



SUCCESS STRATEGIES

The 10 Most Critical Factors That Dictate Startup Success

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Startups are full of promise and excitement, but the flip side is, they're also full of risk and uncertainty. There are a lot of great ideas out there that somehow never get off the ground, and, conversely, there are plenty of questionable ones that become massive successes.

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So, the big picture is a puzzle: Look objectively at a list of successes and failures, and you'll be hard-pressed to pinpoint any one reason why one startup would succeed over another. That's because **there is no one factor for success**; there are dozens.

Yet, even those dozens may be whittled down to the ten most critical ones. Here they are:

1. The idea

The strength of the founder's idea might seem to be the biggest factor responsible for a business's success, but it's really only a small element of how things might turn out. Consider Google, whose core idea of an interactive web search was, at its start, already being implemented by dozens of competitors. But because Google's **founders'** plan, execution and timing were superior, their lack of originality didn't cripple their chances of success.

2. The leader(s)

Leadership is important in startups. Leaders make the decisions, set the vision and **inspire people to work harder for a group's goals**. Put an incompetent leader in place, and not only will high-level decisions be made less effectively, but the morale of the group could be put in jeopardy. On the other hand, a skilled and experienced leader can turn even a weak idea into a successful one.

3. The team

Entrepreneurs are important, but they rarely accomplish great things alone. Successful businesses employ anywhere from a handful to hundreds of people, and those people will be the ones maintaining the business, driving innovation and executing your high-level goals. Hire the right people for the job, and you'll never have a problem. Hire the wrong people and your best-laid plans might be ruined.

4. The capital

Working capital is important; so are your early stages of funding. Don't panic if you can't find an investor -- personal and familial investments are possibilities. And don't rule out the possibility of opening a line of credit. Once credit is secured, remember to keep an eye on your cash flow: One wrong move here could put your cash into negative territory.

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5. The plan

The plan has to involve more than just your core idea. It includes your goals, your targets, your operations and more. Everything written down in your business plan counts as part of your "plan," and the degree to which you researched and fine-tuned your plan will greatly affect your chances of eventual success. The [more thorough you are here, the better](#).

6. The execution

That being said, a plan is only as valuable as its ability to be executed. If you have a great plan, but botch its execution, your entire enterprise could be compromised. On the other hand, if you have an adequate plan and execute it perfectly, you'll have a solid leg to stand on and a key understanding of what did and didn't work from your original concept.

7. The timing

Timing is important from a competitive perspective, and it's led many businesses to prominence despite a chaotic and busy market at their time of entry. When YouTube came on the scene, for example, there were already dozens of video-streaming platforms. But because YouTube launched at a critical moment -- after high-speed Internet became the norm but before any other streaming service had risen to prominence -- it enjoyed radical early success.



8. The crisis response

No matter how well you plan or how hard you work, something is going to go wrong. **How you respond to a crisis** is far more important than how likely you are to avoid one. One poorly treated crisis is all it takes to put a company under, so think carefully about your response plan.

9. The marketing

How you package and market your business matters. An inferior product that's branded in a more appealing, exciting, and unique way will always outsell its superior product that happens to have plain, non-memorable branding. This

10. The growth

Finally, the path you choose toward growth plays a significant role in how you end up. Grow too fast and you'll stretch yourself thin. Grow too slowly and you'll never get anywhere. So, find a balance, and treat your growth carefully.

If you look at each of these factors objectively and can say that your business meets or exceeds their demands, chances are you're [already primed for success](#). If you notice any one of these factors as being weaker than the other, you'll have the cue you need to invest more time and resources into that weakness, to overcome it.

For some factors, like timing and execution, this type of assessment can be nearly impossible, but make adjustments where you can and maximize your chances for success.

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