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PROFITABILITY ANALYSIS OF UKRAINIAN STARTUPS

The economy of Ukraine exists in the conditions of war, on the one hand, it greatly complicates the work of enterprises and obviously reduces entrepreneurial activity, on the other hand, a warring country especially needs resources to successfully achieve military tasks. Currently, Ukraine's budget largely depends on international aid, but despite the difficulties, the economy must develop and one of the promising directions is the development of innovative entrepreneurship, which is aimed at creating new products, technologies and services. In this context, it is appropriate to talk about startups - organizational forms of innovative activity, newly created organizations that specialize in the development of a new product or service in conditions of extreme uncertainty. The peculiarity of a startup is that it does not have a ready-made product or service for sale on the market, but has an innovative idea or a product prototype. The point is that, more often than not, a startup has a large growth potential, but at the same time, a high level of risk. Unlike a regular business, a startup does not have sufficient funding at the first stages of development, and you need to look for investors who are interested in the idea. Most of the world's startups are concentrated in the IT and high-tech spheres, although there are many examples of startups related to energy, medicine, ecology and other industries.

Ukraine occupies high places in the world rankings of startup ecosystems. The Ministry of Digital Transformation of Ukraine emphasizes that domestic startups, like the country's IT sector as a whole, have adapted to wartime and continue to conduct their activities effectively, responding to modern challenges. Circumstances forced 44% of existing startups to change their location, but 95% of startups are fully or partially operating in Ukraine. At the same time, it is worth noting that Ukraine is the primary market for 60% of domestic startups, the markets of Europe (46.4%) and North America (USA 34.3%, Canada 9.3%) occupy the next steps of the rating. Every fifth Ukrainian the startup sees the world market as its main goal [1].

The economic law of growing needs proves that the market constantly needs new and creative ideas, developments, inventions - this is the main reason that the innovation boom does not stop, and startups are the main players here, who, analyzing the needs of consumers, create new products. Analyzing the largest Ukrainian startups, it can be noted that most of them are related to the field of modern technologies. The perspective of the development of this industry in

Ukraine lies in the fact that the use of IT technologies ensures the profitability of companies' activities, promotes entry into the international market, and also ensures an increase in the level of competitiveness of domestic production. On the other hand it should be pointed out that agricultural and food startups have the lowest profitability. As for the agricultural sector, this is explained by the fact that it is difficult for budding startups to compete with agricultural holdings. The food industry is developing more actively, but there are also not many startups here, primarily due to the lack of qualified personnel capable of visionary thinking [2].

The year 2023 is marked by high activity in the field of artificial intelligence and entrepreneurship, when there are revolutionary changes and the development of startups that are designed to change our lives and raise them to a new level of convenience, efficiency and innovation. In Ukraine this year, startups have also focused on developing the means to bring victory closer, such as rocket-building startup AMW Labs. For domestic startups, the question of how to attract new investments for business projects is acute. Sources can be venture funds, startup accelerators, state funding, especially for projects in the field of defense capability and reconstruction of the country and attraction of foreign investments, including grant programs.

References:

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