

Entrepreneur

A Beginner's Guide to Starting Your Own Business

What You Need to Know to Get Started





Introduction

Attempting to start your own business can be daunting. There's a seeming never-ending laundry list of tasks to complete and you don't know what to do first. This is where we come in! With over 40 years of experience, we know exactly what it takes to get a business up and running—and the strategies that work to battle through the long hours and intense stress founders face day in and day out.

We've put together this collection of proven tips and tactics to allow you to approach the startup process with confidence.

You'll discover:

- How to start a business in 12 steps
- How to start a business with \$1K in savings
- The best ways to use AI
- The 5 best markets to start your business
- 4 launch strategies for success and longevity
- The top trends in starting a business in 2026

We hope this guide inspires and helps you make the leap. If you want to dive deeper into the startup process, visit us [here](#).

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FROM MATTHEW MCCREARY | ASSOCIATE EDITOR, CONTRIBUTED CONTENT

Starting a Business: How to Start a Business in 12 Steps

Starting a business doesn't have to be difficult. Check out this 12-step guide to start your entrepreneurial endeavor the right way.



For millions of people, starting their own business is a key component of the American dream. But it's one thing to have a stellar business idea; it's another to turn that idea into a fully-fledged, profitable enterprise. Starting a new business might be your dream, and there's no doubt that it can be difficult!

It doesn't have to be. In fact, you can start a business entity with 12 steps, even if you don't have any business experience and are still looking for an idea.

This article will guide you through the process of becoming a small business owner, covering everything from financial planning to choosing a professional service or good to provide.

1. Evaluate yourself.

Let's start with the most basic question: Why do you want to start a business? Use this question to guide what kind of business you want to start. If you want extra money, maybe you should start side hustle. If you want more freedom, maybe it's time to leave your 9-to-5 job and start something new.

Once you have the reason, start asking yourself even more questions to help you figure out the type of business you should start, and if you have what it takes.

- What skills do you have?
- Where does your passion lie?
- Where is your area of expertise?
- How much can you afford to spend, knowing that most businesses fail?
- How much capital do you need? What are the startup costs and what small business loans will you need to take out?
- What sort of lifestyle do you want to live?
- Are you even ready to be an entrepreneur?

Be brutally honest with your answers. This will create a foundation for everything you do moving forward, so it's better to know the truth now than later.

2. Think of a business idea.

Do you already have a killer business idea? If so,

congratulations! You can proceed to the next section. If not, there are a ton of ways to start brainstorming for a good idea. An article on *Entrepreneur*, “8 Ways to Come Up With a Business Idea,” helps people break down potential business ideas. Here are a few pointers from the article:

- Ask yourself what’s next. What technology or advancement is coming soon, and how will that change the business landscape as we know it? Can you get ahead of the curve?
- Fix something that bugs you. People would rather have less of a bad thing than more of a good thing. If your business can fix a problem for your customers, they’ll thank you for it.
- Apply your skills to an entirely new field. Many businesses and industries do things one way because that’s the way they’ve always been done. In those cases, a fresh set of eyes from a new perspective can make all the difference.
- Use the better, cheaper, faster approach. Do you have a business idea that isn’t completely new? If so, think about the current offerings and focus on how you can create something better, cheaper or faster.

Also, go out and meet people and ask them questions, seek advice from other entrepreneurs, research ideas online or use whatever method makes the most sense to you.

And, if you’ve exhausted all your options and you’re still stuck, here are 55 great business options you can start. Some other options include running an eCommerce business or SEO marketing firm, both competitive but rewarding industries.

3. Do market research.

Is anyone else already doing what you want to start doing? If not, is there a good reason why?

Start researching your potential rivals or partners within the market by using this guide. It breaks down the objectives you need to complete with your research and the methods you can use to do just that. For example, you can conduct interviews by telephone or face to face. You can also offer surveys or questionnaires that ask questions like “What factors do you consider when purchasing this product or service?” and “What areas would you suggest for improvement?”

Just as importantly, it explains three of the most common mistakes people make when starting their market research, which are:

1. Using only secondary research.
2. Using only online resources.
3. Surveying only the people you know.

4. Get feedback.

Let people interact with your product or service and see what their take is on it. A fresh set of eyes can help point out a problem you might have missed. Plus, these people will become your first brand advocates, especially if you listen to their input and they like the product.

One of the easiest ways to utilize feedback is to focus on “The Lean Startup” approach (read more about it here), but it involves three basic pillars: prototyping, experimenting and pivoting. By pushing out a product, getting feedback and then adapting before you push out the next product, you can constantly improve and make sure you stay relevant.

Just realize that some of that advice, solicited or not, will be good. Some of it won’t be. That’s why you should have a plan on how to receive feedback.

Here are six steps for handling feedback:

1. Stop! Your brain will probably be in an excited state when receiving feedback, and it might start racing to bad conclusions. Slow down and take the time to consider carefully what you’ve just heard.
2. Start by saying “thank you.” People who give you negative feedback won’t expect you to thank them for it, but doing so will probably make them respect you and encourage them to continue be honest in the future.
3. Look for the grain of truth. If someone doesn’t like one idea, it doesn’t mean they hate everything you’ve just said. Remember that these people are trying to help, and they might just be pointing out a smaller problem or solution that you should look into further.
4. Seek out the patterns. If you keep hearing the same comments, then it’s time to start sitting up and taking notice.
5. Listen with curiosity. Be willing to enter a conversation where the customer is in control.
6. Ask questions. Figure out why someone liked or didn’t like something. How could you make it better? What would be a better solution?

Also, one way to help you get through negative feedback is to create a “wall of love,” where you can post all of the positive messages you’ve received. Not only will this wall of love inspire you, but you can use these messages later when you begin selling your product or service. Positive reviews online and word-of-mouth testimonials can help make a big difference.

5. Make it official.

Get all of the legal aspects out of the way early. That way, you don’t have to worry about someone taking your big idea, screwing you over in a partnership or suing you for something you never saw coming. You’ll not only have to deal with the federal government and IRS but your state and local governments as well. A quick checklist of things to shore up might include:

1. Business structure (LLC, corporation or a partnership, to name a few.)
2. Business name
3. Register your business
4. Federal tax ID
5. State tax ID
6. Permits (more on permits here)
7. License
8. Necessary bank account
9. Trademarks, copyrights or patents

Making it official also means considering self-employment tax or business insurance, depending on the legal structure you choose.

While some things you can do on your own, it’s best to consult with a lawyer when starting out, so you can make sure you’ve covered everything that you need.



Choose your business type

One of the most important elements of making your business official is choosing the right business type or business model. There are a few different types of businesses you can start, including:

- Sole proprietorship, which is a business type that includes one employee (yourself). Doing business as a proprietorship could be cost-effective since you may not even need a business license
- A business partnership, which includes two employees (such as yourself and one other person)
- LLC or limited liability companies, which are preferred business types for many entrepreneurs, as they limit personal liability in the event of a lawsuit. They also provide certain tax breaks. LLCs are ideal for small to medium-sized businesses
- S or C corporations. These business types are for larger enterprises with dozens or hundreds of employees. They benefit from specific tax breaks, but they also have to pay specific business taxes

If you’re starting your first business, you’re generally better off filing your business as a sole proprietorship or LLC. If you file your business as an LLC, you’ll be able to hire employees once you get an EIN or employer identification number.

However, hiring employees also means getting liability insurance and workers’ compensation insurance. Be sure to consider these costs when going to a lender for a loan or tallying up your costs in accounting software.

6. Write your business plan.

A business plan is a written description of how your business will evolve from when it starts to the finish product.

As angel investor and tech-company founder Tim Berry wrote on Entrepreneur, “You can probably cover everything you need to convey in 20 to 30 pages of text plus another 10 pages of appendices for monthly projections, management resumes and other details. If you’ve got a plan that’s more than 40 pages long, you’re probably not summarizing very well.”

Here’s what we suggest should be in your business plan:

1. Title page. Start with name the name of your business, which is harder than it sounds. This article can help you avoid common mistakes when picking.
2. Executive summary. This is a high-level summary of what the plan includes, often touching on the company description, the problem the business is solving, the solution and why now. (Here’s what you should include in the summary and how you can make it appeal to investors.)

3. Business description. What kind of business do you want to start? What does your industry look like? What will it look like in the future?
4. Market strategies. What is your target market, and how can you best sell to that market? What potential customers will your online store try to reach? This is a key part of market analysis.
5. Competitive analysis. What are the strengths and weakness of your competitors? How will you beat them?
6. Design and development plan. What is your product or service and how will it develop? Then, create a budget for that product or service.
7. Operations and management plan. How does the business function on a daily basis?
8. Finance factors. Where is the money coming from? When? How? What sort of projections should you create and what should you take into consideration?

For each question, you can spend between one to three pages. Keep in mind, the business plan is a living, breathing document and as time goes on and your business matures, you will be updating it.

7. Finance your business.

There are a ton of different ways to get the resources you need to start your business. Angel investor Martin Zwilling, whose business Startup Professionals provides services and products for startups and small businesses, recommends 10 of the most reliable ways to fund your business. Take a look and consider your own resources, circumstances and life state to figure out which one works best for you.

1. Fund your startup yourself. Bootstrapping your business might take longer, but the good part is that you control your own destiny (and equity).
2. Pitch your needs to friends and family. It can be hard to separate business from personal relationships, but if you're considering asking for a loan, here's a resource you can use to make it as straightforward as possible.
3. Request a small-business grant. Start by checking out our guide to small-business grants. Then, head over to Grants.gov, which is a searchable, online directory of more than 1,000 federal grant programs. It might be a long process, but it doesn't cost you any equity.
4. Start a crowdfunding campaign online. Sometimes power is in numbers, and a bunch of small investments can add up to something major. If you think your business might be a fit for something like Kickstarter

or Indiegogo, you should read up on 10 of the best-crowdfunded businesses ever or check out the most popular crowdfunding websites.

5. Apply to local angel investor groups. Online platforms such as Gust and AngelList and local networking can help you find potential investors who relate to your industry and passion.
6. Solicit venture capital investors. VCs typically look for big opportunities from proven teams that need a million dollars or more, so you should have some traction before approaching them.
7. Join a startup incubator or accelerator. These companies are designed to help new or startup businesses get to the next level. Most provide free resources, including office facilities and consulting, along with networking opportunities and pitch events. Some, also provide seed funding as well.
8. Negotiate an advance from a strategic partner or customer. If someone wants your product or service bad enough to pay for it, there's a chance they'll want it bad enough to fund it, too. Variations on this theme include early licensing or white-labeling agreements.

9. Trade equity or services for startup help. For example, you could support a computer system for office tenants in exchange for free office space. You might not get paid for this, but you won't have to pay for an office, either, and a penny saved is a penny earned.

10. Seek a bank loan or line of credit. Here are 10 questions you should ask before applying for a bank loan, including whether you will qualify. If you do meet the requirements, a good place to start for loan opportunities is the Small Business Administration.

Get a business bank account

It's a good idea to get a business bank account at the earliest opportunity. Even if you have a good handle on your finances, it's best practice not to pay for any business expenses with your personal checking account.

Why? Simply put, having a business bank account will make it easier for you to file taxes and track your business expenditures. That way, you always know which charges out of your account were for your business and which were for your personal life or pleasure.

Furthermore, some business bank accounts come with bonuses or special credit card offers. All of these can help you maximize your business finances, which is critically important in the earliest days of your business's lifespan.



Which business loans should you pursue?

It's also worth considering different types of business loans. SBA or US Small Business Administration loans are ideal for new entrepreneurs like yourself. However, you should only ever take out a business loan if:

- You are confident you'll be able to pay it back on time
- The loan doesn't come with an exorbitant or overly high interest rate
- You fully need the loan – it's never a good business practice to take out unnecessary loans, as this can limit your business credit score

8. Develop your product or service.

After all the work you've put into starting your business, it's going to feel awesome to actually see your idea come to life. But keep in mind, it takes a village to create a product. If you want to make an app and you're not an engineer, you will need to reach out to a technical person. Or if you need to mass-produce an item, you will have to team up with a manufacturer.

Here is a seven-step checklist — including finding a manufacturer and pricing strategies — you can use for your own product development. A major point the article highlights is that when you're actually crafting the product, you should focus on two things: simplicity and quality. Your best option isn't necessarily to make the cheapest product, even if it lowers manufacturing cost. Also, you need to make sure the product can grab someone's attention quickly.

When you are ready to do product development and outsource some of the tasks make sure you:

- 1. Retain control of your product and learn constantly.** If you leave the development up to someone else or another firm without supervising, you might not get the thing you envisioned.
- 2. Implement checks and balances to reduce your risk.** If you only hire one freelance engineer, there's a

chance that no one will be able to check their work. If you go the freelance route, use multiple engineers so you don't have to just take someone at their word.

3. Hire specialists, not generalists. Get people who are awesome at the exact thing you want, not a jack-of-all-trades type.

4. Don't put all your eggs in one basket. Make sure you don't lose all of your progress if one freelancer leaves or if a contract falls through.

5. Manage product development to save money. Rates can vary for engineers depending on their specialties, so make sure you're not paying an overqualified engineer when you could get the same end result for a much lower price.

To help you have peace of mind, start learning as much as you can about the production, so you can improve the process and your hiring decisions as time goes along.

This process will be very different for service-focused entrepreneurs, but no less important. You have several skills that people are willing to pay you for right now, but those skills can be hard to quantify. How can you establish yourself and your abilities? You might consider creating a portfolio of your work — create a website to show your artwork if you're an artist, writing if you're a writer or design if you're a designer.

Also, make sure you have the necessary certificates or educational requirements, so that when someone inquires about your service, you're ready to jump at a good opportunity.

9. Start building your team.

To scale your business, you are going to need to hand off responsibilities to other people. You need a team.

Whether you need a partner, employee or freelancer, these three tips can help you find a good fit:

- 1.** State your goals clearly. Make sure everyone understands the vision and their role within that mission at the very start.
- 2.** Follow hiring protocols. When starting the hiring process you need to take a lot of things into consideration, from screening people to asking the right questions and having the proper forms. Here is a more in-depth guide to help you.
- 3.** Establish a strong company culture. What makes a great culture? What are some of the building blocks?

You can see our list of 10 examples of companies with great cultures, but keep in mind that you don't need to have Google's crazy office space to instill a positive atmosphere. That's because a great culture is more about respecting and empowering employees through multiple channels, including training and mentorship, than it is about decor or ping-pong tables. In fact, office perks can turn out to be more like traps than real benefits.

How to hire good employees

It's not enough to just hire qualified individuals. You need to hire the right employees for the job if you want your business to succeed. Fortunately, you can hire great employees by focusing on a few key aspects.

- Hire employees based on the impression you get from them in the interview. Go-getter employees might not have the best credentials, but they'll have a can-do attitude you can rely on when the going gets tough.
- Don't forget to consider diversity. It's a good idea to avoid hiring all of your employees from the same demographic, as any minority employees you do have could feel isolated or discriminated against. Try to diversify your hiring panel to avoid this outcome.
- Hire employees that want to work at your company and progress up the ladder. That's the best way not only to furnish your business with good employees for your immediate needs but to set up future managers and supervisors to help you evolve and scale your business later down the road.

As for attracting these rockstar employees, offer insurance plans and other employee benefits aside from competitive pay. This will be easier as you achieve profitability and expand your business.

In the end, your employees will make or break your business and its operations. If your first batch of employees is a mix of great hires and duds, don't hesitate to fire the employees that bring everyone else down. Bad employees can negatively impact workplace culture, degrade your reputation, and even provide bad experiences for your customers. That can cause an early death spell for your company in the first days of its operation.

10. Find a location.

This could mean an office or a store. Your priorities will differ depending on need, but here are 10 basic things to consider:

1. Style of operation. Make sure your location is consistent with your particular style and image.

2. Demographics. Start by considering who your customers are. How important is their proximity to your location? If you're a retail store that relies on the local community, this is vital. For other business models, it might not be.

3. Foot traffic. If you need people to come into your store, make sure that store is easy to find. Remember: even the best retail areas have dead spots.

4. Accessibility and parking. Is your building accessible? Don't give customers a reason to go somewhere else because they don't know where to park.

5. Competition. Sometimes having competitors nearby is a good thing. Other times, it's not. You've done the market research, so you know which is best for your business.

6. Proximity to other businesses and services. This is more than just about foot traffic. Look at how nearby businesses can enrich the quality of your business as a workplace, too.

7. Image and history of the site. What does this address state about your business? Have other businesses failed there? Does the location reflect the image you want to project?

8. Ordinances. Depending on your business, these could help or hinder you. For example, if you're starting a daycare center, ordinances that state no one can build a liquor store nearby might add a level of safety for you. Just make sure you're not the one trying to build the liquor store.

9. The building's infrastructure. Especially if you're looking at an older building or if you're starting an online business, make sure the space can support your high-tech needs. If you're getting serious about a building, you might want to hire an engineer to check out the state of the place to get an objective evaluation.

10. Rent, utilities and other costs. Rent is the biggest facilities expense, but check out the utilities, as well, and whether they're included in the lease or not. You don't want to start out with one price and find out it's going to be more later.

Once you know what to look for and it's time to start searching for a place that fits all of your qualifications, these four tips can help.

1. Think on your own timeframe. Landlords are starting to offer shorter-term office rentals. Don't get stuck

in a long-term lease if it doesn't make sense for your business.

2. Play the whole field. There are all sorts of places to use — co-working spaces, office business centers, sublets and more. Keep your options open.

3. Click around town. You might be able to find the perfect place by using online resources.

4. Do the deal on your terms. Again, you have options. Don't get roped into something that makes you uncomfortable.

After you have a location, you can focus on the aesthetic. You can check out a few design ideas here.

11. Start getting some sales.

No matter your product or industry, your business's future is going to depend on revenue and sales. Steve Jobs knew this — it's why, when he was starting Apple, he spent day after day calling investors from his garage.

There are a ton of different sales strategies and techniques you can employ, but here are four tenets to live by:

1. Listen. "When you listen to your clients/customers, you find out what they want and need, and how to make that happen," says investor and entrepreneur John Rampton.

2. Ask for a commitment, but don't be pushy about it. You can't be too shy to ask for a next step or to close a sale, but you also can't make customers feel as though you're forcing them into a sale.

3. Don't be afraid of hearing "no." As former door-to-door salesman (and now co-founder of software business Pipedrive) Timo Rein said, "Most people are too polite. They let you make your pitch even if they have no interest in buying. And that's a problem of its own. Time is your most important resource."

4. Make it a priority. As entrepreneurial wizard Gary Vaynerchuk said, "Actually creating revenue, and running a profitable business, is a good strategy for business. Where are we that people think users or visits or time on site is the proxy to a successful business?"

But how do you actually make those sales? Start by identifying targets who want your product or service. Find early adopters of your business, grow your customer base or put out ads to find people who fit your business. Then, figure out the right sales funnel or strategy that can convert these leads into revenue.

12. Grow your business.

There are a million different ways to grow. You could acquire another business, start targeting a new market, expand your offerings and more. But, no growth plan will matter if you don't have the two key attributes that all growing companies have in common.

First, they have a plan to market themselves. They use social media effectively through organic, influencer or paid campaigns. They have an email list and know how to use it. They understand exactly who they need to target — either online or off — with their marketing campaigns.

Then, once they have a new customer, they understand how to retain them. You've probably heard many people state that the easiest customer to sell to is the one you already have. Your existing customers have already signed up for your email list, added their credit card information to your website and tested what you have to offer. In doing so, they're starting a relationship with you and your brand. Help them feel as good about that relationship as possible.

Start by utilizing these strategies, which include investing in your customer service and getting personal, but realize your work will never be done. You'll constantly be competing for these customers in the marketplace, and you can never simply rest on your laurels. Keep researching the market, hiring good people and making a superior product and you'll be on your way to building the empire you always dreamed about.

Check out Entrepreneur's other guides and resources for more information!

Entrepreneur BOOKS

Turn Your Business Dreams Into Reality

Let's Go

FROM PATRICK FRANK | COO OF PATIENTPARTNER

How to Start a Business with Only \$1,000

\$1,000 can take you far if you know how to spend it!



When you think about starting a company, the first two questions that come to mind are: “How much is this going to cost, and how am I going to get that kind of capital?”

The dynamics of funding a business have dramatically changed over time. Where once you were resigned to bank loans and savings, there are now many options to choose from to help get your business off the ground.

However, let’s take a step back. You should ask: “What is the minimal amount of capital I need to get this off the ground?” For those first few steps, \$1,000 can get you moving quickly and far along. It is all about what I call “resource capital,” a mixture of your time, money and effort.

The price does not always equal the value

As a disclaimer: I am guilty of falling victim to thinking that I had to have the best of the best when starting our company. We always went for the most expensive external partners for operational needs. A hefty price tag could at least give us confidence that we’d be getting exactly what we paid for, right? We found that just because a company spends a lot of time and money on its reputation, it does not mean that it will deliver. We had to learn that going the less expensive route was not always bad.

Building your business

Building a business is like building a house. You have to dream it up, create a blueprint and get all the necessary permits from the city. From there comes all the fun stuff, like designing, building and scaling.

Starting off the same way, we have to think about our business and our \$1,000 in very similar steps:

The Permits

– Business Filings: (\$50 – \$150 depending on location)

Every state has a site or process for starting a business which can typically be found on the Secretary of State’s website. California, for example, allows you to choose your name, pay your fee, obtain your EIN, and then your business is official. Depending on the corporate structure, this can be more complex. Still, many people make the mistake of using online services to file businesses when, in reality, it is simpler than many are led to believe.

The Blueprints

– Your Website or Landing Page: (Free – \$150/month)

There are a variety of platforms you can choose for this. I recommend not spending a lot of time building out

an entire site. Instead, build a simple landing page that provides an exciting outline of your business. Think of this as the digital billboard you can use when explaining what you are building to others.

Don't hire some expensive web designer to build it your first go around. There is a 100% chance it is going to change.

– Website domain & Email: (\$12 – \$60)

Always buy the domain if you can, or an offshoot of it (e.g., “.co” or “.io.” No one will take a business seriously if it does not have a proper domain name. This is simple to do at places like GoDaddy and Google Domains.

Next, create your new email address with your new domain name — your first name and company name will do. If you want a more general support email, use “hello@” or “info@” instead. In many cases, website platforms have packages where the domain and the email are included. Take advantage of these cost savings out of the gate.

The designs

Your early branding is crucial in getting people to take you seriously. To successfully build a brand, your business has to look the part.

Creative (Logo, Branding): (\$100 – \$350)

If you are not creative and need help with things like logos and branding, there are resources such as 99Designs, Fiverr and even Etsy, where you can hire brand specialists to help you. Being consistent with how you present your brand out of the gate is incredibly important and helps align yourself with the brand and its mission, and it is an exciting and fun win you can celebrate right off the bat.

Laying the foundation

– SAAS Tools: (Free – \$100)

Now that you are ready to build your “house,” it is time to pick your tools. There are thousands of options for SAAS products, depending on what you are doing. The key thing to remember here is only to utilize what you need and always choose the free trial first. These companies are built to hook you for free and prepare you to pay as you scale. If you need to pay for their service, I recommend spending a maximum of \$100 on these.

Finding your contractor

– Virtual Assistant: (\$300-\$500)

If you are starting alone or even with a partner, you will be shocked to find out what \$10 per day can get you. When it comes to virtual assistants, this cash can get you just about anything you need. The goal is to ensure you get someone of quality who understands your work style and brand. This will not only result in you learning to delegate and build a team but will offload a minimum of four hours each day of work.

When starting a company, one of the most significant issues is the number of menial tasks that need to be done. Having someone to handle those is critical. If you need someone more project-based rather than part-time or full-time, I recommend looking to places like Fiverr instead of Upwork, which is typically meant for more seasoned, US-based contractors.

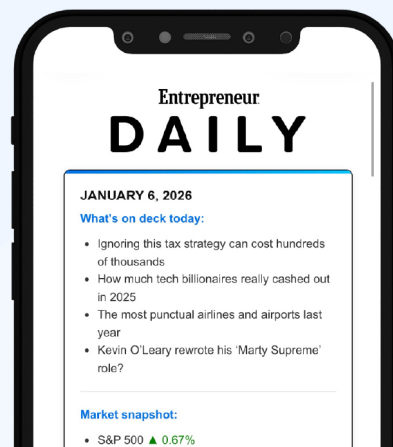
Back to that key figure, \$1,000 is more than enough cash to lay the basic foundations. It's also enough money for your startup to at least appear like a legitimate company, which is half the battle.

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FROM ANATOLII KASIANOV | CO-FOUNDER & CO-CEO AT HOLYWATER / MY DRAMA & MY PASSION & MY MUSE

AI Is Changing How We Start Businesses — Here's What You Need to Know

You no longer need coding skills or funding to launch a product or business; AI is making it easier than ever.



I started coding at 15, staying up all night building game scripts in Delphi. Entering university, I quickly realized that it wasn't working for me — I could learn everything needed online much faster. So dropping out to code full-time seemed like the obvious choice.

At 24, I co-founded HOLYWATER with Bogdan Nesvit. Since then, we've built several products, grown into a content ecosystem and reached more than 55 million users with over 100 million hours of viewing. Our e-book platform, My Passion, is No. 2 in its niche, while My Drama, a vertical streaming app, ranks No. 1 among American and European companies, with over 30 million fans worldwide.

My story may sound like an exception, considering that 93% of startups fail. But now, AI is changing the game. You no longer need coding skills or funding to launch an MVP — with the right tools, you can start almost for free.

If you're curious, you can start creating today. But keep in mind the new rules.

A hacker mindset is more important than tech skills

Despite building a successful tech startup, 90% of our team doesn't know how to code. And you know what? They don't need to. What's really crucial is having a hacker mindset — being a general style specialist, able to solve any problem and get things done. This mindset is all about data, not assumptions. Build something simple, show it to your friends and get data fast.

Startups fail not because of technical imperfections — 42% of companies close due to their product not meeting market demand. Therefore, aim not to create the perfect product, but to get user feedback ASAP. You can do this on Reddit communities in your niche or through quick interviews with your potential users. One more tip — reach

out to influencers with relevant audiences, ask them to post your idea and share followers' feedback.

How can you show your product to your audience if you don't know how to code and have no money for a developer? Five years ago, technical skills were critical for founders. But today, you don't need to be a coding expert to launch a tech product. Tools like Cursor write code from simple descriptions, Make.com automates complex workflows without programming, and no-code platforms let you build sophisticated apps in days, not months.

The hacker mindset is about speed, which is extremely important when launching startups in the era of AI agents. Almost half of the startups in the Y Combinator Spring 2025 batch were based around AI agents. The AI agent market is growing at a lightning-fast projected CAGR of 46.3% from 2025-2030. Technical debt won't destroy your company, but delaying action just might.

The future belongs to founders who can navigate problems, not just write perfect code. Ship fast, learn faster and let AI amplify your vision.

Start small, think like a lab

You don't need a massive team to launch. Today, we run HOLYWATER with around 200 people, but we started with just two: a builder and a seller. Nesvit, my co-founder, handled business development while I focused on product and tech. That was enough.

Here's what most founders get wrong: They hire specialists too early. Instead, think of hiring generalists who can and want to wear multiple hats. At HOLYWATER, we channel the best parts of the startup mindset: Our writers pitch product ideas, our marketers suggest technical solutions and our designers dive into user research. This approach lets us ship dozens of tests every month and keep only the 20% that show strong metrics.

You need people who can test fast, learn from failure and pivot without ego. A designer who also runs user interviews can create a unique impact — combining skills that would otherwise require several people, while developing a full understanding of the product.

Develop creativity in yourself and your team — everyone can be creative with enough effort. Don't stop learning on various topics (even those unrelated to startups) and talking to users from different industries — you never know where you'll find this "aha" moment. What defines successful founders isn't innate talent, but relentless curiosity about solving real problems.

Track what really matters, not vanity numbers

Here's a costly mistake we made early on at HOLYWATER: focused on the wrong metrics. We pursued payment metrics and payback periods, but what really mattered for our industry was content engagement.

If users aren't engaging with your core product, they'll never pay. We learned this the hard way. Now we track engagement depth first, then optimize the path to payment.

Start by defining your North Star metric — the one number that best captures the core value you deliver to customers. This becomes your guiding light for all decisions.

Every industry has different benchmarks. Research yours. For instance, if you're launching B2C products like language learning apps, focus on Day 1 retention rates, daily active usage and feature adoption before worrying about revenue. If your industry benchmark is 40% Day 1 retention, and you're at 15%, think about optimization or pivoting. Maybe you chose the wrong audience segments for the test, or you need to improve the product. If you've tried to optimize but are still far from the benchmark, your core experience isn't engaging enough.

I suggest using the Superhuman Product-Market Fit Survey to understand whether users need your product. This framework includes four questions:

- How would you feel if you could no longer use (product name)? Answer options: *Very disappointed, Somewhat disappointed, Not disappointed.*
- What type of people do you think would most benefit from (product name)?
- What is the main benefit you receive from (product name)?
- How can we improve (product name) for you?

Aim for at least 40% of users saying they'd be "very disappointed" if your product disappeared. Set a simple rule: Gather feedback from 5-6 power users and 100 total installs, then act. Perfect data doesn't exist, but directional insights do.

Take action now

Founders, you don't need coding skills or investments to start your startup right now. The barrier to entry has never been lower, but the importance of the hacker mindset has never been higher. Be curious, master AI agents, launch an MVP, plan your distribution and listen hard to your users. This way, you'll know within days, not months, whether your idea has legs.

FROM ASHOT GABRELYANOV | FOUNDER OF SHAPEYARD

5 High-Growth Markets Where You Can Build Substantial Wealth in 2026

Here are five emerging markets poised for breakout growth in 2026.



Big opportunities usually do not look big at the beginning. They often appear in places most people ignore. Entrepreneurs who notice early patterns often build the strongest businesses long before the competition shows up.

If you want to position yourself for growth, these five fast-moving markets offer real potential in 2026.

1. Plant-based and alternative proteins

The global food system is changing quickly. Consumers want healthier and more sustainable protein options, and governments are beginning to rethink traditional livestock production.

Saxo Bank predicts that a major country could restrict or ban domestically produced meat by 2030 as part of new climate policies.

At the same time, Bloomberg Intelligence estimates that the global plant-based foods market could reach \$162 billion by 2030.

A major driver of this shift is Beyond Meat, one of the most widely recognized brands in the sector. The company helped redefine plant-based protein and is now moving

toward cleaner recipes, including the use of avocado oil. This reflects a broader trend toward healthier ingredients and products that compete directly with traditional meat on taste and nutrition.

Opportunities:

- Better-tasting plant-based foods
- Fermentation and algae-based proteins
- Healthy, ready-to-cook meals
- Sustainability and food traceability tools

2. Fast and simple real estate transactions

Real estate is still one of the slowest and most stressful consumer experiences. Instant-offer platforms, often called iBuyers, changed expectations by showing that many homeowners prefer a quick, predictable sale instead of a long traditional listing. Opendoor helped introduce this model at scale and has handled billions of dollars in home transactions, proving that demand for faster digital solutions is real.

The company also demonstrated how data can streamline pricing, inspections and closing steps, which is pushing the entire industry toward simpler, online-first processes.

Opportunities:

- Instant valuation and pricing tools
- Automated inspections and repair estimates
- Digital title and ownership verification
- Simple renting and relocation services
- Workflow software for real estate agents

3. Virtual goods and digital fashion

Most people do not think of fashion when they think of gaming, but that is exactly where a new market is forming. Roblox has become one of the largest social ecosystems in the world. It has more than 111 million daily users who spend an average of 2.3 hours per day on the platform.

Players bought about \$2.5 billion worth of virtual goods in one year.

Some digital creators now sell more than one million items every month across their virtual brands. For many young users, avatar fashion is part of their identity.

Entrepreneur highlighted this trend in an article about finding ideas in unexpected places. The piece explained how emerging digital platforms often become launchpads for new business categories.

Opportunities:

- Digital fashion and accessory collections
- Animations and avatar upgrades
- 3D design tools for creators
- Brand integrations in virtual worlds

4. Preventive digital health

Healthcare is shifting from treatment toward prevention. People want simple ways to track their health at home, and technology is making that possible.

Digital health funding reached \$24 billion globally, according to McKinsey.

A major driver of this change is Apple Health, along with the Apple Watch ecosystem. Millions of people rely on it to track heart rate, sleep, blood oxygen, activity and overall wellness. This normalized daily health tracking and opened the door for new digital health products.

Another example is Abbott Labs, whose FreeStyle Libre sensors brought continuous glucose monitoring to the mainstream and showed that consumers are willing to adopt medical-grade tools in everyday life.

Opportunities:

- Apps connected to wearables
- Home testing and monitoring tools
- Remote care solutions
- AI wellness assistants
- Subscription-based coaching programs

5. Climate tech and home energy innovation

Countries are adopting stronger climate goals, and consumers want cleaner and more efficient energy solutions. This shift is creating entirely new categories in home energy and climate technology.

Climate tech companies in the unicorn category already hold more than \$180 billion in combined value.

A key driver of this market is Tesla Energy. Its Powerwall batteries and solar products helped introduce the idea of home energy independence. This pushed utilities and new startups to modernize their offerings.

Another example is Nest, acquired by Google, which made smart thermostats mainstream and demonstrated how simple design can reduce home energy consumption.

Opportunities:

- Apps that help households reduce energy use
- Solar and battery financing tools
- Smart home energy devices
- Carbon tracking and reporting solutions
- Efficient cooling and heating products

How to spot these markets early

Here are three habits that help founders identify fast-growing sectors before others do:

1. Watch behavior: Pay attention to where people spend time and money.
2. Follow regulation: New rules often create new business categories.
3. Look for frustration: When something feels slow, expensive or confusing, an opportunity is nearby.

The biggest opportunities of 2026 will not come from traditional ways of doing business. They will come from rapidly evolving markets like plant-based foods, digital-first real estate, digital fashion, preventive health and climate technology.

Entrepreneurs who move early and solve real problems will be in the best position to build meaningful companies in these new markets.

FROM JESSICA WONG | FOUNDER AND CEO

4 Launch Strategies for Startup Success and Longevity

With these strategies, startups can create a loyal customer base that supports their brand for decades.



The startup scene across the United States is expanding at almost unprecedented rates. Data from the Economic Innovation Group (EIG) shows that the country's business startup rate in 2021 was the highest since the Great Recession. This statistic alone illustrates two facts: founders are confident in the opportunities in the U.S. economy, and the startup marketplace is growing more crowded in almost every industry.

As a result, founders are turning to more innovative approaches to ensure their product launches stand out from the crowd, becoming both memorable and financially successful.

The United States has traditionally been a hotbed for startup activity. With a culture that embraces entrepreneurship and values business growth, the country has traditionally welcomed new ideas and innovation.

However, having a great idea is no longer enough to succeed. With nearly half a million new businesses being created every year, it can be hard for founders to cut through the noise to get the attention of investors and potential early customers and launch their first product. Some of the most successful recent launches have seen business owners turn to innovative and unconventional tactics to help them stand out in their marketplace.

Although common challenges vary depending on which industry a startup is in, some apply to almost any startup. Most have to work with limited resources regarding manpower and finances. New companies also need to overcome lower brand recognition levels than their more established counterparts, making it harder to stand out.

Product launches can be divided into three phases: pre-launch, launch, and post-launch. Applying an innovative approach can be beneficial at either of these stages, and it will depend on your industry to determine when it is most beneficial to think and act out of the box.

1. Develop a compelling pre-launch strategy

Think of a music festival: for hours and sometimes days, lesser-known bands are taking the stage, building up to the main event, the headliner. As these bands play, the crowd's excitement grows, and they are ready to cheer as loud as they can for the main artist. The previous bands have helped to create a buzz around what is coming next.

The same process happens when your startup is getting ready to launch a new product. In the pre-launch phase, your team is looking to build excitement and anticipation that turns into endorsement and sales once your product is ready. Teaser campaigns can work well to build excitement, or your team could leverage your social media channels to

build a community around the upcoming product. Just like the crowds at the festival, engaging with the community will help build buzz.

Stock trading app Robinhood is a great example of a successful pre-launch strategy. Well before the app was launched, the founders attracted over a million users. They used a compelling proposition — \$0 commission on trades — and a referral marketing strategy to build buzz. Signing up was simple, and any new user had the right to invite others. The more people a user invited, the higher they moved up in the queue to gain access to the app. By the time the product launched, a community of traders was waiting to use it.

2. Leverage influencers and partnerships

Working with influencers and celebrities and building partnerships with complementary brands can be powerful tools during the pre-launch and launch phases. The influencer's notoriety and their community can become multipliers for marketing messages, and they may also be among your first customers.

Direct-to-consumer beauty company Glossier has been using a novel approach to influencer marketing for its product launches. Rather than working with established influencers, the company sends products to people who engage a lot with its online content or have bought a high volume of products. These ambassadors then share their thoughts and help spread the word about new products.

3. Create unconventional launch events

Launch events offer startups another excellent opportunity to connect with their audiences. While the classic, opening-night-style event may work for brick-and-mortar startups, tech businesses can still utilize this strategy to lift the proverbial curtain on a product.

Virtual tours and other experiences work well for launch events, especially if they allow the audience to interact

with the product. Consider using the pre-launch phase to deliver clues about the product, allowing your audience to build a connection. The launch then becomes the final step that reveals the product and perhaps offers free access to those who have consistently engaged during the pre-launch phase.

4. Leverage customer engagement and feedback

It is too easy to pour all your energy into the launch and pre-launch phase but forget about post-launch engagement. Doing that would mean your company is missing out on one of its biggest opportunities.

The post-launch phase is when you turn first-time customers into advocates. This is the perfect time to ask for feedback and show your customers you care by resolving problems quickly. It is also important to keep an open mind toward product iterations and adjustments during this phase. No matter how much time your team spent developing your product, it is almost impossible to foresee every potential issue.

Dealing with concerns quickly and engaging customers regularly will go a long way toward building a loyal customer base for your brand.

Conclusion

Innovative product launches make an impression, with consumers buying your product immediately and others holding off. Taking a creative approach to the pre-launch, launch, and post-launch phases can help startups build the foundations of a loyal customer base that has supported the brand for decades.

There is no right or wrong way of applying these out-of-the-box approaches. Draw inspiration from the examples above, but remember to develop a launch strategy that is authentic to your startup for the highest impact.

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FROM JOHN BOITNOTT | JOURNALIST, DIGITAL MEDIA CONSULTANT AND INVESTOR

AI, Less VC Funding Dependence and 5 Other Trends That Will Shape 2026

AI, alternative funding, solopreneurs and sustainability are redefining entrepreneurship. Here are seven trends every founder needs to watch in 2026.



The year 2026 is shaping up to be a defining one for entrepreneurship. Technology, funding and consumer expectations are just a few of the tectonic plates shifting, and how entrepreneurs respond to these shifts can mean the difference between success and failure.

Trends such as artificial intelligence, sustainability and new work models will profoundly affect entrepreneurs by driving innovation and enabling new business models while presenting new challenges. Let's look at some trends that will have a major influence on where startups choose to focus their energy.

1. AI-driven business models become standard

AI is permeating every aspect of business. From large language models that can answer any question using generalized or specialized data lakes to image, audio and video generation, there seems to be nothing that AI can't accomplish. Thanks to its exponential learning rate, it has largely overcome its initial accuracy concerns to become a mostly reliable tool that many businesses count on to increase productivity.

AI is now on the precipice of making the leap from a useful tool to a core competency that employees need to have in their toolbelt if they are going to be competitive in a future job market. AI's continued adoption will be driven less by the need to have shiny new tech available to your

customers and more by the necessity to maintain parity with your competitors.

2. Alternative funding models compete with/replace VC dependency

The VC-or-bust model is losing its grip on entrepreneurship. Current tech ventures, especially AI, still rely on VC firms and large tech company investment like Microsoft. But now we're seeing a tipping point where founders don't have to surrender as much control because of alternative funding models.

For founders not thrilled with having to give up large chunks of equity with every funding round, revenue-based funding is a solution that provides capital in exchange for a percentage of revenue instead of ownership. Rolling funds and syndicates are lowering investment minimums for everyday investors. And, established crowdfunding platforms like Indiegogo and Kickstarter still democratize funding by letting founders raise money from large numbers of small donors. It not only offers much-needed capital but is also an initial barometer of market acceptance.

Also, AI is taking the reigns for underwriting platforms to examine cash flow in real time, as well as alternative signals like payment processor data and online reviews instead of just credit scores. This change is making

funding possible for founders who aren't from traditional backgrounds and don't have the network connections that traditional lenders often look for.

3. The rise of solopreneurs and lean micro teams

Entrepreneurs are finding they can be innovative without the need for a large staff and a big building footprint. As with many other paradigm shifts, this one is being driven by technology such as AI that allows entrepreneurs in the startup phase to be productive without excessive overhead.

Founders are finding that they can get their product from idea to prototype to market either on their own or with lean teams of two to four specialists rather than the old, overloaded department model. The gig economy is also helping startups with on-demand talent that does not require the accounting overhead that full-time employees require. The combination of AI tools, automation and no-code platforms, when combined with a lean, highly specialized workforce, means that even a small company can be formidable in today's marketplace.

4. Supply chains go local and digital

If the 2020s are remembered for anything, entrepreneurs will certainly remember this as a period of major supply chain interruption. From the Covid-19 pandemic to Houthi rebels attacking Red Sea shipping lanes to the war in Ukraine, logistics has proven to be a difficult thing to manage in recent years.

However, founders have found interesting ways to mitigate this problem. Shortening supply chains puts less distance between the producer of raw materials and the purchaser. A side benefit to this is it reduces the carbon footprint of both buyer and seller, leading to savings on fuel and wear and tear.

AI can look at patterns inherent in previous supply chain disruptions, allowing it to predict future disruptions. Nearshoring, where certain operations can be outsourced to countries that are geographically closer, rather than a location a hemisphere away, can result in reduced shipping costs and time zone inconveniences.

5. Sustainability becomes a performance metric

Among other paradigm shifts, sustainability is becoming more than just a strategy to advertise to the environmentally conscious. Environmental, sustainability and governance (ESG) is now a codified set of criteria applied across industries and can be used as a performance metric to compare companies' commitment to environmental and ethical practices.

Implementing strategies like circular models, climate adaptation tech, and energy-efficient production can help

companies in every category of ESG. Circular models attempt to eliminate waste, thereby reducing pollution. They can reduce the need for raw material extraction, which can aid environmental recovery. Climate adaptation tech can help a business withstand major environmental events such as hurricanes and earthquakes. Energy-efficient production reduces energy costs and increases operational efficiency.

6. Remote-first becomes default company DNA

If one business shift has stood the test of time since the pandemic, it's remote work. For many positions, employees have shown that they can be as productive, if not more so, by working remotely. Companies have also realized that they can achieve savings by not leasing as much office space as before the pandemic. When implemented thoughtfully, remote work can be a win-win for employees and business owners.

While established businesses have had to adjust to this new normal, startups can have the advantage of making remote work part of their organizational structure. They can also realize the benefit of hiring from a national or even global talent pool.

7. Consumers redefine brand loyalty

As boomers and Gen X retire and millennials age, Gen Z and Gen Alpha are becoming more dominant customer demographics. While previous generations responded well to more traditional media (radio, TV, etc.), Gen Z and Gen Alpha want to see brand authenticity and are influenced by social media marketing rather than traditional media. Younger generations are swayed by brands they feel share the same values they share, and as a result, value brands that form communities based on those shared values.

Co-creation and direct connection are marketing strategies where customers are engaged with companies in the creation process. Companies solicit customer feedback on prototypes, brainstorm ideas and select new products to be released. Companies like Starbucks and Lego have used this strategy with positive results.

Adapting to change while staying focused

After a volatile beginning to the 2020s, 2026 looks to be a year that will reward entrepreneurs who adapt to change while focusing on what their customers want. Today's customers expect to be engaged with, not just talked to. They want to know your values, not just your products. And they want to see technology leveraged ethically. Successful entrepreneurs will harness technology, embrace flexibility and stay authentic. The future favors those who lead with clarity, not just creativity.

Thank You!

We hope the insights in this package have sparked the inspiration you needed to make the leap to entrepreneurship. And while these stories are a good jumping off point for aspiring entrepreneurs, there's so much more to discover before diving in.

Get expert advice about everything from how to market your business to how to be an effective leader, and so much more by visiting us [here](#).

