

GET THE SCOOP ON...

Is an online-based business right for you? ■
How to invest your time and money ■ Do all
businesses work on the Web? ■ Defining your
business idea and making it work for you

Making the Right Business Choices

So you've heard all the hype about the World Wide Web and the profit potential of starting a business on the Information Superhighway. You might have also heard about all of those "dot-bomb" companies that lost a fortune and folded a few years ago.

What's the real truth about the profit potential for an online business? In today's fast-paced business world, can someone still earn a profit by launching and operating an online business? As you're about to discover, the answer is most definitely yes!

Perhaps you've heard the opportunities available to small-business operators on the Internet equated to the Gold Rush, or you've seen statistics that depict online businesses as being the best moneymaking opportunities for the 21st century.

The prices of computers continue to drop rapidly, while with each new generation of micro-processor chips, their technological capabilities have improved dramatically. Thus, the equipment needed



Moneysaver

If you need a home computer to establish your online business, and if you'll be using a turnkey solution for designing your website (and won't be doing a lot of programming and graphic design work), a basic, inexpensive desktop PC or laptop computer is more than adequate to get started. Companies such as Dell (www.dell.com) and Gateway (www.gateway.com) offer cheap, low-end computers. You'll definitely want to invest in a high-speed broadband or DSL Internet connection, however.

to operate an online-based business is minimal—far more affordable than ever before to get started. In fact, you can launch an online business with little more than a basic PC that's connected to the Internet, a great idea and a product or service to sell. Inexpensive PCs are available from mail-order companies, like Dell and Gateway, as well as from retail superstores, like CompUSA, Best Buy, and Circuit City.

Thanks to faster dial-up Internet connection speeds, DSL, and broadband Internet connections, surfing the Web is faster than ever. More and more people of all ages are becoming computer literate, and they're beginning to explore the Internet on their own. People from all walks of life and from almost all income levels are finding their way into cyberspace in record numbers, thanks in part to the popularity of America Online and the tremendous marketing efforts of other Internet Service Providers (ISPs), such as MSN, Earthlink, NetZero, Galaxy Internet Service, and many others.

Thousands of new people are making their way into cyberspace every week. These people, just like you, are consumers. Most have major credit cards, a checking account, and a PayPal (a secure online-based payment method) account for making online purchases using their computer.

The Internet's fast-growing popularity has made it an attractive and viable marketing tool for companies looking to reach a broad audience of computer users, plus niche markets made up of people with very specific interests, wants, and needs.

As you're about to discover, if you're planning to launch a successful online business, targeting niche markets with products that a specific group of consumers wants or needs offers a very viable business opportunity for you as the online business operator.

What's involved with starting an online business?

Just a few years ago, establishing a business online (or an "e-commerce website") was something that only large, well-funded companies were able to do; this is no longer the case. These days, virtually anyone with an idea for an online business, an inexpensive personal computer, access to the World Wide Web, and the tools for creating a website can launch their own business venture in cyberspace, with relative ease and with a potentially minimal financial investment. This book will show you how!

Every seller is welcome

The e-commerce industry is truly open to everyone; however, just because it's available doesn't guarantee that your online business venture will make you rich, no matter what the statistics show or how good your idea is. Out of the hundreds (or even thousands) of online businesses launched each month, only a handful will ever become profitable. An even smaller number will make their founders wealthy.



Bright Idea

The amount of money you need to invest to successfully launch your online business will vary dramatically, based on a wide range of factors. You can start almost immediately using a turnkey service from Yahoo! or eBay, for example, that charges under \$30 per month. It'll cost more to have a website custom designed if you have to maintain a light level of expensive inventory. Your advertising, public relations and marketing costs will also impact how much investment capital you need.



Bright Idea

Take your website seriously. The first impression you make with a customer, whether it's online, in person, over the phone, or by mail, is what makes the difference.

The good news is that starting an online business typically involves far less risk than opening a retail store or traditional mail-order business. But, launching an online business venture that has the potential for success will require a substantial investment of time and creativity on your part. It could also turn into a significant financial investment, depending on the decisions you make and the type of business you'll be launching. As you'll discover, you can start an online business, using a turnkey solution, for a very small initial investment.

Anyone who has explored cyberspace or studied the stock market has heard about all of the online businesses that have launched, gone public, and made their investors a fortune. But most online businesses don't become profitable. Those that have generated profits have done so only after being in business for several years. In many cases, sizable financial investments (in the millions of dollars) were also put into marketing, advertising, and promotion. You don't need to launch your business on a massive scale to earn profit. Millions of online businesses achieve success by starting out very small, targeting a niche market and growing over time.

Online businesses such as America Online, Yahoo!, Amazon.com, eBay.com, Priceline.com, and 1800flowers.com, for example, weren't launched as small start-up businesses. They were created by already-successful business entrepreneurs who raised millions of dollars in investment capital and invested that money in the formation and marketing of their online business ventures.

Still, don't let this discourage you. Whether you're contemplating starting your own online business as a full-time career

move or as a part-time way of generating additional income, you certainly have many opportunities available to you in cyberspace for launching a business on a smaller scale that will make money. A great number of small-business operators have successfully established and profited from e-commerce websites. The majority of them have avoided competing head-on with large, mass-market-oriented companies such as Wal-Mart or Target. Instead, they've found a niche market and have sold their unique, customized, or narrowly focused products or services to a well-defined target audience.

As you'll quickly discover, there are no hard-and-fast rules about what works or why. *Any* product or service you're looking to sell on the Web can be viable if you design your website correctly, target the right audience, and do extensive marketing, advertising, and promotion.

Just having a good business idea isn't enough. Likewise, having a professional-looking website but a poor business idea isn't going to work, either. For an online business to be successful, every aspect of the business has to be well thought out and designed for a specific purpose—to reach your target audience with information, products, and services that they want and need, plus that they can't easily find elsewhere.

Every product is welcome

Since the Internet has become popular, virtually everything—yes everything—you could possibly imagine has been bought and sold over the Internet. If you surf over to eBay and browse through some of the auctions happening right now, you'll see the vast range of products for sale by companies as well as individuals.



Bright Idea

eBay.com is the world's most popular online auction site and a major success story in the e-commerce industry. You can use eBay to test your online business idea and help determine whether there's a market for what you intend to sell.

On the Web, you'll easily find car dealerships successfully selling autos. You'll also see real estate (houses, apartments, condos, timeshares, and land) being sold, as well as yachts, jewelry, art-work, insurance, financial services, collectibles, and furniture.

Companies have also found success selling all sorts of mass-market products and services to the general Web-surfing public, such as

- Airline tickets and vacation opportunities
- Antiques
- Books
- CDs
- Clothing
- DVDs
- Electronics
- Equipment/supplies for hobbies
- Luggage
- Makeup and fragrances
- Movie/theater/concert tickets
- Pets and pet supplies
- Toys
- Videos
- Vitamins and other healthcare products

Chances are, if it can be sold via mail order, at a retail store, or at a flea market, someone has already tried selling it on the Web.

If the idea of operating your own business is appealing, you have at least some level of computer literacy (programming knowledge isn't necessarily required), and you have a good idea for an online-based business, you have most of what it takes to get started. You'll also need a computer with access to the Internet (preferably with a high-speed broadband or DSL connection), some type of website development tools, and a product or service to offer.



Bright Idea

If you're looking for truly unique, handcrafted items from around the world to sell on your website (or on eBay.com), visit the Overstock.com website and click on the WorldStock icon.

This book is designed to take you step by step through the process of launching your own online business, from the initial concept stages to the actual development of your website, its ongoing maintenance, and the promotion of the site once it goes online.

It won't be easy

No matter what you've heard about the ease of starting a business online—how quickly it can be done, how much profit you can make, how little time is required, and how it can be done for little or no money—don't believe it! Establishing a successful online business will require much of the same efforts and resources as starting a traditional business, only the risks are potentially much lower.

As you get started, you'll need to develop a well-thought-out business plan, invest a significant amount of time, make some type of financial commitment, and do an incredible amount of research about your product (or products), your target market, the viability of your overall business idea, and the Web itself.

There are a lot of mistakes you can make when trying to establish an online business and create an online presence for that business. There are also many scams out there targeting would-be entrepreneurs looking to go online in pursuit of riches.

This book will help you avoid many of these common mistakes, scams, and pitfalls. It will also point you directly to hundreds of useful resources available to online business operators.

As you read this book, try to formulate in your mind (and write down on paper) ideas about what type of online-based

**Watch Out!**

Beware of “get-rich-quick” schemes or Internet business opportunities that seem too good to be true. Many scam artists targeting would-be entrepreneurs focus on the glamour and ease of operating a home-based Internet business.

business you’d be interested in creating, what resources you already have at your disposal, and what useful skills and knowledge you possess. Also, consider what information, skills, knowledge, and resources (financial and otherwise) you know you’re lacking.

Once you come up with what you consider to be a brilliant online-based business idea, test it, do research, become an expert regarding who your potential competition will be, and learn everything there is to know about your product or service. Most importantly, you need to understand your target audience and what needs or desires your online business will be fulfilling (or what problems your product/service will solve).

For the purposes of this book, an *online business* refers to any type of business venture being launched on the Internet. An *e-commerce site* refers to a website designed to accept orders for products or services. A *shopping-cart* application is the part of your website that contains the order form and is used to process orders along with credit-card, check, or PayPal payments. PayPal (www.PayPal.com) is a service, owned by eBay, which allows members to easily and securely send and receive money online for purchases made online. Once a PayPal account is created by a Web surfer, he or she can quickly make payments for items purchased online using funds from their checking account, credit card, debit card, or money stored in their PayPal online-based account. PayPal offers an assortment of value-added services to make online financial transactions more secure, especially if items are being bought and sold via online auctions or e-commerce websites.

E-commerce sites typically accept credit-card payments from customers and allow visitors to shop directly online without having to call a toll-free phone number, send a fax, or mail an order form to place an order. Keep in mind, however, that there are countless other terms tossed around this industry to describe online businesses or e-commerce sites, such as

- Virtual businesses
- Virtual stores
- E-stores
- Electronic malls
- E-businesses

No matter what type of online business you're hoping to launch, the level of planning, the steps you'll need to take, and the amount of effort required will basically be the same, although, as you'll learn from reading this book, there are many options available to you.

As an entrepreneur, you have taken the first step in identifying the Web as offering boundless opportunity. The next step is discovering how to focus on one aspect of the e-commerce industry in order to find a specific business opportunity that's viable—and of interest to you.

Is an online-based business right for you?

Just as there are many types of traditional businesses, there are many types of online-based businesses and e-commerce sites you can create. Actually planning and establishing an online-based business requires a lot of time and effort. Once the business is operational, the time and money you must invest to keep your business running on a day-to-day basis will vary greatly, depending on the focus of your business—what you'll be selling or what services you'll be offering.



Bright Idea

As you begin developing your business plan, the time you put into research will pay for itself many times over with saved time and money later. As you get started, make sure you understand what you're selling, who you're selling it to, the best way to reach your intended audience, and how an e-commerce website can best be utilized to generate sales and profits.

As you investigate the online business opportunities available to you, you'll need to determine whether operating the type of business you have in mind fits your lifestyle. Just a few of the questions you'll need to ask yourself include the following:

- If you're already juggling a full-time job and a personal life, will you have the necessary time to dedicate to the operation of an online business?
- Are you prepared to operate your business for several months (or perhaps several years) before generating a profit?
- Do you have the computer technology necessary to access the Web and maintain your online presence?
- If you'll be operating your business from home, at least initially, do you have the available space to create a home office that will provide a conducive work environment?
- If your business will require you to maintain an inventory of products, do you have room in your home to store that inventory and enough money to maintain it?
- If you'll be selling a specific product, do you have access to adequate suppliers or manufacturers?

Launching your online business venture will take time, money, and plenty of preparation. In this business, knowledge is power. Enter into your business venture fully understanding the basics of online commerce, your target audience, and your products. It's also important to choose a business opportunity that you're excited about and truly believe in.

How best to invest your time and money

There's an age-old saying: "Keep it simple." This is especially true if you'll be launching a start-up business on the Web and have limited business or e-commerce experience. There's no need for you to invest a fortune in creating a website that is cutting-edge (from a technological standpoint) in order to test the viability of your business idea. Using an off-the-shelf Web-page-development and management software package, such as Microsoft FrontPage, or an inexpensive e-commerce turnkey solution (such as Yahoo! Stores or GoDaddy.com's Quick Shopping Cart), you can get your business online inexpensively and relatively easily. These and other options are all explored later in this book.

After you've developed an idea for an online business—but before investing time and money to get online immediately—invest time researching and creating a comprehensive business plan. Then consider how the day-to-day operations of your business will work once you launch it. Preparation is truly one of the key ingredients for success, especially in an industry that is changing so rapidly as new technological innovations become available. Thus, investing your time in advance is as important as investing your money later.

As you'll soon learn, simply having a great business idea and a professional-looking online presence isn't enough. To make your online-based business profitable, you'll need to generate traffic to your site. This can be one of the biggest challenges you'll face. Once people are at your site, they need to be motivated to



Moneysaver

Remember that more is not necessarily better. Turnkey solutions, such as Yahoo! Stores, eBay's ProStores, and GoDaddy.com's Quick Shopping Cart are inexpensive and offer all the features most start-up e-commerce businesses need.

make a purchase, which often means helping potential customers overcome their concern for security and privacy issues related to participating in online transactions.

Absolutely nothing will replace the need for you to get to know your target audience thoroughly. You need to understand their needs, desires, buying and spending habits, demographics (age, gender, income level, education level, and so forth), the problems they face, and how your products or services address these issues. The online presence you ultimately create for your business needs to cater specifically to your target audience, look professional, and be easy to navigate, even for novice Web surfers.

By spending the necessary time doing research, you should be able to answer the following questions:

- What products and services have good market potential for sale online?
- Who is the target audience for the products and services you'll be selling?
- What type of content will your website need in order to cater to your target audience?
- How does your product or service address the needs, wants, or interests of your potential customers?
- What is the best layout/design for your website, keeping in mind its primary goal is to communicate your marketing message?
- What are the best ways to promote and advertise your website in order to reach your target audience? (At the time this book was written, search marketing and search-engine optimization were popular online promotional opportunities.)

Once you have the necessary knowledge about your product or service, determine how you plan to use the Web as a marketing and sales tool, and determine how you'd like to promote your website to your target audience. Then you'll be in a better

position to decide how best to spend whatever business start-up capital you have available to launch your venture.

Educating yourself about all of the options available to you in terms of creating, managing, and promoting your online presence will ultimately save you money and can make the difference between a successful or failed venture.

Which business ideas are best suited to the Web?

Obviously, the business idea you come up with will help to determine whether your online-based business will be successful, but it's only one ingredient. As you explore the Web, you'll find many successful businesses that, judging only from the product or service they offer, might seem likely to fail. This is because in addition to the idea itself, a lot depends on how the idea is executed and marketed.

Unless you have a huge budget (say, millions of dollars) to execute your business idea, it's bad business practice to attempt to compete head-on with well-established and very large online businesses (such as Amazon.com and Travelocity.com), which have spent millions changing the buying habits of online consumers. Instead, as an entrepreneur planning to launch a small online business, you should focus on some type of niche market that isn't cost-effective for the larger, well-established companies to serve.

As you kick around ideas for your online business venture, don't rule out anything initially. From the list of ideas you generate, choose the ones you're most interested in. Then, do research



Bright Idea

As you begin formulating plans to launch an online-based business, invest your time and energy first. Never invest your money before you've done the necessary research and have formulated a business plan you're confident will lead to success.

to determine their viability. Finally, take your top one or two ideas and develop detailed business plans around them.

Early on, even if an idea is outrageous, don't immediately dismiss it until you've closely examined its viability and have done the necessary research. Ideas that wouldn't necessarily work as traditional retail or mail-order businesses might have potential on the Web. Make sure, however, that the ideas making your final cut are manageable, based on your available resources and budget.

Forget the fads; watch the trends

At any given time, one fad or another is sweeping across America. People will spend almost anything in order to participate in the fad and get their hands on whatever items relating to the fad are for sale. Recent fads over the years have included Beanie Babies, Furbies, merchandise related to the movie *Napoleon Dynamite* and Pokémon toys, which at one time were highly popular and selling on the secondary market for 10 times (or more) their suggested retail prices.

If you're looking to capitalize on a fad by operating an online business selling products or services relating to that fad, watch out. Just as quickly as a fad starts, it can (and will) end, causing the market for those products to dry up almost instantly. Don't invest a lot of time and money creating an e-commerce site that caters to a specific fad, unless you're looking to make a quick buck and get out fast.

The fast-in, fast-out approach goes against most of the rules for establishing an online-based business. Typically, if you don't have a huge budget, you have to invest lots of time in planning, and then months of operation to build traffic to and sales from your site.

Instead of developing an entire e-commerce site or online-based business around the exploitation of a current fad (which will take time and money), consider selling these goods through one of the online auction sites, such as eBay (www.ebay.com).

**Watch Out!**

When evaluating your top business ideas, make sure the idea you decide to run with is manageable based on the resources and budget at your disposal. You might have a wonderful idea, but if it'll require millions of dollars in marketing alone and you are planning to launch a small business using your own financial resources, you're sunk.

Auction sites allow anyone to buy or sell items of any price and pay a small fee to the site operator. With the fast-growing popularity of these services, people have managed to supplement their incomes selling all sorts of new and used items via online auctions.

On eBay alone, there are more than 45 million active members in the U.S. and more than 15 million auctions taking place this very moment. You'll learn more about the business opportunities eBay offers in Chapters 4 and 14.

The growing competition in cyberspace

It's the American dream to become your own boss, pursue your own professional destiny, and strike it rich doing something you love to do. In an era when giant corporations and mass merchants are putting small businesses and mom-and-pop retail stores out of business in record numbers, the Internet provides small-business operators the chance to reach a global audience of Web surfers relatively inexpensively.

Upon realizing that virtually anyone can launch a successful business in cyberspace, people from all walks of life, as well as companies of all sizes, are now marking their turf on the Information Superhighway. Almost every Fortune 500 company has some type of Web presence. Likewise, large retail-store chains, such as Gap, Abercrombie & Fitch, RadioShack, The Sharper Image, Barnes & Noble, and countless others are well established online, as well as at your local mall or strip shopping center. These traditional retail-store chains have branched out

into cyberspace because they see it as a fast-growing trend in how consumers shop.

There's no doubt that in the near future, for the average person in America, surfing the Internet will be as commonplace as watching television, playing a video game, or using the telephone. As a result, entrepreneurs and businesspeople alike are seeing dollar signs and coming up with ideas for generating income by marketing their products or services to Web surfers.

Thousands of new websites are popping up every day. Although not all of these sites are designed to sell products or are based on an e-commerce business model, the number of individuals, businesses, and corporations trying to exploit the Internet to generate revenue is growing extremely rapidly.

No matter what type of business you ultimately launch on the Web, there's going to be competition. Thus, you'll need to do things better, faster, cheaper, or more aggressively than the many other businesses in cyberspace, or find innovative ways to differentiate your product (or products). The problem is, if you do come up with an innovative idea that's a tremendous success, you can count on that idea being copied many times over by your competition, sometimes in a matter of days or even hours.

Despite the ever-increasing level of competition from companies and organizations of all sizes, people from all walks of life continue to launch new online business ventures. Should you be intimidated by all of the competition? No! You should, however, be aware that it exists and that the competition in cyberspace will probably become even more fierce in the future. If you plan accordingly and have the resources available to conduct your business in a way that's better (but not necessarily bigger) than the competition, your chances of long-term success increase dramatically.

Part of doing business online better than your competition is having a website that people enjoy visiting, and creating an online shopping experience that's truly intuitive. Providing top-notch customer service also is critical because repeat business

and word-of-mouth are important methods for generating traffic to your website.

Defining your business idea

The early chapters of this book will deal with the concept of defining your business idea in greater detail. Unless you're equipped to launch a business venture with the capital needed to compete with the major players, it's important to develop an idea that caters to a specific niche audience. You need to truly understand what your product or service offers and why your target or niche market wants, needs, or would have an interest in it. This concept is repeated throughout this book because it's extremely important!

You must clearly define your business's goals and objectives, who its audience is, and what exactly you're offering to the public. If you can't do this in your own mind, there's no possible way your potential customers will understand what you're trying to do, and chances are they won't support your efforts.

With so much competition in cyberspace, *branding* is becoming increasingly more important. Unlike traditional business, how you brand your business, product, or service has little or no relevance to the actual size of your company. Branding refers to the overall image you create for your business and the reputation you develop among your customers. This creates a more even playing field between you (the small online business operator) and the big businesses that have established a presence on the Web. The playing field is far from being truly equal, of course, but in cyberspace, your chances of competing successfully with



Moneysaver

Don't increase your advertising budget at the expense of offering excellent customer service. Great advertising (and even low prices) is no substitute for superior service and communication online, via telephone, by fax, by U.S. Mail, or in person. Remember: Word-of-mouth and customer referrals are free!

large companies or a handful of smaller companies is far greater than if you were operating a traditional retail, mail-order, tele-marketing, or locally focused service-type business.

As a small online business operator, it's important to define, develop, and then stick to your business idea, yet be flexible enough to compete in this ever-changing and evolving e-commerce industry.

Should you give up your day job?

All it really takes is a good idea, time, a bit of money, and a computer with Internet access to launch an online business venture. So just about anyone with basic computer and business knowledge and an entrepreneurial spirit can start an online business. Entrepreneurial spirit is important here because as a business operator, you'll need to dedicate a lot of time, energy, and perhaps money toward making your venture successful.

Unfortunately, although everyone who starts an online business aspires to success and wealth working part-time from home (or whatever location they choose), there is no substitute for hard work and dedication.

Businesspeople, homemakers, work-at-home mothers, students, retired people, existing traditional business operators, people with a physical disability or long-term illness, and anyone else looking to supplement their existing income are among the ever-growing group of people establishing some sort of business on the Web. Do such people achieve financial success operating their own online businesses? Some become rich, some earn a respectable second income, and, unfortunately, some people



Bright Idea

No matter how much time and effort you initially expect to invest in starting your business venture, in reality it'll take more. Unless you're prepared to make the necessary time investment, think twice about establishing your own online business. However much time you estimate you'll need, double it (at least initially).

fail. The primary reasons people fail when they launch an online business venture include the following:

- Lack of planning
- Trying to sell a product or service people have no interest in buying
- Poor (unprofessional-looking) website design
- Inferior customer service or technical support
- Ineffective advertising, marketing, or promotion
- Insufficient financial resources for the type of online business being launched
- Following a poorly thought-out business plan

One of the primary goals of this book is to offer you step-by-step directions for designing, creating, launching, and maintaining your online business, while at the same time helping you avoid common pitfalls people run into when they attempt to launch an online business.

If you have an incredible business idea, and after doing extensive research you're convinced it will be the basis for a hugely successful online business, you have several choices. You can make launching this business venture a part-time project that you work on after meeting the responsibilities of your full-time job, or you can dedicate your professional life to this business project on a full-time basis.

Choosing to leave your full-time job and pursue a somewhat risky start-up venture is a decision that will have a major impact on your life because you'll be giving up the security of a regular paycheck and perhaps a full benefits package. It could take several months before your online business makes its first sale, so you need to have the financial resources available to support yourself without receiving a steady paycheck. In addition, you'll also need money to invest in your business, to get online, to pay for inventory (if applicable), and to cover the cost of marketing, advertising, and promotion.

**Watch Out!**

Don't make rash decisions about quitting your job and starting an online business venture, thinking you're going to strike it rich. Test your idea first. If it seems viable, seriously consider the ramifications of quitting your job before doing so. It's important to develop realistic expectations regarding the profit potential of your business idea.

Any money you invest in your online business should be funds you can afford to lose because if your venture fails, the money you invested will most likely be lost. Before giving up your full-time job, consider launching your online business venture as a part-time project to test its viability. You might also want to solicit outside investors to ensure you'll have the financial resources available to keep your venture operational until it becomes profitable.

For homemakers, students, and retired individuals, starting an online business can be an ideal income generator because it's possible (in most cases) to work from home, set your own hours, and get started with minimal financial investment. Although computer programming skills are no longer required to establish a business presence on the Web, basic computer literacy skills and a general working knowledge of business management and marketing will certainly be useful.

How much does it cost to get started? Putting a dollar amount on what it'll take to establish your online business depends on many factors, including what type of business you'll be operating, whether you hire a professional to design your website, what hosting service or ISP you use, what company you establish your merchant account with, your inventory costs, and the cost of hiring employees.

As you create your business plan, you'll need to make a series of financial projections in order to develop your budget. Throughout this book, we explore the costs associated with various aspects of starting an online business venture and the steps required to create a business plan.

Establishing your existing business on the Web

Established businesses of all sizes and in all industries are venturing onto the Web for many reasons:

- To expand their customer base and reach a global market
- To improve the customer service they offer (and reduce related costs)
- To make it easier for customers to place orders anytime (day or night)
- To distribute information about the company (to customers, potential clients, and investors)
- To broaden brand awareness
- Simply because it's perceived as an important strategic business move for the company's future

Whether you operate a small retail store, a service-based business, or one of the few Fortune 500 companies that still hasn't created an Internet presence, there are many reasons why your business should create a website. An existing company that sells products or services should seriously consider taking advantage of e-commerce technology in order to allow customers to make purchases directly online.

If a traditional company already exists and is well established, expanding into cyberspace is in many ways much easier than launching an online-based business from scratch. Although many of the steps to get online and create a website are the same for everyone, there are slightly different considerations and possible



Bright Idea

One way to expand any traditional business is to cater to a national or world-wide market by creating a presence on the Web. This will allow you to offer your (potential) customers information about your products or services, provide better customer support, and reach people you wouldn't ordinarily reach.

pitfalls to consider for existing businesses looking to expand onto the Web. For example, an existing business already has its image, brand, reputation, and product-line well-defined. It's important to ensure that all translate seamlessly into the company's new online presence to ensure continuity. These considerations are explored later in this book.

Be careful what you get involved in

In case you've spent the past few years living in a totally non-digital world and haven't yet begun exploring the power, vast penetration, and incredible growth of the Internet, the World Wide Web offers people a great opportunity to market and sell virtually anything.

This amazing resource has attracted thousands of con artists developing all sorts of scams, quasi-illegal "business opportunities," and countless other misrepresented offers. These swindlers target the would-be entrepreneur who isn't yet computer savvy and promise limitless riches for doing little or no work, simply by exploiting the power of the Internet. There are countless franchise opportunities, multilevel marketing "opportunities," pyramid schemes, and get-rich-quick scams being offered.

Because thousands of online businesses and e-commerce sites are being launched every week, many services—promoted as time- and moneysaving solutions—are offered to would-be entrepreneurs. Some of these are totally legitimate and extremely useful tools and services, whereas others are promoted by fly-by-night operations looking to capitalize on the ignorance of others.



Bright Idea

If you come across a business opportunity that sounds too good to be true, or you want to do research about a potential supplier before doing business with that company, contact your local Better Business Bureau (www.bbb.org). The more research you do in advance, the better off you'll be later.

**Watch Out!**

The only people who get rich from “get-rich” schemes are the dishonest people perpetuating the scams. Of course, there are, for example, some legitimate multilevel marketing opportunities, but it’s important to be extremely careful about anything you choose to become involved in.

Chapter 8, “Fine-Tuning Your Business Before Going Online,” is dedicated to showing you how to avoid the many online scams and rip-offs. As a general rule, as you begin to formulate plans for your online business venture, it’s critical that you take it upon yourself to do your own research. Don’t rely on what others tell you. Make well-thought-out and educated decisions about which directions you choose to go. Always proceed with caution, be suspicious if something sounds too good to be true, ask lots of questions, do research, and never make rash decisions about anything relating to your business.

If you’re being offered an online business opportunity that sounds sketchy, contact your local Better Business Bureau (www.bbb.org) and learn what you can before getting involved.

E-commerce in the new millennium

We’re living in an exciting time. The power, capabilities, and worldwide reach of the Internet are quickly changing the way the world does business. By reading this book, you’ll learn how to get into the world of e-commerce while this industry is still in its relative infancy.

For people starting new online-based business ventures or existing companies looking to expand onto the Internet, there’s never been a better time to go online. The website-development tools and resources available right now have never been easier to use. They’re powerful, and what’s more, they’re becoming extremely inexpensive and usable by people with little or no programming knowledge.



Bright Idea

Although programming knowledge is not required for launching and operating an online business, basic computer skills and a strong familiarity with how to surf the Web are required. If your computer skills aren't up to speed, consider taking classes at a local computer store, community college, or adult-education program.

What the Internet can do for you is limited only by your imagination and the amount of time and resources you put into your venture. You've taken the right first step by purchasing this book.

Just the facts

- With the decreasing prices of computers and increased technological capabilities, more and more people are becoming computer literate and exploring the Internet.
- An e-commerce site is not just an electronic brochure or interactive marketing tool; it sells products or services.
- These days, anyone with an idea for an online business, a computer, access to the World Wide Web, and the right software can launch a cyberspace business venture.
- Small-business operators are most likely to succeed when they sell their customized products or services to a well-defined niche audience.
- Before investing time and money to get online, spend time doing research, create a comprehensive business plan, and consider how the daily operations of your business will work.
- To beat the competition, you'll need to do things better, faster, cheaper, and more aggressively, or find innovative ways to differentiate your product from those of other cyberspace businesses.