



# Starting a Business for Under \$5,000

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Starting a part-time business once you've retired may sound daunting and risky. But it's actually possible to launch some enterprises from home for less than \$5,000.

The five low-capital types of startups for retirement businesses: **Coaching or consulting** (<https://www.nextavenue.org/become-consultant-second-career/>) using expertise you developed in your first-act career; **writing, blogging** (<https://www.nextavenue.org/make-money-blogger/>) or **editing; service businesses**, such as gardening, driving, providing pet care, **housesitting** (<https://www.nextavenue.org/housesitting-great-way-travel-world-dime/>), tutoring and child care; turning a hobby into a business by **selling handmade items on Etsy** (<https://www.nextavenue.org/turn-passions-retirement-income/>) or at craft fairs and **creating an e-commerce store** (<https://www.nextavenue.org/start-buy-e-commerce-business/>) to sell online your household items as well as ones you buy at thrift shops, flea markets and garage sales.

"You are most successful building off of your existing talents and skills," advises David Deeds, Schulze professor of entrepreneurship at the University of St. Thomas in Minneapolis and EIX executive editor. (Full disclosure: EIX, the Entrepreneur and Innovation Exchange, is part of the Richard M. Schulze Family Foundation, which is a funder of Next Avenue.)

## 'My Capital Investment Was Myself'

For Nancy Clarke, of Ocean Grove, N.J., establishing her home-based Embury Consulting to provide management consulting for nonprofits was a natural

move. Previously, she'd been director of finance and administration for the creative arts team at the Research Foundation of CUNY (City University of New York) and executive director of the American Music Center.

"My capital investment was myself," says Clarke. "Consulting, because I had done it before, wasn't so scary. It comes down to knowing how to work well by yourself, while working with others."

Clarke estimates her startup costs at about \$1,000, to cover purchasing a laptop, building a website, printing business cards and taking training courses through the Support Center for Nonprofit Management in New York City. Because she works from home, Clarke has avoided the expense of leasing office space.

Clarke described networking, attending professional meetings and the training as "an inexpensive way for me to add something to my own expertise, chat with others and market my business. I call it the 'being there' strategy."

## How to Keep Costs Down When Starting Up

Fledgling entrepreneurs in retirement eager to keep costs down may benefit from starting small, says Kimberly A. Eddleston, a professor of entrepreneurship and innovation at Northeastern University and a senior editor on the EIX Editorial Board.

"There are so many opportunities such as [the homemade crafts-selling site] Etsy, where you can build what you want and see the supply and demand of an item that you create," says Eddleston. "Another example is participating in Christmas bazaars — where a person can judge if they can make a living with an item that they have created to sell, especially someone who is retired and has either a 401(k) or other income coming in."

She also suggests taking advantage of trade shows.

"Some trade shows even have a section for entrepreneurs, which is great for startups, because



sometimes the entry fee is lower,” Eddleston notes. And, she adds, “attending a few trade shows is a great way to research and see what’s new” in your field.

Eddleston is also a fan of concierge-style service businesses since, she says, they don’t require a huge upfront investment and are often in demand.

“Dog walking or taking care of pets while people are away; handyman services, being at someone’s home to receive a delivery or when the kids get off of the school bus — they all provide something that is needed,” Eddleston says. “A lot of people don’t live near extended family, so they’re looking to hire people who fill the grandma, grandpa or aunt role.”

## When a Layoff Leads to a Launch

Sometimes the idea to start a business in retirement is spurred by being laid off from a longtime position.

Take Barbara Winard, of Jersey City, N.J. After 25 years as a senior editor and multimedia writer for online encyclopedias at the publisher Scholastic, Winard lost her job in January 2019. She has since turned her lifelong passion for travel into becoming a freelance travel writer with a travel blog, “The Baby Bloomer.” She writes about traveling solo, as well as with her adult daughter or husband Martin Kozlowski, to locales near and far.

Her total investment: between \$2,500 and \$3,000.

“My major expenses were buying a new Mac laptop; creating a website on [website builder] Squarespace; getting a domain name, establishing an LLC [limited liability corporation]; using WordPress and Bluehost [a content management system and web hosting service, respectively] for the blog and speaking with a few advisers on ways to possibly make money via a blog.”

In the past year, Winard estimates that she has earned about \$1,000 from sites that paid for her travel articles; had some travel expenses covered in exchange for writing an article and got invited to speak at events about traveling after 50.

“My secret for starting a business so cheaply is that my husband helped me set up my blog and website,” Winard says. Kozlowski is a political cartoonist who does online illustrations and knows a lot about graphic design.

The couple is now collaborating on a potential business idea, “Travel is Oxygen,” to offer editorial and layout support to clients who want to write and publish travel stories in book form. Winard says that older women are her cohort, and that this cohort is exploding in its interest in travel.

“When I left Scholastic, I had no idea that I was going to do this, but being a freelancer is not as scary as I thought it would be,” says Winard.

**Additional Search Terms:** Starting a business with little money, starting a business on a shoestring