

## How To Start & Operate Your Own Profitable Mail Order Business At Home

How much money do you want to make? Do you need a steady second income? Do you want to have your own business, be your own boss, and make your own decisions?

Are you ready to make a commitment to be successful--both financially and personally? The mail order business is the way to succeed in always.

Whether you're prepared to commit a small amount of time or all your time... Whether you want satisfaction of position, financial security--even social respect.. Then mail order business is for you.

Today there are hundreds of opportunities to get into the profitable mail order business. And, you don't have to be creative or clever,, or have invented something new. You only need the desire and determination to achieve your goals.

What do you want from life? Are you tired of struggling to make ends meet? Maybe you're fed-up with commuting to work and living under a time clock. If you like independence, can make simple decisions easily and are prepared to devote energy to your project, YOU WILL SUCCEED.

The mail order business is not get-rich-quick scheme. It won't make you a millionaire overnight.. But it can build into a steady, profitable business at home--as big or as small as you want it to be.

Some of the mail order companies that gross millions of dollars a year got started in small ways.. Not only the well-known distributors such as Sears or Montgomery Wards, but dozens of smaller catalog houses and monthly mail order clubs began slowly, testing ads, testing prices, acquiring customers that buy again and again as each year passes.

Think big and think with confidence. The only way to truly make a mail order business work is to MAKE IT WORK FOR YOU. This is a low-risk low-investment business that can make you HIGH PROFITS.

### ACTING ON OPPORTUNITY

It is a proven fact that dozens of small and large companies make great profits from the mail order business. And, although there are some who profit illegally--and get caught--the federal government promotes mail order enterprises..

Think about what you receive in the mail. Almost every day you get flyers and brochures from all sorts of companies selling magazines, books, clothing, household items---- even vacation packages. Some of them you may toss away without even looking at; some of them you may read and some of them you may buy from, especially if you know the company and bought before.

An honest mail order business is something to fell proud about. Just as valid as opening a storefront, this business needs so little investment that, with perseverance, you almost can't help

but win..

As in any other money-making enterprise, from working for someone else to owning and operating your own company, the mail order business requires energy... But it doesn't take away enthusiasm or confidence, As a matter of fact, the more positive thought you put in,, the more rewards can be reaped.

Decide on how much you want to earn, how much energy you can devote to this business, and what you want out of it. You can operate a successful mail order business in your spare time with a very low financial investment, but it's up to you to make it work.

#### WHAT DO YOU NEED?

You can run a small mail order business out of your home from the kitchen table.. All you really need is a mailing address, a few dollars for a classified ad, and a PRODUCT THAT SELLS.

If you're just starting in this business, you don't need to invest in elaborate equipment or expensive manufacturing. In fact, you may find several products to sell that require minimum investment and bring in a maximum profit.

Once you get going, you'll need the usual stationery suppliers such as a stapler, cellophane tape,, mailing envelopes, address labels, and file folders. You may invest in a file cabinet and a desk. And, you'll need to use a typewriter or have somebody do all the typing for you.

Eventually you may need a postal meter, good quality postal scales, and storage for the products you sell. But even when you establish a high profit business, you can still operate it from home with limited resources.

#### HOW TO FIND WHAT SELLS

The basic secret to success in the mail order business is to follow the leader. Especially when you're beginning, why should you spend the money and time to test products, prices, and places to advertise?

Start at your newsstand or library. Study every copy of each magazine that advertises mail order products. Take a good look at the classifieds section. Then write dozens of these offers---especially any offer for something free. Take a look at the sales literature you get back. You may even purchase a few products to see what is sold for the money asked.

See the patterns?

If you review past issues of these magazines in the library, you'll notice the ads that repeat month after month. Advertisers who continue to place ads have PRODUCTS THAT SELL. What are these products? Which are these products? Which ones would you like to promote?

Consider the trends in the various magazines. You may notice several similar ads for the same products listed one after another.. THEY ALL SELL. And that is where you should begin.

## WHAT TO SELL

What products grab you? Which ones would you like to sell --as a one-shot, and later as a product line. Maybe you already have a sound interest in specific products that are solid mail order products, such as stamps and coins, jewelry or books.

Plans and kits are great to sell to decorating and handicraft publications. You may already make something at home that you can easily write into instructions and manufacture into an inexpensive kit for do-it-yourselfers.

Mail order is an excellent way to distribute stock from a retail enterprises. If you have a store or manufacturing plant,, you don't need to invest in stock. A simple brochure or catalog to follow up inquiries is a profitable way to build business.

Specialized information is one of the most profitable products in the mail order business. Whether you sell pre-recorded cassettes or small folios or booklets, you can keep overhead down and profits high. Mass producing specialized information can be surprisingly inexpensive--and there's a high demand. If you want to develop a product line, carefully research what already sells by mail order ads. Don't take the chance to be innovative.. Others have tried before you. Take the tried and true path and sell a competitive product at competitive prices in the same publications as everyone else.

There are a few rules to follow when choosing what to sell. First the profit margin. Don't work with anything that won't bear a high mark-up per item. Calculating the advertising costs, products costs and mailing, you have to make a good profit for each order,

Consider the weight of the product and the mail-ability. Can you place it in a manilla envelope and mail it? Padded mailers or small boxes are also easy to mail/ Think twice about large or heavy items that are expensive to send.

Is the product a regular in the publication? Do the other mail order businesses carry this product? And does it sell profitably?

Get some samples from competitors, then contact the manufacturers and find out about the profit margin.

Don't try to distribute novelties, gadgets or low cost items through mail order. The catalog houses and other larger mail order enterprises have that market covered,

Can the product be sold in retail stores, and is it? Unless the product is special, it won't maintain a high mail order trade if it is readily available at the local stores.

Do outside salespeople sell the product? Even if they are not sold in retail stores, steer away from items that are solicited for by telephone or personal sales calls.. Also avoid any items that are distributed by persons from the manufacturing plants to small retail outlets.

Your product must be easy to advertise. In order to get inquiries

through classifieds or display ads,, you must be able to describe the product effectively with a few words.. New inventions rarely sell well by mail order.

Finally, consider the potential of the product. If you begin with monogrammed bags,,, do you want to continue with an entire line of luggage, bags and cases? Where can you go after you have success with your first product? If you are producing and distributing information, what is the potential for more products in the same subject matter?

A basic element of the mail order business is building repeat business. If you keep within a similar line of products, you can sell to the same customers time and again.

Eventually you'll distributed many similar products through mail order. You may find one products through mail order. You may find one product to be a seller year after year. And you may be content with that. Or, you may substitute your stock to improve the potential sales and actual profit.

Think carefully about what type of product line you want to get into. You'll be living with it for a while, and you must have enthusiasm. Because it is through your product that your desires will be fulfilled and from which YOU WILL MAKE MONEY.

#### DON'T CHEAT

You don't need a special permit or license to sell products by mail order. In some states, you will need a special tax identification number and will be required to collect sales taxes.

The mail order business is changing. There was a time when some of the advertisements were come-on for other products, fell short of their promises, or were just plain frauds.

The federal government and the postal authorities are especially strict with mail order businesses today. Primarily because irate buyers have no other recourse, but also to clean up the industry, any enterprises even slightly suspect is investigated.

If you are serious about operating a mail order business for a long time, don't fall short of the law. The authorities can shut down an operation immediately, and fraudulence is prosecuted.

It is against the law to operate a lottery or chain letter scheme by mail. Both the advertisements and the sales literature for imported products must say that the product was imported.

And, you must ship within thirty days to receiving an order or offer a refund.. You then have an additional thirty day grace period, but then you must refund the customer's money or ship the product.

Aside from the fundamental laws, the authorities will judge on willful misrepresentation. Almost all advertising points out benefits rather than drawbacks, but your product, but your product must reasonably do what is advertised, or be the quality it is purported to be.

Naturally there are shades of gray in all these areas, but if your product lives up to the ads and sales literature, and you do not gyp the customers in any manner, you'll never have trouble.

#### YOUR PRODUCT

What's the least expensive way to produce your product and fulfill orders to make a high profit? If you are selling information, first test the market potential with photocopies of the report or booklet. Or,, you may be able to revive an out of print publication.

If you want to distribute a product, contact several manufacturers that can make the merchandise and get competitive price quotations.. Investigate ways to make the product with less expensive materials without losing quality. And check on the reputation of the firm. Is their merchandise known for quality? How soon can they deliver the goods once you have ordered?

For the first few months of testing, you may have to pay higher prices for the products in small quantities. Don't invest in large quantities until you are sure there is a demand.

You might try to sell a few handmade items first. Keep an adequate stock to fulfill orders, and consider mass production once the orders show the demand.

Or, you can work on consignment with somebody's product that is perhaps sold elsewhere. You try the product and make sales. You get a percentage and the other people get a percentage.. Then you work out a viable business relationship.

#### WHAT PRICE?

When you investigate the products you want to sell, consider the price you can get for them. Is there an adequate profit margin? How many times might a customer purchase your line of products in a one-year period? Your profit line is the guide for deciding not only what price your product at, but also the manufacturing costs and the feasibility of the product itself.

The only way to know how to price the product is to test the highest prices the market will hold.. To test prices, you send sales literature with two prices. The results of the sales will tell you which is best. For example, if you get twice as many orders of a product at a lesser price, it will be a high profit over a long run to keep it at the smaller price.. However, if there is no big difference in the number of orders received, go for the higher price.

Consider the potential of your product and the product line. You'll want to expand into similar products and you'll want to make a tidy profit from the time you invest.

#### WHERE TO ADVERTISE

Advertise where the competition is. If there is another classified with the same or similar product, place you ad in the same publication. Just as you followed the leaders in the choice and pricing of your product, follow the leaders in advertising.

Even though some publications cost more to place ads than others, don't try to save money in less expensive places to advertise. In a long run, your ad will pull the best responses where it's been tested and proven before.

Don't be tempted to place an ad in a magazine that does not have products similar to yours--even if you have a hunch or think it may bring in stay requests. For a beginner, follow the professionals and list where they do.

There are two types of advertising for publications. Classified ads. Which are run together in a section at the back of the publication are only for words, and usually are reasonably inexpensive to place.

Display ads, or space ads, are the advertisements that run throughout the publication. They are best use if you need to show a drawing of your product.. Although they are more expensive than classifieds,, your product response may do better with the extra investment.

#### PLACING CLASSIFIED ADS

Classified ads are the bread and butter winners for the mail order business. Your dollar investment per word in a classified will pull many dollars in responses.

The best way to use classifieds is with a two-part approach. First you place a small ad that describes your product or service. You give a full address and information, but mention free details, or free information. Don't ask for money or give a price.

From the inquiries in response to the ad, send out a direct mail piece describing your product more fully--giving a full sales pitch and a coupon. It is this sales pitch that is most effective in generating orders.

Writing classified ads is easy. But again, do what the others do. REad the classified ads.

First there is a lead-in,, or headline -- a word or two that grabs the reader's attention.. This followed by a promise--some benefit the product offers. Then comes the description of the product itself. Finally offer a guarantee and push for action...

Place the classified ad in the publications you choose under the categories that seem most effective for your product. Give it at least three months to test it.. Then watch those inquiries turn into orders, and the orders turn into money.

#### RUNNING DISPLAY ADS

If your product will sell better with a visual representation such as a line drawing or photograph, then you'll do best with a display ad.

Display ads come in all sizes--from one inch to a full two-page spread. And choosing the size to run your ad will be a matter of testing the responses.

You should use a space large enough to include a coupon.. It has been proven that people respond faster if there is a space to fill out their name and address and place the order. Whether it is convenience or the simple indication of the type of information to include, mail order businesses find that three-fourths of the orders from display ads will respond with the coupon.

As with a classified, use a catchy heading with the display ad to grab the reader's attention. Along with the illustration and coupon, describe the product and point out some of the benefits of owning it.. And be sure to mention a guarantee.

The rule of thumb for deciding how big to make the display ads is to test the responses. Increase the size of the ad until it costs more than the profit it brings in.. Some products don't sell any better with a larger ad; others do.

#### OFFER A REFUND

An important element in all advertising, and especially in mail order, is to offer a refund if the customer is not satisfied. The reason is simple. More people will respond to an ad that backs up its claims with a guarantee.

If a buyer can return the product for a refund, then the order is a low risk. Since your product will fulfill the promises in the ad, you will have a low refund rate. For those returns you do have, fulfill the requests promptly. Just because that specific product was returned does not mean you lost a potential customer.

#### USE AN ADDRESS CODE

Whenever you place an advertisement, whether classified or display, you need to code the address so you know which ad the inquiry came from.

This coding system is called keying the address. Take a look at the classified ads you've been studying. See those codes? Department WD-5, Division 9A; Drawer 4B. These are all address keys to use in recording and tabulating responses. They are most important in testing the pull of your ads.

You can use any combination of letters and numbers to code the address. Most businesses use the words department, suite number, room number, division or drawer. A simple key is the initials of the name of the publication and the number indicating the month of issue. But you can use any code that's easy to keep track of.

#### DIRECT MAIL

Once you receive inquiries from classifieds ads,, and start fulfilling orders from display ads, follow through with direct mail pieces that sparkle with inviting offers. The purpose of the

two-step approach in classifieds is to get lists of potential buyers to sell to. Just as a salesperson gives a pitch with the product, you should also sell your offer with effective sales literature.

Most mail pieces consist of sales letter, a brochure or

circular, and a reply card or coupon to cut out of the circular.

Many people will respond directly to the product alone and order regardless of the sales literature. But for those thousands of others who want to know more about what they're buying, you have to make the difference between throwing it away and sending in the coupon and a check.

The sales letter should be personal and direct. Talk to the potential buyer honestly, telling that person the virtues and benefits of the product. Point out the features and uses. And underscore the appeal for action.

Testimonials are effective ways of selling, especially if you need to convince the potential buyer of the actual results of the product. But be sure these can be backed up by real people who can make these claims.

Writing effective ways of selling, especially if you need to convince the potential buyer of the actual results of the product. But be sure these can be backed up by real people who can make these claims.

Start small. Use colored paper to print up several hundred one-piece circulars that describe your product and include a coupon.. You don't have to create an elaborate four-color photograph of the product; simply describe and illustrate the benefits and features of the offer.

Whether you use a one-piece circular, a full color brochure, or a forty-page catalog, INCLUDE AN ORDER COUPON. The coupon is the most important piece in the direct mail literature. It makes it easy to place an order. In a few simple words, the buyer knows what the product is, understands that it is refundable, and expects to receive what is advertised.

Direct mail pieces are the best way to follow up on your customer lists. Any inquiry you receive is a potential buyer regardless of any orders made. If your first mailing didn't prove a response, follow up with subsequent mailings.

You'll have to test to see how often these follow ups are effective. Some mail order enterprises mail offers several times a year; others only yearly catalogs.

#### TESTING RESULTS

How do you know which ads pulled best? Which magazines gives you the best dollar-for-dollar response? What price is the most profitable to sell the product at? Which sales pitch works best?

Keep a complete record of all the inquiries and orders, and make comparisons to determine the best roads to take.

Testing is the hidden feature in mail order that determines success.. And testing doesn't need to be costly or draining to your profits. The best attitude towards testing is as a game.. Draw the limits of your risks and make different turns in the road when it isn't profitable.. If you consider testing for mail order like a maze, you'll be the one to find the success.

One of the best features of the mail order business is that it doesn't require a large financial investment. So, each step of the way that you test, going ahead with high responses and discarding low responses, you have little to lose and EVERYTHING TO GAIN.

One of the elements you need to test is the pull of the magazine ad. Compare each publication with the next. Which ones are the most profitable? Of course you'll need to test the price.. How high a price can you ask for a product without getting a tremendous drop-off in orders?

If you are using display ads, you may be testing for which size pulls the best response for the money you invested.

Another element that is tested is the ad copy--especially the headings. You may want to test a few different headlines to see which is the most effective.

The obvious thing that is tested is the product itself. The most clever ad at the most appealing price will do nothing if the product won't sell. And if your product is not successful, drop it and try something else. It's not worthwhile to put in so much effort for something that will never make it.

#### KEEPING RECORDS

The way to determine test results with a record sheet.. Use a separate sheet for each address key you used. At the top of the paper. include the vital information such as the publication the ad was placed in;; what type and size of ad was used; how much the ad cost; which ad copy was used; the name of the product; the price of the product.

Separate the tabulations into two main categories: inquiries and orders. If you use a display ad, you should have fewer inquiries than directly from a classified, but you need to keep track of all responses.

Along the left-hand column, vertically, write numbers consecutively. These will correspond directly to the days you received responses, starting with the first day you received an inquiry or order.

The inquiries section should be divided into three columns of date received, number received and a running total to keep track of how many to date.

The orders section should be divided into date received, daily number of orders, total number of orders;daily number of sales; and total cash sales.. The totals will give you an up-too-date indication of how well your ad is doing.

Your record sheets will give you enough information to decide if you advertising investments are paying off. To figure profit, merely subtract the cost of the products and the ad from the total cash sales. How does this compare with your cash investment? How well does this ad work?

By comparing the number of inquiries to the number of orders, you can find out how effective your sales package is.. What

percentage of people order from the sales literature? How can you increase it?

#### FULFILLING

Sending out the orders is the fun part. Depending on the type of product you have, you may pre-package a quantity to keep on hand.

As you receive mail,,, record the inquiries and orders immediately. An easy way to do this is to sort the mail by address keys and pile it with your record sheet. As you open the mail,,, you might staple the orders with the envelopes so you know where the response came from.

Many mail order businesses have their own small computer services for labeling.. Now that home computers are getting less expensive, it may be a good investment once you have a sizeable number of incoming mail pieces.

You can type the labels out with carbon copies to be made for future follow-up mailings. Or you can photocopy sheets of labels if you have that many each day.

If your customer doesn't include a zip code, be sure to look it up and send your package back with an accurate and complete address.

different mail order companies have different methods of filing customers. You can create separate lists of known buyers; lists of people who respond to specific ads in certain publications; lists of people who ordered specific items from display ads.

Or you can keep 3 x 5 card system that includes all the pertinent information for follow up.

#### EXPANDING

You have a good product; you've placed a successful ad; you are making a nice profit. Now what? don't be too eager to expand the business into untried areas or products. The only way to build your mail order business is slowly, with thought and careful testing.

The first place to expand would be with another product. You can send out sales literature to the people who brought the first product and to the people who sent in inquiries but did not buy.

Or you can expand your advertising. Place the same ad in several known publications. Perhaps you are ready to try a larger display ad rather than a classified.

What about the product itself? If you've had a heavy response, mass producing is the only way to profitably meet the demand. If you have a product, go back to the manufacturer and renegotiated on larger quantities.

You might have been selling photocopied information that you originated. Although typesetting and printing can be expensive endeavors, they can be worth it if you know you can sell five or ten thousand copies.

As your product line gets bigger--even half a dozen items--you can produce a small brochure or catalog. Special books are often sold by mail order form a folded sheet that serves as a catalog..

There are pictures of the books and a description beneath each picture.

Your products are also a natural for a catalog. Perhaps you are selling special handmade items and have successfully expanded into dozen. You can get a designer to draw wonderful line art that highlights the best of your products and makes them appealing to your customers.

The mail order business is a unique opportunity because it is specially tailored to your sensibilities. You can sell the products that appeal to you and that you feel are worthwhile. And you can have a one-to-one relationship with the people who order the products.

You choose products to add to your line and you choose ho much time and money you want to invest. It is through your own desires that it becomes successful.

#### THE PROFIT MARGIN

The final word in the mail order business i how much profit is made from your efforts. You are not in this business to break even or have your address printed in a magazine. You are in it to distribute good quality products at fair prices to a hungry market.

Thousands of items are successfully sold by mail, and many by small home businesses run by one person. When you can choose a product with a high mark-up, place low cost ads that produce high response, and turn curious inquiries into solid orders, YOU HAVE IT MADE.

Go ahead--test it. Start with a small classified ad for a few months. See what the inquiries bring in. Mail back some sales literature from the orders. You'd be surprised just how easy it is.

If you need specialized LEGAL advice or assistance on this subject, the services of a professional person is recommended.