

How to become an Entrepreneur



Table of Contents

1. What Is Entrepreneurship? It's a State of Mind

5 characteristics of an entrepreneur

Are you cut out for it?

2. Building Your Entrepreneurial Foundation

Ikigai: Find your sweet spot

Define your ‘why’ and core values

Identify your entrepreneurial skills

Map your route

3. How to Find a Good Business Idea

1. Imagine your ideal work day

2. Find a problem to solve

3. Choose between products and services

4. Pick your most promising business idea

4. How to Validate Your Business Idea

Conduct a market analysis

Talk directly to your target market

Build an MVP (minimum viable product)

5. Choosing the Right Business Model

Popular business models

Best business partnership options

Partnering up vs. going solo

6. Business Funding and Finances 101

Evaluate your relationship with money

Understand debt vs. equity

4 ways to fund your startup

7. How to Start a Business – Officially

Legal issues with starting a business

Writing a business plan

8. Inspiration and Resources for Your Next Steps

Best entrepreneur books

Digital resources for new entrepreneurs

Resources for women entrepreneurs

Entrepreneur quotes

There's no better time than now

1

What Is Entrepreneurship? It's a State of Mind

When you think of the word ‘entrepreneur,’ it conjures up all kinds of images: the classic ‘rags-to-riches’ story, corporate hotshots running international brands, scrappy startups in Silicon Valley... the list goes on.

You might also think of some supplementary words that seem to show up a lot these days, like ‘hustle’ and ‘grind.’

Of course, a dictionary is a solid start in answering the question, ‘What is entrepreneurship?’

Merriam-Webster defines ‘entrepreneur’ as ‘one who organizes, manages, and assumes the risks of a business or enterprise.’

But any entrepreneur will tell you there's a lot more at play than that. And it's difficult to nail down a clear definition of entrepreneur because everyone seems to have differing opinions.

I would personally go so far as to say that just because someone owns a business doesn't necessarily mean they're an entrepreneur. And vice-versa: a lot of incredible entrepreneurs are tucked into someone else's organization and still thriving. Gasp!

That's because some of the chief characteristics of an entrepreneur involve **longevity, resilience, and the willingness to do things** that aren't your ideal cup of tea. You've got to be ‘in it to win it,’ no matter how many failures it takes to get there. *Spoiler alert:* failure is part of the deal – **it's how you bounce back that really matters.**

That's where hustle and grind come in.

PJ Leimgruber, serial entrepreneur and co-founder of influencer marketing platform [Neoreach](#), can personally vouch for the need to get your hands dirty as you explore your new business and its potential.



PJ Leimgruber
Co-founder of Neoreach

“Being an entrepreneur means you have to wear many hats and be forced to do things you aren’t good at, **and learn from those mistakes**. But when you have that ‘a-ha’ moment of **discovering your personal zone of genius**, you can zoom in on those areas to make the business succeed.

And as you grow, you’ll turn a corner where **you can do the things you’re great at and love doing**, and find people who are better than you at the things you hate doing.

And when it really clicks, is when you have a team of people who each **independently love and are amazing at their respective roles**.

But getting there, getting over that hump, means lots of discomfort and ‘doing things poorly’ to learn.”

If you’re unsure about whether you have the characteristics of a true entrepreneur – and how exactly to go about it even if you’re certain you’re up for it – this ebook is for you.

We'll cover:

- What entrepreneurship is, the key traits of an entrepreneur, and **how to know if you're cut out for it**
- How to build yourself **a solid foundation** before setting forth into the unknown
- The process of **finding and validating a business idea**, to help minimize risk
- How to **set up your new business**, including the business model and legal requirements
- How to **fund your business** to minimize financial strain and maximize profit
- Some books, quotes, and other resources to **stay fueled up** on your path

Let's get started, shall we?

5 characteristics of an entrepreneur

Before we dig into the finer points of how to become an entrepreneur, let's get a little philosophical.

What *really* makes an entrepreneur?

For starters, they're not just chasing money. While many pursue entrepreneurship to be more financially comfortable, **there's frankly no guarantee you'll ever get rich.** In fact, many entrepreneurs go years without paying themselves a salary, let alone a big one.

If money is your only motivation, you're better off with a lofty desk job and a good savings plan.

To be a 'real' entrepreneur, you'll need a lot more fuel than the desire to have more cash. We'll get into this a bit more in [Chapter 2](#), where we help figure out your entrepreneurial skills and your 'why' behind your motivation.

For now, let's look closer at some of the most common traits of an entrepreneur.

1. Driven

I don't mean to shock you, but it takes a lot of work to build a business from scratch. You have to be **driven, passionate, and determined**. You need to be a self-starter. To have a reason to wake up at the crack of dawn. And to stay up... until the crack of dawn.

In all reality, your business choice might not even require you to burn the midnight oil or have periods of extreme stress or exhaustion. But you should be willing to endure these challenges to achieve your vision, if that's what it comes down to.

When you're your own boss, there's no one breathing down your neck to make sure you're cruising through your to-do list. You might be thinking, "Well, yeah... that's the whole point."

But what's obvious in theory isn't always that way in reality.

When given the time and freedom to do as they choose, many will struggle – like, *really* struggle – with staying on course and being able to efficiently juggle all the moving parts. That's why you can find a million resources, consultants, and coaches on topics like time management and 'self-help' for entrepreneurs.

2. Resourceful

The resourceful entrepreneur doesn't just wait around for new knowledge and opportunities to come up. They're constantly seeking them. **They're watching their surroundings, asking questions, and absorbing everything they can** – then viewing it all through the filter of '**how can I apply this?**'

This is one of the core qualities of an effective entrepreneur. They don't shy away from their obstacles and challenges. Instead, they're constantly looking for new approaches and perspectives for solving them.

For small businesses, a shining example of this is the never-ending quest to operate at low costs.

Consider Justin Gold of [Justin's](#) nut butter company. When it was time to scale-up and leave his home kitchen, he couldn't afford a \$50,000 industrial peanut butter mill. Instead, he bought several older, cheaper ones and used them together. On top of saving money, the end result created truly unique nut butters that his competitors couldn't mimic.

3. Resilient

Resilience goes hand-in-hand with resourcefulness and drive. While the hamster wheel in your brain is turning furiously (drive) to solve new problems and optimize your decisions (resourcefulness), you should be prepared to handle when things go wrong (resilience).

And trust me, things will go wrong.

[Tim Kock](#), dropshipping entrepreneur who's made more than a million in revenue across his stores, says that you've got to prepare for the winter.

"For me, being an entrepreneur means being able to deal with 'winter' and 'summer.' **Sometimes, everything seems to work perfectly and other times nothing seems to work at all.**

In summer, you have to prepare for the upcoming winter. In winter, however, you have to fight through with the confidence that summer will come.

Just like in nature, summer and winter will always rotate."



Tim Kock

Dropshipping
Entrepreneur

When you encounter a roadblock, you'll need to find an alternate route around it. Resilience is **falling and getting right back up to try something else.**

Consider the quote from Thomas Edison (you know... the guy who invented the lightbulb):

“ *I have not failed. I've just found 10,000 ways that won't work.*

And did you know that Walt Disney (you know... the guy who created Mickey Mouse) was fired from his first newspaper cartoonist job in 1919? His editor said that he didn't have any good ideas and lacked imagination.

Just a reminder: Disney World has been dubbed ‘the most magical place on Earth.’ How’s that for bad ideas and no imagination?

I could fill this entire ebook with examples of [entrepreneurs who failed](#) before they made it big, but you get the point.

Keep your head up!

4. Persuasive

It's one thing to have an amazing vision and relentlessly pursue the process of bringing it to life. It's another thing to convince people that your vision is legit.

It doesn't matter what kind of business you're opening, startup entrepreneurship requires **buy-in from all kinds of people and entities** like employees, customers, vendors, and investors. Your business – and every business in the history of mankind – relies on the fact that other people believed in the founder's mission and supported it in some way.

**Sure, you can just hire salespeople down the line.
But starting out, it's all you.**

You've probably heard about the incredible disaster that was the [Fyre Festival](#) in 2018. It was sold as the luxury music festival of the century, but failed to deliver in basically every possible way. So how did the founder, Billy McFarland, manage to defraud investors, employees and hopeful festival-goers out of millions of dollars?

He's persuasive as hell.

Granted, some might argue that he's also a delusional sociopath... but the takeaway here is that your attitude and your ability to rally the masses can get you almost literally anywhere you want to go.

Just don't lie to people, okay? Glad we had this talk.

Check out this [persuasion framework](#), a super-handy toolkit to help with your sales and other persuasive communication skills.

5. Empathetic

This is a big one. While some (like Billy McFarland) might argue that this isn't really one of the characteristics required of an entrepreneur, empathy is an incredibly powerful way to understand the people you're serving with your business and your efforts as a whole.

When you can **understand their struggles, motivations, needs, and wishes**, you're better equipped to deliver on those things.

It's also a trait of many of the world's best leaders. This is important especially if you're going to be managing a team.

Empathy is like a channel that keeps you connected. It helps you to communicate and share your vision with them, and to be supportive and understanding through leadership instead of just being some jerk who just barks orders all day.

This leads to people genuinely wanting to work with and for you. And everyone knows that happy employees are the best employees.

Are you cut out for it?

As you set forth to ask yourself the critical questions for getting started, it would probably help to have a tangible list to see if your **motivations, ideals, and goals** are in alignment.

So we made you a little self-evaluation worksheet that covers some of the fundamental characteristics of an entrepreneur. It has 12 statements for you to think on.

A	B	C
Rating (1–5)	Statement	Notes
3	I have an optimistic outlook. There are plenty of opportunities for me.	Sometimes I feel like I'm at a dead-end. Opportunity to work on my mindset.
4	I often fantasize about starting my own business and kicking ass at it. When I care about something, I'm invested 100%.	
	I'm observant. I'm always examining what's happening in my life and in the world.	
	I'm inquisitive. I ask a lot of questions to understand things better.	
	I'm a critical thinker. I want to explore concepts and ideas myself before I adopt them.	
	I'm a 'people person.' I enjoy connecting with and relating to others.	
	I'm a strong communicator. It's easy for me to convey my thoughts and ideas.	
	I'm prepared to fail, but not to give up if my first (or second, or third...) idea doesn't work out.	
	I'm willing to sacrifice time, energy, and resources to make my dream work.	

We've created a master file for this worksheet (and all the worksheets and templates in this ebook). This way, you can have all your work in the same place. [You can find the worksheets here.](#)

NOTE:

You won't be able to edit this file directly, so follow our directions inside the doc to make a copy in your own Google Drive, or download a copy to use in Excel on your computer.

For each statement, rate yourself on a scale of 1 to 5:

- 1.** Strongly disagree
- 2.** Disagree
- 3.** Undecided/in the middle
- 4.** Agree
- 5.** Strongly agree

Here are the statements:

- I have an optimistic outlook. There are plenty of opportunities for me.
- I often fantasize about starting my own business and kicking ass at it.
- When I care about something, I'm invested 100%.
- I'm observant. I'm always examining what's happening in my life and in the world.
- I'm inquisitive. I ask a lot of questions to understand things better.
- I'm a critical thinker. I want to explore concepts and ideas myself before I adopt them.
- I'm a 'people person.' I enjoy connecting with and relating to others.
- I'm a strong communicator. It's easy for me to convey my thoughts and ideas.
- I'm willing to take risks as opposed to 'playing it safe.'
- I'm an assertive decision-maker, even in stressful situations.
- I'm prepared to fail, but not to give up if my first (or second, or third...) idea doesn't work out.
- I'm willing to sacrifice time, energy, and resources to make my dream work.

As you work through it, take any notes you find relevant: obstacles, opportunities, ideas, etc. Go crazy.

Generally speaking, if your final score is below 40, you may need to focus on building your skills and mindset before you set off on your venture.

Which may lead you to ask: *Can entrepreneurship be taught? Can entrepreneurship be learned? Can entrepreneurship be developed?*

While some might argue that it's strictly inherent, I believe you can certainly build your entrepreneurship muscles just like you can build your biceps.

Now that we've discussed an entrepreneur definition and some key concepts, as well as the most notable characteristics of an entrepreneur, let's talk about starting your business!

2

Building Your Entrepreneurial Foundation

When you're researching how to be a successful entrepreneur, but aren't quite sure what you want to do, it can get real overwhelming real fast.

Where do you even start? How do you pick something that you like, but also still manage to make good – or even decent – money? (Cue sad images of the proverbial 'starving artist' who loves their full-time art career but can't afford food.)

Well, my friend, you've stumbled on one of the biggest barriers of becoming an entrepreneur.

Unfortunately, the process of actually settling on an idea and taking the first steps is so daunting that it stops many people in their tracks. What if you don't have an Earth-shattering vision that will change life as we know it?

That's okay.

According to Adii Pienaar, serial entrepreneur and the founder of ecommerce email marketing automation platform [Conversio](#), it's all about knowing your values and why you're doing your thing.



Adii Pienaar
Founder of Conversio

"I think there are broadly two types of entrepreneurs: **the visionaries and the opportunists**. Both get into entrepreneurship for very different reasons and as a result, challenges are dealt with differently.

The biggest part of being an entrepreneur is **knowing why you are an entrepreneur**. It's okay to not have a 10-year vision of how you want to change the world; perhaps it's just about seeing a gap in the market that could give you greater financial independence and flexibility for the next couple of years.

Knowing your true values will help you navigate the inevitable ups and downs of building a business, while never forgetting where you started or where you're going."

On top of really being in touch with their goals and values, some of the most successful entrepreneurs have managed to match their entrepreneurial endeavor with their personal interests and passions.

That's the not-so-secret formula to becoming an entrepreneur who is motivated, interested, and satisfied with their business. And these are rocket boosters for the longevity and resilience we talked about in [Chapter 1](#).

(Pssst: they also drastically increase the chances of you succeeding financially!)

In this chapter, we'll explore:

- **The Japanese concept ikigai, which helps you find a balance between personal and professional needs**
- **Why it's important to define your 'why' and your core values before starting a business**
- **How to identify your entrepreneurial skills**
- **Why you should do a bit of dreaming and personal goal-setting first – to help carve out your unique path**

Let's go.

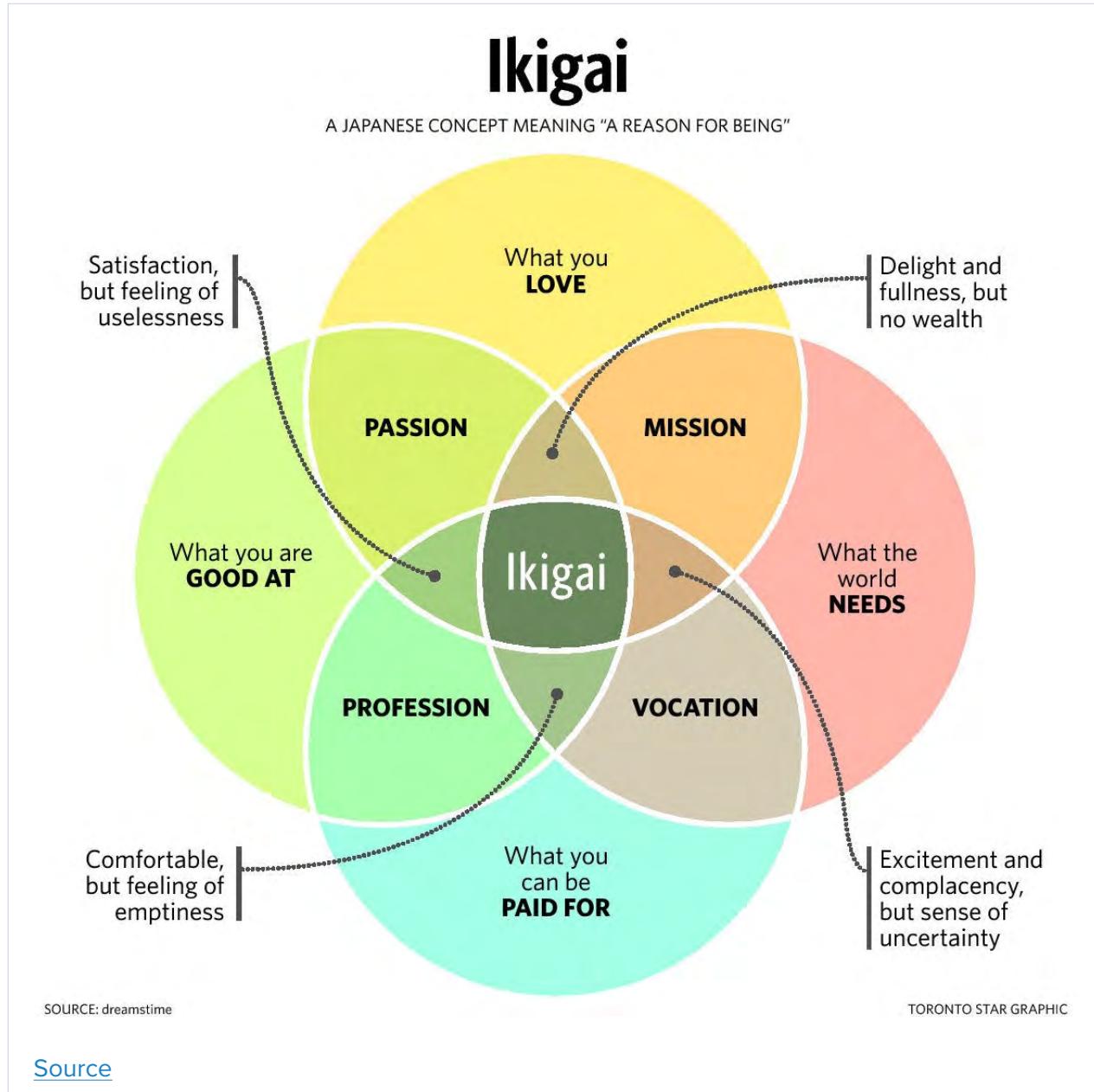
Ikigai: Find your sweet spot

The Japanese term ‘ikigai’ can be translated to mean ‘a reason for being’ – or more bluntly, ‘the reason you get out of bed every morning.’

You could say that Japan totally nailed the exploration of finding true happiness and fulfillment. While this concept wasn’t necessarily designed for your career, it’s an undeniably huge part of life. And so, ikigai is something to keep in mind on your path to becoming an entrepreneur.

Ideally, your perfect new business will combine:

- What you love
- What you’re good at
- What you can be paid for
- What the world needs



Of course, this is just an ideal. There's the dilemma that many people find it difficult to monetize the things they truly love. And there's absolutely nothing wrong if you can't meet the daunting criteria of doing 'what the world needs.' You don't have to dedicate your life to Mother-Teresa-level philanthropy if that's not your bag.

For many people, an awesome business just meets a couple of these criteria, like ‘what you’re good at’ and ‘what you can be paid for.’ No shame in that game either. (But it *is* important to know your ‘why’ and your core values, which we’ll get to in the next section.)

Before you move forward, consider these four pillars and which of them are the most important to you. Then consider which are the most feasible. Then marry your findings to try and find your own personal sweet spot.

Write them all down! This way, you can follow your train of thought as your ideas morph and grow, and you learn more about how to be an entrepreneur.

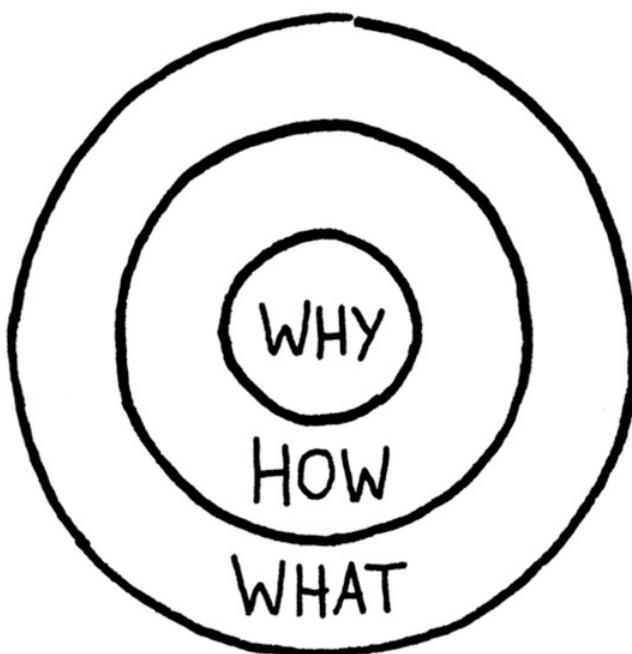
We made a worksheet that you can get here. Follow the directions for downloading your own copy.

Define your ‘why’ and core values

Building off the ikigai concept, it's important to identify why you're doing what you do, and the core values that guide you along the way.

To get to the heart of this, look at Simon Sinek's 'Golden Circle,' the key concept behind his best-selling book *Start With Why*.

Sorry for the spoiler, but he thinks you should start by identifying your 'why.' He argues that every business knows what they do, some of them know how they do it, and only a few truly know why they do it.



What

Every organization on the planet knows WHAT they do. These are products they sell or the services they offer.

How

Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

Why

Very few organizations know WHY they do what they do. WHY is not about making money. That's a result. It's a purpose, cause or belief. It's the very reason your organization exists.

© 2013 Simon Sinek, Inc.

[Source](#)

Figuring out your own reasons for [starting a business](#) – apart from earning money – involves identifying your core values. These will shape your business from the ground up, including every single customer interaction you'll ever have.

Because buying something is more than just the surface-level exchange.

When someone chooses to buy from you, **they're endorsing your brand's values**. They see a piece of themselves in your business, and they're sharing something special with you.

In 2019 and beyond, more and more people are going into business for themselves. So you have to do more than just offer something that people want. You have to **prove to them up-front** that you share their values.

Consider the co-working company [WeWork](#). They put their mission statement and values in their main navigation bar on their website. This immediately communicates that they're invested in these values, and they're looking for customers who share them.

The screenshot shows the WeWork website's navigation bar at the top, featuring links for Locations, Workspace, Mission, Enterprise, and Labs. Below the navigation, a large banner image displays a modern office interior with people working at desks and a large, colorful mural on the wall. Overlaid on this image is the text "Our Mission" in a large, bold, white font. Below "Our Mission", a subtitle reads "Create a world where people work to make a life, not just a living." The overall theme is one of a vibrant, creative workspace.

Scroll down the page, and you'll see their core values all laid out.

Our Values

Inspired

We do what we love and are connected to something greater than ourselves.

Entrepreneurial

We are creators, leaders, and self-starters. We try new things, we challenge convention, and we're not afraid to fail.

Authentic

We are genuine to our brand, mission, and values. We're not perfect, and we don't pretend to be. We are always honest and as transparent as we can be.

Tenacious

We never settle. We get shit done and we get it done well. Be persistent and knock down walls-literally if you have to. You have our permission.

Grateful

We are grateful for each other, our members, and to be part of this movement. We don't take success for granted. We're happy to be alive.

Together

We are in this together. This is a team effort. We always look out for one another. We have empathy, we know we're all human, and know we can't do any of this alone.

You don't need to be this upfront with expressing your company's values, but you do need to make them known. The best way to do this is to incorporate them into your branding.

To find your own core values, think about questions like:

- What problem(s) do I want to help solve?
- Who do I want to help?
- How do I want to help them?
- How will my business improve people's lives?

Keep these questions in your pocket as you brainstorm and validate potential [business ideas](#), as the answers will probably change the closer you get to choosing and starting your venture.

Identify your entrepreneurial skills

There are loads of entrepreneurial skills and competencies that can improve your chances of success. Here's a checklist to help you figure out which ones come naturally to you, and which ones you might need to focus on improving or getting assistance with in the future.

While some might argue that there are a few necessary skills for becoming an entrepreneur, keep in mind that **you definitely do not need to master all of them** to be successful. You might not even need some of these entrepreneurial skills at all, depending on the type of venture you're starting and what it might turn into down the road.

But you've probably noticed that this chapter is all about preparation, so voilà.

OPERATIONS

- Financial knowledge/experience
- Legal knowledge/experience
- Sales knowledge/experience
- Marketing knowledge/experience
- Strategic planning and organizing
- Strong decision-making
- Sales and negotiation
- Time management

RELATIONSHIPS	<input type="checkbox"/> Leadership
	<input type="checkbox"/> Capacity for teamwork
	<input type="checkbox"/> Hiring and talent sourcing
	<input type="checkbox"/> Strong communication
	<input type="checkbox"/> Listening skills
	<input type="checkbox"/> Ability to motivate others
	<input type="checkbox"/> Ethics and integrity
	<input type="checkbox"/> Emotional intelligence
GROWTH AND OPPORTUNITIES	<input type="checkbox"/> Creative thinking
	<input type="checkbox"/> Problem-solving
	<input type="checkbox"/> Goal-oriented planning and action
	<input type="checkbox"/> Willingness to take risks
	<input type="checkbox"/> Stress management
	<input type="checkbox"/> Failure management
	<input type="checkbox"/> Ability to identify trends

You can find and fill in this checklist [here](#), along with the other worksheets and templates from this ebook.

Map your route

Soon, we'll get our hands dirty with picking a good business idea and those other fun steps of becoming an entrepreneur. But first, let's address some of the basic considerations for getting started. This involves a bit of visualization, basic planning, and personal goal-setting.

The art of the ‘side hustle’

One of the first questions asked by people learning how to be an entrepreneur is, “Do I have to quit my day job?”

Nope. In fact, unless you have some solid savings to float on, it might be a better idea to start your new business while you still have the financial security of your payroll job. This way, you won't find yourself in deep trouble if things don't go the way you plan.

It will certainly be tough to juggle both, but it's one of the best ways to avoid becoming an entrepreneur with no money on the side for risk-taking.

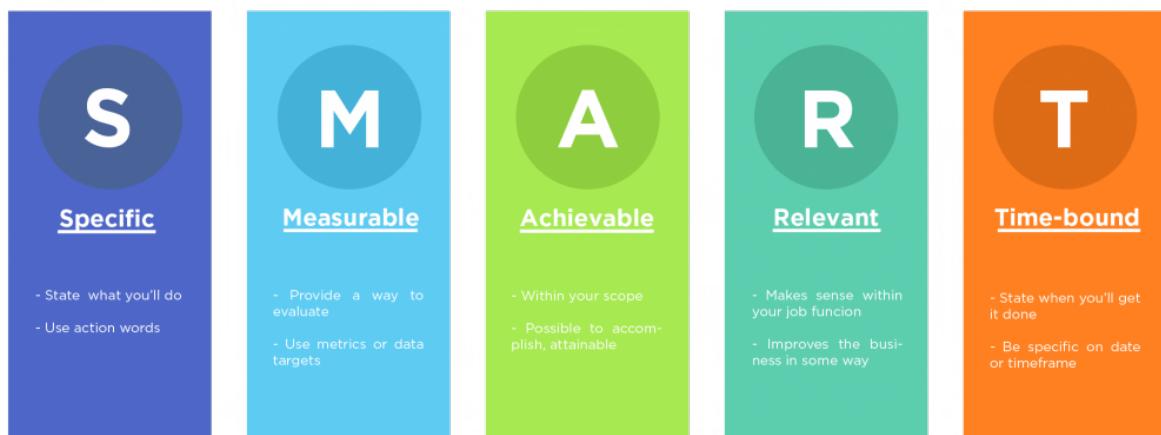
If you're interested in generating capital and resources instead of bootstrapping your way through on your own budget, stay tuned for [Chapter 7](#). We'll get into some options for business funding and finances.

Set S.M.A.R.T. personal goals

This is a concept that you can (and should) apply when it comes time to set your business goals. For now, take some time to dream.

S.M.A.R.T. goal setting is an acronym that stands for:

- **SPECIFIC:** Say it clearly and use action words.
- **MEASURABLE:** Something that you can easily evaluate with data or other clear-cut observations.
- **ATTAINABLE:** Give yourself a challenge, but don't aim to make 1 million dollars in profit in your first year.
- **RELEVANT:** Keep focused on how your business can eventually help in accomplishing this goal.
- **TIME-BASED:** Include a specific date or time-frame, which helps keep it measurable while keeping you motivated.



[Source](#)

For example, instead of saying: “I want to be my own boss instead of working for someone else...”

Try something S.M.A.R.T.er like: “In one year, I’ll earn \$3,000 per month with my new business, which will allow me to quit my desk job.”

See how the goal became a lot more actionable? There’s a dollar amount to provide a financial (and psychological) cushion for quitting the desk job, and a clear timeframe to do it.

For many, financial stability is a big deal, so it will benefit you to explore that in your initial goals as you’re sizing up the risks and rewards of becoming an entrepreneur.

When setting these goals, envision what you really want for yourself, and then map out a basic route that it will take to get there.

Now you have an idea of your entrepreneurial skills, strengths, and weaknesses. Your gears are also turning about how to maximize your personal enjoyment and fulfillment as you look closer at the various ways of becoming an entrepreneur.

Next up: finding a good business idea that harmonizes your entrepreneurial skills, interests, and opportunities.

3

How to Find a Good Business Idea

Having a solid, growth-oriented foundation for business or entrepreneurship is great – but now what? You probably need a work desk, an internet package, some apps, and, of course, a business idea to get off the ground.

The problem? Good business ideas are hard to come by.

How hard? [Nine out of ten](#) startups fail.

And while there's a lot of talk about how the people executing make or break a business, your idea is important. Even with the right mix of entrepreneurial skills, you're unlikely to be successful without a good idea.

Ideas are where it all begins, and in order to become an entrepreneur you need to find a promising business opportunity, and then know whether you'll be able to permanently escape from the 9-to-5 grind.

If you're aware of the challenges and you're still dead-set on [practicing entrepreneurship](#), use the tips and strategies in this chapter as a jump-off point to spark your own business ideas.

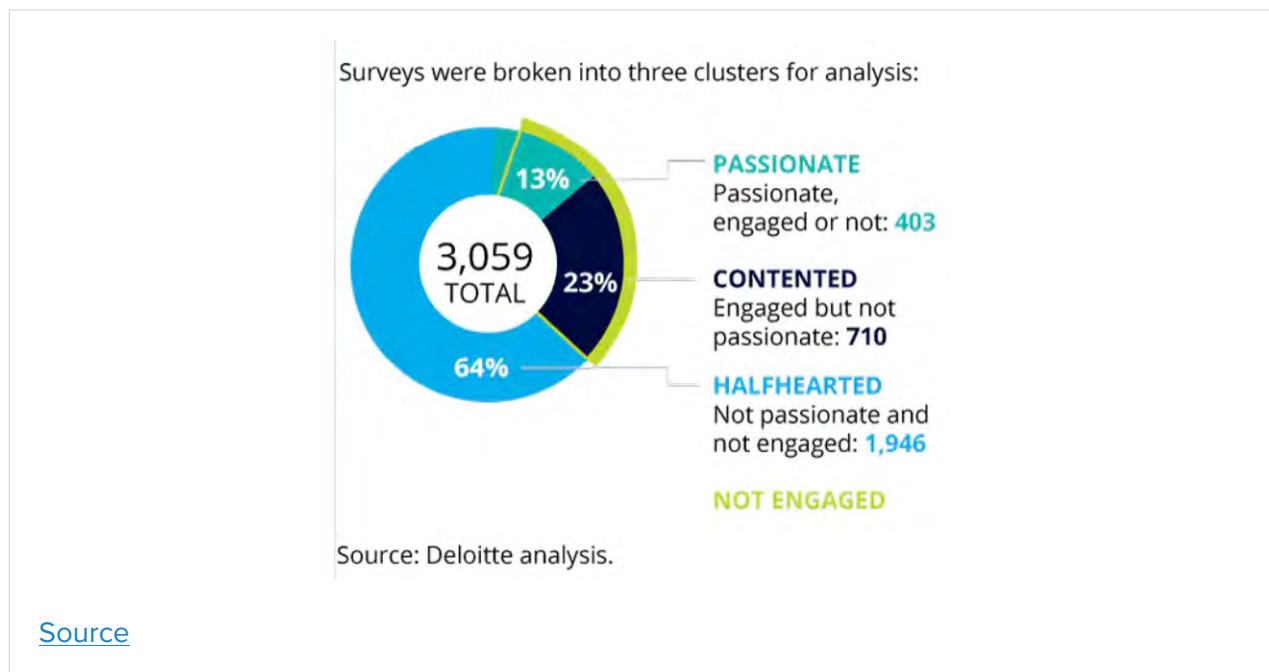
In this chapter, we'll talk about:

- **Imagining your ideal work day**
- **Finding a problem to solve**
- **How to choose between a product-based and service-based business**
- **Choosing your profitable business idea**

Let's jump in.

1. Imagine your ideal work day

The first step is to sit down and imagine your ideal work day five years from now. How is this helpful? Well, you'd be amazed by the number of people who aren't passionate about their work or the number of people who've shared their aspirations for living a location-independent lifestyle but don't actually want to spend time away from their families. You certainly don't want to end up in the same boat.



[Source](#)

The aim of this exercise is for you to drop any ideas you might already be attached to and ask yourself – what do I really want out of entrepreneurship? This will help you figure out the best business to start in order to feel fulfilled.

Do you want to finish the day's work before noon? Where do you see yourself living? Essentially, you are creating a roadmap in terms of what your professional life will be like.

Because we want this to be inspirational to you, we listed all the possible questions you could ask yourself at this stage in an Excel worksheet.

	A	B
1	Question To Ask Yourself	Answer
2	Can I live away from home?	
3	Can I handle interruptions?	
4	Can I put in 8+ hours a day?	
5	Can I adjust in a team of co-founders?	
6	Can I work in a casual environment?	

You can access and fill it in [here](#), along with the other templates and worksheets from this ebook.

Answer all the questions you find relevant. By doing so, you should be able to better imagine your ideal work day and see whether any business ideas you've thought of align with what you want your professional life to be like. Scrap the ones that don't line up because they aren't going to make you any happier.

For example, if you can't live away from home, the idea of becoming a travel consultant wouldn't be viable. That's because travel consultants are known for their authentic, real-world knowledge of different destinations, and that comes with going to those places.

2. Find a problem to solve

Now that you have a rough idea of your ideal working day (and a few business ideas), it's time to discover a problem to solve.

No matter your skills, product genius, or sales and marketing chops, at the end of the day, your success as an entrepreneur hinges on your ability to solve problems.

Not just any problem, but a recurring one. Something that your target audience has to deal with all the time, and makes them wish that there was something available to make their lives just a tad bit easier.

Random question: Have you ever spent too much time searching and trying invalid, expired, or fake coupon codes while you're shopping online?

The founders of the LA-based browser extension startup Honey had the same problem, and they [came up with a solution](#) that made it easy for shoppers to find eligible coupon codes before checkout. To date, Honey has raised \$40.8 million in funding, and the browser extension has been downloaded over 5 million times on FireFox, Safari, and Chrome.

The screenshot shows the Crunchbase profile for Honey. Key details include:

- Total Funding Amount:** \$40.8M
- CB Rank (Company):** 19,473
- Categories:** Coupons, E-Commerce, Retail, Shopping
- Headquarters Regions:** Greater Los Angeles Area, West Coast, Western US
- Founded Date:** Oct 1, 2012
- Founders:** George Ruan, Ryan Hudson
- Operating Status:** Active
- Funding Status:** Early Stage Venture
- Last Funding Type:** Series B
- Number of Employees:** 101-250
- Legal Name:** Honey Science Corporation
- IPO Status:** Private
- Company Type:** For Profit

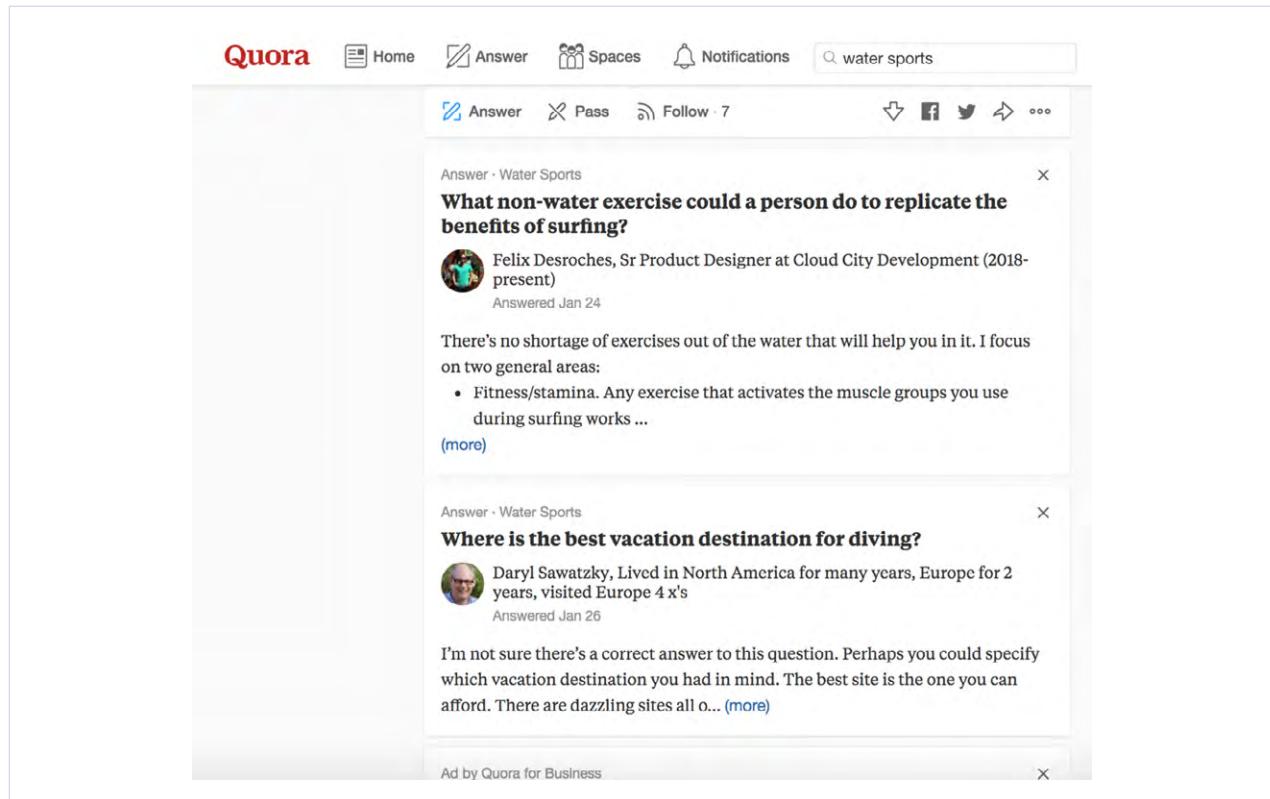
Hence, a great way to expand your list of business ideas is to find problems that need solutions. Below we share a couple of tactics that actually yield solid results.

► Use Quora

Quora is a hugely popular Q&A site that lists questions from various categories, making it easy to spot patterns.

Within Quora, you can subscribe to different categories or follow Spaces (communities and collections set up around shared tastes and interests) to find dozens of questions related to your niche. It's almost as if your target audiences' problems are served to you on a silver platter, waiting to be addressed.

To get started on [Quora](#), enter a keyword related to your interest/passion in the search bar at the top. In the example below, we searched 'water sports.'



Quora will then present you with a list of topics around that niche. Your next step is to find patterns within your results, and then brainstorm solutions.

In the above example, we happened to identify a pattern that gave us a business idea. One of the individuals is asking if there's any non-water exercise that could help a person replicate the advantages of surfing.

While there are lots of such exercises, an entrepreneur could easily market suspension training bands to this [demographic](#). They could ask a supplier in China to make these bands or use a dropshipping supplier for the purpose.

Another interesting aspect of Quora is its 'related questions' feature. Whenever you click on a question, Quora will take you to a separate page that lists related questions in the sidebar.

The screenshot shows a Quora question page with the following details:

- Category:** Water Sports, Surfing, Working Out, Exercise
- Question:** What non-water exercise could a person do to replicate the benefits of surfing?
- Author:** Ad by Prezi
- Text:** "See ya later, PowerPoint!" Present the way human brains work.
Prezi presentations are visual, interactive and conversational (in other words, the anti-slide).
- Call-to-action:** Free trial at prezi.com
- Answers:** 1 Answer
- Answerer:** Felix Desroches, Sr Product Designer at Cloud City Development (2018-present) - Answered Jan 24
- Text in answer:** There's no shortage of exercises out of the water that will help you in it. I focus on two general areas:
 - **Fitness/stamina.** Any exercise that activates the muscle groups you use during surfing works here (arms, shoulders, back, abs). I do both weighted gym work to strengthen specific muscles, as well as cardio. The rowing machine is great because it's basically a total body workout
- Related Questions:**
 - How can you increase your height?
 - What are the benefits of surfing?
 - What are some exercises to improve your eyesight?
 - How dangerous is surfing?
 - How do I motivate myself to exercise?
 - If you could only do one exercise, which exercise would provide the most benefit?
 - What are the best ways to reduce and eliminate belly, abdominal, and thigh fat?
 - How much exercise is too much exercise?
 - What are the benefits of exercise?
 - What are the benefits of doing triceps exercises?

You can browse through these questions to identify additional trends, thereby eliminating some research work.

Once you have spotted a few worthwhile patterns within each category, start thinking about the potential solutions. Repeat this process until you have 20 or more business ideas from Quora.

NOTE

Jot down every idea you extract from Quora in a journal. Do the same for the ideas you had left after imagining your ideal work day. This will make it easier for you to remember them, as well as ensure you have a list ready for validation.

► Browse through the comments section of popular websites

On popular websites, the comments area is usually full of questions from people who regularly visit those sites. Sometimes, these individuals want to know more about the subject of an article, and sometimes they have interesting questions for the website owner.

With that said, here's some advice so you don't waste hours scouring the websites, checking every article, and finding that many of them didn't get comments:

Use [BuzzSumo](#) or another similar content analyzer to find the most popular posts on a website.

The results presented by these tools are a list of most popular posts on a website based on social media engagement. If the post has many shares, it will usually have a red-hot comments section as well.

In our example, we searched for popular posts on Social Media Examiner, one of the world's most popular online social media magazines.

The screenshot shows the BuzzSumo Content Analyzer interface. On the left, there are various filters: 'Filter by Date' (Past Year selected), 'Only B2B Publishers', 'Country (TLD)', 'Language', 'Filter Domains', 'Content Type', 'Word Count', 'Publisher Size', and buttons for 'Apply Filters' and 'Reset Filters'. The main area is titled 'Content Analyzer' and shows search results for 'socialmediaexaminer.com'. It includes a 'Search' bar with 'socialmediaexaminer.com', a 'Save Search' button, an 'Export' button, and a note 'Total Results: 355'. Below the search bar are sections for 'How to run an Advanced Search' and 'Sort by Total Engagements'. The results are displayed in a grid format with columns for 'Facebook Engagements', 'Twitter Shares', 'Pinterest Shares', 'Reddit Engagements', 'Number of Links', 'Evergreen Score', and 'Total Engagements'. Each result row includes a title, author, date, URL, and a 'How Article' link. To the right of each row are icons for 'Save', 'View Backlinks', 'View Sharers', and 'Share'. The first three results are highlighted in purple: 'Facebook Ads Summit 2018: Social Media Examiner' (5.9K Facebook, 6 Twitter, 32 Pinterest, 0 Reddit, 5 links, 2 Evergreen, 6K total), '26 Tools and Apps for Social Media Marketers' (1.6K Facebook, 1.6K Twitter, 578 Pinterest, 0 Reddit, 22 links, 12 Evergreen, 3.7K total), and 'How to Follow Instagram Hashtags for Business' (1.1K Facebook, 1.8K Twitter, 710 Pinterest, 1 Reddit, 21 links, 8 Evergreen, 3.6K total). The fourth result, 'How to Use Instagram Hashtags for More Exposure', is highlighted in blue and includes a 'Comment' icon.

BuzzSumo returned a list containing Social Media Examiner's most popular blog posts. As we had anticipated, they have loads of comments.

The screenshot shows a comment section on the Social Media Examiner website. At the top, it says "32 Comments" and "Social Media Examiner". There are buttons for "Recommend", "Tweet", "Share", and "Sort by Oldest".
Lori Boxer · a year ago
You recommend using at least three location-based hashtags on every post. Is there a maximum number of hashtags that we should (or should not) use?
Share
Ana → Lori Boxer · a year ago
Daniel → Lori Boxer · a year ago
Guaranteed PPC · a year ago
Do you perhaps have any data on how many people are actually doing local searches for outlets such as restaurants like this to make actual purchase decisions locally, on vacation or otherwise?
I would like to work this into a few campaigns targeting people who are specifically doing this as the offer could be dedicated just for this purpose to make it work even better than it is, ie. "come see the cities most famous downtown restaurant".
Share
Ana → Guaranteed PPC · a year ago

You can replicate this strategy by searching for a popular website in your niche and going through the comments section of its most shared blog posts.

Though you may not be able to generate as many good business ideas as you can with Quora, you might be able to find a gem or two to add to your journal.

3. Choose between products and services

You've got some ideas about your own personal desires and some problems that need fixing.

Now we'll narrow the playing field a bit more: choosing whether to start a product-based venture or sell business services.

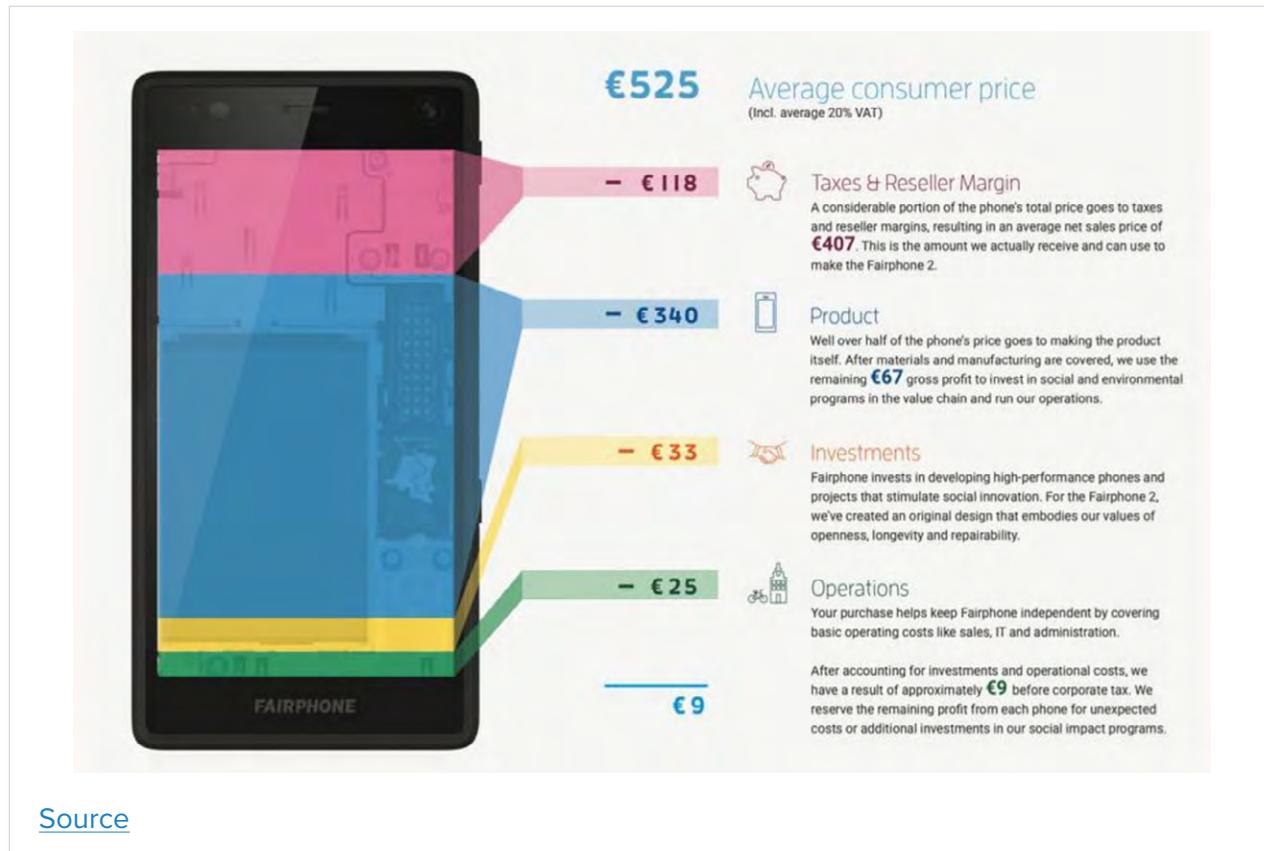
The main difference between the two is that the product-based venture involves selling a physical item, while business services are intangible. Both types can be very profitable, and there are loads of entrepreneurs who've gone on to become millionaires with both product-based and service-based companies.

But as with anything, there are pros and cons to consider before getting started.

Launching a product business

Starting your entrepreneurial journey with a product business can require more time. Whether you choose to keep your own inventory or [take the dropshipping route](#), you are ultimately responsible for your products' quality, as well as figuring out what to do with returns.

Also, the R&D costs of building a product from scratch can be quite high (prototypes for innovative business ideas can cost [upwards of \\$100,000!](#)).



But it's not all bad with product businesses.

When you launch a product, you just have to build or source it once, and then if successful, you can make money selling the same product as many times as consumers want it and keep searching for it.

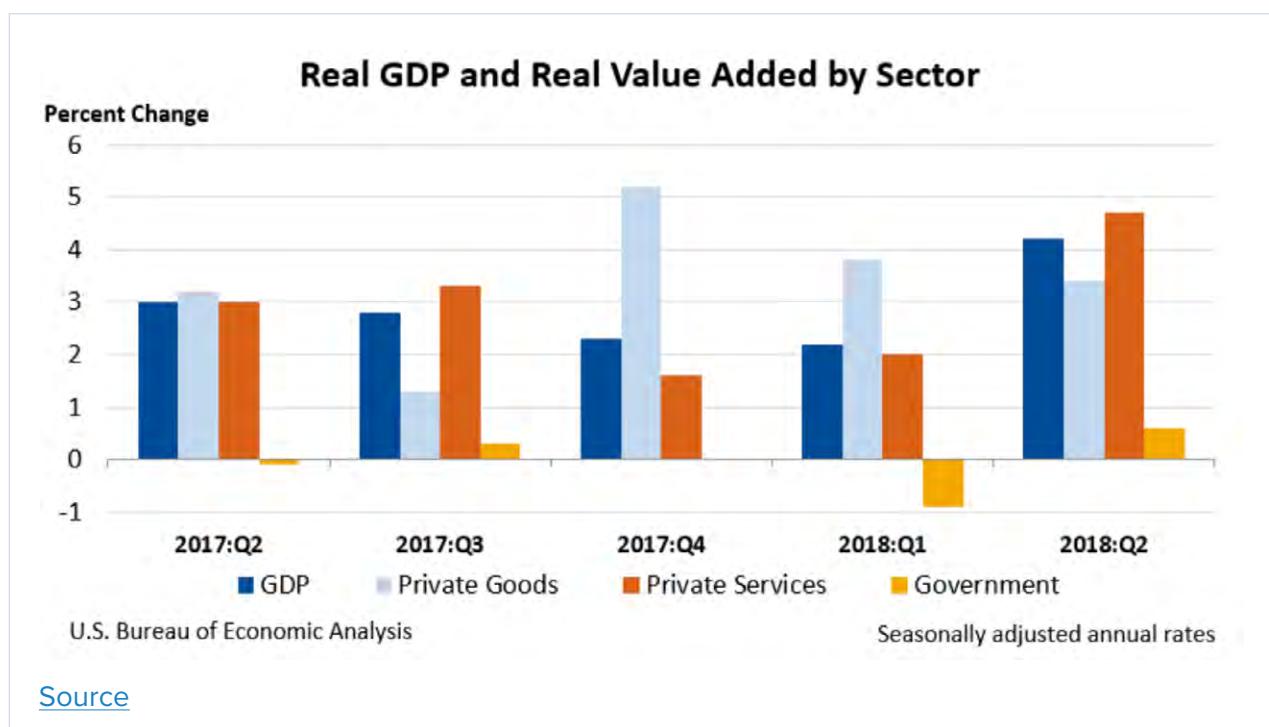
Also, it's usually easier to convey the benefits of a product and the influence it can have in a short span of time. If you have a bad posture and buy a posture corrector, for instance, you will know if the product works for you within 15 minutes.

There are several [successful entrepreneurs](#) who've made a solid living selling products. However, you have to be wary of the logistics involved, and be ready to jump through a few hoops.

Launching a service business

Starting a service business can be easier in some ways. For one thing, you won't have to invest as much money upfront than with a product business. Online services, like freelance writing and graphic design, require just a computer, an internet connection, and skill.

Simply put, you can take your capital and put it into marketing rather than into stock, getting the word out and bringing money in.



However, you can find it difficult to explain your service to potential customers. In fact, the audience you pitch to may not be able to visualize what you do. You can counter this somewhat by highlighting how your service could save them time and money, but even then you may have to frequently rearticulate its value.

Also, much of your success will be up to you, so it's you who's going to go the extra mile to increase the sales of your business, not anyone (or anything) else.

Depending on where you choose to offer a service, you might need an office and a small team to make it happen. Launching and [working out of your home](#) usually means lower overhead and growing with a team of freelancers, if you can swing it.

Business ideas for ecommerce entrepreneurs

Now that you're aware of the differences between product-based and service-based businesses, how about working out your idea muscle?

While you probably already have some really good business ideas in your journal to work on, you might have missed out on certain business opportunities that are in demand, easy to start, and can be fruitful.

To ensure you don't miss out on any viable ventures, we've created a huge list of **50 online and in-person businesses** that you could start as an entrepreneur.

We've also categorized each idea for business type (whether it involves selling a product or service). As you review, keep in mind that some of these ideas can be done online from the comfort of your bed, while others will require setting up a physical store or presence to interact in-person with customers.

BUSINESS TYPE	BUSINESS IDEA	
SERVICE-BASED	Graphic designer	Voice-over artist
	Freelance writing	SaaS (software-as-a-service)
	English teaching	Fitness instructor
	Dog walking	Event company
	Web development	Gardening business
	Tour guide company	Career counselor business
	Makeup artist	Business coaching
	Social media manager	Fact researcher
	Mobile app development	Product reviewer
	SEO consultant	Lead generation expert
	Image optimizer	Website flipping professional
	Language translation	Virtual assistant
	Professional drone flyer	Tax consultant
	Digital ad campaign manager	Outsourcing service provider
	Proofreader	
PRODUCT-BASED	Musical instrument shop	Video game shop
	Food truck	Book store
	Print retailing	3D printing manufacturing
	Gifts box shop	Picture frame maker
	Ecommerce store	Plush toy retailing
	IT equipment wholesale	Coin dealer
	Organic bakery	Ice cream shop
	Handmade crafts company	Import/export company
	Furniture company	Bike rentals company
	Laptop parts retailing	Wedding dress shop
	Second-hand car retailing	

4. Pick your most promising business idea

The last step is integral to the entire four-step approach, as this is where you identify the best business to start. The ideal business will be the one that meets the following criteria:

► **Profitability: Can give a good return on your investment**

You want to pick an idea that has the biggest odds of becoming a cash cow for you. We did a lot of exercises on trying to find an idea that meshes well with your interests and passions, but of course, you'll need to balance that outlook with viability.

► **Possibility: Is easy for you to execute**

This is crucial if you're planning to bootstrap or create a side hustle, or if you don't want to invest in resources for the time being. If that's you, choosing something that'll require a ton of capital right off the bat is setting yourself up for disaster.

► **Interest: Aligns with what you enjoy**

Preferably, it should be something you see yourself working on for the next few years at least, so your idea has to be something that's not only going to bring in money but something you'll enjoy doing as well.

Take the top 10 ideas you generated throughout this chapter, and organize them into three lists:

1. Most to least **profitable** ideas
2. Most to least **possible** ideas
3. Most to least **interesting** ideas

Then cross-examine these ordered lists to see which ideas rank high for all three categories.

Profitability	Possibility	Interest
<ul style="list-style-type: none"> - online store for crystals - video training on content marketing - online store BJJ gear - marketing agency for B&Bs - online store for D&D elements - renting shipping containers 	<ul style="list-style-type: none"> - online store for D&D elements - video training on content marketing - marketing agency for B&Bs - gym ratings - online store for fidget toys - online store for crystals - podcast on creativity - wildlife skills 	<ul style="list-style-type: none"> - podcast on creativity - online store for D&D elements - video training on content marketing - online store for crystals - online store BJJ gear - marketing agency for B&Bs - renting shipping containers - online store for fidget toys - food truck for gyms

[Source](#)

At the end of this process, you should have at least a couple of business ideas that you can really start working on tomorrow, if you wanted to.

The next chapter is all about validating your business ideas, so you don't waste your money and time launching something that nobody wants.

4

How to Validate Your Business Idea

Many aspiring entrepreneurs have that ‘a-ha’ moment for a world-beating business idea.

That day-dreamed glimmer of the next Airbnb, SpaceX, insert another industry revolutionizing idea that no one has thought of yet.

They tell all of their friends, relatives, and even their dog about it, and then passionately implement that idea with everything they’ve got.

You’ll find them working every moment, 24/7, and dedicating themselves to the business for weeks, months, and maybe even years.

Then, one day, you’ll wake up to the news that a promising young entrepreneur went bankrupt. And usually, it’ll be the same guy who had launched that hot new SaaS product.

It's not because he didn't get the business model right, but because he did not validate his business idea. I'm talking about basic market analysis.

The reality is that [9/10 ventures fail](#), and the majority of owners crash and burn very early on in their careers, which is why we always advise entrepreneurs to perform market analysis before diving head-first into an uncharted business territory.

Don't make the rookie mistake of working on an idea that has no demand. [Idea validation](#) can save you time and money by giving you a good feel as to whether your product or service appeals to your target market.

Below is a deep dive that will allow you to be effectively thorough in your market analysis. If you’re starting out, we personally recommend using the following strategies to see whether or not you’re onto something people want.

In this chapter, we'll discuss:

- **How to conduct a market analysis to evaluate the need for your business idea**
- **Getting direct feedback from your target market for the best insights**
- **How to build an MVP (minimum viable product) to make sure you don't go all-in before knowing if your idea will work**

Let's do this.

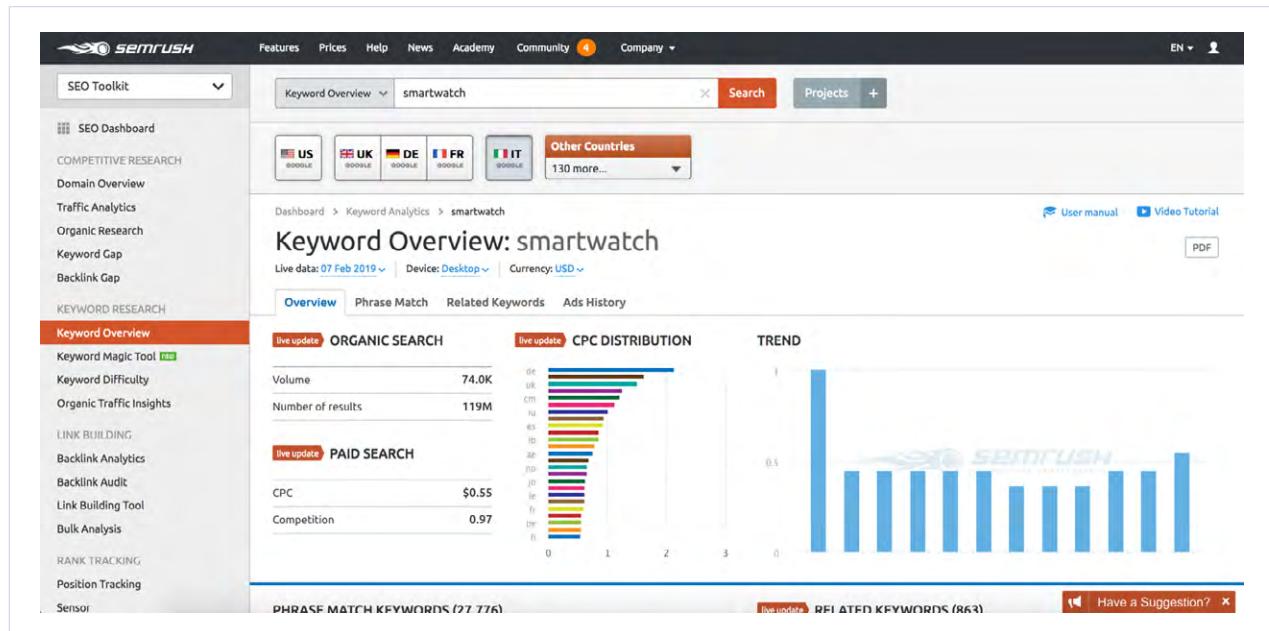
Conduct a market analysis

A great first step in business idea validation involves carrying out some market research to see how much demand there is for your product or service.

Fortunately, you don't have to wait for the latest industry report to come out, as there's an array of online tools that offer real-time data on target market preferences. This can help you conduct an accurate market analysis to validate your business idea.

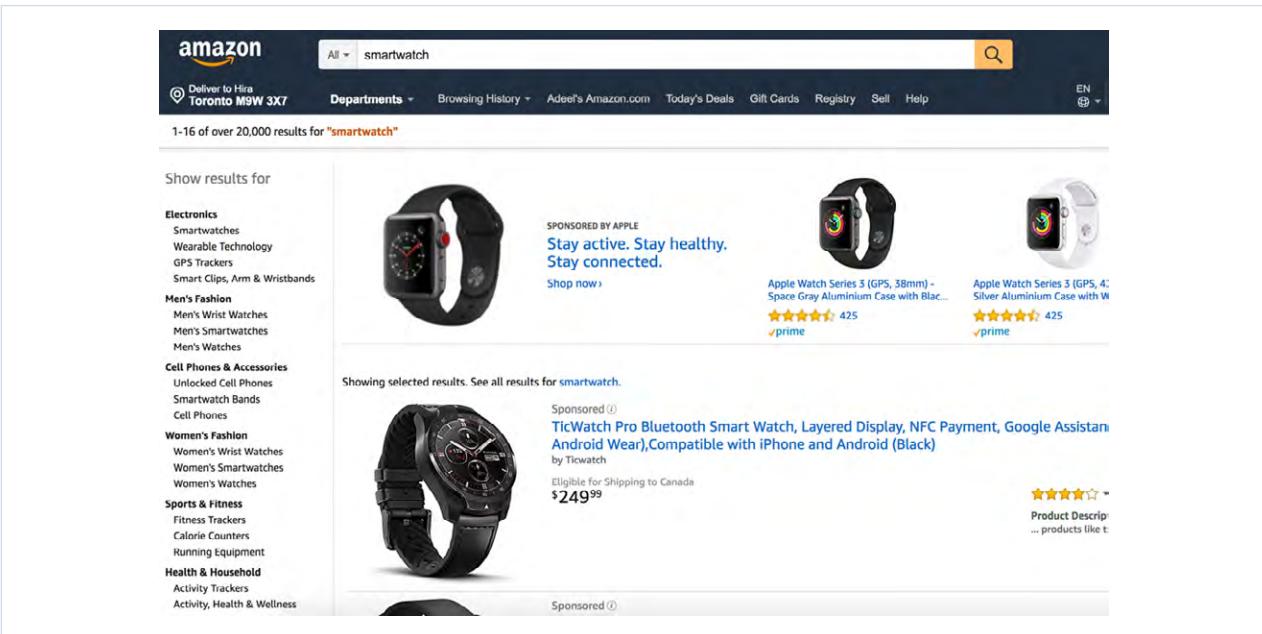
One way is to use a keyword tool and see how many people are searching for your offering. A good benchmark is that if it receives over a thousand searches each month, there's a fairly decent market for it.

While you're likely to face more competition in such markets, it's better to go with a proven idea than to put your time and energy in a dud. We recommend using [SEMrush](#) or [Google Ads Keyword Planner](#) for the purpose (both are excellent when it comes to seeing keyword volume).



If you're looking for additional market research methods, another way is to check [the Amazon marketplace](#). If it seems like your product is popular with a lot of different sellers, then it's certain that there's a big market out there.

For example, Amazon shows 20,000+ results for 'smartwatch,' meaning it's a popular product amongst sellers. Business services ideas can be validated through platforms like [UpWork](#).

A screenshot of the Amazon website showing search results for "smartwatch". The search bar at the top has "smartwatch" typed into it. Below the search bar, the text "1-16 of over 20,000 results for \"smartwatch\"". On the left, there is a sidebar with categories like Electronics, Men's Fashion, Women's Fashion, Sports & Fitness, and Health & Household. The main content area shows several products: an Apple Watch Series 3 (GPS, 38mm) in Space Gray Aluminum Case with Black Sport Band, an Apple Watch Series 3 (GPS, 44mm) in Silver Aluminum Case with White Sport Band, and a TicWatch Pro Bluetooth Smart Watch. Each product listing includes an image, the product name, a brief description, a star rating, and the number of reviews.

Be sure to go through the reviews as well and see what concerns buyers have if there are any. This is handy information because it can help you think of all the different ways in which you could serve your target market better.

Talk directly to your target market

The goal here is to create a feedback group consisting of people from your target market, and having conversations with them to find out if they'd be willing to pay for the product or service you're building.

The feedback group can consist of:

- Friends
- Family
- Former classmates and colleagues

Keep in mind that you don't necessarily want to place those closest to home in your early feedback group. If you do, make sure these friends and family members are within your target so you don't waste time speaking about an idea they'd fail to grasp.

To highlight an example, if you're considering getting feedback on eco-friendly luggage as a means to validating a bigger organic furniture business you're planning on pursuing – begin by evaluating if your immediate network is a good fit for buying your natural furniture. Their recycling and fuel consumption habits, for instance, would indicate to you whether they'll be interested in naturally-made furniture.

However, if you don't feel comfortable pitching your idea to those closest to you or you don't have a big personal network for market analysis, there are still loads of ways to find audiences who'll give you feedback on whatever product or service you're planning to launch.

Outside of your personal network, you should be able to find a targeted audience in the following places:

Facebook groups

[Facebook](#) has tons of topically relevant groups you could join and participate in.

For example, if you're looking to validate the same eco-friendly furniture business idea, you should consider joining groups like [Eco friendly products](#), [Eco-friendly crafters and entrepreneurs](#) and [Hippie Haven: Living an Ethical + Eco-Friendly lifestyle](#).

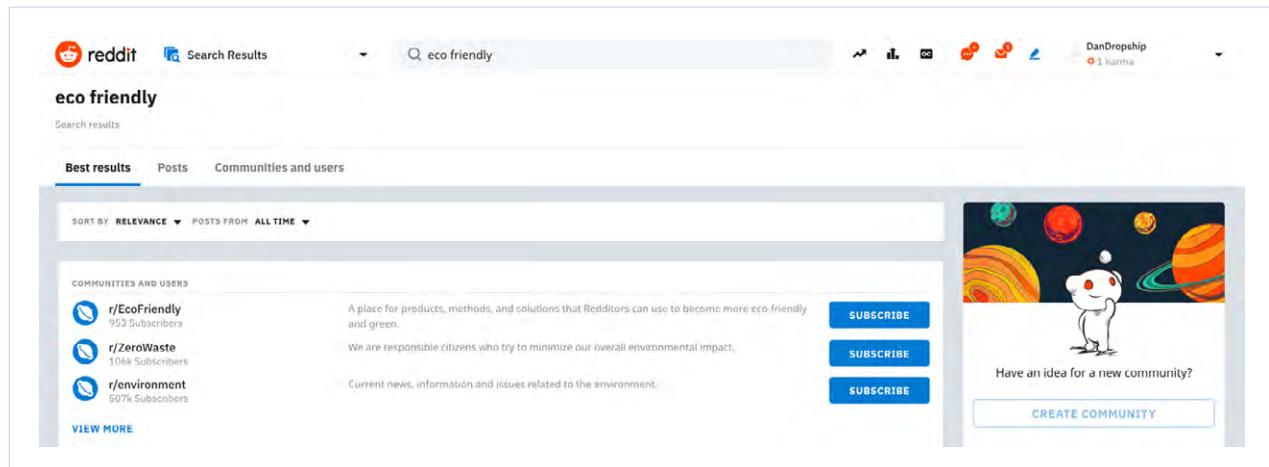
You can find relevant groups to join by searching for your target market and clicking the 'Groups' tab at the top of the results page.

Reddit

[Reddit](#) is another great place to start an online discussion about nearly any business imaginable. Members vote on discussions and topics they find important, with hot stories rising to the top and bland ones sinking.

It's relatively quick to start a discussion on this site, so you can certainly get some people to give you unbiased feedback on your business idea. As there are quite a few discussions, make sure you post your idea in an appropriate subsection (known as subreddits on the site).

For an eco-friendly products business, you can join subreddits like [r/Ecofriendly](#) and [r/environment](#) to share and receive constructive feedback on your idea.

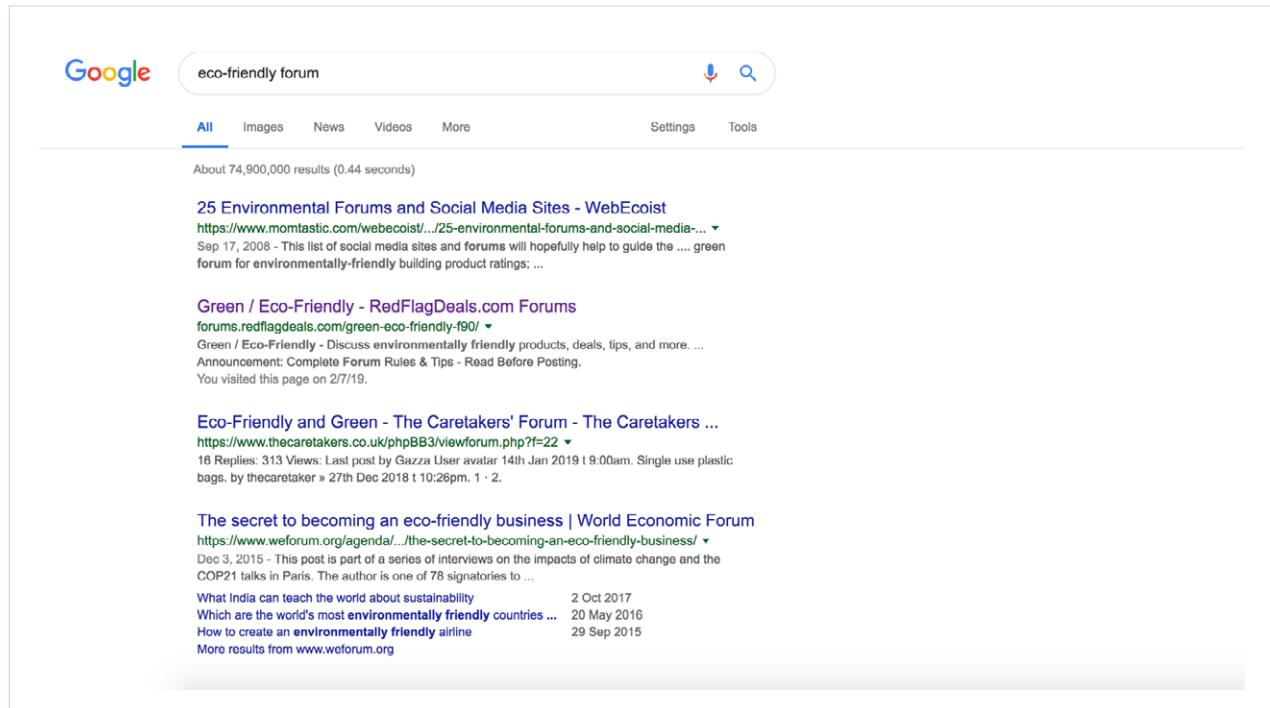


Reddit is all about sharing, so it'd be best to start by commenting on other peoples' threads before you create your own discussions for market analysis.

Online forums

The internet has a forum for virtually anything in existence. You can find relevant forums by searching ‘your industry name + forum’ on Google.

For example, [Google](#) will give you the following results for ‘eco friendly forum’.



With a bit of research, you should be able to find relevant forums to join.

When it comes to online forums, your approach to getting feedback should be the same as for Reddit and Facebook - that is, building relationships with members and requesting them to give feedback on your idea.

To get the best results, ask genuine, open-ended questions from the members without asking them to fill out a form, visit a webpage or take any other action apart from replying to your comment. Keep it dead simple. Below is a script you to help get you started:

Hey folks, I'm planning to launch a [product, app, service] related to [niche]. What frustrates you the most about similar solutions out there? Would you be willing to pay for a [product, app, service] that offers [value proposition]?

Depending on where you post, you can get anywhere from one to a dozen replies to your questions.

Build an MVP (minimum viable product)

Starting a new business is always a huge risk. But the good news is there are ways to lower (and even eliminate) it. How? If 100% of entrepreneurs built a minimum viable product to validate their ideas, we're certain they could bring the risk down significantly.

The minimum viable product is a demo or first version of a product or service. It has enough features of the main offering to satisfy the core needs of initial customers, and collect maximum feedback for future improvements.

Why put time and money in creating an MVP? Well, there are several advantages of testing your business idea with an inexpensive test solution.

For example, you have plans to launch a product with five features that you simply assumed would be beneficial to your target market. But when you introduced it to people (without testing), you found they only interested in two of those five features. Hence, you ended up working on three things that are of no interest or value to your audience.

With an MVP, you can discover exactly what your prospects desire before you work on the actual idea. You can also get valuable feedback that could positively impact future business or product developments - market analysis made easy!

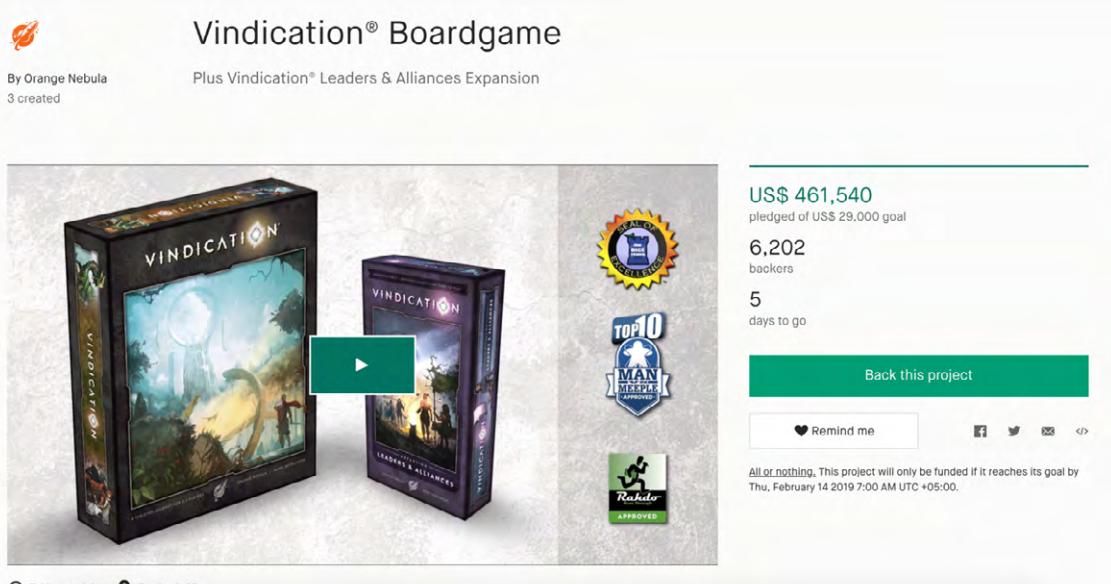
Cost-effective ways to build an MVP

Contrary to popular belief, building an MVP doesn't require you to know coding or put money in a development lab. Here are a couple of efficient and inexpensive ways to create and test the first version of your product.

► CrowdFund

Crowdfunding websites like [GoFundMe](#) and [Kickstarter](#) offer new entrepreneurs an opportunity to validate their business idea through pledges before introducing it to the world. Though popular for fundraising, these sites also contain an intriguing collection for MVPs, where consumer demand is measured through pledges.

Here's an example:



The screenshot shows a Kickstarter campaign page for "Vindication® Boardgame" by Orange Nebula. The page features the game box and expansion box. Key statistics on the right include US\$ 461,540 pledged of US\$ 29,000 goal, 6,202 backers, and 5 days to go. Badges indicate "TOP 10 MAN OF THE YEAR APPROVED" and "Rakudo APPROVED". A green "Back this project" button is prominent. The page also includes social sharing icons and a reminder link.

The creator of this board game has listed several tiers for pledges, and most of them include a minimum viable product (not the whole package).



Taking this route to validating your business idea has unique benefits. The biggest advantage is that you can access to a large pool of early adopters. These individuals will have some great feedback to offer and are often willing to contribute to a given product's success.

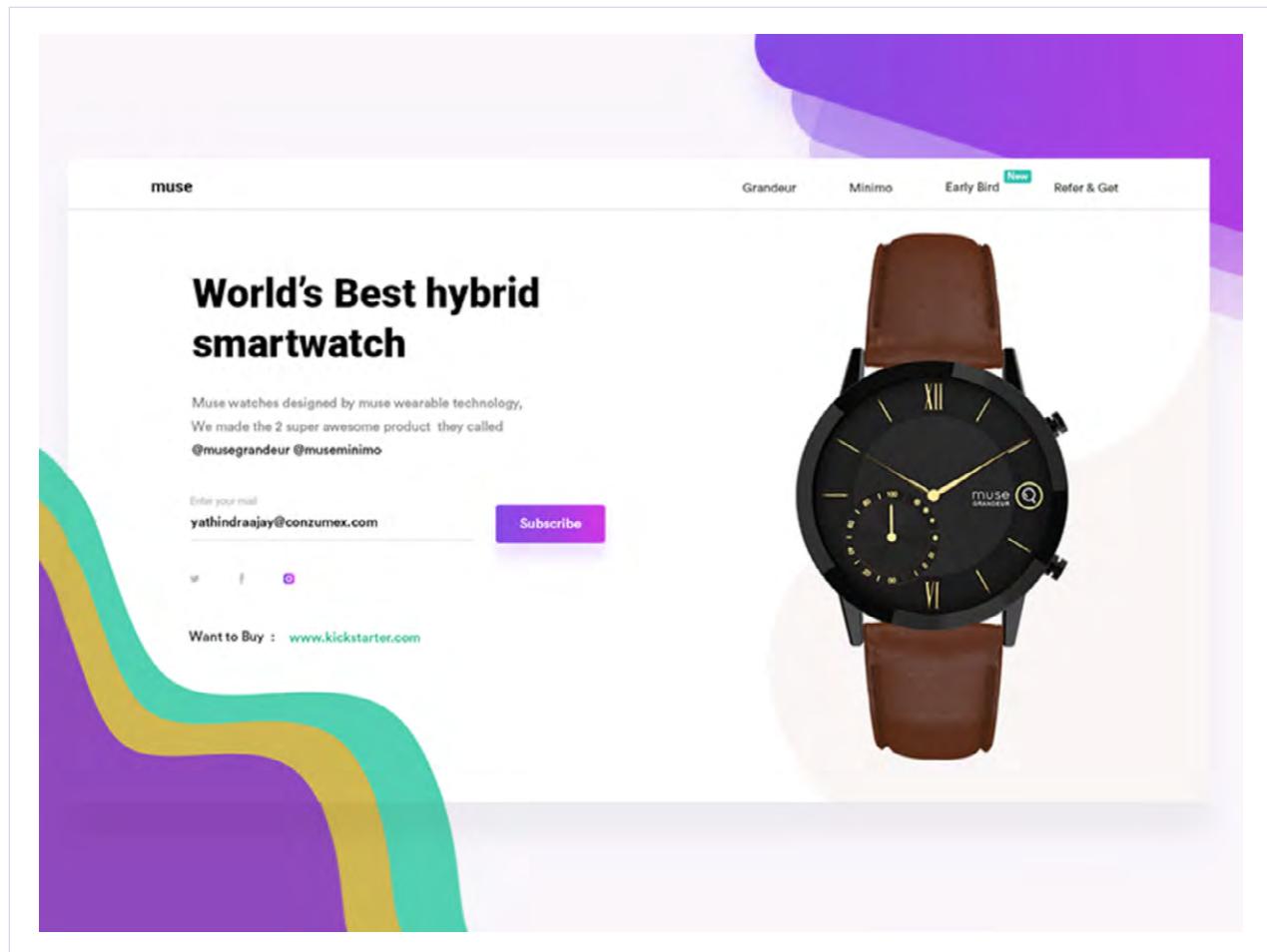
If [crowdfunding](#) seems doable to you, be sure that you have a variety of marketing materials on hand. Successful campaigns often include compelling videos, fascinating narratives, and offers that motivate pledgers. If you're able to reach your crowdfunding goal, you can be certain that your business idea will work.

Crowdfunding is also a great way to finance a startup business. We'll take a look at it from this angle in [Chapter 6](#).

► Put up a landing page

Another straightforward way to create a minimum viable product involves putting up a landing page. Landing pages are standalone one-page sites that can be used to outline the benefits of a product or service. Tools like [Unbounce](#) and [LeadPages](#) allow you to create landing pages at a mere cost.

You can use a [landing page](#) to highlight your value proposition. Include one call-to-action to encourage pre-orders and/or email subscriptions. Drive traffic to this landing page by posting its link in communities, forums, and create a few ads.



Top landing page tools also boast analytics that can give you a behind-the-scenes look at your audiences' website activity. As you analyze the results, look for at least a hundred transactions or a 5 percent conversion. These metrics are a good indication of a validated business idea.

By now, you should have made a decision about what idea to pursue and what to let go.

The next phase requires you to choose a business model. Onwards to Chapter 5!

5

Choosing the Right Business Model

Validating your business idea to ensure there's a market out there for your product or service is only one aspect of starting a new business. The other crucial part is figuring out how you're going to monetize your venture. This is where you pick a business model to pursue.

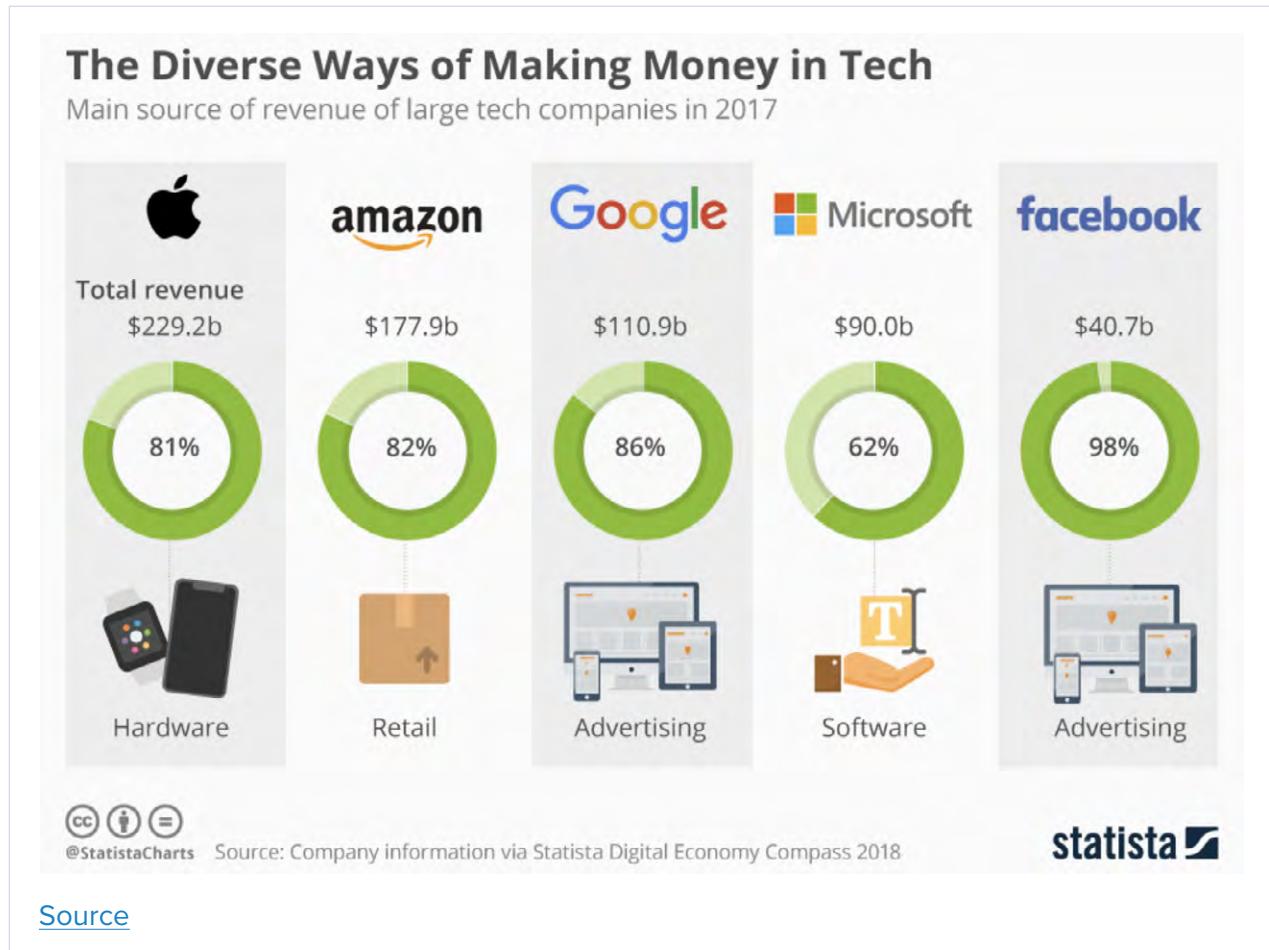
Here's a quick business model definition:

A business model is the way a company provides value to its customers, gets paid for that value, and uses those payments to grow its profits.

In simple words, it's the roadmap of how a business makes (or wants to make) money.

A slew of unique business models have popped up since the internet connected businesses to consumers from around the world. These business models have enabled news, media, and service-based companies to carve out places in the cutthroat online marketplace.

To give a business model example, software giant Microsoft has developed a number of cloud solutions that appeal to enterprises, including MS Dynamics, Office 365 and others. It follows the software-as-a-service model to make money, where it charges a monthly fee for access. Office 365 is now a multi-billion-dollar product with [over 30 million subscribers](#).



It's worth noting that you don't necessarily have to invent a new business model to be successful as an entrepreneur.

Instead, you could leverage an existing business model and target a specific group of consumers. For example, websites mostly operate on the standard advertising business model but differentiate their strategy by targeting different types of audiences.

Also, if you feel you don't have the time or the capacity to go at it alone, you could explore business partnership.

In this chapter, we'll give you a primer on the:

- Popular business models in existence
- Three types of business partnerships worth considering

All aboard! Let's get sailing.

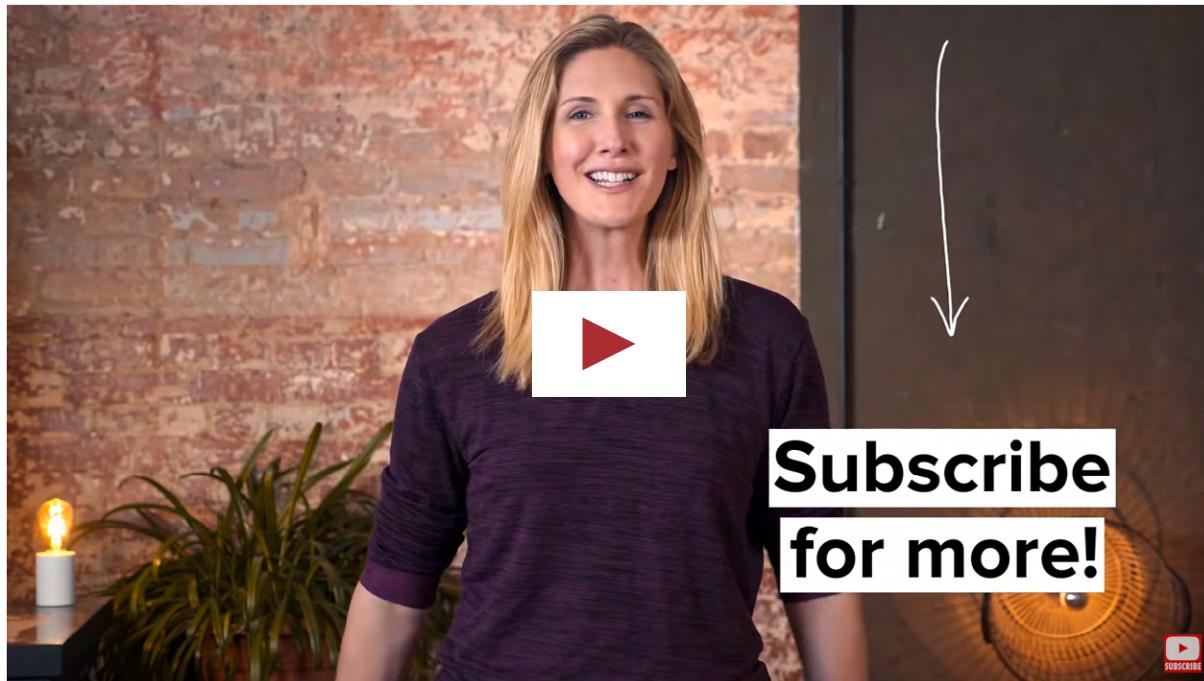
Popular business models

The following are a handful of renowned business models you can use to start your own venture.

1. Affiliate marketing

Frequently practised for online businesses, the affiliate marketing model makes use of links integrated in content rather than banner ads that are easily identifiable. For instance, if you own a technology blog, you can include affiliate links to products within your content that allow visitors to buy the items you're mentioning.

Through networks such as [Amazon Associates](#), you can promote several types of products and receive a commission on every sale.



2. Software-as-a-service (SaaS)

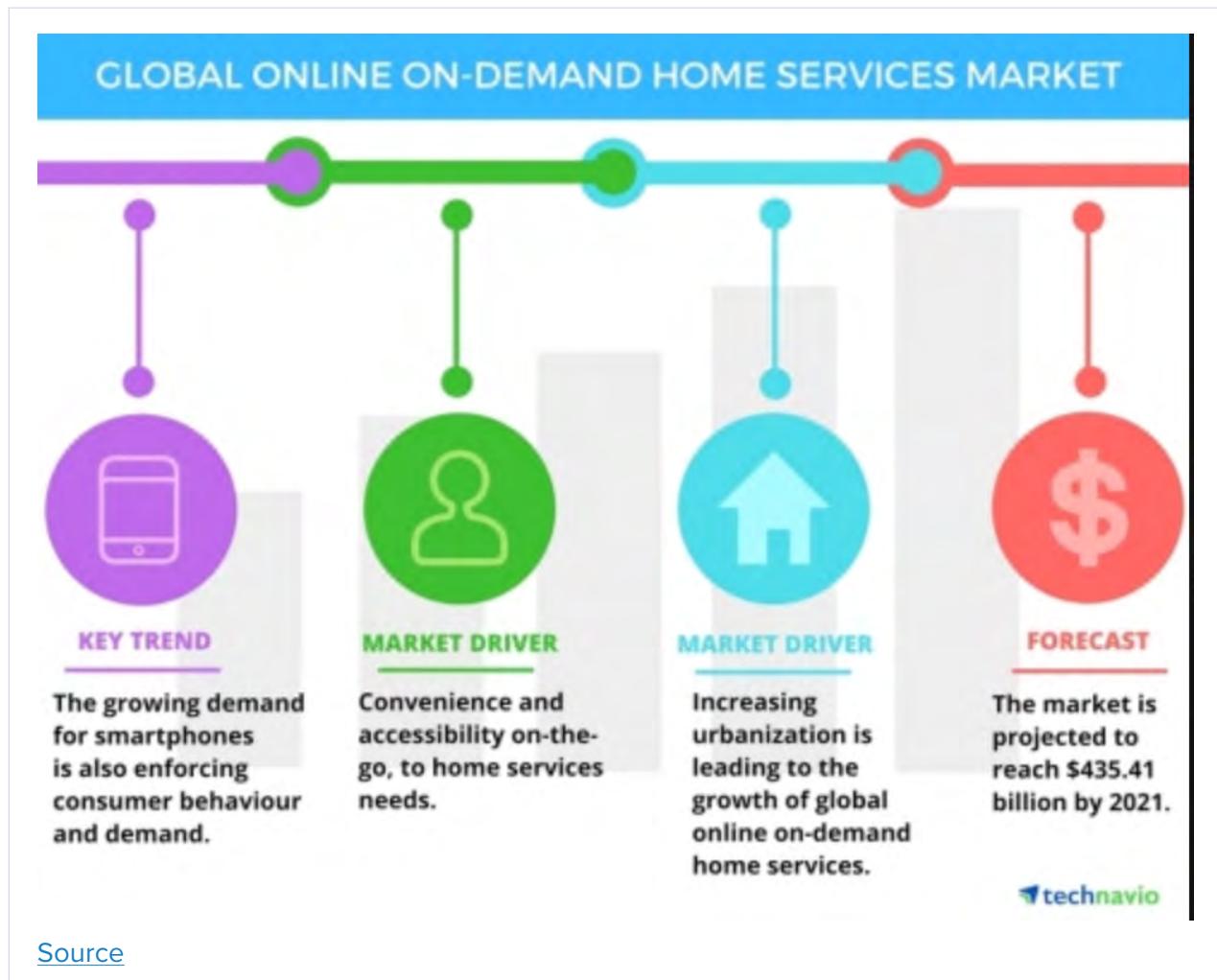
The software industry has not shown any signs of slowing down. But instead of making money selling one-tier packages, the SaaS model attempts to capture the same type of ongoing revenue with recurring billing of account renewals.

With software-as-a-service, you host an app or software on your server, and typically charge a monthly fee for access. Of all the business models out there, this one is the costliest to launch as you'd need to develop the software first, but it can also lead to steady revenue and even a million-dollar company if you take the right approach.

3. On-Demand

The on-demand business model is where you meet customer demand through the instant provision of services. The success of companies like Lyft and Airbnb indicates there's a big potential target market for apps that offer instant delivery, car booking, tour guides, and more.

Another factor to consider is the presence of early adopters. Even in growing economies like China, Brazil, and India, people have embraced on-demand companies along with the infrastructure they use. In fact, Airbnb has one of [its biggest markets](#) in Brazil. On-demand companies make money by charging a fee from vendors who sign up as service providers on their app/website.



4. Coaching or consulting

Online coaching or consultancy is another popular business model to consider.

Through [Google Hangouts](#) or [Skype](#), you can connect with individuals seeking training or advice in an industry you're familiar with.

Here, you make money by charging a per-session or an hourly fee based on what suits you best. The entry cost for this type of business is low – it just includes any tools you need to start your business, such as a one-page website and messaging apps.

5. Services

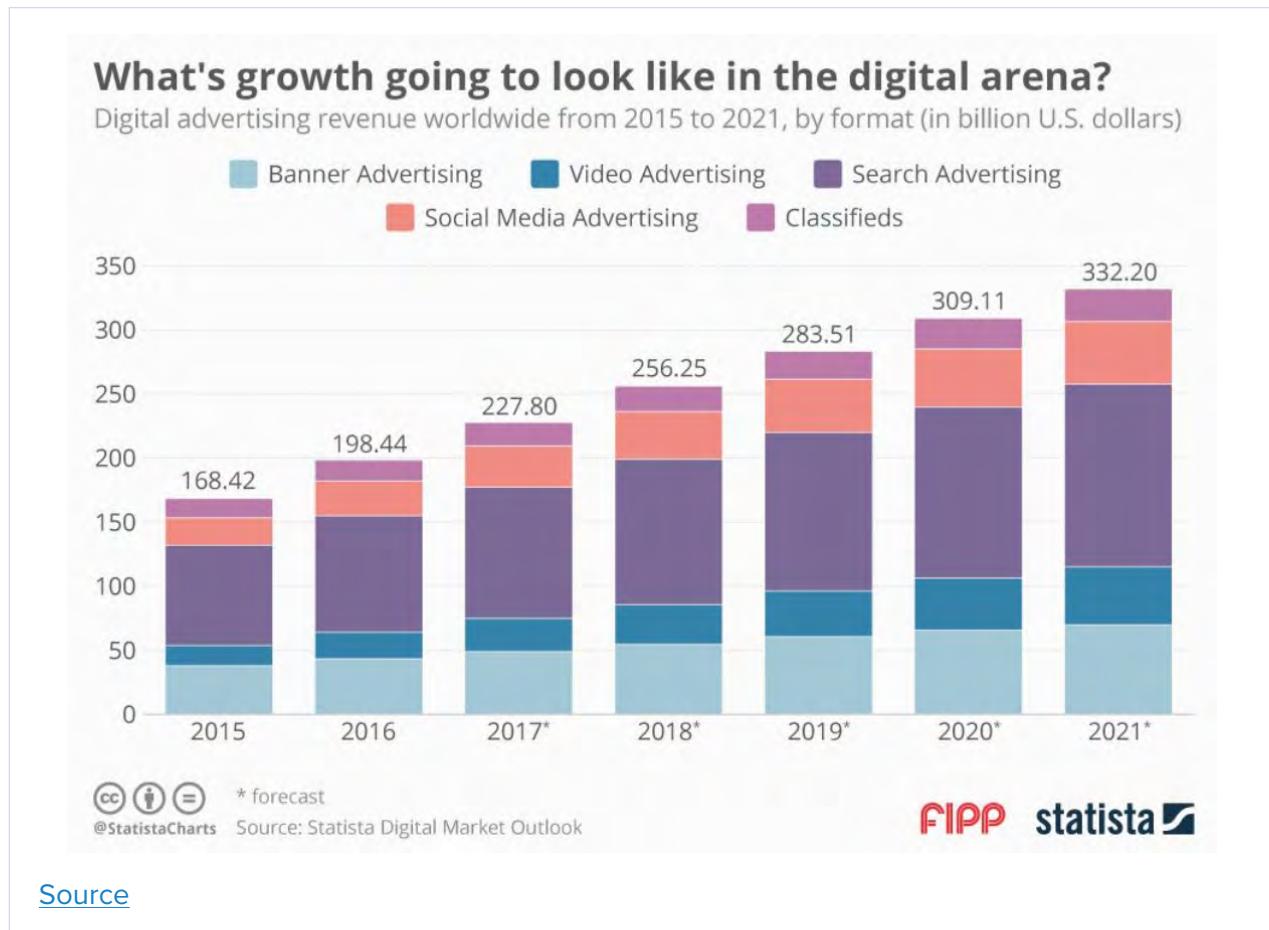
This business model involves tapping into your own abilities and seeing if you have a skill that others are willing to pay for. Offering services like video editing, writing, or transcribing can be viable if you make the right connections, work hard, and land clients who're ready to pay what your services are worth.

The expense of entry is almost the same as for coaching. You can, however, invest in growing your skills by getting a certification or two, most of which are free to pursue.

6. Advertising

The last on this list is a model that's been around for long. It works when you produce content that audiences want to watch or read, and then display advertising in and around that content. Today, entrepreneurs run several forms of advertising on their sites.

One example is native advertising, where they integrate ads that match the look and feel of their website using native ad platforms like [Taboola](#). The money comes in when people click on these ads.



NOTE

As you ponder what type of business model you might choose, try and find a strategy that'll allow you to differentiate yourself from competing businesses. Also, think about the cost associated with it. Do you have enough in the bank? Can you finance the implementation with ease? In [Chapter 6](#), we'll talk more about business funding and finances, but for now, select a business model or two to move forward.

Best business partnership options

If you are currently working solo, you probably know the feeling of having too much on your plate or being stuck creatively. If that's the case, it may be time to give a serious thought to business partnership.

What is a business partnership? By definition, it's a legal form of relationship formed through an official agreement between two or more people to operate and manage a company as co-owners. In most instances, bringing in a partner can provide you with access to a much richer pool of ideas and financial resources.

Business partnerships exist in several different forms, but we've shortlisted three of the most suitable ones for aspiring entrepreneurs. We've also highlighted some advantages and disadvantages of partnership and compared them with the advantages and disadvantages of sole proprietorship. Take a look to see which one may be right for you and your venture.

General partnership

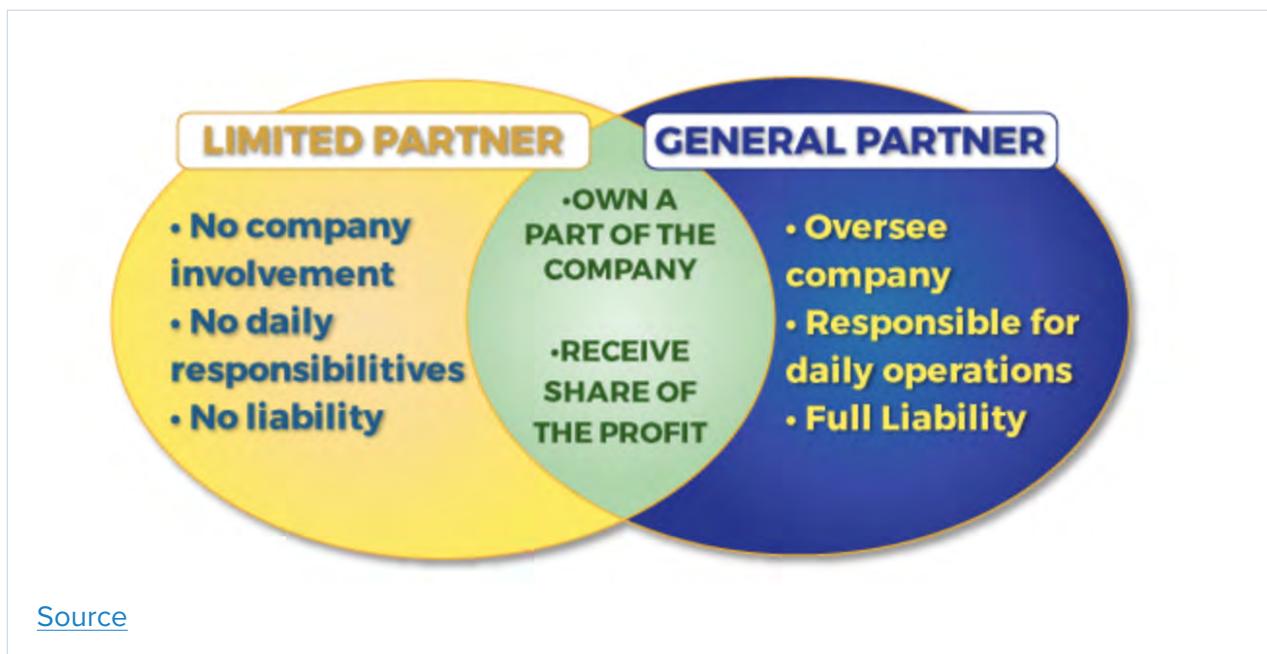
General partnerships are the basic version of a business partnership where two or more people represent a company and have equal rights to decision making, management and control of the organization. Profits are distributed on an equal ratio among partners and liabilities are shared equally as well. The downside is that if one of the partner gets sued, each partner will be held accountable.

Limited partnership

A limited liability partnership is where one partner has unlimited liability while the liability of all other partners is limited. Most of the decision making is done by the unlimited liability partner. Limited partners are rarely involved in day-to-day operations. In many cases, limited liability partners are merely investors who invest in the company to receive a share of company profits. Net payouts are subjected to partners' personal tax returns.

Limited liability partnership

Limited liability partnerships provide limited liability to all partners. This implies that every co-owner is secure from the legal and financial slipups of other partners, and their liability is only limited to that individual's investment in the company. Profits are equally distributed to each partner at the end of a fiscal year.



Which business partnership should you choose?

Over the last decade, limited liability partnerships have grown in popularity as they offer more limited liability to the partners (as suggested by their name). But you'll still see instances of companies where specific partners wish to be limited in the scope of operations and they just want to inject money for a share of profits.

With that said, the business partnership you end up choosing will depend on your financial capacity and whether you'd be comfortable in involving others in the day-to-day operations of your business.

Partnering up vs. going solo

Bringing on a new partner will certainly enhance the scope of your venture beyond where you can take it yourself, but going solo gives you full control and autonomy of your business. Each approach has its own benefits. Here are some factors to consider when choosing between the two:

Advantages and disadvantages of partnership

If you like to discuss things with others before making an important decision, business partnership can be a good move for you. While you can still take the opinion of others as a sole proprietor, there's a big difference between taking opinions and having a partner who's equally responsible for the outcome. Partners can put their heads together and come up with a strategy, and that collective brainstorming can be incredibly powerful. Another big plus to business partnership is that the incoming partner usually injects cash into the company to help it grow.

However, you can't just get up and call the shots without running ideas by your partner. This can be time consuming, especially when you have multiple partners with equal rights to management. Also, there's always the risk of you and your partner having a fall out, and you might have to step back and cool down before resuming talks with a partner. A clear description of roles and written agreements can help reduce the intensity of tension in business partnership.

Advantages and disadvantages of sole proprietorship

If you want to keep things straightforward and detest the idea of answering to others, sole proprietorship may be your best bet. Sole proprietorship allows you to be your own boss, and keep whatever you earn without having to share profits. You also enjoy the benefits of fewer distractions, completing projects without having to trust others, and doing what needs to be done effectively.

The caveat, of course, is that when you get the fame, you'll also get the flame. If a decision results in a negative outcome, you'll need to take full responsibility, while in a partnership you might be able to escape notoriety. Also, you'll either need to take out a loan or inject your own money into the business - there's no outside injection of cash into the business.

Which one is the best option for you?

There's no right or perfect answer to this question. The type of business structure you end up choosing will depend on what's important to you. If you wish to keep more control over decision-making and day-to-day management, operating a sole proprietorship may be more viable as a structure. If, however, your main interest revolves around having good startup capital, partnership can be a more suitable choice for your business.

Now that you have a good grasp of business models and partnerships, it's time to look at all the financing options available to you.

In the next chapter, we introduce you to the different ways to fund a business, from general loans to crowdfunding to financing out of pocket.

6

Business Funding & Finances

101

They say money can't buy happiness. I say that's only partially true.

Sure, money can't buy you fulfilling relationships or wholesome values like honesty and integrity. But it can buy you lots of awesome stuff. And awesome stuff seems to make people pretty happy.

More importantly, money can give you amazing opportunities to fund your dreams.

The problem is that a huge majority of startups struggle to find business funding solutions. But there's good news: you have options and opportunities.

If you have a business idea, but feel restricted by your financial resources, this chapter is for you.

Unfortunately, there's no magical cure for financial problems. But with some thoughtful effort and exploration of the possibilities, you can break the spell that money often has over new entrepreneurs.

Amanda Shaffer, who bootstrapped her digital marketing agency [BrainVine](#) and whole food plant-based counseling business [Plant Possible](#), thinks the sky's the limit in terms of options for funding a new small business.

"At the core of every entrepreneur is someone who loves problem-solving. **Funding your idea is just another opportunity to practice that talent.**

Be humble. Take a part-time job in your industry to get hands-on experience and gain some networking contacts. Seek trustworthy partners, talk with investors or lenders, research grants, enter into contests, learn some DIY skills – **whatever it takes** to get you far enough along to re-invest and really grow.

There are so many options. You can do anything you put your mind to.

The hardest part is making the decision to commit.“



Amanda Shaffer
Founder of BrainVine

In this chapter, we'll cover:

- **How to evaluate your own relationship with money, so you're in a good headspace**
- **How making a few personal changes can facilitate startup funding**
- **Different ways to fund a business, from bootstrapping to loans to venture capital**

And awaaaaay we go.

Evaluate your relationship with money

It's no secret: most new entrepreneurs will need some business funding help, whether it's rearranging their own personal finances or trying to get some capital from a third party.

Regardless of the route you'll take, it's a really (really) good idea to evaluate your personal finances, as well as the relationship that you currently have with money.

When you have a better handle on your finances and your mindset toward them, you're better equipped to manage incoming and outgoing cash flow for yourself and for your business. Plus, you'll be able to make better financial decisions moving forward.

So how do you evaluate the relationship?

Make a cash flow statement

If you don't already keep basic track of your cash flow, this process can work wonders for your perspective on your financial situation.

The main idea is to track your income against your expenses. This way, you'll know if you have disposable income to invest, and how much of it.

We made a handy spreadsheet to help you figure this out. To use it, just fill in the cells with your income and expense items.

As you add, these three cells will automatically calculate your numbers:

- **ROW 2: Total cash flow** – this will calculate whether you earned or lost money that month, displayed as a positive or negative sum (it does this by subtracting Row 10 expenses from Row 4 income)
- **ROW 4: Total income** – this will calculate the total amount you earned that month
- **ROW 10: Total expenses** – this will calculate the total amount you spent that month

	A	B	C	D	E	F
1	Item	Jan	Feb	Mar	Apr	
2	TOTAL CASH FLOW	\$819.00	-\$252.00	\$0.00	\$0.00	
3						
4	TOTAL INCOME	\$3,736.00	\$3,736.00	\$0.00	\$0.00	
5	Salary	\$3,500.00	\$3,500.00			
6	Commission + bonuses					
7	Loans					
8	Other capital					
9	Other income	\$236.00	\$236.00			
10	TOTAL EXPENSES	\$2,917.00	\$3,988.00	\$0.00	\$0.00	
11	Living expenses					
12	Rent/mortgage	\$870.00	\$870.00			
13	Home/renters insurance	\$150.00	\$150.00			
14	Water + utilities	\$50.00	\$45.00			
15	Phone payment	\$95.00	\$95.00			

[You can get this worksheet here.](#) Follow the directions for downloading your own copy.

How can you feel more financially comfortable?

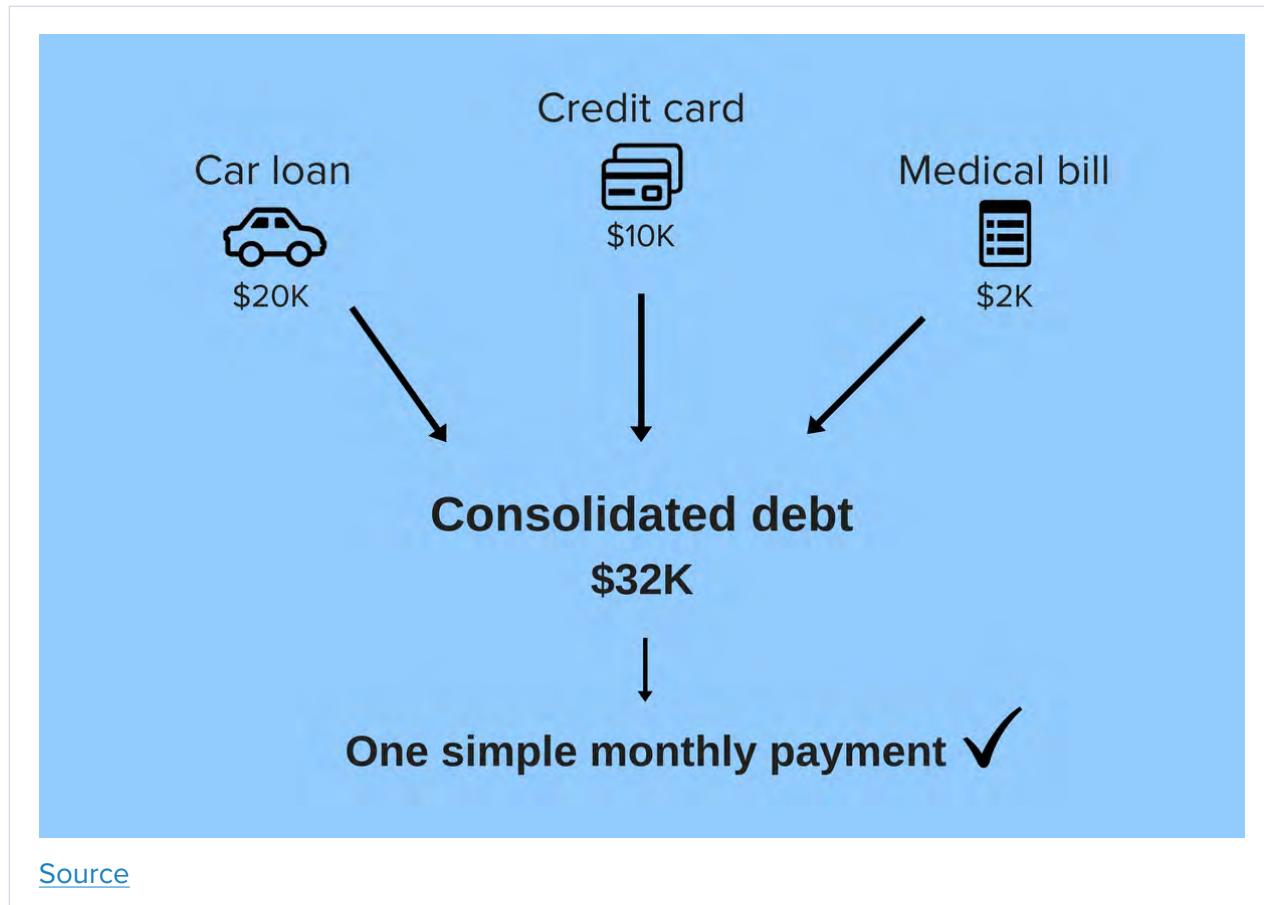
The obvious answer to this question is, ‘to have more money.’ But there’s a deeper question here: **do you consistently feel like money one of your biggest obstacles?**

This is a problem that many new entrepreneurs – and let’s face it, many people in general – have. In fact, some entrepreneurs find themselves failing over and over again, with no real understanding of their failures except that they didn’t have enough money. (Other common answers are not having enough time or business knowledge, but let’s focus on money for now.)

Since this is often a recurring problem, it helps to focus on shifting your mindset and your money habits.

For example, if you’re in debt, you may want to spend some time reducing or eliminating it before you try to bootstrap your business. Maybe you’d like to cut out certain luxuries and be more aggressive with your savings goals, so that you can **feel like you have a fluffier financial safety cushion.**

You might also consider debt consolidation, which is a type of personal loan that can roll all of your monthly payments into a single payment that’s often lower each month.



[Source](#)

Keep in mind that debt consolidation **will cost you more in the long run** – monthly payments are lower, but the agreement terms are longer. So you'll want to go into it with the mindset of paying off the loan sooner than your agreement ends.

Whatever you choose, the goal is to feel better about taking the risks you can't avoid when you're starting a new business.

Now that we've gotten the pep talk out of the way, let's look at some different business funding options.

Understand debt vs. equity

Before we go into specific types of startup funding, it's important to understand the concept of debt vs. equity funding.

- **Debt funding** is when you borrow a fixed amount of money that you intend to pay back, plus interest for as long as it takes to pay back in full. If you've ever used a credit card or gotten a loan, you've used debt funding.
- **Equity funding** is when you 'sell' a percentage of your business in exchange for capital. This is typically the case for angel investors and venture capitalists. Ever seen the show *Shark Tank*? Equity funding at its finest.

Typically, equity funding is most commonly used to fund high-risk innovation and technology startups. These include new products, services, and business models that add something unique to the marketplace.

If you're planning to start a freelance business or open a franchise, debt funding may better fit the bill.

4 ways to fund your startup

1. Bootstrapping

The quintessential scrappy business model, bootstrapping involves funding your business with personal money. While the most common type of bootstrapping involves using your savings or keeping your 9-to-5 to have some income, there are some pretty interesting and creative stories from savvy bootstrapping entrepreneurs.

Some ideas include:

'Pre-sales' for your product or service: Say you'd like to start a lawn care business, but need money for equipment. You could try pre-selling lawn care services to friends and family (or via local crowdfunding) – collecting money up-front so that you can perform those services after you've bought the equipment.

Selling belongings you don't need: If you live in a city with great and affordable public transportation, you might consider selling your car and taking the train instead. A little sacrifice up front can bring big returns.

Capitalize on your assets: Have an extra room in your house or apartment? Consider renting it out on [Airbnb](#) or a similar homestay platform. While hosts and guests generally have positive reviews, you might have to deal with some... [interesting experiences](#). But hey, it might be worth it in the end.

2. Loans

Many people find startup business loans intimidating. On top of that, loans are getting harder and harder to obtain from traditional banks. But there are still several solid options for new businesses, especially when you don't bite off more than you can chew.

Common loan types include:

Small business loans. The most traditional route is to go through a bank, but that process can be a real pain – on top of how tough it can be. There are often a lot of startup business loans criteria to meet, like strong credit, lots of paperwork, and adequate collateral. Collateral is an asset like real estate, inventory, or equipment that the lender can seize if the loan isn't paid back.

The good news is, there are loads of places to get a small business loan. Even [PayPal](#) offers them. And there are opportunities even if you can't meet a list of strict requirements.

If you'd like some help with the process, look into small business lending marketplaces like [All Business Loans](#) and [Lendio](#). These resources tap into a network of business lenders to try and help find the right fit for your startup business loan needs.

Microloans. If you have trouble securing a traditional loan due to poor credit, lack of collateral, or other issues, look into business startup microloans. These typically range from \$5,000 to \$35,000 and are most commonly offered by non-profit organizations. Learn more about [securing a microloan](#) here.

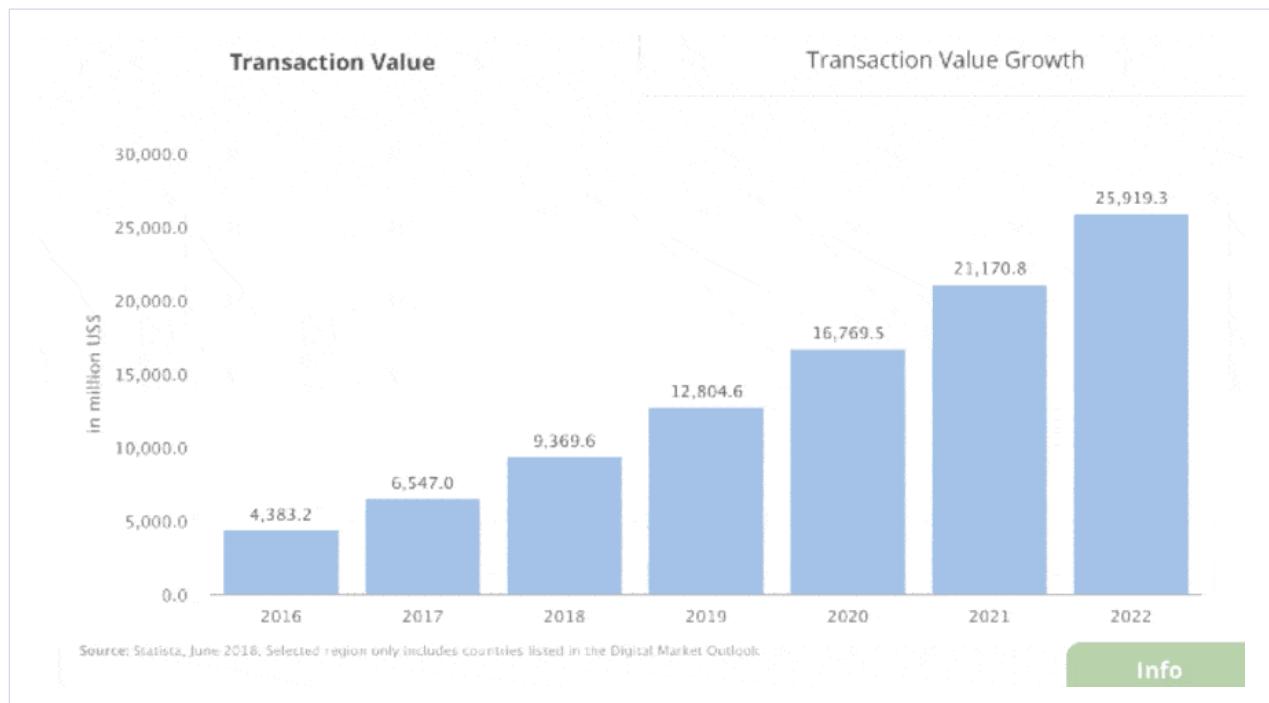
SBA loans. If you're in the U.S., you might be eligible for a loan from the Small Business Administration (SBA). Keep in mind that SBA is only a 'last resort' kind of loan – you have to have already been turned down from a bank or other financial institution.

If you meet this and other requirements, the next step is to apply for the loan with one of SBA's partners, since they don't offer loans directly. Check out the other [requirements and considerations for an SBA loan](#).

Family or friends. Some people consider microloans to also include getting small loans from family and friends. While this can be a great option for some, make sure you set clear, attainable terms for the loan. Otherwise, you might not only risk your business – you might risk those relationships too.

3. Crowdfunding

Something of a social phenomenon, crowdfunding involves getting small amounts of money from large amounts of people – sometimes millions, depending on a project's reach and popularity. Business crowdfunding is a booming industry, and it's only projected to grow.



There are three main types of crowdfunding campaigns:

- **Rewards-based:** Entrepreneurs offer rewards in exchange for cash. For example, an entrepreneur raising capital for a new clothing line can offer discounts, limited edition pieces, or other perks to crowdfunders.
- **Equity-based:** Also called crowdinvesting, this form offers equity such as stock, revenue-sharing, or equity ownership stake in the company at a later date.
- **Donation-based:** Giving out of the goodness of a crowdfunder's heart. This isn't particularly successful, although you might receive donations from sympathetic business owners who have experienced disaster themselves.

There are several business crowdfunding platforms, including:

- [Kickstarter](#)
- [Indiegogo](#)
- [Crowd Supply](#)
- [Fundable](#)
- [Ulule](#)
- [Patreon](#)
- [StartEngine](#)
- [WeFunder](#)
- [Crowdfunder](#)
- [NextSeed](#)

To learn more, check out this delightfully comprehensive [crowdfunding ebook](#).

4. Angel investors and venture capitalists

Angel investors and venture capitalists are people or entities that invest money into businesses. There are some key differences that relate to the amount of money invested, the risk involved, and the stage of the business they're investing in.

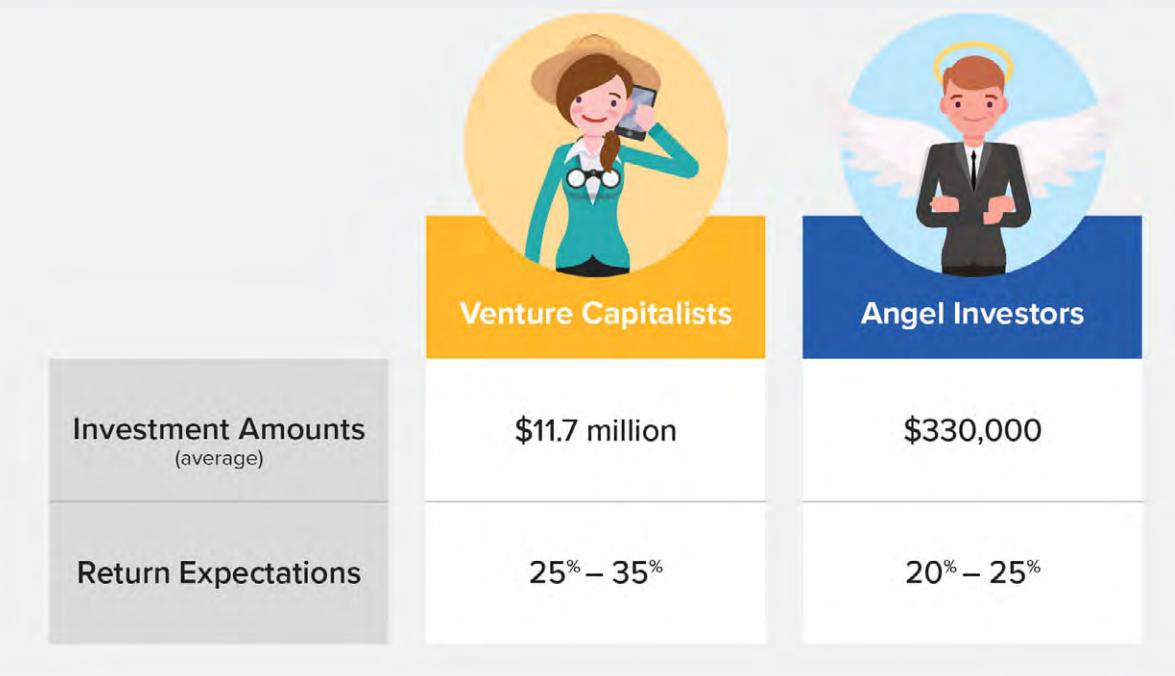
Angel investors are individuals who invest using their own money. In order to be considered an ‘accredited angel investor,’ they need to have a net value of at least \$1 million and an annual income of at least \$200,000. You may even have a friend, family member, or social contact who’s an angel investor.

Venture capitalists (VCs) are individuals or firms that typically use pooled money instead of personal money. This money may come from large corporations or investment companies.

Angel investors are typically more focused on helping build new businesses, so they’re more likely to invest in a startup that isn’t completely off the ground yet. On the other hand, VCs often take less of a risk, opting to invest in businesses that are already established.

Another key difference is investment amount and return expectations. The average angel investment is about \$330,000 with an expected return of 20–25%, while the average venture capital investment is a whopping \$11.2 million with 25–35% return expectation.

VENTURE CAPITALIST vs ANGEL INVESTOR



SOURCE:

https://www.sba.gov/sites/default/files/Finance-FAQ-2016_WB.pdf
<https://hbr.org/1998/11/how-venture-capital-works>
<http://smallbusiness.chron.com/small-business-investors-percentage-forever-73824.html>

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This is not intended as legal advice.



[Source](#)

Now that you have an idea of where to get business funding, let's discuss some of the logistics of starting your official business, including legal considerations and how to write a solid business plan (which is especially important if you want to snag a loan or investment).

7

How to Start a Business – Officially

You've got your idea. You know how to validate it and which business model is the right match for you.

Sweet!

Now it's time to get familiar with what's needed to start a business logically. Do you need to register it? If so, what are the rules for registering a business name? What are the legal requirements for your specific business type? Once you're started, what other considerations are critical for gaining and keeping momentum?

In some cases, the logistics of starting a business can be pretty confusing. And in some unfortunate cases, new entrepreneurs might find themselves in situations where they're getting the run-around in terms of boxes that need to be checked off.

But don't let these obstacles bring you down. There are lots of resources available to entrepreneurs to help get your ducks in a row. If you're having trouble figuring things out, it might be worth spending some money on a consultant or firm that can point you in the right direction.

In this chapter, we'll look at:

- **Legal considerations, like registration and licensing, taxes, and complying with laws and regulations**
- **How to write a business plan to secure funding or guide your next steps**

Let's get going.

Legal issues with starting a business

The process of physically starting a company will vary greatly depending on the type of business you're starting, as well as where you're located.

For example, if you're starting a freelance graphic design business in the U.S., you likely aren't legally required to do anything if you want to operate as a 'sole proprietor' – that is, operating under your own name without an official business structure.

But if you're starting a catering business in Florida, you'll need to have items like:

- A food manager certification for at least one employee on your team
- Food handler permits for all team members
- An employer identification number (EIN) from the IRS
- A sales tax registration number from the Sales Tax Division of the Florida Department of Revenue

Pretty big difference, eh?

Let's look at some legal aspects of what's required to start a business in the U.S. and abroad.

How to start a business in the U.S.

1. Registering the business

As I mentioned above, if you’re doing business as ‘Jane Smith’ in the U.S., you don’t need to register. But if you want any other business name – even something like ‘Jane Smith Design’ – you have to register.

It’s worth noting though, that if your business ever gets sued, **your own personal possessions will be at risk**. That’s why many prefer to register a business name, so that the business itself is legally liable instead.

The Small Business Administration (SBA) has everything you need to know to register your business.

2. Paying federal, state, and local taxes

If your business will operate outside of a sole proprietorship, or if you’ll have any employees, you need to pay federal taxes every year. In order to do this, you’ll need to apply for an Employer Identification Number (EIN).

Learn more about EINs and how to get one on the SBA’s website.

You might also need to pay state and local taxes. These might include self-employment (for sole proprietors), payroll (if you have employees), sales, income, and property tax.

The SBA can tell you all about [state and local taxes](#).

Opening a separate business bank account is also a good idea, especially for tax purposes. Keeping business finances separate from personal finances **can save you a massive headache.**

3. Business licenses and permits

As we discussed briefly, each business type has its own legal requirements – some more extensive than others. This is especially true for businesses that have heightened liability, like food service. The government steps in and takes several precautions to make sure the public is safe.

On top of this, your specific state, county, or city may also have additional requirements. Take some time to research **where you'll register and run your business.** You'll then be able to learn how to get business licenses and permits.

Learn more about [federal and state licenses and permits](#) from the SBA.

4. Business regulations and laws

Every business – no matter how big or small – **must operate based on the same set of laws and regulations.** These include marketing and advertising, finance, privacy, and intellectual property, laws.

Depending on your business structure, you'll need to file certain forms, reports, and details to prove that you're staying compliant with these laws.

Surprise! The SBA has information for [staying legally complaint.](#)

How to start a business outside of the U.S.

Obviously, your legal requirements for staying compliant with a business will vary with each country. Generally speaking, you should look to check off the same types of tasks and considerations as a U.S. business, such as:

- Registering based on your company type, business model, team structure, etc.
- Legal implications for having a team and managing employees
- Taxes and other financial requirements by country and region, if applicable
- The laws and regulations that apply to your business type – how to comply and continuously prove compliance

Here are some resources and tips for how to start a new business outside the States.

The European Union's website can guide you on [starting a business in EU countries](#). Just select which country you're in and go from there.

Starting a business

UK decision to invoke Article 50 of the TEU: More information

To start a new company or expand your business in another EU country you need to know the **rules** that apply and the relevant [national contact point](#) to set up a company in that specific country.

Find the right place to start-up in different EU countries:

Choose country										
Austria	de	en	Greece	el	en	Norway	en			
Belgium	de	en	fr	nl	Hungary	en	hu	Poland	en	pl
Bulgaria	bg	en	Iceland			Portugal	en	pt		
Croatia	en	hr	Ireland		en	Romania	en	ro		
Cyprus	el	en	Italy		en	Slovakia	en	sk		
Czechia	cs	en	Latvia		en	Slovenia	en	sl		
Denmark	da	en	Liechtenstein		de	en	Spain	en	es	
Estonia	en	et	Lithuania		en	It	Sweden	en	sv	
Finland	en	fi	sv	Luxembourg	de	en	fr	United Kingdom	en	
France	en	fr	Malta		en	mt				
Germany	de	en	Netherlands		en	nl				

The UK Government's site tells you all about [starting a business in the UK](#).

The screenshot shows the GOV.UK website's navigation bar with the 'GOV.UK' logo and a search bar. Below the navigation, the breadcrumb trail reads 'Home > Business and self-employed'. A sidebar on the left lists various government services: Benefits, Births, deaths, and care, Business and self-employed (which is highlighted in blue), Childcare and parenting, Citizenship and UK, Crime, justice and law, Disabled people, Driving and travel, Education and skills, Employing people, and Environment and countryside. The main content area is titled 'Business and self-employed' and contains a 'Setting up' section with links to 'Set up a business', 'Write a business plan', 'Working for yourself', 'Employing staff for the first time', 'Growing your business', 'Get help and support for your business', and 'Apply for a Start Up Loan for your business'. It also includes sections for 'Business tax', 'Business finance and support', 'Running a limited company', and 'Expenses and employee benefits'.

I also recommend diving into some good old fashioned internet search. Try Googling phrases like:

- How to start a business in [your country]
- Laws for starting a business in [your country]
- Legal requirements to start a business in [your country]
- How to register a [type of business] business in [your country]
- Tax laws for [type of business] in [your country]
- Employer laws for [type of business] in [your country]

You get the point.

A screenshot of a search results page from a search engine. The search query "how to start a business in germany" is entered in the search bar. Below the search bar are filter options: All (selected), Images, News, Shopping, Videos, More, Settings, and Tools. It shows approximately 1,180,000,000 results found in 0.60 seconds. The top result is a thumbnail for an article titled "How to start a business in Germany in 10 steps", featuring two smiling individuals, a man on the left and a woman on the right, framed by white circles.

Of course, if you have any hesitations or discomfort managing this on your own, you can always seek a local business consultant or company to set you on the right path and answer all of your questions.

It'll require an initial investment for these professional services, **but it might be worth it considering the time and potential legal trouble it might save you** in the future.

Writing a business plan

If you're wondering how to start a business with no money, a business plan can be a critical step. It can help you to get attention and buy-in from financial stakeholders like partners, lenders, and investors.

Even if you're starting small or bootstrapping, a business plan is a good idea for organizing your knowledge so far, solidifying your direction, and guiding your next steps.

Here are some key elements to include.



[Source](#)

Executive summary

A **high-level overview** of what your business is all about. This typically includes what it does, how it works, the reason it exists, and the problems it will solve for its audience. You should include your mission statement and a basic description of the business model.

Business description

Go into detail about the business: the leadership who runs it and the problems it solves. Boast about **your strengths as a company**: what sets you apart from competitors? What fuels you? Also include your weaknesses or obstacles and your action plan for managing them. This is traditionally referred to as a [SWOT analysis](#).

Market analysis

This is where you can include the research data you did earlier, when you identified problems that need solving. If you have any competitors, you should also include some information about these businesses and how they work. **Show how you can do better than them.**

Organization and management

Explain the **structure and business model**: what type of business it is, how it's set up, and your future plans for what kind of legal structure it will have. If there are others on the team, introduce them and explain their key strengths and expertise. Consider including CVs or resumes.

Product or service

Go into detail about your company's deliverables, or **the products or services that you'll sell to your final customers.** If you have any research and development so far, include as much as possible. If you have any copyright or patent filings for your intellectual property, share those too.

Marketing and sales

No point in having a business if you don't make any sales, right? Use this section to outline your marketing strategy. Keep in mind that a winning marketing strategy is comprehensive and ongoing – ideally, it will morph and evolve based on market changes and business growth.

You should absolutely invest in a good marketing strategy.

Marketing is a massive rabbit hole that we won't dive into here. But what we will do is give you an awesome resource bank to keep in your pocket.

MARKETING STRATEGY	EXAMPLES	RESOURCES
Content marketing	Blogs, ebooks, whitepapers, infographics, videos, webinars, podcasts, etc.	<ul style="list-style-type: none"> • Content marketing beginners guide • Blogging • Video content • Webinars
Pay-per-click (PPC)	<ul style="list-style-type: none"> • Search engine ads: Google Ads, Bing Ads, etc. • Social media ads: Facebook, Instagram, YouTube, etc. 	<ul style="list-style-type: none"> • Facebook advertising ebook • YouTube ads • LinkedIn ads • Google Shopping ads
Social media	Organic (unpaid) content on Facebook, Instagram, Pinterest, Snapchat, etc; influencer marketing; viral marketing	<ul style="list-style-type: none"> • Social media marketing plan • Facebook marketing • Instagram marketing • Pinterest marketing • Snapchat marketing • Influencer marketing ebook • Viral marketing
Other tactics	Email marketing; referral marketing, relationship marketing, social responsibility marketing, inbound marketing, affiliate marketing, guerilla marketing, viral marketing	<ul style="list-style-type: none"> • Email marketing ebook • Newsletters • Referral marketing • Relationship marketing • Social responsibility • Inbound marketing • Affiliate marketing • Guerilla marketing
[General strategy tips]	<ul style="list-style-type: none"> • How to create a marketing strategy • Types of internet marketing • SEO for new startups 	

Funding request

If you're making this business plan to get a loan or investment, **this part is important.** Clearly outline the funding you envision your company needing over the course of the next five years, and how that funding will be allocated to juice up your company and accomplish your goals.

State if you want debt or equity, what kind of terms you want for the agreement, and how much time is covered by the funding request. Also, include your long-term financial plan, like how you'll pay a loan back or if you plan to sell the company.

Financial projections

Tell the financial story of your business and **sell it as a good investment.** Give yearly, quarterly, or even monthly projections included forecasted income statements, cash flow statements, balance sheets, and capital expenditure budgets.

Match your funding request to your projections to show that the money will have purpose. If you have collateral to put against a loan, list it out here.

Phew. Now, you know which legal and financial considerations to look into as you set up your official business. And you've got some groundwork for writing a business plan that sells your idea to potential stakeholders (or at least keeps you in the right direction).

Next up: how to fund your business and handle finances #likeaboss.

8

Inspiration and Resources for Your Next Steps

Perhaps you have your heart set on a certain type of business, but you don't feel qualified enough to master it just yet. This is more common than you might think, **and there's great news:** there are lots of excellent learning resources like free and paid books, podcasts, online courses, communities, and more.

The bottom line is that you don't have to go back to university to fill in your knowledge and skill gaps – there's plenty available to you this very second.

Justin Collier, founder of [Alchemy Marketing](#), thinks that fear of a lack of knowledge should never hold you back.



Justin Collier
Founder of
Alchemy Marketing

"The important thing to remember is that **no entrepreneur knows exactly how all the pieces will fit together at the very beginning.**

A business is always evolving. Entrepreneurship is about trying things out and finding your own success because you were willing to fail more times than anyone else.

We've never lived in a time with **more access to information and more access to the tools we need to succeed** – don't feel like not having the right education should hold you back.

Remember that **every successful person** started off just as unsure and just as anxious as you may feel right now."

Even if you feel well-versed in your entrepreneurial direction, there's always **more to learn, more insights to glean, and more perspectives to hear.**

In fact, many of the most successful entrepreneurs have an unquenchable thirst for new knowledge and experiences. And some of them have created ways to share it with you.

In this chapter, you'll get:

- **A list of the best entrepreneur books to help you on your way**
- **Digital resources, like podcasts and online courses**
- **Resources and communities for women entrepreneurs**
- **Some entrepreneur quotes to keep your fire burning**

Here we go.

Best entrepreneur books

You probably know by now that there are a billion entrepreneurship books out there. Here's a shortlist of some of the most popular – but by all means, keep exploring to find the ones that resonate the most with your personality and goals.

1. The 4-Hour Workweek by Tim Ferriss

Something of a cult classic, it's hard to pursue entrepreneurship without someone mentioning this book. It's all about optimizing your time – personal and business practices that maximize your income and fulfillment while minimizing your stress and resources spent.

2. The Lean Startup by Eric Ries

We discussed the concept of the lean startup and building a minimal viable product (MVP) in Chapter 4. It uses a 'continuous innovation' model, where you're constantly evaluating your biggest opportunities and shifting your goals and trajectory as needed to keep up with the evolution of your business and the market.

3. Platform: The Art and Science of Personal Branding by Cynthia Johnson

A thought leader in the digital marketing space, Cynthia Johnson lays out the keys to developing your personal brand, finding the right audience, and nurturing relationships with your follower base once you've gotten some momentum. A great book if you're looking to build freelance or consulting business, as opposed to a more traditionally branded company.

4. The Thank You Economy by Gary Vaynerchuk

In this top entrepreneurship book, best-selling author Gary Vaynerchuk explores the ‘new era’ of business, where the top-performing brands aren’t the ones that constantly push out the most advertising – they’re the ones that prove that they really care about their customers. This social clout is massive in today’s hyper-competitive business landscape.

5. The Million-Dollar, One-Person Business by Elaine Pofeldt

There’s explosion in one-person businesses that are finding massive success. This book dives into this phenomenon, outlining ways for entrepreneurs to identify, build, grow, and reinvent the art and science of business. It’s packed full of knowledge and advice from hundreds of entrepreneurs who have done it firsthand.

PRO TIP

If reading isn’t your thing – or if you just want to maximize your commute to work or trip to run errands – get the audio version of the best entrepreneur books on [Audible](#).

Book summary tools

You might be looking at the best entrepreneur books list and thinking, “*How on Earth can I find time to read all of these?*”

That’s a viable concern. There’s just too much good stuff out there.

Fortunately, there are some awesome tools that provide you with summaries of books. This can save you loads of time, as they deliver the little gold nuggets straight to you instead of you having to wade through the whole book to find them.

You can also use them as ‘previews’ of full books, to see which ones are the best use of your time to read cover-to-cover.

These tools cover a broad range of books, from New York Times best sellers to the old-school classics. Plus, you can get them in text and audio form to maximize your efficiency.

Take a look at these:

- [Blinkist](#)
- [Soundview Executive](#)
- [Business Book Summary](#)
- [getAbstract](#)

Similarly, you can check out the [Fight Mediocrity](#) YouTube channel for lots of book summaries under 10 minutes.

Digital resources for new entrepreneurs

Check out some of the best websites, podcasts, and education tools to keep learning and growing on your path to entrepreneurship.

Best entrepreneur podcasts

Whether you're commuting to work, walking the dogs, or making breakfast, you can always pop on a podcast to hear interesting and motivating stories, get actionable advice, and peek into the brains of some of today's most buzzworthy entrepreneurs.

Some of the best entrepreneur podcasts include:

- **[Entrepreneurs on Fire](#)**: An award-winning podcast that features interviews with more than 2,000 entrepreneurs, including trending names like Tony Robbins, Gary Vaynerchuk, Barbara Corcoran, and more
- **[This Week in Startups](#)**: It's a 'weekly digest' for entrepreneurship, covering the week's best, worst, most interesting, and most ridiculous stories in the industry
- **[The Tim Ferriss Show](#)**: I told you that he's something of a cult phenomenon. In his podcast, Tim interviews everyone from actors to athletes to self-help gurus, deconstructing their success to deliver tactics and advice for listeners
- **[Smart Passive Income](#)**: Pat Flynn examines what it takes to stop trading time for money, helping listeners build businesses that generate passive income instead of working yourself to exhaustion every day
- **[Foundr Podcast](#)**: Nathan Chan interviews some of the greatest minds in business today, so that entrepreneurs from all over the world can "stand on the shoulders of giants."

Online courses and continued education resources

Find free and paid courses covering a huge range of topics through resources like:

- [**edX**](#): Courses, programs, and degrees on a broad range of topics, from business and management to computer science to humanities
- [**Khan Academy**](#): A free learning resource with more than 100,000 interactive exercises to put that new knowledge to use
- [**Alison**](#): Free online courses from top names like Microsoft, Google, and Macmillan
- [**Coursera**](#): An online learning portal that's fueled by more than 100 educational partners, including top American universities
- [**OpenCulture**](#): A collection of more than 150 free online courses, covering topics like entrepreneurship, marketing, technology, and more

The U.S. Small Business Administration (SBA) made a great [checklist for new entrepreneurs](#), to help keep you on course and make sure you're covering the bases.

Resources for women entrepreneurs

For women, entrepreneurship can come with a [unique set of challenges](#), like lower access to funding in comparison to male-owned businesses, gender discrimination, the '[motherhood penalty](#),' and limiting social expectations.

There are many organizations dedicated to leveling the playing field while giving women opportunities to receive the resources and support they need to get their businesses off the ground and into the sky.

Here are few to check out:

- [**37 angels**](#): A community of women investors that works to educate early stage investors and provide investment capital to new entrepreneurs.
- [**BOSS**](#): An acronym for 'Bringing Out Successful Sisters,' BOSS is a network dedicated to nurturing personal and professional development of multicultural women.
- [**Female Founders Fund**](#): An organization that provides investment capital for female-founded tech companies.
- [**Tory Burch Foundation**](#): Provides empowerment for women entrepreneurship via education programs, fellowship, and capital through opportunities like grants and loans.
- The SBA's [**Women's Business Resources**](#) and initiatives, including more than 100 local [**Women's Business Centers**](#) across the U.S.
- The [**European Commission's resources**](#) for women entrepreneurs in Europe.

Entrepreneur quotes

Don't you just love a good inspirational quote? Here's some juice to keep you motivated through the peaks and valleys of entrepreneurship.

Entrepreneur quotes about mindset

- “I’m convinced that about half of what separates the successful entrepreneurs from the non-successful ones is pure perseverance.” – Steve Jobs
- “Every time you state what you want or believe, you’re the first to hear it. It’s a message to both you and others about what you think is possible. Don’t put a ceiling on yourself.” – Oprah Winfrey
- “One of the huge mistakes people make is that they try to force an interest on themselves. You don’t choose your passions; your passions choose you.” – Jeff Bezos
- “Don’t limit yourself. Many people limit themselves to what they think they can do. You can go as far as your mind lets you. What you believe, remember, you can achieve.” – Mary Kay Ash

Entrepreneur quotes about failure

- “It’s fine to celebrate success but it is more important to heed the lessons of failure.” – Bill Gates
- “Don’t worry about failure; you only have to be right once.” – Drew Houston
- “Success is walking from failure to failure with no loss of enthusiasm.” – Winston Churchill
- “You have to see failure as the beginning and the middle, but never entertain it as an end.” – Jessica Herrin

Entrepreneur quotes about skills and knowledge

- “Passion, creativity, and resilience are the most crucial skills in business. If you’ve got those, you’re ready to embark on the journey.” – Jo Malone
- “One of the greatest skills of leadership is being unflappable. Anytime you do anything in the world; there’s going to be criticism.” – Arianna Huffington
- “Formal education will make you a living; self-education will make you a fortune.” – Jim Rohn
- “The most valuable thing you can make is a mistake – you can’t learn anything from being perfect.” – Adam Osborne

Entrepreneur quotes about challenges

- “My biggest motivation? Just to keep challenging myself. I see life almost like one long University education that I never had – every day I’m learning something new.” – Richard Branson
- “Being a woman in business doesn’t come without challenges. My advice? Surround yourself with other supportive women that encourage you, share ideas, and get you motivated.” – Jessica Alba
- “Embrace what you don’t know, especially in the beginning, because what you don’t know can become your greatest asset. It ensures that you will absolutely be doing things different from everybody else.” – Sara Blakely

There's no better time than now

Alas, our time together has come to an end. Hopefully, you're brimming with excitement, inspiration, and tons of new knowledge to help you get out there and build something amazing.

Throughout this ebook, we've discussed:

- The definition of entrepreneurship, and how it all boils down to your mindset and perseverance
- How to self-assess if you're cut out for entrepreneurship, and how to marry your interests and passions with viable and profitable business ideas
- How to validate your business idea so that you don't sink all your resources into it before you even know if it's lucrative
- How to choose the right business model for your situation, resources, and goals
- Considerations for getting your business up and running, like initial legal issues and ongoing business operations like marketing and managing a team
- Options to fund your business, from bootstrapping to crowdsourcing to securing venture capital

Many of the world's most successful entrepreneurs will tell you that the first step is often one of the hardest.

It can be easy to make a never-ending list of excuses for why now isn't a good time – you have a big project at work, you're too tired, you don't know enough about business to start one yourself...

But there's truly no better time than now. I mean *right now*.

Write down a list of three steps you'll take this week to bring your new business to life. If you need some help, education, or good ol' moral support, you know where to find us.



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