

FROM BUSINESS IDEAS TO SUCCESSFUL ENTREPRENEURSHIP

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Abstract: *Under the current market conditions, business success is the vector that ensures sustainability and obtaining value for business stakeholders. In the field of entrepreneurship, the road to success, the experiences, knowledge and skills acquired by the entrepreneur are stimulating factors of the entrepreneurial spirit. The paper highlights the importance of benchmarking in the analysis of business success in order to identify business models in the online space that can be transformed into successful businesses. Starting from the comparative analysis of two giants in the field of online business, namely Amazon and Ebay, the authors concentrated the success factors identified for the two companies in a new business model for the online sales market.*

Keywords: Business ideas, Entrepreneurship, Online business, Sustainable development

JEL Classification Codes: A11, D22

1. ENTREPRENEURSHIP AS VISION, CULTURE, THINKING AND BEHAVIOR

Entrepreneurship as a vision, culture, thinking and behavior is a concept that plays a key role in the personal as well as the institutional development. Traditionally, entrepreneurship has been associated with creating a business. More recently, entrepreneurship is viewed as a way of thinking and behavior that must be relevant to all stakeholders in society and the economy. Creating value as a strategic objective of modern entrepreneurship appears as a necessity in a number of contexts and environments, including the universities.

In the opinion of M. Feldman (2014) entrepreneurs are the agents who recognize opportunity, mobilize resources and create value, are key to the creation of institutions and the building of capacity that will sustain regional economic development. Uzunidis et al. (2014) define the entrepreneur “as a social actor, influenced by the social, economic and political context”.

Penrose (1959) explained the entrepreneurial function as a personification of change by mobilizing the potential of the resources with impact on the organization of the company, market organization, development of organizational processes etc. the category of resources, an important place belongs to human capital, that is to people who have knowledge, skills and who are willing to invest in professional and personal development to have a greater value in the

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market. The social relations recognized as social capital, which they develop, have been considered since the 80s as basic elements of the potential of valuable resources. It has been talked about human capital since the 70s. Human capital is both a private and a public good because and educated population is even more productive (Lucas, 1988).

After 1990, various works of American sociologists have highlighted that social relations are considered as a resource that can be capitalized by individuals. In order to improve their economic well-being, individuals use their social relations which are regarded as an individual and collective good. Bourdieu argues that each individual is endowed with a social capital, but this is not a natural gift, but the result of a strategy. Consciously or not, people invest to increase their social capital, depending on other forms of capital: economic, cultural and symbolic capital. A high economic or cultural capital facilitates the formation of a social capital. In addition, high social capital is also a means of increasing people's economic capital. For American sociologists who studied the concept in the late 1980s, social capital can also be considered a network of different relationships that allow the individuals to improve their social insertion. Putnam (2000) defines social capital as the network and mutual rules that are associated with it. The social capital has a given value for the people who are part of the network.

Uzunidis et al. (2014) specifies that in the specialty literature, respectively Sammut 1998, Davidsson and Honig 2003, Suire 2004, Marchesnay 2003, Chabaud and Ngijol 2005 Minniti 2005, the role of social relations and networks is increasingly used to explain the success of entrepreneurs. It also underlines the fact that entrepreneurship is an organic market of entrepreneurship based on four pillars, namely the entrepreneur's resource potential (knowledge, financial resources, formal and informal relationships), market characteristics (demand, supply), economic characteristics of the organization (organizational structure, financial system, level of technical development), public policies for business creation and development (direct and indirect support).

Grilo and Thurik (2006) talk about the entrepreneurial spirit that is seen as "the heart of innovation, productivity growth, competitiveness, economic growth and job creation" and it is associated with personal success (Gănescu, 2014).

2. AMAZON AND JEFF BEZOS – EXAMPLE OF A SUCCESSFUL BUSINESS DEVELOPMENT

Amazon has grown from a humble bookstore to one of the largest companies in the world, with marketers accounting for about half of all online retailers. Amazon started with books, but as soon as they gained a foothold in this market, they conquered industries such as music, movies, electronics and toys. Later came the Kindle, and with it, the company gained its niche on the market. Soon, the company will have its own delivery fleet, become a publisher and media company, build smartphones and maybe even offer 3D printing services. Amazon Web Services offers cloud computing services for huge companies, but also for the United States government and even NASA. For Bezos, the future is full of possibilities, opportunity and inventiveness and is eager for everything that can be added to the company.

Amazon has been using its own management principles since its inception, whether it's ideas for new projects or the best approach to solving a problem. The principles applied in the activity of Amazon are: customer service, responsibility, the ability to invent and simplify, the leader's constant concern to learn, curiosity, the promotion of the best, the adoption of the highest standards, long-term thinking, initiative, resource economy, intense study of any problem, determination and employment.

Jeff Bezos' unique long-term thinking and intelligent risks have transformed the library from the garage into the company he owns today, one that writes its own rules and evolves every minute.

Before he came up with the idea of creating an electronic library, Jeff Bezos had a secure job in a hedge fund. However, he gave up and set up in his parents' garage with the help of savings, family and friends, which today has become the largest online store in the world.

Jeff Bezos, the leader and creator of Amazon's way of working, created the theory of the path - a target as an instrument for developing organizational culture. The target of his actions is represented by the focus on the objectives that generate growth and on satisfying the demands of the clients. He is the follower of the charismatic leadership that increases the self-esteem of the employees, is a visionary leader who takes the risk to have a profit.

Jeff Bezos the adept of transformational leadership, respectively, he is inspiring the followers to go beyond their own interests and to influence future generations. He uses persuasion to gain consensus and a greater involvement from the employees in order to increase the value of the organization and he is the adept of making the decisions based on facts.

The path taken in developing the product portfolio consisted in building the best media content reader in the world in 2004, cod Fiona. Immediately, under the name of Kindle, the gadget which is trying to replace entire volume libraries through digital libraries. Amazon Kindle devices allow users to browse, buy, download and read e-books, newspapers, magazines, and other digital media via wireless networks in the Kindle store.

The hardware platform, developed by Amazon Lab126, started as a single device in 2007 and now includes a number of devices, including electronic readers, electronic paper displays and Kindle applications on all major computing platforms. The store has over 6 million e-books. Immediately after the Kindle was launched, Amazon began developing Echo devices in its Lab126 offices in Silicon Valley and Cambridge, Massachusetts since 2010. The device was one of Amazon's first attempts to expand its device portfolio beyond the Kindle e-reader.

Amazon Echo, also known as "Alexa" is a brand of smart speakers developed by Amazon. The devices connect to the smart support service, through which users can access voice interaction, play music, create task lists, set alarms, podcasts and play audiobooks, in addition to providing weather and traffic information and other real time information. It can also control multiple smart devices, acting as a home automation hub. Shopping just a click away is another innovative stage.

Through this service, Amazon eliminates the typical shopping cart form (name, address and credit card information) and allows people to make one-click purchases. Amazon's Prime Now Service was first launched in December 2014 in parts of New York City, allowing members to deliver products within one hour for a fee of \$ 7.99 or two hours at no additional charge. Starting with 2014, through Amazon Prime Now, 25,000 products are available, from clothing, to household items, but also food through the Whole Foods Market service. Amazon is currently working on a project called Prime Air, a service that would completely change the future of online shopping. Only a click away and a maximum of 30 minutes, the service will allow customers to receive their order at the door, via drones, which will leave immediately after placing the order.

The success factors that the founder of Amazon has defined as essential to cultivating the success of his own business are:

- Customer orientation by innovating the factors that lead to customer satisfaction by continuously studying their needs.
- Saving resources.
- Making their own rules - each internal meeting begins with a written argument to be studied by each participant; the work teams must be of maximum 10 people.

- Long-term business thinking and the desire to do more.
- Taking risks – to support a culture of initiative and enterprise, Bezos created a „Do It” award, conferred on both the employees who tried and succeeded, as well as those who tried and failed. The main message is that it is worth taking a risk, regardless of the outcome.

3. EBAY AND PIERRE OMIKYAR – EXAMPLE OF A SUCCESSFUL BUSINESS DEVELOPMENT

Pierre Omidyar, the founder of eBay, a computer science graduate, has worked for a variety of computer software companies for Apple products, including Claris, General Magic, a communications start-up. The story that led to the formation of eBay is his wife's Pez dispenser collection and is the starting point for a market where people can sell or buy by auction. Although he had no auction experience, he thought of them as "interesting market mechanisms" that would naturally produce a fair price for the items bought or sold. Pierre launched eBay.com in 1995. He has developed the software and web design for the home pages. The site was published in the USENET discussion groups. Initially, the site was free. When the internet service provider started charging it for services, it started charging the consumers. eBay has been in business since it started receiving money from the fees set at the sale price for the items sold and was able to cover the costs required to run the site.

4. SETTING UP AN AUCTION SITE – BUSINESS IDEAS RESULTING FROM THE VALUE OF THE EBAY AND AMAZON ENTREPRENEURS EXPERIENCE

Starting from the analysis of the business model belonging to eBay and Amazon, entrepreneurs who dominate the online retail business, with hundreds of millions of customers worldwide, we propose as a business idea an online sales site, a site specialized exclusively on auctions called Awarded.ro, a simple and efficient type of service that will attract as many users as possible.

Comparative analysis of Amazon and eBay

eBay	Amazon
Sale taxes	
eBay charges two sales taxes: - introduction; - final value, but also a PayPal fee of 2.9% of the sale price	There is no registration fee at Amazon: - a monthly fee of \$ 39.99 is paid for professionals; - 15% of the product price; - tax - \$ 1.80 fee for items sold by the user.
Performance standards and penalties	
- maximum reliability rate: 2%; - cancellation rate of the order: <3%; - maximum late delivery rate: 7%; - additional tax of 4% for sellers who do not meet the first two standards; - sellers who do not comply with performance standards may have limited or restricted accounts; - the most severe tax: suspending the account, but this happens quite rarely.	- maximum reliability rate: <1%; - order cancellation rate: 2.5%; - maximum late delivery rate: 4%; - Amazon monitors vendor accounts (customer experience, returns, defects, cancellations); - if the objectives are not met, Amazon informs the seller, gives them a "recovery" period, and if no improvement is observed, the seller will be suspended quality.

Competition and price	
<ul style="list-style-type: none"> - eBay does not help buyers compare prices; a search will always become a long and varied list of articles; - the results for the search of a product can be new or used, others can be bought immediately, while some are part of the auction section; - In 2017, the eBay group announced it was launching a similar Buy Box shopping cart. 	<ul style="list-style-type: none"> - allows buyers to compare prices very easily; - product search appears only once in results, labeled with an "Amazon Choice" symbol; - There is a Buy Box - Amazon has an algorithm that is based on the Amazon Prime price and badge.
Sales potential	
<ul style="list-style-type: none"> - chaotic search algorithms; - some sellers rank first, regardless of whether seller status is among the best; - eBay's logic is that sales must grow gradually. Despite good intentions, inconsistent search rankings and sales limits tend to keep sales in place. 	<ul style="list-style-type: none"> - About 50% of the sellers on the site are made by Amazon itself and not by the sellers on the market; - offers an almost unlimited ability to increase sales
Advertising programs	
<ul style="list-style-type: none"> - the seller only pays when his items are sold (5-10%); - sellers promote their products through eBay Promoted Listings; - promotes competitive products. 	<ul style="list-style-type: none"> - sellers promote their products through Amazon Sponsored Products; - has a larger number of advertising programs, sponsored brands compared to eBay; - promotes new products, generally those bearing the Amazon label.
Delivery and ordering	
<ul style="list-style-type: none"> - there are no shipping or delivery services, with the exception of the Global Shipping Program which covers the international vendor framework; - the seller must collect, package, deliver orders or find a seller to do this activity for them. 	<ul style="list-style-type: none"> - Amazon has a Fulfillment service for which it pays taxes depending on the size, weight, delivery time of the products; - Amazon handles customer support messages related to transportation; - relies heavily on shipping, giving sellers the option of using the best in-house logistics in the world.
Customer support	
<ul style="list-style-type: none"> - sellers often ask questions before purchasing (about the product, discounts for multiple product purchases, shipping); - buyers are demanding. 	<ul style="list-style-type: none"> - Amazon discourages interaction between customers and sellers; it is rare for the seller to be asked about the product; - On Amazon, buyers use product reviews to get the information they need.
International sales	
<ul style="list-style-type: none"> - 23 international sites, used in over 100 countries; - it is necessary to register the seller only once; - the international transport is carried out with the help of the Global Transport Program, through which the products are transferred to the warehouse in the buyer's country of origin; - GSP deals with international maritime transport, customs documentation, import duties. 	<ul style="list-style-type: none"> - 14 international markets including 5 European ones; - an account is required for sale in the US, Canada and Mexico, and an account for Europe; - The Global Store program has a lower presence than the eBay site; the products sold through the Amazon Global Store are displayed to buyers in their local currency, with shipping and import taxes included in the price.

Branding opportunities	
<ul style="list-style-type: none"> - allows sellers to customize product pages; - use specific advertisements; - includes marketing leaflets inside packages; - Buyers understand that they are buying from the seller and not from Ebay. 	<ul style="list-style-type: none"> - does not pay much attention to sellers, as eBay does, but offers branding opportunities for small products; - marketing messages are not allowed; - the buyer is the Amazon customer and not the seller; Amazon uses encrypted emails to not reveal the seller's identity, thus keeping it in shadow.
Business models	
<ul style="list-style-type: none"> - eBay is suitable for the business model (marketing of existing brands, products from stock liquidations, used items); - not suitable for producers; - e Bay is more suitable for many business models than Amazon, being more permissible with sellers, but also with the variety of products that can be marketed. 	<ul style="list-style-type: none"> - A wide range of products can be sold through Amazon, except for books; also, new product sellers may be required to provide proof that they have been purchased from authorized sellers; - is suitable for marketing existing brands, but also their own, which can grow a lot on Amazon.

Source: analysis by the authors

The search algorithms consider three product categories: newly added products; products just auctioned; promoted products. The product search section will contain a "button" of search options. It will be structured into several categories, respectively region, price, user rating, increasing or decreasing time remaining until the auction closes.

The site promotion will be done through Google AdSense, a program created by Google with the purpose of promoting through advertisements or banners sites or products. As soon as the user accesses the search engine, indirectly, the products of the users who have chosen to promote them can appear here.

Awarded.ro customer support will be done through email or WhatsApp service that will ensure quick resolution of problems that customers may encounter while browsing the online platform. A section "Questions / Answers" will also be created in which there will be various standard questions - with the corresponding answers, regarding the difficulties that may arise in each section.

For users who constantly sell more than 50 products in the same category and have more than 90% positive reviews they will be given the opportunity to sell their products in an online store, for free. They will also be able to customize their store as they wish.

The site is intended as a unique concept, which supports those who want to sell and buy the products at a great price, but also to reduce the waiting time for users who want to sell the product in a short time, because bidding time options range from one hour to 30 days. It also has the role of facilitating the sale / purchase process through the courier company that will deliver in optimal conditions - safety, time, price, quality of service.

The business idea will be implemented starting from the business model promoted by Amazon which is based on: competition and price, sales potential, advertising programs, order delivery and fulfillment, customer support, national sales, branding opportunities, performance standards and sanctions and from eBay's strengths from Amazon's benchmarking.

5. CONCLUSIONS

Entrepreneurship as a personal and institutional activity represents an important factor of economic growth with addressability, especially to the young peoples who are creative, because they can capitalize on the experiences identified in the market and takes risks.

The present article is an example of benchmarking applied by the team of authors consisting of a graduate of management studies and teacher program.

The authors analyzed the attractiveness of the entrepreneurial activity carried out by two giant online commerce entrepreneurs, Jeff Bezos at Amazon and Pierre Omidyar at eBay, and outlined a business idea, namely an online sales site, an auction site called Awarded.ro., a simple and efficient type of service, designed to attract as many users as possible.

Thus it has been shown that entrepreneurship as a way of thinking and behavior contributes to the creation of value in a number of contexts and environments, including in universities.

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