Meet the Millennipreneurs

Several weeks ago, I wrote a column on “Starting a Business Later in Life”. I got several reader responses to that piece and most recently I got a suggestion that I should do a column about some of the younger entrepreneurs that are starting businesses. So let’s talk about the popular group, often referred to as “millennials”.

SCORE did one of its infographics a few months ago that detailed the emergence of Millennial entrepreneurs, or “millennipreneurs”, and how successful they are compared to previous generations.

I found it interesting that the Millennials lag prior generations in starting businesses. For example, it researched the data of this group regarding “Who’s self-employed at age 30 compared to other generation groups. Here is what it revealed.

- 4% of Millennials
- 5.3% of Gen-Xers
- 6.8% of Baby Boomers

The data also found out that 42% of Millennials say they don’t have the financial means to start a business. Two-thirds reported that they have at least one source of debt, 30% have more than one source of debt. Of those Millennials that are college-educated, 81% have at least one source of debt.

This group indicates that they admire entrepreneurship. 78% consider entrepreneurs successful, 62% have thought about and would like to start a business. 55% believe that their generation is more entrepreneurial than past ones even though the data says otherwise.

Those Millennials that have started businesses, gave these reasons for doing so:

- 40% want to be their own boss
- 21% want passion in the job
- 21% desire flexibility in time/location
- 6% looking for challenge and growth
- 5% laid off from prior job
While becoming an entrepreneur is easier than ever in today’s hyper-connected, digital world, rushing into business could spell disaster. While there’s plenty to learn as you go, advice from those who have been there can be invaluable as you learn what it takes to be your own boss.

With that in mind, I will pass on some advice to the Millennials that are planning or are in the process of starting a business. Here is what those “millennipreneurs” who have already got their business going, have to suggest to those who are starting. Jessica Thiefels is an entrepreneur and founder and CEO of Jessica Thiefels Consulting. She asked several to share their tips and reported these in her writings a few weeks ago.

1. **Focus on Customer Service.** Rodney Yo, owner of Best Online Traffic School in California, emphasizes the importance of staying customer-centric. Yo says, “For millennials starting out on their own, I would recommend focusing on the customer. Think carefully about the problems that the customer is facing and how your product or service will solve that problem.”

2. **Persistence Pays Off.** “The most valuable tip I can share, speaking from experience, is to be persistent,” says Marco Baatjes, founder of Bottom Line Cents. When starting a new venture, there are going to be roadblocks, challenges and moments when you question what you’re doing and why. Sticking with it, despite the doubt or uncertainty, is key.

3. **Know What You’re Selling.** This seems obvious, but it’s easy to jump into business without a clear idea of what your product and service can do for customers. Sam Meenasian, co-founder of USA Business Insurance, says:

4. **Prioritize Communication When Partnering With Your Significant Other.** Going into business with your partner can be both rewarding and challenging. That’s why Tony Wallace, who runs Diverse Automation with wife, Heather Wallace, says communication is key. He explains: “Communication and buy-in from both parties about the business goals are the pillars for a solid partnership. We have a weekly meeting to review the major issues, production and financials of the company.”

5. **Separate Business Expenses from Personal Finances.** This technical tip is critical, yet easy to overlook when you’re just starting a business. “While it may seem easy to use your personal account for starting up or paying initial expenses, it is always better to create a business checking account, transfer the funds into them and then use it,” says Chhavi Agarwal, a lawyer turned blogger, and co-founder of Mrs. Daaku Studio.

6. **Cut Your Living Expenses.** Preparing for a shift in your income is an important part of planning your business. Kurt Uhlir, Chief Marketing Officer with Showcase IDX explains: “Reduce your living expenses as much as possible before
you start your business. Starting a business always takes at least twice as long as you can imagine and costs three times as much.”

7. Know Your Competition. Setting yourself apart from others is the key to success in any business—and that’s why it’s important to know your competitors. “Competitor research becomes critical to understand what your direct competition is offering and at what price. Find gaps in their offerings… these shortcomings will define your business,” says Ketan Kapoor, Co-Founder at Mercer | Mettl.

Dean L. Swanson
Southeast Minnesota SCORE
c/o Rochester Area Chamber of Commerce
220 South Broadway, Suite 100
Rochester, MN 55904
www.seminnesota.score.org/
*Dean is a volunteer Certified SCORE Mentor and former SCORE Chapter Chair, District Director, and Regional Vice President for the North West Region