

# BUSINESS BASICS

## How To Start A Business: What You Need To Know Before You Launch

(NAPS)—Congratulations! You've decided to start a business—you're about to embark on an exciting and challenging journey. Before you dive in head-first, however, it may pay to take time to understand how to start a business the right way and what it takes to position your startup for success.

### Here's Everything You Need To Know About How To Start A Business

Whether your startup is creating something new in the marketplace, improving upon an existing product or anything in between, founders need three key elements to get started. When you're ready to kick off your startup, be prepared with the following:

**1. A Clear Understanding of Your Purpose:** Why are you embarking upon this business venture? And why now? Get clear on your WHY. It may seem obvious but if you don't understand why you're starting your business, neither will your customers.

Your WHY should reflect your business' purpose—its reason for existence. For example, maybe you recognized an unmet need in your community or perhaps you improved upon an existing product. It's important to be clear about the intention of your business and the value you provide to customers.

**2. A Business Plan:** Would you go on a road trip without a map? The answer is probably no. You need directions to get where you're going. The same rule applies when starting a business.

With a business plan, you can plot a course from startup to success. Plans typically include:

- A summary of your business, including the product or service you're selling, your mission statement and current team members.
- A breakdown of your product or service, including what makes it viable in your market.
- Market research that demonstrates an understanding of your industry and your competition. Research your biggest competitors to understand what makes them successful.
- A SWOT analysis that delineates your business' strengths, weaknesses, opportunities and threats.
- A compelling marketing strategy that illustrates how you'll attract and retain customers.
- Financial projections that show poten-



**Pictured: Khailing Neoh, SCORE client and owner of startup Sum Bar in Greenville, South Carolina.**

tial investors the viability of your business. Include a financial forecast for the next one, five, or even ten years.

As you work through your business plan, check out SCORE's Startup Roadmap. It offers a step-by-step online guide to help you create a thorough plan for your new business.

**3. A Strong Support System:** Your business is more likely to be successful with a support system. Surround yourself with people who can offer guidance, encouragement and constructive criticism.

That may be friends or family who have a strong understanding of your market, experience running a business, or members of your professional network willing to give you their time and perspective.

Identifying a mentor is one of the best moves an entrepreneur can make. And the reasons are well-founded. Small business clients who receive more than three hours of mentoring report higher revenues and increased business growth, according to SCORE data.

Mentors are often business professionals with experience operating a healthy business who can guide you through your entrepreneurial journey. They act as a sounding board as you grow your business, connect you with resources and provide advice when you hit bumps along the way.

As you prepare to launch your business, SCORE can connect you with a mentor to help you along your journey. With expertise in all aspects of starting and growing a business, SCORE mentors can guide you to resources and tools that can help you succeed.

### Learn More

Visit [www.score.org/find-mentor](http://www.score.org/find-mentor) for more information.