How to build a startup in Italy

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Abstract

Several studies in the entrepreneurship field have focused their attention on the role of creativity and innovation in building a startup. The purpose of the thesis is to provide a different perspective on the process of new ventures creation. Specifically, through a case study of the startup Feat Food, a food e-commerce platform, I have founded in 2015.

The thesis focuses on the steps and challenges of the new venture creation process. In particular, it aims to develop a framework that can be used for the creation of the business model canvas, touching all the aspects: from the birth of the vision to the commercialization of the product. Additionally, the thesis will provide a critical perspective about the different support given by the Italian and American institution to startups.

For the entire work, the direct experience of the entrepreneur will play a central role, due to the incubation of the startup Feat Food discussed in it in both countries. Suggestions, thoughts, and impressions will follow the literature review, in order to highlight the frameworks and tools that have been not applied in the case study, or that have been integrated with a personal revision.

The final purpose of the thesis is based on my entrepreneurial experience gained as founder of Feat Food. In particular, I observed how in some circumstances, tools, frameworks, practices, steps, and processes that are suggested in previous entrepreneurial studies are not applied or integrated with the startup final objective.

Finally, through a research conducted on an Italian graduate and undergraduate students, the thesis highlights the need of changes and improvement at institutional level to support the Italian entrepreneurial ecosystem. The study highlights the desire of a deeper entrepreneurial focus of institutions and the necessity of an integration of the current state of frameworks proposed by the previous studies.

Introduction

In entrepreneurship and management classes students are provided with the knowledge about how to manage and to properly run an organization. Wherever their wishes and aspirations are oriented, hence, marketing, accounting or entrepreneurship, they are prepared with the focus on being hired by a consolidated company, work under some superior level manager, do some given tasks and put all their best efforts in everything they are going to do.

Therefore, this paper born from various and different natural reflections. What will it be if the whole system tries to overcome these behaviors? How much the entrepreneurial degree will change if the university system contextually to marketing, accounting and all the other economic fields, begin to exhaustively teach how to build a startup? In particular, entrepreneurship is not just, projections, business plans or processes optimization. Being an entrepreneur in Italy means to deal with suppliers, customers, shareholders, stakeholders, accountants, legislations, laws, bureaucracy and a staggering number of other entities.

Furthermore, another crucial point stresses the natural arising of these reflections, that is, in last decades the primary source of employment worldwide has shifted from consolidated organizations to startups. Thus, while big companies are dismissing people more than the ones they are hiring, exactly the opposite in happening in new ventures, that are literally pushing the economic and financial systems.

Therefore, this work will finally support the thesis, that a shift from a manager formation system to an entrepreneur one is needed to boost worldwide wellbeing. A Such critical perspective will be supported by a survey research analysis collected with the purpose of understand whether students perceive the entrepreneurial training received during their academic studies as satisfying

1. DEFINING ENTREPRENEURSHIP

Entrepreneurship has been defined and explained in a broad range of ways. Albeit the evolution of scholarship brought an impressive number of theories with the purpose to explain and to exhaustively describe it (e.g. Economic theory, Sociological theory, Innovation entrepreneurial theory) confining it into some kind of constraint or statement, all the academics endeavors resulted worthless, dispersed in an immutable flow of different definitions.

In particular, entrepreneurship cannot simply be confined and explained because it is an unceasing flow of ideas, efforts, environments, people, techniques and technologies that mutates second by second.

Anyway, entrepreneurship has been analyzed and discussed in various fields with the aim of trying to provide a definition to the indefinable (e.g. Cantillon 1755, Say 1830, Schumpeter). Thus, it is essential to own and fully understand these theories in order to be master of the knowledge, because only those who know choose, while the others believe they choose.

The economic theory of entrepreneurship was first explained by Richard Cantillon (1755)– an Irish French economist - who proposed that entrepreneurship and economic growth takes place when economic conditions are favorable, that is the economic, political, financial and industrial environments are surrounded by economic incentives that act as motivators for growth and new venture creation. These entrepreneurial boosts are:

- Taxation policies
- Industrial polices
- Infrastructure availability
- Sources of finance and raw materials
- Investment and market opportunities
- Access to information
- Favorable market conditions and technologies

Thus, according to Richard Cantillon (1755), an entrepreneur is anyone who buys factors of production at a certain price in order to combine them into a product with the aim to selling it at a certain price in the future, making profits. Therefore, in straight line with this vision an entrepreneur could be a farmer as well as an agent, or anyone else boosted by a risk taking behavior, and entrepreneurship results to be exclusively the end of their acts and behaviors.

The sociological theory was postulated by the French economist J.B. Say (1830) who stated that entrepreneurship is most likely to get boost in a particular social culture and in a particular social environment – in example the high density rate of startups in the Silicon Valley or in San Francisco -. According to this theory the entrepreneurial behavior is influenced by customs, beliefs, values and taboos of a given culture that act as boosts for entrepreneurship, making the ground fertile for its growth. Through the sociological theory it is possible to discern a first glimmer of the distinction between the capitalist and the entrepreneur, assigning to each of them a different role in the economical society, the first as the financer the latter as the organizer. The merit of this chink has to be attributed to J.B. Say, who defined the entrepreneur as an individual who combines land, capital, and labor in order to make a product with the purpose of making profits by its selling in the market, paying interests to capital, land and labor by the mean of rents, wages and salaries. The distinction between these factors represented the milestone of all the present economic theories of labor and capital movement, setting the baseline for the markets equilibrium theories upon which all the academic literature sets its roots.

The innovation entrepreneurial theory was propounded by Joseph Schumpeter, a 20Th century Austrian economist, who postulated that entrepreneurship is manly innovation and, as a direct consequence, freed the entrepreneur from the task of organizer confining them into a constraint of bearer of creative destruction. According to this vision an entrepreneur is no more a risk taker as he was since then. Indeed, *"an entrepreneur tries to define the risks, he has to take and to minimize them as much as possible* (Peter F. Drucker, 1986, p. 139) "otherwise he will never succeed. Thus, the result of entrepreneurial efforts was the creation of successful innovation and the birth of new industries, even though it entailed combining the existing inputs, in a new and unique way. Therefore, the purposeful innovation theorized by Schumpeter may occur in various and mutually exclusive ways, precisely when an entrepreneur:

- Introduces a new to the world product
- Introduces a new organizational and operational method of production
- Opens up a new market
- Finds out a new source of raw material supply
- Introduces a new organization in any industry

Thus, whatever the source of innovation is, an individual is a successful entrepreneur to the extent to which he systematically analyzes them, then pinpoints the opportunity and exploits it. Although the entrepreneurship thought theorized by Joseph Schumpeter represents the dogma upon which more than one century of entrepreneurship relied on, such concept is not taken into account by the bureaucratic institutions in Italy to define an innovative entrepreneur , which based their assessment of whether could be classified as innovation more in a subjective than in an objective and historical manner, not considering for instance the combination in a new to the world way of two existing inputs as an innovation to be recognized.

The psychological theory of entrepreneurship focuses its analysis upon the personality traits of individuals, distinguishing entrepreneurs from non-entrepreneurs on the basis of attitudes and psychological attributes, which include a need for achievement and a vision. According to the various psychological theories propounded e.g. Need for achievement and power by McClelland (1961), Locus of control by Rotter (1966), Psychodynamic model by Kets de Vries, (1984) and Risk taking propensity, entrepreneurship gets a boost when society has enough supply of individual with necessary attitudes and value toward its creation.

The pillar of the psychological theories of entrepreneurship was proposed by David McClelland (1961), through the need for achievement model. Thanks to the support of different researches, as the Kakinada experiment, he defined an entrepreneur as boosted from the need of achievement, power and affiliation. Therefore, in breaking with the theories postulated since then, he stated that the drivers of entrepreneurship were no more the economic incentives but the personality traits typical of every individual. The overturning of the previous thoughts resulted in two different characteristics of entrepreneurship, and hence, of entrepreneurs:

- Doing things in a more efficient way
- Making decisions under uncertainty

As observable, the entrepreneurship theories are various and mutually exclusive. The current state of evolution of scholarship offers a wide range of theories, and even though such definitions cover almost every academic field, still today results an unsolved enigma who really an entrepreneur is.

1.1 Definition of entrepreneur

The first major theme investigated and explained in economic classes through the stream of literature available is what entrepreneurship is and who an entrepreneur is. Although entrepreneurship is commonly assumed to be "*the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit* (BusinessDictionary)", an entrepreneur is still an obscure and unclear figure. The French economist J.B. Say (1830), defined the entrepreneur as someone that *"shifts economic resources out of an area of lower and into an area of higher productivity and greater yield* (Peter F. Drucker, 1985, p. 21)". Anyway since J.B. Say, different studies concerning an academic standpoint of the entrepreneur figure were proposed. Thus, albeit entrepreneurship has been receiving increasing scholarly attention, much of the research has treated the entrepreneur as the "lonely only" individual (Schoonoven &Romanelli, 2001), the ones who tend to possess more positive personality for achievement and special aptitudes to bear risk (Brockhaus & Horwitz, 1986; McClelland, 1978; Zhao & Seibert, 2006) and tend to believe to a greater extent that success is attributable to their ability and failure to lack of effort or some other unstable factor e.g. luck (McClelland, 1961; Zhao & Seibert, 2006).

Although more than two centuries have passed since J.B. Say first explanation, an entrepreneur is still not clearly defined. Probably the reason may be found out through his intrinsic visionary, brave and unconventional nature, that does not allow scholars to set him in a statement that acts as a constraint, and places him in some kind of schemes and rigid formality.

Furthermore, the degree of difficulty to properly explain who is an entrepreneur rose up during the last decades, due to the creation an unbreakable synergy between entrepreneurship and innovation. (Peter F. Drucker, 1985) defines innovation as the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service. Entrepreneurship and innovation can be undoubtedly defined as the must-words of the 21th management century. The one cannot be pronounced without the other, and this synergy has resulted in a strict link between them, which brought innovation into entrepreneurship.

Thus, “*entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation* (Peter F. Drucker, 1985, p. 35)”. The degree to which an entrepreneur is able to innovate and to maintain its sustainability establishes that tight line between success and failure. In particular, entrepreneurs innovate and innovation must be the specific instrument of entrepreneurship.

Entrepreneurship and innovation are concurrently connected each other in a stable and precarious balance, each of them is essential to the other to create the baseline for the success, and each of them is necessary to the other do not lose its balance and fall into failure.

Although its clarity, is this definition really exhaustive? How can be possible to identify and distinguish an entrepreneur? The answer is uncertain. Entrepreneurship, entrepreneurs and innovation are all characterized by a great uncertainty yield. When entrepreneurs come to startups and innovations they are shooting in the dark. The academic institution has defined a proven set of techniques for managing big companies, teaching the best practices to face the known. But how can managers deal with the unknown if they have always fought with the certain? This is what distinguishes entrepreneurs from managers. Entrepreneurship only in part can be learnt, literature is overflowing of tools, techniques and best practices, but only someone that can face up decision making can learn to be an entrepreneur and behave entrepreneurially.

Thus, according to this definition an entrepreneur is not only someone who is building a business characterized by a disruptive innovation but he or she should be even identified in a different figure, the intrepreneur – term coined by Pinchot in 1985 -, a manager within an organization responsible in creating an incremental or a new to the world innovation. That is, what usually scholars refer to Corporate Entrepreneurship and Innovation (e.g. James Dyson, Clyton M. 2010).

The principles and techniques needed to build a startup can be used and extended to big organization, assuming that intrepreneurs are creating a new business within it. That is the most astonishing feature of the new entrepreneurial practices, managers are now able to overturn literature and to broadly use it in different fields.

Unfortunately, the academic institution does not provide students and future managers to learn and own all these sets of capabilities, staying backwards while the world is flowing forward. Entrepreneurs - enclosing both intrepreneurs and entrepreneurs - are endowed with a baseline of dated entrepreneurial and managerial tools topped with a pinch of innovation, in order to trigger the spark of an innovative though.

Clearly, the one just described is not the finest academic practice but the most recent results in term of startup birth rate are undeniable and astonishing. An analysis conducted in cooperation with Italia Startup substantiates that innovative startup companies make up a growing portion of Italy's economic fabric. Over 3.000 new companies are registered under the special section for innovative startups in the Business Register, and 1.256 of them were formed in 2014 - +36% from 2013 -. Most of these companies operate in computers or in scientific research, but a good number are also active in industrial sectors, especially mechanics, machinery and high-tech goods.

Thus, although the academic institution does not provide students with a full range of tools of the innovative entrepreneurship it is able to stimulate their receptors, creating an internal spark with the desire to get involved into the unknown.

1.2 Literature review

The common thought disclosed by academic literature (e.g. Zimmerer, T. W. & Scarborough, N. M. (1996). Entrepreneurship and new venture formation. Upper Saddle

River, NJ: Prentice Hall., Oden, H. W. (1997). Managing corporate culture, innovation, and intrapreneurship. Westport, CT: Quorum Books.) books and readings is that students to be innovative entrepreneurs just need an idea, creativity, an entrepreneurial personality - a propensity for risks taking - and to follow a set of best managerial practices, in order to succeed. This shared opinion always results in a misleading dream, usually associated to a few amount of endeavors undertaken.

A denial, to this thought, and a proof of its inefficiency, comes from the most comprehensive analysis to date, "Startup Genome Report Extra on Premature Scaling", a project coauthored by Berkeley & Stanford faculty members with Steve Blank and ten startup accelerators as contributors. This report analyzed 3.200 high growth web/mobile startups and showed as within 3 years, 92% of startups failed. Furthermore, other researches has been conducted in recent years, giving the rapid spread of the startup phenomena, and all of them show a failure rate that ranges between 5% and 10 %.

Anyway, an astonishing incongruity and fallacy is clearly highlighted by these results. The discrepancy between the reality and what we are told. People are overwhelmed by successful entrepreneurs and startups cases, by individuals that create a disruptive business model as a result of a flash of genius rather than of hard, organized, purposeful work to an innovative entrepreneurship. A brief sight on Amazon can point out this phenomenon. The search "Successful startup" in books category matched 653 results, meanwhile looking for "Failure startup" resulted in just 4 books. Although 92 out of 100 startup failed, authors, academics and journalists report and deeply analyze those 8 business models and assume them as a rule of thumb. It may seem hilarious or astonishing, but this is nothing else than simple marketing. Indeed, the same principle is applied to TV shows and news, to keep the audience, reporters have to tell what passionate people more.

Besides all, another phenomenon accentuates this discrepancy between reality and readings. None who failed wants to show off his face and to explain his mistakes, this his human nature, the survival basic instinct. Therefore, students are taught with an imperfect and dangerous analogy “If you know how others succeeded you will avoid failure”. Nothing else could bring them into a misleading easy road. On the contrary they should be taught that “To avoid failure, you need to know how others failed in the past, and learn from them”. The innovative though is brought into consolidated organizations through a set of practices which aim to create and to widespread within it an entrepreneurial culture, in order to see failure as an opportunity to cultivate rather than a threat to destroy. The same thought should be tailored to students. The academic and institutional system must cultivate its resources – students – providing them with a full knowledge and awareness of what failure is and how to avoid it in order to lead them a path into future successes, through the steps in being an entrepreneur and building a startup.

Therefore, as result of the institutional pitfalls discussed, the purpose of this paper is to provide, through the analysis of Feat Food, and, therefore my direct experience in startup creation, a further contribute to academic entrepreneurship literature, while assessing the relevance of new ventures, and hence entrepreneurship, in the economic environment.

1.4 Case study: Feat Food

The work is going to address this topic through a business model canvas comprehensive analysis, comparing the nine aspects of it, with what the institutional academic literature has been looking at and providing to students, and how it is different from a startup point of view.

To solve this task, the analysis will be developed through the data and the experience obtained at Feat Food, an Italy incorporated startup, of which the writer is the founder and CEO.

The paper will go through Feat Food throughout its structure, discussing the tools used to develop each business model canvas component. For what concern the work design, it is necessary to address that Feat Food is a food e-commerce platform that allows customers to order and receive where and when they want, fresh, nutritionally balanced ready meals that are based on medical studies for the prevention of cardiovascular diseases and tumors.

Everything was born, from an idea, or better, a need of a young student, Andrea Lippolis, who during his first academic year in Milan, for the lack of time and cooking skills, and due to a nutritional disease, felt the necessity to eat healthy meals, in order to not surrender himself to an unhealthy diet.

Therefore, surfing through the web between the various sites, he noticed the lack of a specific service that can solve his specific need. From this unsolved problem, arose the idea to create a platform, through which customers can choose the healthy and balanced meals they prefer among four lines per day, deciding whether to purchase a single dish or a bundle of meals, with the certainty that Feat Food's priority is to offer only very high quality ingredients.

Once drawn up the idea, Andrea surrounded himself with a highly skilled and motivated team. In particular, Lorenzo Danese -24 years, cofounder-, who is a programmer and a developer, and who has collaborated to the implementation of the first semantic correlation algorithm in Italy on Android platform, Carlotta Manzoni - 23 years, COO- management engineer and PhD. in Entrepreneurship and Innovation, Giovanbattista Cimmino - 26 years, CMO – who is graduated in marketing management and who is the co-founder of a digital marketing company, Luca March - 26 years, CTO- who is a webmaster, programmer and Joomla and WordPress developer. Alessio Gubello - Executive chef- with national and international work experiences.

After a year from its incorporation and once created a Beta during a test market in Lecce, a small city in the south of Italy, Feat Food has raised it's A round of investments and it is developing the business model in Italy, aimed at fostering the concept of food hygiene.

2. **THE BUSINESS MODEL CANVAS**

Innovative entrepreneurs, due to their intrinsic DNA, are provided with creativity, and associating, questioning, observing, experimenting and networking traits (J.H. Dyer, H.G. Gregerson, C.M. Christensesn, 2009). "*Innovators have the ability to connect seemingly unrelated questions, problems, and ideas from different fields. This allows them to creatively see opportunities that other miss* (Alessandro Marino, 2013, p.215)". At the outset of the whole startup creation process nothing tangible still exists, nothing has been developed or tested yet. Everything is still enclosed in the founders' mind, but their idea, or vision, must be ducted into a first glimmer of concreteness. How can the vision be unlocked to the next phase? How can it be overturned in something tangible? Once the founders know the basic requirements of their business model, their vision must to be organized into a set of components, that describes the hypothesis made about all the ways they will go through in creating their offering.

This basic step is the creation of the business model canvas. It is the ground upon which the future startup tree will put its roots. The manure -the vision- will let the new venture to grow, but the land sown must be strong enough to sustain it along all its life.

Through the business model canvas, the startup is described, and the hypothesis are transmuted into nine fundamental components representing the building blocks of all the future spreadsheets that students are used to drew. Only once these factors are described all the plans that the university system taught assume real value.

2.1 Value proposition

The value proposition is about solving and satisfying a need or a problem that founders discover and recognize as unsolved. The focus is not on the product or the service upon which the startup is going to drew its offerings, but it is on its real value, the customers. Thus, founders are required to meticulously describe who their customers are and what value they are providing to them. It is common knowledge how the latter is a pillar of the whole managerial literature. The meaning of value for customer has been deeply and fully described by marketers. Academic entrepreneurship defines that "a *buyer chooses the offering he or she perceives to deliver the most value, that is the sum of the tangible and intangible benefits and costs* (Kotler & Keller, 2002)". Thus, value is primarily a combination of quality, service and price, that is also called the customer value triad. Furthermore (Kotler & Keller, 2002) indicates the value must be properly created, delivered and communicated to customers by effective marketing programs. Again literature provides a broad range of efficient suggestions and tasks to create a holistic marketing though, turned towards the development of integrated marketing programs. Albeit crucial to a proper management these advices are not perfectly suited to startups as well as they are to successful organizations. A holistic marketing concept is the starting point for every organization. A truly marketing oriented firm tries to create value – satisfying goods and services that customers really want to buy, therefore, the offerings become a consequence of the marketing efforts, and not the opposite. The company must be thought as a customer creating and a customer satisfying organism that is going to literally buy customers. These endeavors must, or at least should, be common to every organization, ether big or small, but startups have an additional step to overcome. Organizations already have a clear direction represented from the wide bundle of previous products or services they developed. Therefore, even if they have to recreate value for their customers, they already did it once, they know how to do. Startups do not. Founders have not developed or tested their offering yet. They theoretically know how to create, deliver and communicate value but they are going to uncharted waters, and do not know whether or not they will be calm. Startups at this stage have to create a minimum viable product that will ultimately satisfy the so called product – market fit. In order to solve this task, founders have to test and pivot, until they will find out a minimum viable product that customers really want to buy. During this first test phase academic new venture creation entrepreneurship suggests that entrepreneurs must act with four main thoughts clear in mind, which ones create the value proposition itself and which synergy is turned to form the core piece of the canvas.

- The product or service that will compose the offering
- The gain creators: A gain is defined as a customer solution, and startuppers are required to identify the gains they are providing to customers compared to the other offerings
- The pain killers: A pain is essentially a customer need; hence entrepreneurs have to define what pains are going to solve
- The jobs: A job represent the functional or social job the offering is structured to do. It may be an emotional job or a basic need that the product or service is helping to satisfy.

The value proposition in the business model canvas represents a further step in the growth process having as output the final product or service.

The offering was first an utopia, a dream, then an idea that took shape in the acknowledgement process, and now it is for the first time drawn down. The value proposition represents the core of all the other descriptions in the canvas. Founders describes in a few words all the present and future shades of their offering. Although its importance is not static and immutable over time, the value proposition must change in correspondence with variations of one of the four factors that compose it. As organizations change their product features, lines and sometimes even brand to respond to changes in the market in order to create a perfect fit, startups have to adjust their value proposition when they find new and more profitable directions to be undertaken.

2.1.1 Value proposition at Feat food

At Feat Food the first value proposition drawn was too simplistic but it was right for that moment. The idea had just taken shape and it was necessary to make mistakes.

'Feat Food home daily deliveries healthy and nutritionally studied ready to eat meals'

As a whole, only one out of four factors was described. What were Feat Food pain killers? In which way customers did feel better? What were gain customers? What made the customer happy? No one of these questions were answered, not because we could not, everything was clear and colorful in our minds. Provided with all the execution tools, we did not draw the essential factors previously described into the value proposition because we did not know that we had to do. The result was a confused and winding direction.

The university institution taught students what the value is, how to create, deliver and communicate it but it did not provide them with the tools required to build a value proposition. The focus of the university system onto big organizations and on the formation of managers and not entrepreneurs, leads to a lack, that turns in a disadvantage for students eager to found a startup compared to other countries counterparts.

The output of my personal growth process made through experiences, mistakes, literature, books, academic courses and online lections brought me to the creation of different value propositions, adding or deleting some piece to the puzzle in correspondence to change in the customer segments, in the market and in the offering itself. This process led to an actual but not final value proposition of Feat Food.

'Feat Food home daily deliveries healthy and nutritionally studied ready to eat meals to people who pay attention to wellness and do not have time to cook, in order to give them back the time of their life'

Although at this stage all the factors necessary to describe the value proposition are finally presented, founders must be aware and ready to exploit all the possible opportunities the market offers them to change their value proposition. The ostentation and the supposition of the superiority of the offering even when the market responds negatively is the biggest mistake a startup can do. As the academic entrepreneurship deeply explain customers push the product, and it is not the product to push the customers.

2.2 Customer segment

Startups cannot connect with all customers in large, broad or diverse markets. They need to identify the market segments they can serve effectively. This decision requires a keen understanding of consumer behavior and careful strategic thinking about what makes each segment unique and different (Kotler & Keller, 2002). Startups can use different bases for segmenting consumer markets.

The segmentation, targeting and positioning -STP- is one of the pillar of the whole marketing literature. It provides founders with a broad range of tools to segment market, as demographic, geographic or ethnographic segmentation.

Although academic entrepreneurship exhaustively theorizes the frameworks necessary to create a market segment through a linear stage process, entrepreneurial students, that do not own marketers' skills, may face an high degree of difficulty in putting such conceptual tools into practice. Only hypothesis, tests and tests again can give founders an idea of what their market segment and market target are. Startups to simplify this hard work are required to align faithfully their behavior to the theory implementing as first main step, the marketing pillar, that is, creating a customer archetype. A customer archetype or a prototype is the consumer to who the startup is selling its offering. Steve Blank in The Startup Owner's Manual states that "*Founders have to literally design he or she according to different dimensions:*

- *Gender*

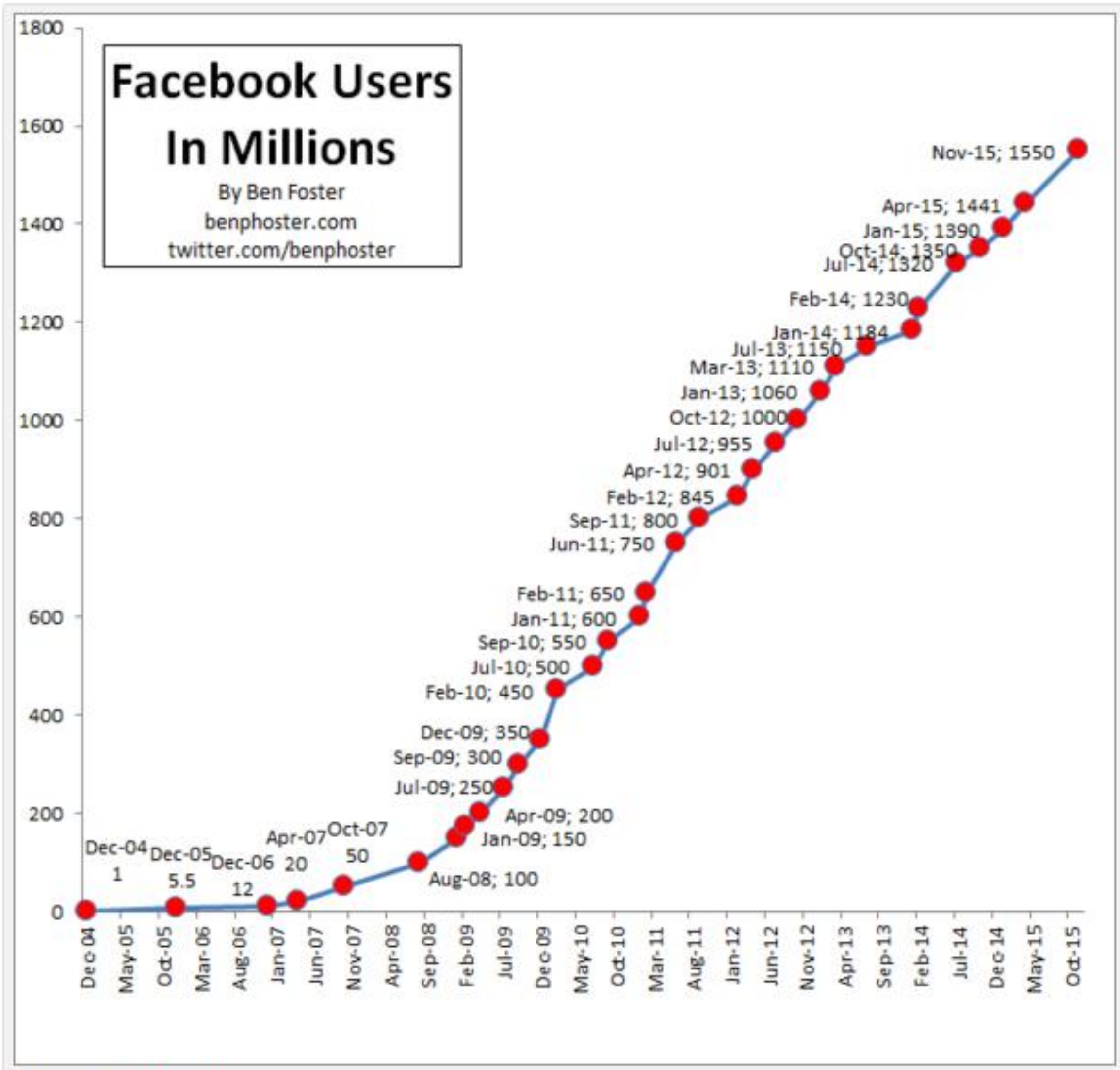
- *Age*
- *Job position*
- *Title*
- *Role in the community/family*
- *Discretionary income*
- *Motivations*
- *Interests*
- *Models*
- *Behaviors*

(Steve Blank, The Startup Owner's Manual, 2012)"

At a first sight to the most it may seem painless to describe these variables, because entrepreneurs have just to think who may be a potential consumer. However, the market analysis, and the role of marketing is not limited only in describing the perfect customer, indeed, its main purpose is, a true understanding of the target market and the awareness of the rules it establishes, in order to unlock the sources of competitive advantage, and to enable entrepreneurs to be master of them.

Therefore, new ventures entrepreneurial literature defines the ways by which startups can really discover their customer archetype. The analysis of the various conceptual frameworks postulated ends in the common and recurrent flow of actions the founders have to continually implement. Make hypothesis, test and test again.

The rapid growth of social media gave to marketers, founders and all the people involved in these processes a broad range of new possibilities in order to solve the task given by literature. As already discussed such communities can be used as paid media to reach the target market in a direct way and selling the offerings through the creation of personal engagement.



Facebook Growth Chart

Fig 2.1: Facebook users' growth chart. Source : http://www.benphoster.com/facebook-user-growth-chart-2004-2010/

Founders must have a thorough understanding of how consumers think, feel and act and offer clear value to each and every target consumer. For instance, startups through Facebook can influence and reach their target in a so powerful way like never before. Therefore, whether properly used this social media can bring founders a step further in this critical phase. Indeed, not only it enables them to create real engagement but it provides hard data to them. Key insights as gender, age, geo location, post coverage, interaction, engagement rate are daily updated and provided.

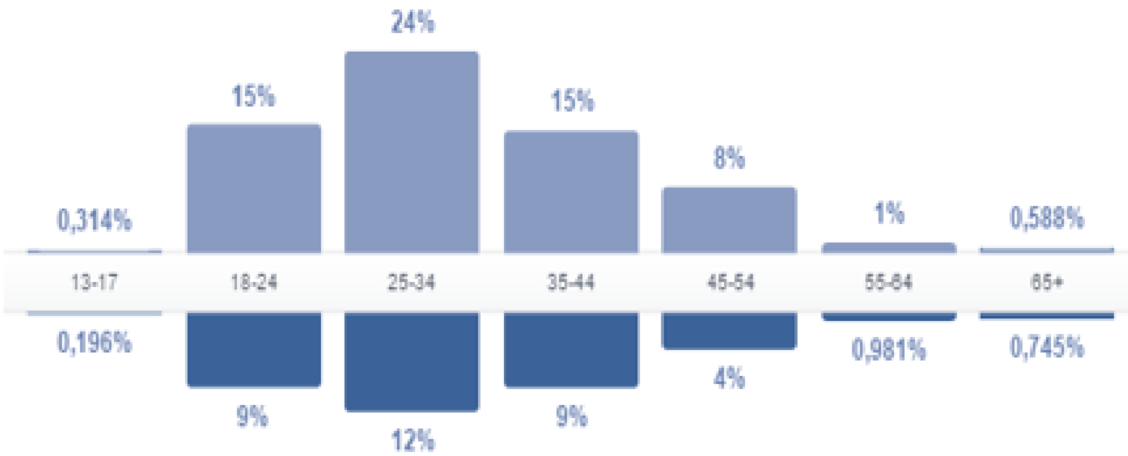


Fig. 2.2: Facebook Insights - Gender of people who like Feat Food page. Source: Own processing

Therefore, at the outset of the transmutation process from the idea of the offering to its first sign of concreteness startuppers develop, as discussed, the canvas with a customer segment, or better an archetype, clear in mind. Once literally designed he or she through the variables previously analyzed, they may use, as the marketing academics theories suggest, demographic segmentation or sociographic or a combination of all the various conceptual frameworks provided in order to develop a connection with the offering through value creation for customers. Although it may seem early to implement a segmentation process, this starting point is a crucial and necessary step for the creation of an archetype. Literature provides a strong and secure baseline to make hypothesis. Anyway, reality drastically changes these assumptions, hence, in order to understand the degree to which their hypothesis have changed, founders are required to test.

The pillar of the whole startup academic literature is built on the conceptual framework of testing the hypothesis, that is defined as the core process for startups. Therefore, it cannot be randomly implemented.

An experiment is a method of testing hypothesis with the goal of exploring the reality (Eric Ries, 2011). It must be based on quantitative data using analytic measurements to test an offering potential success or failure in the market. Literature provides different methods that startuppers can use to prove the efficiency of their products (e.g. A/B test, split test, AdWords and Facebook campaigns). The most useful and accurate technique is the A/B test. Given its importance and simplicity of usage, it is grown drastically in recent years, indeed it is directly provided by almost all backend website platform in mailing services.

An A/B test consists in separating consumers or users into two sets and testing a feature variation of the product, or a different promotion or even a different mailing article in order to observe and to analyze their actual behaviors.

According to the purpose of the research founders could use either qualitative or quantitative measurements.

Qualitative tests, as surveys and questionnaires, allow startuppers to quickly identify the features of the product that may satisfy customer needs and wants. Google offers different online surveys and questionnaires web apps. Entrepreneurs can use these features in the idea generation stage to create fast and cheap qualitative tests and redirect the customer segments in order to get and to analyze useful data.

2.2.1 Customer segment at Feat Food

At Feat Food we created an environment where the mantra that sounds continuously in everyone's mind was make hypothesis, test and then pivot. It was created a validate learning organizational structure, applying "*a rigorous method for demonstrating progress when we embedded in the soil of extreme uncertainty in which usually startups grow (*Eric

Ries, 2011, p.38)”. Thus, we developed an intrinsic process to demonstrate, through hard data, that we were learning and we were discovering valuable truths about both present and future business prospects. This shared thought enables us to rapidly switch a customer archetype to better fit the product. Through such intrinsic behavior developed, we were able to achieve those critical element, essential to every new ventures, the so named product market fit, the match between the value proposition and the customer segment represented by those that the offering is going to satisfy the unsolved needs.

At Feat Food, in the idea generation stage we first identified a customer archetype embodied in an individual, either male or female, aged between 20 to 55 years old, who is used to go at least weekly to the gym and does not have enough time to prepare an healthy meal, with a medium-high income level. Although, in strict line with Feat Food value proposition, we rapidly discovered, through A/B tests or split tests, that such early adopter customer was not the real archetype that we were materially acquiring, as a customer-centered startup. Feat Food was not solving the problems of those individuals. Although different months spent to identify someone who did not care about our product, this research was not pointless. Indeed, if we had never tested this hypothesis, we would have never learned from our mistakes, designing and developing a product that no one would have never really wanted, leading our vision to a premature failure.

The shared thought created within Feat Food brought us to wonder who really might be our archetype, the one whose needs perfectly fit to our value proposition. The mantra that flowed into our minds led us to arm ourselves with willingness, to make another hypothesis and to test it. Though, aware of the experience acquired, we did not randomly identify an alternative customer segment, it would have token more time, and time for startups is the less available resource. Therefore, we analyzed the data arose from the first hint of search of an archetype we developed in the idea generation stage. In a nutshell, this meticulous investigation let out the customer who was really purchasing our offerings, an individual, either male -46%- or female -54%-, aged between 30 to 55 years old, mainly single, workers in private or public offices, with the desire to have an healthy lifestyle, who has little time to prepare meals for lunch or dinner, with a medium – high income level.

"*Launch a startup is not a strict adherence to its vision but something more akin to science; to follow the rails, wherever they lead.*" Paul Graham, one of the best-known venture capitalists in the world.

2.3 Channels

In the acknowledgement process the interactions with customers and partners drew the way that founders have to follow to deliver their product to their customer. Literature gives exhaustive insights about two traditional channels, physical and virtual. But the explosion of the startup phenomena and the second industrial revolution created the need for an integration of the theory. They gave birth to the virtual – virtual channel (Kotler & Keller, 2002).

Almost everything can be bought and shipped via web. People are no more required to materially betake oneself into shops or into sale managers' offices - when dealing with business to business purchases-. We are now in the age where human relationships and interactions are cut down. Anyway, this astonishing phenomena created impressive opportunities to the entrepreneurs who own the knowledge to exploit it.

Industry and market structures sometimes last for many, many years and seem completely stable at the sight of the most. But entrepreneurs are able to see in the dark and discover the unknown.

A change in the industry structure offers exceptional opportunities highly visible and quite predictable to sturtuppers. When organizations perceive these same changes primarily as threats, the innovative entrepreneur thought let them to analyze the alteration as a future strength upon which built a sustainable business model.

Therefore, an innovation could not arise only from a new product or a new service with a disruptive technology, but a change in what is the common definition of a given market structure could even be a source of innovation. A window from which an entrepreneur could exploit opportunities for a radical change.

That is what we are witnessing in recent years. The new virtual – virtual market channel boosted the growth rate of the ecommerce worldwide, and in Italy. Entrepreneurs, due to a better logistics and innovation management practices, shift their endeavors from manufacture SMEs to ecommerce startups in order to take advantage from the market structure changes. This new trend is clearly observable in a study published by Casaleggio Associati in 2015 on the Italian ecommerce sector. The results show how the ecommerce industry in Italy was worth approximately 24.2 billion euro in 2014, which means an overall increase of 8% compared to 2013.

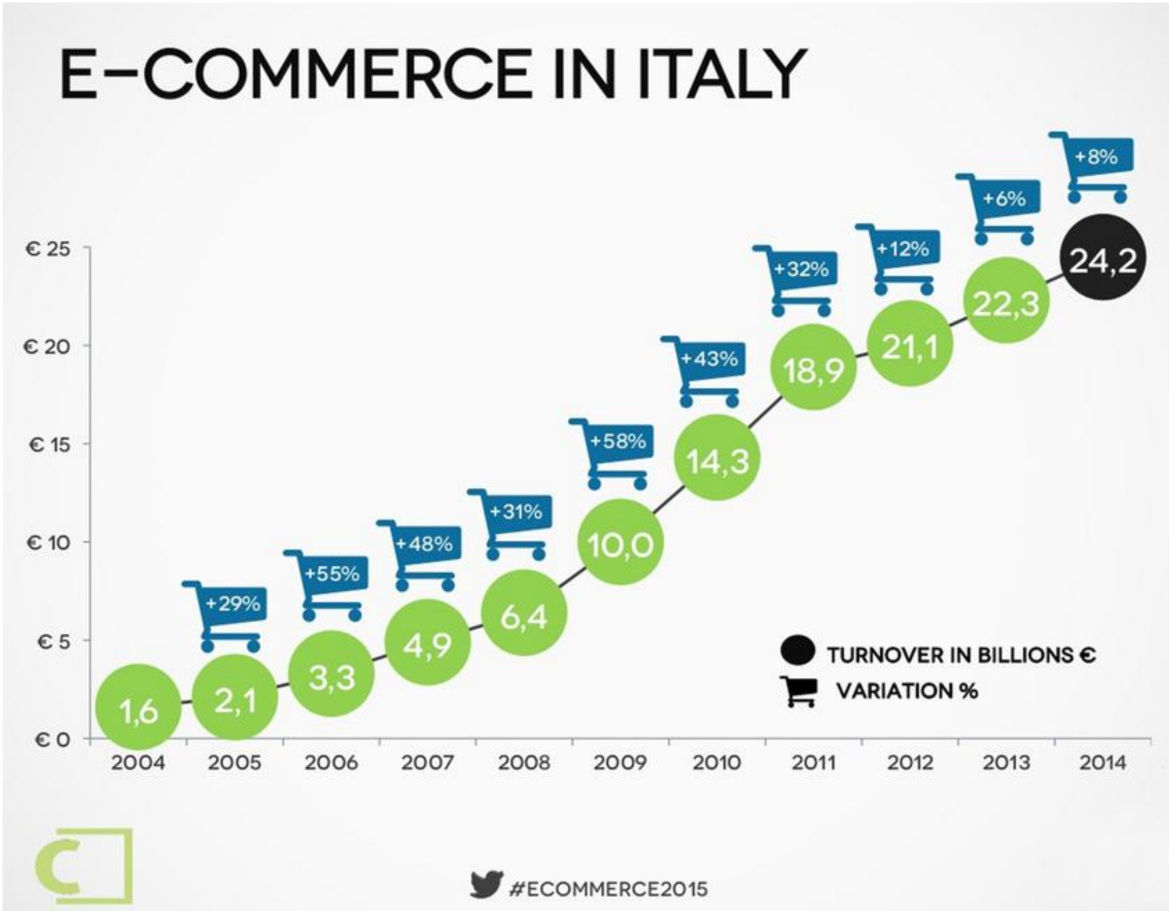


Fig. 2.3: E-commerce growth rate in Italy. Source : http://ecommercenews.eu/ecommerce-in-italy-was-worth-e24-2bn-in-2014/

Furthermore, since 2004 this growth seems massive and unstoppable. In this comprehensive document, it says the ecommerce industry has transformed profoundly in last years, by maintaining an enviable growth for a country that's used to seeing its GDP decrease. Indeed, it accounted in a turnover increase of 22,6 billion and an average total percentage increase of 32% - Figure 1.3 -.

These results lead once again to undisputed importance that startups are gaining in last years as drivers of the whole financial and economic system. Therefore, pushed by these trends, policymakers are required today as never before to let innovative entrepreneurs, through incentives and the simplification of regulations, to exploit the opportunities arisen by the new channels growth.

2.3.1 Channels at Feat Food

At Feat Food, through the new virtual-virtual market channel, we created an unique way-to-market strategy. Conversely to the business models proposed since then, that were based on showcasing various independent restaurants on the different online platforms, we developed a food ecommerce that does not only act as a bridge between restaurants and customers, but that, thanks to a partnership, enables us to produce in outsourcing our recipes and to directly sell our offerings. Further, we allowed customers to purchase the products in both web and mobile channel, exploiting in this way, the amazing growth of the whole ecommerce industry. In particular, thanks to a better logistics and the management processes' practices that the new market channels offer and of which we were master, we were able to optimize both the inventory and production costs while guaranteeing a real time delivery.

2.4 Customer relationships

In this business model canvas, the new venture academic entrepreneurship describes the startup mantra. Once known who their customers are, entrepreneurs have to describe everything that surrounds the startup's real value and they have to build every process with it clear in mind. Effective customer – centered startups are adept at building customer relationships, not just products, they are skilled in market engineering, not just product engineering. Through the means of the technology they own, they must achieve different ways to satisfy their customer needs and to build loyalty.

This phase could be seen as a conglomerate of two out of four steps of the innovation development process proposed from academics. Entrepreneurs have simultaneously to identify a market strategy financial need, as described in the analytical planning, and to draw the ways by which they will bring value to customers, as stated in the last step of the process, the commercial application.

Literature roots a wide baseline upon which entrepreneurs could build an accurate financial analysis. In the new e-commerce startup marketplace, the aim has shifted to two critical pillars to be achieved from entrepreneurs, without whom the failure will be unavoidable. Indeed, startups have to acquire and activate customers through the earned and paid media. Their critical importance is even emphasized in this phase, because once defined a first hint of a marketing plan, entrepreneurs have to figure out two key metrics, the ones upon which all the business model is built. The customer acquisition cost - CAC - and the lifetime value – LTV-. To compute the customer acquisition cost, entrepreneurs are required to analyze the whole cost of sales and marketing over a given period, including salaries and other headcount related expenses, and divide it by the number of customers that they acquired in that period. By this way they get the crucial value of the expense incurred to acquire and activate a single customer.

$$CAC = \frac{MCC}{CA}$$

Where:

- CAC = Cost of customer acquisition
- MCC = Total marketing campaign costs related to acquisition (Not retention)
- CA = Total customers acquired

The lifetime value conversely is given by the ratio between the expected Gross Margin the entrepreneur could foresee to gain from a customer and the lifetime of the relationship.

$$LTV = \sum_{i=0}^{n} (Transaction) * AGM$$

Where:

- AGM = Average Gross Margin

To be successful and build a sustainable business the lifetime value must exceed the customer acquisition cost – LTV > CAC -.

Innovative performance indicators (Eric Ries, 2011) are crucial to the normal course of the business, this is a basic entrepreneurship practice taught in almost every academic entrepreneurial class.

The degree to which a startup is expected to grow is mainly driven by the profitability of each customer, the acquisition customer cost and the repeat purchase rate – which is a representation of the lifetime value -, these factors are the pillars of what is normally called innovative accounting (Eric Ries,2011) that enables startups to understand and prove through hard data whether or not they are growing. An objective analysis of the drivers of growth is essential in order to achieve the short period first main objective of the most of startups, that is, raise and collect funds or grants. These drivers prove to investors whether or not the startup engine of growth is stable enough to create a sustainable and scalable business model.

Although these factors are pretty common to all startups, their analysis and their source is not. They are a baseline from which startuppers might start but they are not the end of the journey, they are not a guarantee, if positive, of funds. Each startup has to identify, understand and carefully analyze its funnel metrics, which accompanies customers to make the purchase. Furthermore, startups have to monitor and track each variation, exploiting the opportunities of the unexpected.

2.4.1 Customer relationship at Feat Food

At Feat Food the funnel metrics were those that take by the hand people, lead them to become first users and then consumers. It was not an easy job to identify and understand which were these drivers of purchase, we spent time, energies and we left beside us a huge amount of vanity metrics – those useful to reinforce ego and self- confidence, the ones bearer of failure -. We identify the way undertaken by customers to make the purchase, not making hypothesis but going out of the building and asking to people to try to buy our products through our platform in order to understand the underlying purchase barriers.

As output of this process we were confident to understand our drivers of growth.

- Customers registration
- Customer purchase
- Customer repeat purchase
- Average daily and monthly product purchase
- Conversion versus leading rate
- Engagement rate

Furthermore, we were able to identify our leading main sources, enabling us to allocate more budget to those that resulted more profitable in term of our funnel metrics. We allocated an initial budget of five euro on Google AdWords and the same amount on Facebook Power Editor. Those ten euro brought Feat Food on average eighty sessions in a week and five purchase, with fifty products produced. It may seem not very significant from an entrepreneurial point of view, mainly it was just a simple analysis of what we did in a very short time frame, but from our standpoint it was much more. It was the milestone of our learning process.

Thus, the funnel metrics, analyzed by the lean startup theory, could be assimilated as the predecessor of the two pillars identified in the academic literature – the CAC and the LTV -

, they are the fuel of the engine of growth, and the keystone turns into properly understand their mixture in order to let the startup run into success.

2.5 Revenue streams

Revenue stream is not about the price of the different offerings charged to customers, it is not a synonymous of pricing tactics. Founders must describe the ways through which they will materially make money, the strategies they are going to implement and the value customers are paying for.

This is essentially the milestone of the canvas, the one that investors, business angels, accelerators and venture capital will blindly observe, this is the description of the business model.

Entrepreneurship and innovation literature is overwhelmed of tools and best practices (e.g. Price elasticity, Markup pricing, Target return price) to analyze and describe the two main factors enclosed in the business model.

- Revenue streams: The strategy the startup or the company uses to generate cash flow from each customer segment identified
- Pricing models: The pricing strategies the startup or the company sets to each customer segment identified

As observable, the revenue streams phase, in the empirical entrepreneurial creation and management of new ventures, is nothing else that the perfect counterpart of the second theoretical requirement, that is, a startup *"requires, financial foresight, and especially planning for cash flow and capital needs ahead* (Peter F. Drucker, 1986, p.189)".

The lack of the proper financial focus and the right cash flow projections as well as the proper financial policies are the greatest threats startups have to face. As its definition underlines, the uncertainty is the traveling companion of all the new ventures. Defining a correct revenue forecast is almost, if not totally, impossible whether not accompanied by a true understanding of the basic theoretical entrepreneurial and managerial practices. According to a research conducted by Startupitalia in 2013 the failure rate in Italy after three years from the creation of a new venture is about 80%. The causes are different and should be explained thoroughly, but for the purpose of this paper, it is crucial to focus the attention on the three main financial sources of failure:

- Lack of cash: Cash is always the scarcest resource available to a startup, that is why the primary medium term objective is commonly to rise a first round of capital to start the business. Therefore, a mutually inclusive true understanding of the capital needed in the early stage and a proper revenue forecast to sustain the growth, are the core element to achieve in order to make a reliable investment plan to present to the various sources of capital.
- Inability to raise the capital needed for expansion: Once rose a first round of investment startups are greedy of money. Entrepreneurs tend to focus all their efforts on profits rather than to its predecessors, that are, cash flow and control, in order to make a sustainable business. "*Growth has to be fed. In financial terms this means that growth in new venture demands adding resources rather than taking them out* (Peter F. Drucker, 1986, p. 194)". This phenomenon turns into burn a probable sustainable revenue stream, that results in a hard proof to the sources of capital of a lack of a cash management capability, making the rise of a second round of investment almost impossible.
- The loss of control: Startups failures may also raise after an adequate financing and a proper cash management, implemented through a reliable cash flow forecast, that is, describe a worst case scenario rather than hopes and utopias. Growth has to be sustainable but entrepreneurs' skills have to sustain the growth. A lack of entrepreneurial and managerial capabilities results into a loss of control, with expenses, inventories, and receivables in disarray. Startups to be successful and to turn into organizations have to outgrow their capital and organizational structures, sloughing to adapt their exoskeletons to the changes.

In particular, all these sources of failure could be avoided by a proper financial forecast made by a true knowledge of the academic literature tools and frameworks.
Entrepreneurs in order to understand their revenue stream ought to prepare a reliable financial forecast, drawing up the income statement projection for the following three years, the discounted cash flow forecast, the Enterprise value and the Internal rate of return -IRR - of the project.

2.5.1 Revenue streams at Feat Food

At Feat Food the revenue streams forecast for the following years outlined a sustainable growth diagram, due to an optimal lifetime value of our customers, a good acquisition rate and mutually exclusive sources of revenues. Furthermore, the project guaranteed an IRR equal to 362%, it is important to underline how crucial is this number to fundraising' objectives. Indeed, business angels and venture capitalists are led to invest only in startups that ensure them a 30x or 60x scalable business model. Thus, being able to properly show them the reliability of the project, through hard data and financial forecasts may establish the startup success or failure.

Besides, identify and achieve mutually exclusive sources of revenues is a crucial point to underline. Cover the back tapping the sap from different revenues sources is crucial to grow, to provide a sustainable business model and to be able to add financial resources to the business continuously.

2.6 Key resources

Key resources underpin the startup competitive advantage, the hidden reasons that pose the line between success and failure. Entrepreneurs need to have complete awareness of what are the most important factors that make their business model to work. Literature usually divides them into human, physical, financial and intellectual and provides a full understanding of what founders have to look for.
Nevertheless, academic entrepreneurship does not give exhaustive insights about how to

properly manage key resources in the early stage of a new venture and it does not let entrepreneurs to be masters of the regulations and laws they need to satisfy when dealing with intellectual proprieties.

Human resources are commonly defined by both literature and reality, as the predominant factors in the whole range of the organizations processes. They are the trunk upon which the company architecture is erected and it supports itself.

Human resources in startup terms, are both the team and the community structured around the founders. Innovative entrepreneurship requires a continuous search of a purposeful innovation in order to face its various sources as opportunities rather than as threats. To make it possible, entrepreneurs have to build organization voted to this aim. Human resources within it must be intrepreneurs rather than managers, they have to learn how to balance the search for new business models, for new markets, for new customers, while maintaining and holding those competencies upon which they built their working business model. Anyway these architectural structures could be erected only with founders support, indeed as always, entrepreneurs have to set the direction that both the team and the community have to follow.

The academic entrepreneurship has identified three distinct theoretical lenses useful to interpret the entrepreneurial team formation process : “*the resource seeking perspective assumes that the teams are formed in order to access the skills and resources embodied in specific individuals; the interpersonal attraction prospective suggests, instead, that team formation is limited by members’ psychological needs and by their structure of social networks (Forbes et al.2006); the institutional perspective claims that team tend to reproduce the institutional arrangements characterizing the organizations or social context in which they are embedded (Ensley & Hmieleski 2005)* (Department of Economics and Statistics, University of Udine, 2010, p. 12)”

Besides the intrinsic and underlying reasons that the literature postulates for startup team formation, every "*Startup teams require three structural attributes: scarce but secure resources, independent authority to develop their business, and a personal stake in the outcome* (Eric Ries, 2011, p.253)".

Being able to deal with scarce resources is an intrinsic capability of startups, indeed almost every new business starts small, with poor budget and an isolated support of the founders, to became large, through financings and new human resources. Although its origins, startups may forget how to manage scarce resources once filled by capitals. Therefore, since the early stage of growth entrepreneurs have to build an architectural structure capable to create and properly manage secure resources, that is, that unique ability to mutate and adapt itself to the continuous changes of the environments (Eric Ries, 2011). In order to solve to this task, entrepreneurs may structure cross-functional teams, namely, a full-time representation from every department in the startup, managed by intrapreneurs, who are endowed by an higher margin of error for a purposeful innovation. This is the second crucial and necessary attribute of every startup, namely the creation of independent authority to develop a business within an organization, that requires much less capital overall and much more involvement in the search for purposeful innovation by the human resources within it. Only when this trustful environment is created and a common mindset direction is traced alongside the whole new venture, a stimulus to a personal stake in the outcome must be established. Although literature indicates financial incentives, inter alia in the economic entrepreneurship theory, as the motivators that boost an entrepreneurial behavior - which is the final aim to be built within every organization - they could not solely be seen as the unique retribution method. Rewards as well ownership of the innovation disclosed may result in an astonishing degree of involvement, that could not arise and be obtained from common financial payoffs.

Startups as a rule of thumb, given their intrinsic definition, are scarce of both physical and financial resources in the early stage of their life. Company facilities as well funds are a chimera for new ventures that should be gained in their wildest dreams. Usually financial resources drive physical resources through investments, indeed, in their growth process startups create facilities in order to be more efficient and productive satisfying the unsolved market needs and wants they discovered.

The life of every new venture must go through an investment plan, with the explanation of both the budget required and the uses the entrepreneurs will make of it, which will be then presented to the various sources of funds, namely business angels, capital venture, accelerators, incubators, crow-funding platforms and private banks.

If human resources are the trunk upon which the company architecture is erected and it supports itself, intellectual resource or propriety are the fruits of the new venture tree.

As a fundamental requisite in order to be recognized and eligible as an innovative startup according to the Italian legislation, the corporate purpose must be the development, the production and the commercialization of innovative products or services characterized by an high technological degree (Registro Imprese, 2013), therefore, trademark, patents, and copyrights are necessary, if not essential, according to the Italian Civil Code, to have access to financial, bureaucratic and tax breaks.

As a whole literature provides an exhaustive description of the different intellectual propriety that organizations may register and, hence protect against reproduction and theft:

- Patents: A patent, in Italy, is a title that allows the individual who has developed an invention, to produce and commercialize it in an exclusive manner, in the state in which the patent has been requested. In the Italian Civil Code, Art. 45 CPI (Industrial Property Code) states that inventions that belong to any technical field can be patented, and it foresees instead that discoveries, scientific theories and mathematical methods; layouts, principles and methods for intellectual activities, for play or for commercial activity and computer programs; presentations of information cannot be patented.

- Trademark: A trademark is a sign that identifies a good or a service. Art. 7 CPI (Industrial Property Code) states that the following can be registered as a trademark in Italy: all signs that are susceptible of being represented graphically, in particular words, including the names of persons, drawings, letters, numbers, sounds, the form of the product or of the package thereof, chromatic combinations or tonalities, provided they are suitable to distinguish the products or the services of a company from those of other companies.
- Copyright: The copyright act allows protecting from infringement different kinds of creative works, particularly books, songs, screenplays, drawings, photographs and software. With copyrights an individual is not protecting the idea as is, to provide a certain service or create a certain product, but the way in which it is expressed and its tangible form of implementation.

Although literature deeply defines the different intellectual propriety entrepreneurs may request, it does not give exhaustive insights about the various and disheartening bureaucratic norms that must be faced and the labile protection they guarantee – for instance software codes protections may be bypassed thanks to the change of a semicolon in a query -. Furthermore, if on one hand the Italian institution, literally pushes for the creation of startups, through financial incentives and tax breaks, on the other side it discourages ambitious students and entrepreneurs rising the costs necessary to acquire patents, trademarks and copyrights.

2.6.2 Key resources at Feat Food

At Feat Food, it took twelve months and different incomprehensible costs, from the trademark request at the Chamber of Commerce, to its final release. Twelve months required to state that the brand we developed was unique and protected against theft.

As long as the Italian institution does not fully understand that dreaming students and innovative new ventures are the main vehicles for job creation and for the whole economic system well-being, it will only continue to clip the wings of eager to do entrepreneurs and lead the country to an intrinsic and unstoppable economic malaise. Thus, instead of penalizing, discouraging and making difficult to be innovative, through the rise of patent fees and defining intellectual propriety requests as anticompetitive, it should stimulate a purposeful innovation within it, freeing entrepreneurs from stringent bureaucratic rules and oppressive costs.

2.7 Key partners

Successful new ventures are asked to build valuable integrated marketing channels characterized by a commonly oriented supply chain toward the fundamental prerequisite of every organization, namely, deliver real value to final customers.

Academic literature provides exhaustive insights about the strategic and tactical issues in integrating the various marketing channels and developing value networks within the supply chain. Furthermore, it offers a broad range of tools to entrepreneurs in order to execute the better choice in the delicate and fragile decision about the selection of key partners. A mistake in this critical step may compromise and break the balance of the whole supply chain, bringing its members to failure.

The recommended framework is usually named by literature demand chain planning. According to it, organizations should first identify and analyze the target market they want to serve, with the unsolved needs and wants of its customers, and then design the whole supply chain backward. Thus the destination point of the value network developed should no more be the company itself, but the final customer, with all the relationships established alongside the supply chain as the critical factors essential to achieve their value satisfaction. The demand chain planning yield further and several insights. It enables organizations to estimate whether more revenues or less costs are incurred upstream or downstream the supply chain in order to implement an integration decision in the more profitable side of it. Likewise, it lets firms to be aware of whether a more efficient and effective communication between the network partners is necessary or not, so that the organization could reduce costs and increase accuracy.

In particular, the broad comprehensive range of frameworks suggested by academic literature that could be helpful for managers of established corporations, may result useless to entrepreneurs in the early stage of startup, that rarely may implement strategic decisions with all the factors and insights required for a proper usage of them. Therefore, the common pitfall of the academic system arose once again, the tools provided to students are structured to be implemented in already existing companies rather than to form eager to do entrepreneurs.

Innovative entrepreneurs once defined the target market and the minimum viable product came out from their vision, should identify partners and suppliers essential to their startup to make their business model to effectively work.

In particular, essential for new ventures, in the value network design process, is the truly understanding of their market size and importance compared to the other supply chain members. Startup in their intrinsic definition are small confronted to established organizations. Thus, with this concept clearly fixed in mind, startups have to identify both partners and suppliers that could guarantee them shared economies, a mutual success or failure and a co-development of the final whole product. Entrepreneurs should carefully analyze each key partner in order to truly understand what key resource may it gave to the startup, holding its hand and letting it to grow without further concerns. Effective partners should provide new ventures with at least one of the following advantages:

- Faster time to market
- Broader product offering
- More efficient use of capital

- Unique customer knowledge
- Access to new markets
- Processes and operations simplification

In the supply chain every intermediary ought to see the other members in the same way it sees its end customers, providing effective efforts to achieve a common goal. To let it possible an integrated supply chain requires an efficient and structured communication system within its members, developing an integration among the different Enterprise Resource Planning – ERP – systems. Through truly integrated and transparent operational processes alongside the supply chain, new ventures may create value for their customers in a more efficient and effective way.

2.7.1 Key partners at Feat Food

At Feat Food, the receipt, the analysis and the management of the various orders, including the forward of their insights to suppliers -couriers and production centers-, was made through an ad-hoc developed software infrastructure that guaranteed and generated the automation and the integration alongside the supply chain of the entire processes.

A dashboard connected to a database, that we designed and developed with web-based technologies, ensured the monitoring of orders in real time.

In this way not only the system administrators but also the suppliers, through authorized access, were able to monitor the different orders processed, delivered or in the queue.

The web application was designed by an highly innovative algorithm, that studied the information stored on the databases, highlighted the possible mistakes on the processes, while analyzing the working times schedules, by this way we were able to delete and avoid the margin of error given by human intervention, ensuring with a minimal effort the maximum production level.

At the end of the process a final report extracts data that help us to act in advance on the most critical points in the production chain, by scheduling interventions that act on possible shortcomings and make the whole production process smarter.

Output of the whole integration of the Enterprise Resource Planning systems were the records of orders that were sent to both the manufacturing plants and the service operators involved in the delivery, who get all the specifications and insights of every delivery, to guarantee, the right product, to the right customer at the right time.

2.8 Key activities

Academic literature defines key activities as that unique knowledge and expertise entrepreneurs own, that make a business model to work, and that represent the keystone of successful new ventures. These essential factors, internal to the organizational processes, are the building blocks that laid the foundations in order to let the business model be replicable and scalable.

In consolidated organizations key activities could be easily detected at a first sight and after a brief analysis into their operational structures. These are those intrinsic elements that create the company competitive advantage and that could not be replicated. Literature provides exhaustive insights about existing businesses' internal activities and processes. Academic classes form students with the needed knowledge to optimize operations within these structures, eliminating errors and their slowdowns. It explains a business process as an organized set of activities and decisions, aimed at creating an output actually requested by customers, to which they attribute a well-defined value (Gianfranco Caniato, 2014).

In existing organizations business processes represent how is actually carried out the activities and work, linking the company's activities with the needs and demands of customers, and incorporating, in their execution the business strategy, while creating opportunities for competitive advantage. Furthermore, to optimally exploit the opportunities risen from their proper management, they are generally cross-functional and horizontal to the organizational structure and could be extended beyond the corporate boundaries. The execution of the various activities within the existing business is outside the traditional vertical hierarchical structures, indeed no manager or intrepreneur is individually responsible for the execution of the entire range of activities within a given process.

Students are further provided with a broad set of tools and frameworks (e.g. WBS, RAM, OBS) to be capable to manage key activities and hence, to optimize through consolidated best practices the different organizational processes. In existing businesses, the identification of the process' key activities could be carried out through the Work Breakdown Structure – WBS – that through an iterative procedure done by successive approximations, decomposes the process into smaller and smaller aggregates of activities, until the process' stakeholder gets to identify the activities and the elementary work packages. Once intrapreneur has identified these activities, he is able to design the whole organizational structure to support and optimize the process through the Organizational Breakdown Structure – OBS – and to simultaneously allocate the various human resources thanks to the Responsibility Assignment Matrix -RAM-. At this stage, literature, through exhaustive information enables managers to optimize the business processes via a subsequent set of frameworks. It defines the starting point through the Reticular Techniques, thanks to which it is possible to explain the temporal logical relationships between different process activities, only afterwards managers can manage the uncertainty on the estimated time for the different activities via the Project Evaluation and Review Technique –PERT-. Once identifies and analyzed those activities marked as critical to the whole organizational process, intrepreneurs can define the time schedule and set the milestones with the Gantt Diagram. Thus, they are asked to verify the feasibility of the plane from the point of view of the resources used via Resource Levelling framework, and to optimize the whole set of activities though the Cost Breakdown

Structure-CBS-, computing and allocating the activities costs, and hence, in this way, creating that unique competitive advantage for the existing business.

Although the deep explanation and the easiness through which key activities could be noticed, analyzed and optimized in existing organizations, the same does not hold for startups. The usual gap between new venture creation and consolidated business management risen once again. Startups are not created yet, further, they are commonly short of both human and financial resources, thus, these factors make almost impossible to entrepreneurs to implement the literature best practices. Nevertheless, when drawing the business model canvas startuppers must be aware of what activities they need to perform better than competitors. They are asked to understand what unique processes of their business model are crucial to deliver the value proposition to customers, channel members, stakeholders and let the startup to generate the projected revenue streams. Therefore, how can entrepreneurs solve to this task if they cannot use the tools taught by literature?

This academic pitfall can be easily bypassed through a brief reflection and analysis about the role and the meaning of key activities. As observed, they are that unique knowledge and expertise entrepreneurs own, that make a business model to work.

2.8.1 Key activities at Feat Food

At Feat Food our business model was expected to daily deliver fresh, healthy ready meals to our final customers after an online purchase. Thus, we wonder in what we were asked to be the best performer in the marketplace. Answering to this question led us to come up with the solution of the academic pitfall. We needed a sustainable and high performing operational software to manage the astonishing daily amount of different orders, a user interface design that facilitates the user experience and the purchase, and an efficient and effective consumer branding.

Thus, entrepreneurs ought to identify those set of activities that let their business model work and be unique.

2.9 Costs

The epilogue of the business model canvas relies upon the dark side of every business, the one each manager is timorous to tackle, namely, costs.

Although costs elicit to be a great concern to bear for the majority of organizations, from which they could be overwhelmed, such element is critical in every company life and it must be bravely faced.

Costs are deeply and exhaustively discussed in almost every academic class, whether it is an entrepreneurial one or not. Students, since the wake of their university career, are flooded with notions about variable and fixed costs. They are taught how to estimate total costs, average costs and the optimal production point in order to maximize the quantity of a given factor of production with the minimum expense, as well as they are provided with economies of scale or experience and learning curve tools. Nevertheless, the more the classes are entrepreneurial oriented, the more the insights about the various frameworks will be. Coming out to have as their climax the preparation of every organization must-documents, that is, the Income Statement and the Balance Sheet.

This final academic purpose prompt once again its usual pitfall, leading the university system to fall as always, when dealing with startups, in the manager fallacy. Both spreadsheets are execution documents, hence, of which existing businesses managers are masters, and new ventures entrepreneurs are simple executers. In particular, as previously discussed, consolidated organizations execute plans, startups search plans, thus, for the latter's intrinsic nature, planning comes always before than plans.

It is increasingly accepted that startups rely upon innovative accounting to fully understand whether they are on the right path of their growth process, rigorously measuring present metrics and devising experiments to learn how to move their data into a defined cash flows projection, preparing, as final output of the whole process, a business plan with reliable numbers. Therefore, entrepreneurs are asked to search, identify, understand and analyze those critical actionable, accessible and adaptable metrics to prove objectively that they are learning how to seed a sustainable business model.

So far, this paper has analyzed and exhaustively discussed the broad set of metrics related with the other canvas elements, pinpointing the methods critical to learn and to pivot the value proposition, customer relationship and revenue streams strategies.

Regarded as established the omnipresence of costs, it seems obvious their strict relationship with all the other business factors., inter alia they are closely linked to revenues streams. Indeed, costs sets the floor on the price the company can charge for its products and services, forcing organizations to set one that covers its costs of production, distributing, and selling the product, including a fair return for its effort and entrepreneurial risk.

New ventures ought to pinpoint their operating costs metrics, that is, define the overhead and variable costs necessary to their operating cycle, described by academic literature as the amount of time it takes to convert raw materials into a final product and sold. Compute such metrics is presumably simple for the most of entrepreneurial students, indeed the university system provides every economic class with a complete and wide range of frameworks to identify and analyze both fixed and variables costs, dispensing this paper with the need of their further discussion. Despite a footnote about overhead costs is needed. Students are used to be taught that these costs do "*not change with an increase or decrease in the amount of goods or services produced. Fixed costs are expenses that have to be paid by a company, independent of any business activity* (Investopedia)" Once provided with this definition entrepreneurial students thoughts are turned to machinery, rent, insurance premiums or loans payments, as sources of fixed costs, and it is a common mistake to include only these expenses in the capital investment plan to present to the various sources of funds, leaving out all legal and bureaucracy costs. New ventures have to face constitution fees as well as patents, trademarks and copyrights tariffs. In Italy such expenses are not deductible from taxable, and thus entrepreneurs must be aware and conscious of the amount they are going to pay in order to include them into the capital investment plan to be set out. Inasmuch such intellectual properties costs are not included in the different financial spreadsheets, entrepreneurs may be overwhelmed from their astonishing amount. In example in order to patent a startup intellectual property, "*Patent Cooperation Treaty- PCT -applicants generally pay three types of fees when they file their international applications:*

1. *An international filing fee of 1,330 Swiss francs*
2. *A search fee which can vary from approximately 150 to 2,000 Swiss francs2 depending on the ISA chosen*
3. *A small transmittal fee which varies depending on the receiving Office.*

(World Intellectual property organization, 2016)"

Besides costs strict correlation with revenue streams, they are also linked to the canvas via all the other critical elements, that is, channels, value proposition and customer relationships. Indeed, entrepreneurs must analyze those set of metrics related to both the internal and external processes related to the supply chain that the startup is going to build around itself. Channels costs have into every business, whether consolidated or newborn, an undisputed importance, and they could be enclosed in three main metrics:

- Channel promotion costs needed to show up the product to customers
- Channel discovery, integration and monitoring of suppliers
- Channel bureaucracy and legal extra-charges

Customer relationships costs are turned out by the business model engine of growth, the get, keep and grow metric, the customer acquisition cost – which, as already discussed, must be lower than the lifetime value to let the business model to grow – that is, the expenses incurred to acquire and activate a single customer.

Value proposition related costs are picked out from both the mere product or service costs, necessary to materially design and develop it, and the costs arising from competitors, as the expenses needed to gain a market share into the marketplace or as the costs related to the market type where the startup is going to enter.

The epilogue of the startup cost structure relies into the combination of all these various sources of expenses that literature only in part fully describes. Entrepreneurs must be completely conscious of the full set of outgoings there are going to face to let their business model to sustainably grow. The undisputed importance of a clear startup cost structure is clearly observable; indeed, besides this essential canvas element is hidden the real source of growth and success of every businesses, the net profit margin, thus, entrepreneurs must be aware at both variable and overhead costs, considering in the latter all the concealed expenses previously discussed, in order to measure how much out of every dollar of sales a startup actually keeps in earnings.

New ventures cost structures follow approximately all the same path, made up first by the outgoings incurred to create a minimum viable product to test in the market and to pivot, that may be the design and the development of the web and mobile application, or the production of a leading tangible prototype, as it was at Feat Food. Than different costs arise from the necessary expenditures to acquire and activate early adopters, critical to get in touch with the concreteness of the innovative entrepreneurs' vision. The next step is composed by the supply chain related costs, whether they are organizations or freelancers, they are both critical to the development of the offering and must be accurately selected, supported and monitored. Finally, a startup cost structure usually follows up all the legal and bureaucracy costs, that could be faced immediately or postponed once funded.

2.9.1 Costs at Feat Food

At Feat Food we constituted before funds arrival in order to implement a Test Market which could let us to pivot. This decision was driven by the legal and health norms and regulations we needed to satisfy, indeed due to the nature of our offering, that is selling fresh food products, we were obliged to simultaneously have a legal form and to obtain various health certifications, that lead us to immediately face different overhead costs.

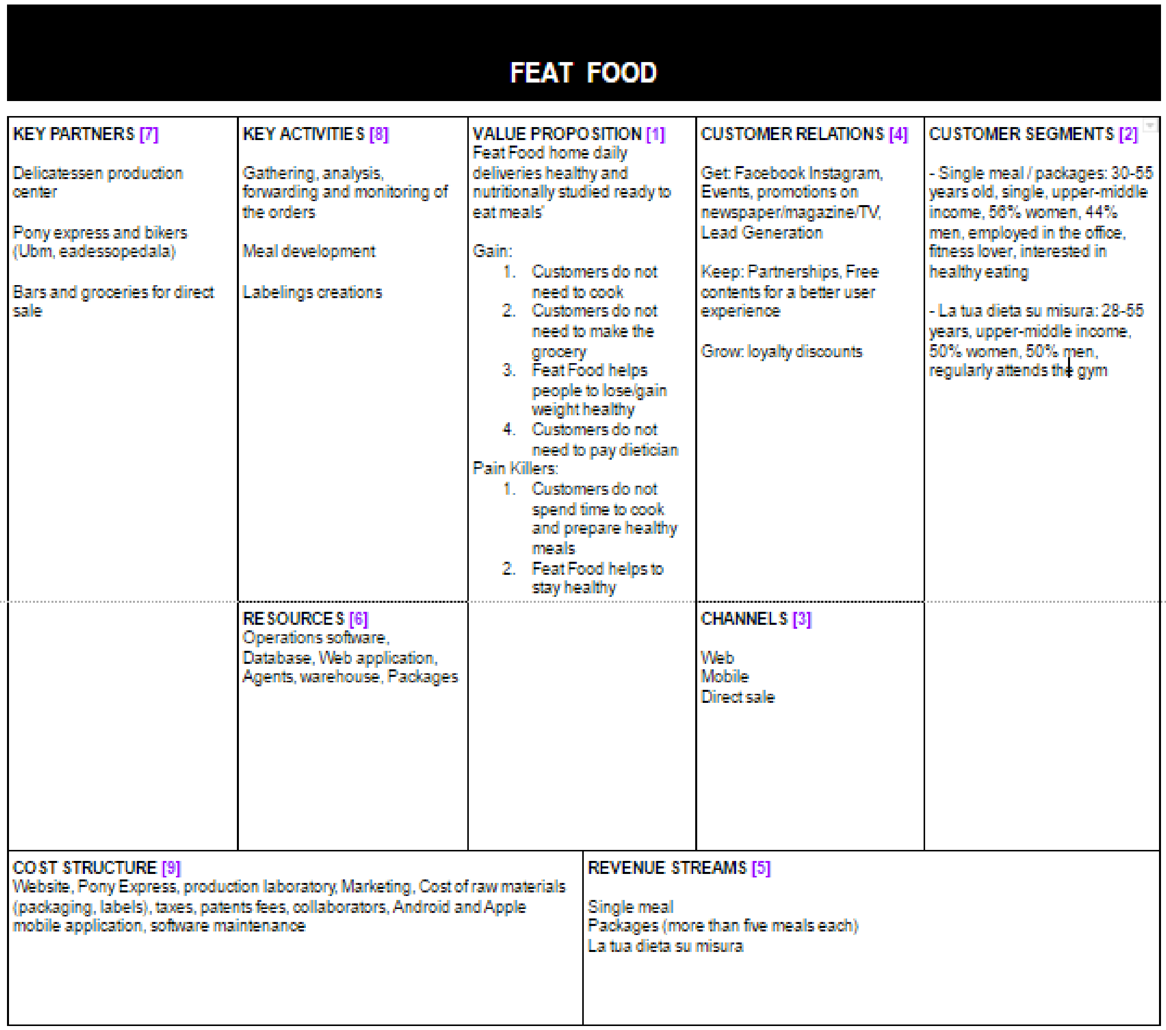


Fig. 2.9.1: Feat Food first business model canvas. Source: Own processing

3. A NEW APPROACH TO THE BUSINESS MODEL CANVAS

Analyzed and discussed the conceptual frameworks suggested by academic entrepreneurship for startup creation through the business model canvas, the paper will now demonstrate further processes to be added to this common flow provided by academic literature. Thus, the dissertation will suggest other factors to the nine commonly discussed by scholars (e.g. Steve Blank 2012, Eric Ries 2011) in the canvas, which act as essential connections within it. The critical perspective is provided by the data and the results arisen from the direct experience gained at Feat Food, which prove that an extension to the usual business model canvas may result in optimal startup performance.

3.1 The vision

Everything begin from a vision. Everything continues through a vision. Everything will end with a vision. But, what is exactly a vision? In the stream of literature, it has been defined in so many different ways; Kotler (1990) defines it as a “description of something - an organization, corporate culture, a business, a technology, an activity - in the future”. El Namaki (1992) considers it as a “mental perception of the kind of environment an individual, or an organization, aspires to create within a broad time horizon and the underlying conditions for the actualization of this perception”. Miller and Dess, (1996) view it simply as the “category of intentions that are broad, all inclusive, and forward thinking”. But there is pitfall in all these definitions. They consider organizations, not startups. The vision for a startup is a dream. It is something that bring the founders to overcome the challenges, to put all their efforts in building something new, something disruptive. They see and believe in something that no one can perceive. The vision is the manure from which the startup tree will build its roots, and from which it will continually take energy to grow. The vision will accompany the startup along all its life, it will be the only element that will remain constant and immutable in the future. All the present and future products created by the startup will be a manifestation of the vision.

At Feat Food the vision born as a dream, and like in a dream, everything was clear and colorful since the beginning.

*“*Feat Food aims not to deliver only meals, but to provide its customers with health, giving them back the time of their life.”

Since the first moment, the vision is clearly designed and traced in the mind of the founders, but in the most of case, it results hard to explain to people, who must know what the vision is.

That is why the vision statement is one of crux to be set since the beginning. Nothing can be born without it. All the people involved in the future processes of the startup will work with it in their mind. It represents that thin line between success and failure.

A good vision statement will provide the employees with the explanation of why and what they are working for. It sets their direction.

A clear vision statement not only will allow the company to get customers, but it will allow it to get, keep and grow them. These represent the three factors of success, and they must sound like a mantra in the mind of the founders. Indeed, the new ventures academic literature defines these elements as the pillar upon which the stream of startup theories sets its roots.

A strong vision statement will enhance the startup with the power to negotiate with suppliers. It clarifies the quality of the products supplied.

With the evolution of startups' academic literature, scholars offer a wide range of enlightenments in order to apply concepts and models developed. Indeed, they provided some rules of thumb that help founders in creating a proper vision statement, that represents a pinnacle for new ventures.

- The vision statement must be short and memorable. No more than two sentences are needed. It should remain nestled in the mind of all the people that get in touch with the startup.

- The vision statement must be specific and describe a unique output that the startup can provide to its customers, compared to the market offerings.

- The vision statement must be formed by clear and simple words. It does not have to leave room to misunderstandings.
- The vision statement must set the road that the startup has to follow in the future, thus, it must be inspirational.
- The vision statement must enclose the value that the people who work in the startup has to exhibit as they perform their duties.

Therefore, the vision must be set and spread within the startup since the beginning of its creation, whether it is developed by a single or more entrepreneurs, a clear vision statement must trace the common route to be undertaken by all the actual and future stakeholders of the project.

3.2 The acknowledgement process

After stated a clear and simple vision statement that represents the pinnacle that everyone within the organization has to follow and the core element to achieve the startup mantra, get, keep and grow, the academic literature suggests to define the corporate mission. In practice, other paths are followed.

Despite the undisputed relevance of the mission statement, the next step to be followed by entrepreneurs is not about drawing up it, but it is about the creation of a first personal experience. The first time founders are really getting in touch with their dream. Whether entrepreneurs are out of the building talking to people or still sited on the desk surfing on the web, they are materially touching their vision. This is the acknowledgement process.

Get information from every source. People, web, newspaper or journals, here, 'know' is the pillar.

Knowing about potential competitors that may satisfy in a similar manner the need that entrepreneurs discovered; Knowing about the market; Knowing about the channels to sell the outcome; Knowing about potential suppliers and potential costs; Knowing about potential customers and potential prices to set; Knowing about regulations, laws and the bureaucracy needed.

In this phase it is essential to draw an idea of what the business model will look like. Academic studies stress how the core for new ventures is not the product but the vision. Thus, everything can change while founders are getting closer and more aware about the environment that surround the startup vision.

Once at Feat Food the vision statement was drawn, we knew the direction to undertake but we did not know anything about the market, competitors, potential shareholders, what regulations Feat Food needs to satisfy, what legal form to choose and who materially is going to supply Feat Food with the required materials to create the offerings.

The Internet, in general, and Social media, in particular, were the first world in which we entered no more as students but as a startuppers. Nowadays Facebook, Twitter and Instagram cannot be seen anymore only as social platform were people can be connected with their friends and share their thoughts. They transformed their scope. They are enclosed in those marketing sources called paid media, or paid demand creation activities, they allow organizations to show their ad or brand for a fee, giving to marketers a host of new ways to interact with customers and consumers. They aimed to interact with us as potential consumers, while we aimed to interact with them as potential competitors.

Nothing arose from the search. There were similar offerings, but nothing comparable with our vision. I discovered something. I saw something that no one was able to see before. I was happy. But I realized that I was no one. I was alone, and I did not have idea in which way I could materially create my offering. I was not a chef. I did not have a kitchen. I needed someone else who can help me. I started to look for a potential shareholder, because a startup cannot be run individually. No one can do everything simultaneously. If a founder tries to do all the tasks at the same time with the help of nobody, he will fail. I needed someone else but another questions arose. Who may be a potential partner?

The literature comes again. The vision statement sets the road that everyone within the organization has to follow. The values the founders bring into the startup portray those hidden reasons that will let people to choose your product rather than another.

Effective organizations identify and develop a clear, concise and shared meaning of values, beliefs, priorities, and direction so that everyone understands and can contribute.

The values and beliefs of founders or managers are reflected into practices performed by the employees. The best example of the power of values is represented by Target Corporation that promotes enjoyment and fun at all its levels. These shared beliefs are clearly observable once crossed the threshold of one of its stores. Customers are surrounded by smiling employees who try to be helpful in every possible manner. This helped Target Corporation in building its empire. Values and beliefs are the most powerful means an organization can have if it is able to use them.

Therefore, the first drawing up of the business model canvas is the output of the acknowledgement process. Founders drew all the inputs, the thoughts, the hypothesis and the ideas arisen by the interactions with potential customers, competitors, partners or every other entity with whom they came into contact in trying to 'know'.

3.3 The search phase

The final output of the acknowledgement process is a complete understanding of the transmutation of the vision into a concrete set of activities to be performed in order to create the offering. The manure sown gave birth to a bud and the tree is starting to grow.

To provide the startup with further nourishment necessary to grow, the 'know' must be overturned into 'search':

- Search for customers.
- Search for competitors.
- Search for partners.

Startups are about search; corporations are about execution. Everything from this phase until the end will concern this difference, that founders, and not only, have to keep clear in mind. The university system provides students exclusively with execution tools. The perfect way to create a business plan, an operating plan or a financial plan are the pillar of the academic provision, but there are no classes that taught students with the perfect way to build a startup. The search process, which is nothing else that the planning process, is not conceived. If the planning comes before the plan, how can one plan and execute every process of a startup without create a first contact of the concrete vision created with all the stakeholder? The most of startups fail because they plan before planning. Students backfire because they think that they are behaving in the right way, in the way they learned to act. Transform the vision into a vision statement and a mission statement, create a prototype and then a product, build a business plan, a financial plan and a marketing plan, analyze the data, check and act. These repeatable endeavors will bring startups only to failure. The conceptual startup frameworks suggest that there is no plan that will survive to the first contact with customers. The majority of managerial studies taught to students to follow as mantras two mutually exclusive processes, the waterfall development process:

1. Requirements
2. Design
3. Implement
4. Verify
5. Maintain

And alternatively the PCDA cycle:

1. Plan
2. Check
3. Do
4. Act

At this stage it is clearly observable their main fallacy of the whole academic entrepreneurship. In their first steps these processes hide the pitfall where the most of startupper fall. Both ‘Requirements’ and ‘Plan’ assumes and take for granted that founders already know all the possible facets of the customers’ needs, even though they have never directly interacted with them.

The literature states that a need “*is a basic human requirement such as air, food, water, clothing, and shelter, but humans may also display needs for recreation, education and entertainment* (Kotler & Keller, 2002)”. How can an entrepreneur know every possible future feature of its offering, that will satisfy all the broad range of human requirements?

Human reality is too complex to be understood through some hypothesis. Some customers have needs of which they are not fully conscious or cannot articulate. Literature suggests to help customers to learn what they want but not what they need, albeit it is impossible teach to understand a need. A need is something that arises from the inside and it is hidden for the most. Furthermore, a startupper can see only the needs he wants to see, the ones related to the vision of his offering. For this reasons a startupper is shortsighted.

Thus, in this phase the entrepreneurship literature cannot be applied, or better, it should be revised through the introduction of a further step, the search step.

Entrepreneurs have to look for potential customers and search their needs. They have to think outside the box, outside their vision. They must assume that something more profitable than their offering may arise from this search. This is the only way to understand and learn about customers’ needs. This is the only way to do not see the finger when someone else indicates us the moon. They have to talk and directly interact with people in order to revise their vision and adjust their offerings.

The search step is formed by two further phases, customer discovery and customer validation. Among these processes startuppers are required to pivot. Albeit *pivot* is the most mistreated word in management literatures, under a startup standpoint it is nothing else that test and iterate. Pivot consists in testing the primary assumptions arisen from the vision statement and the acknowledge process in order to prove that the vision is scalable. This evidence is one of the three main components that every startup aims to gain along its life. Indeed, every business model must be validated, while it must be demonstrated its repeatability and scalability.

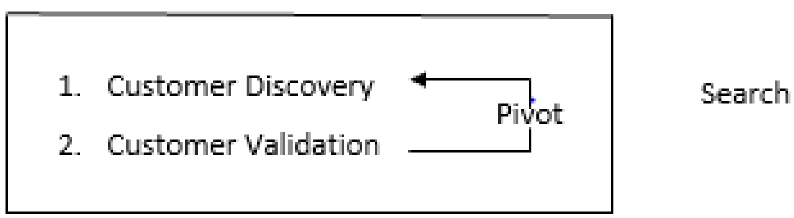


Fig. 3.1: The search process. Source: Own processing

The meticulous description of what a business model is and what are its short, medium and long term objectives, is entrusted to the business model canvas, which is the planning that must come first the plan.

To search could be taught, to execute cannot. As previously stated, this is the main fallacy of the academic system. The shortsighted view of what can be learned. The execution is mainly an intrinsic characteristic of entrepreneurs. One can try to teach to managers to behave entrepreneurially but even if they own every best practices they won't.

"*Successful innovators systematically analyze the source of innovative opportunity; then pinpoint the opportunity and exploit it* (Peter F. Drucker, 1985, p. 139)", instead, managers mainly see the different sources of innovation as a threat, a change in their schematic and analytical mindset, that must be avoided.

3.4 Analyze the startup environment

The next phase of the acknowledgement process consists in figuring out the ways in which a startup can materially provide its offering, transforming the idea into something concrete. Obviously the final outcome drew the steps to be followed.

A physical product requires raw materials and components that may be supplied by some entities, if the startup is not vertically integrated, but this latter scenario for a startup is almost, if not totally, impossible.

A service offering, that is the scenario of the most of startups, may not require tangible intermediate materials but other entities may be involved in the creation process, as web host providers, designers, or developers.

The supply chain must be drawn. All the channel members stretching from raw materials to components, to finished products carried, to final buyers must be known.

The first step is to analyze a bundle of potential suppliers. What does it mean? A startup in its acknowledgement process has a wide variety of ways to create its products. It can vertically integrate some activities and outsource others, or at the two ends, it can completely vertically integrate or completely outsource its processes. What leads to the choice? One may say the costs, and this is partially true, but even regulations and laws play a central role. If a way to produce an offering, through a cheaper supplier or supply chain, brings to a contextually higher bureaucracy costs due to regulations and laws to satisfy, does the game really worth the efforts? No, it does not. In Italy regulations may be stifling, they can destroy dreams under thousands of papers. The aim of the paper is not to exhaustively explain all the underlying norms of the Italian bureaucratic system, but in order to support the thesis reasoning it is necessary to give just some insights about how may result complicated to define a startup, and the step required to solve this task. According to the Italian legislation a company to be defined as an 'innovative' startup, and therefore being eligible for incentives, shall:

- develop, produce and trade innovative goods or services having a high technological value and such activities should represent its exclusive or prevailing core business;

and meet at least one of the following requirements:

- the costs allocated to research and development must be equal to or higher than 15 per cent of the higher value between the company's production costs and the company's production value;
- at least one-third of its work force shall be represented by individuals having a Ph.D. or carrying out a Ph.D. or having a degree and having completed a research program of three years at public or private research entities in Italy or abroad. Alternatively, at least two thirds of its workforce shall be composed of individuals with a master degree;
- the startup shall be the owner or assignee, or have applied for the registration with the relevant authorities, of an industrial property right (in example a patent) related to its core business; as an alternative, the startup shall be the titleholder of the rights relating to an original software duly registered with the special public registry for software. In addition to the above, the innovative startup shall also satisfy the following requirements:

- it has to be a private stock company (such as a joint-stock company or a limited liability company or a cooperative) not listed on a regulated market or on a multilateral negotiation system and with fiscal residence in Italy or in one of the member States of the European Union or of those member States of the European Economic Space, provided that, in these latter cases, the startup has its operating office or branch in Italy;

- it has to be incorporated since no more than 60 months;
- it cannot distribute profits and it must not have distributed profits since its incorporation;
- starting from its second year, the total value of its activity shall not exceed € 5m resulting from its last yearly approved balance sheets; and
- it shall not result from a merger, de-merger or transfer of business or a part thereof.

All these amount of requirements must be satisfied by an organization only to be defined as a startup. After this first process, all the regulations involving the offerings must be carefully analyzed. Therefore, founders have to keep their mind open to every opportunity, trouble as possible solution.

Everything must be balanced, the supply chain costs are not only the mere raw materials or intermediate services, but they are all the future costs the startup may incur in transforming its vision into a real offer.

Italian legislation covers every possible market offering, and a startupper, or better a student, cannot know every possible aspect of the bureaucracy, if not provided with some jurisdictional background. This turns into considering further costs as accounting and consulting costs. Can be this costs overcame? The university system can do more, of course, management students can be provided with the knowledge and some insights about the regulations surrounding the startup world, but it should result to be too time costly given the undisputed Italian system complexity. Therefore, the problem is not in the university system but the Italian legislation itself.

Even if Italy is trying to improve its support level to startup, it is still doing too few compared to other countries. In example, the United States of America issued the Jumpstart Our Business Startups Act or JOBS Act, which is a law intended to encourage funding of United States small businesses by easing various securities regulations. The JOBS Act was enacted in 2012 and it is still enlarging its facilities with a series of title to cover all the aspects about equity crow-funding and the startup community.

Nothing merely similar exists in Italy. The only support provided by the Italian institution was promulgated in 2014, called Smart&Start. It is a program to which startups can apply only once a year in order to rise funding of which only a part is granted, but requirements and timing are disheartening, and usually their achievement results in a subjective rather than an objective evaluation of the business models.

The various practices of innovation and entrepreneurship, represent qualities that society needs: initiative, ambition and ingenuity. There is much policymakers can do to promote such innovation. They could create open co-working space to student having an idea, and not just restricting them to consolidated startups. They could provide academic support and access to technologies to people showing an innovative though. They could reduce restrictions to patents and copyrights. They could do much and much more but one cannot promote what one does not understand. But at least society should not discourage, penalize, or make difficult such innovations. It should not rise barriers to students eager to make the difference.

Until policymakers promote national employment through incentives for established companies, instead of for startups, which are the real essential drivers for net job creation, all its employment promotion efforts will be misplaced and worthless. In particular, an analysis conducted by Tim Kane of the Kauffman Foundation demonstrates that job growth in US driven entirely by startups, furthermore he came to the conclusion that "*in terms of the life cycle of job growth, policymakers should appreciate the* *astoundingly large effect of job creation in the first year of a firm's life. In other words, the Business Dynamics Statistic - a database that analyzes the employment rate in US - indicates that effective policy to promote employment growth must include a central consideration for startup firms* (Tim Kane, The Importance of Startups in Job Creation and Job Destruction, p.8, 2010)".

Albeit data is analyzed in US the same principles are applied in Italy and worldwide., demonstrating that startups are job creators, while consolidated organizations are job destructors. Nevertheless, Italian policymakers, on the contrary of the US ones, are more focused on providing both financial and bureaucratic incentives to aged firms rather than to eager to do student.

Only if society will help student to go forward, students will help society to go forward.

Year	Net Job Change – Startups	Net Job Change – Existing Firms
1977	3,678,254	505,053
1978	2,389,561	1,584,463
1979	2,839,666	1,143,865
1980	2,493,488	-1,615,875
1981	3,126,098	-2,271,818
1982	2,759,993	-2,554,516
1983	2,235,799	-4,227,716
1984	2,558,051	1,994,505
1985	2,878,640	-132,860
1986	3,036,472	-663,117
1987	3,261,050	-2,060,647
1988	2,988,404	169,818
1989	2,878,562	-572,196
1990	2,919,266	-458,161
1991	2,666,705	-4,008,737
1992	2,802,951	-2,341,570
1993	2,623,685	-888,863
1994	2,902,461	-1,142,396
1995	2,935,062	710,181
1996	2,953,276	-1,193,941
1997	3,059,236	-246,371
1998	3,455,186	-130,450
1999	3,220,463	-744,582
2000	3,086,508	524,335
2001	2,890,248	-2,397,512
2002	3,223,919	-5,021,578
2003	3,125,422	-1,067,903
2004	3,116,725	-1,226,832
2005	3,569,440	-1,088,343

Fig. 3.2: U.S. Job Growth at Startups versus Existing Firms, 1977–2005. Source: The Importance of Startups in Job Creation and Job Destruction

3.5 Top management team creation

The vision of Feat Food was accompanied by a set of values, beliefs and priorities that I brought through my aspirations. Once stated the corporate mission, academic literature directed my steps toward the right direction, looking for the creation of an entrepreneurial team.

In new venture creation the notion of top management team encompasses both ownership and decision making prerogatives (Ucbasaran et al. 2003) and it occurs before a firm is legally incorporated (Vanaelst, 2006), indeed, in many cases academic founders carry out pre-startup activities when they are students (Muller, 2010). Therefore, at this stage, the idea generation one, values, beliefs and priorities must be shared among the top management team, in order to set the direction to be followed by the startup.

Academic literature provides different theoretical perspectives (e.g. Resource based view, Human capital, Institutional theory) on the relation between team composition and firm performance. The Department of Economics and Statistics, University of Udine, "*identified two central relationships investigated by the literature on collective actors in academic entrepreneurship: the first considers the determinants of entrepreneurial/top management team composition in terms of the diversity of the resources embodied in team members; the second investigates how different team configurations affect decision making processes. Both issues, team composition and quality of decision making relate to organizational outcomes, including performance in terms of growth.* (Department of Economics and Statistics, University of Udine, 2010, p.9)".

The theoretical approaches to the strict relationship between the team composition and the firm performance, are deeply explained in academic entrepreneurship through a set of conceptual frameworks, that examine, the intrinsic and underlying reasons for the choice of top management team members, the hidden processes that bring to the decision making and the new venture performance related to these factors.

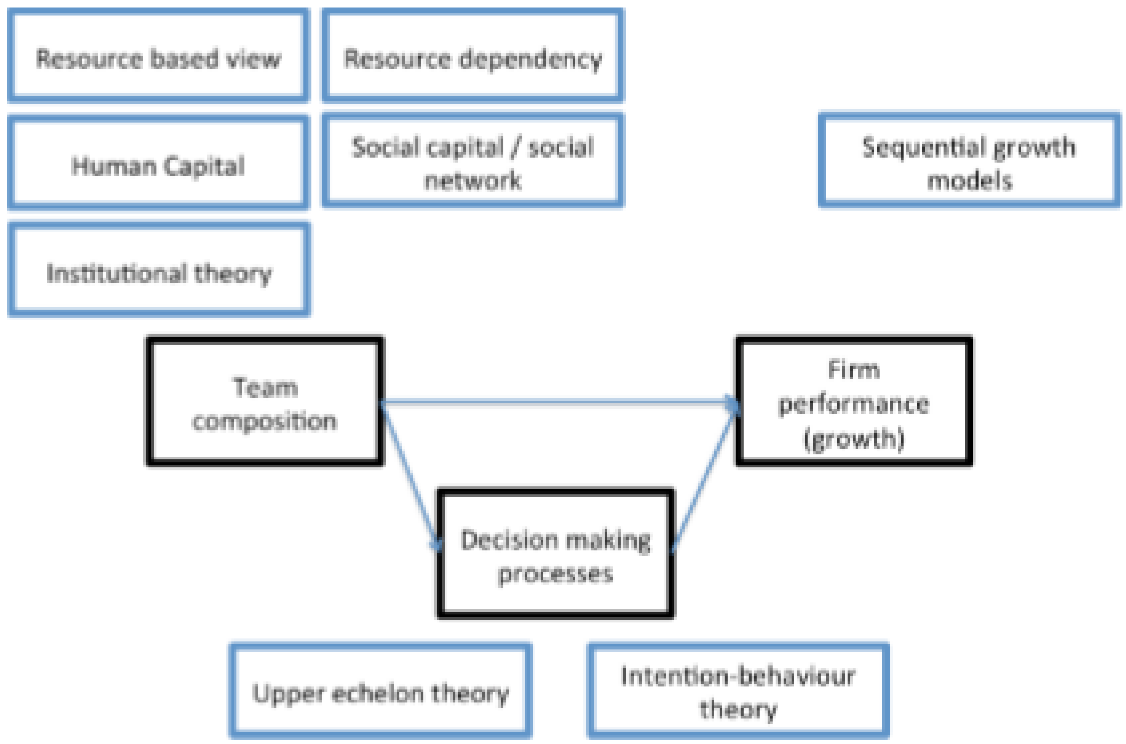


Fig. 3.3: Theoretical perspectives on the relation between team composition and firm performance. Source: Department of Economics and Statistics, University of Udine, Collective actors in academic entrepreneurship

The stream of academic entrepreneurship in team creation addresses how different values bring to different behaviors, different behaviors bring to different objectives, and different objectives bring to failure.

Albeit academic literature is plenty of conceptual frameworks explaining the importance of shared values within top management teams, young entrepreneurs in pre-startup, overwhelmed from their desire to innovate, may be blind to these suggestions. Therefore, at this stage, the first of a long series of trap is usually around the corner for startuppers.

At Feat Food the values of the first shareholder I choose, were quite the same, this brought to large difference in behaviors and enormous divergence in objectives. Only after a long series of mistakes I was able to properly compose a really valuable top management team that accompanies each of my step towards the creation of my vision. The academic provision I got during my carrier, provided me with managerial competencies in team efficiency optimization rather than with the necessary entrepreneurial skills in team building, hence, this fallacy resulted in a demanding and full of obstacles process in understanding the factor to consider. Therefore, in creating a top management team entrepreneurs have to wonder how can they go about ensuring they pick the right people to take with them.

Successful innovation teams must be structured correctly since the beginning in order to succeed, hence, to solve this task, entrepreneurs have to consider five relevant factors in team creation:

1. Identify entrepreneur's weak spots
2. Identify time commitments
3. Identify potential candidates
4. Have the conversation
5. Assess continuously

Therefore, at this stage entrepreneurs, before to understand the customer segment to which they are going to sell the product, are required to create a truly value oriented top management team, that can support entrepreneurs' decisions on the right path. It is important to address the importance of the startup team since the outset of its creation. Indeed, this is the main factors to achieve optimal performance indicators, that is the time to market of the new product (Schoonhoven et al. 1990), the ability to raise venture capital (Shane&Stuart 2002), sales and survival achievement (Eckhard er al. 2006). Such relevance has been stressed by the journal Product Hunt, that interviewed the thirteen most recognized investors worldwide, in order to understand what business angels and venture capitalists look for when fund startups. The results obtained highlight the high degree of correlation between the capability to be funded and the skills' completeness of the top management team, demonstrating once again the crucial importance of this factor in new ventures' performance achievement.

4.THE REVISED BUSINESS MODEL CANVAS

The paper has provided a contribution to the stream of studies on academic entrepreneurship looking at the process of startup creation. As a matter of fact, the mainstream literature on academic entrepreneurship is mainly concerned with manager formation rather than with entrepreneur training. Indeed, the large majority of studies comprised in the paper are focused on providing to students, executions tools or frameworks rather than search ones, that is, as deeply discussed in the analysis conducted, the intrinsic characteristic needed to innovative entrepreneurs.

In particular, the paper has investigated the business model canvas and its nine factors, in order to provide a contribution to academic entrepreneurship literature, through the data and the direct experience in startup creation. The work has noticed that an extension to the business model canvas elements is necessary in order to cover all the critical issues entrepreneurs may face during their new venture creation path. More specifically, a proper identification of the vision statement, an acknowledgement process, subdivided into a search phase and an analysis of the whole startup environment, and a clear framework in top management team creation, may bring to a new venture performance optimization.

Interestingly, for the purpose of the paper, the proposed elements of the business model canvas may bring entrepreneurs to a more appropriate startup creation process. Indeed, for what concerns the new venture organizational design, the introduction of these factors would definitely benefit students during both the idea generation stage and the early seed stage.

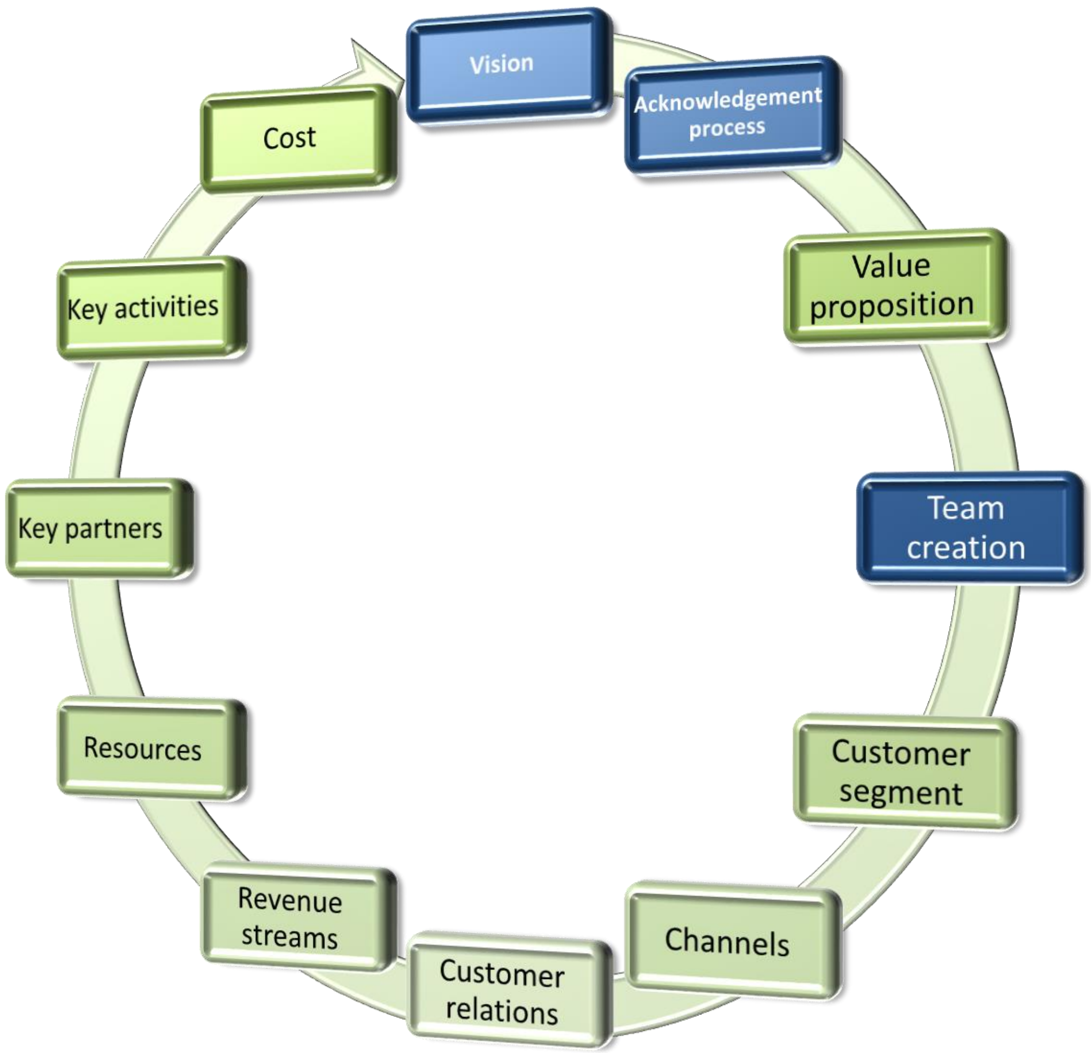


Fig. 4.1: The revised business model canvas. Source: Own processing

5. THE SURVEY

In the previous chapters, the study has found the necessity of a further contribution to the academic entrepreneurship literature. More specifically it illustrates the need of a revision of the institutional system suggesting, therefore, an increase focus on entrepreneurs' formation during their academic carrier.

To strengthen my argument, I conducted a research on Italian graduate and undergraduate students in order to elaborate reliable data about entrepreneurs' creation and students' attitude towards entrepreneurship in Italy.

5.1 Research methodology

The analysis follows a systematic research approach and aims at developing an integrative synthesis of the issue at stake.

For this purpose, a survey composed by fourteen questions as been submitted to a sample of 100 of graduate and undergraduate students coming from 17 different universities. (see the questionnaire in Appendix A). Figure 5.1 and Figure 5.2 offer an overview of the sample.

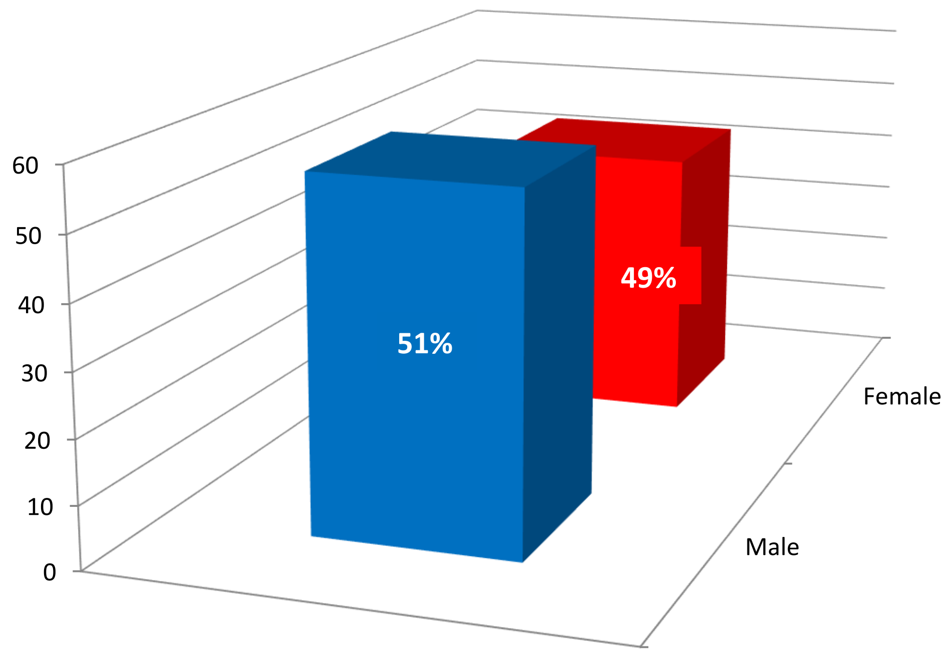


Figure 5.1: Survey gender sample. Source: Own processing

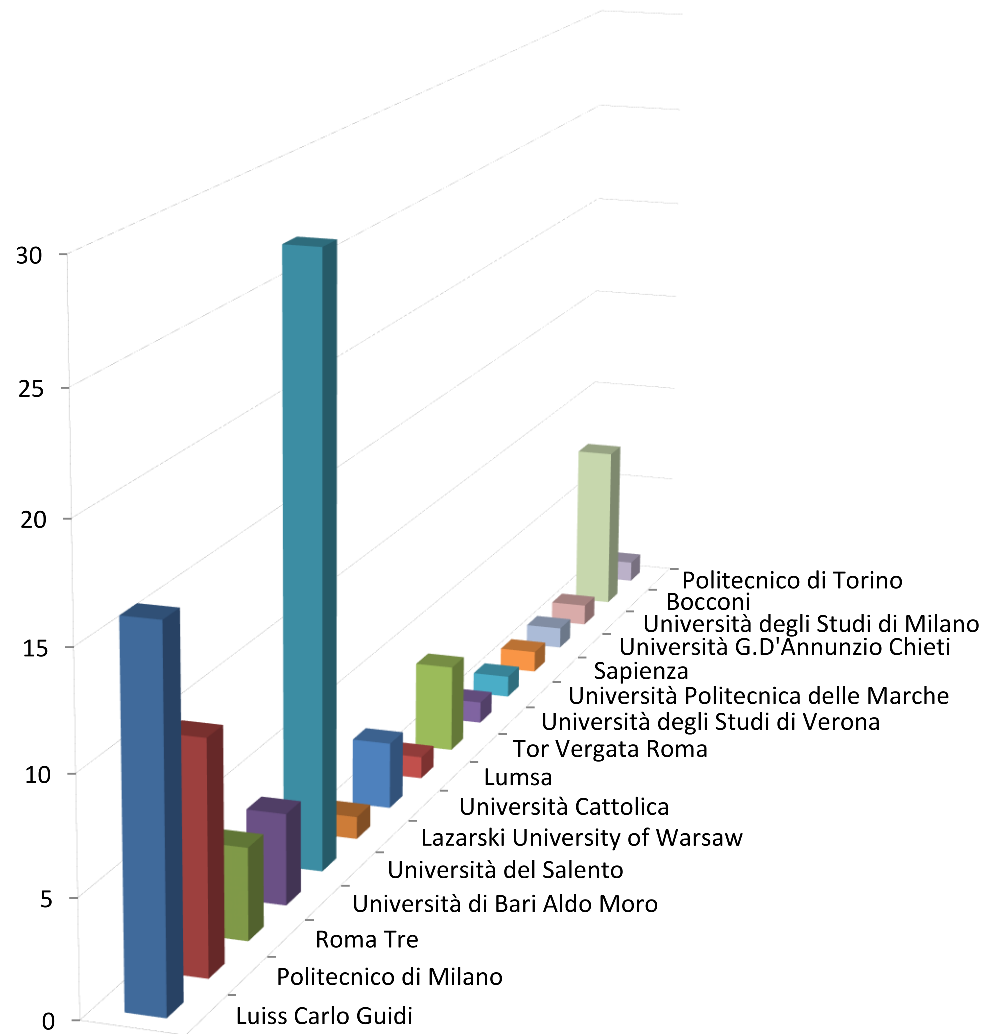


Figure 5.2: Survey universities sample. Source: Own processing

I collected data through Facebook academic groups. In order to offer a comprehensive analysis of the entire Italian academic system, I selected the sample according to the following variables:

- The geography and demography of the group
- The degree of engagement of the group
- The number of members in the group
- The academic year

More specifically, the research methodology used has drawn a stratified sample of 100 graduate and undergraduate students from different regions across Italy. Given that the research focuses on the academic and institutional system in Italy under the students' standpoint, hence, a national dataset within the country has been constructed. Focusing on a single metropolitan institution would have led to a smaller sample and created problems in generalizing the results.

I selected three main cities across Italy: Milan, Rome, and Lecce. They represent the three Italian macro-regions: North, Centre, and South Italy. Besides, the survey has been circulated during two startups events, the international summit of food innovation Seeds&Chips in Milan (May 2016) and the Startup Weekend Lecce in Lecce (May 2016), in order to stratify the sample with a further and critical standpoint, those of who are, or have been, students and entrepreneurs.

Data has been gathered between March 2016 and May 2016. I did the survey through Google form tools, and posted the questionnaire on various universities' Facebook groups of the selected cities and during two startup events. The aim was to collect more information and opinions about academic and institutional support to entrepreneurs, further studies contributions on startups, the students' attitude towards entrepreneurship and the degree of difficulty of being an entrepreneur (see the interview protocol in appendix A).

5.2 Variables description

The variables take the form of nominal scales in the entire research with the exception of the question number 13, where an open question has been provided, in order to get a reliable input about the degree of difficulty of being an entrepreneur in Italy. (See appendix A for more details). The survey explicitly measured students' attitude toward entrepreneurship and their thoughts about the institutional and academic role in entrepreneurs' formation, since I believe that measuring the actual value of post graduate entrepreneurs related to graduate students, available on the various information sources, may result in certain biases, for instance because even though a student has founded a startup, he or she may have been not satisfied about the academic and institutional support to startups' creation.

For validity reasons, the research excludes answers from the respondents over thirty years old, since not informed about the current academic system.

5.3 Results

In order to disentangle valuable results, the survey has been structured to understand the role of both the academic and the institutional system in Italy in entrepreneurs' formation.

A common feature shared among the sample is the relationship between the students' attendance of entrepreneurial classes during the students' academic carrier and their attitude toward entrepreneurship, as illustrated in Figure 5.3 and Figure 5.4. In particular, we can observe that 41.1% of the sample have attended an entrepreneurship class, and the 59.9% of them demonstrated an attitude toward entrepreneurship, as shown in Figure 5.5. It is therefore possible to state that there is a correlation among the two variables at stake, as follow:

Do you have ever attended entrepreneurship classes during your academic carrier? (xi)	Are you an entrepreneur or do you want to be an entrepreneur? (yi)
Yes	Yes
No	No
Yes	Yes
Yes	Yes
No	No
Yes	Yes
No	No
No	No
Yes	No
No	Yes

No	No
No	No
Yes	Yes
No	No
Yes	No
Yes	No
Yes	Yes
Yes	Yes
Yes	Yes
Yes	No
Yes	No
Yes	No
Yes	No
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No	Yes
No	Yes
Yes	Yes
Yes	Yes
Yes	No
Yes	Yes
No	No
No	Yes
Yes	Yes
Yes	No
No	No
No	Yes
Yes	Yes

No	Yes
No	No
No	No

$$\frac{\sigma xy}{\sigma x \sigma y} = \frac{\sum_{i=1}^{n}(xi - \mu x)(yi - \mu y)}{\sqrt{\sum_{i=1}^{n}(xi - \mu x)^2}\sqrt{\sum_{i=1}^{n}(yi - \mu y)^2}} = 0,69528$$

Where:

- Yes = 1
- No = 0

Do you have ever attended entrepreneurship classes during your academic carrier?

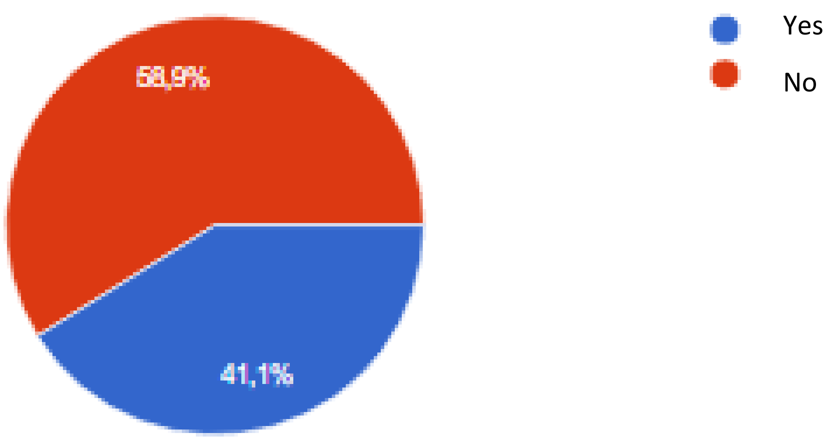

Figure 5.3: Entrepreneurship classes' attendance. Source: Own processing

Are you an entrepreneur or do you want to be an entrepreneur?

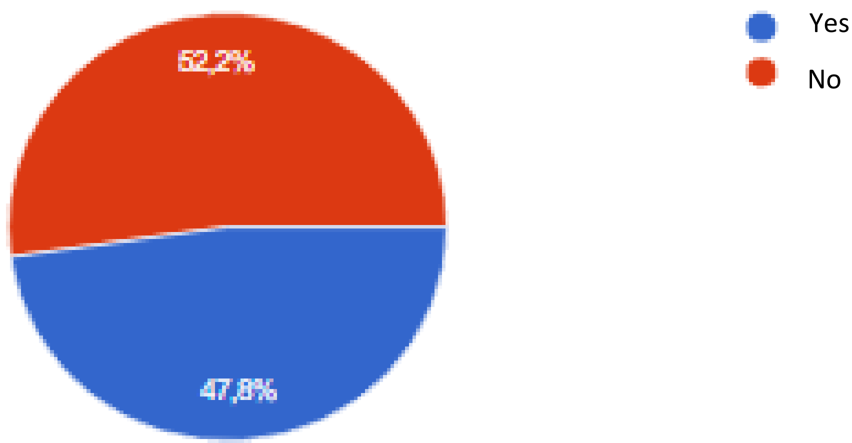

Figure 5.4: Attitude toward entrepreneurship. Source: Own processing

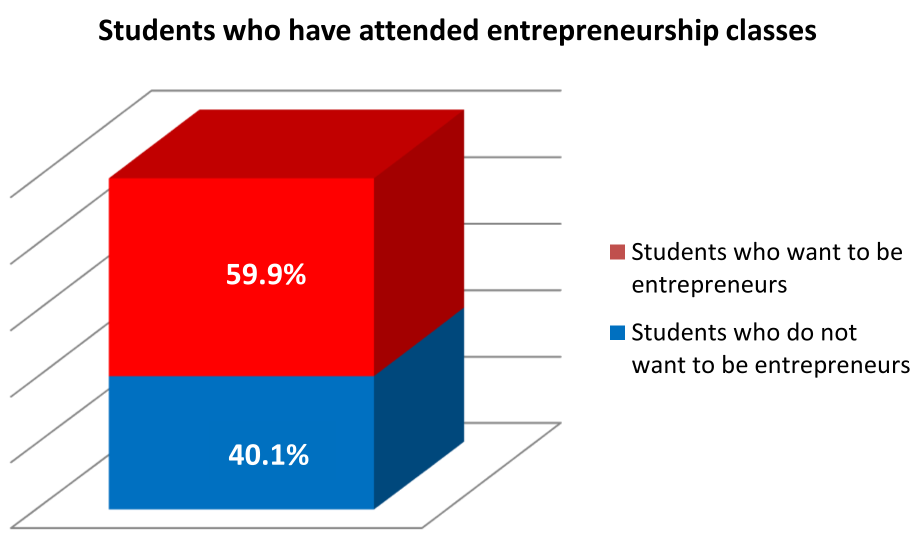

Figure 5.5: Relationship between entrepreneurial classes attendance and attitude toward entrepreneurship. Source: Own processing

More specifically, as a matter of fact, the attendance to entrepreneurship classes during the academic carrier carries out a higher degree of attitude toward entrepreneurship. Namely, an attitude is a valuation of an object or a concept. Interestingly, for the purpose of the survey, is that attitudes are considered to be important determinants of behavior, and researches have shown that attitudes can predict behavior if certain conditions are met (Bagozzi and Warshaw, 1992; Kim and Hunter, 1993). Therefore, it is reasonable to believe that a wider academic offering of entrepreneurship classes may led to a higher degree of entrepreneurs' formation.

In particular, students demand a broader and more detailed training about entrepreneurship and startup creation, pointing out the lack in the academic offering of the tools needed to build a startup and to be an entrepreneur. Figure 5.5 and Figure 5.6 display the issues at stake.

Did you want / you would like to have better training on how to be an entrepreneur and how to create startup during your academic career?

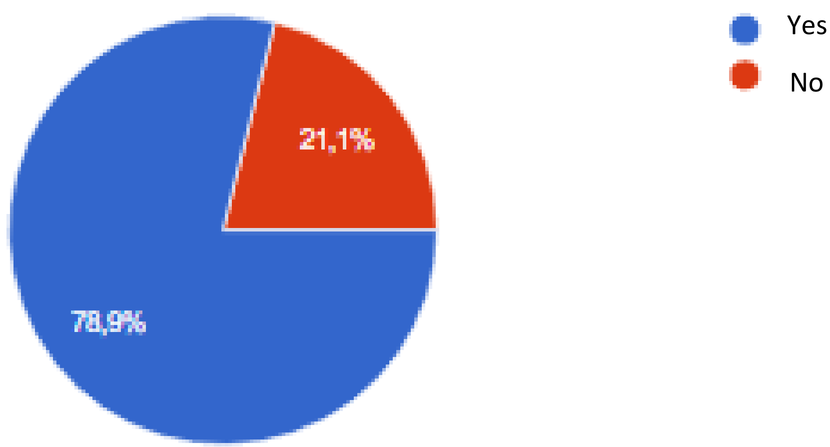

Figure 5.6: Students' demand of entrepreneurship classes. Source: Own processing

On what topics about build a startup do you want/ you would like more training?

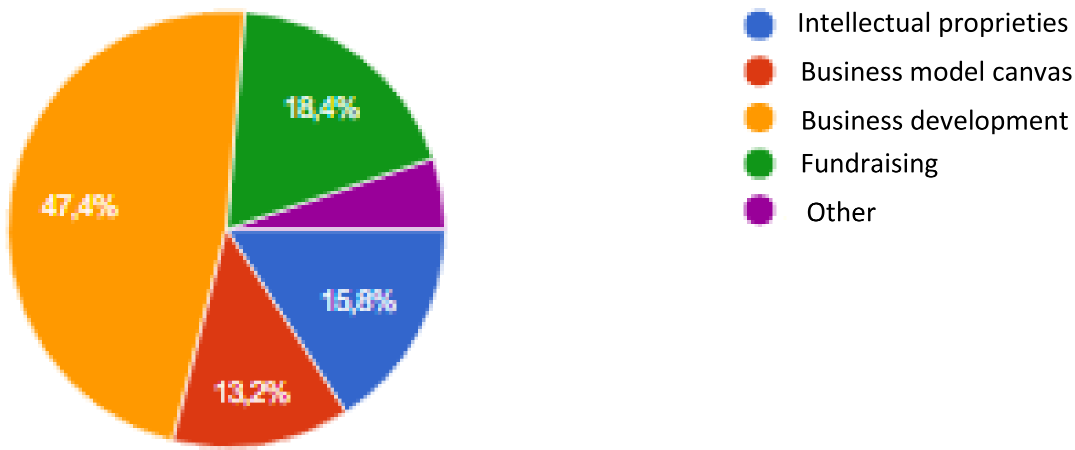

Figure 5.7: Lack of startups' creation tools. Source: Own processing

The findings highlight a considerable demand of a deeper entrepreneurial offering in the academic system. Indeed, the dataset indicates that the 78.9% of responders observe a lack into the studies learned during the academic carrier, and the willingness to have a more detailed training about entrepreneurship. In particular, students denote the necessity of a more comprehensive academic contribution about businesses' development (47.4% of the sample), followed by fundraising (18.4%), intellectual property right (15.8%) and business model definition (13.2%). Interestingly, the population of responders is equally spread across the demand of insights regarding intellectual proprieties, the preparation of the business model canvas and fundraising tools. Therefore, this indicates the common thought among students of the need of a more valuable and finer training about the basic element of startups' creation.

For what concern the academic provision, the survey points out a perceived shortage into the tools learned and supplied to students by the bundle universities analyzed. Figure 5.7, Figure 5.8 and Figure 5.9 denote the students' perception of the academic provision.

Do the topics learned in class about entrepreneurship have a relevant impact on your decision to be or not to be an entrepreneur?

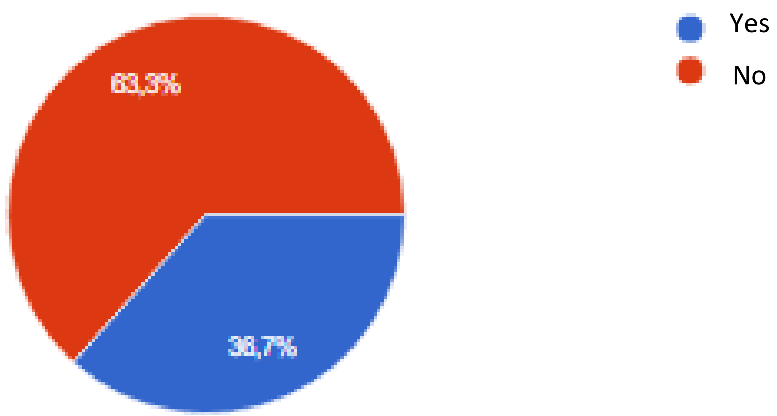

Figure 5.8: Academic impact on the entrepreneurial choice. Source: Own processing

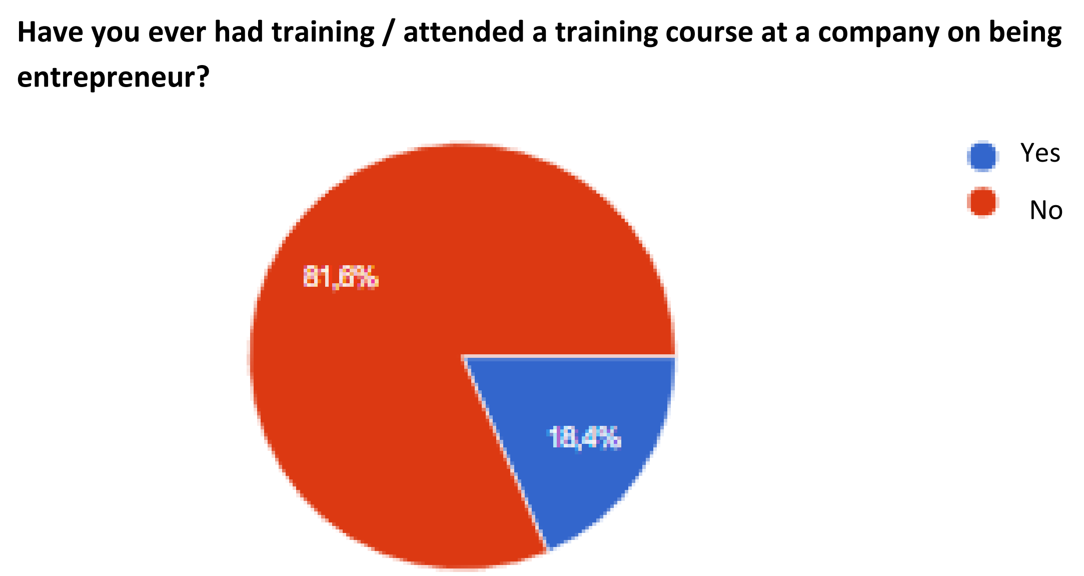

Figure 5.9: Extra didactic provision. Source: Own processing

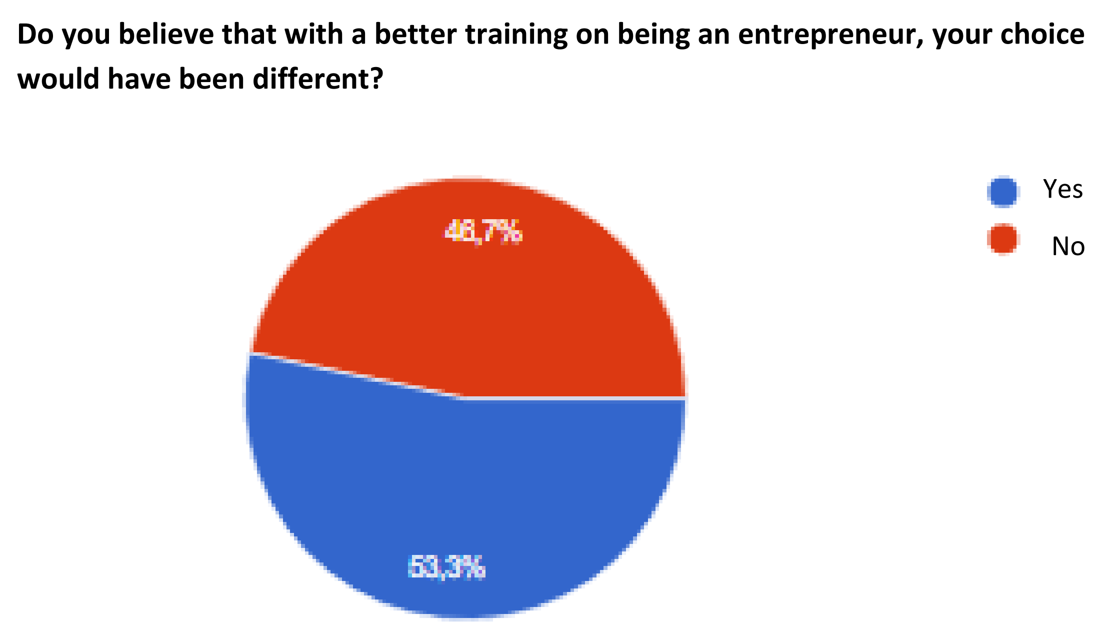

Figure 5.10: Academic entrepreneurial provision students' perception. Source: Own processing

Although the weak impact (36.7% of responders) of the academic provision perceived by students in their choice to be or not to be an entrepreneur, the responders denote the lack of an extra training during their academic carrier. In particular, 81.6% of the sample have never attended an internship or a training course on entrepreneurship. More specifically, the perception of the didactic furnishing and the shortage of entrepreneurial stages, led to a split into the students' sample about the recognized impact of the training obtained during their carrier.

Despite that, the sample analyzed demand a more comprehensive learning about entrepreneurial frameworks. Results are still unclear whether a lower perceived formation got by students positively impact their choice to not be an entrepreneur, mainly due to the role that attitudes play in behaviors formation. Furthermore, responders assign to institutions the blame of discourage, penalize and make difficult to behave entrepreneurially. Figure 5.9 and Figure 5.10 stress the lack of institutions support.

What you think is the biggest constraint in being entrepreneurs today in Italy?

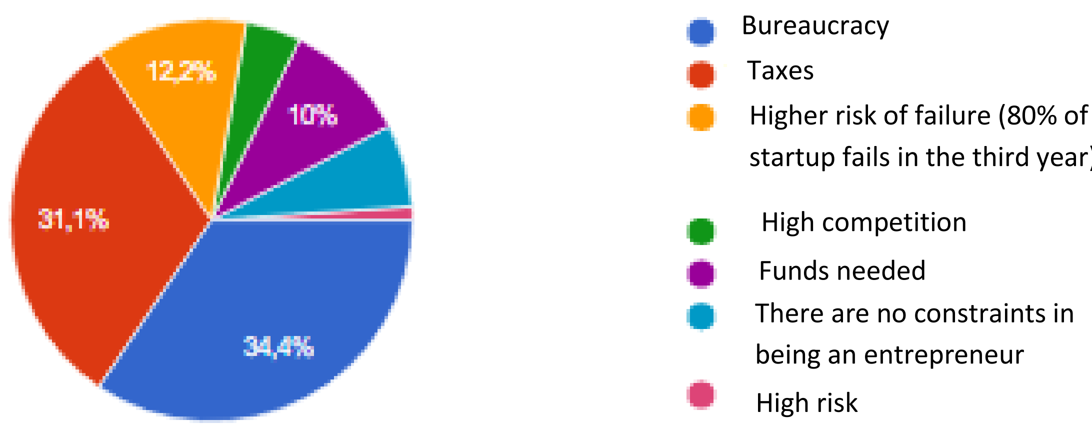

Figure 5.11: Entrepreneurship constraints. Source: Own processing

Do you believe that the low rate of entrepreneurship in Italy is due to:

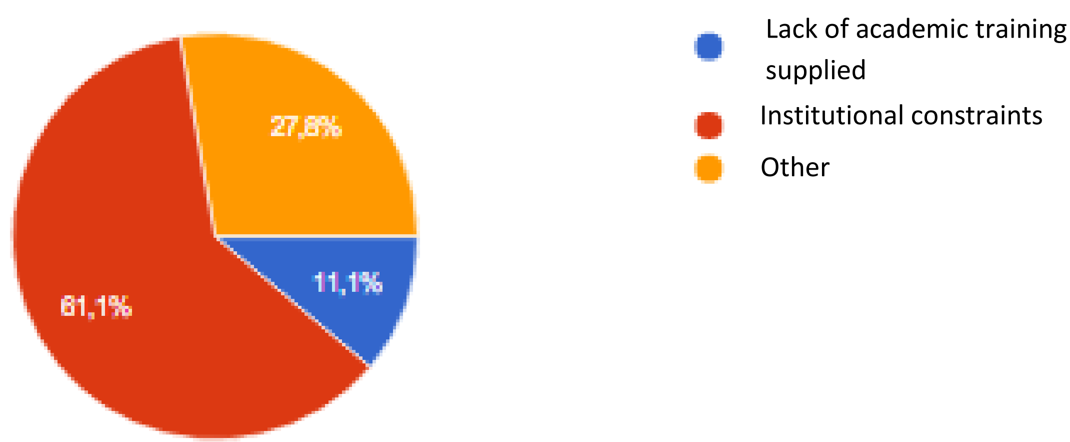

Figure 5.11: Main entrepreneurship destructor in Italy. Source: Own processing

The research points out that students believe that bureaucracy (34.4%) and taxes (31.1%) are the main constraints of entrepreneurship. In particular, even though risk aversion is an intrinsic characteristic of entrepreneurs, as previously discussed in Chapter 1, business' risk factors denote a low barrier to startup creation. This fact demonstrates and lead to the result highlighted by responders to obtain greater prominence, because the institutional factors act as constraints for the 65.5% of the students' analyzed overall.

In particular, this result is even stressed by the shared thought that institutional constraints are the main sources of penalization and discouragement of entrepreneurship in Italy compared to the perceived lack of the academic provision. Indeed, 61.1% of the students believe that the institution plays a key role as startups' creation barrier.

Finally, in order to get valuable inputs about the degree of difficulty of being an entrepreneur in Italy and the main constraints perceived by the sample analyzed, I asked responders to express their opinions about the role of institutions and public administrations in supporting entrepreneurship activities.

After having analyzed all the answers, it emerged that bureaucracy is indeed an obstacle to entrepreneurship due to the fact that procedures necessary to start up a business are very complicated and not completely clear, and require a huge amount of time spent among institution's offices. Additionally, lack of competences of the public administration is a second obstacle that causes waste of entrepreneurs' resources.

As respondents reported:

- *"Entrepreneurs waste time and resources to dissolve the bureaucracy skeins slowing down the startup growth process"*
- *"Too much time needed to open a business, ask permission, etc. "*
- *"Lack of competence of the public administration and few hiring incentives"*

Therefore, the findings show that in addition to the necessity of a more detailed learning and entrepreneurial academic classes, institutions represent a key role in both students' and entrepreneurs' perception. Institutions are seen as insurmountable barriers to startups' creation and act as demotivating factors for entrepreneurship.

6. CONCLUSION

This thesis analyses how tools, frameworks, practices, steps, and processes that entrepreneurial studies suggested, are not fully applied or integrated among them in order to provide students with valuable guidelines to startup a business.

Literature in academic entrepreneurship focuses its attention on the execution practices aimed at fostering a managerial behavior and prepares student for consolidated organizations.

Therefore, the study provides a contribution to the entrepreneurship literature investigating the nine factors of the business model canvas, broadening the current state of studies with a further integration of three more factors and suggesting tools and frameworks that could be useful to consider and implement during the startup creation and execution phase.

Specifically, the revised business model canvas proposes three main integrative aspects:

(a) the vision, such as the main factor that will drive the startup alongside its life, the mean by which entrepreneurs exploit change as opportunity for a new business. In particular, the work revises the first step in the business model canvas, introducing the drafting of the vision statement, in order to transmit, since the beginning, a clear idea of what the startup will be to all the people that entrepreneurs want to involve in their entrepreneurial journey; (b) the acknowledgement process, proposed as second step, the one where founders ought to go out from the building and draw the way that they have to follow to deliver their product to their customer. This is the delicate phase where entrepreneurs try to know about every feature required to their business model to work, understanding the main critical issues to face and glimpsing all the other business model factors; (c) the team creation phase, described as fourth step, encompasses all the tools required to involve into the startup's vision skilled, motivated and trustworthy people. From the co-founders' selection to the team members hiring, entrepreneurs must carefully choose the people they want to work with. In particular, the thesis stresses the relevance of the team creation phase providing useful tools and frameworks in order to understand whether or not the team members chosen are the proper ones.

Data, studies, and research support the centrality of these factors demonstrating the key role they play for two main startups' objectives: the pre-startup phase and the fundraising purposes.

Finally, the empirical analysis conducted on an Italian graduate and undergraduate students sample in order to elaborate valuable data about the academic and institutional support to entrepreneurs' creation and the students' attitude towards entrepreneurship in Italy, provides useful quantitative and qualitative data about the thesis discussion.

In particular, data highlights the need of a broader entrepreneurial academic classes provision. Indeed, students demand a more comprehensive learning about both startup creation and execution tools.

Furthermore, the research points out the key role represented by public administrations. In particular, the majority of the responders perceive institutions as the main constraint of startups' creation and as demotivating factor for entrepreneurship.

The thesis demonstrates that students need and demand an integration in both the current state of studies proposed to them with startup creation and startup execution tools and a broadening of the offering of entrepreneurial academic classes.

In the light of the results obtained, the thesis displays that the Italian institutions support is the key driver to boost the country wellbeing. More specifically, because, in last decades the primary source of employment worldwide has shifted from consolidated organizations to startups, that are on net creating employment. As a matter of fact, students perceive the trend disclosed, which lead them to feel constrained by an oppressive bureaucracy.

As a final recommendation, the study highlights the need of a simplification of the public administrative processes through an automation of the practices and a disintermediation of the offices. Additionally, a real and greater support to small entrepreneurs, acting tax incentives to new ventures are needed. A radical change of the whole institutional structure that embrace these solutions could encourage entrepreneurship and startup creation in Italy.

Appendix A

Research Design

Interview method:	Survey
Number of multiple choice questions:	Thirteen
Number of open questions:	One
Method of analysis:	Qualitative and quantitative
Method used to contact responders:	Post onto universities' Facebook groups and divulgation in startup events (Seeds&Chips, Startup Weekend Lecce)
Variables used to choose the Facebook groups	• The geography and demography of the group • The degree of engagement of the group • The number of members in the group • The academic year
Period of the interviews:	Three months (March 2016 – May 2016)
Number of responders:	100
Area of interest	Italy
Numbers of universities from which responders come from:	17

Questionnaire

1 Age
2 Gender
   - Male
   - Female
3 Qualification
   - Undergraduate
   - Graduate
   - Master
4 University
   - Politecnico di Milano
   - Luiss Carlo Guidi
   - Università del Salento
5 Do you have ever attended entrepreneurship classes during your academic carrier?
   - Yes
   - No
6 Are you an entrepreneur or do you want to be an entrepreneur?
   - Yes
   - No
7 Did you want / you would like to have better training on how to be an entrepreneur and how to create startup during your academic career?
   - Yes
   - No
8 On what topics about build a startup do you want/ you would like more training?
   - Intellectual proprieties
   - Business development
   - Business model canvas
   - Fundraising
   - Other
9 Do the topics learned in class about entrepreneurship have a relevant impact on your decision to be or not to be an entrepreneur?
   - Yes
   - No
10 Have you ever had training / attended a training course at a company on being entrepreneur?

- Yes
- No

11 Do you believe that with a better training on being an entrepreneur, your choice would have been different?

- Yes
- No

12 What you think is the biggest constraint in being entrepreneurs today in Italy?

- Bureaucracy
- Taxes
- Higher risk of failure (80% of startup fails in the third year)
- High competition
- Funds needed
- There are no constraints in being an entrepreneur
- High risk

13 Briefly motivate your answer

14 Do you believe that the low rate of entrepreneurship in Italy is due to:

- Lack of academic training supplied
- Institutional constraints
- Other

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