Lunch is free, afterall…

Have you thought about the idea of "free" as a business model before? You know…give it away for free and then get paid in some other format. It's nothing new. The concept has been around for years, but was not accepted until the Google world of today.

Everyone knows what Jell-O is, and most likely have tried it, but what most people don't know is that when Jell-O was created back in late 1800's, it sat in a warehouse for a few years because no one knew exactly what to do with it. I read about this in Chris Anderson's book *Free, The Future of a Radical Price*.

It wasn't until 1902 in LeRoy, NY (the next town over from where I went to high school) that Frank Woodward had an idea for how to create demand for the product. His idea was to give away "free" cookbooks with Jell-O recipes, delivered directly to people's doorstep. Within 2 years they hit a million in sales. This concept built steam throughout the century with others like Gillette razors, and then free radio and TV.

Now we live in a world made of bits rather than atoms, and economics tells us that cost lies in the R&D. With increasing sales to cover the R&D expense, cost goes to zero for each incremental sale. When the concept of "free" is applied, it provides an opportunity to be creative with where the revenue comes from, and a chance to build a marketplace where most wouldn't suspect.

Can you imagine flying for free? In Europe it's common to fly for as little as $20. Ryanair's CEO Michael O'Leary believes

that they're on their way to free airfare, with operations being totally supported by in-flight gambling. Look around at what else is free: talking internationally in [Skype](), Stock Trades, [Craigslist](), and a multitude of products by the king of free, [Google]().

My company is joining the world of "free" by creating an online software tool that helps you to achieve your goals, free to use, of course. It is called [AchieveStreet](). By using the accountability found within a forum, business team, board, charity group, or even group members for a school project, getting things done comes more easily. The tool is free, but as with other free online tools (I.e. Facebook), the more users you have, the more revenue you can expect to gain from advertising.

How can you utilize this "free" world to grow your business, or possibly venture into something new?