

Solutions for Young Entrepreneurs in the Socially-Based Fourth Industrial Revolution Era

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Abstract—A startup is a venture or business within a social organization that leverages information technology to conduct its business, targeting a wide market audience and establishing numerous relationships to support its operations. A digital startup is a business within an organization that primarily operates its business through computers and is managed by various partners handling aspects of marketing, sales, and payments. Essentially, this digital startup serves as an intermediary for marketing or ongoing business activities. The strategy of a digital startup revolves around maximizing marketing efforts through technology, staying updated with current trends, and maintaining courteous and measured communication to provide comprehensive and inseparable customer service, using this approach to fulfill their needs. Social entrepreneurship during the era of the Fourth Industrial Revolution involves combining creativity with rapidly advancing technology for sociallybased entrepreneurial activities.

Keywords; *Digital Business Startup, Young Entrepreneurs, Fourth Industrial Revolution Era, Social-based Entrepreneurship.*

I. INTRODUCTION

In the era of the industrial revolution, rapid technological and informational advancements have taken place. The term "Industry 4.0" emerged from the idea of the fourth industrial revolution. According to [1], the industrial revolution has occurred four times. The first industrial revolution happened in England in 1784, when the invention of steam engines and mechanization began replacing human labor [1]–[5]. The second revolution occurred in the late

19th century when electric-powered production machines were used for mass production. The third industrial revolution saw the use of computer technology for manufacturing automation, starting around 1970. Currently, the rapid development of sensor technology, interconnectivity, and data analysis has given rise to the idea of integrating these technologies across various industries. [6] argue that this idea is what is predicted to be the next industrial revolution, referred to as Industry 4.0.

The term "4.0" signifies the fourth revolution. Industry 4.0 is a unique phenomenon compared to its predecessors since it was announced apriori, meaning it is still in the conceptual stage and has not yet fully materialized [6]–[9].

Consequently, the current period is characterized by technological and digital development, providing significant opportunities for entrepreneurs, especially in Indonesia. As technology progresses, internet usage has inevitably become prevalent. Data indicates that internet usage in Indonesia has increased by approximately 8 percent, reaching 143.26 million users, which is equivalent to 54.68 percent of the population of 262 million people [10]. This significant increase in internet users represents a promising target market for online business owners. Considering that the majority of internet users are active on social media and also engage in online trading (E-commerce), the rapid development of technology, facilitated by comprehensive and fast internet access, has led to the emergence of new businesses known as "Startup Businesses."

According to [11]–[13], a startup is a company with less than 20 employees that operates digitally and has rapid growth. Renowned companies such as Lazada, Urbanesia, Gojek, Uber, and Kaskus are examples of successful startups in the real world. Through innovative

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products, they have made a significant impact and provided solutions to various problems. [14]–[17] explains that startups are organizations or businesses that are newly established and attempt to address existing problems by employing solutions that have not yet been accurately proven for success. They either utilize unconventional approaches (early stage) or implement existing ones but have not achieved sustainable impacts for the future (growth stage).

All these businesses operate in the realm of trade and services, catering to consumers' daily needs, with the majority of them being online-based. Most of the business owners are young and may lack experience, but their proficiency in leveraging and utilizing their skills in the field of information technology, which is continuously evolving, demands them to create innovations. These young individuals are the driving force behind the innovations in their businesses. In the startup world, creative and innovative ideas are crucial for developing and expanding businesses. Thus, in the era of Industry 4.0, startups that harness digital technology to develop their businesses and create new entrepreneurial opportunities across various digital technology sectors to meet consumers' daily needs are suitable business ventures for young individuals.

II. METHOD

In this article, the methodology used in its creation involves collecting literature from journals and books discussing digital startups, entrepreneurial intentions, digital startup strategies, and social entrepreneurship in the era of the Fourth Industrial Revolution.

a. Digital Startup

According to [18]–[20], a startup originates from the English language, meaning "the act or process of starting a new organization or business venture." It refers to the actions or processes involved in initiating a new organization or business venture. The term startup gained popularity in Silicon Valley, which is synonymous with technology, especially ICT. Hence, the term startup is commonly associated with the ICT sector.

A startup is fundamentally not a business that merely writes code or programs for other companies, whether as an IT consultant or customizes applications specifically for each client. It is also not a department or division of a company assigned to act like a startup in building something different. According to [17], [21],

[22], digitalization tends to focus on automated operating systems with computer-readable formats. A startup is a business or venture in a social organization that utilizes information technology to conduct its operations, targeting a wide market and establishing numerous relationships to support its business. A digital startup is a business or venture that sets up a platform to operate the business through computers and is operated by other partners who manage aspects such as marketing, sales, and payments. This digital startup merely serves as an intermediary for ongoing marketing or business endeavors.

b. Digital Startup Strategy

Startup businesses fall under a challenging business model as information often rushes, and consumers have various ways to obtain goods and services quickly without physical encounters or direct inspections at the location, with payments made electronically through transfers [23], [24]. Therefore, success in the digital business realm requires continuously seeking information about trends, i.e., staying up-to-date with fashion, products, and services. Developing a digital business is similar to any other business, but it utilizes technology in its marketing aspect and delivers products directly to customers after payment.

According to [18], [25]–[27], digital marketing strategies must be well-understood by digital startup owners. Digital marketing, in general, can be defined as the use of integrated technology. Thus, the strategy for a digital startup involves maximizing marketing efforts using technology, ensuring constant updates on current trends, and providing courteous and measured customer service to establish lasting relationships and meet their needs.

c. Social Entrepreneurship (Muda) in the Fourth Industrial Revolution Era

According to [19], [20], [28], entrepreneurship plays a crucial role in a country's development. In the context of social entrepreneurship, economic problems, which are financial issues, are prevalent and affect everyone. Social entrepreneurship, according to [29]–[31], involves activities with its logic. To address these economic problems, social entrepreneurship is needed. According to [32]–[34], social entrepreneurship is a process that uses entrepreneurial activities to bring about social, welfare, educational, and health changes. In summary, social entrepreneurship is a beneficial

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and creative activity aimed at meeting social needs and achieving social well-being in various aspects of life.

According to [35], [36], social entrepreneurship comprises four key elements:

a. Social Value

Social value is the most crucial aspect in providing benefits to society in various aspects of life.

b. Civil Society

Social entrepreneurship activities stem from the creativity of the community to address ongoing social issues.

c. Innovation

Social entrepreneurship is based on creative ideas and innovations from the community.

d. Economic Activity

The success of social entrepreneurship also depends on economic activity, where economic activities must be balanced with social activities to achieve social missions.

The Fourth Industrial Revolution era is characterized by the rapid development and utilization of information technology. In social entrepreneurship during this era, creativity must be combined with fast-paced technology to be effectively applied in social entrepreneurship endeavors.

III. RESULT AND DISCUSSION

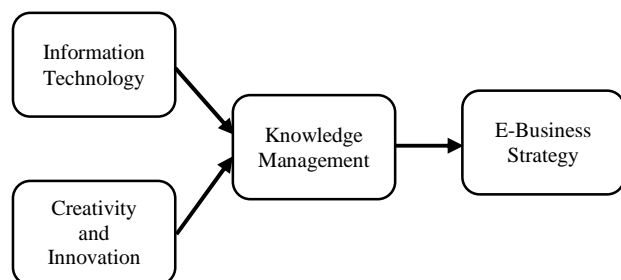
Starting a business startup requires the prospective entrepreneur to possess knowledge about startups, as the emergence of this knowledge will have an impact on internet-based business operators, which is significantly different from traditional physical entrepreneurship. The key differences lie in the aspects of capital, location, products, and marketing. In terms of capital, traditional physical businesses often require substantial initial investments to establish a new venture. On the other hand, internet-based startups can rely on the flexibility of capital, depending on the owner's abilities and resources. Young individuals who lack extensive business experience and access to substantial capital find startups a suitable choice given their lower financial barriers. Location is a crucial aspect in traditional businesses, as selecting a strategic location plays a vital role in their success. However, digital startups minimize the importance of physical location since they can operate online, eliminating the need for a specific physical presence. This lowers the risks associated with startup operations for young and

less experienced entrepreneurs.

The product variety is another difference between traditional and digital startups. Physical businesses often focus on specific products or services due to limited resources, whereas digital startups have the advantage of offering a wide range of products or services with minimal production space requirements. Marketing is also affected by the digital nature of startups. Internet-based businesses can reach a larger audience through extensive broadcasting, allowing potential customers to become aware of their offerings.

In the realm of knowledge management for digital startups, utilizing existing knowledge and continuously creating new knowledge is essential. Entrepreneurs must be adept at identifying business opportunities, as this skill will position their startup in the target market. While technology provides ample resources to strengthen and support business operations, digital entrepreneurs are constantly exploring effective methods to share knowledge and ensure that users reciprocate knowledge dissemination. Innovation and creativity are critical for generating and implementing ideas in digital startup ventures. Young entrepreneurs tend to excel in this area due to their up-to-date knowledge of technology compared to more experienced individuals who may lack the same level of familiarity with digital platforms.

The process of entrepreneurship in digital startups involves several stages, such as pre-seed, seed, startup, and expansion/exit. At the pre-seed stage, entrepreneurs explore various digital business concepts and gather information to develop their ideas. The seed stage marks the start of implementation, where decisions play a crucial role in the success of the startup. The startup phase involves creating and implementing products or services online for potential customers, while the expansion/exit phase focuses on scaling and evaluating the business.



[37]Figure 1 Knowledge Management Models

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For a successful digital entrepreneur, having a clear strategy is essential. A lack of vision and long-term planning can lead to missed opportunities and limited business growth. Integration of information within different systems is critical for seamless operations and adaptability to technological changes.

In summary, the rise of digital startups presents new opportunities for young entrepreneurs who possess technology-related skills. By capitalizing on their creative ideas and effectively managing knowledge, these entrepreneurs can thrive in the dynamic digital business landscape, paving the way for successful ventures in the ever-changing world of technology and entrepreneurship.

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