Money Making Tips

By Richard Lowe

Money Making Tips

Richard Lowe
articles@internet-tips.net

Internet Tips And Secrets http://www.internet-tips.net

Copyright (C) Richard Lowe Jr. and Claudia Arevalo-Lowe, 1999-2001.
Permission is granted to reprint the following article as long as no
changes are made and the byline, copyright information, and the
resource box is included. Please let me know if you use this article
by sending an email to mailto:articles@internet-tips.net

Article Title: Money Making Tips
Author: Richard Lowe, Jr.
Contact Author: mailto:articles@internet-tips.net
Publishing Guidelines: May be freely published w/bylines
Web Address: http://www.internet-tips.net
Autoresponder Address: mailto:article-206@internet-tips.net

I know you've seen the advertisements. They are everywhere that you look: newsgroups, email signatures, web site articles, press releases and even in your own inbox (in the form of spam). It can be especially overwhelming to a newbie (someone new to the internet). You know what I mean - money making opportunities.

Sometimes they seem so enticing, so wonderful, so obvious that it just appears that someone had indeed stumbled on the perfect money making scheme. And, better yet, they are good-hearted enough to want to share it with anyone, for the small price of $19.95 (per month), $295 or even $3.95. What nice people.

Of course, if you think about it for even a minute, the first question that comes to mind is: if the secret is so great, then why aren't they rich and living on some tropical island yet? Why do they have to try and sell this thing to us on the internet?

Okay, so you want to make some money on the internet. What's the secret?

To be honest, selling on the internet is more-or-less the same as selling anywhere else. You have to follow these basic steps:

- Find or create a product or service which you think may be of value to others.

- Figure out how to sell that product. In other words, determine your market and how to best reach the people within the market who make purchasing decisions.

- Implement the method that you choose to sell the product or service. Using the internet, this could be a store front, a web site, an ezine or perhaps just lots of advertisements.

- Promote your product or service.

- Keep statistics to determine if you are actually selling the product or service. You also need to know if it is costing you more to sell it than you make (yes, income must exceed expenses - that's why most of the dot coms have been failing recently: they forgot this basic lesson).

- If you are making a profit (income exceeds all expenses), then figure out how to better sell your product. However, don't change anything that is causing you to make money. In other words, if it is working, leave it alone.

- If you are not making a profit (expenses exceed income), then figure out why and take corrective action. Immediately and without hesitation.

Also remember some basic rules (which many of the dot coms forgot or never knew in the first place).

The Customer is the boss. This is the most basic datum of all. Any company that has poor customer service or loses sight of this basic fact will, in the short or long term, fail. For example, if your customer wants a refund, then give it to him, no questions asked, with a smile. If you find you are refunding too much money, then check out the quality of your products or services.

Stay ethical. Another basic datum. Unethical people and companies tend to fail. The more unethical they are, the harder they fall. You could sum this up simply as "what goes around comes around".

Venture capital is NOT income. It is a liability because it usually has to be paid back. In general, a company should only need venture capital when it is first created. If venture capital is needed to keep the company afloat after a reasonable startup period, then this is a bad sign. If venture capital is required on a regular basis to pay the payroll, then this is a very bad sign.
Use income from stock sales wisely. Getting an infusion of cash from selling stock can be a great windfall for a company. BUT this is also not income - it is a windfall profit. Use it wisely.

Determine true income. You need to figure income on the amount of money you are making from selling your product or service. Money obtained from your credit card does not count as income.

Income must exceed total expenses. Seems pretty basic.

Large amounts of debt is bad for business. Generally, the higher your debt, the less freedom you have to run your company. At some point, you become a slave to your creditors.

Excellent leaders often make poor managers. Remember to keep these two positions separate. The skills required to be a leader have nothing to do with the skills required to be a good manager.

What's the bottom line? Making money on the internet is the same as making money anywhere else. Just because it is the internet does not mean there are special rules or the law has been suspended. Also, just because everyone else has gone insane and are doing incredibly stupid things (the majority of the dot com's come to mind) does not mean you need to jump in and join the stampede.

The internet is a set of tools which you can use to sell products and services. Used properly, they can magnify your efforts to incredible heights. Remember, be smart, be ethical and, fundamentally, inflow must exceed outflow.

NOTE: The following information must be included if you reprint this article:

Richard Lowe Jr. is the webmaster of Internet Tips And Secrets. This website includes over 1,000 free articles to improve your internet profits, enjoyment and knowledge.
Web Site Address: http://www.internet-tips.net
Weekly newsletter: http://www.internet-tips.net/joinlist.htm
Daily Tips: mailto:internet-tips@GetResponse.com

Claudia Arevalo-Lowe is the webmistress of Internet Tips And Secrets and Surviving Asthma. Visit her site at http://survivingasthma.com

List of articles available for reprint: mailto:article-list@internet-tips.net

Get-Articles.com : 1000's of reprintable business and internet marketing-related articles.

Submit your article for reprint.