

STARTUP MANAGEMENT THROUGH NICHE BUSINESS DEVELOPMENT

MANAGEMENTUL STARTUP-URILOR PRIN DEZVOLTAREA AFACERILOR DE NIȘĂ

COCIER Sergiu, student, specialitatea Business și Administrare,

Academia de Studii Economice din Moldova,

Republica Moldova, Chișinău, Strada Mitropolit Gavriil Bănulescu-Bodoni 61

e-mail autor: cocier.sergiu@ase.md

Abstract: *Articolul analizează conceptul de startup prin noțiuni propuse de autori celebri, precum Steve Blank, Paul Graham și Eric Ries, conturând caracteristicile sale esențiale: inovație, scalabilitate și creștere rapidă. În partea aplicată, lucrarea subliniază oportunitatea dezvoltării unei afaceri de nișă prin cultivarea șofranului în Republica Moldova, marcând potențialul economic, investițiile necesare și eficiența acestei inițiative antreprenoriale.*

Cuvinte cheie : *Startup, afacere de nișă, șofran, inovare, mode de afaceri, antreprenoriat*

JEL CLASSIFICATION: L26, M13, Q13

INTRODUCTION

According to the literature, a startup is defined as a temporary organization created to discover a repeatable and scalable business model (Litvin et al., 2026, p. 45). Startups serve as testing grounds for new teams that need to identify viable business models capable of sustaining rapid growth in highly uncertain environments. According to Paul Graham, rapid growth is the main characteristic that truly distinguishes a startup.

These companies typically develop products or services that are either not available on the market or exist in unsatisfactory forms. Their main goal is to create innovative solutions, successfully launch them, and make them highly attractive to customers. Startups focus on solving the limitations of current offerings or establishing entirely new market categories. The purpose of this study is to examine the key characteristics of startups and highlight their role in achieving rapid and sustainable success for new businesses. This examination helps to clarify the true nature of startups and explains why they act as important disruptors in the economy.

BACKGROUND INFORMATION

Academic sources present startups as a unique type of entrepreneurial initiative. From an investment perspective, a startup is seen as a temporary structure focused on finding a repeatable and scalable business model, emphasizing its provisional nature and its emphasis on exploration, experimentation, and continuous adjustment (Litvin et al., 2026, pp. 52–54).

Paul Graham describes a startup as an organization built for rapid expansion. Eric Ries characterizes it as a human institution designed to create and deliver new products or services under conditions of extreme uncertainty. The literature also clearly differentiates startups from traditional small businesses: startups prioritize rapid scaling, high growth potential, and significant market influence, while small businesses typically focus on long-term stability and serving local markets (Litvin, Ciloci, & Turcanu, 2024, pp. 78–80).

In this research, niche activities are of particular importance because they create opportunities for differentiation and high profitability. A notable illustration is the cultivation of saffron, often called “red gold,” which represents a specialized agricultural enterprise with substantial economic returns (Alexe, 2024).

Description of the research methods used. The present paper used multiple research methods. The main approach involved a literature review of the main theoretical works on startups, entrepreneurship and niche markets. The comparative method was applied to outline the distinctions

between startups and conventional small businesses. In addition, the synthesis method helped to organize and integrate the main ideas extracted from existing sources.

In the practical section, an economic analysis was performed using available data on the projected costs and revenues associated with growing saffron per hectare (Litvin et al., 2026, pp. 120–135; Alexe, 2024). This analysis revealed the financial viability and growth potential of transforming a niche agricultural activity into a successful startup.

Results. The findings indicate that startups constitute a special category of business activity marked by innovation, high uncertainty, and a strong focus on accelerated growth. In contrast to small businesses, startups concentrate on discovering and validating business models that can be scaled effectively.

The study also identified several benefits of the startup approach, such as greater flexibility in decision-making, the ability to begin with limited initial capital, the opportunity to leverage creativity, and the development of high-performing teams (Litvin, Ciloci, & Turcanu, 2024, pp. 65–70).

As a concrete example of a niche venture, saffron production was examined in detail. Saffron ranks among the world's most valuable spices due to its labor-intensive manual harvesting and drying process. In the Republic of Moldova, saffron cultivation remains uncommon, yet local climate and soil conditions in rural areas appear suitable for this crop (Alexe, 2024).

Establishing one hectare of saffron requires investments in land, planting material (bulbs), soil preparation, fertilization, irrigation infrastructure, and workforce. Estimated costs include approximately 2,000 euros for agricultural land, 5,000 euros for bulbs, 250 euros for plowing and harrowing, 300 euros for fertilization, 1,000 euros for an irrigation system, and 2,500 euros for labor, resulting in total initial costs of around 12,050 euros (Litvin et al., 2026, p. 142; Alexe, 2024).

Projected revenues are promising: with an average yield of about 5 kg per hectare sold at roughly 5,000 euros per kilogram, total income could reach approximately 25,000 euros (Alexe, 2024). These figures illustrate the strong economic potential of well-managed niche businesses and their capacity to evolve into profitable startups.

CONCLUSIONS AND RECOMMENDATIONS

As a result of the research, it can be concluded that startups represent a distinct category of businesses based on innovation, uncertainty and orientation towards rapid growth. They are distinguished from small businesses by their objective of identifying and validating repeatable and scalable business models (Litvin et al., 2026, pp. 48–50).

At the same time, niche businesses can be an effective development direction for startups, as they allow the exploitation of specialized market segments and provide the possibility of obtaining a competitive advantage. The example of saffron cultivation demonstrates that such an activity can have high profitability if there are adequate resources, efficient organization and a clear strategy.

It is recommended that future startup founders pay special attention to market research, correct cost estimation, testing the business idea and identifying niches with stable demand (Litvin, Ciloci, & Turcanu, 2024, pp. 95–102). It is also important to develop a well-trained team and focus on flexible management, capable of responding quickly to changes in the economic environment.

REFERENCES :

1. ALEXE, M. (2024) „*Vrei să faci bani frumoși? Află acum tot ce trebuie să știi despre cultura de șofran - "aurul roșu"!*” . <https://sofran.ideideafaceri.ro/>
2. Litvin, A., Ciloci, R., & Turcanu, T. (2024) *Management general, suport de curs*. Chișinău: Tehnica-UTM, 2024. <http://repository.utm.md/handle/5014/26617>
3. Litvin, A., Gheorghită, M., Țurcan, R., Pojar, D., Oberșt, A., Stratila, A., Polcanova, A., & Zbancă A. (2026) *Managementul investițiilor: manual*. Chișinău: Tehnica-UTM <https://repository.utm.md/handle/5014/34900>

Coordonator științific: LITVIN Aurelia

Academia de Studii Economice din Moldova ,

Republica Moldova, Chișinău, Strada Mitropolit Gavriil Bănulescu-Bodoni 61

Telefon: + 37379706020

e-mail: aurelia.litvin@gmail.com