



How One College Student Launched an Impressive Business

 Recommend 21

 Tweet 23

  Share 8

 g+1



August 13, 2013

By [Alan Martin](#)

[1 Comment](#)

That moment just after [college graduation](#) feels like a hopeful new beginning. Financial independence will soon be yours. You just need to take the first step on the corporate ladder and keep riding it all the way up.

But what should you do if the corporate environment isn't for you? What if the thought of working for someone else is a buzzkill?

How do you harness your passion, creativity, need for independence and determination to launch [your own business](#)? It's no easy task, but if you're passionate about an idea, don't dismiss it. Win or lose, building a business can be tremendously rewarding—and you may never have a better chance than now to give it a go.

I started CampusBookRentals in 2007 as a student with a full-time job. I believed textbooks were inefficiently traded and unfairly priced, and I tried to design a business model that could help other students like myself.

Six years later, more than a million students have rented books through our online service, and nearly 10 percent of all students have used our technologies inside college bookstores. CampusBookRentals has been able to nudge the textbook industry in a positive direction.

So if you plan to set off to do something big, here's what I learned on my journey from dorm room startup to revenue-generating business:

1. Test your idea on the cheap

Truth be told, I didn't own any textbooks when I launched CampusBookRentals. CBR had no inventory. Did that stop me from telling students I had every book on the planet? Not a chance.

As far as my customers knew, I had access to any book they wanted to rent at half the price it would cost them to buy. Technically, this was true, because I knew I could get any book from another supplier after the student placed the order. I just hadn't paid for a single one yet.

Though we've bought millions of books since 2007, **I actually bought CBR's first book just minutes after the first customer placed an order.** And how did they place that order? Through a \$5 website I set up through GoDaddy.com one night after watching a *Seinfeld* rerun.

Don't discount the value of the right URL. They're cheap, and for the price of lunch, you can have a domain and website sufficient to test an idea. This gives you the opportunity to fail repeatedly until you land the big fish.

2. Learn your market via someone else

Research is usually free. Find a business class that's willing to do some market research for you. Talk to people who have zero personal interest in your success. Post a free ad on Craigslist for the product or service you plan to offer and see who responds.

Get creative, and don't be afraid of mistakes at this stage. You'll have plenty of reasons to lose sleep at night down the line. Don't let this be one of them.

3. Prepare to raise money (and be smart about how you spend it)

If you can avoid fundraising, congratulations. But if rapid growth and scale are important to you, fundraising will likely be part of the equation. Keep that in mind from the beginning.

Fundraising is easier if you have revenue under your belt first, have clean data to back up early results and can tell a compelling, passionate and credible story about your project.

Be frugal when it comes to both business and personal expenses. I still drive a car with almost 200,000 miles on it—and that's only because I gave my car with 265,000 miles to someone else. Taco Bell and Cap'n Crunch still taste awesome, and owning the highest tech printers in the world won't make your company money.

Be smart with your capital. If you funded your business with [your own money](#), you're best served investing in sales opportunities. If the money you raised comes from other people, be 10 times as frugal; you're working with someone else's money. Proven concepts delivered by a cost-conscious management team will get funded.

4. Pay talented employees more than yourself

Hire people who are smarter than you, and pay them what they're worth. This might be the real magic. Your business is nothing more than a set of decisions people inside the business have made. Your business will win when you make more good decisions than your competition.

Hiring the right people is a popular topic of conversation, but few companies seem to understand what this concept really means. Spend real time and energy understanding what your business needs. Then find and hire the people who can drive it forward.

5. Show grit, and know when not to listen

You have to know when to dig in. In our first years, many people said to us, "I have no idea why someone would rent a book... I would never rent a book." And in the time it took them to tell us how bad our idea was, we had already received another three online orders.

Suppliers shut us down, credit card companies withheld payments to our bank and industry experts assured us that book rental was a fad. Well, this so-called fad ended up disrupting the entire textbook industry and forever changed the economics of both print and digital content in higher education.

If you've done your research and have data to back it up, you have the right not to listen to naysayers. Grit and determination make up for a lack of experience. Time flies. Wounds heal. And when you know you're right, sticking to your idea can curiously turn out to be the secret to success.

Alan Martin founded [CampusBookRentals](#) as a college student in the summer of 2007 after experiencing the frustration of paying too much for college textbooks. His company, based in Ogden, Utah, is now a profitable venture-backed business with more than 120 employees that delivers textbooks to students on nearly 6,000 campuses every semester.

Brazen powers real-time, online events for leading organizations around the world. Our lifestyle and career blog, [Brazen Life](#), offers fun and edgy ideas for ambitious professionals navigating the changing world of work.

 Recommend 21

 Tweet 23

 g+1

  Share 8

Category: [Entrepreneurship](#)

Tags: [college](#), [entrepreneurship](#), [starting a business](#)