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Home-based Business Owners: A Market Worth Pursuing

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Home-based Business Owners: A Market Worth Pursuing

By Doug Swanson

Thirty million people are waiting to hear from you.

About The Author

Doug Swanson has 12 years experience in broadcasting journalism and public relations. He is on the faculty at Cameron University in Lawton, OK where he teaches mass media and communications courses.

Vice-President of the Swanson Group, a research, marketing and public relations firm, Swanson got an early start in water conditioning while working in his father's North Hollywood, CA franchise. He was later general manager of a Rayne dealership.

Every business needs to constantly look for new markets for its products and services, if the business is to survive and grow. I'd like to tell you about a new market which is made up of at least **39 million people** in the United States alone. This market contributes at least **\$382 billion** to our national economy every year. It creates an average of more than 7,000 new jobs **every day** -- jobs which bring in an average annual income of **\$27,000**.

Does this sound like a market worth pursuing?

This new market (which is, by the way, the fastest-growing sector of our economy) is made up of home-based business owners and telecommuters.

First, I must warn you to disregard what you may have come to expect about home-based workers. There's a common, but mistaken belief that home-based business people are just a bunch of old folks who make wooden toys for sale at weekend flea markets, and that telecommuters are just part-time computer hacks who can't find a "real" job someplace. Nothing could be further from the truth!

Home-based business people come from all walks of life, and can be found in all parts of the country, urban and rural. They are entrepreneurs who have decided to cut their business costs (read: "increase their profits") by running their com-

panies from a home office.

Home-based business people include attorneys, physicians, CPAs, carpet cleaners, consultants, health care professionals and, yes even craftspeople. Some work in their home businesses full-time; others "moonlight." But they've all found that it's possible to be just as professional when working at home as when working in the "retail sector." That's because it's possible to equip a home office with the electronic and communications equipment you can have in a retail office. These days, there's very little physical limitation to the types of business which may be conducted from home.

Telecommuters, on the other hand, are people who work at least one day a week from a home office, by "connecting" with their retail-based office through a computer and/or FAX machine. According to *U.S. Today* (November 19, 1993), at least 7.6 million people in the U.S. workforce telecommute -- an increase of one million in just the past year. It's been claimed that these people are 15 to 20% more productive than they were before making the switch. (A City of Los Angeles pilot program involving 242 employee telecommuters is being expanded, because it was found to increase productivity and cut administrative costs by \$140 million annually.)

These home-based workers have

not come up with a "new" idea. In fact, home-based business was the norm for centuries. The butcher, the baker, the candlestick maker -- they all worked out of the same structure where they lived. It was the advent of the automobile that brought the end to this system, by allowing us to set up "business communities" located miles away from home and hearth. It's just been within the past decade or so that a number of forces have combined to push us back toward home-based business as a norm rather than an exception.

Simply put, there's a heck of a lot less stress to be had -- and more profit to be made -- from working at home. Recent survey research confirms it: people work from home because they want a better quality of life, more time with family, freedom from rigid office routine and "politics" and the ability to make more profits as a consequence of lower business overhead.

A *Home Office Computing* survey published in September, 1993, finds 98% of home-based entrepreneurs are happier working from

home. That same survey finds 96% are able to recommend home business to others, 85% report being more relaxed, and 39% take more time off from work for personal needs.

Obviously, then, you need to start giving some serious thought to targeting the home-based entrepreneurial market in your service area, and *getting your water treatment products and services to these business owners.*

Home-based entrepreneurs and telecommuters are likely to be ideal customers for your retail business, because:

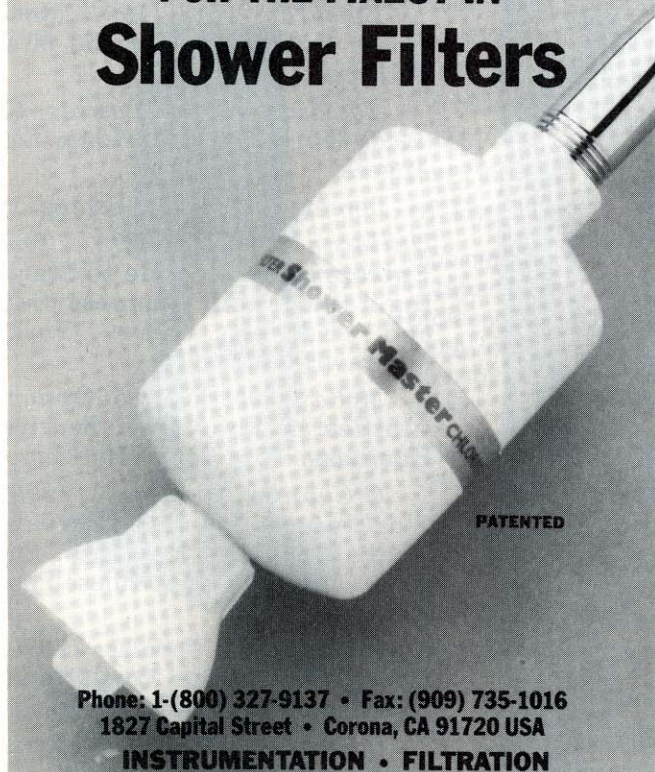
- They tend to have high incomes (\$27,000 annually on average) and have more disposable income to spend;
- They tend to be concerned about their quality of life, and may already be conscious of water treatment needs and alternatives;
- They offer the opportunity for you to sell water treatment products and services for home and office -- at the same location.

Additionally, since home-based entrepreneurs live and work at the same address, it will be a lot easier for you to find them -- and "lock up" sales to them with a minimum of delay. I know from experience as a home-based entrepreneur, home-based business people tend to know what they want, and are able to make decisions quickly!

So, how do you locate home-based businesses in your area? First, start by checking to see if your state has a home-based business association. Here in Oklahoma, our non-profit Oklahoma Home-Based Business Association (OHBBA) was the first of its kind in the nation. Our community chapters hold regular meetings to distribute information to home-based entrepreneurs and encourage networking among their members. The OHBBA publishes an annual directory of home-based businesses as well as a bi-monthly newsletter. Several of our chapters produce local directories and newsletters. All publications are available to the public for a minimal charge.

If there's no association dedi-

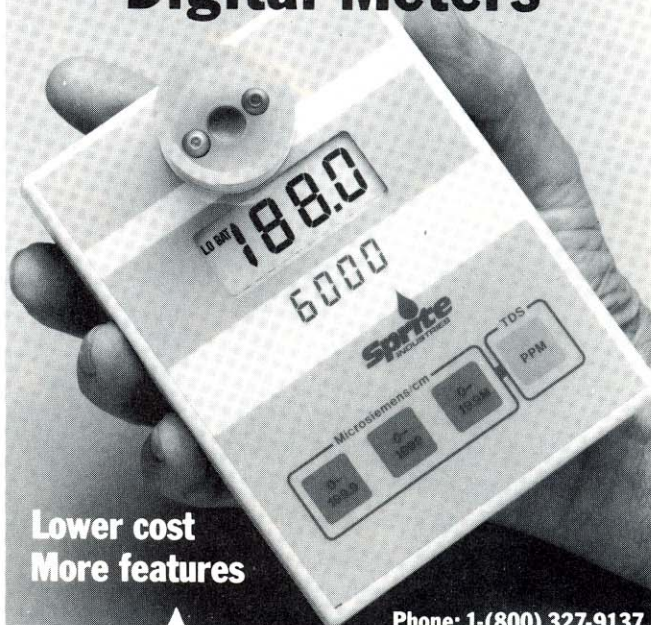
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cated exclusively to home occupations, try your county extension service, Chamber of Commerce or SCORE (Service Corps of Retired Executives). These agencies sometimes keep track of who's doing business from home and what types of businesses they're running.

Another source would be the public records at your community clerk's office since home-based entrepreneurs in some communities are required to hold a city business

permit.

It shouldn't be too difficult to come up with data (names, addresses and company information) for home-based entrepreneurs. But you can do more than just create a "prospect list." If you find an association of home-based business people in your town, consider contacting the group to make a presentation about water treatment needs, services, or equipment. In Oklahoma, our 14 local OHBBA chapters

are always looking for business experts to talk to them about professional concerns. We've had speakers give presentations on bookkeeping, computers, insurance, and a variety of other topics related to business and the quality of home life.

Since everyone uses water, it seems like water would be an important topic, too! You can use the opportunity to reach out to the home-based business people, introduce the importance of water-related issues, and perhaps pick up a prospect or two along the way. If you haven't already, you need to start developing a greater understanding of home-based business people in your community, so you can start **selling** to those people -- today!

Thirty-nine million people are waiting to hear from you. Good luck!

References

If you'd like to learn more about home-based occupations, consult these or other publications at your local library.

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