

# Short Ways to Fail Your Startup 18

blog.khamsat.com/18-a-brief-way-to-fail-your-emerging-company 5

26 ديسمبر 2018

Entrepreneurship

Last update June 2021

of startups fail during their first year, according to the American Small Business 50% Association, and 75% of them fail during the first five years, according to a study conducted by statistician Shikhar Ghosh of Harvard Business School, in addition to a group of studies confirming that the percentage of startups The failure of startups in the labor market reaches 90%, while the chances of success are only 10%. We try to answer ?this question: **What are the reasons for the failure of startups**

:Follow these steps and your startup will fail instantly

## ?Reasons for startups

CB INSIGHTS has answered the question: Why do startups fail? Delicately, she posed the question to several failed entrepreneurs, and analyzed their joint answer which offered a lengthy statement of common reasons why most startups fail now. Venture Capital Investors, which specializes in analyzing data and statistics on the labor market, and (provides them to businessmen to make the appropriate decision in their companies [image source](#)

### Hold on to the wrong things with all your might .1

One of the most important reasons for the failure of start-up projects is that their owners cling to some wrong decisions for a long time, when attempts to correct the mistake become the same. If the entrepreneur sticks to a wrong decision, or a bad product in the hope that he will succeed later, he will be likely to join 7% of the failed companies for the .same reason

### Take on the role of a superman .2

A large part of startup founders overlook the fine that the labor market imposes on one. .You will end up losing both sides, your work and your social life

I do not mean by this that trying to combine the two things is impossible, but in order for it to take place in the ideal form that you might want, you must first be aware that the matter will not be as you wish until in the advanced stages of the project, so that you find you have a large team capable of taking on some of your responsibilities And plenty of time to take care of your social life to the fullest. Before that, you might experience cases .of burnout and anger that made 8% of entrepreneurs lose their startups

### Not using your network .3

It happens that emerging entrepreneurs refuse to ask for help, as some fear receiving wrong advice that may harm their work, and some believe that asking for advice may harm their image as a new entrepreneur in the field, so some refuse to use their extended network of relationships, preferring to research and experiment; This made 8% of .startups fail and close

---

#### **Not studying the legal obstacles before starting the project .4**

---

Many entrepreneurs enter into new start-up projects without studying the legal obstacles that may surround them, until they are surprised at the advanced stages of the project .that there are obstacles that prevent its continuation

---

#### **Ignore the importance of having a funder .5**

---

Not resorting to a financier at the beginning of your project is a good thing, as this is how you will protect yourself from conflicting interventions in your decisions, and the risk of a sudden withdrawal from the financier if it occurs, but keeping it on this for a long time will expose your company to rapid failure, as the presence of money flowing into the project from other banks will protect you from Frequent financial crises over the long .term

---

#### **Underestimate a good website .6**

---

If your product provides excellent service, you have many strong networks and ?relationships, and you are well funded, then why the right website

Well, if you think in this way, then you undoubtedly belong to the 9% whose projects have been lost. The site plays an important role in the success of any project, the closer the site .is to the target group, the more active its sales are

---

#### **Overly trusting the hoax of passion .7**

---

At a time when entrepreneurship for some has become a trend that must be followed, many people make mistakes in creating their projects based on good ideas alone, without passion or interest in the idea, just because it can generate abundant profit that makes .this a successful idea

The thinking of some entrepreneurs in this way has caused the failure of more than 9% of startup companies, the lack of passion for the product, and dealing with it as a purely commercial project made it a tiring and heavy task on the soul, so abandoning it was the .best available way for the entrepreneur to seek comfort

---

#### **Constant renewal .8**

---

Evolution is a good thing, of course, but doing it without a real purpose behind it is a waste of time, and even a loss of money and the company's image as well. When the brand Gap wanted to get closer to young ages, it changed its logo to become more modern and

modern. This has angered many of its loyal customers who are accustomed to simplicity in everything the company offers, from its own logo, to the design of its clothes

---

### **Do not participate in many projects at the same time .9**

---

Entrepreneurs make the mistake of getting caught in the enthusiasm of immersive, when the project begins to manage money until you find them have caught up themselves in many projects expansion manifold, the owner of the money may find himself in the end atomized among many choices, which make it eventually loses his company, P - 13% of entrepreneurs have lost their projects for this reason

---

### **Ignoring customers and their needs .10**

---

Yes, you love and are passionate about your idea, but remember that it will not be created for you but for the audience, so do not fall into the common mistake that affects most entrepreneurs, as he sets himself a measure of audience responses and observations, until he finally finds himself making a product that no one wants other than him

---

### **Exaggeration in the advertising of the product .11**

---

Marketing is an important and effective tool for product promotion, it can make startups famous, and it can make you profitable out of nowhere. Neglecting it or treating it as insignificant will not only hurt the sales of your product, but could cause your entire company to lose

---

### **Neglecting the existence of a future vision .12**

---

Some startups fall into the mistake of not having a future vision, as they are busy planning and managing the implementation of the project on the ground, and then stop at the question of what next

Although some think it is a reversible mistake, this mistake has cost 17% of startups their business, and ended their career in failure

---

### **Ignoring the public's taste .13**

---

It is important, before starting your startup, that you study well the target market, and what does it want? Providing a product that no one needs will quickly lead you to a catastrophic failure, as 17% of companies have experienced a loss because of their products that no one wants

---

### **Pricing the product according to profits and not based on the ability of the audience .14**

---

Pricing plays an important role in product sales, on the one hand it should cover the costs of the product, and on the one hand it should be suitable for the audience. This equation must be proportional in order for the product to be accepted, but some entrepreneurs

neglect this equation in pursuit of abundant profit, and this may cost them the stagnation of their products, in addition to exposing their trade to the risk of failure and stopping in .the short term

---

### **You are always better than your competition .15**

---

Many businessmen advise startups at their inception not to pay attention to competing companies, so as not to be exposed to many disappointments and frustrations. And everyone will want to compete with them, so start-ups should study well their competitive market, and its potential so that they do not join the 19% of companies that failed due to .neglecting the competition element

---

### **Diversity of the team without a goal .16**

---

Diversity in your work team is an advantage to add to it, but diversity without a goal may make you lose a lot. Having people who do not belong to your type of business or field of work will only cost you trouble. The percentage of startups that fail due to the .heterogeneity of their work team is 23%

---

### **Wasting money by scattering how it is spent .17**

---

One of the common mistakes in the startup community is that the owners do not plan the ways in which the money is spent, as the money squanders in many useless ways, so that the owner of the money does not find funding to help him in times of trouble. This .strategy has cost 29% of startups their money, Until finally bankrupt

---

### **Not studying the market .18**

---

The market does not need you to invent a mythical and unfamiliar product, but all it needs is to study the requirements of your audience well and present it to them, even if it is by relying on a copied product, or an idea that was presented before. In his book How to Get Rich Your Own Way , Brian Tracy says that 80% of existing projects in the United .States are based on ideas copied from previously produced projects

Therefore, it is a mistake to strive to create a new project for a market that does not need .it, this mistake has caused the closure of more than 42% of startups

| (Startups must accept failure and learn to view it as a negative thing. (Rachna Agarwal

What we mentioned about the reasons why startups fail was not a shortcut to failure, but rather a set of experiences and experiences that entrepreneurs share together. They are lessons that need to be learned the hard way, so if you've ever made one of these mistakes, get over it quickly. The important thing now is that you use this experience to create another more powerful and successful project, and never view failure as a negative thing. It is only an upcoming experience for you, and a step in the success of your startup, so .take advantage of it

Posted in: Startups 3 years ago

