

67 - Thinking Of Buying An Online Business? Jaryd Krause Discusses All You Need To Know

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Brief Background About Jaryd Krause

- He's an Online Business Mentor and owns BuyingOnlineBusinesses.com.
- His mission is to teach 1,000 people how to replace their current income, quit their job and live a lifestyle they absolutely love.

Reasons Why People Buy Websites Instead of Starting From Scratch

- Well, it takes time to really start to get traction with the website business in terms of traffic, and getting your marketing down and your sales down your sales process.
- So a good structure of SEO and all these different things and components that come with owning an online business, it can really take time to get data on what's working, what's not working weeded out, to get a higher functioning website, and all of those aspects I just mentioned.
- And it can take a lot of time, effort, energy and money.

Best Websites To Purchase

- So I don't think there's one particular business model that's better for everybody. I feel it's better for that person who's going to invest in a website to understand what role they're going to love about driving the business.



- I would probably suggest sticking away from content, websites like publishing websites. And the reason being is because, you know, the margins aren't so high on some affiliate products and ads and stuff like that and to run Pay Per Click campaigns, you know, you may not be getting the margins.

Low Hanging Fruit In Buying Different Businesses

- A low hanging fruit is seeing where that marketing hasn't been done to the level that you'll look at that you have the skill set that you have. And you could come in and use your skill set to change that marketing or add your flair to that marketing.

Due Diligence in Terms of SEO

- So the main key areas of due diligence are SEO, due diligence, marketing, due diligence, financial due diligence, and the competition.
- So then they're the key types of things you need to be checking. So through SEO, you really need to be looking at what the traffic's doing, is it trending up, down, sideways, and most importantly, asking the question of why, like, why is traffic training that certain way.

Importance of Email List

- My belief is that a business is far more valuable with an email list. And so even if somebody was to buy a business, and they left at the exact assignment but they built out a thriving email list that's highly engaged and has great open rates about businesses value would be a lot higher.



Due Diligence in Terms of Financial

- When you come in to buy a business, you know, traditionally anything under the 50k range or 100k range, people will just send you an Excel sheet with their P&L, and sometimes screenshots of the zero account or QuickBooks or whatever people are using around the world. I really want to stress on this point that it's not good enough, because people can just put any old figure into that Excel sheet and that's a screenshot with I could have butchered the numbers.
- Find it really important to have viewers access the business's merchant account and see if you can get viewers access or do a screen share with their business bank account and cross reference all the numbers that's so, so important.
- And if it gets to a point where you know the numbers are too much for you to be confident in then have you know somebody, like an accountant, look over it for you and verify all of that.



Due Diligence in Terms of Marketing & Competition

- It's the same question as you asking throughout all of digital and the SEO, SEO as well as like, what's working, what's not working, and why.
- I'd like to see other competitions and just see what they're doing well and see what they're not doing well. And then it's kind of like when you go away and look at other people's marketing campaigns and ads and stuff like that you can kind of like to model what they're doing.

Jaryd's Advice to Beginners in the Buying Space

- I'd say definitely start off at the lower end of the spectrum, right buy something around the 20 to 50k range.
- Learn how to run that business, learn how to do the marketing or the SEO, and learn those skills and even hire a VA. And then slowly work your way up, build that up a bit, and then you can either keep it or sell it, and then buy something bigger.
- I would I really advise those who are looking at buying an e-commerce website have zero marketing experience to not go down that route unless they're committed to paying a lot of money and spending a lot of time on becoming a great Digital Marketer because the competition in e commerce is only getting fiercer and fiercer actually in all online businesses. And if you're coming up against somebody that's got some skills with marketing, you're gonna have a really tough time in that business.



Where to Buy and Sell Websites

- You got Empire Flippers, FE International, Investors.Club, MOCEANInvest.com, Quiet Light Brokerage. There's so many. I like those. Those are probably the top picks off the top of my head.