

Top Five Home Businesses By Rosalind Resnick

There're no guarantees when starting a home biz, but these five low-risk, low-cost ideas sure come close.

There's no recipe for business success--homebased or otherwise. From my own experience as an entrepreneur, I can tell you that the best businesses are the ones that either solve a problem you're facing or solve a problem for one of your clients. For example, when my partner and I started our homebased Web design firm, NetCreations, back in 1995, most of our clients wanted a Web presence. A year later, when thousands of sites popped up on the Net, our clients needed to find a way to drive people to their sites and persuade them to buy their products. That's what led us to enter the Internet marketing business and to pioneer the concept of opt-in, or permission-based, e-mail marketing--the business that enabled us to go public in 1999 and sell our company for \$111 million cash in 2001.

Here are five types of businesses you can start from home with very little capital or downside risk:

Consultant/newsletter publisher: Assuming you have some industry-specific expertise and a good relationship with your former colleagues, consulting is probably the easiest type of homebased business to start. Many companies that have downsized experienced managers are eager to hire them back as consultants to tap into their years of knowledge and industry contacts. Networking to find new clients is easy—just print up some business cards and pass them out at the next industry trade show. Speaking at shows and writing for trade publications can also get your name out cost-effectively. Another way to play the consulting card is to start an e-mail newsletter. Not only will you make some money selling your expertise to multiple subscribers, but you'll also develop a useful PR tool that will help you get speaking gigs at industry conferences where you can prospect for more clients. There's also a crop of "social networking" Web sites such as [craigslist](#) and [LinkedIn](#) that can help you find consulting work.

Tech support/programmer/system administrator: While big companies typically have full-time tech support staff on-site, small businesses typically don't. If you're a support technician, programmer or system administrator who has the skills to troubleshoot desktop computers and networks, you can sell your services to business owners for \$75 per hour and up. If you find a client who needs your services on a regular basis, you can negotiate a retainer agreement in which the client pays you a fixed fee on a monthly basis to monitor his network, install software updates and fix problems that occur. Just remember to keep track of the hours you put in and to avoid giving clients the all-you-can-eat plan.

Real estate investment/property management: With interest rates at historic lows, investing in income-producing real estate is almost a no-brainer. Once you've bought the property and lined up the tenants, running the business from home is easy. You'll need an accounting program like QuickBooks to track your rent collections and operating expenses, and, unless you like getting calls in the middle of the night and fixing toilets, you should hire a handyman to help you. Depending on the property's cash flow, you can make thousands of dollars per month for five to 10 hours per week of work while picking up some nice appreciation along the way. Once you get comfortable managing your own properties, you can start managing other people's properties as well. Check out the [Property Management Association](#) for more information.

Online merchant: With more and more people buying products and services online, becoming an online merchant is another homebased business opportunity to explore. Thanks to sites like [eBay](#), selling collectibles, used clothes, toys and the like worldwide is as easy as taking pictures of your merchandise and uploading them to the Net. eBay not only provides a marketplace to sell your goods--a virtual swap shop, if you will--but also processes payments. Best of all, you don't need to stock any inventory. So-called "drop shippers" can ship the goods to your customer the minute you make the sale.

Virtual assistant: With companies outsourcing practically everything these days, many people are becoming virtual assistants, handling the work that an executive's administrative assistant used to do. As a virtual assistant, you can handle calls, schedule appointments, book travel

reservations and perform other tasks for one executive or several—without ever having to come into an office. For more information, check out [The International Virtual Assistants Association](#).