

# 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

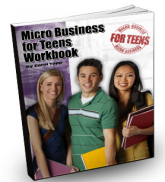
- Learn a lot
  - Business skills
  - Writing and speaking skills
  - Money management
  - Time management
  - Confidence
- Test a future career
- Make money

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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

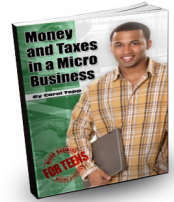


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## More to Come...

### *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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