

Enhance Your Business with Connections

Multiple Streams of Income: Take Your Business to the Next Level



As a young but very successful entrepreneur, I have learned many important lessons in my career. But I am most thankful to have been mentored at CEO Space to create multiple streams of income.

In my local networking, I have noticed that many business owners only have a single service or product that they provide. Specializing in one area is good for many reasons. For one, it makes marketing easier and helps build a solid reputation in one area.

Although specialization has its benefits, businesses that derive all of their profit from a single area are overall more susceptible to economic fluctuations and are less profitable in the long term. If you want to accelerate your income, and reduce stress and effort, you need to explore multiple ways to increase your income.

A good example of how multiple income streams can work within a traditional business model is the modern newspaper. A newspaper company brings in revenue three ways: selling papers; selling advertising space; and selling classified ads. Each is another stream of revenue for the newspaper. And some newspapers have added an additional stream by charging for access to their online content.

For the small business owner, the key is to follow the old adage: "Don't put all of your eggs in one basket." Instead, you should work on developing multiple streams of income.

Once you understand why you need multiple streams of income, the question is: how do you create them? Here are just a few different and effective ways of achieving this goal.

1. Residual Income: This type of income allows your initial efforts to reap continuous returns without much additional ongoing effort. *Example:* An insurance agent makes money over the period of the policy by putting in initial efforts just to sign up a customer.

2. Leveraged Income: Leveraged income is the type of income you make when you have people working for you. *Example:* Outsourcing or subcontracting. You might be getting more work than you can handle. Instead of refusing it, if you outsource this work to people, you can still make a profit.

3. Networking Marketing: This type of business helps you generate some extra income. However, very few people can justify making it a full time business in comparison to the returns one can expect. So while you are at it, try and identify other sources of income as well. Try not to make this your only or primary source of revenue.

4. Affiliate Marketing: Here you help someone gain visibility by selling their products and receiving money to do it. The idea is to create a website or a web page with the information about your client's business and promoting it through other affiliate marketers.

Following are some real life examples of clients I've coached that are generating multiple income streams in their businesses.

One of my clients specialized in sales strategies and secured her multiple streams of income by owning her own business, doing freelance work for two other companies, and teaching a class at a local business college.

Another client joined affiliate programs offered by big name retailers and earned money by imaginatively incorporating them into his heavily trafficked web site.

Still another took her existing gourmet catering business and began to produce cookbooks. She went a step further to set up an online bookstore full of different culinary related books via an affiliate program.

As these examples show, multiple streams of income can be derived in a number of ways if you think creatively; the possibilities are endless. The key is to look for ways that complement your existing business and to not lose focus on your primary revenue generating activity.

By Jessa Rank,
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CEO Space is a CEO and entrepreneur organization that focuses on increasing wealth, education and cooperation. Jessica offers a wealth of cutting edge ideas that produce results for business owners, developers, inventors and dreamers. She helps CEOs and business owners find ways to grow their business with less effort. She links entrepreneurs around the globe and assists them in making the contacts they need to take their business to the next level.

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