# A Step-by-Step Action Guide to Choosing & Starting Your Own Online Business

By Alice Seba with Linda Stacy
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Congratulations on your decision to start an online business. The Internet provides a tremendous opportunity for you to reach a large and international audience for your business. It is also usually less expensive to get started and maintain than a traditional "brick and mortar" business. And once you get things rolling, it's easy to build multiple streams of income and add to your online business empire. ☺

But let's not get ahead of ourselves. Empire building can be left for later on. Right now we want to cover the basics. Learning how to start an Internet Business doesn't have to be complicated. Starting a new online business or taking an existing business online can seem intimidating or overwhelming, but like everything else, if you make a plan and take it step by step, you'll be up and running in no time.

**In this Action-Guide, we'll cover the following steps to get you up and running:**

- Getting Started: Choosing an Online Business
- Establishing Your Online Presence
- What to Do Next: And How to Market Yourself Online

I hope you'll find this guide useful and I do look forward to helping you get started with your very first online business.

Most Respectfully,

Alice Seba
Your Partner in Online Success

P.S. If you're worried that you'll never be able to get your first website started because it seems too complicated? The InternetBasedFamily.com website builder makes it easy for you to get your website up and running in a matter of minutes. Take it for a free trial by clicking here.

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# STEP 1: Choosing an Online Business

Let's simplify the process of choosing an online business and talk about four basic ways for you to start an online business.

1. **Start an Online Business from Scratch**: When I say "start from scratch", I mean you would make your own product or service to sell. For example, if you are an artist or crafter you might make your own products and offer them for sale. Or you can offer a service such as career counseling or matchmaking.

   You can also create information products --- which is a highly lucrative business option. You can create ebooks, audio recordings or video recordings that teach a certain subject. Your customers order from you and then they download the products off the Internet. There is no product to ship or manufacture…it is all done on the Internet.

   **How Long & How Much?**: If you develop a **physical product** that you will ship in the mail (ex. candles, cell phone accessories), you will likely need more start-up cash and will have to invest more time to get started. You will also have to consider your time continuing to develop, package and ship products.

   If you develop a **service**, it's easier to get going quickly. If you are a resume writer, it's as simple as setting up your website and then promoting your service. However, realize that when you sell a service, you will be "trading your hours for dollars". This means that you will only get paid when you are actively working for clients. If you sell a product, your income isn't so limited by your time as you aren't being paid "per hour".

   **Information products** do take time to develop, but your time investment is generally a one-time only thing. Once your product is complete and your website is ready, you can start accepting orders and your customers will automatically download your product. Yes, there will be maintenance and customer service to deal with, but the business is not time intensive and there's no need to go to the post office at all!

   => **Starting your Product Website**: If you have no website-building experience, you can easily get your product website going with the InternetBasedFamily.com website builder. You can add products to a shopping cart and set up your site so that your customers can instantly download your information products.

2. **Start an Online Business with Affiliate Programs**: If you don't have (or don't want to have) your own product or service to sell, you can market someone else's products through affiliate programs. With an affiliate program, you are paid a percentage of sales that are made when you refer someone to a company's website. You are given a special referral code that you place on your website so

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the company can keep track of the sales you send to them. The company develops the products, fills orders and provides customer support.

There are plenty of companies online (big and small) that offer affiliate programs, so there is no shortage of things to sell. Companies like Walmart, eBay and PetCo all have affiliate programs. If you go to a website, just look for a link to "Affiliate Program" or "Referral Program" and you'll find information on how you can become an affiliate for that company. There is no charge for signing up for an affiliate program.

You could, for example, set up a website that included information about breeding cats. Then you could recommend products from PetCo (or other companies too) and earn a commission when you send them a sale. Commissions very from 5% - 50% and higher. Products with large overhead (ex. Physical products that are shipped out) tend to have lower commissions and information products tend to have very worthwhile commissions in the higher ranges.

**How Much & How Long?:** This is likely the least expensive and quickest to start online business. All you need to do is create a website that draws in targeted traffic and then you make product recommendations through your affiliate link.

=> **Starting Your Affiliate Program Website:** You can quickly create plenty of information pages, product reviews and more using the InternetBasedFamily.com website builder.

3. **Start an Online Business with Direct Sales**: Finally, if you feel you need more structure and support, you can join a Direct Sales Company and market their products. There are hundreds of direct sales companies available offering everything from cosmetics and skin care to kitchenware, home décor, craft products, and dietary supplements. Usually independent representatives sign on under another representative or sponsor who will provide information and support to get you started.

   Think things like Tupperware, Avon and companies like that. But realize, direct sales has come a long way and there are companies that allow you to sell children's toys, pet products, clothing, candles, jewelry and more.

   Direct sales reps usually work for a commission (usually between 20-40% -- with a large number offering 25%) and are subject to the rules set out by the company, in terms of online selling. So, definitely check into the rules before signing up with any company.

   **How Much & How Long?:** Start-up costs vary from company to company. You will likely have to purchase a "kit" that contains product and marketing materials. You will also have to process orders and deliver product unless the company has an online ordering system already available (recommended).

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=> **Starting Your Direct Sales Website:** Many direct sales companies will provide you with a ready-made website. Everyone who is marketing the product will have a website that looks the same and in most cases cannot be modified except by the company. While these websites are usually good for processing orders, they are not suited to developing searching engine traffic and establishing your uniqueness in your competitive market.

To really be able to market yourself online, you must have your own website. It will allow you to reach a very focused target market and establish you as unique in your industry. For example, if you're going to sell home décor online, you want to be able to draw in targeted leads to your website. You want to offer home décor tips and information – and recommend your products for sale on your ordering site.

You can set up your website by taking the free trial at InternetBasedFamily.com.

4. **Start an Online Business by Reselling Products You Buy at Wholesale**: If you don't want to develop your own products, you can resell other people's products. You can buy them at wholesale and ship them out from your home. Or you may prefer the ease of having somebody dropship the products for you. Dropshipping means the company from which you buy wholesale does all the shipping for you. You just take the orders and submit them to the dropshipping company as you get them.

   Just like companies that offer affiliate programs, you'll find many that offer wholesale programs. Search around to see if you can find a wholesaler for the product you want to sell.

   **How Much & How Long:** You can get started relatively quickly with selling wholesale products. You need to find the products you want to sell and develop your website to sell them. How much money it will cost to get started, depends on whether you pre-purchase inventory or if you choose to dropship. Realize that you will have a higher profit margin if you pre-purchase inventory because the company you work with will likely give you a better price.

   **Starting You Wholesale Products Website:** Just like selling your own products, you'll need a website with a shopping cart, so people can order securely off your website. The InternetBasedFamily.com website builder allows you to build your site and shopping cart with up to 500 products (with upgrades available).

But before you start running with your idea…

## Do Some Market Research BEFORE You Start

There's no sense in creating a product, selling someone else's product or creating an

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information website that nobody is interested in. You can do research in places like WordTracker, which is a huge database of keywords that people are searching for on search engines. There is a free trial, so take advantage and the paid version is well worthwhile.

Just enter the general topic you are thinking about...for example: "gardening" and see what comes up. You can click on each phrase to dig deeper and see what people really want to know about. WordTracker also has a thesaurus, so you can search related phrases. This will give you an idea of what topics people really want information on.

Be sure to look for terms that would indicate people BUYING product in addition to looking for information.

For example, if your child is going to start a website about horseback riding, keywords like:

horseback riding techniques
horseback riding injuries

…seem to indicate searches for INFORMATION, while terms like:

horseback riding vacation
horseback riding apparel

seem to indicate an interest in shopping. You'll want a nice combination of both.

Find WordTracker here: http://www.wordtracker.com

**Magazines:** If there's a magazine dedicated to a certain subject or target market, there is likely a market to sell products here. Magazines are fueled by advertising sales and if people are buying advertising, they are likely selling well to this market. Take a look at the magazines and try to see what is selling well to these markets.

**Newsgroups** - Newsgroups are a terrific place to see what people are talking about and what information they want or what problems they need to solve. For example, go to Google Groups or Yahoo Groups and search for your topic. You'll see what people are writing about want to learn about. You can search by category or by keyword. Spend some time looking around and understanding the needs of your potential target market.

Google Groups:
http://groups.google.com

Yahoo Groups:
http://www.groups.yahoo.com

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**Research Your Competition:**

It is essential to check what other products are being offered to your potential target market. You will also want to check what information is readily available for free on websites. You do want to make sure you target a group who is interested in SPENDING money to pursue their hobby, pursue their interest, solve their problem or whatever it may be.

**A Few Things to Remember:**

***No Competition Can be a Bad Thing:*** If your topic is really hot, but no one is making a product for it...this *could* mean you have a sure fire winner. However, if you come across this, I would recommend doing further research into your market. It could be that others have tried products and failed.

It could also mean that your target market is filled with freebie seekers (example: people searching for cooking recipes online generally expect to find them for free - but you may find exceptions).

Just beware, be smart and do your research!

## STEP 2: Establishing Your Online Presence

Designing your website is very important to your online image. Whether you design it yourself, purchase a template, or hire someone to design it for you, it must be professional looking, easy to navigate, and content/information rich.

To build your own site either by learning the HTML code or using a WYSIWIG program ("what you see is what you get"), you will need a good editing program. You can choose a program like Microsoft FrontPage or Macromedia Dreamweaver, which are available online or at your local software store. Or you can choose a website builder like InternetBasedFamily.com with easy-to-use point-and-click technology that helps you build your website, adds your navigation automatically, includes a shopping cart and instantly publishes to the Internet.

**Once you have your building tool ready, you'll need to have a:**

**Domain Name -** A domain name is a web page address. It is what you enter into your browser to find a particular web site. Some domain name examples are: ebay.com, amazon.com and google.com. Your domain name should be descriptive of your business and easy for people to remember. Take the time to carefully consider your domain name and find one that will serve your purpose for the long term. You can find domains for purchase at…you guessed it…InternetBasedFamily.com.

**Web Host** - The company that stores the files for others' web sites. If you develop your own website with a program like Microsoft FrontPage or hire a web designer, you will

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need to find a web host. There is usually a monthly fee and they will store all your files on the Internet for you. If you choose to use our website builder, your web hosting is included.

# What Next?

Your online success certainly isn't determined by doing a bit of market research and putting up your website. This is definitely going to be hard (but very fulfilling) work and this guide simply teaches you the mechanics of getting started. Marketing your website is an entirely different matter.

**So, Let Us Give You A Hand…**

When you sign up for the InternetBasedFamily.com website builder, you are given access to online marketing information and you even receive some free advertising credits from Google and Yahoo (you can advertise on these giant search engines for free, using your credits!). There are marketing tips for the service industry, product sellers, wholesalers and more. You'll learn more about affiliate programs and how to write websites designed to sell products. Just click on the "Make Money" link when you log into your website builder account.

**Ready?**

Sign up for your 10-day free trial today and start marketing your business online.

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