

What are the top 10 most started and successful businesses?

Description

Understanding which types of companies are most commonly started can give new entrepreneurs a helpful starting point. From service-based businesses to tech startups, certain business models tend to attract more founders due to market demand, low entry barriers, or growth potential. In this article, we explore the most frequently started types of companies and why they continue to appeal to todayâ??s business builders, being a top 10 most successful businesses.

Which type of company is most started?

The types of companies that are most commonly started can vary depending on various factors such as market trends, entrepreneurial interests, and economic conditions. However, some of the most frequently started types of companies include:

Here are the top 10 most commonly started businesses in the US

1. Online Retail Stores

E-commerce businesses selling products directly to consumers.

- High success rate if well-executed, due to growing e-commerce trends. Success depends on niche, marketing, and customer service.
- Revenue/profit estimation
  - Revenue: $100,000 â?? $1 million annually
  - Profit Margin: 5% â?? 20%.
- Potential Pitfalls
  - Inadequate Market Research: Failing to understand customer needs and market trends.
  - Poor Website Experience: Ineffective design and functionality leading to low conversion rates.

- Inventory Management Issues: Problems with stock levels and fulfillment.

2. Consulting Firms

Businesses offering expert advice in various fields such as management, marketing, or IT. Some founders choose to operate independently, while others leverage a consulting franchise to scale faster and gain operational support from an established brand.

- Moderate to high success rate, especially if offering specialized expertise. Success is influenced by reputation, network, and client base.
- Revenue/profit estimation
  - Revenue: $150,000 â?? $2 million annually.
  - Profit Margin: 10% â?? 30%.
- Potential Pitfalls
  - Lack of Differentiation: Difficulty in standing out from competitors.
  - Client Acquisition Challenges: Struggles in building and maintaining a client base.
  - Scope Creep: Managing projects beyond the initial agreement without additional compensation.

3. Personal Services

Services like tutoring, coaching, and fitness training.

- High success rate, particularly if offering in-demand services like fitness or tutoring. Success depends on personal branding and client relationships. As demand for personalized assistance continues to rise, particularly among aging populations, exploring franchise opportunities in senior services offers entrepreneurs a stable and socially impactful business path.

- Revenue/profit estimation
  - Revenue: $50,000 â?? $500,000 annually.
  - Profit Margin: 20% â?? 40%.
- Potential Pitfalls
  - Overreliance on Word of Mouth: Insufficient marketing efforts to attract new clients.
  - Inconsistent Service Quality: Variability in service delivery affecting customer satisfaction.
  - Pricing Issues: Setting rates that are either too high or too low for the target market.

4. Health and Wellness

Businesses focused on fitness centers, yoga studios, and holistic health practices.

- High success rate due to increasing focus on health. Success relies on quality services, location, and customer experience.
- Revenue/profit estimation
  - Revenue: $100,000 â?? $1 million annually.
  - Profit Margin: 10% â?? 25%.
- Potential Pitfalls
  - Regulatory Compliance: Failure to meet health and safety regulations.
  - Market Saturation: High competition in popular health niches.
  - Client Retention: Challenges in maintaining a steady client base.

5. Food and Beverage

Restaurants, food trucks, and catering services.

- Moderate success rate; the industry is competitive with high failure rates. Success factors include location, concept, and management.
- Revenue/profit estimation
  - Revenue: $250,000 â?? $2 million annually.
  - Profit Margin: 5% â?? 15%.
- Potential pitfalls
  - Location Problems: Poor location choice affecting foot traffic and visibility.
  - Quality Control: Inconsistent food quality and service.
  - Financial Management: Mismanagement of costs and pricing strategies.

6. Real Estate Agencies

Agencies dealing with buying, selling, and renting properties.

- Moderate to high success rate, influenced by market conditions and expertise. Success depends on market knowledge and client acquisition.
- Revenue/profit estimation
  - Revenue: $500,000 â?? $5 million annually.
  - Profit Margin: 10% â?? 20%.
- Potential Pitfalls:
  - Market Fluctuations: Vulnerability to economic downturns and market shifts.
  - Client Expectations: Difficulty in meeting diverse client needs and expectations.
  - Regulatory Challenges: Navigating complex real estate laws and regulations.

7. Cleaning Services

Residential and commercial cleaning companies.

- High success rate due to steady demand. Success depends on reliability, pricing, and quality of service.
- Revenue/profit estimation

        - Revenue: $100,000 â?? $1 million annually.
        - Profit Margin: 10% â?? 25%.
    - Potential Pitfalls
        - Reliability Issues: Failure to consistently meet customer expectations and schedules.
        - Pricing Competition: Pressure to compete on price with numerous service providers.
        - Liability Concerns: Handling damages or accidents that occur during service.

8. Home Improvement

Businesses specializing in renovations, repairs, and maintenance, including those in the restoration business.

- Moderate to high success rate. Success is influenced by market demand, quality of work, and customer satisfaction.
- Revenue/profit estimation
    - Revenue: $200,000 â?? $2 million annually.
    - Profit Margin: 10% â?? 20%.
- Potential pitfalls:
    - Project Management: Difficulties in managing project timelines and budgets.
    - Customer Communication: Challenges in keeping clients informed and satisfied.
    - Quality Assurance: Ensuring consistent work quality and avoiding costly mistakes.

9. Technology Startups

Companies developing software, apps, and tech solutions.

- Moderate success rate; many startups face challenges but can succeed with innovative solutions and strong execution.
- Revenue/profit estimation
    - Revenue: Varies widely; $50,000 â?? $5 million+ annually.
    - Profit Margin: Often negative in early stages; 10% â?? 20% once established.
- Potential Pitfalls
    - Funding Challenges: Securing sufficient capital and managing cash flow.
    - Product-Market Fit: Struggles in developing a product that meets market needs.
    - Scalability Issues: Difficulty in scaling operations effectively.

10. Creative Services

Businesses offering graphic design, photography, and marketing services.

- Moderate to high success rate, particularly for niche markets. Success depends on strong portfolio, client relationships, and marketing.
- Revenue/profit estimation
  - Revenue: $50,000 â?? $500,000 annually.
  - Profit Margin: 15% â?? 30%.
- Potential pitfalls:
  - Client Acquisition: Difficulty in finding and retaining clients.
  - Project Scope Management: Problems with managing client expectations and project scope.
  - Pricing Strategies: Setting appropriate rates that reflect the value of creative work.

These success rates are approximate and can vary based on specific circumstances and individual business execution. These revenue and profit estimates are approximations and can vary significantly based on specific business conditions and operational efficiencies. Avoiding these pitfalls requires careful planning, market research, effective management, and ongoing adaptation to changing conditions.

Hereâ??s a list of 25 commonly started types of companies

- Technology startups
- E-commerce startups
- Service-based startups (consulting, marketing, design, etc.)
- Food and beverage startups
- Sustainability-focused startups
- Healthtech startups
- Fintech startups
- Social impact startups
- Artificial intelligence startups
- Mobile app startups
- Software development startups
- Education technology startups
- Fashion and apparel startups
- Travel and tourism startups
- Beauty and cosmetics startups
- Fitness and wellness startups
- Real estate startups
- Gaming and entertainment startups
- Automotive startups
- Agriculture and farming startups
- Logistics and transportation startups
- Media and publishing startups
- Renewable energy startups
- Virtual reality (VR) and augmented reality (AR) startups

- Robotics and automation startups

Areas of startups

Technology startups: These include companies focused on software development, mobile apps, artificial intelligence, blockchain, and other emerging technologies.
E-commerce startups: With the growth of online shopping, many entrepreneurs are starting e-commerce businesses, selling products and services through online platforms.
Service-based startups: This category includes businesses offering services like consulting, marketing, design, healthcare, education, and more.
Food and beverage startups: From restaurants and cafes to food delivery services and specialty food products, the food and beverage industry has seen a rise in startups.
Sustainability-focused startups: With increasing environmental awareness, startups focusing on renewable energy, sustainable products, waste management, and eco-friendly solutions have gained traction.
Healthtech startups: These startups leverage technology to improve healthcare services, telemedicine, digital health platforms, medical devices, and health data analytics.
Fintech startups: Financial technology startups disrupt traditional banking and financial services with innovations in payments, lending, investment, and personal finance management.
Social impact startups: These startups aim to address social or environmental issues, such as poverty alleviation, education access, healthcare improvement, and sustainable development.
Itâ??s important to note that this list is not exhaustive, and the startup landscape is diverse and constantly evolving. The type of company most started can also vary based on geographical location and cultural factors.

Please note that this list is not exhaustive, and there are numerous other types of companies that entrepreneurs start based on their interests, market opportunities, and industry trends.

5 Business Facts about commonly started companies

1. Over 5 million new business applications were filed in the U.S. in 2023

According to the U.S. Census Bureau, more than 5 million applications for new businesses were filed in 2023â??one of the highest volumes on record.
ð??? U.S. Census Bureau â?? Business Formation Statistics
ð??• https://www.census.gov

2. Sole proprietorships make up over 70% of U.S. small businesses

The IRS and SBA report that most small businesses operate as sole proprietorships due to ease of formation and minimal paperwork.
ð??? IRS â?? Business Structures
ð??• https://www.irs.gov

3. Digital-first businesses grow 2.5x faster than traditional businesses

A McKinsey study highlights how digital capabilities give businesses a strong competitive edge and accelerate growth significantly.
ð??? McKinsey & Company â?? Digital Transformation
ð??• https://www.mckinsey.com

4. Women own 42% of all U.S. businesses, contributing nearly $2 trillion annually

American Expressâ??s â??State of Women-Owned Businesses Reportâ?• shows the rapid rise in women entrepreneurship, especially in service and health sectors.
ð??? Amex â?? State of Women-Owned Businesses Report
ð??• https://about.americanexpress.com

5. Only 50% of small businesses survive past 5 years

According to the U.S. Bureau of Labor Statistics, about half of all new businesses close within five years, largely due to market fit, planning, and cash flow issues.
ð??? BLS â?? Business Employment Dynamics
ð??• https://www.bls.gov

Need more business facts?

Frequently Asked Questions (FAQ)

1. What type of business is easiest to start with little money?

Service-based businesses like consulting, tutoring, or cleaning services are often the easiest to start with low capital. They typically require minimal upfront investment, especially if you work from home and use existing skills.

2. What business has the highest profit margin?

Consulting, software development, and digital products (like courses or e-books) tend to have the highest profit marginsâ??often 50% or more. This is because they have low overhead and high scalability. However the competition is strong, so you need to differentiate .

3. How do I choose the right business idea for me?

Start with your strengths, interests, and skills, then research market demand and competition. A good business idea balances personal passion with a real customer need.

And â?¦ what is your business idea? Go explore!

Here are sources where you can find more information about popular business types in the USA

- U.S. Small Business Administration (SBA): sba.gov
- Statista: statista.com
- Forbes: forbes.com
- Entrepreneur: entrepreneur.com
- Inc.: inc.com
- NerdWallet: nerdwallet.com
- Small Business Trends: smallbiztrends.com
- Business Insider: businessinsider.com
- Bureau of Labor Statistics (BLS): bls.gov
- Chamber of Commerce: uschamber.com

End note: Evergreen industries that meet lifeâ??s most essential needs and deliver lasting profits

Healthcare, wealth creation, and relationships form three of the most consistent and profitable markets because they address fundamental human needs that never lose demand.

Healthcare is driven by the universal need for wellness and longevity, making it resilient even in economic downturns. Money-related marketsâ??such as investing, personal finance, and business growthâ??thrive because people always seek security and prosperity. Relationships, whether romantic, family, or professional, are central to human happiness and success, fueling industries from dating services to coaching and networking platforms.

Together, these markets benefit from steady demand, recurring revenue opportunities, and the ability to adapt to new technologies, making them attractive for long-term, sustainable business ventures.

Category

1. Running the Business
2. Business Ideas

Tags

1. Startup Ideas
2. Business Idea
3. Successful Businesses

Date
11/21/2026
Author
huubster