How to take your bite in Internet frenzy



E-BIZ

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Recently, I've been spending a lot of time trying to determine what makes the current round of Internet startups so successful, at least in terms of investor perception. After all, if a company can go from a market value of zero to several billion dollars in a matter of a year, it must be doing something right.

My theory is that if entrepreneurs can figure out the secret of these companies and emulate their activities, they'll be set to succeed in the new economy.

So here's my list of what makes for a great Internet strategy and how to be a successful electronic business. Keep in mind that I'm sharing the results of my research for the first time. It's been kept under a tight lid, as I'm convinced the list is a valuable piece of information.

The first rule for success for an E-biz is: Don't have a business plan. Throw out all of those antiquated suggestions that you should carefully think through your future. This is the Internet — make it up as you go along. If you don't like what you are doing this week, change it next week. E-biz moves fast, and so should you.

Second, don't plan on having any management. In the absence of old-fashioned notions such as strategic planning, it isn't important that you actively manage your E-biz. These things run themselves. Management only gets in the way of success.

Third, don't have a product, or at least one that people might be interested in buying. If you do make a mistake and actually have something to sell, make sure that you don't have any real, sustainable competitive advantage.

It is crucial that rivals be able to walk in at a moment's notice and steal away your market share — this reality will make you strong and give your company fortitude.

Fourth, and this is vital, don't plan for revenue. Such a thing is out of place with an E-biz. Should you miss this all-important factor and manage to have money coming in, then take some time to ensure that your bottom line shows a massive loss so that you can keep up with your E-biz peers.

How can you do this? I'll let you in on a secret — give stuff away at a loss, and make it up in volume.

Fifth, be prepared to spend gazillions of dollars on marketing and public relations. Quickly establish a buzz in the marketplace that you are a dot.com company and that you've got the magic Internet touch.

Make sure everyone is aware that you've met all of the criteria above, and you are bound to generate huge amounts of interest in the media and investment community.

Finally, use all of these factors to raise some venture capital. There are all kinds of decent, moral companies keen to help turn your dreams of E-biz into reality by lining you up with highly intelligent investors eager to provide you with seed capital.

Is this all tongue in cheek? Yes. Now wander over to Web site **www.heyidiot.com** and have a good chuckle.

My biggest fear is that many entrepreneurs are becoming easily dazzled by Internet hype and think real E-biz is easy. Or in other cases, small-business owners have become convinced that E-biz is simply the latest craze, soon to disappear. They discount its importance altogether.

If you fall into either camp, then it's time for a reality check.

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