BizFilings

What business owners worry about when starting out



BizFilings surveyed 173 small business owners to understand their biggest concerns before launch and what they experienced after formation.

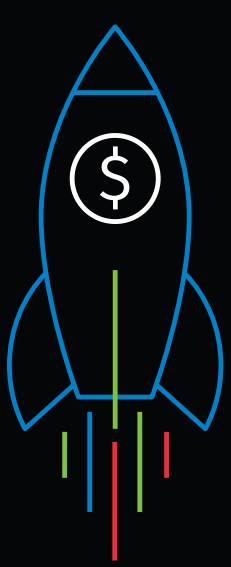
Initial concerns and expectations

Before launch, legal and compliance mistakes topped the list of concerns.

Biggest concerns when starting a business

- **31%** Legal or compliance mistakes
- **20%** Finding customers
- **16%** Choosing the right business structure
- **10%** Not knowing where to start
- **8%** Handling taxes
- **7%** Cost
- **5%** Other
- **3%** Time required

Were expectations for start-up costs accurate?



- **11%** Not accurate
- **53%** Somewhat accurate
- **36%** Accurate

Post-formation: Expectations vs. reality

Nearly a third did not expect ongoing compliance responsibilities after formation.

Did you think compliance ended at formation?



- **9%** Completely agree
- **23%** Somewhat agree
- **17%** Neither agree or disagree
- **19%** Somewhat disagree
- **32%** Completely disagree

Tasks that took more effort than expected in the first year*

- **39%** Administrative work
- **20%** Paying taxes
- **32%** Accounting and bookkeeping
- **19%** Getting pricing right
- **31%** Marketing
- **11%** Hiring employees

* Multiple responses allowed

Information vs. guidance

Owners wanted practical guidance, and many did not feel AI gave them the full picture.

Compliance resources that would have helped starting out

- **47%** Step-by-step guide for the business formation process
- **39%** Guidance from an accountant or lawyer
- **22%** Guidance from a peer/friend/mentor

AI gave confusing advice on starting a business

- **4%** Completely agree
- **7%** Somewhat agree
- **47%** Neither agree or disagree
- **12%** Somewhat disagree
- **30%** Completely disagree

AI gave a complete picture of formation compliance steps

- **1%** Completely agree
- **13%** Somewhat agree
- **39%** Neither agree or disagree
- **9%** Somewhat disagree
- **38%** Completely disagree

BizFilings provides step-by-step formation support and ongoing compliance tools, all in one place. For more information, contact **BizFilings**.



BizFilings
by Wolters Kluwer

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