How Startup Entrepreneurship Will Change Post Covid-19

The COVID-19 pandemic caused entrepreneurs all over the world to scramble. How is startup entrepreneurship going to change once this pandemic is over?

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The COVID-19 pandemic caused entrepreneurs all over the world to scramble. Businesses that operated in a traditional office environment were forced to come up with a strategy to work from home; in fact 42 percent of the U.S. workforce is now working from home full-time. Those that depended on service customers in person, in some capacity, needed to figure out a way to deliver or serve digitally. And of course, many entrepreneurs had to completely rethink their budgets in response to the economic impact of the pandemic.

But how is startup entrepreneurship going to change once this pandemic is over? What does the entrepreneurship world look like after COVID-19, and what will the lasting impact of the pandemic be?

Remote Work

One of the most obvious transitions forced by the COVID-19 pandemic has been the transition to work from home. Businesses that have considered the idea of going fully remote made the full transition to stall the spread of the coronavirus, and even businesses that were staunchly against the idea of remote work have adopted a new model.

In the wake of this transition, millions of business owners and employees have discovered the benefits of remote work firsthand—whether they like it or not. Employees are benefitting from nonexistent commutes, more flexibility and free time, and more control over their work environments. They're more productive and have higher morale. Business owners are saving money on office expenses and are seeing their businesses thrive under these new conditions even while scrambling to adopt them.

If you plan a startup to operate remotely from the start, you'll see even more benefits, since you'll have the advantage of planning things in advance. Accordingly, more startup entrepreneurs are going to build a fully remote model by default, hoping to see the benefits from day one.

Digital Marketing

Another lasting effect of the pandemic will be reliance on digital marketing—both for new startups and existing companies. The pandemic has proved that the best way to reach customers isn't through traditional marketing like printed advertisements or direct mailers, but through emails, retargeting ads, PPC ads, SEO, and dozens of other digital marketing strategies.

The digital marketing industry has grown significantly over the past 20 years, but the pandemic is going to inspire even further growth. This will fuel further spending on online presence development and ad placement, and inspire new MarTech startups to develop new marketing technologies to fill demand. This could create a feedback loop that encourages new marketing tactics to emerge and develop.

Financial Resilience

The COVID-19 pandemic showed us just how fragile most

businesses are, operating on thin margins and limited capital. If an emergency unfolds and a business is no longer able to make money the way it used to, it may not survive for long. For example, it's estimated that 60 percent of "temporary" business closures due to the pandemic are now permanent.

Granted, much of this data is taken from restaurants and other local businesses, rather than startups, but startup entrepreneurs can still learn from these lessons. It's going to be more important to have adequate financing, cash on hand, positive cash flow, and a strict budget to remain financially resilient.

Fail Safes and Backup Plans

Along similar lines, startup entrepreneurs are going to be more interested in putting fail safes and backup plans into place. If one mode of operation or one element of the business fails, other elements should kick in to replace them.

This could manifest as establishing multiple lines of revenue for the business, operating simultaneously. If your business has four different ways to make money, it won't matter if one (or even two) are suddenly unavailable; you can temporarily funnel resources from those eliminated pathways to more reliable ones.

In fact, we may see entire business plans shift to include more backup plans; if the main idea behind the business fails or suddenly becomes less viable, is there a convenient way to pivot the business? Entrepreneurs are thinking about these emergency protocols now more than ever.

The Lasting Impact

No matter how you look at it, it's a practical certainty that the COVID-19 pandemic is going to have a lasting impact on

entrepreneurship and business management for years, if not decades to come. Business owners were forced to undergo many unexpected and transformative changes to survive these emergency conditions, and the resulting lessons have not been ignored. Expect to see a fundamental shift in the types of entrepreneurs and startups that emerge in the coming years.

https://www.entrepreneur.com/article/361847