

8 reasons to launch your startup outside of silicon valley

[Business](#)



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In the second quarter of 2014, roughly \$1.5 billion was invested in startups, with \$1 billion of that going to those located in Silicon Valley. For startups not located at this epicenter of emerging companies, it might seem like an uphill battle, but it doesn't have to be. In fact, tech has already undergone a substantial geographical shift from the core of Silicon Valley to San Francisco and beyond. Silicon Alley, Silicon Beach, Silicon Prairie are just a few of the startup hubs looking to entice entrepreneurs away from the "Valley." And they have found success.

Here are a few advantages of launching your startup outside Silicon Valley.

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1. Avoid the herd.

While there's great benefit to being in the hub of activity, sometimes, especially when you're re-inventing an existing space, it helps to take a step

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away. Collaboration among tech vets can have a downside: groupthink. In some ways, that's a big reason tech started moving up the Peninsula from Silicon Valley to San Francisco: really creative folks were doing new things just on the fringe.

2. The workforce has become more urban.

Silicon Valley has already changed. Office parks and corporate campuses were the norm a few years back, but now workers want to be able to walk out for lunch or grab a beer after work. This draw of the dense city is another reason for the shift to San Francisco, but there are a lot of other urban settings that are attracting teams -- from downtown Seattle to smaller towns such as Santa Monica, Calif. and Boulder, Colo.

3. Lower cost of living attracts young talent.

Few American cities are as expensive as , which can deter talent from making the trip. Outside of Silicon Valley (and Alley and Beach) are young people who are looking to take a chance and make a move. To a student fresh out of college, San Francisco's median rent rate of \$3, 200 per month (three times higher than the national average!) can seem daunting.

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4. Less money on office space, more to spend on perks.

Acquiring talent in Silicon Valley can be expensive, and so can renting office space. In Palo Alto and Menlo Park, office space can be upwards of . If your company can avoid paying that kind of premium on space, then you will

have more assets for innovation, perks to attract employees, and, of course, a lower overhead for your business.

5. Competition for talent in Silicon Valley is fierce.

In major tech hubs like Silicon Valley, startups have to compete with the likes of Google, Facebook and Apple for top talent. But, in other parts of the country, you can snag star talent without worrying about interference from the tech giants, who will offer senior software engineers \$124, 131 -- almost \$20, 000 above the national average, according to . Yikes.

6. Not everyone wants to live in the Valley.

Let's face it, not everyone wants to move across the state, country or world to be in Silicon Valley. There is homegrown talent around the U. S who want to live closer to where they grew up, near their families or in a geographical area that isn't the Bay Area. Tap the local culture of your community rather than adopting the Valley mindset. That's what being disruptive is all about.

7. Startup hubs are everywhere.

Silicon Valley used to be the place to be but now startup hubs are sprouting up all over the country, like in Santa Cruz, Calif., and Austin. And, with these new hubs are corresponding ecosystems that help foster the growth of other startups. The Internet and the cloud are scalable, opening new opportunities for expertise and innovation, anywhere.

8. Corner your regional market.

Yes, Silicon Valley is no doubt the center for tech startups, but it's not the center for every industry. For instance, if your startup is planning on

reinventing the healthcare industry, it might want to be close to Boston so that it can attract the best medical talent and expertise and have access to the companies and institutions that it will count as customers and clients. New York City is home to the media and financial worlds.

The bottom line is that when you found your company, you don't have to relocate to Silicon Valley to find success. The most important things are the strength of your idea, your will to get it done and the talent and commitment of your people – all of which you can find and foster wherever you wish to be.

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