

Types of Business Startups

What Type of Business Should You Startup?

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Confused as to what kinds of business you want to startup? Review this list for business idea types to jog your memory, with links to more information.

A frequently asked question of many a potential business owner is, "What type of business should I startup?"

The question isn't asked because of the lack of options, as there are many. And that, in a nutshell, is many an entrepreneurs problem. So instead of thinking about what type of business to startup, why not work through this list, step by step, to determine what will work best for you, and what interests you most.

Business Startup Step One: Product, Service, or Both?

The choice here is whether or not you'd like to sell tangible items or your skills and knowledge. Some service business can also offer products (such as a writer who sells books, or a hairdresser who sells hair care products). To help you decide if you'd rather a business startup that focuses on products or services, ask yourself this question: would you rather sell things that help people reach a goal, or would you rather help people reach that goal using your own skills and abilities? The choice is yours.

Business Startup Step Two: Independent or Franchise?

Would you rather be in business by yourself (or with a partner) or would you rather have the support and guidance of a well-established network of franchises? As a sole proprietor or joint business owner, you'll be able to run your business startup exactly as you'd like, whereas with a franchise, there are rules and fees that must be maintained that aren't changeable. However, starting a franchise is a great choice for those who'd rather the setup and marketing assistance a franchise company can provide, along with a built-in customer base.

Business Startup Step Three: Wholesale or Retail?

Are you looking to have a storefront or sell to the general public, or are you thinking you'd rather sell to other businesses in larger quantities? Both have their drawbacks and benefits.

Business Startup Step Four: Storefront or Home-Based?

Some businesses are impossible to run from home, but many can start as smaller ventures run out of a corner of your home. Product-based business startups require either an internet presence or a brick and mortar storefront, whereas service businesses can be run from either of these locations as well as sometimes from your home as well. And depending on your local zoning laws, you may even be able to use your home as your storefront, such as a hairdresser or bed and breakfast.

Business Startup Step Five: What Industry?

Your last step is determining what industry your business startup will be in. This step can either be the most contentious or easiest, depending on whether or not you've already got a **great business idea**. Brainstorm a bit, and take into account your knowledge and experience in the industry you're interested in. Something you know nothing about may be intriguing, but it'll take a lot more hard work to be successful. If you do choose this route, talk to people in the industry, first, to ensure you've got your bases covered.

The Next Step of the Business Startup Process

By now you've got a solid, yet probably only a skeleton of a business idea. If that's the case, it's time to do a **Market Analysis** or **Competitive Analysis** to further narrow down your choices and flesh things out. Or for those who have found a humdinger of a business startup idea, you can move straight into writing your **business plan**.

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