

**Taking the Hottest Business of the '90s
into the 21st Century**

INFOPRENEURS ONLINE AND GLOBAL

- **Money-making secrets of
successful online entrepreneurs**
- **Step-by-step instructions for
launching an online
information business**
- **Innovative ideas for gathering
and selling information online**

H. Skip Weitzen and Rick Parkhill

I n f o p r e n e u r s

Online and Global

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into the 21st Century*

H. Skip Weitzen
Rick Parkhill



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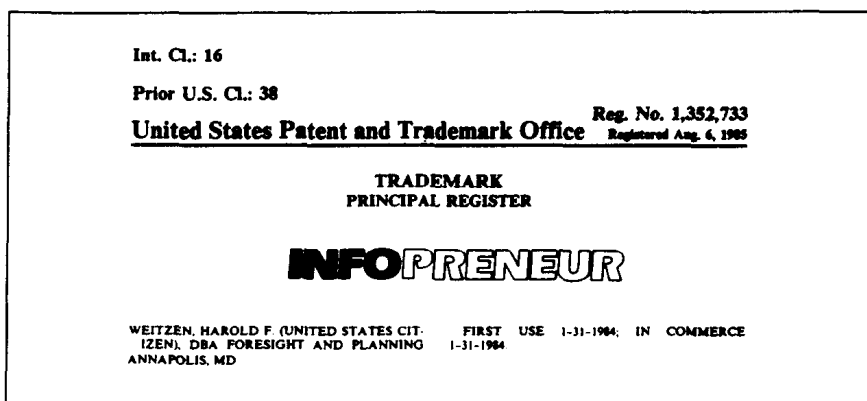
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Preface

One evening while scribbling on a legal pad, I wrote the words *information entrepreneur*. Continuing to write, I quickly glanced at the two words, which then seemed to combine before my eyes into one word—*infopreneur*. I then visited the Office of Patents and Trademarks, in Washington, D.C., where on August 6, 1985, the commissioner registered the word *infopreneur* to describe information entrepreneurs, the new breed of entrepreneurs ushering in the Information Age.



An *infopreneur* is a person who gathers, organizes, and disseminates information as a business venture or as a value-added service. What differentiates infopreneurs from the rest of the population is their ability to rapidly deploy their ideas and information to the marketplace. It's that simple. They are not smarter than the rest of the population, they are not richer, and in most cases, they are certainly not better looking or better dressed. They don't have to be, because they work in the binary world of ones and zeros in which they communicate through their computers.

When I coined the term *infopreneur*, the Internet was just a network set up by the United States Department of Defense to connect various military and research sites. A couple of years later, the National Science Foundation (NSF) used the technology to develop its own high-speed backbone network. This allowed campuses and research centers to use the NSF's supercomputers. Infopreneurs then began transferring data files between sites, conducting electronic mail and building new online communities. Today, this new breed of infopreneurs, who interact online and globally, is taking the hottest business of the nineties into the twenty-first century.

You don't have to be a geek or a dweeb to be an infopreneur. You can hire someone to do your technical work for you. If you've thought about bailing out of the bureaucratic trap, if you're looking for a way out of your dead-end career, then declare yourself an infopreneur. Hop on the information superhighway. Set yourself free to explore the world, fulfill your mission, and turn some of your intellectual capital into cash. Remember the words of the immortal Will Rogers, "Even if you're on the right track, you'll get run over if you just sit there." So get going!

Skip Weitzen

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We also want to thank our talented and discerning editor, PJ Dempsey, for keeping us on time, online, and on topic. You’re the best! We also want to thank Chris Jackson and Elaine O’Neal for pulling all the pieces together as a book, and thanks also to Maggie Dana at Pageworks for making it all look nice. Finally, thanks to Estelle Conklin, our special salesperson, who helped put “infopreneurs” into our vocabulary.

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Introduction

The most important business lesson I ever learned was as a Fuller Brush salesperson in high school. I came to the house of Mrs. Johnson, an elderly woman who had been a very good customer. She said, "Skip, I need some more of the underarm deodorant in the little red can."

I had been selling these products for a couple of years but couldn't remember seeing deodorant in a red can. So I asked Mrs. Johnson if she could bring me the can. As she was returning to the front door, I could hear her singing the praises of this product. When she returned, however, what she handed me was a can of strawberry-scented room freshener. I was taken aback, but I wanted to be candid with my customer. So I said, "Gee, Mrs. Johnson, I don't know how to tell you this, but you've been using strawberry room freshener as underarm deodorant."

She was shocked. She took the can back and read it carefully. Then she became embarrassed. She said, "Oh my! You're right. I'm so embarrassed . . . but give me two more cans!"

I paused, chuckled, then responded, "Since you like the product so much, if you buy six cans, I'll give you a seventh can for free!" She bought the six cans. That experience taught me a lesson that has stayed with me for all these years. To succeed in business, I have to give my customers what they really want . . . not what I think they should want.

I wrote *Infopreneurs: Turning Data into Dollars* for a small niche of entrepreneurs who wanted to make money with information. The book became a business best-seller because it struck a responsive chord in the market. That market has shifted, however. Information is now digitized and moving around the globe to millions of people with the click of a mouse button. With these changing dynamics, we found our customers wanting to understand the new rules for making money with information. For that

reason, we set out to help define those rules, as well as the new roles of infopreneurs in a dynamic marketplace.

We found that the integration of information and communications technology has created tremendous opportunities for infopreneurs to capitalize an above-average rate of return in a short period of time. Because the barriers to entry are low, it seems as though anyone can get in. Two examples of those who have succeeded incredibly well are Microsoft and Netscape.

Microsoft recently celebrated its twentieth anniversary. This company was started by two college dropouts, Bill Gates and Paul Allen, whose net worth now exceeds \$13.4 billion and \$6.7 billion, respectively. The company has 16,000 employees, of which 2,000 are millionaires.

Netscape, on the other hand, was started more recently by Marc Andreessen, who was earning \$5.85 an hour programming for the government before he developed the Netscape programming code. The code he wrote provided an on-ramp to the information superhighway. After just two years in business for himself with Netscape, with sales of less than \$25 million, his company launched an initial public offering (IPO) that was one of the most highly touted IPOs ever. The day after his company went public, Andreessen's net worth exceeded \$50 million, and his company's value soared to more than \$2 billion.

Could you be the next Bill Gates, Paul Allen, or Marc Andreessen? Perhaps. We wrote this book to help you unleash your own potential as you tap into the online and global information markets. We work in the information marketplace, producing television shows, publishing magazines, disseminating newsletters, conducting conferences, and consulting with and launching information companies. We see firsthand the opportunities and challenges facing the infopreneur. Our responsibility to you, the reader, is to clarify for you both how the market has changed and how you can take advantage of these new opportunities.

Infopreneurs Online and Global was written to illuminate the cutting-edge opportunities that have recently emerged. Let this book serve to loosen up your thinking. We wrote it for college dropouts, government programmers, housewives, frustrated executives, and ambitious students who want to take charge of their future, rather than to be victims of circumstance.

Let this book serve as your compass, your point of reference, and your inspiration when you find yourself ready to get off the payroll and into your own business. We hope you'll read it, apply it, and turn your data into dollars, online and global. Then perhaps someday we'll see you, yes, we mean *you*, in a future edition of *Infopreneurs*, as well as in the Infopreneurs Hall of Fame!

Welcome to the World of Infopreneurship

Welcome to the world of infopreneurship. *Infopreneurship* is a new word for the new breed of entrepreneur who is changing the course of history. For those of you who are thinking about entering this brave new world or who have already made the first steps, we plan to take you on a journey to this place and give you perspective on the impact that infopreneurs are having on it.

Let's start with the technology and the information explosion we are currently experiencing. While much has been written and said about online services in just the past few years, in reality the first online system became available three years before the first personal computer was introduced through mail order. The Dialog database system, which became public in 1972, was followed by the Altair 8800 three years later. But the information explosion didn't occur for another decade, until personal computers linked information entrepreneurs with the world of online communications.

When online services started more than two decades ago, few people had any real need for them, and the Department of Defense's new experimental offering, called the Internet, hardly received any attention. At that time, online services were products looking for a market, akin to IBM's introduction of the PC a generation ago.

Part of the lure of today's information explosion is the incredible accessibility of information at your fingertips. Yet the result, in part, is that a lot of this information now has become somewhat scattered and inaccessible. This creates unlimited opportunities for savvy infopreneurs to facilitate commerce on the Internet, control the flow of available information, and enhance that information's value to their customers.

FORTY-THREE MILLION DOMESTIC INFOPRENEURS

The number of Americans now working at home, at least part-time, totals some 43 million. This number has blossomed over the past several years because of the increasingly accessible technology and data that are the means to their livelihood. As the online and global world transforms itself to meet the needs of infopreneurs and their customers, lower costs and greater security will be the keys to achieving ubiquity.

At the same time, the telecommuting movement is taking form and the number of participants on the Internet has exceeded 50 million! We are truly becoming a global community, nations linked with nations, and online services are the highest-octane fuel feeding this acceleration.

THE EMERGING INFORMATION SUPERHIGHWAY

There has been much talk about the information superhighway. It has done everything from making the headlines of publications everywhere to dominating computer conferences to taking center stage in political elections. Currently, the three components of the information superhighway are *public networks*, *private networks*, and *grassroots networks*.

Public networks include government-sponsored applications, which also span efforts in research, economics, education, and medicine. Private networks include those of cable and telephone companies, which have launched many promising video-on-demand and interactive applications. Grassroots networks include a wide spectrum of entertainment, education, and information applications. The major challenges facing these three types of networks are funding, technical feasibility, privacy, and security.

As the Internet continues to provide a predictable, broad-ranging experience, its value to the infopreneur improves. The balance between openness, accessibility, and anonymity while delivering information with the same predictability as a retail store transaction will ultimately build consumer confidence and thus increase transactions online.

People don't seem to mind trying something new; they just don't want to make mistakes that will cost them dearly. Today's "virtual mall" offers some 10,000 different shopping experiences, yet its customers still don't buy in big numbers. Why? They do not want to be surprised or ripped off. Time and experience are needed to build customer confidence.

To support the Internet's growing commercial services, new applications of information management and communications technology have emerged. They are designed specifically to improve access and delivery on the net. Secure financial transactions on the Internet will soon pave the way for commerce in cyberspace.

THE PRESENT FUTURE

Mobile access to the Internet through digital, radio-equipped notebook-type computers is becoming increasingly attractive. Cellular telephone services are spreading in developing countries faster than wire-line services. Personal computers and local area networks that connect them are spreading quickly, since LANs are easy to install and can have immediate local impact.

The day is coming when networking, in a business sense, will be absorbed by the technology. Business cards will be replaced by "data-squirts" between computers as more than one billion people become infopreneurs, with online and global capability.

STAY FOCUSED ON THE CHALLENGES

To make your wildest dreams come true, infopreneurs have several challenges to resolve. First and foremost, you must resolve the conflict between freedom through privacy and the pervasive nature of technology. It is your responsibility as infopreneurs to balance the benefits. While the industrial economy was built on mass production, the infopreneurial revolution is built on data distribution. Moving quality data is the key. In this context, your second challenge is to integrate information technology to revitalize old businesses and recapture lost customers. The great attraction is helping your customers do more with less.

The third challenge is to apply your knowledge toward what turns people on. The fastest path to success here is when you build your business, surround yourself with top talent, and reward them with equity. For a supreme example, look at software megagiant Microsoft Corporation. Bill Gates's empire, which now employs some 16,000 people, includes 2,000 who have become millionaires through their stockholdings.

The final challenge for budding infopreneurs is to understand how information links people and improves productivity. Digitized information has become a global currency. When you leverage data distribution to meet needs and solve problems, you have established a very powerful competitive advantage.

AS AN INFOPRENEUR . . .

You can:

- Free yourself of the corporate bureaucracy.
- Be who you want to be.
- Shun those lackluster Fortune 1000 companies.
- Enjoy a high degree of independence.
- Be unaffected by the downsizing strategies of desperate companies.
- Build an organization that attracts world-class talent.
- Start a company that is limited only by your talent.
- Take on as much responsibility as you want.
- Have all the employment security you want.
- Dedicate yourself to innovation and growth.
- Get all the recognition you deserve.
- Fit in where you want to fit in.
- Forget predictability; it's all new.
- Make an impact.
- Exercise all of your authority; it's your company.
- Work from anywhere in the world you want.
- Work any hours you want.
- Rise to the top on day one—you do not have to wait 40 years.
- Sacrifice for yourself and your company.

- Create your own corporate culture.
- Build flextime into your schedule.
- Throw away the trappings of corporate life.
- Establish your own dress code.
- Build a life-long career at one company—yours!
- Experience the full potential of your brainpower.
- Unleash your own financial potential.
- Cut through the bull to find your secret to success.
- Anticipate changes and capitalize on them.
- Build your own vision and pursue it.
- Blow off more college and get close to the market.
- Experience the thrill of victory.
- Be assured that you'll never grow bored.
- Hire people more talented than yourself.
- Develop your own skills and marketability.
- Make a lot of money.

Remember, build on your dreams and the dollars will follow.

Guidelines for Infopreneurs

A man is standing next to a building, knocking his head against the wall. He does this over and over again. Finally, someone walks up to him and asks, “Hey, buddy, why do you keep knocking your head against the wall?” The guy pauses for a minute and says, “Because it feels so good when I stop!” The world of technology is strewn with people beating their heads against walls. If you can identify with our bruised buddy, you are long overdue for changing how you approach your problems.

In the world of electronic information, you should look at producing high-quality information content as your first and highest priority, followed by your second priority—delivering the information through many distribution channels. If you take this approach, you will be set free from the frenetic cycle of technobabble that is so prevalent in today’s business world. It’s that simple. The goal of the infopreneur is to turn data into dollars, not vice versa. Following are some powerful guidelines gathered from successful online and global infopreneurs to help you establish a new approach for your business:

1. *Add value.* The Internet has been transformed from a data playground into a bustling, global marketplace. The bold move to add value to the Internet has created customers and commerce. Your job is to continue to add value.
2. *Fill a need.* The key question to ask is, “What kind of information does my community, my corporation, or my government need?” You can fill a need when you find answers to that question.