

## **Hobbies Not Best Business Opportunities**

You want to start a business. But finding a good idea is a task many prospective business owners find daunting.

“There are many suggestions on how people can find a business idea,” says Glenn Muske, the North Dakota State University Extension Service’s rural and agribusiness enterprise development specialist. “Brainstorming, building on a skill or talent, or using an idea you have seen somewhere else are three commonly used techniques.”

Another method is to develop the business around a hobby you might have. The thought behind that method is the idea that you have a working skill or knowledge that will help you get started with less wasted time.

“Yet for many, turning a hobby into a business may not be the best idea,” says (Insert name and title) of (Insert county). “Reasons why not begin with not fully knowing if a market exists for what you produce.”

Some hobbies are fairly narrow activities in which those involved enjoy the “doing” part. They have no desire to hire someone to do part of what continues to draw them into the hobby. Therefore, this group of people is not part of your market, and very few others outside of this group may want to buy the product you make.

Another reason why a hobby might not make a business is the pricing factor. The prospective customer is not willing to pay a price that includes much, if any, of a salary component. A business you operate that only returns your costs and doesn’t pay you for your time remains basically an enhanced hobby.

Turning a hobby into a successful business also requires that the owner bring in new skill sets such as bookkeeping, marketing, inventory control and customer relations. It also might include taking out the trash. The more duties you add, the less time you can spend actually doing what you enjoy. You may reach the point where you begin to hire people to do the activity you love while you only do the management.

Finally, you often are involved in a hobby because you like to do it and not because you have to do it. Doing something for fun that allows you to take a break may not be so much fun if you now need to do it 50 to 80 hours a week to keep up with demand.

“A business based on one of your hobbies is certainly one idea,” says Muske. “But it is an idea that requires a lot of consideration before moving forward.”

Sit down with a mentor and consider it from all angles. You don’t want to turn something you enjoy doing into a burdensome task or something that eats your time and money.

For more help, check with your local Extension Service office at [insert phone number and email address]. Also visit NDSU's small-business support website at [www.ag.ndsu.edu/smallbusiness](http://www.ag.ndsu.edu/smallbusiness) and sign up for the monthly newsletter. Or check out Facebook at [www.facebook.com/NDSUextsmallbiz](http://www.facebook.com/NDSUextsmallbiz) or Twitter at @gmuske. Another online resource is [www.eXtension.org/entrepreneurship](http://www.eXtension.org/entrepreneurship).

Joining groups such as your local chamber of commerce can be helpful. The Small Business Administration and its related organizations, such as the Small Business Development Centers and SCORE, also can be valuable resources.

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