

Sub Contractor Arbitrage

Method #1:

Simple Strategy To Earn \$1,000 Online

What Is Arbitrage?

- Sometimes this phrase is used in conjunction with junk products and so in the Internet marketing arena it has received a bad name.
- Arbitrage Defined:
- *“The simultaneous purchase and sale of an asset in order to profit from a difference in the price.”* (Investopedia.com)
- Basically you buy low and sell for a higher price and keep the profit!

What Is Sub Contractor Arbitrage?

- Basically you find someone that is in need of certain services like copywriting, SEO, articles, backlinks, ebook writing, etc. and then find someone that will do the work.
- You want to buy services from someone else and sell their services to the business in need of help for a slightly higher price.
- Basically you are private labeling the services of someone else and profiting.
- You are a facilitator here between people wanting services done and people that can do the work.

Is This Ethical?

- Some people may think this is unethical.
- It is completely ethical and something every single business does. Just smart business.
- Any business that has an employee is technically using “Sub Contractor Arbitrage”.
- They pay employees to do work for them that they profit from.
- Staffing companies, electric companies, plumbing companies, satellite TV services, etc.
- They all profit by reselling services to their clients.

Example #1: Sub Contractor Arbitrage

- A business is looking for someone to write 10 articles for them. They are willing to pay \$10 per article (Very common for some business owners.)
- You contact them and say your team can create articles for them for \$9/each.
- You post a project on a freelancing website saying you are in need of someone to write articles and your budget is \$5/each.
- You look at examples and hire a quality writer.
- The client pays you the \$9 per article or \$90.
- You pay the writer their \$5 per article or \$50.
- You just made \$40 profit in your pocket!

Example #2: Sub Contractor Arbitrage

- A business is looking for someone to write and submit a press release for them. Their budget is \$300.
- You contact them and say your team can write and submit a press release for them for \$250.
- You post a project on a freelancing website saying you are in need of someone to write a press release and submit it and your budget is \$100.
- You look at examples and hire a quality person.
- The client pays you the \$250 for the work.
- You pay the sub contractor their \$100.
- You just made \$150 profit in your pocket!

Example #3: Sub Contractor Arbitrage

- A business is looking for someone to setup a custom Wordpress blog for them. Their budget is \$500.
- You contact them and say your team can create a custom Wordpress blog for only \$400.
- You post a project on a freelancing website saying you are in need of someone to setup a custom Wordpress blog and your budget is \$200.
- You look at examples and hire a quality person.
- The client pays you the \$400 for the work.
- You pay the sub contractor their \$200.
- You just made \$200 profit in your pocket!

Finding Clients

- Offline marketing firms. (Ad Agencies)
- Consulting companies.
- Browse jobs on freelance sites even!
 - Odesk.com
 - Elance.com
 - Freelancer.com
- Craigslist or Backpage.com
- Online marketing forums.

Approaching The Clients

- Mention to these marketing and consulting firm clients you can handle their overflow work or back ordered services.
- Find someone that can do long term projects on freelance sites for this. (Odesk.com, Elance.com, RentACoder.com, Freelancer.com)
- Bid on the one time projects if found on freelancing sites or approach them by email or phone if you found their request posted online.
- Find people that can do the work.

Closing The Deal

- Most clients hiring for service jobs will want to get testimonials or samples of the work before they consider hiring you.
- Simply get testimonials and samples from your sub contractor and pass those along.
- Since the sub-contractor is part of your team this is completely ethical.
- Find out the client's budget and offer them a little less than their budget.
- Ensure of course you are making a profit.

Making \$1,000 With This Method

- Take action and start looking for clients that you want to target.
- Browse freelancing sites, classifieds sites, and call on ad agencies, and consulting firms.
- Find out their needs and then look on freelancing sites for people that can do a good job and simply become a project manager.
- A few good clients could make you the \$1,000 you are seeking.
- 5 clients that profit you \$200 could be the \$1,000 extra that you are looking for.
- You could make that on one client even in one deal!