Article #9

Senior Citizens’ quick guide to buying and selling online businesses

I’m not going to mince words here. It’s very easy to lose money on the internet. You may be thinking to yourself, “How am I losing money? I just put up a blog and I did not lose any dollars putting up a blog. I just sat down and wrote article after article and for whatever reason things didn’t work out but at least I am not out of cash. I’m not out of pocket so how am I possibly losing money with my failed blog business?”

Well, think about it this way. You can’t be in two places at once. This means that when you pick one activity and you don’t make money off of it, you basically missed out on the opportunity to pick another activity that makes more money. You see how this works?

This is called an opportunity cost and unfortunately, this is the most common way people lose money online. They simply pick the wrong enterprise to invest their time, effort and focus on. This really is a tragedy because a lot of senior citizens have so much to offer. They have a wealth of experience, they have a lot of specialized knowledge, they definitely want to help other people; but the problem is they end up finding themselves barking at the wrong tree. For whatever reason, they end up setting up a wrong business and they failed. To avoid this tragedy, I want you to look at one particularly powerful way of making money online.

Buying Low and Selling High: Flipping Online Businesses

Have you ever watched those home flipping shows on cable? There are lots of people in the United States who buy beat up homes, renovate them and sell them for hundreds of thousands of dollars in profit. These are called flippers. Depending on the initial state of the home that needs renovation; they can stand to make quite a bit of money. This is a very lucrative business to be in.   
Of course, the downside of flipping is you have to have a lot of cash coming in. You have to understand in the United States you have to put up 20% of the home’s value to get the bank to loan you the rest. That’s how most home are bought in the United States. Accordingly, flipping is a capital intensive business.

Did you know that you can do the same online without spending as much cash? This is called online business flipping. There are many blogs out there are already making money. Maybe they are making a hundred dollars a month. Maybe they are pulling in five hundred or sometimes even several thousand dollars.   
For whatever reasons, their owners are selling them. Now with much less cash, than buying a physical home, you can buy this online businesses, renovate them and make some strategic changes so as to increase their effectiveness. Once you have whipped them into shape, you can then sell them at a big profit.

Personally speaking, I’ve seen flippers buy a website that was making $10 a month for 500 bucks and then turn it into a website that’s generating $500 or even thousand of dollars a month and sell it for $25,000. In other words, you get the massive returns of home flipping without the gigantic of front capital costs. Excited yet? You should be. This is a very lucrative business.

The Secret to Buying and Selling Online Businesses

The secret to this game is developing the ability to pick the right properties to buy. Pass the bottom line. Because there lot of professional builders out there. These people just build one website after the other. They’re just cranking out all these websites like their commodities. You need to avoid those people. Those people will ask for top dollar up front. And often times they set up their websites in such a flimsy way that you actually have to pour a lot of resources to make that website generate real money.   
The better approach is to look for websites that are not advertised on flipping sites. These are websites that are not actively being sold by their owners but you can tell that these websites are floundering. The content is not being updated. When you look at their SEO backlinks, they’re not getting much traction from the rest of the internet. When you look at their traffic ranking on Alexa, they’re struggling.

Approach these businesses and offer a fair price for the website. Usually in many cases, $500 should do the trick. You see a lot of these websites are barely staying alive. It’s as if the owner is just hanging on to them for purely emotional reasons but those reasons are getting weaker and weaker every time they have to pay for hosting costs and domain renewal fees.

If you come up and ask to buy a website for $500 bucks, you’d be surprised as to the quality of the site that you are getting. Everything is organic, the person didn’t use software to build the site and to generate back links. All you need to do is employ basic SEO, social media marketing to build up its traffic base. Maybe you can change its affiliate product so it can make more money with its ads.

Whatever you need to do, do it to level up the effectiveness and conversion value of that website. After it’s generating far more than its normal monthly revenue sell it through affiliate marketing forums. This is the key. Don’t sell it to professional exchangers like Flippa. You’re going to get eaten alive because a lot of those people are professional buyers. They know how to lowball their sellers.   
Instead, sell it through affiliate marketing platforms where people who actually make money are hanging out. You’d be surprised and pleased to discover that a website that you bought for $500, can be flipped for $50, $20, or even $25,000. That’s how lucrative it can be.

To get the insights, on how online marketing can help senior citizens turn their spare time into spare cash, click here. The framework that you will be getting enables you to pretty much sell anything online. It also walks you through the process building a successful online businesses.