

# Guide to Internet Business - Concept and Opportunities

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When deciding what kind of internet business you want to do, there are a few factors you need to look at before plunging into building your website.

## Type of Business

The first thing you need to consider is exactly what kind of business you want to build. There are generally two types of internet businesses out there: a full-fledged online store selling a product or service, or an informational website earning income from affiliate commissions and advertisements.

- You might want to consider setting up an online store if you fall under one of the following categories:
  - You have a product that you are already selling offline, and want to use the internet to increase your market.
  - You provide a service (such as consulting or web design) and want to use the internet to sell your services and increase your clientele.
  - You do not have a product or service, but want to start an online store by partnering with a product manufacturer or wholesaler.
- On the other hand, you might want to set up an informational website and earn from affiliate commissions and advertisements. This is possible if you fall under one of the following:
  - You want to create a website about something that you really like or are interested in.
  - You want to promote an affiliate program or product that you like and want to tell the world about.
  - You want to provide information or compile advice from various sources regarding something that you are good at.

## Interest

Another very important factor is your interest in the topic or industry in which you want to do your internet business. It is not advisable to start an internet business relating to a lucrative industry such as online casinos, but you have no interest whatsoever in casinos, and worse if you have moral issues with the running of casinos.

I just want you to be aware of some of the common pitfalls you might encounter if you get involved in something that you are not quite interested in:

- If you have not much interest in a topic or industry, it will show in the content and quality of your website. It takes someone with considerable interest to perform good research on the topic, and to create a website full of relevant and personal information and content.
  - Without continued interest, you will slowly start to find excuses not to work on your website. And internet business is a continuous love affair. It requires constant updates and internet marketing effort to enjoy good success. If you've lost interest and start to ignore the business, your profits will also start to decline. In short, internet business (like any other business) requires genuine effort and interest in order to succeed. And it is a lifelong love affair, not a one night stand!
- Income Opportunity

However, interest isn't everything. The income potential is important too. After all, it's no use laboring over something you love with no profits to show for it. But the good thing is that internet businesses are so cheap to start that it doesn't take much to make a profit!

- If you want to setup an online store, don't just look at how big the market is. You also have to look at how much competition you face in your chosen industry. For example, an online bookstore will have a huge market (almost everyone reads), but there are plenty of competitors out there such as Amazon.com with a bigger wallet and are more established. In cases like these, you will have to consider allocating a larger budget for advertising and attracting customers. On the other hand, if you want to start an online store selling waterproof cameras for diving, the market might not be all that big (probably just diving enthusiasts), but because there are few competitors, it will be easier for your store to stand out. As they say: "It might not be a big pie, but you'll get the lion's share of it".
- If you want to create an informational website, you have to keep your competition in mind as well. In addition, you need to make sure that your selected topic has sufficient income potential such as affiliate programs and advertisements. These affiliate programs and advertisements should be related to your website. For example, a wedding planning

website can promote affiliate programs related to photography and event management, but should not promote an escort service! In addition, every website can earn some extra cash by placing advertisements (not too many) on their webpages. A good ad service is Google's AdSense program.

### Commitment

The last factor I want to touch on is commitment to your internet business. There are two types of commitment you should be aware of: money and time. By its very nature, internet businesses require very little money to start. However, profits don't come immediately. Websites take time, sometimes as much as 6 months, to start ranking in the search engines and getting traffic. You therefore have to plan for that much time of operational losses (including your hosting costs). If you are in a highly competitive industry, you will also have to factor in your monthly advertising budget. However, the most important commitment you have to make is your time. As they say: "If you treat it like a business, it will pay you like a business; If you treat it like a hobby, it will pay you like a hobby."

You need to know how much time you can allocate to the business. A simple informational website can be setup gradually on just one hour a day. However, setting up an online store will require almost full-time effort in the beginning. Once your store is done, then your time commitment will drop.

When you've decided what kind of internet business you are interested in, and how much resources to put into it, you can then look at the second step, researching the design and content of your website. You can check out the entire Step-By-Step Guide at [http://www.onlinebiz-help.com/step\\_by\\_step.html](http://www.onlinebiz-help.com/step_by_step.html)

### About The Author

Steven is the webmaster of <http://www.onlinebiz-help.com> His website contains various resources on affiliate programs and internet marketing advice to help you succeed in your internet business, including a Step-By-Step Guide to get you started.