

Sources for Cost Estimation in a Startup Business

A startup can estimate **total startup costs (one-time + ongoing monthly expenses)** by pulling data from a mix of **authoritative guides, industry benchmarks, vendors, and financial tools**. Below is a structured list of the most useful sources, grouped by cost type.

1. Government & Nonprofit Small Business Resources

These are excellent starting points because they're practical and standardized.

- **U.S. Small Business Administration (SBA)**
 - Startup cost worksheets and sample budgets
 - Industry-specific cost guidance
 - SBA loan applications often require detailed cost breakdowns (useful templates)
 - **SCORE (Service Corps of Retired Executives)**
 - Free startup cost calculators
 - Mentors who review budgets and assumptions
 - Sample financial projections by industry
 - **Small Business Development Centers (SBDCs)**
 - Local cost data (rent, labor, utilities)
 - Help validating assumptions for business plans and funding
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2. Industry-Specific Benchmarks & Trade Associations

These help estimate **realistic costs for your exact type of business**.

- **Trade associations**
 - Industry cost ratios (labor %, rent %, marketing %)
 - Equipment and compliance cost norms
 - Salary benchmarks
 - **Industry reports**
 - IBISWorld, Statista, Mintel (often available via libraries or SBDCs)
 - Useful for payroll ranges, marketing spend, and operating margins
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3. Vendor Quotes & Supplier Pricing (Most Accurate)

For one-time purchases, **real quotes beat estimates**.

One-Time Costs

- **Equipment suppliers** (new vs refurbished pricing)
- **Vehicle dealerships or fleet leasing companies**
- **IT vendors** (computers, POS systems, servers)

- **Furniture & fixtures suppliers**
- **Contractors** (build-out, signage, installation)

Tip: Get **at least 2–3 quotes** to set realistic ranges.

4. Commercial Real Estate & Facility Costs

For rent and utilities:

- **Commercial real estate listings**
 - LoopNet, Crexi, local brokers
 - Shows rent per square foot + triple-net (NNN) fees
 - **Utility providers**
 - Electric, water, gas companies provide average monthly usage by square footage
 - **Property managers**
 - Can estimate maintenance, CAM fees, insurance requirements
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5. Payroll & HR Cost Sources

Payroll is often the largest ongoing expense.

- **Bureau of Labor Statistics (BLS)**
 - Wage data by role, industry, and location
 - **Payroll service providers**
 - Gusto, ADP, Paychex calculators
 - Include taxes, benefits, workers' comp
 - **Job boards**
 - Indeed, Glassdoor, LinkedIn (real-world salary expectations)
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6. Professional Services (Legal, Accounting, Insurance)

These are often underestimated.

- **Law firms**
 - Flat-fee startup packages (incorporation, contracts, IP)
 - **CPAs**
 - Monthly bookkeeping vs. annual tax prep costs
 - **Insurance brokers**
 - Quotes for general liability, professional liability, auto, workers' comp
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7. Marketing & Customer Acquisition Costs

Estimate both launch and ongoing spend.

- **Marketing agencies**
 - Quotes for branding, websites, ad management

- **Ad platforms**
 - Google Ads, Meta Ads cost estimators
 - **Competitor analysis**
 - Observe ad frequency, channels used, promotions
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8. Accounting & Financial Planning Tools

Useful for pulling everything together.

- **Startup cost calculators**
 - SBA startup cost worksheet
 - LivePlan, Bplans, Wave
 - **Accounting software**
 - QuickBooks, Xero (chart of accounts templates)
 - **Business plan templates**
 - Often include pre-filled expense categories you can customize
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9. Comparable Businesses & Case Studies

Very practical if accessible.

- **Franchise Disclosure Documents (FDDs)**
 - Even if you're not franchising, FDDs show:
 - Initial investment ranges
 - Working capital needs
 - Monthly operating costs
 - **Networking with founders**
 - Local chambers of commerce
 - Industry meetups
 - Accelerator or incubator programs
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Best Practice: Combine Sources

The most reliable startup budgets:

1. Use **SBA/SCORE templates** for structure
2. Fill in **industry benchmarks** for sanity checks
3. Replace estimates with **vendor quotes** wherever possible
4. Add a **10–20% contingency buffer** – visit this web page for guidance:
<https://startup-financial-plan.com/contingency-reserve>

Check List for a Startup that provides life coaching for women:

Below is a **practical startup cost checklist** tailored to a **life coaching business serving women**, organized by **one-time startup costs** and **ongoing monthly operating expenses**. This works whether the business is **fully virtual, hybrid, or in-person**.

A. One-Time Startup Costs (Initial Investment)

1. Business Formation & Legal

- ☐ Business registration (LLC, sole proprietor, etc.)
 - ☐ State/local licenses or permits (if required)
 - ☐ DBA filing (if using a brand name)
 - ☐ Initial legal consultation (contracts, disclaimers)
 - ☐ Client coaching agreement templates
 - ☐ Privacy policy & terms of service (especially for online coaching)
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2. Branding & Identity

- ☐ Business name & brand positioning
 - ☐ Logo design
 - ☐ Brand colors, fonts, visual identity
 - ☐ Brand messaging (mission, values, ideal client)
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3. Website & Digital Presence

- ☐ Domain name registration
 - ☐ Website hosting
 - ☐ Website design (DIY or professional)
 - ☐ Copywriting (homepage, services, about page)
 - ☐ Email opt-in / lead magnet setup
 - ☐ Accessibility & mobile optimization
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4. Technology & Equipment

- ☐ Laptop or desktop computer
 - ☐ Webcam (if not built-in)
 - ☐ Microphone or headset (for sessions, workshops)
 - ☐ Smartphone (if business-dedicated)
 - ☐ Lighting (for video coaching or content)
 - ☐ External hard drive or cloud storage setup
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5. Coaching-Specific Setup

- ☐ Coaching certification or training (if not already completed)

- ☐ Assessment tools or coaching frameworks
 - ☐ Intake forms & questionnaires
 - ☐ Client onboarding process
 - ☐ Session structure templates
 - ☐ Program or package design (1:1, group, programs)
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6. Marketing & Launch

- ☐ Professional photos or brand shoot
 - ☐ Initial content creation (blogs, videos, social media)
 - ☐ Social media profile setup
 - ☐ Launch campaign (ads, email, webinar, challenge)
 - ☐ Networking or industry event fees
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7. Insurance & Risk Protection

- ☐ Professional liability (coaching insurance)
 - ☐ General business liability
 - ☐ Cyber liability (if storing client data)
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B. Ongoing Monthly Operating Expenses

1. Technology & Software

- ☐ Video conferencing platform (Zoom, etc.)
 - ☐ Scheduling software (Calendly, Acuity)
 - ☐ CRM or client management system
 - ☐ Email marketing platform
 - ☐ Website hosting & maintenance
 - ☐ Cloud storage (Google Drive, Dropbox)
 - ☐ Accounting or bookkeeping software
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2. Marketing & Client Acquisition

- ☐ Paid ads (social media, Google)
 - ☐ Social media tools (schedulers, analytics)
 - ☐ Content creation tools (Canva, video editing)
 - ☐ Email list management
 - ☐ Affiliate or referral fees
 - ☐ PR or influencer collaborations (if applicable)
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3. Professional Services

- ☐ Bookkeeping or accounting support

- ☐ Legal support (as needed)
 - ☐ Business or mindset coach for yourself
 - ☐ Virtual assistant or admin support (optional)
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4. Office & Workspace (if applicable)

- ☐ Home office allocation (internet, utilities)
 - ☐ Coworking space or office rent
 - ☐ Office supplies
 - ☐ Phone and internet service
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5. Payroll & Compensation

- ☐ Owner salary or draw
 - ☐ Contractors (assistants, designers, marketers)
 - ☐ Payroll processing fees (if applicable)
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6. Education & Growth

- ☐ Continuing education or certifications
 - ☐ Mastermind groups or memberships
 - ☐ Books, courses, conferences
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7. Miscellaneous & Contingency

- ☐ Refunds or chargebacks
 - ☐ Platform fees (payment processors)
 - ☐ Emergency or contingency fund (10–20%)
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C. Optional Cost Categories (Depending on Business Model)

- ☐ Group coaching platform or community software
 - ☐ Online course hosting platform
 - ☐ Retreat or workshop venue deposits
 - ☐ Travel expenses
 - ☐ Printed materials or workbooks
 - ☐ Wellness tools or assessments
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