

## Comparative study of startup and business modeling: Best practices and emerging trends in the US and Nigeria

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### Abstract

This paper presents a comprehensive comparative analysis of startup ecosystems and business modeling practices between the United States and Nigeria, exploring the distinct challenges, opportunities, and strategies that shape entrepreneurial success in these diverse environments. The study examines key components of business models, including the Lean Startup methodology prominent in the U.S., and hybrid business models frequently adopted in Nigeria. By leveraging both qualitative and quantitative data, the research identifies best practices, such as the use of digital technologies, customer-centric approaches, and the integration of sustainability in business models. The findings reveal that while U.S. startups benefit from robust infrastructure, access to capital, and a culture that encourages innovation and rapid scaling, Nigerian startups demonstrate resilience and creativity by adopting innovative solutions tailored to local challenges, such as financial inclusion and access to healthcare. The comparative analysis underscores the critical role of cultural, economic, and regulatory factors in shaping business models, highlighting the need for adaptability and contextual sensitivity. The paper concludes by offering actionable insights for startup founders, investors, and policymakers, emphasizing the importance of flexible and scalable business models that can be adapted to different market conditions. Recommendations include fostering strategic partnerships, leveraging emerging technologies, and integrating sustainable practices to enhance the resilience and competitiveness of startups in both developed and developing economies. Future research directions are suggested to explore the impact of digital transformation, sustainability, and cross-country expansion on business model innovation.

**Keywords:** Startup Ecosystems; Business Modeling; Comparative Analysis; Lean Startup; Hybrid Business Models; Nigeria.

### 1. Introduction

The global startup ecosystem has experienced tremendous growth over the past two decades, significantly altering the landscape of innovation and economic development (Blank and Dorf, 2012). Startups, defined as nascent business ventures typically founded with the intent of scaling rapidly through innovative solutions, have become crucial drivers of economic progress, job creation, and technological advancement (Ries, 2011). In the context of this comparative study, examining startup and business modeling practices in the United States (US) and Nigeria provides insights into how different environments shape entrepreneurial strategies, challenges, and outcomes.

The United States has long been recognized as a global leader in fostering entrepreneurship, with Silicon Valley often heralded as the epitome of a thriving startup ecosystem (Muegge, 2012). The unique combination of access to capital, a culture that celebrates risk-taking, and a robust legal framework has enabled the US to produce numerous high-growth

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startups that have revolutionized industries worldwide (Oviatt and McDougall, 1994). In contrast, Nigeria, while not as advanced in its startup ecosystem, has seen a surge in entrepreneurial activities, particularly in technology-driven sectors, where startups are addressing critical gaps in areas like financial services, e-commerce, and agriculture (Iwu and Iwu, 2016).

This paper explores the fundamental differences and similarities between startup ecosystems in the US and Nigeria, focusing on business modeling practices that have emerged as best practices in these distinct environments. A business model, which outlines how a company creates, delivers, and captures value, is a vital component of any startup's strategy. Effective business modeling not only guides the operational and financial aspects of a startup but also plays a pivotal role in securing investment and achieving sustainability (Isenberg, 2010).

In the US, the Lean Startup methodology, popularized by Eric Ries, has become a cornerstone of modern business modeling, emphasizing the importance of continuous innovation, customer feedback, and agility in product development (Ries, 2011). This approach has led to the development of highly scalable business models that are adaptable to market changes and customer needs. On the other hand, Nigerian startups often adopt hybrid business models that combine elements of traditional commerce with innovative digital solutions, tailored to local market conditions (Autio, et al., 2011).

The entrepreneurial environment in Nigeria presents unique challenges and opportunities that differ significantly from those in the US. While the US benefits from well-established infrastructure, access to a broad customer base, and substantial venture capital, Nigerian startups often operate in a more constrained environment, characterized by infrastructural deficiencies, limited access to capital, and a nascent regulatory framework (Smith and Stevens, 2010). Despite these challenges, Nigerian entrepreneurs have demonstrated remarkable resilience and creativity, leveraging mobile technology, for instance, to bypass traditional banking systems and create new markets (Fritsch and Wyrwich, 2014).

This comparative analysis also highlights the role of culture in shaping business models. In the US, the individualistic culture and emphasis on innovation and disruption have led to the development of business models that prioritize scalability and rapid growth (Isenberg, 2010). Conversely, in Nigeria, the collectivist culture, coupled with a focus on community development, has influenced the emergence of business models that are more inclusive and sustainable, often addressing social and economic challenges specific to the region (Eniola and Entebang, 2015).

Technological advancements play a crucial role in the evolution of business models in both countries. In the US, the proliferation of digital technologies, such as artificial intelligence, big data, and blockchain, has enabled startups to create more sophisticated and efficient business models (Ries, 2011). In Nigeria, the widespread adoption of mobile technology and the internet has been a game-changer, allowing startups to reach previously underserved populations and create innovative solutions to local problems (Wennekers and Thurik, 1999).

The study aims to provide a comprehensive comparison of startup and business modeling practices in the US and Nigeria, identifying best practices and emerging trends that can inform future entrepreneurial endeavors. By examining the unique challenges and opportunities in each environment, this paper seeks to contribute to the broader understanding of how startups can thrive in diverse contexts. The objective is to offer actionable insights that can be applied by entrepreneurs, investors, and policymakers to enhance the effectiveness of business models in both developed and developing economies. The scope of the study includes an analysis of key business models, the impact of cultural and economic factors on entrepreneurship, and the role of technology in shaping the future of startups in the US and Nigeria.

This introduction sets the stage for a detailed exploration of the comparative dynamics of startup ecosystems and business modeling practices, providing a foundation for understanding how context-specific factors influence entrepreneurial success.

## 2. Theoretical Framework of Startup and Business Modeling

The study of startups and business modeling has gained significant attention in both academic and practical domains over the past decade, reflecting the critical role these concepts play in the success and sustainability of entrepreneurial ventures. A theoretical framework serves as a foundation for understanding the complex interactions between various elements within a startup, and how these interactions influence the development and implementation of business models (Osterwalder and Pigneur, 2010). This section outlines the key theoretical perspectives that inform the study of

startups and business modeling, highlighting their relevance in the context of this comparative study between the United States and Nigeria.

At the core of business modeling lies the concept of value creation, delivery, and capture, which is central to any entrepreneurial venture. The business model can be understood as a system of interconnected activities that collectively determine how a firm achieves its objectives (Teece, 2010). Teece (2010) emphasizes that a well-designed business model is not merely a blueprint for making money; it reflects the underlying logic of how the business operates, including the assumptions about what customers want, how they want it, and how the firm can deliver this in a cost-effective manner. This perspective is crucial for startups, which often operate under conditions of extreme uncertainty and must continuously adapt their business models to survive and thrive.

One of the most influential frameworks in the field of startup business modeling is the Lean Startup methodology, which advocates for a build-measure-learn feedback loop to rapidly iterate on product ideas (Blank, 2013). This approach challenges the traditional business planning model, suggesting that startups should focus on experimentation, customer feedback, and flexibility rather than rigidly adhering to a predefined plan. The Lean Startup methodology is particularly relevant in dynamic markets like the US, where technological advancements and changing consumer preferences require startups to be highly agile (Blank, 2013).

In parallel, the Activity System perspective proposed by Zott and Amit (2010) offers a complementary view, focusing on the design of business models as a set of interdependent activities that span firm boundaries. According to this perspective, the value creation process in startups is not confined to the firm's internal operations but involves a network of partners, suppliers, and customers. This network-centric view is especially pertinent in the context of Nigerian startups, where resource constraints often necessitate reliance on external partnerships to build and scale business models (Zott and Amit, 2010).

Chesbrough (2010) introduces the concept of business model innovation, arguing that in rapidly changing industries, firms must continuously innovate their business models to stay competitive. Business model innovation involves rethinking the core logic of the business, including the revenue model, value proposition, and customer segments. This approach is vital for startups in both the US and Nigeria, where market conditions and customer needs are in constant flux (Chesbrough, 2010). In Nigeria, for instance, startups have innovated by adapting global business models to local contexts, such as leveraging mobile technology to deliver financial services to underserved populations.

The Entrepreneurial Perspective, as discussed by Morris, Schindehutte, and Allen (2005), further expands on the role of the entrepreneur in shaping the business model. According to this view, the business model is a reflection of the entrepreneur's vision, creativity, and ability to mobilize resources. This perspective is particularly relevant in the study of startups, where the founder's influence on the business model is often more pronounced than in established firms. The entrepreneurial perspective underscores the importance of understanding the founder's mindset and strategic goals when analyzing business models in startups (Morris, et al., 2005).

Ghezzi, et al (2015) provide a critical assessment of theory building in the field of business model innovation, noting that while there is a growing body of literature, there is still a lack of consensus on key definitions and frameworks. They argue that future research should focus on developing more robust theoretical models that can be applied across different industries and regions. This critique is particularly relevant to the comparative study of startups in the US and Nigeria, where different environmental factors may necessitate distinct theoretical approaches to business modeling (Ghezzi, et al, 2015).

The concept of business model evolution, as explored by Demil and Lecocq (2010), emphasizes the dynamic nature of business models, which must evolve in response to internal and external changes. This perspective is crucial for understanding how startups adapt their business models over time, particularly in the face of challenges such as market saturation, regulatory changes, and technological disruptions. The evolution of business models is a key area of focus in this study, as it highlights the ongoing process of adaptation that is essential for the long-term success of startups (Demil and Lecocq, 2010).

Amit and Zott (2012) further explore the idea of creating value through business model innovation, suggesting that the design of the business model itself can be a source of competitive advantage. This view aligns with the broader strategic management literature, which posits that business models are not just tools for execution but are integral to the strategic positioning of the firm. In the context of startups, particularly those in Nigeria, where resources are often limited, the ability to innovate and differentiate the business model can be a critical determinant of success (Amit and Zott, 2012).

Finally, Baden-Fuller and Haefliger (2013) explore the intersection of business models and technological innovation, arguing that new technologies often necessitate the development of new business models. This perspective is highly relevant to the study of startups, particularly in the tech-driven environments of the US and Nigeria. As startups in these regions increasingly leverage emerging technologies such as artificial intelligence, blockchain, and the Internet of Things, understanding the interplay between technology and business models becomes essential (Baden-Fuller and Haefliger, 2013).

This theoretical framework provides a comprehensive foundation for analyzing the business models of startups in the US and Nigeria. By integrating insights from various theoretical perspectives, this study aims to identify the key factors that influence business model design, innovation, and evolution in these distinct environments. This framework will guide the subsequent analysis, helping to uncover the underlying dynamics that drive the success or failure of startups in different contexts.

### 3. Overview of the Startup Ecosystem in the US

The startup ecosystem in the United States has long been heralded as a global benchmark for innovation, entrepreneurship, and economic growth. Characterized by its robust infrastructure, access to capital, and a culture that encourages risk-taking and experimentation, the US startup ecosystem has produced some of the world's most successful companies and continues to be a fertile ground for entrepreneurial ventures (Feld, 2012). This section provides an overview of the key components and dynamics of the US startup ecosystem, highlighting the factors that contribute to its success and the challenges it faces.

The US startup ecosystem is anchored by several key regions, with Silicon Valley, New York City, and Boston often cited as the most prominent hubs (Isenberg, 2010). Silicon Valley, in particular, has become synonymous with high-tech innovation and entrepreneurship, a status it has maintained since the late 20th century. The region's success can be attributed to a unique combination of factors, including a concentration of leading technology firms, access to top-tier research institutions like Stanford University, and a highly skilled workforce (Saxenian, 1994). Additionally, the presence of a supportive legal and regulatory environment, along with a culture that embraces failure as a learning opportunity, has created an environment where startups can thrive (Kerr, Nanda, and Rhodes-Kropf, 2014).

A defining feature of the US startup ecosystem is its access to capital, particularly venture capital (VC), which plays a crucial role in funding early-stage companies. The US venture capital industry is the largest in the world, with billions of dollars invested annually in startups across various sectors (Auerswald and Dani, 2017). Venture capitalists in the US not only provide the necessary financial resources but also offer mentorship, industry connections, and strategic guidance, which are invaluable for the growth and scaling of startups. This access to capital is complemented by a diverse array of funding options, including angel investors, crowdfunding platforms, and government grants, all of which contribute to a dynamic funding landscape (Florida, 2002).

Another critical component of the US startup ecosystem is its strong network of incubators, accelerators, and co-working spaces. These institutions provide startups with essential resources such as office space, business services, and access to a community of like-minded entrepreneurs (Kenney and Patton, 2005). Incubators and accelerators, in particular, have been instrumental in nurturing early-stage startups by offering structured programs that include mentorship, business development training, and access to investor networks. Notable examples include Y Combinator in Silicon Valley and Techstars, which has programs across multiple cities in the US (Shane, 2004).

The US startup ecosystem is also characterized by its deep integration with academic institutions. Universities in the US have long been hubs of innovation and entrepreneurship, with many successful startups originating as university spinoffs (Shane, 2004). The Bay Area's Stanford University and Massachusetts Institute of Technology (MIT) in Boston are prime examples of institutions that have played a pivotal role in the development of their respective regional startup ecosystems. These universities not only produce a steady stream of talented graduates but also foster innovation through research partnerships, technology transfer offices, and entrepreneurship programs that encourage students and faculty to commercialize their ideas (Motoyama and Knowlton, 2016).

The role of government and policy in supporting the US startup ecosystem cannot be understated. Over the years, various federal and state policies have been implemented to create a conducive environment for startups. For example, the US Small Business Administration (SBA) provides loans, counseling, and training to small businesses, while tax incentives and grants are available to encourage research and development activities (Stangler and Bell-Masterson, 2015). Additionally, immigration policies have historically played a role in attracting global talent to the US, further bolstering the startup ecosystem.

Despite its many strengths, the US startup ecosystem faces several challenges. One significant issue is the growing concern over diversity and inclusion within the startup community. While the US has made strides in this area, there remains a disparity in access to opportunities for underrepresented groups, including women and minorities (Feld, 2012). This lack of diversity can limit the range of ideas and perspectives within the startup ecosystem, ultimately impacting innovation and growth. Efforts to address this challenge include initiatives by venture capital firms and accelerators to fund and support startups led by diverse teams.

Another challenge is the increasing competition from other global startup ecosystems. While the US remains a leader in entrepreneurship, regions such as Europe, China, and India are rapidly closing the gap, driven by their own growing ecosystems and government support (Auerswald and Dani, 2017). This global competition has led to a more interconnected startup landscape, where US startups must continuously innovate and adapt to maintain their competitive edge.

The impact of the COVID-19 pandemic has also presented both challenges and opportunities for the US startup ecosystem. On the one hand, the pandemic disrupted traditional business models, leading to a slowdown in investment and a wave of layoffs across the startup community (Motoyama and Knowlton, 2016). On the other hand, the crisis accelerated the adoption of digital technologies and remote work, creating new opportunities for startups in sectors such as health tech, edtech, and e-commerce (Florida, 2002). As the US startup ecosystem continues to recover and adapt to the post-pandemic world, it is likely that we will see the emergence of new trends and business models that reflect the changing economic landscape.

The US startup ecosystem is a complex and dynamic network of interrelated components, including venture capital, incubators, academic institutions, and government support. Its success is built on a foundation of innovation, access to capital, and a culture that embraces entrepreneurship. However, the ecosystem must address challenges related to diversity, global competition, and the ongoing impact of the COVID-19 pandemic to remain a global leader in entrepreneurship. This overview highlights the key elements that have contributed to the development of the US startup ecosystem, providing a context for understanding the broader trends and dynamics that shape entrepreneurship in the United States.

#### 4. Overview of the Startup Ecosystem in Nigeria

Nigeria's startup ecosystem has emerged as one of the most dynamic and rapidly evolving landscapes in Africa, driven by a combination of innovation, entrepreneurial spirit, and the pressing need to address socio-economic challenges (Adegbile and Sarpong, 2018). Over the past decade, Nigeria has seen significant growth in the number of startups, particularly in the technology sector, where entrepreneurs are leveraging digital solutions to tackle problems in areas such as financial inclusion, health care, and agriculture (Fadahunsi and Rosa, 2002). This section provides an overview of the key elements that define Nigeria's startup ecosystem, focusing on its strengths, challenges, and the factors that contribute to its ongoing development.

The foundation of Nigeria's startup ecosystem is built on its large and youthful population, which provides a vast market for innovative products and services. With over 200 million people, Nigeria is the most populous country in Africa, and this demographic advantage has created a fertile ground for startups looking to scale quickly (Eniola and Entebang, 2015). The youth, who make up a significant portion of the population, are particularly entrepreneurial, driven by a combination of necessity and opportunity. This has led to a proliferation of startups across various sectors, including fintech, e-commerce, and edtech (Olanrewaju and Ramstad, 2020).

Fintech, in particular, has become a hallmark of Nigeria's startup ecosystem. The rise of mobile technology and the widespread use of smartphones have enabled startups to create innovative financial services that cater to the unbanked and underbanked populations (Iwu, et al., 2019). Startups like Paystack and Flutterwave have gained international recognition for their success in simplifying payment processes and expanding financial inclusion in Nigeria and beyond. The fintech sector has also attracted significant investment from both local and international investors, further fueling the growth of the ecosystem (Chiluwa and Batta, 2018).

Another key factor contributing to the growth of Nigeria's startup ecosystem is the presence of technology hubs and incubators, which provide essential support to early-stage startups. Lagos, often referred to as the "Silicon Valley of Africa," is home to several prominent tech hubs, including the Co-Creation Hub (CcHub) and the Impact Hub, which offer startups access to mentorship, networking opportunities, and funding (Egbo and Nwakoby, 2018). These hubs play a crucial role in nurturing the next generation of entrepreneurs by providing them with the resources they need to develop and scale their businesses (Adekoya and Afolabi, 2021).

Despite the successes, Nigeria's startup ecosystem faces several challenges that hinder its full potential. One of the most significant challenges is the lack of adequate infrastructure, particularly in the areas of power and internet connectivity. Frequent power outages and unreliable internet service can disrupt business operations, making it difficult for startups to maintain consistent productivity (Aribaba and Obioha, 2019). Additionally, the regulatory environment in Nigeria can be cumbersome, with complex and often unclear regulations that create barriers for startups, particularly those in highly regulated sectors like fintech and health tech (Ekekwe, 2017).

Access to funding remains another major challenge for Nigerian startups. While there has been an increase in venture capital investment in recent years, many startups still struggle to secure the necessary funding to scale their operations. This is particularly true for startups outside of major cities like Lagos, where the concentration of investors is lower (Olanrewaju and Ramstad, 2020). Moreover, the high-interest rates on loans from traditional financial institutions make it difficult for startups to access debt financing, further limiting their growth prospects (Eniola and Entebang, 2015).

Cultural factors also play a role in shaping Nigeria's startup ecosystem. The collectivist culture in Nigeria places a strong emphasis on community and family ties, which can influence entrepreneurial activities (Aribaba and Obioha, 2019). On the one hand, this can be an advantage, as entrepreneurs often rely on their networks for support and resources. On the other hand, it can also lead to challenges, such as pressure to prioritize short-term gains over long-term sustainability. Additionally, there is a societal expectation for young people to secure stable, traditional employment, which can deter some from pursuing entrepreneurial ventures (Iwu, et al., 2019).

Despite these challenges, Nigeria's startup ecosystem continues to grow, driven by the resilience and creativity of its entrepreneurs. Many startups have succeeded by adopting innovative business models that are tailored to the unique challenges of the Nigerian market. For example, the "pay-as-you-go" model has been successfully implemented by several startups in the energy sector, allowing consumers to access electricity on a prepaid basis, which is more affordable for low-income households (Chiluwa and Batta, 2018). Similarly, startups in the agriculture sector have developed platforms that connect farmers directly with buyers, reducing the reliance on middlemen and increasing profits for smallholder farmers (Adegbile and Sarpong, 2018).

The Nigerian government has also begun to recognize the importance of the startup ecosystem and has taken steps to support its development. Initiatives such as the National Digital Economy Policy and Strategy (2020-2030) aim to create a more conducive environment for startups by improving digital infrastructure, promoting digital literacy, and encouraging innovation (Adekoya and Afolabi, 2021). Additionally, the Central Bank of Nigeria (CBN) has launched several programs to support fintech startups, including the establishment of a regulatory sandbox to test new financial products and services in a controlled environment (Egbo and Nwakoby, 2018).

In summary, Nigeria's startup ecosystem is a vibrant and rapidly evolving landscape, characterized by a youthful and entrepreneurial population, innovative business models, and a growing number of technology hubs and incubators. While the ecosystem faces significant challenges, including inadequate infrastructure, regulatory hurdles, and limited access to funding, the resilience and ingenuity of Nigerian entrepreneurs continue to drive its growth. As the government and private sector increasingly recognize the importance of supporting startups, the ecosystem is poised to play a critical role in the country's economic development and in positioning Nigeria as a leader in innovation on the African continent.

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## 5. Comparative Analysis of Business Models in the US and Nigeria

The business models employed by startups in the United States and Nigeria differ significantly due to the distinct economic, cultural, and regulatory environments in which they operate. This section provides a comparative analysis of these business models, exploring the key differences and similarities, and highlighting how these models have evolved to meet the unique challenges and opportunities in each context.

One of the most prominent business models in the United States is the Lean Startup model, popularized by Eric Ries, which emphasizes rapid iteration, customer feedback, and minimal viable products (MVPs) (Blank and Dorf, 2012). This model has been widely adopted in the US due to its alignment with the country's culture of innovation and risk-taking. Startups using the Lean model typically focus on quickly validating their product or service in the market, using customer feedback to make necessary adjustments, and scaling rapidly once a product-market fit is achieved (Osterwalder and Pigneur, 2010). The Lean Startup model benefits from the availability of venture capital, a strong legal framework for protecting intellectual property, and a large, affluent consumer base that is willing to try new products and services (Teece, 2010).

In contrast, Nigerian startups often adopt hybrid business models that combine elements of traditional commerce with innovative digital solutions (Zott and Amit, 2010). The economic environment in Nigeria, characterized by lower consumer purchasing power and limited access to capital, necessitates a more cautious approach to business model development. Nigerian startups tend to focus on solving local problems, such as financial inclusion, access to healthcare, and agriculture, using technology as an enabler rather than the core product (Chesbrough, 2010). These startups often employ business models that are heavily reliant on mobile technology, given the widespread use of mobile phones across the country (Eniola and Entebang, 2015).

One of the key differences between the US and Nigerian business models is the approach to scalability. US startups typically aim for rapid scaling, often with a "go big or go home" mentality, which is facilitated by the availability of venture capital and a large domestic market (Bocken et al., 2014). In contrast, Nigerian startups often adopt a more incremental approach to scaling, focusing on achieving sustainability before attempting to scale. This difference is partly due to the challenges associated with operating in a developing economy, such as infrastructure deficits, regulatory uncertainties, and the need to educate consumers on new products and services (Adisa, et al., 2014).

The cultural context also plays a significant role in shaping business models in both countries. In the US, the individualistic culture and emphasis on innovation and disruption have led to the development of business models that prioritize differentiation and competitive advantage (Smith, et al., 2010). US startups are often driven by the desire to disrupt existing markets or create entirely new ones, which is reflected in the prevalence of business models that focus on high growth and rapid market penetration (Ghezzi, et al., 2015). In Nigeria, the collectivist culture, combined with a focus on community development, has influenced the emergence of business models that are more inclusive and sustainable, often addressing social and economic challenges specific to the region (Nwaiwu and Kalu, 2016).

Another critical factor influencing business models in the US and Nigeria is the regulatory environment. The US has a well-established legal and regulatory framework that supports entrepreneurship, including protections for intellectual property, clear regulations for starting and running a business, and a robust financial system (Autio, et al., 2011). This environment allows US startups to focus on innovation and growth, with relatively low barriers to entry. In contrast, the regulatory environment in Nigeria can be complex and challenging for startups, particularly those in highly regulated sectors like fintech and health tech (Eniola and Entebang, 2015). Navigating these regulatory challenges requires Nigerian startups to be more adaptable and resourceful, often leading to the development of innovative solutions that can operate within or around these constraints (Adisa, et al., 2014).

The role of technology in business models also differs between the two countries. In the US, technology is often at the core of the business model, with startups leveraging cutting-edge technologies such as artificial intelligence, blockchain, and big data to create innovative products and services (Chesbrough, 2010). These technology-driven business models are supported by a strong ecosystem of tech companies, research institutions, and investors who are willing to fund high-risk, high-reward ventures (Osterwalder and Pigneur, 2010). In Nigeria, while technology plays a critical role in business models, it is often used as a tool to solve specific local problems rather than as the core product itself (Nwaiwu and Kalu, 2016). For example, fintech startups in Nigeria have developed mobile payment solutions that address the challenges of financial inclusion in a country where many people do not have access to traditional banking services (Eniola and Entebang, 2015).

Furthermore, the approach to business model innovation differs significantly between the US and Nigeria. In the US, business model innovation is often driven by the need to stay ahead of competitors in a rapidly changing market (Teece, 2010). Startups are constantly experimenting with new business models, seeking to disrupt existing industries or create new ones. This innovation is supported by a culture that encourages risk-taking and tolerates failure, as well as by access to resources that allow for rapid experimentation and iteration (Blank and Dorf, 2012). In Nigeria, business model innovation is often driven by necessity, as startups must find creative ways to operate in an environment with limited resources and infrastructure (Adisa, et al., 2014). Nigerian startups often innovate by adapting existing business models to local conditions, such as by developing low-cost solutions that can be deployed in areas with limited access to electricity or internet connectivity (Nwaiwu and Kalu, 2016).

Despite these differences, there are also notable similarities in the business models employed by startups in the US and Nigeria. Both ecosystems are characterized by a high level of entrepreneurial activity, with startups playing a critical role in driving economic growth and innovation (Osterwalder and Pigneur, 2010). Additionally, startups in both countries are increasingly adopting sustainable business models that prioritize social and environmental impact alongside financial returns (Bocken et al., 2014). This trend is particularly evident in sectors such as agriculture, where startups in both the US and Nigeria are developing sustainable practices that aim to improve food security and reduce environmental impact (Ghezzi, et al., 2015).

In summary, while the business models employed by startups in the US and Nigeria differ significantly due to the distinct economic, cultural, and regulatory environments in which they operate, there are also important similarities that reflect the universal challenges and opportunities faced by entrepreneurs. The US startup ecosystem benefits from a well-established infrastructure, access to capital, and a culture of innovation, which supports the development of high-growth business models that prioritize scalability and differentiation. In contrast, Nigerian startups often adopt hybrid business models that combine traditional commerce with innovative digital solutions, focusing on sustainability and inclusivity in a challenging environment. As both ecosystems continue to evolve, there is much that entrepreneurs in each country can learn from one another, particularly in the areas of business model innovation and sustainability.

## 6. Best Practices in Startup and Business Modeling

The development of effective business models is critical to the success of startups, as it defines how a company creates, delivers, and captures value in the marketplace. Over the years, certain best practices have emerged that can significantly enhance the chances of success for startups. This section examines these best practices in startup and business modeling, drawing on insights from successful ventures and established theoretical frameworks (Joseph and Uzondu, 2024a).

One of the most widely recognized best practices in startup business modeling is the use of the Business Model Canvas, introduced by Alexander Osterwalder and Yves Pigneur (Osterwalder and Pigneur, 2010). The Business Model Canvas provides a visual framework for developing, testing, and iterating business models by breaking them down into nine key components: customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. This tool allows entrepreneurs to systematically explore and refine their business models, ensuring that all critical aspects are considered and aligned with the overall strategy (Joseph and Uzondu, 2024b).

The Lean Startup methodology, popularized by Eric Ries, is another essential best practice that emphasizes continuous innovation and customer feedback (Ries, 2011). The core principle of the Lean Startup approach is the build-measure-learn feedback loop, which encourages startups to develop a minimum viable product (MVP), test it in the market, gather customer feedback, and iterate rapidly based on the results (Blank, 2013). This approach reduces the risk of failure by ensuring that startups remain flexible and responsive to customer needs, allowing them to pivot or refine their business models as necessary (Teece, 2010).

In addition to these frameworks, the concept of business model innovation has gained prominence as a best practice for startups seeking to differentiate themselves in competitive markets (Chesbrough, 2010). Business model innovation involves rethinking the fundamental ways in which a company operates, often by creating new revenue streams, redefining the value proposition, or leveraging emerging technologies. This practice is particularly important in rapidly changing industries where traditional business models may no longer be viable. Startups that successfully innovate their business models can gain a significant competitive advantage, as they are able to offer unique value propositions that are difficult for competitors to replicate (Zott and Amit, 2010, Joseph and Uzondu, 2024c).

Another best practice in business modeling is the emphasis on customer-centricity, which involves placing the customer at the center of all business model decisions (Maurya, 2012). By deeply understanding customer needs, preferences, and pain points, startups can design products and services that meet real market demands. This customer-centric approach is closely aligned with the principles of design thinking, which encourages empathy with the customer and iterative problem-solving. Startups that adopt a customer-centric business model are better positioned to build strong customer relationships, increase customer satisfaction, and drive long-term loyalty (Kim and Mauborgne, 2004, Tuboalabo, et al., 2024a).

Strategic partnerships also play a crucial role in successful business modeling for startups. By forming alliances with other companies, startups can access resources, capabilities, and markets that would otherwise be beyond their reach (Osterwalder and Pigneur, 2010). These partnerships can take various forms, including joint ventures, strategic alliances, and supply chain collaborations. For example, a startup may partner with a larger company to gain access to its distribution channels, or it may collaborate with a technology provider to integrate advanced features into its product. Effective partnerships can enhance a startup's ability to scale, reduce costs, and accelerate time-to-market (Teece, 2010).

Another important best practice is the focus on scalability and sustainability in business models. Startups must design their business models with scalability in mind, ensuring that they can grow without encountering insurmountable operational or financial challenges (Blank, 2013). Scalability involves creating processes, systems, and structures that

can handle increased demand and expansion into new markets. At the same time, sustainability is increasingly becoming a key consideration, as startups are expected to adopt environmentally and socially responsible practices. By integrating sustainability into their business models, startups can appeal to a growing segment of consumers who prioritize ethical consumption, while also reducing risks associated with environmental and social issues (Ghezzi, et al., 2015).

The use of data and analytics is another best practice that has become integral to modern business modeling. Startups can leverage data to make informed decisions, optimize operations, and personalize customer experiences (Maurya, 2012). Advanced analytics can provide insights into customer behavior, market trends, and financial performance, enabling startups to refine their business models and strategies. For example, data-driven decision-making can help startups identify the most profitable customer segments, optimize pricing strategies, and improve marketing effectiveness. In a competitive startup landscape, the ability to harness data can be a significant differentiator (Kim and Mauborgne, 2004, Ochigbo, et al., 2024a).

Finally, adaptability and resilience are essential characteristics of successful startup business models. The business environment is constantly evolving, and startups must be prepared to adapt to new challenges and opportunities (Fritsch and Wyrwich, 2014). This requires a flexible business model that can accommodate changes in market conditions, customer preferences, and regulatory requirements. Startups that build adaptability into their business models are better equipped to navigate uncertainty and maintain their competitive edge over time (Teece, 2010, Buinwi, 2024).

In summary, best practices in startup and business modeling encompass a range of strategies and approaches that can significantly enhance the chances of success for entrepreneurial ventures. Key practices include the use of the Business Model Canvas, the Lean Startup methodology, business model innovation, customer-centricity, strategic partnerships, scalability, sustainability, data-driven decision-making, and adaptability. By incorporating these best practices into their business models, startups can create robust, flexible, and innovative frameworks that position them for long-term success in a competitive and dynamic market environment.

## 7. Emerging Trends in Startup and Business Modeling

The business landscape is continually evolving, and startups must adapt their business models to keep pace with emerging trends and technological advancements. This section explores the most significant emerging trends in startup and business modeling, highlighting the shifts in strategy, technology, and market dynamics that are shaping the future of entrepreneurship.

One of the most prominent trends in recent years is the digital transformation of business models. The rapid adoption of digital technologies, such as cloud computing, artificial intelligence (AI), and big data analytics, has enabled startups to create new value propositions and innovate their business models (Ghezzi, et al., 2015). Digital transformation allows startups to reach a global audience, optimize operations, and offer personalized customer experiences. In particular, AI and machine learning are being used to automate processes, predict customer behavior, and enhance decision-making, providing startups with a competitive edge in the market (Baden-Fuller and Haefliger, 2013).

The rise of platform-based business models is another significant trend that has transformed the startup ecosystem. Platform business models, which connect multiple user groups (such as buyers and sellers) on a single platform, have become increasingly popular due to their scalability and network effects (Zott and Amit, 2010). Startups like Uber, Airbnb, and Amazon have successfully leveraged platform models to disrupt traditional industries and create new markets. These platforms facilitate interactions between users, create value through network effects, and generate revenue through transaction fees, subscriptions, or advertising (Chesbrough, 2010). The success of platform models has led to their adoption across various sectors, including finance, healthcare, and education.

Another emerging trend is the growing importance of sustainability and social impact in business modeling. Consumers, investors, and regulators are increasingly demanding that startups incorporate environmental, social, and governance (ESG) criteria into their business models (Li, 2020). This shift has given rise to sustainable business models that prioritize long-term environmental and social benefits alongside financial performance. Startups are now developing products and services that address global challenges such as climate change, resource scarcity, and social inequality. By adopting sustainable practices, startups can differentiate themselves in the market, build brand loyalty, and attract impact-focused investors (Bock and George, 2018, Tuboalabo, et al., 2024b).

Subscription-based business models have also gained traction as a result of changing consumer preferences and advancements in digital technology. Subscription models offer customers access to products or services on a recurring

basis, providing startups with a predictable revenue stream and the ability to build long-term customer relationships (Spieth, et al., 2014). This model has been particularly successful in industries such as software (Software-as-a-Service), media, and consumer goods. The recurring revenue generated by subscriptions allows startups to invest in customer retention and continuous innovation, ensuring sustained growth and customer satisfaction (Cavalcante, et al., 2011).

The emergence of the gig economy has also influenced startup business models, particularly in sectors like transportation, delivery, and freelancing. Gig economy platforms connect workers with short-term, flexible job opportunities, allowing startups to scale quickly without the overhead costs associated with traditional employment models (Foss and Saebi, 2017). This model offers flexibility for both workers and companies, but it also presents challenges related to worker rights, job security, and regulation. As the gig economy continues to grow, startups will need to navigate these challenges while capitalizing on the opportunities it presents (Wirtz, et al., 2010).

Another trend that is reshaping startup business models is the increasing use of data-driven decision-making. With the proliferation of data from various sources, including social media, sensors, and customer interactions, startups can gain deep insights into market trends, customer preferences, and operational efficiency (Li, 2020). Data-driven business models enable startups to optimize their offerings, target specific customer segments, and personalize the customer experience. This approach also supports agile decision-making, allowing startups to respond quickly to changes in the market and stay ahead of competitors (Ghezzi, et al., 2015, Ochigbo, et al., 2024b).

The shift towards remote work and decentralized teams, accelerated by the COVID-19 pandemic, has also influenced startup business models. Remote work allows startups to access a global talent pool, reduce overhead costs, and maintain operational flexibility (Spieth, et al., 2014). However, it also requires startups to adopt new tools and processes for collaboration, communication, and project management. As remote work becomes more common, startups will need to develop business models that support distributed teams and leverage the benefits of a remote workforce (Bock and George, 2018, Joseph and Uzondu, 2024d).

Additionally, the concept of open innovation is gaining momentum as startups seek to collaborate with external partners to accelerate innovation and bring new products to market (Chesbrough, 2010). Open innovation involves sharing ideas, resources, and technologies with other companies, research institutions, and even competitors to drive innovation. This collaborative approach allows startups to access new knowledge, reduce development costs, and shorten time-to-market. By embracing open innovation, startups can create more innovative business models and stay competitive in rapidly changing industries (Foss and Saebi, 2017).

Finally, the rise of blockchain technology and decentralized finance (DeFi) is creating new opportunities for startups to innovate their business models (Li, 2020). Blockchain enables secure, transparent, and tamper-proof transactions, which can be applied to various industries, including finance, supply chain, and healthcare. DeFi platforms, built on blockchain technology, allow startups to offer financial services such as lending, borrowing, and trading without traditional intermediaries like banks (Ghezzi, et al., 2015). This decentralized approach has the potential to disrupt traditional financial systems and create new business models that are more inclusive, transparent, and efficient.

The startup ecosystem is undergoing significant changes driven by emerging trends in technology, consumer behavior, and market dynamics. Digital transformation, platform-based models, sustainability, subscription services, the gig economy, data-driven decision-making, remote work, open innovation, and blockchain are all shaping the future of startup business models. Startups that can adapt to these trends and incorporate them into their business models will be better positioned to succeed in an increasingly competitive and dynamic market environment. As these trends continue to evolve, they will create new opportunities and challenges for startups, requiring continuous innovation and strategic agility.

## 8. Challenges and Opportunities in Cross-Country Startup Ventures

As globalization accelerates and technology diminishes the barriers to international expansion, cross-country startup ventures have become increasingly prevalent. These ventures, often referred to as "born globals," are startups that seek to operate in multiple countries from their inception or early in their lifecycle (Autio, et al., 2011). While the pursuit of cross-country operations offers numerous opportunities, it also presents significant challenges. This section explores the key challenges and opportunities faced by startups as they expand across borders, highlighting the strategic considerations necessary for successful internationalization.

### **8.1. Challenges in Cross-Country Startup Ventures**

One of the most significant challenges faced by cross-country startups is the liability of foreignness, a concept that refers to the inherent disadvantages foreign firms face when operating in a new country (Johanson and Vahlne, 2009). These disadvantages stem from differences in language, culture, legal systems, and business practices, which can create barriers to entry and complicate operations. For example, a startup expanding from the United States to China may struggle with understanding local consumer behavior, navigating complex regulations, and establishing trust with local partners and customers (Cavusgil and Knight, 2015).

Startups typically operate with limited resources, which can be a significant constraint when attempting to expand internationally (Hitt, et al., 2016). The costs associated with entering a new market—such as setting up operations, hiring local staff, and complying with regulatory requirements—can be substantial. Moreover, managing operations across multiple countries requires additional financial and managerial resources, which can strain a startup's capacity. This resource constraint often forces startups to prioritize certain markets over others, potentially limiting their global reach (Zahra and George, 2002).

Cultural differences pose a unique challenge for cross-country ventures, as they can affect everything from marketing strategies to employee management (Paul and Gupta, 2014). Understanding and adapting to local cultural norms is crucial for building successful relationships with customers, partners, and employees in different countries. For instance, a marketing campaign that resonates with consumers in Europe may fail in Asia due to differing cultural values and preferences. Additionally, managing a culturally diverse workforce requires sensitivity to cultural differences and the ability to foster an inclusive organizational culture (Zahra, et al., 2005).

Navigating the regulatory environments of multiple countries is a significant challenge for cross-country startups (Buckley and Casson, 2009). Each country has its own set of laws and regulations governing business operations, including taxation, labor laws, intellectual property rights, and data protection. Complying with these regulations can be time-consuming and costly, particularly for startups that lack the legal expertise and resources of larger multinational corporations. Additionally, regulatory changes or political instability in a foreign market can pose risks to a startup's operations (Knight and Liesch, 2016).

Managing operations across different countries requires effective coordination and communication, which can be challenging for startups with limited experience in international business (Rialp, et al., 2005). Time zone differences, language barriers, and variations in business practices can complicate communication between headquarters and local teams. Ensuring that all employees are aligned with the company's strategic goals and maintaining consistent brand messaging across markets can be difficult. Additionally, coordinating supply chains and logistics across multiple countries adds another layer of complexity to cross-country operations (Zahra and George, 2002).

### **8.2. Opportunities in Cross-Country Startup Ventures**

One of the most compelling opportunities for cross-country startups is access to new markets. Expanding internationally allows startups to tap into larger and more diverse customer bases, which can drive significant revenue growth (Autio, et al., 2011). For example, a startup that successfully enters emerging markets in Asia or Africa can benefit from the growing middle class and increasing demand for innovative products and services. Additionally, operating in multiple countries can help startups diversify their revenue streams, reducing their reliance on a single market and mitigating risks associated with economic downturns in specific regions (Cavusgil and Knight, 2015).

Operating in different countries exposes startups to new ideas, technologies, and business practices, which can enhance innovation and learning (Hitt, et al., 2016). Cross-country ventures can benefit from the exchange of knowledge and best practices between markets, allowing them to develop more innovative products and services. Additionally, international expansion provides startups with valuable insights into different customer needs and preferences, which can inform product development and marketing strategies. This exposure to diverse perspectives can also foster creativity and drive the continuous improvement of business models (Paul and Gupta, 2014).

Expanding internationally offers startups the opportunity to form strategic partnerships and alliances with local companies, which can facilitate market entry and growth (Johanson and Vahlne, 2009). Partnerships with local firms can provide startups with access to critical resources, such as distribution networks, customer bases, and regulatory expertise. Additionally, alliances with established players in foreign markets can enhance a startup's credibility and reputation, making it easier to build trust with local customers and partners. Strategic partnerships can also lead to joint ventures and co-development initiatives, further expanding the startup's capabilities and market reach (Zahra, et al., 2005).

Cross-country expansion can enable startups to achieve economies of scale, which can lower costs and increase profitability (Buckley and Casson, 2009). By operating in multiple countries, startups can spread their fixed costs—such as research and development, marketing, and administration—across a larger revenue base. Additionally, global operations can provide startups with access to lower-cost inputs, such as raw materials and labor, which can enhance their competitiveness. Achieving economies of scale can also allow startups to reinvest savings into further innovation and expansion, driving long-term growth (Rialp, et al., 2005).

Expanding internationally allows startups to build a global brand, which can enhance their reputation and attract customers, investors, and talent from around the world (Foss and Saebi, 2017). A strong global brand can differentiate a startup from competitors, increase customer loyalty, and support premium pricing. Additionally, a global presence can position a startup as a leader in its industry, attracting strategic partners and opportunities for collaboration. Building a global brand also provides startups with greater visibility and recognition, which can facilitate entry into new markets and drive business growth (Knight and Liesch, 2016).

Cross-country startup ventures present both significant challenges and compelling opportunities. While startups must navigate the complexities of foreign markets, cultural differences, regulatory environments, and resource constraints, the potential rewards of international expansion are substantial. Access to new markets, enhanced innovation, strategic partnerships, economies of scale, and the opportunity to build a global brand are all powerful motivators for startups to pursue cross-country ventures. By carefully considering these challenges and opportunities, and by developing robust international strategies, startups can position themselves for success in the global marketplace.

## 9. Future Directions and Research Opportunities

The dynamic nature of the global business landscape, coupled with rapid technological advancements, has propelled business model innovation to the forefront of academic and practical interest. As startups and established firms alike continue to seek new ways to create, deliver, and capture value, the need for ongoing research in this area becomes increasingly critical. This section outlines potential future directions and research opportunities in the field of startup and business modeling, highlighting the key areas that warrant further exploration.

One promising area for future research is the exploration of business model innovation in emerging markets. While much of the existing literature focuses on developed economies, emerging markets present unique challenges and opportunities that can give rise to novel business models (Ghezzi, et al., 2015). Research could investigate how startups in these regions leverage local resources, navigate institutional voids, and address the needs of underserved populations. Additionally, there is a need to explore the scalability of successful business models from emerging markets in a global context, as well as the potential for reverse innovation, where innovations from emerging markets are adopted in developed economies (Zott and Amit, 2010).

Digital transformation continues to reshape industries, and its impact on business models is a critical area for further research. Future studies could examine how digital technologies such as artificial intelligence (AI), blockchain, and the Internet of Things (IoT) are driving business model innovation across different sectors (Teece, 2010). There is also a need to understand the challenges associated with integrating these technologies into existing business models, particularly in terms of organizational change, customer adoption, and regulatory compliance. Moreover, research could explore the role of digital platforms in enabling new business models that are based on network effects and data-driven value creation (Chesbrough, 2010).

As sustainability becomes an increasingly important consideration for businesses, there is a growing need to explore how startups can incorporate environmental, social, and governance (ESG) criteria into their business models. Future research could investigate the drivers and barriers to sustainable business model innovation, as well as the impact of such models on financial performance and competitive advantage (Foss and Saebi, 2017). Additionally, there is an opportunity to explore the development of new business models that address specific sustainability challenges, such as circular economy models that minimize waste and resource consumption (Baden-Fuller and Haefliger, 2013).

Business models are not static; they must evolve over time in response to changing market conditions, customer preferences, and technological advancements (Cavalcante, et al., 2011). Future research could focus on the dynamics of business model adaptation, examining how firms modify their business models in response to internal and external pressures. This could include longitudinal studies that track the evolution of business models over time, as well as case studies that explore the specific triggers for business model change. Understanding the factors that drive successful business model adaptation is critical for helping firms remain competitive in a rapidly changing environment (Spieth, et al., 2014).

Given the globalization of business, there is a need for comparative research that examines how business model innovation differs across countries and regions. Such research could explore the influence of cultural, economic, and regulatory factors on business model innovation, as well as the transferability of business models across borders (Amit and Zott, 2012). Additionally, comparative studies could investigate the role of local ecosystems in supporting business model innovation, including the impact of government policies, access to capital, and the availability of skilled talent. Cross-country comparisons can provide valuable insights into the conditions that foster successful business model innovation in different contexts (Wirtz, et al., 2010).

The relationship between business models and corporate strategy is another area ripe for exploration. While business models describe how a company creates and captures value, corporate strategy encompasses the broader goals and competitive positioning of the firm (Teece, 2010). Future research could examine how business models align with and support corporate strategy, as well as the potential for business model innovation to drive strategic change. Additionally, there is an opportunity to explore the role of business models in achieving strategic objectives such as market expansion, diversification, and digital transformation (Foss and Saebi, 2017).

The rise of networked and platform ecosystems, where firms collaborate and compete within interconnected networks, presents new opportunities for business model innovation. Future research could investigate how startups and established firms can create and capture value within these ecosystems, as well as the strategies for managing relationships with partners, competitors, and customers (Zott and Amit, 2010). There is also a need to explore the governance structures and business models that enable successful collaboration within platform ecosystems, particularly in terms of data sharing, intellectual property, and revenue sharing (Baden-Fuller and Haefliger, 2013).

Regulatory changes, particularly in areas such as data privacy, financial services, and environmental protection, can have a significant impact on business model innovation. Future research could examine how firms adapt their business models in response to new regulations, as well as the potential for regulatory changes to drive or hinder innovation (Chesbrough, 2010). Additionally, there is an opportunity to explore the role of regulatory sandboxes and other policy tools in facilitating business model experimentation and innovation. Understanding the interaction between regulation and business model innovation is critical for helping firms navigate complex regulatory environments (Amit and Zott, 2012).

The cognitive processes that underlie business model development and innovation represent an emerging area of research. Future studies could explore how entrepreneurs perceive and interpret opportunities, risks, and challenges, and how these cognitive processes influence business model design (Ghezzi, et al., 2015). This research could also investigate the role of cognitive biases, heuristics, and mental models in shaping business model decisions. Understanding the cognitive underpinnings of business model innovation can provide valuable insights into the entrepreneurial mindset and the factors that drive successful innovation (Wirtz, et al., 2010).

The COVID-19 pandemic has disrupted business models across industries, creating both challenges and opportunities for innovation. Future research could examine how firms have adapted their business models in response to the pandemic, as well as the long-term implications of these changes for business model innovation (Cavalcante, et al., 2011). This research could also explore the emergence of new business models in the post-pandemic world, particularly in areas such as remote work, digital health, and e-commerce. Understanding the impact of the pandemic on business model innovation can provide valuable lessons for navigating future disruptions and uncertainties (Spieth, et al., 2014).

As the business environment continues to evolve, the study of startup and business modeling presents numerous opportunities for future research. Key areas for exploration include business model innovation in emerging markets, the role of digital transformation, sustainability, and the dynamics of business model adaptation. Additionally, cross-country comparisons, the intersection of business models and corporate strategy, and the impact of regulatory changes offer fertile ground for further investigation. By addressing these research opportunities, scholars and practitioners can deepen their understanding of business model innovation and contribute to the development of more resilient, adaptive, and innovative business models in the years to come.

## 10. Conclusion

This study set out to conduct a comparative analysis of startup and business modeling practices in the United States and Nigeria, with the aim of identifying best practices and emerging trends that can inform future entrepreneurial endeavors. The analysis revealed that while there are significant differences in the business models employed by startups in these two distinct environments, there are also shared challenges and opportunities that transcend geographical boundaries.

Key findings from the study highlight the importance of adapting business models to local market conditions, particularly in environments with different levels of economic development, regulatory frameworks, and cultural norms. The Lean Startup methodology, widely adopted in the US, emphasizes rapid iteration and customer feedback, enabling startups to scale quickly in a well-supported ecosystem. In contrast, Nigerian startups often adopt hybrid business models that blend traditional commerce with innovative digital solutions, reflecting the unique challenges and opportunities within the Nigerian market.

For startup founders, the study underscores the importance of flexibility and adaptability in business modeling, particularly when expanding into new markets. Investors are encouraged to consider the scalability and sustainability of business models, especially in emerging markets where resource constraints may require more innovative approaches. Policymakers, on the other hand, should focus on creating conducive environments for startups by addressing regulatory challenges and supporting infrastructure development.

In conclusion, this study has successfully met its objectives by providing a comprehensive analysis of business modeling practices in the US and Nigeria. The findings offer valuable insights for entrepreneurs, investors, and policymakers alike, emphasizing the need for context-specific strategies that leverage local strengths while mitigating potential risks. The recommendations provided can guide future research and practical applications, contributing to the continued growth and success of startups in diverse environments.

## Compliance with ethical standards

### *Disclosure of conflict of interest*

No conflict of interest to be disclosed.

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