

AI Applications in Startups with Reference to College-Going Students

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Abstract

Artificial Intelligence (AI) has become a common phenomenon influencing almost every aspect of modern life. Its applications are increasingly helping college-going students explore entrepreneurial opportunities and build careers through startups.

This study focuses on understanding the role of AI in supporting startup activities among students. The research includes data collected from 150 respondents studying in colleges in and around Thane city, representing students from diverse academic backgrounds.

The main objective of the study is to explore various areas where AI tools are used by young entrepreneurs and to analyze the benefits of AI in startup development. The study is descriptive and exploratory in nature. Both primary and secondary data have been used for the research. Primary data was collected through a structured questionnaire, while secondary data was obtained from journals, articles, and online sources.

The findings reveal that approximately 58% of the respondents have positively utilized AI tools for initiating or supporting their new business ventures. The study concludes that AI provides practical support in building entrepreneurial careers among youngsters, making startup activities and career development comparatively easier in the present digital era.

Keywords:

Startups, Artificial Intelligence, Entrepreneurship, Career Development, College Students

Introduction:

Artificial Intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think, learn, and make decisions. In today's digital era, AI is widely used across various sectors such as education, business, healthcare, and marketing. For college-going students, AI has become an essential tool, especially in startups, as it simplifies tasks, improves efficiency, and enables innovation. AI supports activities like data collection, analysis, security, and communication, making it easier for young entrepreneurs to establish and grow their businesses. For startups, AI provides assistance to error reduction, data collection, social media management and many more functions. Earning at college level has become a necessity now-a-days, so for beginning a journey of earning using Artificial Intelligence is an important component.

Concept of Startups:

Startups are newly established businesses created with innovative ideas and growth potential. Young entrepreneurs often face challenges such as limited capital, lack of experience, and intense competition. AI helps overcome these challenges by assisting in data preparation, collection, security, transmission, and marketing.

Importance of AI in Startup Ecosystem

AI is not merely a necessity but a strategic requirement for achieving better results which we require to sustain in the market. Marketing is different today to promote our goods and services. To explore what customer needs and the insights of the product and services with proper reviews is what helps to understand the process of selling. The services rendered are different today for customers. Customer satisfaction plays a very important role in sustaining into the market. AI supports in getting reviews, followers' number of any startup through social media Apps. Instagram reels play a very important role in interacting and engaging the customers.

Practical approach of AI in startup:

- AI Content developer.
- AI video editing for Reel making.
- AI logo and poster design.

- AI Social media content services such as copilot, Chatbot.
- AI Graphic designing.
- Basic Ads making.
- Product Branding.
- Product Marketing.

Functionality of AI in startups:

1. Marketing:

Marketing includes promotion and acknowledging new products. It is done to make people aware of products and services which newly established companies are making. Example a Company has newly started but already has competition with existing products. So, you require to publicize your product. For that AI helps to make niche in the market. The method of marketing includes data collection, review taking, feedbacks, providing after sales services, online services, online home delivery applications and many more. There are many tools which support Marketing such as Jasper AI, Instagram, Hootsuite, Canva, Mailchimp, HubSpot, Google Ads are some prominent tools of Marketing new startups.

2. Decision-Making:

AI Chatbots provide decision making approach in various fields such as Health startups, finance areas, IT Sector, Hospitality, Customer Services areas by providing instant coding functionality of solving problems with best solutions.

The following areas where AI is used for decision making aspects:

- **HealthCare:** Nowadays AI is supporting aid in health checkups with diagnosis and its treatment recommendations. Health startups achieve better results in it. With the help of Chatbots, medical treatments, diseases awareness, diseases diagnosis is possible.
- **Finance Sector:** AI is backing up finance sector through Funding Advising, Fraud detections, Hackers solving, Loan EMI calculating, Interest rate calculators, Recent Investment options. These are necessary for any banking or financial related startups such as mutual fund agency, stock market agency, small finance banks etc. The

common tools such as IBM Watson, Kensho, Zest AI, Upstart DataRobot helps in financial making decisions.

- **Hospitality:** AI in hospitality startups is used for customer satisfaction feedbacks, and reviews. From those feedbacks important changes could be made bringing in fostering growth. The commonly AI tools are Duetto, Revinate, Zingle, ALICE app to get data and feedbacks from customers. New fresh start requires customer insights and they need to provide customer services effectively.
- **Education Sector:** There are freshers who pursue jobs in education sector. They too require quick decision-making apps using AI such as Knewton, Google Classroom. All these tools are used for assessment purposes.
- **Commerce and Retailing:** Commerce is generally buying and selling of goods and services. This is a common sector for startups to use AI as a decision-making tool. The tools used in Commerce and retailing are Shopify Magic where it helps in pricing and marketing decisions.
- **IT Sector:** Without any doubt, IT sector is backed by AI mostly using Copilot, Google Analytics, Darktrace, Intercom, Drift, are some of the widely used tools in AI for automation of work and decision making, Code Fixer, Tabnine are another important tool.

Advantages of using AI in startups:

1. **Automation of work:** Filtering data could be achieved through AI. Automation work such as customer data collection, recording, formatting, analyzing data are achieved through AI tools. This makes the paper work easier for new startups.
2. **Cost- friendly:** The business startups are absolutely cost- friendly. The cost is manageable. In recent times where freshers struggle to invests huge number of sums of rupees to start their

businesses. It is available in few clicks of AI tools. AI tools help to achieve the business startup options with more affordable ways.

3. Creative ideas: Today AI helps to bring a creative idea to achieve the goals. Web designing, code developing, research and content writing, digital painting etc., are backed by AI support.

4. Multi lingual: The data available is in multiple languages. Customer gets the opportunity to fill the data or use the facilities of market by having varied language options to understand them in better way.

Some successful AI startups:

Meesho, Curefit, Byjus, Ola, Zomato, UnAcademy, Uber.

Challenges of using AI in startups:

1. Privacy issues: New startup people may not be able to authenticate the process involved in AI applications. The work may become risky if it requires to share the data of customers or personnel.

2. Hampers creativity among youngsters: Youngsters' creativity ideas are stopped due to ready to use AI applications. This creates lack of bringing ideas. New generation are supposed to work in the environment with bringing new ideas and freshness in the environment, but due to AI, idea is simply taken from it and used. New imagination is hampered.

3. High overall dependency: AI creates high dependency on chatbot. It resolves many theoretical aspects. So, the dependency level is high.

Literature Review

Artificial Intelligence has emerged as a transformative force in the startup ecosystem by improving efficiency, innovation, and decision-making. Raisch, Sebastian and Krakowski, Sebastian (2021) explained that AI supports organizations through both automation and augmentation, enabling businesses to reduce manual tasks while enhancing human capabilities. This is especially useful for startups operating with limited resources.

According to Brynjolfsson, Erik, Li, Danielle, and Raymond, Lindsey (2025), generative AI increases productivity and improves work performance, making it beneficial for young

entrepreneurs and college students starting new ventures. AI tools assist in content creation, marketing, and customer communication.

Kraus, Sascha et al. (2023) highlighted that digital technologies, including AI, help startups innovate their business models and remain competitive in changing markets. Similarly, Blank, Steve (2012) emphasized that startups grow successfully when they adopt modern tools and continuously test new ideas.

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Objectives of research:

1. To explore various areas where AI is used by college-going entrepreneurs.
2. To analyze the benefits of AI in startups.

Research design:

Research Type: The study is descriptive and exploratory in nature. Both primary and secondary data have been used for the research. Primary data was collected through a structured questionnaire, while secondary data was obtained from journals, articles, and online sources.

Sampling method: Convenience sampling method was adopted for selecting 150 respondents from colleges in and around Thane region due to ease of access and availability of respondents.

Data Collection Tool: A structured questionnaire containing close-ended questions was used to collect responses.

Time period of the study: January 2026 to March 2026.

Limitations of the study:

1. Study limited to Thane region only.
2. Sample size restricted to 150 respondents
3. Responses based on personal opinions of students
4. Time constraints existed as data collection was limited to January 2026 to March 2026.

Respondents profile

Data were collected from 150 respondents from Colleges from Thane region.

Category	No of Respondents
Last Year Graduates	85
Master Students	35
Undergraduates	30
Total	150

Source: Primary data collection

Objective No.1 To explore startup areas where college students use AI

Startup areas where college students use AI	No of respondents
Web designing	12%
Web developer	10%
Marketing	15%
HealthCare	05%
Youtuber	23%
E-Commerce retailer	13%
Financial Sector	22%
Total	100%

Source: Primary data collection

Objective No 2 To analyze the benefit of AI in startup guidance

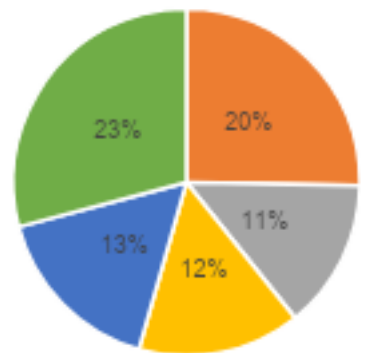
Benefits	No of respondents
Easy setup	20%
Creative ideas	11%
Cost friendly	12%
Automation of work	13%
Easy marketing available	23%
Multilingual	12%
Competitiveness	9%

Total	100%
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Source: Primary data collection

Data analysis:

Benefits of AI in Startups



The data shows that the biggest benefit of using AI in startups is easy marketing availability (23%), which means most respondents feel AI helps in promoting products and services easily. The second most important benefit is easy setup (20%), indicating that AI makes it simpler to start and manage a business.

Other benefits include automation of work (13%), which reduces manual effort, and being cost-friendly (12%) and multilingual (12%), showing that AI helps save money and supports multiple languages.

Additionally, creative ideas (11%) suggest AI helps generate new business ideas, while competitiveness (9%) is the least selected benefit, meaning fewer respondents feel AI directly helps them compete in the market.

Conclusion:

The study concludes that AI significantly supports startup development among college students by reducing operational complexity, lowering costs, and enhancing marketing effectiveness. AI adoption is particularly visible in content creation, e-commerce, and service-based ventures.

Suggestions:

- Colleges should offer AI entrepreneurship workshops
- Students should learn ethical AI usage
- Government can support AI-based student startups
- Data privacy awareness should be increased.

Scope for Future Research:

Further research can focus on long-term impact and risk management of AI in startups. Although AI proves to be very much crucial in the lives of fresh Entrepreneurs, but the challenges are somewhere risky and needs proper authentication and privacy. The research may further explore how far it is successful in any sector during the startup phase.

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