

# HOW TO START AN ONLINE BUSINESS?



## GUIDE 1: INTERNET MARKETING BUSINESS MODELS

# Internet Marketing Business Models

In this report, we're going to cover some internet marketing business models. If you are interested in internet marketing, then you definitely need to know what business models are out there and how to choose the best one for you.

*There are many different business models that we will cover in this report, and you can make money from every single one of them if you want.*

But first you have to choose the right one and that not only will take some thought, it also takes a great deal of information. That's exactly what this report is going to give you.

## Introduction to Internet Marketing

Before we get into the business models, let's talk about internet marketing in general. Loosely defined, internet marketing is any type of business that you do on the internet to make money.

We're going to go over some the specific methods to do so shortly. Internet marketing got started in earnest when people realized that they could influence where their website landed in the search results.

Since then, the market has exploded to the point where it seems like everyone is doing internet marketing.

Internet marketing is a wonderful business to get in for several reasons.

- First, you have unlimited income potential. Internet marketing has made quite a few millionaires and there are tons and tons of people making six figures with an internet marketing enterprise.
- In addition, internet marketing can be a residual, passive form of income.

That means that you can be doing something else – even having a full-time job – and still be making money with your internet marketing efforts.

## Defining the Business Model

Internet marketing is composed of various business models. A business model is simply a method of making money on the internet. There are some standards that have proven very effective for internet marketers, such as Amazon, and others that are less used but still lucrative.

People are also creating more opportunities daily to make money on the internet.

## Types of Business Models

Let's go over ten of the most popular ways that you can make money on the internet, so that you can see each one in detail and understand how they work. Then we'll give you some advice on how to choose the right one for you. But you must understand the model before you can determine if you want to get into that business.

### Affiliate Marketing

Affiliate marketing is the first internet marketing business model we'll be discussing. Have you heard of the website Clickbank? Clickbank is a well-known place where affiliates can find products to promote. Clickbank is by no means the only website that offers this service, but they are probably the biggest and most well known.

When you do affiliate marketing:

- you get the customer to visit your site
- you use your sales page to convince them to buy
- then you send them to the seller's website with your affiliate ID attached.

This means that when they buy the product, you get a commission.

The exact amount of the commission varies with each product, but it can be a substantial amount of money.

## Amazon Affiliate

The next model that we're going to discuss is the Amazon affiliate program. The reason that the Amazon program isn't lumped in with the other affiliate marketing programs listed above is simple: it's so good that it deserves its own section. Amazon has everything that you could possibly want listed on their website.

It doesn't matter what product you are looking for, Amazon almost certainly has it. *The great thing is:* if you send someone to Amazon to buy a product that they were looking for anyway, Amazon pays you a commission.

All you have to do is figure out how to get people to your page, determine what products they are interested in, and then send them onto Amazon to buy that product.

## Content Marketing

Next, we're going to discuss content marketing. Content marketing is a type of marketing where you create content for the purpose of creating keywords that you will be indexed for in the search engines.

This is different than a blog, because this content is designed differently. It needs to inform and be of great value to the reader. It is more formal than a blog post; it is an article.

*Content marketing works as long as you remember that content is king – meaning that having good content (and a lot of it) is the number one thing that is going to get your website ranked high in the search engines.*

You still need to do your keyword research of course, and you still want to be using linking strategies, but content marketing is all about the quality of the content.

## **Blogging**

Next, we'll be discussing blogging. Blogging is something that nearly every major company does on their website and there is a really good reason for that – it works. There are several reasons that someone might start a blog for commercial products and services: first, it builds credibility.

If people read a blog post about the industry and you know what you are talking about, then they are much more apt to buy something from you. The second major advantage is that it builds the number of keywords that you're indexed in the search engines for, which means more traffic.

Finally, it brings visitors to your blog through their own volition. If someone reads your blog and subscribes to your RSS feed, they could come and revisit whenever you create a new post.

In addition, if they commented on a post and someone responds to it, they might come back and read more content – and possibly even convert to a customer.

## **Drop Shipping**

The next model that we're going to discuss is drop shipping. Drop shipping is very similar to retail in the way that it works. You (as the retailer) buy a product for a wholesale cost, then mark it up and sell it to the consumer.

However, the difference with drop shipping is that when you are a retailer, you normally have to pay for the products upfront and then hope that they sell.

*When you do drop shipping, you do not pay for the product until someone actually orders it.*

If you want to see an example of a good drop shipping business model, all you have to do is look at Createspace, which is now owned by Amazon.

If you write a novel, for example, you can upload it to Createspace, and when someone orders a paperback copy of your book, then and only then is it printed and shipped out.

## **Ecommerce Websites**

Next, we'll cover ecommerce websites. Ecommerce websites should not be a mystery to anyone, since nearly everyone shops online these days. An ecommerce website is simply a website that sells products or services.

Usually, these are products that you have purchased yourself (or in many cases created) so it is different from both affiliate sites and drop shipping in that regard.

However, drop shipping sites and many affiliate sites can be considered ecommerce sites if you use the broader definition.

You can either build your own ecommerce website or there are plenty of sites like Etsy, WordPress templates, Shopify and a whole lot more to help you create a website to sell online.

Ecommerce websites do take a bit more work than some of these other models, because you have to be constantly updating your site, marketing it and fulfilling orders, but it can also be a lot more lucrative.

## **Apps**

The next internet marketing business model we'll discuss is apps. Apps never used to be included in the internet marketing model, but they have become one of the most effective ways to make money online these days. Apps are mobile programs that accomplish a specific purpose.

There are generally three types of apps out there: free apps, free apps with in-app purchases and premium apps (which also sometimes have in-app purchases). In addition, there can be two kinds of premium apps – ones that

you pay for just once and monthly subscription apps that you keep paying each month to use.

You don't to be an app developer to be able to make money from this business model; you just have to have a great idea and then hire an artist and developer to create the app for you.

## **Lead Generation**

How about starting a lead generation business? Lead generation is a necessary service in the internet marketing world.

*People that have products and service to sell need people to sell to, and people that can gather leads for those salespeople can make a lot of money.*

Lead generation can be done in several different ways. You might even classify affiliate marketing as lead generation, although generally when you gather leads you don't have to work nearly as hard to sell the product. Instead, you are just sending the person through to another site.

You can also generate leads in the form of email addresses. If you can collect a few thousand legitimate email addresses, there are companies out there that will buy them.

## **Your Own Info-Products**

You may also want to create your own products. There are many different digital products that someone could use to make money. You could write an eBook and promote it yourself, or even sell it on Amazon. You could create a video presentation course on any topic you choose and sell it for a large amount of money.

You can even create audio products that people can download and listen to in their car. In addition, you can put these together to create a lucrative package.

Selling your own products is advantageous because it allows you to charge whatever you want, and you are in total control of the content.

Plus, the customer is yours; they are not just passing through like they would if you were an affiliate site.

## **Software-as-a-Service (SaaS)**

Finally, we will cover software-as-a-service or SaaS. SaaS is a new business model compared to some of the others listed here. It involves charging someone a monthly fee to use your software.

Of course, it's a no-brainer that you first have to have some useful software to sell. But if you can create something useful that people will pay for, you will be able to make money each month from all of your customers.

Some of the biggest SaaS services out there include Microsoft Office 365, Adobe's monthly subscription fee to use their suite of products and several others.

One of the best ways to use this business model is to provide someone something that they can use to make money online, such as a keyword research tool or an article rewrite tool.

## **How to Choose the Right One for You**

So, how do you choose the right one out of all of these business models? You have to decide which one appeals to you the most. You may want to actually start with your product instead.

If you know what kind of products you are going to be selling, you can choose the business model that fits them the best. Find something that you are passionate about and then find products or services that you can pour that passion into.

If you find the right one, then you will find it very easy to create content or market your products online.



## Conclusion

We have covered a lot of different business models in this report. You now are familiar with all of the major ways to make money online.

People have been able to use these methods to make millions of dollars, and it is not unrealistic to think that you can have a high six-figure income in just a few years by using these methods.

But you need to pick one and get started because none of them are going to happen overnight, nor are any of them going to make money without you putting in the work required.