



# **Micro Business for Teens**

## **Starting a Micro Business**

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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



# Advantages

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

# Getting an Idea

Fill a need

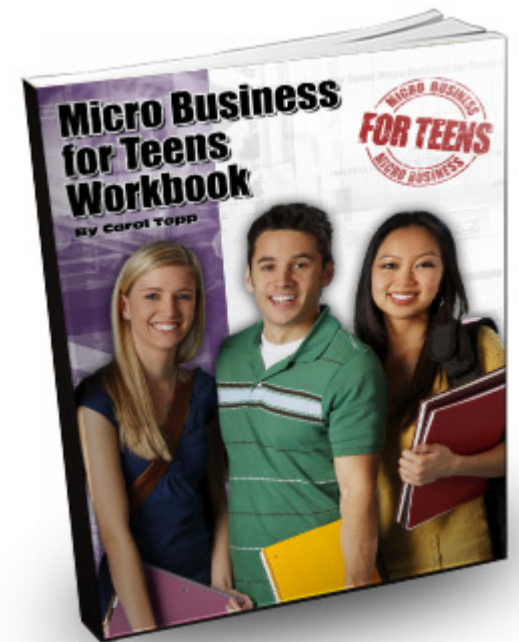
Consider skills, abilities, interests

Read others' ideas

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Brainstorm (fun in a group)

Mini market survey



# Ideas: Services



Tutoring

Childcare

Music lessons

Editing papers

Web design

Pet Sitter/Dog Walker

Bookkeeping

Event planner

Virtual assistant

Writer/Author/Blogger

Lawn care

Cleaning/Clutter control



# 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)



# Problems with Services

Time limitations

There is only one of you!

Dealing with people

Complaints

Getting paid



# **Solutions for Service-based micros**

Hire help

but not employees!

Pass business to another micro

Sell your knowledge

Increase your price

Customer service

Listen





# Problems with Products

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



# 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

# 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

# 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

# More to Come...

## *Running a Micro Business*

Sales

Marketing

Customer service

Record keeping

Legal information

Risk & Insurance

Time management



# 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

