

Chapter 6 What are your Options?

There are just two ways to start a business of your own:

- You can create one
- You can buy one

You might create your own Personal Business, if:

- You have a great idea you want to put into practice as a business
- You have specialist knowledge or skills
- You spot what you believe is a market opportunity
- You have a passion about something

Or you might buy a ‘Business in a Box’ that suits you, if:

- You are looking for something that will support your desired lifestyle better than being employed
- You find it difficult to work in a ‘managed’ environment where your ideas and skills are not fully appreciated

How to create your own business

1. The Great Idea!

Well Microsoft, Google, Apple, Amazon and Facebook who are now huge corporations didn’t start off that way - they started as small embryo businesses in garages and

student flats and developed from there - sometimes not quite in the way the founders intended.

These are prime examples of the ‘**great idea**’ format for creating a business and if you’ve seen Dragons Den on the TV you’ll have seen lots more.

With a ‘great idea’ you can get your business *started* with not a lot of money but it will get to a point where you need investment from other people to fund its growth and development.

That’s usually why, for every ‘great idea’ business that succeeds there are around 98 that don’t really get off the ground and whose founders may well lose money.

Because you are ‘breaking new ground’ this is a **high risk** way of starting a business.

2. Do something that works

But you don’t need a ‘great idea’, or even an original idea to start your business. You can copy something that already works.

When I left University, I set up a printing and publishing business, nothing new about that, and in those days there were no computers or desk top printers so every business in town needed a printer.

And by the way, my partner and I knew nothing, nothing at all, about **how** to do what we had decided to do. We had *no idea* about **how** we would fulfil our ambition!

As it turned out we were successful - in an economic climate where simply surviving in business for more than a couple of years was seen as a success! We learnt what to do from other people and researched what we needed to know.

We went on to build the business over a thirteen year period until we saw that we were about to be overtaken by new technology and decided to sell up.

The trick, if you don't want to set up in direct competition with other people doing the same thing, is to find and serve a 'niche market' that your competitors aren't serving for one reason or another.

This can be **high risk** if you enter direct competition with other providers but **medium to low risk** if you have a market that the others are not providing for.

Both of these business types can be built up to a point where they become a 'Medium sized' or even large enterprise and your personal involvement can drop away while the income continues to grow.

3. Being an 'Expert'

Another way of starting a business is what I call the **expert business**.

This revolves around the skill, knowledge, experience and expertise of one individual, or sometimes maybe two or three people who complement each other's skills.

Some good examples here would be Martin Lewis the ‘money saving expert’, Tony Robbins, and many more ‘experts’ in the field of Personal Development, and perhaps Bernie Ecclestone who ran Formula 1 virtually single handed for several years.

Surprisingly it doesn’t always require a great deal of experience to build a business like this, and these businesses often tend to start off as a ‘one man’ operation.

You just have to be knowledgeable and enthusiastic about something and respect the Plan B income graph shown in Chapter 4.

Individuals with special, skills, knowledge or expertise hire themselves out to larger organisations, essentially exchanging time for money.

Sometimes these experts work as part of an ‘umbrella’ limited company or agency or within a limited liability partnership. However they aren’t ‘employed’ by those organisation but work ‘through’ them.

Of course, in order for this to succeed as a *business* rather than self-employment, other people have to be brought in as employees somewhere along the line.

Otherwise you’ll just end up getting paid for your time, and although the rate of payment could be very high it can be difficult working alone as an ‘expert’ to progress this situation.

At first as you build your business you won't get much income and this, depending on your expertise and application, is a **medium risk** way of starting a business.

4. Creative Businesses

Writers, artists, musicians etc. who are involved in creating and promoting whatever it is that they do. Again, people in this category can operate within a 'registered' or unregistered framework and with agencies.

Generally, to start this type of business you need to create something.

This could be a book, music, film, a 'report', a piece of journalism, a blog or website, an academic paper, or something similar.

The advantage of becoming an established writer, musician or other creative producer is that you get paid 'royalties' every time one of your books is bought, one of your songs is played or one of your films is viewed. This provides a recurring income - you do the work once and get paid 'forever'.

The 'downside' is that you have to be good enough and talented enough to stand out from the crowd, and you'll need a lot of good marketing and financial management going on behind the scenes.

If you have technical skills especially with the internet or if you have marketing or sales skills there are some other ways in which you can start your own business as well.

5. Information Businesses

I've used this term primarily to identify the growing number of people operating 'one-man' marketing businesses, usually via the internet (web and e-mail marketing) and promoting their own or other peoples' products and services.

(People doing this purely to promote their *own* products/services would really fall into the 'Creative Business' category.)

This type of business would include people who generate their income purely from commissions generated through Affiliate Marketing and other forms of online marketing and promoting other peoples' offerings rather than working as an 'offline' freelance sales person which would fall into the 'Consultants' category.

Information Marketing isn't really a separate business type, but a way of promoting your **own** products and services rather than those created by other people.

This could well go along with creating an **Expert Business** and have something like a book, a training course, a coaching system or any other information based product or service that you have created. It's more complex to set up this type of business than the others and of course you do need to be an 'expert' on something!

Affiliate Marketing is something that is growing rapidly and being adopted as an income stream by many major companies.

Suppliers of goods and services provide you with banners and links and sometimes advertising copy that you can put on your own website or social media pages.

Affiliate marketing also works perfectly well off-line. Companies can place advertisements in your publications with special codes that people respond to.

Whenever anyone purchases anything by going through one of those links or using one of those codes, you get paid.

The difference between this and internet marketing (below) is that you **promote your own website** rather than someone else's, and *instead* of having multiple websites for the different things you are promoting.

So if you have a website about motorcycling for example you can include affiliate ads from companies that would be relevant to your audience and get paid a small amount when anyone buys something.

Internet Marketing is similar to Affiliate Marketing and is a potential business model that you can set up on your own at very little cost unless you need help with the technical stuff that needs to be done.

Essentially you promote your own or other peoples' products and services on the internet through your existing virtual networks and also engage in building your network through what is known as 'list building'.

Although this can take a lot of time it has the advantage that once the web sites are set up you can be earning income continually, day and night without having to do much else. The downside is that the search engines and the internet ‘corporates’ like Facebook and so on don’t like it much and are always finding ways to charge for it or try to prevent you from doing what you want to do.

6. Direct (Commission Only) Sales

I know many people who really love ‘selling’ and are also very good at it.

If you fit this description there are many opportunities to engage with a company or companies to undertake commission only sales on their behalf.

This does lead to some confusion however, because a lot of the people you meet selling or promoting various products or services ‘in the street’ or who knock on your door, are *not actually employed* by the company whose ‘jacket’ they are wearing.

Although they may seem to represent the company they are essentially ‘here today, gone tomorrow’ salespeople and it’s interesting to note that in many cases they are discouraged from or not allowed to sell to their friends and family.

There is a business opportunity here if you are really good at direct cold sales, because you can work for different companies at different times and also engage other

people to work with you creating a team of salespeople and taking an override commission from their results.

However, this type of operation is generally quite short-lived and is not really the basis for a lasting business.

Being a self-employed sales person or ‘business development manager’ is usually simply a form of self employment - because *you* have to do it all.

But you could develop the additional skills to become a freelance sales trainer and then perhaps develop sales products and courses, or write a book which would generate an ongoing income.

7. A ‘Business in a Box’

At the start of this chapter I mentioned the ‘Business in a Box’. You can *purchase* a ready-made business - although some are more ‘ready-made’ than others - and get started fairly quickly.

Now it may be that you find something that supplements or complements your passion - what you really want to do, but usually this is a ‘means to an end’ although it can be a valuable way of learning about being a business owner.

The ‘Business in a Box’ options are described in more detail in the next chapter.

For a quick overview, [watch this short video](#) about the different types of business you could have.