical segment of the country's potential entrepreneurial workforce. A sample size of 350 respondents was selected to ensure adequate statistical representation and analytical reliability. A stratified random sampling technique was employed to ensure balanced representation across key demographic strata, including gender, educational background, and geographic location (urban, semi-urban, and rural). This approach enhances the generalizability of findings while accounting for population heterogeneity.
- 2) **Survey Instrument Design:** Data were collected through a structured questionnaire, carefully designed to capture both quantitative and qualitative dimensions of entrepreneurial engagement. The instrument comprised a combination of closed-ended questions for statistical analysis and open-ended questions to elicit deeper qualitative insights.

The questionnaire was organized into the following thematic sections:

- Demographic Profile.
- Entrepreneurial Perceptions.
- Motivational Drivers for Startup Engagement.
- Barriers to Entrepreneurial Participation.
- Access to Resources and Support Systems.
- Open-Ended Responses for Contextual Insights.

This structured design ensures both analytical clarity and interpretive depth, enabling the study to bridge quantitative measurement with qualitative understanding. [9]

### 6.2.Measurement and Data Transformation

To facilitate rigorous statistical analysis, several variables were systematically operationalized and transformed:

- **Age Variable:** Initially captured in categorical ranges (e.g., 18–20 years), age data were converted into numerical midpoints (e.g., 19) to enable continuous data analysis and inferential testing.
- **Entrepreneurial Interest:** Respondents' interest levels were measured using a Likert scale ranging from “Not Interested” to “Extremely Interested,” subsequently coded on a five-point numerical scale (1–5) to allow for quantitative evaluation and correlation analysis.

These transformations ensured consistency, comparability, and analytical precision across the dataset.

### 6.3.Data Preprocessing

Before conducting the analysis, we performed several preprocessing steps to ensure the data was clean and ready for analysis. This included renaming columns for clarity and consistency. The columns were renamed as follows:

- Age to Age.
- Gender to Gender.
- Rate your interest in entrepreneurship to Interest in entrepreneurship.
- What motivates you to consider starting a business?
- What factors do you believe may hinder youth engagement in startup businesses? [10]

### 7.Key Variables and Analysis Age Distribution

The age distribution of respondents was analyzed to understand the age groups most represented in the study. The table 1 below shows the frequency of respondents in each age group:

**Table 1** Frequency Respondents

Age Group	Frequency	Percentage
18-25	120	22%
26-30	90	16.5%
31-35	70	12.8%
36-40	40	7.3%
41+	30	5.5%

### 8.Gender Distribution

The gender distribution of respondents was analyzed to determine the representation of different genders in the study. The table below shows the frequency of each gender. As shown in Table 2.

**Table 2** Frequency of Each Gender

Gender	Frequency	Percentage
Male:	150	27.5%
Female:	180	33%
Other:	20	3.7%

### 9.Interest Levels in Entrepreneurship

Respondents' interest levels in entrepreneurship were analyzed to assess the overall enthusiasm for starting a business. The table below shows the frequency of each interest level. As show in Table 3.

**Table 3** Frequency of Each Interest Level

Interest Level	Frequency
Very High	100
High	130
Moderate	80
Low	30
Very Low	10

### 10. Motivations for Starting a Business

The motivations that drive respondents to consider starting a business were analyzed to identify the most common factors. The table below shows the frequency of each motivation. As show in Table 4.

**Table 4** Frequency of Each Motivation

Motivation	Frequency	percentage
Financial Independence	110	27.5%
Passion for Business	90	22.0%
Flexibility and Autonomy	70	16.5%
Market Opportunity	50	11%
Social Impact	30	9.2%

### 11. Barriers to Youth Engagement in Startups

The barriers perceived by respondents as hindering youth engagement in startups were analyzed to identify the most significant challenges. The table below shows the frequency of each barrier. As shown in Table 5.

**Table 5** Frequency of Each Barrier

Barrier	Frequency	percentage
Lack of Funding	140	25.6%
Regulatory Challenges	80	18.3%
Lack of Mentorship	60	14.7%
Market Competition	40	11%
Fear of Failure	30	9.2%

### 12. ANOVA-Based Result Analysis Using SPSS

This study sought to examine patterns of youth engagement and motivational drivers in startup ventures across India through a mixed-methods research design, integrating quantitative survey data (n = 350) with qualitative insights from interviews. Statistical analysis was conducted using SPSS, with Analysis of Variance (ANOVA) employed to assess significant differences across demographic variables such as age, gender, and geographic location in relation to entrepreneurial interest, motivational factors, and perceived barriers. [11]

#### 12.1. Key Findings from ANOVA Tests

##### a) Interest in Entrepreneurship across Age Groups

- Significant differences were found in interest levels across age groups ( $F(4, 350) = 5.67, p < 0.001$ ).
- Post-hoc tests (Tukey HSD) revealed that the 18-25 age group had significantly higher interest (Mean = 4.2, SD = 0.8) compared to the 31-35 group (Mean = 3.5, SD = 0.9) and 41+ group (Mean = 2.8, SD = 1.1).

**Interpretation:** Younger respondents (18-25) showed the highest entrepreneurial enthusiasm, which declined with age. This aligns with literature highlighting youth as a key demographic for startups.

##### b) Gender Differences in Motivations

- Financial independence was a universal motivator, but gender differences emerged for "Social Impact" ( $F(2, 350) = 4.12, p = 0.017$ ).
- Female respondents rated social impact higher (Mean = 4.0, SD = 0.7) than males (Mean = 3.5, SD = 0.9).

**Interpretation:** Women were more driven by social goals, suggesting gender-specific motivational frameworks.

##### c) Barriers across Geographic Locations

###### • Results:

- Urban vs. rural respondents differed significantly in perceived barriers ( $F(1, 350) = 6.89, p = 0.009$ ).
- Rural youth cited "Lack of Funding" (Mean = 4.5, SD = 0.6) and "Lack of Mentorship" (Mean = 4.3, SD = 0.7) more frequently than urban youth (Mean = 3.8, SD = 0.9).

**Interpretation:** Infrastructure gaps in rural areas exacerbate barriers, supporting the need for targeted support systems. As shown in Table 6.

**Table 6** ANOVA Test Results

Factor Tested	F-Value	P-Value	Significance	Key Findings
Interest in Entrepreneurship (Age Groups)	5.67	<0.001	Significant	18-25 group showed highest interest (Mean=4.2).
Motivations (Gender)	4.12	0.017	Significant	Women rated "Social Impact" higher (Mean=4.0) than men (Mean=3.5).
Barriers (Urban vs. Rural)	6.89	0.009	Significant	Rural youth cited funding (Mean=4.5) and mentorship (Mean=4.3) as major barriers.



d) SPSS Analysis

- **Descriptive Statistics:** Interest Levels: 42% reported "Very High" or "High" interest, indicating strong entrepreneurial potential.
- **Top Motivations:** Financial independence (27.5%), passion (22%), and autonomy (16.5%).
- **Top Barriers:** Lack of funding (25.6%),

regulatory challenges (18.3%), and fear of failure (9.1%).

- **Correlation Analysis:** Positive correlation between "Access to Mentorship" and "Interest in Entrepreneurship" ( $r = 0.32, p < 0.01$ ), underscoring the role of support systems. As shown in Table 7.

Table 7 SPSS Analysis

Variable Pair	Correlation (r)	p-Value	Interpretation
Interest in Entrepreneurship ↔ Mentorship Access	0.32	<0.01	Strong positive link; mentorship boosts interest
Age ↔ Risk Appetite	0.21	0.02	Younger respondents more risk-tolerant

13. Discussion

The findings of this study provide critical insights into the dynamics of youth engagement in startup businesses in India, aligning with and expanding upon existing literature while addressing key gaps. Below is a structured discussion of the results, their implications, and recommendations for stakeholders. Demographic Insights and Entrepreneurial Interest.

- **Age and Entrepreneurship:** The ANOVA results confirmed that younger respondents (18–25 years) exhibited significantly higher interest in entrepreneurship compared to older age groups. This aligns with global trends where younger individuals are more inclined toward risk-taking and innovation (Brice & Nelson, 2018). However, the decline in interest with age suggests that systemic barriers (e.g., financial stability, societal expectations) may discourage older youth from pursuing startups. **Implication:** Policymakers should target younger demographics with early-stage interventions (e.g., school-level entrepreneurship programs) to sustain long-term engagement.
- **Gender Differences:** Women reported higher motivation for social impact, while men prioritized financial independence. This echoes studies highlighting gendered entrepreneurial motivations (Dutta & Jena, 2018). The underrepresentation of non-binary

respondents (3.7%) also underscores the need for inclusive research. **Implication:** Gender-tailored initiatives (e.g., women-focused incubators for social enterprises) could bridge participation gaps.

13.1. Beyond Financial Gains

The top motivations financial independence, passion, and autonomy reflect both extrinsic and intrinsic drivers. Notably:

- Social Impact was a stronger motivator for women, suggesting alignment with India’s growing social entrepreneurship sector.
- Flexibility resonated with urban youth, likely due to gig-economy exposure.
- **Gap Addressed:** The study validated the interplay of demographics and motivations, resolving literature inconsistencies (e.g., rural youth prioritized "market opportunities" less than urban peers).
- **Barriers:** Urban-Rural Divide and Systemic Challenges
- **Funding and Mentorship:** Rural youth faced significantly higher barriers (ANOVA:  $*p* = 0.009$ ), with 25.6% citing lack of funding and 14.7% highlighting mentorship gaps. This supports Bhat and Mishra’s (2018) argument about uneven resource distribution.
- **Fear of Failure:** Less cited (9.1%) than expected; contradicting earlier studies (Reddy



& Rao, 2020). This may indicate shifting cultural attitudes toward failure in India's startup boom.

- **Support Systems:** The Mentorship Advantage The SPSS correlation ( $*r* = 0.32$ ,  $*p* < 0.01$ ) between mentorship access and **entrepreneurial interest underscores:** Experiential learning (e.g., incubators) is more effective than theoretical education.
- **Gap Addressed:** The study empirically validated the critique of overly theoretical entrepreneurial education (Critical Analysis, Gap 4).

#### 14. Recommendation and Suggestion

- Integrate non-financial rewards (e.g., recognition programs for social impact) into startup ecosystems.
- Expand rural-focused angel networks and virtual mentorship platforms to democratize access.
- Mandate practical training (e.g., startup internships) in academic curricula.

#### 15. Limitations of the Study

The current study gives us information about young people starting businesses in India's startup ecosystem. However, we need to talk about some limitations so we can understand the results better and plan for studies.

- **Sampling Constraints:** Most of the people in our study are from a city, which means we do not have an idea of what young people in rural areas think. We also did not have people from different gender groups in our study, which makes it hard to understand their experiences.
- **Methodological Limitations:** We only looked at a point in time so we cannot say what happens over time. This means we cannot see how things change as young people get older or have experiences.
- **Scope and Contextual Limitations:** We did not look deeply at how cultural things, like what families expect or how different groups are treated affect young people starting businesses in India. This might make our results less useful.
- **Considerations:** We used some statistical

methods but we might not have done everything perfectly. This could affect our results. We also did not do some detailed analyses that could have given us more precise information.

#### 16. Future Research Directions

Based on what we found and what we did not do well futures studies can do some things to better understand people starting businesses in India:

- **Longitudinal Research Designs:** Future studies should follow people over time to see how their ideas and experiences change.
- **Representative Sampling:** We need to make sure we include people from all areas, including rural and urban and more people from different gender groups.
- **Sector-Specific Investigations:** Looking at industries like technology or agriculture can give us more detailed information about the challenges and opportunities in each area.
- **Institutional Analysis:** We need to look more closely at how social and cultural things like family expectations or government policies affect young people starting businesses.
- **Role of Digital Ecosystems:** We should look at how digital tools, like crowd funding or online mentoring can help young people start businesses.
- **Cross-National Comparative Studies:** Comparing India to countries can give us ideas about how to support young people starting businesses.

#### Conclusion

This study gives us an understanding of what affects young people starting businesses in India. We found that many young people want to start businesses. Some groups, like women and people from rural areas face more challenges. The study helps us understand people starting businesses in three main ways. First it gives us a detailed picture of what motivates young people and what challenges they face. Second it shows us where the biggest barriers are, like the difference in access to funding between rural areas. Third it highlights the importance of support systems like mentoring in helping young



people start businesses. Based on what we found we think policymakers and businesses should create programs that support people starting businesses in a way that is sensitive to their needs. This could include things like funding programs incubators that support women and other underrepresented groups and education programs that give young people practical experience. In conclusion young people starting businesses are crucial for innovation, job creation and economic growth, in India. By addressing the challenges, they face and giving them support we can help them reach their full potential.

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