

What Business Owners and Entrepreneurs Should Know Before Becoming Location Independent

The traditional office might not be completely obsolete, but the last few years of the pandemic have shown both employees and business owners a new way in which they can utilize digital tools to maintain and operate their workflow more efficiently, while still being remote.

Roughly 32% of employers have stated that they are looking to increase the level of remote work in the coming decade, while 17% of business leaders mentioned that on-site and in-office is the most feasible option for their operations according to a [2021 PwC US Remote Work Survey](#).

While it looks as if several companies are willing to implement some form of hybrid work schedule, the idea of remote work and working from home is now seeing a wave of entrepreneurs operating a location-independent business.

"Businesses and entrepreneurs these days have better access to tools and digital equipment to not only democratize wealth creation, but establish a remote-focused business. The pandemic showed us new possibilities in entrepreneurship, and remote startups is perhaps the first of many new changes we'll see become more prominent in the coming years," says the team from New York-based [Doola](#), a startup aimed at helping entrepreneurs form their business in the U.S.

Doola assists global entrepreneurs to form their business in America through regulatory formation assistance. Back in 2020 Doola managed to secure more than \$3 million in seed funding, pivoting the startup into the ecosystem of business formation and now digital banking.

Smaller startups such as Doola are making it easier, and democratizing access to necessary resources entrepreneurs require to form their business. The focus at Doola is the people, business purpose and assisting entrepreneurs generate compound wealth. More personalized focus makes it easier for novice entrepreneurs, whether remote or not, to have more practical guidance in regard to their formation and finances.

Findings from a [recent survey](#) indicated that roughly 32% of Americans who recently quit their jobs throughout the pandemic and the Great Resignation are now starting their own businesses.

The reasoning behind this movement has been greatly supported by an increased level of education and skill gained throughout lockdowns, employees realizing the vulnerability of working for other people, and increased funding through stimulus aid, among others.

When we look at why so many Americans are starting their own businesses, it's clear that a majority of future entrepreneurs, around 29% of them, want to be their own boss. The rapid digitization of the workplace has also meant that entrepreneurs and startup owners now have easier, and more resilient business-related services at their disposal.

In a matter of months, perhaps a few years, the way entrepreneurs work, and adapt to their environments have changed significantly. Driven by the enhancement and tools of the globalized society, remote entrepreneurs are seeing rapid adoption in the greater domestic and global economy as they grow their businesses on a location-independent basis.

The Rise of Remote Entrepreneurship

In 2021, the United States [Office of Small Business Administration](#) (SBA) indicated that there were more than 32.5 million small businesses in the United States. This number makes up roughly 99.9% of all U.S. businesses and employs close to 47% of Americans.

While this number is important to our understanding of how big remote entrepreneurship already is, according to this data, around 50% of small businesses begin at home. This would mean that around 19 million small businesses in the United States are currently home-based in some shape or form.

The data doesn't however indicate whether these businesses were established as remote-only enterprises, but the rise in home-based businesses is becoming easier, and more convenient for entrepreneurs as they try and navigate the challenging economic conditions.

Perhaps a notable trend that has picked up over the last few years, even before the pandemic was even a thing, is that more and more people have been looking to become their own boss, have more flexibility in their schedule, and are simply looking to work for themselves.

Coupled with the extended lockdowns, limited freedom of movement, and mass layoffs, employees were pushed to become resilient in the face of financial turmoil.

While the severe parts of the pandemic are perhaps now behind us, and the economy fully reopened, some entrepreneurs have over time realized that being location-specific does not only have cost implications but limits their reach of potential clients.

Perhaps what has become the most significant part surrounding remote entrepreneurship is that owners can operate a business from [anywhere](#) in the country or world, seeing as they're not bound to one specific region or location.

The rapid increase of new entrepreneurs stepping into the greater economy reveals the vast resilience of some willing to take both the financial and physical risk of starting a business. As of 2019, more than [15 million Americans](#) were full-time self-employed, either working as freelancers or running their own businesses.

But with so many now looking to choose entrepreneurship as their career path, and the increasing number of employees permanently leaving the workforce, becoming either remote-only or location-independent entrepreneurs there's the truth behind the practice that many overlook during the early days of their venture.

What to know before becoming remote independent

Entrepreneurship, in any shape or form, is a challenge within itself, and starting a business from home poses a new level of commitment that some business owners tend to miss.

Right from the start, a lack of finances and bad financial choices has been seen as the number one reason why so many small businesses tend to fail. Another is perhaps a lack of management or not offering a product or service that's resilient enough in the current consumer market.

For the tech-savvy generation, becoming a remote entrepreneur can mitigate all these challenges, as technology and digital tools are making it easier to establish a business from anywhere in the world.

Time Is Priceless

Entrepreneurs need to realize time is one commodity they can't buy. For remote entrepreneurs, having a scalable approach to help plan and determine long-term strategies is crucial.

Looking at management, logistics, and organizational structures, time spent on these projects should ensure that remote operations are still fully functional even when stepping away.

Time is more important than ever when running a remote-only business, especially when there is limited time spent on planning and structuring.

Grasp Digital Tools

The nomadic business requires a lot of digital input, and the team driving the digital tools should be well equipped and informed.

In some cases, it's clear that new entrepreneurs, oftentimes those a bit younger, are well-trained and conversed in technological capabilities.

Zooming out, we see how some entrepreneurs fail, not physically, but fail to get their business off the ground as digital tools can complicate processes. Regardless of one's level of digital know-how, the remote entrepreneur can't exist without technology and software.

Market-related Intelligence

As already mentioned, oftentimes businesses struggle when they tend to offer a product or service not favored by a majority of the consumer market. Sometimes a business might have the right product or service, but the marketplace in which they're operating is saturated, or not well-informed.

It's almost a given that when starting a business as a novice entrepreneur, market-related information will help form the basis of the business at first.

It's almost quite straightforward in this regard, as we see how a higher demand for a product or service would require a number of businesses to provide set demand. For remote businesses, which have no physical location, this requires additional attention and research to ensure there is an established demand from consumers.

For remote entrepreneurs, proper market research will help them understand where they can establish a presence, and what some of the tools might be that can help them become a well-known name in a particular area.

Planning

No business can operate without a plan or some form of guidance. While it doesn't necessarily mean that businesses run strictly based on plans outlined by the owner, it should act as an instruction manual to help navigate unexpected challenges.

For remote entrepreneurs, their planning might look a bit different in terms of their services, products, marketing, customers, and finances.

While meticulous planning can help side-step major challenges, it can also drive the business in to the wall. Having a decent plan that lays out the basic principles of the business is already a clear path to setting up a remote-only business.

Online Visibility

The online world is massive, and as a location-independent business, it means that remote entrepreneurs need to spend a lot of time and resources crafting together an online presence that's easily recognizable and visible to the majority of their clients.

Digital visibility ranges from social media to websites, to online advertising, and while it's possible to learn the ins and outs of these, perfecting the craft is perhaps one of the most important aspects.

Businesses should take extra caution when becoming location independent, as the digital ecosystem is a competitive marketplace filled with thousands, if not millions of businesses that already offer the same service and products.

Some remote entrepreneurs look at generating online content to help build a digital persona, something not many people get right at the beginning. The digital persona can be anything from how a person responds to comments, to bad publicity, to the pictures and videos that are shared on social media platforms.

Building a digital reputation or persona takes a lot of time, and the right resources that will help, so remote entrepreneurs should be sure they dedicate enough attention to become digitally inclined.

Prioritize Finances

Although finances in a remote or home-based business might not be the first thing a remote business owner looks at, it's still one of the most important.

Business finances, whether big or small, should be prioritized and monitored to ensure that a business operates at a profit. At the start, it might be a bit more difficult to generate enough sales to turn a profit, but remote entrepreneurs should look at how they're using finances and resources to grow the business.

Finances should also look at the various payment methods or options the business is offering customers. With the mirage of digital fintech tools currently available, it's imperative to incorporate a platform that is widely used, and that is suitable for the business.

Finances are also about balancing the books, and remote entrepreneurs should make use of accounting software that helps them to manage their books and finances a lot better.

Network

The old saying of "it's who you know, not what you know" is perhaps more fitting than one might think, and in this case, as a remote-based business who you know could make a big difference to the business.

Networking is a crucial aspect of any business, especially newly formed businesses that are mainly found online.

While networking from home, or via digital chat rooms might not be conventional, it's still one of the ways an entrepreneur can reach out to people outside of their scope of practice.

Remote networking makes it easier to build contacts in places where one might have never been before. Additionally, it opens a whole different marketplace of potential clients and increases online visibility.

For the first few months, networking will be the only way a remote entrepreneur can spread information and visibility about their business, so it's important to have an established list of contacts that one can rely on for various things.

The Bottom Line

Remote entrepreneurship is only starting to take off, and we're bound to see more of these entrepreneurs and businesses come to life in the coming years. As technology and digital tools become more prominent in the workplace, and in small businesses, the coming years will give life to a whole new genre of location-independent businesses accessible to nearly every consumer.