

Marc Ostrofsky

## GET RICH CLICK

### Four Clever Ways to Make Money On the Internet (Anyone Can Do It!)

In today's "Internet Economy," anyone can make money online. Certain Internet business models offer the potential for profit with limited up-front investment and financial risk. And you don't have to be a computer expert—many technologies and Web sites exist that can help the average person make money online.

Here, four business models to consider...

#### ZERO-INVENTORY SALES

You don't need to pay rent for an expensive storefront when you sell merchandise through the Internet. With a "zero inventory" strategy, you don't even need to put money down to purchase the goods ahead of time.

**How to do it:** Use a digital camera or a cell-phone camera to take in-store pictures of items for sale in your region that seem like great deals—they must be better deals than shoppers are likely to find elsewhere. Use these pictures to post the items for sale on eBay, even though you don't own them. Set a high enough minimum sale price to cover the price of buying the item, including sales tax, eBay's fee and a profit large enough to compensate you for your time and effort. Set shipping fees high enough to cover your mailing costs, too. Don't bother listing the item if it doesn't still look like a great deal when all these costs are totaled.

Return to the store and purchase the item only after someone buys it from you on eBay.

There usually is a fee for posting items on eBay even if they do not sell, but this typically is just a few dollars, often much less if the minimum price you set is low.

A zero-inventory sales strategy works only with goods that you can purchase for significantly less than other people can. These might include items on which you can negotiate a special, lower-than-retail rate through a local producer or wholesaler, perhaps by promising repeat business. Two examples...

**Example 1:** My company Blinds.com does not have any inventory. Instead, we have an arrangement with a manufacturer to make custom window blinds whenever we receive an order and ship them directly to the customer.

**Example 2:** A Houston couple found a firm that sells automotive car mats in bulk. The couple makes a nice profit reselling the mats on eBay.

Do not attempt zero-inventory sales of an item that is in very limited supply. Such goods might go out of stock before you return to buy what you already have sold.

The clarity of your photos and the detail and accuracy of your item descriptions can dramatically affect the amount your products fetch on eBay. Put some effort into getting these right. Read the descriptions

of similar products that have sold for high prices on eBay...or vary your item descriptions and pictures when you relist items that you sell repeatedly and see which bring the highest bids.

**Alternative:** Ask friends and neighbors if they have possessions that they would like to sell and how much they would want for these things. With their permission, take pictures of the items and post them on eBay. If an item fetches more than the friend wants, you can keep the difference as a profit or you can take a commission from the sale.

#### SELL AN eBook

If you are an expert on a topic—any topic—write an eBook about it. Or maybe you know an expert—a doctor, lawyer, researcher, professor, psychologist—whom you could interview for a book. You then could split the profits.

The most challenging aspect of making money from eBooks has always been marketing them to potential buyers. Unlike conventional books, self-published eBooks don't have a publisher's marketing team promoting them or a place on bookstore shelves where browsers can find them. But a Web site called ClickBank.com offers a potential solution—it lets other people market your eBook for you. List your eBook on ClickBank.com, set a sales price, and choose how large a commission

*Bottom Line/Personal* interviewed Marc Ostrofsky, an Internet entrepreneur most famous for selling the domain name "Business.com" for a record \$75 million. Based in Houston, he owns several Internet-based businesses, including Blinds.com, CuffLinks.com and SummerCamps.com. His new book is *Get Rich Click! The Ultimate Guide to Making Money on the Internet* (Razor Media Group). [www.GetRichClick.com](http://www.GetRichClick.com)

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**Example:** A man named Jacob Hiller has made more than \$1 million through ClickBank.com selling *The Jump Manual*, a guidebook designed to help amateur athletes increase their vertical leap.

ClickBank.com charges a onetime \$49.95 activation fee and a commission of 7.5% plus \$1 on each sale it generates. In addition to eBooks, ClickBank.com sells digital videos, software, recordings of original songs and other digital content.

**Helpful:** If you decide to interview an expert, consider videotaping it. Then you can offer the videotape along with the eBook. This gets even more attention.

#### **FREELANCE LABOR**

Web sites such as Guru.com, Elance.com, ODesk.com and 99Designs.com connect writers, graphic designers, programmers, translators and other freelance contractors to businesses that need their services. More and more businesses are turning to these Web sites to locate skilled contract labor because the range of talents available through them is much broader than it is in most local re-

gions, and the rates charged often are substantially lower.

This presents a low-cost business opportunity to people who have skills that translate well to outsourcing. Offer your services on one or more of these Web sites or bid for assignments posted on them.

It also creates an opportunity for those whose background is in management or deal making. Approach businesses in your region that seem to be in need of the freelance services offered through these Web sites. If a business agrees to work with you, bid out the job through one of these Web sites, leaving yourself a nice profit for serving as the middleman. Why would a business work with you when it could just hire a contractor itself through one of these Web sites? Not every business owner knows about these sites, and even those that do might prefer to deal with someone local whom they can work with face-to-face.

**Example:** A local small business has a low-quality Web site or an unappealing logo. Check how much the freelancers on these Web sites typically charge for Web site or logo design. Next, approach the business and offer to find a professional to create a better one and then manage the project for the business owner.

#### **TRADE IN DOMAIN NAMES**

In 1995, I bought the Internet domain name Business.com for \$150,000. Four years later, I sold it for \$7.5 million. Paying six figures for a domain name might be risky, but dozens of companies will help

you register a currently unclaimed domain name for less than \$10. Just type “domain names” into Google to find these companies.

True, most of the domain names with the greatest profit potential were snapped up years ago. But new domain names can become valuable when current events, new phrases and new products catch the public’s attention. When you read about a new and potentially popular innovation that’s on the way or hear a catchphrase or newly coined term in the movies or on TV that you suspect might become trendy, use WhoIs.net or another domain-name registry Web site to see if the “.com” version of this term still is available. Snap it up if it is.

Once you own a domain name, you can list it for resale at a profit through a domain-name resale Web site such as SEDO.com or BuyDomains.com. Or if you have some basic Internet skills, you can create a Web site that steers Internet users to another site that will pay you a commission for sending customers its way, such as Amazon.com.

**Example:** A man bought the domain name “PresidentsBook.com” when he heard President Clinton was working on his memoirs some years ago. He created a simple Web site that featured his review of the book and a link to the book’s page on Amazon.com. The Amazon Associates program pays commissions as high as 15% when Internet browsers click links such as these and make purchases. ■ ■