

INTERNET BUSINESS CONCEPTS

WEEK #6: *ONLINE BUSINESS ISSUES*

SO YOU WANT TO START AN ONLINE BUSINESS, EH?

That's cool. Lots of people are doing it, making some side cash or to get around the problems with owning a brick-and-mortar business.

But don't think that it's as easy as buying a domain and paying for monthly hosting. You still gotta **hustle** & **earn** your living.



"Look at all this money I made using Facebook!"

FACT: IT'S STILL EASY TO MAKE A BUSINESS ONLINE

PROS:

- The barriers to entry are low – if you know how to code, design & write, you can make a simple website.
- If you think up a hot idea, it can market itself – glitter bombs in the mail, Etsy stores, online courses, boutique products & services, etc.
- Low overhead – no rent, no employees, online 24/7

WELL, ALRIGHT! I LIKE MONEY, LET'S DO THIS!

Not so fast buckaroo. There are CONS:

- **Finding that killer idea is tough** – We're 20 years into the mainstream internet era. Lots of competition now exists.
- **Viral content is hard to generate** – if it were easy, everyone would be doing it. You need to experiment & sometimes move on. 99.99% of the time, you need to market your website.
- **Obstacles await** – need new content but are too tired to write it? Need to learn SEO? Need to understand more tech/IT? And let's not forget about the joys of being a business owner...

LET'S BACK UP & TALK ABOUT BASICS: THE DOMAIN

Here's what you need to just get started building an online business:

Domain Name: Something memorable, something descriptive, something that establishes your mental homebase

What do I mean by “mental homebase”? YOUR BRAND.
YOUR ONLINE IDENTITY.

Are you funny? Are you serious? Are you building brand identity from scratch or informing people with descriptive brand?

EXAMPLE: THE EARLY DAYS OF MOVIE WEBSITES



DARK HORIZONS®

Do these brands tell you what to expect when you visit that site?

TODAY'S TOP MOVIE WEBSITES



What about these domains? Do they tell you more about what you can expect?

WHAT'S THE DIFFERENCE BETWEEN THEN & NOW?

The online movie news website industry got competitive. Lots of people wanted to write about movies & make money from it.

As time went on, the domain names started veering towards being more descriptive for the website's **VALUE OFFERING**, or what's **UNIQUE** to that brand.

Slashfilm = /, which means something online about film

Coming Soon.net = straightforward & they couldn't buy the .COM

IMDB = Internet Movie Database acronym

Screenrant = we discuss/debate movies

INTERNET CULTURE HAS MATURED

My recommendation is that your DOMAIN NAME needs to have **some ingredient of what your business offers**, even if it's a weird/bespoke name that you're choosing.

2-3 INGREDIENTS SEEM TO WORK BEST



Examples: loads of startups/eComms from the 2010s

BY THIS TOKEN, DID HOOTSUITE WORK?

If you had never heard about Hootsuite before, would you assume that it was a tool used to make a company's life easier using social media/Twitter?



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THIS IS WHY IT'S NOT ALL ABOUT THE DOMAIN

Mediocre, even bad domains can turn into successful brands. It can be harder to accomplish, but it happens.

Other factors that go into it:

- How hard you market
- The value of your product
- Resources (manpower, investment)
- Competition, awareness of problem/pain you're solving
- Hustle/grit to overcome obstacles
- And a little bit of luck

LET'S BACK UP **AGAIN** & TALK ABOUT BASICS: THE SERVER YOU CHOOSE

Your Host: Good online reputation. Low downtime. Affordable for your current income (i.e. zero), but can work with you on scaling up when the time comes. Decent support.

SEO Consideration: You want a server that loads your site fast (and that's after you've optimized it for loading as best as you can).



GOOD ONLINE BUSINESS INDUSTRIES

I can reduce online business opportunities down into **3 categories**:

Your **Passion**: It's what you love to do.

Your **Knowledge**: It's doing what you know better than 99.9% of everyone else.

Your **Cunning**: It's picking something that requires the least amount of your effort, but gets good enough results to continue on with.

PASSION-BASED INDUSTRIES

Loving what you do, no matter what you earn. Growth is on your mind & you'd like to earn more, but you look forward to your work.

In the Real World: Teaching, the majority of Artists, Journalists, some retail, small business owners/entrepreneurs.

On the Internet: Hobby websites, the majority of Etsy/eBay stores, flippers, equity startups.

POOR-LOW-MEDIUM SALARY EXPECTATIONS. LOW-MEDIUM WORKLOAD.

KNOWLEDGE-BASED INDUSTRIES

Your parents taught you the trade, or you learned how to do it through trial-and-error. You put in the time, now you make a living from it.

In the Real World: Specialized teaching, cooks, tradespeople, web dev & IT, small-medium sized businesses, real estate.

On the Internet: “I’ll teach you how to be rich” gurus, online courses, ebooks, service-based websites.

MEDIUM SALARY EXPECTATIONS. MEDIUM-HIGH WORKLOAD.

CUNNING-BASED INDUSTRIES

You maximize your time to produce the least required effort, for the highest possible yield (usually money).

In the Real World: Certain Hollywood types, probably those Shark Tank people, the 1%, runaway capitalists

On the Internet: Automated websites that require little, if no, maintenance.

MEDIUM-HIGH SALARY EXPECTATIONS. LOW-MEDIUM WORKLOAD.

GREAT, SO NOW EVERYONE WANTS TO BE THE LAST OF THE 3 CATEGORIES

It's not easy to discover the next big thing that will make you rich.

What you want to do is **MAXIMIZE** your chances. And that usually involves looking at your internet business idea from each of the 3 perspectives.

- **PASSION:** Will people be interested in my idea?
- **KNOWLEDGE:** Does my idea provide value?
- **CAN IT BE SCALED UP:** Do I have to be there all the time?

Note that I'm asking these questions about/to my audience & not myself anymore.



7 EXAMPLES OF ONLINE BUSINESSES...FROM 2008

<http://www.mikes-marketing-tools.com/marketing-tips/7-business-success-stories.html>

7 EXAMPLES OF ONLINE BUSINESSES...FROM 2015

- Andy Weir's ebook "The Martian" is the #1 movie in October 2015
- "Darkest Dungeon", [a Vancouver-made video game](#), is #1 on Steam for weeks
- Matt Astifan is a [local affiliate marketer](#) with an "internet masterminds" group
- MySpace is dead but Wordpress themes are sold all across the internet
- You've seen **someecards**. [Here's where he was in 2008](#). Now it's about [memes](#).
- Markus Frind sold for Plenty of Fish for \$575 mm USD. Was it because of Tindr?
- And domains are still selling for [stupid money](#).

7 MORE EXAMPLES OF ONLINE BUSINESSES... FROM OCTOBER 2018

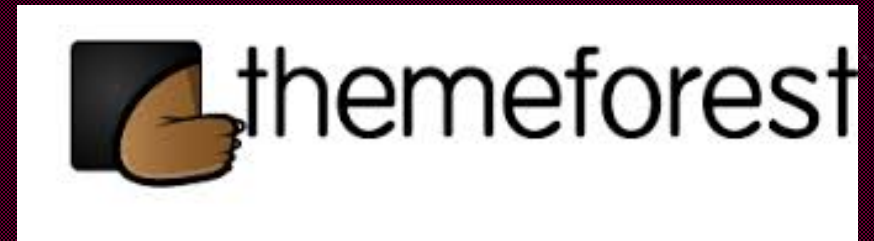
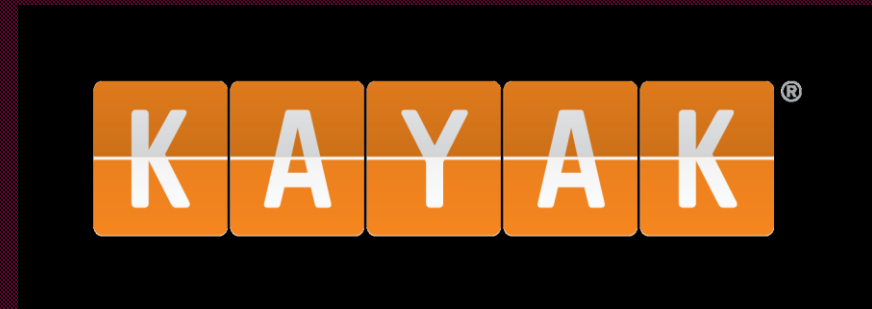
- [The Scathing Atheist](#) is getting \$3,400/month from Patreon
- Scott's Cheap Flights sells a weekly newsletter & [makes \\$113,245/month](#) (est)
- Couponing101 [sold their website](#) for \$41,000
- [Rare Playing Cards](#) sells...well, rare playing cards
- [Northern Parrots](#) is an example of a website that sells for just 1 kind of thing
- An [online cake decorating course](#) has made over \$18,000
- And this one is all about [treadmills](#). Here's [more info](#) about the site.

PRACTICAL CATEGORIES

- eCommerce is still big. Look at [Shopify's success stories page](#) for examples of diversity and variety of eComm stores.
- Affiliate sales: convincing other people to buy third-party services or goods. Internet marketing gurus [seem to use this](#) as their primary revenue stream.

But not all affiliate sites follow the same path: for example, [Kayak.com](#).

- Building a site to sell your unique service or product. Web dev/design or SEO (crowded markets, but can you offer a unique value?)



HOMework ASSIGNMENT!

- Create your own online business idea. Describe it in about 50 words.
- Develop 3 possible domain name ideas. Discard 2 and select your top choice. Write 1 sentence description explaining your top choice, and sentences explaining why you didn't pick your 2 discarded choices.
- Research & select a hosting company. Again, pick 3 candidates and 1 final choice. Provide a sentence description explaining your top choice & why, and why you ultimately chose to not use the other 2.
- Explain your online business idea:

Who is your audience?

What value are you providing?

Is your market mature & competitive, or new & unexplored?

Any other important details that make your business stand out?

MINIMUM 350 WORDS FOR TOTAL ASSIGNMENT!