

Micro Business for Teens

Starting a Micro Business

Carol Topp, CPA

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What is a Micro Business?

- Simple and fast start-up
- Sole proprietorship
- Little start-up money
- Usually home-based
- Low risk
- Manageable
- Easy to close down
- Purpose to learn and earn

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Advantages

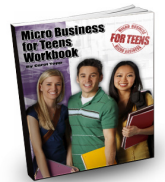
- Learn a lot
 - Business skills
 - Writing and speaking skills
 - Money management
 - Time management
 - Confidence
- Test a future career
- Make money

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Getting an Idea

Fill a need
Consider skills, abilities, interests
Read others' ideas
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Brainstorm (fun in a group)
Mini market survey



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Ideas: Services

Tutoring	Bookkeeping
Childcare	Event planner
Music lessons	Virtual assistant
Editing papers	Writer/Author/Blogger
Web design	Lawn care
Pet Sitter/Dog Walker	Cleaning/Clutter control

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Ideas: Products

Baking, Candy making, Cake decorating
Crafts (knitting, card making, soap, etc.)
Photography/Digital photos
Fine arts (painting, sculpture, etc.)
Sewing/Dressmaker
Sports logo (towels, shirts, bracelets, etc)

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Problems with Services

- Time limitations
 - There is only one of you!
- Dealing with people
 - Complaints
 - Getting paid

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Solutions for Service-based micros

- Hire help
 - but not employees!
- Pass business to another micro
- Sell your knowledge
- Increase your price
- Customer service
- Listen

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Problems with Products

- Inventory & storage
- Shipping & packaging
- Returns and back orders
- Sales tax
- Upfront purchase of inventory

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Solutions for product-based micros

- Digital products
 - Clickbank.com, iStock photos, etc.
- Drop shipping
- Order on demand
 - Make to order
 - CreateSpace.com for books, CDs, DVDs
- Wholesale sales

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Make a Plan

- Business Concept
 - The product or service
 - How to measure success
- Marketing Plan
 - Potential customers
 - The competition
 - How you will stand out
- Financial Plan
 - Cost
 - Price to customers
 - Break even analysis

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Example: Emily's Piano Lessons

Business Concept:

Service: Piano lessons

Measure Success: 5 students & experience

Marketing Plan:

Potential Customers: Beginning students

Competition: Experienced teachers

Uniqueness: Charge half the competition

Financial Plan:

Cost: Books, rewards \$25/year

Price to customer: Price \$8 per 30 minute lesson

Break even: after 11 lessons

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More to Come...

Running a Micro Business

- Sales
- Marketing
- Customer service
- Record keeping
- Legal information
- Risk & Insurance
- Time management

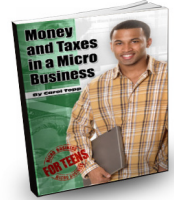


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More to Come...

Money and Taxes in a Micro Business

- Income
- Cash Flow
- Profit
- Federal Taxes
- State & Employer Taxes
- Sales Tax
- Employees and contractors
- Working with an accountant



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