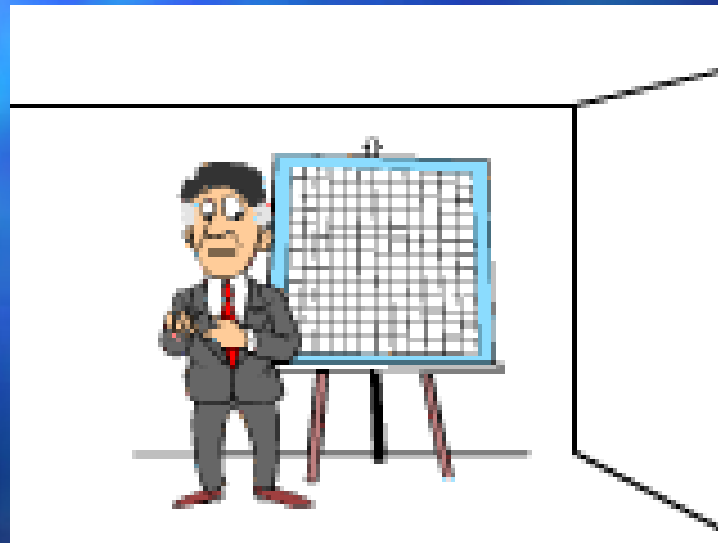


# How To Run a Small Side Business



# Class Topics

- Introductions
  - Background
  - Prospects
- The Excellerator DJ Service
  - Model for Examples
- Keys for Success:
  - Research First
  - Financial Aspects
  - Scope of Business
  - Quality
  - Marketing/Advertising
  - Business Goals
  - Management of:
    - Income/Expenses
    - Taxes / Tax Deductions
    - Mileage
    - Etc.

# Introductions:

- **Myself**
- **Participants**

# The Excellerator DJ Service:





# Keys for Success: 1

## ■ Research First:

- What is the market for your product(s) or service(s)?
- What is the competition like?
- What is the customer base/demand like?
- What are the requirements for your business on a daily/event basis?
- What is the current pricing like?
- What are the legalities?\*\*\*

# Keys for Success: 1

- Research First:
  - What equipment will be needed?
    - ⇒ Start a financial planner/outline.

# Keys for Success: 2

## ■ Financial Aspects:

### ■ What is the total **start-up cost**?

- In order to get your business up and running, what will you need to spend? This may include (but is not limited to):

- Equipment
- Office Supplies
- Legal Documentation & License Fee(s)
- Rent
- Fax Machine/Line
- High Speed Internet & Computer

# Keys for Success:

2

- Business Cards
- Brochures / Fliers
- Advertising
- Insurance
- Promotional Events
- Website
- Memberships in Associations
- Raw Product(s)
- Shipping
- Packaging
- Formal Attire
- Contracts & Other Documentation
- Printer/Ink/Paper for Receipts
- Computer Protection
- Etc.



# Keys for Success: 2

- Financial Aspects:
  - Will a bank loan be needed?
    - Immaculate Credit Rating Needed
    - Be careful of interest rates!
  - How much will it cost to keep the business going?
    - Daily / Weekly / Monthly / Yearly
  - What are the financial gains?  
( aka *INCOME* )

# Keys for Success: 2

- Financial Aspects:
  - DO THE MATH!!!

Income  
Income  
+ Income  

---

Expense  
Expense  
+ Expense  

---

Total Income

Total Expenses

$$X - Y = ??$$

# Keys for Success: 2

- An Alternate View:

- Example: If the total expenses for 1 year are \$12,000 and the average income per event is \$500, how many events need to take place each year to *break even*? **24**

How many events per month? **2**

- If that number of events *do not occur*, can you still afford to make the payments??

# Can you afford the risk?

- Answer the “What if’s”:
  - What if the competition is too strong?
  - What if customers won’t buy?
  - What if some other aspect of your life needs financial support?



Starting a business

**RISK!**

# Keys for Success: 3

- Scope of Business:
  - Just how ***big*** is your business idea??
    - Individual vs. Partnership
    - Privately Owned vs. Corporation
    - Flying "Solo" vs. Under Another Company's Wing
  - Targeting:
    - Wolcott, Wayne County, NYS, USA ...

# Keys for Success:

3

- Scope of Business:

- Keep in mind:

- As a general rule: "The larger the business, the larger and more important everything becomes."

- ⇒ Loans

- ⇒ Insurance

- ⇒ Legal Documentation

- ⇒ Start-Up Costs

# Keys for Success:

# 4

- Quality:

**You get what you**



# Keys for Success:

4

## ■ Quality:

- Do what is necessary to make your customers happy.

⇒ If you sell a cheap product – Sell it cheap!

⇒ If you sell a high quality product – Sell it at a premium price!

# Keys for Success: 5

- Marketing/Advertising:
  - How are your customers going to find out about you??
  - Once they know your company exists, how are they going to get to know your product??
  - Once they know your product, how are they going to be able to purchase from you?

# Keys for Success: 5

## ■ Marketing/Advertising Tools:

### ■ Internet:

#### ■ HAVE A WEBSITE!!!!!!!

- Make your website easy to navigate with links to most areas of your site on your homepage.
- Use pictures whenever possible.
- Include as much information as possible.
- Keep it updated!!

# Keys for Success: 5

- Marketing/Advertising Tools:

- Internet:

- HAVE A WEBSITE!!!!!!!

- Excellerator DJ Service:

- [www.excelleratordj.com](http://www.excelleratordj.com)

- Website Provider:

- [www.homestead.com](http://www.homestead.com)



# Keys for Success: 5

## ■ Marketing/Advertising Tools:

### ■ Internet:

- Have your own *business* email address
- Find *free* web ad sites and register

### ■ Hard-Copy Advertising:

- Targeting your primary customer, find 1 or 2 highly viewed advertisers
  - Research costs and weigh benefits!!

# Keys for Success: 5

- Marketing/Advertising Tools:
  - Some options to consider:
    - Color vs. Black/White
    - Picture vs. Text Only
    - Size of Ads
    - Etc.
  - To help determine these options, take a look at others' ads and see what 'looks good or attractive' and vice-versa.

# Keys for Success:

6

- Set Business Goals:

- Short Term:

- Use a timeline

- Date to start business

- Long Term:

- What do you want to make your 1<sup>st</sup> yr?

- What do you want to accomplish?

# Keys for Success:

7

## ■ Management:

- Income/Expenses
- Taxes / Tax Deductions
- Mileage
- Etc.

## ■ Use a filing system

- **BE ORGANIZED!!**
- The better your records, the easier it will be to manage your business and track your sales.





**Let's Start the  
Planning**

## **Keys for Success:**

- ✓ **Research First**
- ✓ **Financial Aspects**
- ✓ **Scope of Business**
- ✓ **Quality**
- ✓ **Marketing/Advertising**
- ✓ **Business Goals**

## **Management of:**

- ✓ **Income/Expenses**
- ✓ **Taxes / Tax Deductions**
- ✓ **Mileage**
- ✓ **Etc.**