

HOME BUSINESS BASICS

Many of us dream about starting a business from home and enjoying our freedom but don't know where to start. In this article I cover the basics that you need to know about starting a home business.

AFFILIATE MARKETING

Despite what all the get rich quick stories tell you, the only way to make money online is by either selling a product or providing a service. But if you are starting out then you probably don't have either.

Therefore the best way to get started is with affiliate marketing which means earning commission from a product or service created by someone else, this involves promoting their products or services with the marketing materials they provide. The commission you earn depends on the percentage offered and sales made by the person you referred.

You may think this means becoming a salesman for the company but you are actually running your own business with the freedom of promoting the products how you wish. There are no targets to meet, no boss to answer to and absolutely no deadlines. Your role is simply to refer interested customers to the company's website and that's it.

Once the customer buys something - the company deals with taking payments and delivering orders. It is as simple as you recommending a good store to your friends and the store paying you a commission from each sale made.

NETWORK MARKETING

Earning a commission as an affiliate is fine but you will need to make a lot of sales if you want to earn a regular monthly income. One way to earn a steady income is to promote products with monthly subscriptions such as magazines. Another way is Network Marketing. Companies that enrol people as affiliates give them the opportunity to enrol other affiliates under them as part of their team. When these affiliates get the company a sale you gain a percentage of the company's profit as a bonus because that person is in your team. They can create their own teams which builds a network.

Let us assume that you recruit five people into your team (known as a downline) and they all sell a \$20 product. The company gives them \$5 commission each, leaving \$15 which is the company's profit for the sale. As you are the person responsible for bringing these affiliates into the company you get rewarded with a \$2 bonus from each affiliate, giving you a \$10 profit and leaving the company with a \$13 profit. So you see that you not taking any of your team's commissions, the company is offering you part of its own commission because you recruited the team that brought them the sales.

Your downline team can build their own teams and earn bonus commissions from any sales they make and you can still profit from that. But this depends on how many levels the company is willing to pay on. So if your affiliate has ten people in their

team and the company is willing to pay up to five levels this means that you can only earn bonus commission from your affiliate and the first four people in their team making a total of five people (or five levels) you can earn from. Note: some companies may prefer to use the term "multi-tier" How many levels you earn from depends on each company.

SPONSORING AND DUPLICATION

As an affiliate you are part of someone else's downline team. This person is known as your Upline or Sponsor and they earn bonus commissions from your sales just like you would do from your team. Their role as your sponsor is to help you get started with your new business and answer all your questions along with teaching you how to market your business and refer affiliates in the same way they do. This is called Duplication. In other words they teach and guide you to help you build your business and you do the same with your own downline.

So in general: you refer someone to a company you are already an affiliate of. If they are only interested in buying products then you generally don't need to assist them. If they decide to become a affiliate then you become their sponsor and help them get started which involves instructing them in their affiliate duties and teaching them how to perform them. Then comes the "duplication" part where you teach them how you recruit affiliates and customers to the company. Note: some companies may give you a title of Team Leader or Manager depending on the size of your network.

TIME AND MONEY MANAGEMENT

Many new affiliates make the mistake of spending far too much time and money trying to build their business as quick as possible. This is not the way to do it and can cause you serious problems with your social life as well as building up a huge credit card debt. You need to set a suitable amount of time each day to work on your business as well as a limit to how much you want to spend if anything. Do not try to run before you can walk. You will find building your business a lot easier if you take things one step at a time and build it slowly but steady.

You may be concerned about having to spend money on your business. It is important that you remember that this is a real business and should be treated like one. Although there are many ways to promote your business for free - not all of them are as effective as paid advertising which is something you will have to consider if you are aiming to build a six figure income. You will eventually have to invest in your own domain as well as an autoresponder tool if you are serious about becoming successful. But don't worry as we are talking \$50 or less per month for everything.

Having no time is often an excuse we use when we fail to get something done. But we find the time to do the things we want to do. Given a choice of writing articles or watching movies it is obvious that would go for the easier more pleasurable option. There are also time commitments such as working and looking after the children which makes it difficult to fit in your business commitments. Therefore you should make the commitment of organizing your time to be able to work on your business as

well as the most important things you need to do. Maybe one hour in the morning or evening.

THE CORRECT MINDSET

Your mindset is your general attitude to everything which can be positive or negative. In a perfect world you could start up a business and become successful with no problems at all. The reality is that it can actually take between six months and five years to become successful and earn a six figure income. There will be times when you feel you are not getting anywhere and there will be times when your latest advertising campaign earns you little or no money. You may even receive negative comments from friends and family making you believe it's all a scam and you'll never get anywhere.

You will never succeed if you keep thinking negative and listening to negative comments. You need to develop a positive mindset where you tell yourself that you **WILL** become successful **NO** matter how long it takes and **HOW** much work you have to do. You need to accept that the journey to success will not always be a smooth one but you **CAN** make it because others have done the same. Believe in yourself and don't listen to the myth that all online business opportunities are scams. Set yourself some goals and focus on reaching them and don't allow anything to distract you.