

How To Choose a Good Start-Up Business

By Brian A. Schaeffer

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Brian A. Schaeffer
JoinTheFreedom@netscape.net

How To Work From Home <http://www.howtoworkfromhome.info>

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by Brian Schaeffer, Senior Editor of the HTWFH eZine

Unless you intend to create and market your own products, you'll need a partner business or affiliate. A partner business is a business with which you form some sort of partnership, usually this is the manufacturer or business that supplies your products. Many times a partnership is formed when you sign up to become a distributor or affiliate of the partner company. Often you may have one, two, three or more partners supplying you with products, all of which are being sold on your web site. If this is your own home based business web site, instead of a mirror or copy site, you have control over what is to be sold and with whom you do business!

Things to Look for in a Partner Business

Look for these characteristics in a partner business before you sign up. Your ultimate partner need not have all of these, but the more they have the more stable your own business supply and income will be.

1.) How long have they been in business; online, offline, or both?

Obviously, the longer a company has been around, the longer its track record of obtaining and delivering the goods. Now, this doesn't mean that newer companies are necessarily bad. There are many good businesses which have started up recently. Unfortunately, many scams and bad businesses have too. As a newcomer to the net, I suggest that you start with the older, more established companies. Once you have a feel for what you're doing, then you can branch out and try other partner businesses. Give yourself some time to develop your ability for judging online and offline companies.

2.) Do they offer a variety of innovative products and/or a few in-demand products?

Really the number of products doesn't matter as much as the nature of the products. Let me explain. A product that is in hot demand (will quickly sell) or products with recurring sales value are the kind for which you want to look.

A hot, in-demand product will virtually sell itself. These kinds of products are usually singular - that is they're a one-of-a-kind within their field. Many times though, they will peak and start to drop off in

sales. Some, the ones that are truly innovative, will continue to sell for a long, long time. One of those is called the PopOver Generator, created by Armand Morin. This is a fantastic new product that creates popover windows instead of popup windows. Both popups and popovers are mostly used for advertising or highlighting a particular product. What's the difference? A popup window is a completely separate browser window that "pops up" either on command or on a timer. The popup is literally its own web page. A popover is a window that is still part of the parent page's HTML coding. It looks the same as a popup, but is not a separate browser window. You can see an example of a popover here [<http://www.howtoworkfromhome.info/form.html> (The eZine sign-up is a popover window)].

Now you may be saying, "Big deal, what's all the fuss about?" Here's the thing, many people now have popup killer programs on their computers. These programs terminate any and all popups before they are shown on a screen. That means that all of your hard work as an online advertiser goes unnoticed - your ad has been killed before it even gets a chance to show itself. The killers can do this because the popup is treated as a separate web page by the surfer's browser, but because the popover coding is part of the parent page, popup killers can't touch them. In fact no program can touch them without messing around with the parent page, something with which surfers wouldn't allow. What does all this mean? Simply that by using popovers instead of popups, you'll be insuring that your ad or highlight will be seen by anyone who surfs your web site. This is a product that will continue to be in demand especially as the use of popup killers becomes more widely applied.

This whole example is to show you that single, one-of-a-kind products that are uniquely innovative will sell, and will continue to sell for quite some time. Companies that can deliver these kinds of products are what we want.

Products with recurring sales value are something for which we are also looking. Recurring sales means that the product is a consumable and needs to be replaced on a regular basis. This is really where you can establish your long term, secure financial freedom. Once you've built up a customer base with recurring products, they will continue to come back to you to buy more as they use up the products. In addition, satisfied customers tend to be readily acceptable of recommendations made by you for related products. Examples of these kinds of products are vitamins, cleaning products, personal care products, pet supplies and cooking herbs and supplies. All of these are recurring products in high demand. There are literally hundreds of thousands of recurring products for sale on the open market.

3.) Look for Businesses that can supply you with products in a growing market.

You definitely want to be sure that you are going to sell products that are from a growing market, not a shrinking one. The product examples used above are all from growing markets, although some of them are growing at a faster rate than others. The vitamin business itself is an annual multibillion dollar business nationwide! And it's growing because the Baby Boomers are aging and want to be in the best health possible! They have the money and the desire to purchase vitamins on a regular basis. That's something of which you can take advantage and cash in on. Healthy cleansers, air purifiers, water purifiers and healthy personal care products (make up, deodorant, toothpaste) all are in mega-growth markets too!

Let me give you an example of something that is in a waning market, although we are just beginning to see the trend and it might take years to fully realize. Cassette audio tapes and video tapes are turning into a leveling - even a downward - market. Why? Because CDs and DVDs and their associated technology are overcoming tapes as the items of choice with the consuming public. They are more convenient, produce a better quality picture and sound, and they will ultimately be less expensive to produce. Cassettes and video tapes will eventually go the way of the record and the 8-Track (for those of us who remember those things)!

4.) Look for a partner who will supply you with products that people really want.

Do you think that people want to lose weight? Do you think that they are willing to pay big bucks for something that actually works? You're darn tootin' they will! The weight lose industry is a multibillion dollar market! Think about what people want; to lose weight, to retain or gain good health, to have more quality family time, to enjoy good stories in books and movies. Find partner companies who make those things and resell the products for them!

If people want them, if they buy them, if they're satisfied with them, they'll come back for more. That's why businesses such as Walmart® and Golden Corral® are so successful! They don't have to go out and sell the public on their businesses, the public knows what they have and flocks to them because they really want it.

5.) Partner with a company that has a proven business system.

Make sure that your partner has a proven way to a successful business. One that can be imitated and make you successful too! Your partner needs to demonstrate to you that other people have used their products and marketing system with success. If they can't do that, don't go with them. Keep looking for a partner who will.

6.) Look for a system that provides multiple streams of income and residual income.

Multiple streams of income means that there is more than just one way to earn money. With a traditional job - say a manager at Walmart® or a waitress at Golden Corral®, you put in the time and you get a paycheck. That is just one stream of income. With good marketing systems, you can earn money a number of ways. On the difference between wholesale and retail prices, on increasing bonuses with increasing sales, on incentive programs that allow you a bonus car or free travel to exotic locations, on further wholesale discounts for volume marketing. These together make up multiple streams of income. The business with which you choose to partner, should provide some, if not all of these, and perhaps even more ways to generate income.

Also, and this is very important, find a partner that is willing to pay residual income. That means that you'll be paid over and over again for one piece of work. If you spend time bringing someone into a business system - say an affiliate program for selling web sites, then residual income means that you'll be paid for everything that person does - every web site he sells - and everything that people who sign up under him do. A good residual system has at least two levels. The better ones have four or five levels of residual pay offs.

Let's take a hard look at what this means. Bringing that one person into the system gives you a pay off of say 7% of whatever he does. If he brings three people into the system, then he gets 7% of what they do and you get 4% of what they do. Now you're making income from two levels for one piece of work - the time you spent bringing the original person into the system. What if those three people each bring in three people? They get the 7%, your guy gets 4% and you get 2%. I think you can see the power of residual multilevel marketing. Just as a kicker, take a more real scenerio. What if you bring in twenty people, each of who brings in fifteen people, each of of who brings in 10 people. You would be making 7% on 20 people, 4% on 300 people, and 2% on 3000 people! Month after month, year after year. If you are all using and selling recurring products, so much the better! On top of the residul income, you also get the wholesale price difference for all of your customers and a bonus of say 30% from the company on everybody's sales!

Now you're talking money and multiple streams of income; exactly what you want in a Home Based Business!

How do you recognize a good partnering company? They have most, or all, of the six characteristics mentioned above. Any business that can't give you that isn't worth your time.

Resource Box:

© 2003 Brian Schaeffer, Editor, has been involved with the internet, online home based business building and netpreneurism since 1995. He writes mainly about home based online and offline businesses. You may reach him at <mailto:editor@howtoworkfromhome.info> or visit him at his web site <http://www.howtoworkfromhome.info>

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