

From Laid-Off to Entrepreneur: Launching a Web Biz on a Shoestring

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OK. "That day" has finally come. You have been working in your job for years -- given a great deal of yourself to your company and your work for perhaps even decades. Now, for whatever reason, that job is no longer there for you. Times are tough; people are facing unemployment in droves. In today's economic age, however unfair, it's a reality.

The question that remains is what do you do now? Well, that depends on how you view this shift. The interesting thing is that it is through the experience of pain that we are most often compelled to change our circumstances. Perhaps this is the moment, due to the force of the extraneous conditions that have affected you, when you may be motivated to remove yourself from any sense of complacency that you may have enjoyed. Now, it is the fear of "what next?" -- that threatening sense of the unknown -- that can no longer be avoided. In actual fact, this is potentially great. This is an opportunity. This is the time for you to take action!

So, what action might that be? Well, most people who have spent any amount of time working as employees have thought of doing something in business for themselves -- that great business idea. However, that entrepreneurial spirit is often lost due to fear of disturbing the "employment status quo." For many, that is no longer a fear. That reality has arrived, of their own volition or not, and it simply needs to be dealt with. If you're one of them, the opportunity to follow your business dream is now yours for the taking. There are just a few things to consider first.

Clearly, you need a winning idea -- one that should be able to generate revenues and profits as quickly as possible. You also need to ensure that your costs for starting your new venture are closely contained and carefully monitored. Plan your business and mitigate your risk. Make sure that your idea is scalable: Start with a low cost-base and have a plan in place that allows you to quickly ramp up your operation as your business starts showing signs of success. Most importantly, have a clear vision of what that evolution looks like and how you will know when to take

the next step. Also, be very clear on what that next step will be. Although you cannot know exactly what outcomes to expect, make sure you have a good sense of the direction in which your business needs to go.

The next step is to ensure that you have the right platform to communicate your idea and to build a clear business relationship with your target audience. You can have everything in place in your operation, but you do not have a business until you have a client. Be clear on who your potential clients are and why they will want to do business with you. Make sure that your business makes it easy for them to interact with you in order to purchase what you are offering.

In today's economic environment, the most value-driven environment for starting up a new business is the Web. Simply put, on the Web, one does not have the overheads and commitments necessary when a company requires a physical business space -- either offices or a retail location. In addition, the Web gives you an opportunity to create a presence and brand for your company that is as, if not more, credible and professional as any of the major competitors in your industry. The Web is the great leveler in this respect. You can create a business Web site that provides your target audience with a great sense of comfort and confidence in doing business with you -- and at a fraction of the cost that a physical store or office space would require.

Perception is reality, and a business Web site that looks professional and compelling -- and that also works seamlessly and intuitively, with all of the tools and features that present your company and offering in the best light -- makes it vastly easier for potential customers to view your products and make a purchase. Planning and creating your business as a Web-based tech business, irrespective of what you are offering, provides you with an unsurpassed range of options and opportunities that you simply cannot find in any other environment.

First, some quick build-up: It's more than committing body, mind and soul. It's more than great technology, great leadership, great team -- although you can't do without those.

The real trick to starting up your tech business relies on two key concepts:

- investing in the correct Web infrastructure and system to sustain both you and your business as you develop your idea and then bring it to market; and
- creating a business plan that is flexible enough, detailed enough and realistic enough to withstand three possible market conditions.

Let's deal with first things first.

Investing in the Correct Web Infrastructure

With the right commitment, your tech business can sustain your and your family's lifestyle, so it is certainly worth investing a good amount of time and effort, as well as a bit of money, in order to bring the business into reality.

When creating your Web business, it is imperative that you select a Web vendor and a Web system that has a focus on providing both an extremely professional and easy-to-use front-end interface, and a powerful back-end administrative system that includes all of the business tools necessary to provide your end-customers with a complete business experience. There are thousands of potential providers to choose from, and it is critical to get this decision right, as this is going to be the foundation and infrastructure upon which your business depends. So, a few tips for selecting the correct vendor and system:

1. Make sure that you assess the company by looking at a range of business Web sites it has produced for other customers. Even though these customers' businesses may be in different industries than yours, you will be able to get a sense of the quality of output for the sites that have been produced, and you will be able to get a clear idea of the kind of quality that will go into the creation of your site. Don't look at just the two or three sites the company gives you -- look at 10 or 15 sites. Look for consistency in quality in all of them, and make sure there is a fit with the level of quality you want for your business. Ask yourself, "on the face of it, is this a company Web site that seems to present a credible, professional face

-- and one that I would trust with my money if I was looking for this kind of product or service?"

2. Look at press and media reports on the vendor you are considering and find out what experts and other customers are saying about the service. Ensure that the company you are considering has good leadership, as well as a stable and reliable foundation. If there is no market coverage regarding the vendor -- or negative coverage -- this is something to take into account.

3. When looking at the cost of utilizing the system for your Web business, don't make the mistake of simply choosing the cheapest service or of assuming that the most expensive service will provide you with the best outcome. Look at what is included, and make sure that the company you choose does not lock you into year or multiyear contracts as a default. Any vendor you select should be confident enough in its company and its offering to stand behind its provision of service to you -- and not mandate that you have to commit to its service for a 12-month period. Of course, longer-term contracts are often available as options and often come with a discount, so that may prove useful in reducing your business costs.

4. Make sure the vendor and the systems you select give your site a business focus, providing you with a commercial solution for your company on the Web. In contrast to companies that are focused only on selling you whatever best suits them, a vendor that is business-focused will try to understand your business, your budget and your operating environment, and will provide you with a Web solution that meets your business needs. The system itself should contain a range of tools that can easily be added to your site and are easy to manage -- functionality that will provide your end-customers with a valuable, exciting and dynamic experience, that builds a relationship with them, and that facilitates their repeat visits to -- and purchases at -- your Web site.

5. Ensure that your selected vendor also provides you with business tools and services that are ancillary to the Web site but that are important for the success of your online business -- for example, online marketing tools; search engine optimization (SEO); site hosting; and provision of images for your Web site.

Make sure there will be no hidden costs for items such as these that may come up during the Web design and development process. This is a method some Web vendors use to increase their revenue opportunities. Never simply assume that some feature you require is included in the site development. Always ask if each item is included, as hidden costs can mount up quickly and unexpectedly.

Once you have determined which vendor will support you and help you develop your site, make sure that it is designed and developed to be professional, intuitive, to work within accepted Web standards and, most importantly, make sure it has been created with a clear understanding of your clients and what they are looking for when searching for your type of product or service. Ensure that your site has an appropriate visual appeal for your target audience, and that it includes language and tools that are compelling to that market. For example, if you are marketing products or services to the surfing community, make sure that your site is designed with emotionally connective images of surfers in the ocean that suggest the benefits they will reap from your products or services, using language and tools that the surfer community will understand and respond to.

Creating a Multi-Outcome Business Plan

By projecting ALL of your possible business growth outcomes to their inevitable ends, you will be prepared to respond swiftly and effectively to the challenges of a company experiencing rapid growth -- the "what can I do to change things?" disquiet of a business just getting along, or the ulcer-generating drama of starting up a business in a tough, competitive and downturned economy.

In short, you need to create three plans within your one strategic document that will address these key outcomes:

1. The "Overnight Success" Plan
2. The "Could Be Worse, Can't Complain" Plan
3. The "I Can't Believe This Is Happening to Me" Plan

Before commencing with your business, you would be well advised to understand and prepare for a multitude of possibilities as to how your business will perform. The critical reality jolt required for you to understand what may occur once your business has launched -- and what you will do if any of those circumstances come to pass -- is the creation of a realistic plan. It should detail how the business might explode, or slowly grow, or just survive, as well as what to do if or when any of those scenarios should occur. The business and economic environment is dynamic, and startups need to be flexible and evolve with change. The work you will do on this may not be fun, but it will give you the clear eyes you need to see over, around and through the obstacles to your business growth.

A great business idea is vital, but it is also important to have clarity concerning the expenses and activities necessary to open your doors and to sustain the business once you have them opened -- and what it will take to accomplish this in an array of business conditions. The plan should map out key milestones in the evolution of your business, as well as where you should be financially and market-wise at each point. This will allow you to respond swiftly if things go off course.

This plan does not necessarily need to fit the format of a corporate business plan, but it should allow you to adequately map out the progression of the business from inception through landing your first sale -- and well beyond. If you know what this plan looks like and where you should be each step of the way, you are in a far better position to know when you are either on or off track.

This seems self-evident, but we have all seen enough starry-eyed entrepreneurs to understand that few want to admit the possibility of worst-case scenarios -- or even so-so performance. Ironically, it is only by looking failure squarely in the eye and planning to survive, even if faced with dire challenges to your business, that you truly increase your chances for success.

Marketing and Promoting Your Business

Once you have created your business plan and developed your Web site, it is critical to promote your online business. Make sure that you incorporate a marketing campaign and budget into your business plan. Do not make the mistake of assuming that if you build it, they will come. The question becomes how do you implement your marketing campaign for maximum performance at minimum cost? As a startup business, you need to focus on brand building -- rather than brand maintenance -- marketing initiatives and strategies.

Apart from educating your market about your company, your brand and your offering, a brand building marketing campaign is typically less expensive than a brand maintenance campaign. The former typically relies on more direct marketing approaches and promotional initiatives. Its purpose is to get people to try your product or service, and to encourage loyalty to your offering in order to foster ongoing business relationships.

Some effective and relatively low-cost components of an effective brand building marketing campaign:

- *Search Engine Optimization (SEO)* -- This involves tweaking and adjusting your Web site to move it up on the search engine returns when potential customers look for your types of products and services. This activity covers optimizing your Web site for what are termed "organic searches," rather than the paid or sponsored results that typically sit to the right of the organic search returns. This is an incredibly competitive environment, and it requires ongoing work by skilled and proven organizations. Some of the important things to remember when selecting the right SEO vendor are to ask them to show you what SEO results they have achieved for themselves or for other customers with relevant and highly competitive search terms. For example, if an SEO vendor has achieved first page results for search terms that have hundreds of millions of competing results (such as terms like "finance" or "business"), it's a good indicator of its skill. Also note that without active SEO maintenance and effort, your SEO search result positions will probably fall

rapidly. Keep in mind that it often takes three to six months to see the results of a comprehensive SEO campaign.

- *Pay-Per-Click (PPC)* -- PPC advertising lets you create a small ad that appears to the right of organic results for a particular search term and then pay each time a user clicks on your ad. You control your expenditure by setting a maximum daily allowance for your PPC ad campaign. You can bid for presence on result pages for particular search terms; the more you are prepared to pay each time someone clicks on your link, the higher up on the search engine's page you will appear. What is so effective about this system is that it guarantees that you pay only when someone has clicked through to your Web site. Then, if your site is well designed, you can connect with the potential customer and effectively deliver your brand, your message and your offering.
- *Newsletter Database Creation* -- This allows you to create a low-cost means of keeping in constant communication with your potential and current customer base. It allows you to create a sense of community with your network and keep customers informed of your brand and your products, as well as any new promotions or discounts you have on offer. It helps to establish your Web site and your business as the authority in your industry, and the entity that people turn to when they need information on movements in your space. If you achieve the market position of "expert authority," people will be more inclined to purchase products or services from you -- because of the confidence and credibility that is inherent in them -- than from anyone else.
- *Targeted Advertising* -- Targeted advertising entails your taking advertising space and placing ads in niche publications that speak directly to your target audience. These are typically trade publications or focused lifestyle magazines (such as surf magazines or specific community Web sites, etc). Targeted advertising is less expensive than mainstream advertising; with mainstream advertising, you may end up paying for a great many

impressions that are wasted when they are viewed by audience members outside your target segment.

- *PR and Promotions* -- Public relations and promotions are a great way to showcase your offering and bring awareness, education and loyalty to your brand and your products. Your PR and promotional initiatives bring third-party credibility into play, which can be extremely effective in establishing your business as trustworthy and authoritative. PR and promotions are typically unpaid opportunities to reach the market through the press.
- *Special Offers and Discounts* -- This is an effective way to draw attention to your offering and stimulate sales, especially when potential customers know that a competitive and equivalent brand is selling at a far higher cost. Special offers are also a great reason to communicate with potential customers and to present seasonal changes in your product offering (e.g. summer special on surfboards).
- *Bundling* -- Bundling allows you to link associated products or services in a product line grouping, in order to provide greater value to customers and to increase your total revenue. With discounted bundles, you can also encourage the best use of your products by bundling the items and services that fit well together.
- *Blogs and Forums* -- Hosting blogs and forums on your Web site allows you to create discourse and communication around topics of interest to your target audience. The more active you are in these dialogues with intelligent and useful contributions, the more you will be recognized as a valued and respected authority and contributor in the space -- and the more central you will become to the community that is engaging in these discussions. Best of all, contributions to blogs and forums are free.

Conclusion

Being laid off from your job may be the moment you have been waiting for. Building a professional, high-performance Web business and a credible Web brand is extremely achievable, and at an extremely low cost. As a result, and with these guiding points, you have very little to risk and an incredible amount of both money and freedom to gain. The question you should really be asking yourself is "Why not?"

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