

Recipe And Illustration For Starting A Sideline

This printable version of the Sidelines Recipe is intended to help you turn your Sideline Idea into a realistic, workable action plan, with an illustration to guide your design. It is divided into 5 sections, with a composite Financial Summary at the end. Along the way we've provided a number of 3-6 minute Student Sideline video clips on our [Youtube channel](#) to help clarify information. Here are the Recipe steps:

1 Crafting The Idea – determining what you enjoy doing on the side for money- ex: fixing bikes

2 Customers and What They Want – ex: people near campus who actively ride bicycles

3 Marketing A Product or Service – ex: informing and engaging people needing bike repairs

4 Testing Feasibility of Your Idea – trying out the idea for real, initially on a very small scale

5 Composite Financial Summary – running 12-month profitability numbers before launching

A Successful Sideline Illustration: A Campus On-Call Bicycle Repair Service

Mike wanted to work during his senior year of high school, and because of shyness, looked at something “technical” like working in the back room at a bicycle repair shop. He initially did not know a wrench from a screwdriver but was hired conditionally to assemble the simplest bikes. Within 4 months he was building more elegant bikes with little supervision. When departing for college and needing to co-fund part of it, he decided to make part-time money by offering to do at least emergency repairs to bicycle tires, brakes, gears, and perhaps more if his service became popular. Within 2 months he had fixed flats-brakes-gears on 60 bicycles, gained numerous referrals from satisfied customers, and more importantly, brought on a helper to do most of the on-call repairs. This allowed him to do more complex bicycle repairs during 2-hour evening shifts, several times a week. So here is how he completed all 5 steps of the Recipe and what happened over a 12-month period.

PART I: CRAFTING THE IDEA

Step 1 – Crafting The Idea:

Every successful Sideline starts with an idea that meets 3 important requirements: a) its enjoyable to do; b) you are capable of becoming good at it; and c) people will pay you at least \$1 to receive your service or product. Consider watching this Youtube Clip **Developing A Sideline Idea**. Central to a good Sideline idea is finding an activity you thoroughly enjoy.

Illustration: Mike discovered he liked tinkering with bikes by doing simple bike building that he learned at the shop, but could have also gained tire, brake, and gear repair skills online in a few hours by watching Youtube bike repair programs or E-how tutorials, and doing them on a used bike with only a few tools and parts. What he most enjoyed about this Sideline prospect was the fact that he could quickly do these repairs to student bikes and make fast money, it would really make students who depended on their bicycles happy, and that it was an easy way for a shy kid to start to get to know other students around campus.

Your Idea: [you enjoy, can do, people want]

Congratulations! This is one giant step toward co-funding college expenses.

Now add some ingredients to the recipe: Specifically, let's do a quick sampling of how appealing it would be for you to actually do this Sideline idea by making an initial assessment of demands on your time and likely income you would make if you did this part-time activity. Don't worry about other important details just yet. See our Blog post on **Computing An Initial Earnings Estimate** for your Sideline. Let's look at Mike's Bicycle Repair Sideline

Illustration: Mike surmises that during the first month of doing this Sideline, assuming he gets the word out, he might have only 10 requests for on-the-spot tire-brake-gear adjustments [if he hangs out in a strategic location near campus, with a tee-pee sign, offering to do free tire pressure checks and pumping]. But by the end of the 3rd month he would expect to have 10 requests per week, taking no more than 10 minutes to complete the repairs, and charging \$20 per fix = 40 repairs x \$20 or \$800. He estimates that each repair, counting transportation to the on-call site near campus would be 20 minutes. So if this proves accurate, he would spend 20 minutes x 40 repairs or about 13 hours [800 minutes], resulting in hourly profit of about \$34/hour. Not Bad! If he plugs these rough calculations into an Estimator, they look like this:

Mike's Initial Earnings and Profit Estimator after 3 months	
A. Minutes required to complete each item [or service] you intend to sell:	20 min
B. Materials Cost per item:	\$4 [tube]
C. Number of items (or service) that can be delivered each week:	10 fixes
D. Price to customer for each item sold, excluding tax:	\$20
E. Number of anticipated units sold per week:	10
F. Estimated Cost/Expenses to operate this Sideline per week:	\$4 x 10 fixes
G. Estimated Total Revenue per Week (D x E)	\$200
H. Cost/expenses per week: (B x E)	\$4 x 10 = \$40
I. Profit per week: (G - H)	\$160
J. Hourly Earnings Estimate: (I / (A x E)/60)	\$160/200min = \$34/hour

Now it's your turn. Spend only 10 minutes trying to make initial educated guesses about time and cost demands for you to do this Sideline. It might help for you to watch the 3-minute youtube clip on "**Initially estimating your Sideline Profitability**". Tip: Don't get too bogged

down in details about precise accuracy. What we're looking for is a very rough calculation about costs, time required, and likely profitability. Ideally, you come out with an answer greater than say \$20/hour of profit. It's ok if you don't hit that target just yet. Proceed to Step 2 anyway.

YOUR Initial Earnings and Profit Estimator	
A. Minutes required to complete each item [or service] you intend to sell:	
B. Materials Cost per item:	
C. Number of items (or service) that can be delivered each week:	
D. Price to customer for each item sold, excluding tax:	
E. Number of anticipated units sold per week:	
F. Estimated Cost/Expenses to operate this Sideline per week:	
<hr/>	
G. Estimated Total Revenue per Week (D x E)	
H. Cost/expenses per week: (B x E)	
I. Profit per week: (G - H)	
J. Hourly Earnings Estimate: (I / (A x E)/60)	

Step 2 – Quick Review of the Idea: You now have a rough initial estimate of how time consuming and profitable your Sideline idea is, and the hourly wage you might expect if everything you've estimated proves to be accurate. Remind yourself – this is just a first try estimate – the numbers will change for sure. Now review your initial ingredients – if these Estimator results show an earnings rate and a satisfactory number of hours per week for your situation, continue on to Step 3. However, if the Estimator results show no profit, or unacceptable to you earnings and time, take a few minutes using the question below to rethink and re-estimate your idea. (A typical guideline you might use is earnings over \$20 per hour, and 8 or fewer hours per week.)

Question: How might I simplify my proposed item to be cheaper or easier to make, or completed with greater quality so I can charge a higher sales price? Don't dwell on an answer – think simple. If you're stuck, we recommend you go to the blog and review the post "**How to Simplify a Sideline?**" for a couple of examples. After that, ask yourself again, "Which 1 or 2 factors would it be easiest and best for me to change and simplify right now?" Pick 1 or 2 adjustments from this list.

Illustration: Mike quickly realized it would not be all that much fun sitting by his cellphone, waiting for on-call requests. Even though the bike repair time might be 20 minutes, it would make much more sense if he retained 1-2 young helpers with flexible school schedules who could do much of the on-call repairs for him, with him texting the helper soon after a notification came his way. So instead of his spending 20 minutes, forty times a month, he might only do more complex bicycle repairs on a 3 times a week scheduled basis, and charge a higher fee of \$45 + parts for a 30-minute max bike repair like replacing the gear changer, or brake system. So he revised his initial idea by checking the 2 boxes below:

Mike's Sideline Simplification Suggestions	
Reduce or increase the quality of my item?	
Alter time required for me to provide this item to a customer?	X
Serve different customers than originally planned?	
Alter the sales price of my item?	X
Sell the item in a different way?	

Illustration: For Mike’s two adjustments here’s how he intended to change the numbers in his initial Estimator:

Mike “I found a reliable high school kid that liked fixing bikes, and an equally talented community college student with similar orientation. Combined they could be on-call from 8am-4pm weekdays, provided I paid them a retainer of \$10 for each four-hour shift they would be on-call, regardless of whether they got a call or not. I was initially concerned about this but we overcame it by having them each spend 2 of those hours near campus with a tee-pee sign offering to do free tire pressure checks/fills to anybody with a bike. When people accepted their offer, the helpers would give them my On-Call Card. This proved to be a great marketing idea and immediately established trust that we could do more than check tire pressure. Some of the passersby requested adjustments/repairs on the spot so we used that time very well. And once the referrals started flowing, I set up 2 hour blocks three evenings a week to do 30-minute bike repairs in my room, charging \$45 plus parts for 30 minutes of work. This was great.”

Your Turn: How would you simplify or alter your initial Sideline idea?

Sideline Simplification Suggestions	
Reduce or increase the quality of my item?	
Alter time required for me to provide this item to a customer?	
Serve different customers than originally planned?	
Alter the sales price of my item?	
Sell the item in a different way?	

For the adjustment you selected write an explanation about how you intend to make a change and what the impact would be on the 6 Key Numbers in the initial profitability Estimator:

Now re-compute those parts of your Initial Earnings and Profit Estimator you intend to change and see how the numbers come out. If you now have Earnings and Hours required numbers that meet or exceed your needs, move on to Step 3. If you are not able to generate a positive result, rework Step 2 after reviewing additional blog suggestions.

Illustration: Here’s how Mike’s numbers changed significantly because he revised his initial work plan. See our blog post **Using Labor Substitution**, to better understand how he included helpers in his revised plan. Although not wanting paid help, by paying \$10 for each \$20 repair they did plus parts, it gave him much more free time to do more demanding repairs. He did have to pay more as a retainer to keep his helpers on-call, but the return in marketing really offset his small cost. His conclusion: “as we became more visible and popular with students on campus, my evening repair service took off so I was able to fully schedule 30-minute repairs on Tuesday and Thursday evenings between 5-7pm. Average cost of the repairs was \$45 labor plus \$10 for

parts – very affordable for students who depended on their bikes. So my revised Estimator now looked very different:”

Mike’s REVISED Earnings and Profit Estimator after 3 months	
A. Minutes required to complete each item [or service] you intend to sell:	20-30 min
B. Materials Cost per item:	\$4-\$15
C. Number of items (or service) that can be delivered each week:	10 + 8 fixes
D. Price to customer for each item sold, excluding tax:	\$25 or \$60
E. Number of anticipated units sold per week:	10 + 8
F. Estimated Cost/Expenses to operate this Sideline per week:	\$100+100=\$200
<hr/>	
G. Estimated Total Revenue per Week (D x E)	\$250+360
H. Cost/expenses per week: (B x E)	\$200
I. Profit per week: (G – H)	\$610
J. Hourly Earnings Estimate: (I / (A x E)/60)	\$410/6 hours
	= \$68/hour

PART II: CUSTOMERS AND WHAT THEY WANT

Step 3 – Focus on your customers: Please do watch the 3-minute youtube clip on “**Gaining Sideline Customers**”. Let’s take a much closer look at who will be your intended customers, and why you picked them as your primary target.

Write down 3 things about your desired customers that you know to be true, which would likely cause them to want to buy your item:

Customer Preference 1: _____
 Customer Preference 2: _____
 Customer Preference 3: _____

Illustration: Mike was quite like other students attending college and using a bicycle as primary transportation. He had some inkling that most of them didn’t know how to make bike repairs, worried that their tires, brakes, or gear changer needed attention, and didn’t want to pay a big bill or have their bike be left in a repair shop for a couple of days. Here’s what his customer preference review showed:
 Customer Preference 1: Didn’t want to make bike repairs themselves
 Customer Preference 2: Liked the idea of someone checking out their bike, initially, for free
 Customer Preference 3: Preferred a less expensive/more available student repair service

Question: Given the 3 qualities you identified above, what Customer Preference Measures will your buyers most likely use to judge how well your Sideline satisfies their needs?

Since customers are more likely to speak with their wallets than their mouths, what do you hunch they will use to judge the quality of your product or service? Be as specific as you can at identifying an observable, measurable preference measure they will likely use to decide if

they want to buy your item, hopefully multiple times. [See **Gaining Sideline Customers on youtube**]

Customer Preference Measure? _____

Illustration: Mike’s Customer Preference Measure: **total response time from when students initiated the on-call text request for repair until they were contacted and a repair was scheduled same day or ideally within a few hours of the request.**

Mike went back and forth on defining a Customer Preference Measure since its largely guesswork when first starting a Sideline. But when he kept reviewing his 3 Customer Preferences listed above, it made sense that a primary Preference Measure had to do with efficiency and follow-through, since they depended on using their bike for campus transportation. It really helped Mike to tack this down and solidify his want to use helpers’ on-call to respond to requests. He also surmised this was the **ONLY** service like this available to students and word would spread quickly about this availability.

Step 4 – Identify Your Deliverables: Given the question you just answered about how preferred customers are likely to judge whether your item meets their needs, how might you narrow and refine your item’s design or function so your preferred customers are even more likely to want to buy from you? See Youtube clip “**Identifying Your Deliverables**”. Here’s a hint: in trying to assess and please your customers you can usually apply only two of the following three customer requirements. Pick the two you are targeting:

Illustration: Mike surmised the two things college student bike riders most sought regarding bike repairs was Efficiency and Price. Yea, quality of workmanship also mattered but they didn’t call Mike seeking the best foreign-made tire tube. They needed an affordable tube replacement that could be installed very quickly. Its really is impossible to satisfy all 3 of these quality measures since by definition, they somewhat conflict with each other. Every successful organization goes for 2 – but not three.

Your turn: Pick 2

Price? _____ Quality? _____ Efficiency? _____

Question: On what basis did you pick these two customer preference indicators and how does this affect your thinking about refining and narrowing your product or service idea?

PART III: SELLING YOUR PRODUCT OR SERVICE

Step 5 – Identify Your Approach to Delivery: Now that you’ve spent some time narrowing and focusing on your desired customers and how they will likely judge your work before

deciding to buy, how do you intend to best deliver this product or service? While it's tempting to jump to marketing strategies involving social-media, email blasts to prospective customers, or flyers and signage, the key focal point of selling your Sideline is YOUR TIME. See our Blog post "**Your Delivery Approach**". And in that regard, the most common answer about selling a new Sideline is to do all the work on your own. Whether your reasoning for doing this is a result of short finances, insecurity, or lack of contacts, its important that you consider all your options up front.

Rank these alternate sales delivery methods where #1 is the most important method and #4 is the least important method you might consider using at this time: [see Mike's illustration below]

Do all of the work myself, regardless of how much time it takes, so I can ensure quality results	
Do most of the work myself, but farm out a few parts of the work that are either too complex, or very simple for another less costly person to do	
Do less than 50% of the work myself, but find/train other(s) who can complete the necessary work at a cheaper rate	
Find a way to do almost none of the work myself, but train/delegate the work to other(s) who can do it at least acceptably, and do some form of "gain sharing"	

Question: given your rankings, what is your primary Marketing approach going to be given your #1 ranking? How are you going to sell your Sideline idea and about how much do you think it will cost you each month to use this approach, especially since you will want to have a free Website to gain exposure through social-media marketing? [see Youtube clip in the Studio "**Building a Free Website**"]

Illustration: Just prior to launch Mike thought that the need for on-call bike repairs near campus would be great. Perhaps it would be a slam-dunk for him to do all of the marketing. He surmised the easiest approach would be to place weekly one-day advertisements in his college newspaper for \$15/time, as well as freely posted tear-off announcements on bulletin boards in the student union building and on bulletin boards outside on-campus coffee shops. After 2 weeks of advertising, however, there were no responses.

So he changed his strategy after 2 weeks. A friend encouraged him to retain 2 bicycle riders [one in high school; the other at a local community college], who would agree to go to campus twice a week, for 2 hours each time, during peak arrival and departure times. They charged him only \$4 per day to be on-call or on-site during those shifts, but used "gain sharing" to split the \$20 revenue with him for on-call repairs made. They would each have a bike pump and pressure gauge, as well as 2-foot sandwich board sign announcing, "free tire pressure checks". It worked – they had between 4-20 takers each session, who appreciated the free check, and took the business card for on-call tire-brake-gear – then the requests started coming, mostly through text messages from students. Personalized attention really worked. Interesting observation about why these 2 guys would accept this approach to pay: they didn't have to handle the incoming requests for repairs, 24-7 like Mike.

It will help you to review your understanding of labor substitution [as appears in the Blog] for using help to deliver your sideline idea – it may be better to not do all of the work yourself.

PART IV: TESTING THE FEASIBILITY OF YOUR IDEA

Step 6 -- Progress Thermometer– After you’ve added all the ingredients to your recipe and are ready to “cook” your idea, it is very important to use both temperature setting [effectiveness indicators] and cook time [success measures] to gauge how well your recipe is turning out. A major part of your goal is to ensure profitability without spending more than 8 hours per week running your sideline. The Progress Thermometer tells you if the time you’re spending on your Sideline after a few weeks of trying, is starting to approach your desired income goal each week.

An **Effectiveness Metric** measures how well your Sideline idea is progressing, like food baking in the oven. It examines how much and how well you are taking actions largely under your control that significantly contribute to your profitability and customer satisfaction. It measures things you’re doing things right.

Illustration: Mike’s Effectiveness Metrics would include the number of weekly free bike tire pressure checks and fills he or his helpers made near a campus entrance to inform students about his service. While he didn’t make money directly by checking tire pressure, he did gain customer awareness and loyalty by demonstrating to prospective customers he is ready to serve them and does work accurately and quickly.

What would be an Effectiveness Metric for your Sideline? _____

Success Metrics: address how well your initial idea has “cooked”. They record direct profitability measures. Additionally, this type of metric also keeps track of factors that directly contribute to profitability, such as monthly growth in customer contacts, inquiries, referrals, positive reviews online, and other subtle indicators of success.

Illustration: Mike took a chance by retaining 2 helpers to give free tire pressure checks to bike riders near campus, trusting they would positively represent his budding business. However, within days of initiating this free service, inquiries and requests for on-call repair service went from 0 to 10. He now had paying customers, a list of contacts for follow-up marketing, and to his pleasure – requests for more extensive 30-minute repairs to bicycles, like replacing the brake system or gear changing mechanism. These were done on a scheduled, evening basis around Mike’s class and study commitments. And soon referrals customer metrics were kept since that directly assessed customer satisfaction.

Describe one or more Success Metrics for your Sideline [see “**Measuring Sideline Progress**” youtube clip in the Studio]:

PART V: COMPOSITE SUMMARY OF YOUR SIDELINE

You're almost ready to use your Recipe for Success on a larger scale of Sideline business operation. It's particularly important at this final stage to assemble a composite financial summary of your idea – before spending much money or investing a lot of time. This action step will help solidify your initial estimate of costs and benefits [see **cost-benefit analysis** in the Blog]

Step 7 – Recalculate financial feasibility: Use the Sideline Profitability Calculator below to more carefully review whether or not to proceed with your Sideline Idea. If the costs exceed the financial return or the time required of you to do this on the side – DON'T PROCEED, until you've talked on the phone to one of our staff experts. [email your request to us for guidance]. Also refer to our youtube clip "**Financial Feasibility**". Once finished make an **Explanation of Calculations** that articulates your plan for making this happen, including how you intend to contain costs, and involve helpers in carrying out your plan.

Illustration: Mike has learned a lot since first exploring his Sideline idea. He went from thinking it would be a solo operation aimed at on-call quick bike repairs, to a team-venture using gain sharing that hugely increased his exposure through free tire pressure and brake check. His revised plan allowed him to do more challenging, fun, and financially rewarding repairs in the evening on a pre-scheduled basis. Here is his revised calculation for expected activity by end of year 1. Note the time commitment calculates only Mike's time, not the labor hours of helpers whom he splits with proceeds from on-call repairs. He estimates 4 hours a week to make four, 30-minute repairs in two evening shifts. He believes total time to respond to on-call texts to be about 2 hours total per week, with each request taking about 3 minutes to process

Mike's Year-1 Sideline Profitability Calculator (At end of first 3 months of operation)	
A. Total minutes required to complete each item [or service] you intend to sell:	4hr + 2hr
B. Minutes YOU intend to spend per item:	30min
C. Minutes per item delegated to others:	20min
D. Material cost per item:	\$0 – paid
E. Price to customer for each item sold, excluding tax:	\$45 or \$25
F. Number of anticipated units sold/week (end of first 12 months of operation):	8 and 20
G. Hourly rate paid to others: \$10 for repairs and \$4 for on-call/day	
H. Total weekly monies paid to others: (C x G)	\$4x10=\$40
I. Total minutes required by Mike to advertise/attract customers, per week:	gain shared
J. Anticipated cost of advertising per week:	\$40
K. Estimated Cost/Expenses to operate this Sideline per week: (H + J + D x F)	\$40
L. Estimated Total Revenue per Week (E x F)	\$360+\$200
M. Hours YOU spend per week: (B x F + I)/60	6hrs
N. Estimated Profit per Week after 12 months of operation: (L - K)	\$520
O. Your hourly earnings estimate: (N / M)	\$86

Now calculate your Sideline Profitability estimate at the end of year one, knowing it's just an estimate. [see the article on “**Cost Containment**” in our Blog]

Sideline Profitability Calculator (At end of first 3 months of operation)	
A. Total minutes required to complete each item [or service] you intend to sell:	
B. Minutes YOU intend to spend per item:	
C. Minutes per item delegated to others:	
D. Material cost per item:	
E. Price to customer for each item sold, excluding tax:	
F. Number of anticipated units sold per week (at end of first 3 months of operation):	
G. Hourly rate paid to others:	
H. Total weekly monies paid to others: (C x G)	
I. Total minutes required to advertise and attract the number of customers, per week:	
J. Anticipated cost of advertising per week:	
K. Estimated Cost/Expenses to operate this Sideline per week: (H + J + D x F)	
L. Estimated Total Revenue per Week (E x F)	
M. Hours YOU spend per week: (B x F + I)/60	
N. Estimated Profit per Week after 3 months of operation: (L - K)	
O. Your hourly earnings estimate: (N / M)	

Explanation of Calculations: By the end of year one, you will have come up with a plan for “staging” your Sideline so activity and profitability grow, but your time requirements to do this part-time activity does not. See youtube clip “**Staging Your Future**”. Specifically, how do you intend to:

Increase revenue?

Contain/reduce costs?

Restrict your time demands ideally to no more than 8 hours a week?

Congratulations – The Sideline Recipe is Complete – Now go Sell To Customers