

Title:

How To Start An Ad Agency From Home With No Money Down

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Summary:

This article shows how anyone can start and operate a highly profitable ad agency from their own home with no money down. It is such a simple, yet incredibly lucrative opportunity.

Keywords:

work at home

Article Body:

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You can also make money by operating your own ad agency from home. Offer businesses advertising space in YOUR publication, be it on a daily, weekly or monthly basis. You will run a publication (sort of collection of handbills) that contains adverts and if you like, a sprinkling of articles here and there. You take payment from advertisers first before they place their adverts with you. You use part of this money for production (printing) and distribution costs. The balance of the money is your own profits to keep. You now arrange distribution of your publication as decided upon in your start up plan. In this way, you can start and operate a highly profitable advertising business without spending a single cent. You use the finances of other people (the advertisers) to float your start up expenses and reap for you a sizable profit on a daily basis.

Publication Size

Firstly, give a name to your publication. This makes it easily identifiable and it looks professional too. Now decide on how your publication is going to look and how many pages it will consist of. It is good to start with three A4 pages. Place these three A4 pages together and fold horizontally to make an A5 sized publication that has A5 sides. The name of your publication and your telephone number goes on the top of the first page. Decide on the area you will distribute these publications. Put the name of this area next to or immediately below the name of your publication. At a later stage, you may run same named publications but in different areas.

Decide on the number of copies of your publication you wish to distribute in a

specific area. The more you plan to distribute, the happier your advertisers will feel about advertising with you. This is because the more copies you distribute, the greater amount of people will read the adverts and hence more exposure and business is possible for your advertiser. Try and visit at least three printers and get printing quotes on printing your publication.

Distribution

You can use various methods to distribute your publications like handing them out at street corners to passing pedestrians and motorists, at busy malls, at community centers and door to door in neighborhoods.

Work out the cost to distribute each copy of your publication. Distribution is normally a strenuous part, so you may want to employ school kids or part-time workers to do this for you. Decide on what to pay them. Three cents per publication correctly delivered is a very fair price. You'll have to keep watch on them though. Do random checks to ensure that these are delivered to your requirements. This method is the most effective method from a cost point of view and it works the best. The amount per copy you decide to pay is your distribution costs.

Charging Advertisers

In order to calculate a fair price to charge advertisers, ensuring you have a sizable profit for your time and trouble, you'll have to work backwards.

The costs you have so far are printing costs and distribution costs (including fuel costs and sundries if applicable). Adding these two together will give you a total of all costs you will ever get. This represents the total operating costs to you. Calculate one third of the total operating costs. This figure that you get represents your profit that you keep for yourself. Add this profit figure to your total operating costs figure. The amount you get represents the total amount of money you need to get from total advertisers' fees that you have to charge. Divide this amount by the number of page sides (twelve A5 sides if you choose the size mentioned earlier). This figure will give you the cost of advertising space for one A5 side of your publication. Divide this figure by four and the new figure that you get will give you the cost of one quarter page of advertising fee in your publication. You will base your advertising fees on this figure per quarter page of advertising space. As an incentive for advertisers to book more space in your publication, you can give discounts on larger spots taken.

Remember advertisers pay you first, then their advert appears. This money

received from advertisers is pooled together and used to finance operating costs and your very own profit. You can therefore start and operate this business with no capital whatsoever.

How To Get Advertisers

This is the most important part. Get hold of newspapers on a regular basis. Jot down details of small businesses or individuals advertising in the classifieds. Check this newspaper on different days and cross check with the list you have already drawn up. Once you find adverts appearing more than once, tick these off on your list. Contact these people and offer your advertising services.

Collect Adverts And Prepare

The last stage is to collect adverts from advertisers, collect payments and hand over adverts to your printers. Explain the setting up of your publication to your printer. He'll have a computer and do the typesetting for you. Once layout, design and the entire publication is typeset, check for any errors and if happy commence with printing. Some customers may have very involved logos. In this case, ask them for a sample and get your printer to scan it off from there onto your publication. He can then 'clean' it up until it is ready.

You may find that you will have to assist some advertisers with the drafting and preparation of their adverts. Do this for them as part of the service. It is important to create a deadline for taking in adverts. If you find you have some space left, allow a few extra days making sure you don't run behind schedule.

Notify advertisers when publications will be ready and when, how and where they will be distributed. Give the advertiser a publication for his own records.

Once publications are ready, commence with distribution as planned.

Conclusion

The first time you do this may seem a bit taxing but the second time round will be a breeze as more advertisers gain confidence in you, your business and your abilities. As we found in our second time, we had so many advertisers that space was booked in two days! We had to put off the rest till the following week.