ULTIMATE WEALTH PACKAGE
INTERNET MARKETING GUIDE

BY: MARK WARREN

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Introduction

Hi, my name is Mark Warren and a few years ago, I discovered the secret to making a fortune on the Internet. Now I'm going to share that secret with you.

When I first started working on the Web, I never dreamed I could make the kind of money I'm making today. To be honest, I didn't even intend to. At first, I just wanted a bit of extra cash to supplement my real job and maybe put a little money aside for the future. But what I discovered amazed me! Within just a few short months, my little online business was raking in thousands of dollars every day! I was making more every two months with my Internet marketing programs than I was earning each year sitting in my office making profits for my boss.

As you can imagine, it wasn't long before I decided to ditch the suit and start working for myself full-time. Now, I have a completely automated marketing system set up on the Web. Each week, I spend just a few hours checking that the system is working properly, and the rest of the time I'm cashing the checks and spending the money.

It really is that easy!

But while the money is great, the best thing about working on the Web is the freedom. I'm not just making more money than I ever thought I would earn—*unlike my other high-income friends I've actually got the time to enjoy it.*

That's a feeling money just can't buy!

Now, I didn't achieve any of this by doing a Ph.D. in programming or by following Bill Gates around for twenty years. When I built my first website all I knew about my computer was how turn it on. Today, I know how to turn it off too. I still know nothing about programming and even less about technology. I've got no idea what speed my computer runs at, and I wouldn't even know how to check it.

The fact is, to make money on the Web all you need is a few simple tools and the will to get up and do it.

It's not about intelligence or education or who you know. It's purely about how much you're prepared to put in the time at the beginning to build the system and keep it running.

With this book and your determination, you have everything you need to kick your day job and earn a real income by yourself, at home, on the Web.

Forget everything you've heard before!

In this book, I'm not going to give you some airy-fairy theory about what should work if everything clicks the way I think it should. That's the kind of rubbish you can read in any one of a thousand marketing books sitting on the shelves of Barnes and Noble. The fact is, I doubt if a single one of those authors has sold anything online except copies of their book on Amazon.

Here's my first piece of advice: don't listen to advice from someone who hasn't been there and done it themselves!

This is absolutely crucial. If you look around the Web or in your local bookstore you're going to find a ton of hype about how you can become a millionaire with nothing more than a keyboard and a mouse. There are people out there who will tell you can get rich with no effort, no work and no investment. There are even some who will try to sell you pyramid schemes, get-rich-quick plans and every other kind of scam you can imagine. And people actually buy them. At the first sign of a chance to pick up instant cash, people whip out their wallets and give away their life savings. I'm sure you're smarter than that.

But it's not just the straightforward frauds you have to watch out for. The Internet changes almost every day. Unless someone is actually earning their living on the Web day in, day out, by the time they've finished explaining how to make money on the Internet, chances are, their advice is out of date.

Like I said, I didn't set out to make a fortune on the Web. I just figured it might give me an extra hundred bucks or so a week to make my life a little better. But like any successful businessman, I ditched what didn't work and did more of what did. If I saw something that I thought would bring in extra cash, I put up a website and gave it a try.

The fact that it's so easy to create a Web business was what really did it for me. If I wanted to take advantage of an opportunity, it cost me next to nothing to try and I lost little if it failed.

It wasn't long before I knew exactly how to find the right products and bring them to the right customers.

That's what I'm going to show you in this book. I'm not going to give you any strange theories or fancy ideas. I'm just going to tell you *exactly* what I did—*and what I'm still doing!*—so that you can do the exact same thing.

Of course, I can't guarantee that you'll have the exact same results as me. Heck, I bet if I were starting from scratch today I'd have different results too. I might even have better results. All I can do is tell you what I did and explain precisely how I did it. My system works for me; I can't think of a single reason why it shouldn't work for you too.

Do you have what it takes to be an e-entrepreneur?

Before you even turn on your computer though, the first question you have to ask yourself is whether you're cut out for this kind of work.

The fact is, building a home-based business isn't for everyone. Some people like the commute. They enjoy having a boss who tells them what to do, and they like the routine of working nine-to-five for a bog-standard salary than can barely pay the mortgage. Personally, I think they're nuts.

More reasonably, there are people who are concerned about the risk of starting up their own business. They're not sure it's worth the investment of time and money, and they're scared of the responsibility that comes with running their own company. They wonder if there isn't another way to escape the rat race.

I'm sure there is. You could win the lottery or wait for your Aunt Betty to keel over and leave you her condo. Maybe you could sit down with a pen and paper and draw the blueprint for The Next Big Thing. Anything can happen.

For me, what happened was creating a successful, self-running Internet marketing system. It didn't happen without effort. It didn't happen without at least some initial investment of both time and money. And it doesn't happen now without me having to make sure that the taxes are filed and the paperwork done. But it happened. I'm my own boss. I work from home according to my own schedule and I get to pocket *all* the cash

my business makes. If you're prepared to give an e-business the time, the work and the money it needs to get started and get growing, it should happen for you too.

The Internet—Your business tool

In effect, my system is built on three foundations: the Internet, marketing and the product.

In this book, we are going to look closely at each one of those. In particular, we'll spend a lot of time talking about the marketing because this really is what the Internet does best.

Let's just begin by taking a quick glance at why the Internet is the greatest business opportunity since the railroad.

The Internet actually started in 1969 as the ARPANET, a Defense Department system designed to let survivors share files after a nuclear attack. From a handful of top secret computers, it's grown to fill more than 10 million hosts and millions of domain names.

And it's still growing. According to a recent survey, the volume of Internet traffic is expected to double annually over the next five years. Consumers are expected to account for 60 percent of all Internet traffic over that period with the rest of the market made up of business users.

What does that mean for you?

It means customers—millions of them.

No other business tool can put the products you sell to so many people so easily. Nothing even comes close.

We're talking about a potential market of 340 million people around the world who can buy your products 24 hours a day, 365 days a year. If you opened a store on your high street, how many people would walk past your window each month? If you live in Manhattan, maybe a few thousand. If you live in Los Olivos, Ca. maybe a few hundred. On the Internet, there's no limit to the number of people you can bring through your store front wherever you live.

That's the power of the Internet. That's why my online business is bringing in between $1,500 and $2,000 *every day*. I bring in a lot of customers and I shift a lot of goods.

The right product sells itself

In fact, for many of my online businesses, my customers *are* my goods. When you join an affiliate program, you buy traffic from other sites and pass them onto your partners for a profit. In this book you'll learn all about affiliate programs. It'll show you how to build them, how to select your partners and how to turn your traffic into cash.

But traffic is just one kind of product on the Web. Information products are amongst some of the greatest money-spinners currently churning up dollars on the Net. And anyone can create an information product.

Imagine you know how to build a bookcase from scratch. That already makes you a lot more knowledgeable than me—the only thing I know about wood is that it looks great in my fireplace! Maybe one person in a thousand will want to know how to build the kind of bookcase you know how to build. If you're not a well-known carpenter, no publishing company is going to touch you. It's just not worth the marketing. On the Web, one person in a thousand gives you a potential market of 340,000 customers. If you write a book and sell it on the Web for just $10 per copy you could make as much as $3,400,000. All you have to do is tell people what you know—and tell them it's out there. And that costs next to nothing.

The eternal, changing business plan

Of course, it's communication that's the key. The more people you can bring to your websites the more money you're going to make.

You can have the greatest products in the world sold on the most beautifully designed site on the Web, but if no-one knows where it is, you're just going to be wasting the twenty bucks or so you're spending each year on the host.

There are a dozen different ways to bring people to your businesses. This book will discuss about the ones that are most effective. I'm sure there are other ways too. I'm sure you'll find people who will tell you that this site is great or that method gave them results. Maybe they're right, and you're welcome to try them. What I can tell you is that I've tried a lot of different methods and these are the ones that worked for me.

That doesn't necessarily mean that they *will* work for you. If there's one piece of advice regarding online marketing that you learn from this book it's that *marketing has to be flexible*. Like I said, I tried a dozen different methods. If I hadn't kept a constant watch on how those methods were working, if I hadn't dropped those that weren't worth the effort and repeated my success with those that brought in cash, I'd still be sitting at my desk, wearing a tie and taking orders from my boss.

I'll tell you about the methods that I found consistently effective. If they don't work for your product, give it a little time then switch the methods around.

In the first chapter of this book, I'm going to explain exactly what you have to do to build a website—from selecting a host to mapping the design. Once you've got your site up, you have to bring traffic, and that's what I look at next. I'll reveal the secrets of successful search engine optimization, how to buy advertising that pays, and how to make the most of the millions of affiliate programs that will pay real dollars for users you've never met and never will.

I'll also examine the various kinds of products you can create and sell online, and finally, I'll show you how to put everything together to create a truly integrated business system that brings in real cash, hour after hour, day after day!

Making a fortune on the Web is easy. Simply read this book and employ the methods I teach. I know it works because I've done it. Whether you choose to do it too, is entirely up to you.

The benefits of Internet Marketing – Why is Internet marketing effective?

Internet is the one medium, which can be used to reach every city and every country over the globe. It means businesses do not just have to concentrate on local markets - nothing is impossible. If a business has a web site, this in itself means it is accessible by the global market and domestic market alike, and it is vital that businesses take advantage of this.

Besides, Internet is a very cost effective medium for not only new businesses but also existing ones. It offers excellent convenience to the prospective customer. An added advantage of having a website is that a company can rope in customers 24 hours a day, 7 days a week.

The only effective way for small and medium sized businesses to market globally as well as domestically is via the Internet, and it is important that they do this effectively. Normal media advertising and promotion (such as through the press, radio and local promotions)

cannot reach so many remote visitors as marketing on the Internet can. If done correctly, the sky can be the limit.

Not surprisingly, marketing has in recent times taken on a completely new media avenue, which has more power and effect than any of the traditional marketing avenues. This new avenue, which cannot be ignored in the 21st century, is the Internet. Internet marketing has become the way of the future, with successful businesses using it to advertise, promote, sell, place commercials and undertake public relations.

According to a research study conducted during December 2002 by Aberdeen, consumers purchased more than $4.5 billion in goods and services online — $1 billion more than the same period in 2001.

Interestingly, many studies conducted indicate that corporate America continues to disregard problems plaguing its collective Web presence. Brand switching is easier than ever before, and companies that ignore signs suggesting that the online channel is quickly becoming the channel of choice, especially among younger consumers who will constitute the markets of tomorrow are placing their brand equity at risk.

Internet Marketing is a progression of steps for qualifying a prospect by capitalizing on the power of the web. To create an Internet presence that will become a company's most effective sales tool with consulting services, making sensible investments in Internet

marketing such as Search Engine Optimization and Marketing, Webcasts, Email Campaigns, ROI tracking and measurement and other forms of promotion is essential.

Why businesses need to know how to market your products or services leveraging the power of the Internet?

The number of new Internet businesses starting each year globally and specifically in the U.S. create a sizeable market. Often, an entrepreneur starts such a business with a solid idea for selling through the web, but little experience in creating the formal web promotion strategies or marketing deliverables necessary to turn their idea into a successful business. With recent IPOs giving back much of their initial valuation, companies are now being forced to demonstrate profitable business models in order to maintain strong valuations. Venture capitalists need to focus on making their existing companies successful instead of simply prospecting for the next great idea. To accomplish this, founders need to effectively define and communicate their value propositions. Since this is not a core competency for many entrepreneurs, there is an opportunity to provide this skill set through outsourcing arrangements. Additionally, founders need experience in Internet marketing to exploit market opportunities and create early revenue wins.

The benefits that the Internet offers to the world of business and commerce are numerous both in terms of the reach it offers to take your message beyond the confines of your geography as well as the efficiencies that if brings to transactions through speed and

reduced costs. In order to use this potential to advantage, you have to attract visitors to your site and tell them about your offering and you have to spur them to action. You have to engage their attention and convert these leads to prospects. A whole new science has emerged defining the rules and practices of promoting your online presence, generating leads and converting them to prospects.

There are just too many vying for the visitors' attention and the market is flooded with tips and techniques of bringing visitors to your site. Several large players can afford to appoint marketing specialists in the Internet media and can lay down budgets running into several hundred thousand dollars each. It is the small and the medium sized enterprise that is looking for cost effective solutions. Individual efforts are just too costly and the landscape is ever changing. You could use the services of professionals who have the experience and the insight about what strategies fit what business needs. Or you could do it yourself. If you do not have money to burn and you are willing to learn various techniques, you could do a great job of promoting your site. After all, selecting the right professional, laying down the scope of work, setting metrics to determine if the services have led to commensurate results and setting an optimum price for the services are complex matters. They do not some easy, and more often than not, you rush into things and regret your move later on.

Let us see how a professional marketing consultant in the area of Internet marketing presents their services. This gives you an insight into the professional way of marketing online.

Quote

If a small enterprise wants to promote its online business or message, it can spend weeks trying to understand the techniques and then experiment with them. Do you just submit to specific search engines or go for pay per click advertising. Do you go for e-mail campaigns using opt-in lists or do you go for affiliate marketing? Where do you get relevant and genuine opt-in subscribers? Should you stuff your site with keywords? Even if you do manage to bring visitors, how do you ensure it impacts bottom line? How do you convert visitors to profits? Does anyone in the enterprise have the time to read and analyze options and follow them up logically to bring measurable results?

ABC has invested extensive resources in developing a well-honed marketing and promotion methodology. This methodology is intended to systematize the mechanics of assessing the customer's business objectives and current web presence and evolving and implementing strategies to elevate their effectiveness over the web to a new level. The entire process has been laid out in a series of analytical and action steps that are well documented. The Company has many trained specialists in this methodology. When they have to devise a road map for the customer, they – with the process template in hand – lay out the current practices adopted by the customer. They establish key performance indicators (KPIs) and gain agreement on baseline levels. Then the specialists perform a thorough evaluation to redesign the strategy. New and improved KPIs are developed and a first-cut business case is prepared. The customer is handed a comprehensive and detailed proposal.

ABC can thus help move the customer's organization from comparative advantage to competitive advantage.

Unquote

This is your role model, when you are out there trying to achieve it by yourself.

Internet has become a major medium for businesses. Recent studies indicate that worldwide e-commerce will generate $2.6 trillion in revenue by 2004 -- a rise from $280 billion in 2000. IDC predicts that by that time, $1.2 trillion of B2B revenue will come from e-marketplaces.

Gartner Inc. forecasts that the worldwide Internet commerce market should total $919 billion in 2001 $1.9 trillion in 2002 and $8.5 trillion in 2005. Gartner also reports that in 2000, the value of global B2B sales transactions was over $433 billion, a 189% increase over 1999 figures.

Considering such staggering figures, it is absolutely vital for smaller and midsize companies to not only have a presence on the Internet but also to attract customers to their websites by employing proven strategies. The need for Internet marketing services is rising enormously.

The effectiveness of online advertising and marketing is being recognized by more and more businesses. The total online advertising market in the US has been projected to be

between $ 6.4 and $ 8.7 billion in 2002, according to research figures put out by

eMarketer and Gartner Dataquest respectively.

1. Getting Started

The first step towards creating an online business is building a website. Now, that isn't as complicated as it sounds. When I built my first website, I thought Java was a type of coffee and HTML the name of a robot in Star Wars. That's why I didn't do it. I paid someone else to do it for me. It cost me just a few hundred bucks, but I earned it back in the first few days. This chapter discusses how to begin the process of creating your first site, and where you can find someone to build your site if you don't want to do it yourself.

1.1 Making your website attractive, interesting, engaging and interactive

To succeed at your online business (whether you are selling your own product/service or are selling for other merchants as an affiliate), you need a Web site created just for that - a simple, focused site. One that is easy to build, maintenance-free, low cost, credible, and a powerful traffic-builder and customer-converter.

Having the right tool and the right product alone doesn't insure the success of your website. There are many factors to be considered while designing a site. Unfortunately, most of these are easily ignored by Internet business owners.

Build It for Speed - It's a fact of modern life - people are in a hurry. This means that you have between 10 and 30 seconds to capture your potential customer's attention. To minimize your load time, keep graphics small. Compress them where possible. Use flashy technology (JavaScript, Flash, Streaming Audio/Video, animation) sparingly and only if it is important to your presentation.

Target your Market - Know who your market is and make certain that your site caters to their needs. It is critical that your site reflect the values of your potential customers. Is your market mostly business professionals? If so, the site must be clean and professional. Is your product aimed mostly a teenagers and young adults? Then your site could be more informal and relaxed. The key here is to know your market and build the site to their preferences.

Focus the Site - Make certain your web site is focused on the goal, selling your product or service. A site offering many unrelated products is not necessarily unfocused, but this is often the case. If your business does offer many products, dedicate a unique page for each instead of trying to sell them all from one page.

Credibility Is Crucial - The most professionally designed site won't sell if your customers don't believe in you. A clear privacy statement is one way to build your credibility. Provide a prominent link to your privacy statement from every page on the site as well as from any location that you are asking your visitors for personal information. Provide legitimate contact information on line.

Navigation should be simple - Make site navigation easy and intuitive. Simple and smooth navigation adds to the convenience of the visitors. Add powerful search and catalog features. Many times a lot of visitors do not have the patience to navigate through the whole website to find what they are looking for.

Consistency is the key - Make sure the site is consistent in look, feel and design. Nothing is more jarring and disturbing to a customer than feeling as if they have just gone to another site. Keep colors and themes constant throughout the site.

Make your site interactive and personalized – Make your website interactive. Add feedback forms as well as email forms that allow your prospective customers to ask you any questions they might have pertaining to a product. Personalization of your website is another key element that can lead to customer delight and can increase your sales. Personalization technology provides you the analytic tools to facilitate cross-selling and up-selling when the customer is buying online. It would give you an idea of what products to cross-sell and up-sell. For example, when a person buys a CD player, a disc cleaner can also be offered.

Content is King - Good content sells a product. Ask yourself the following questions. Does your copy convey the message you wish to get across to your visitors? Is it compelling? Does it lead your visitor through the sales process? Have others review,

critique and edit your copy to insure it is delivering the intended message. Always double check your spelling and grammar.

1.2 Navigation

The aim of a web site's navigation is simply to allow users to get to the content they require. For sites that have a large number of sections and web pages (and information sites can be one of these) the navigation plan has to be properly researched and designed. You have to consider different types of visitors and simulate the most common steps they would take to find what they want on your site and the navigation plan has to optimize this movement. For example the steps required from searching a catalog of items, selecting from the catalog, adding them to a shopping cart, proceeding to check out, to entering the payment particulars is a specific sequence that should be facilitated by the navigation system. If the sequence is haphazard, it could lead to frustration or the user may miss an important step and you would have an aborted sale.

To find their way about, users need to know two things:

- Where they are now
- How to go elsewhere

Navigation does not exist in isolation; good site organization is a prerequisite for a coherent navigation system.

Objectives of a Navigation System

Navigation can be broken into two primary types, Location Indicators and Navigation Controls

Location Indicators

Location indicators let users know where they are in the site at the moment. It needs to be borne in mind that users coming from outside your site can enter at any page, not necessarily on a 'main' page. They need to be able to orientate themselves.

Equally it is important that users navigating around your site have a clear idea of where they are both in absolute terms and in relation to other content.

Location information should appear on every page of the site, in the same place and in the same style. Location indicators should tell the user precisely where they are and this should be clear even to a user who has entered the site at an internal page. The location indicator should be identifiable for what it is and make sense in the context of other navigation.

In simple sites a page banner - text or graphic - naming the page will be sufficient. For this to work the page name should also appear in the main navigation so that it is relevant within the overall structure of the site.

Color can be used. For example a different color background, contrast color or sidebar in each part of the site. To be really effective the color change should be reflected in the navigation.

Using 'breadcrumbs' on every page is a good idea. Breadcrumbs show you a series of hierarchical links that you have used to go from page to page within a section. Using breadcrumbs is like leaving a trail of the path you have followed. The breadcrumbs appear at the top of the content section, just below the main navigation template. Each element in the breadcrumb is a link to that section or subsection. This helps in avoiding a series of back buttons allowing the user to directly go back to the main section page or another sub section. More importantly, it always shows the context of the page that is being viewed and how it belongs to a section or sub-section.

Navigation Controls

Navigation controls are the main navigation links; they allow users to move around the site. Whether they comprise images or text they should be predictably located in the same place, and with the same appearance, on each page.

These have several purposes

- To allow users to move about within the site
- To tell users what information is available at the link

- To work with location indicators to orientate users

A good navigation control:

- Is clear: it looks like navigation

- Leads to obvious content - users have a good idea what they will find if they click

- Is consistent with other navigation controls

- Is predictable in its style and location on the page

There is no mystery to usability. It simply involves creating a site, which is accessible to the majority of people, is easy to use and get around and delivers on its promises. You can have a site that meets the most important standards of usability by planning it well and always keeping the end user in mind. Remember that web sites should not be designed for their owners - they should be designed for their users.

Problems with usability could be said to stem from just two sources: the site itself and the user. In fact the site is always at fault; if a user, however experienced or inexperienced, has problems navigating, getting information or understanding the site.

While websites have become far more complex, web users have become less rather than more experienced as more and more people go online. It is a mistake to think that the majority of users will be web or even computer savvy and will understand subtle clues about content. Most will not.

1.3 Defining a Usable Site

A usable site will:

- Help users achieve a goal, usually to find something, such as information, or obtain something, such as a book.

- Make it easy for them to achieve that goal

- Make it possible to achieve the goal quickly

- Make achieving that goal a pleasant experience

A site will be generally usable if:

- The content is good and relevant

- The content is easy to find

- The content can be found quickly

- The page is pleasant to look at and cleanly designed

1.3.1 Good Content

A site with good content, regardless of its subject, is one that provides products or information that is useful or beneficial to users. A good usable site will make it clear what information or content is available and at what price AND what is not available. A good usable site should define clearly all subscription packages offered.

1.3.2 Ease of Access to Information

Good navigation, precise location indicators, secondary navigation, clear linked text and a well organized structure all contribute to making information easy to find for a wide range of different users. This is discussed earlier.

Bearing in mind that many users are inexperienced, it may be necessary to include explanations of things you consider self-explanatory. For example, an inexperienced user may need an explanation of how to use a drop down menu.

1.3.3 Quick Access to Information

This is the aim of the majority of web users. It can be broken into two important aspects:

Speed of page loading

This requires, in particular, attention to images to ensure they are properly optimized and do not excessively delay load time. It may also mean breaking up long articles and ensuring that important content is at the top of the page where it will load first.

Speed of Access to content

This is where the much-vaunted **3-click rule** comes in - no important content should be more than 3 clicks from the home page. Some standards even say that it should be no more than two clicks.

One helpful way to speed access to content is to consider each type of user, select the content that they are most likely to be interested in and create links from the home page to one piece of content for each group. This will get them quickly to the appropriate part of the site.

1.3.4 Cleanly Designed Pages

Cleanly designed pages are pleasant to look at and easy to read. It is almost impossible to make a site with an image shown as a tiled background usable - the whole thing is too distracting and confusing. It takes no great design skills to create clean pages; it just requires thought and adherence to the principle that when it comes to design, less usually is more.

1.3.5 Download status

Most paid membership websites are limited to online access and information download rather than selling products. There should be clear download instructions. In case of information download, it is crucial that you show a download bar and the download

status. Many websites offer huge files for download but while the user is downloading he/she has no idea of the status of the download or the speed of the download. This is very frustrating especially in the case of larger files and often you'd see users canceling the download midway and leaving the website. Your website should also state the size of the file in kilobytes and the estimated time of download for a user having a 56K modem, DSL, Cable and so on.

1.3.6 Usability Problems

While for large commercial sites investment in full-scale usability studies may be not just useful but essential, few small sites can afford such luxuries.

However, identifying problems with usability for your site need be no more complicated than asking a few (honest) friends to act as guinea pigs on your site and, if possible, watching them silently as they do this. Watching users try to find information at your site can be both instructive and quite surprising.

Remember that if at any stage you feel the urge to intervene and explain, then you have identified a usability problem.

List of the most common usability problems

- The site does not state its purpose clearly

- Java applets, huge images, banner ads or flashy elements slow down loading; 10 seconds is about as long as the average user will wait for a page.

- The site requires specific software to be used. Have you ever actually changed browsers or downloaded a piece of software just to see a site?

- Poor navigation, too little navigation, too much navigation and, not uncommonly, no navigation at all

- Bad design leading to poor readability

- Discomfort due to ugly design or inconsistent design. Almost always because a designer overestimated their skills.

- Irrelevance of content - for example the business site that includes biographies and photos of each of the board members. Happy egos on the board; bored users!

- Complexity or excessive originality of design, which requires users to learn how it works in order to use it.

- Inaccessibility because the site cannot be used by browsers used by people with disabilities

1.4 Building Interactivity and Personalization

Make your website interactive. Add feedback forms as well as email forms that allow your prospective customers to ask you any questions they might have pertaining to a product. Personalization of your website is another key element that can lead to customer delight and can increase your sales. Personalization technology provides you the analytic tools to facilitate cross selling and up selling when the customer is buying online.

It tries to restore to the online business the magic of personalized attention that is one of the chief reasons why most people still prefer in-store purchase. You can use personalization to match your customer with the right products through either rules-based or customer analytics based processing. Thus as your software stores customer information and preferences, it can help categorize them into groups. At the same time, observations over time can suggest products to cross-sell and up-sell. Thus when a person buys a subscription to a fitness site, exercise equipment is also offered. Amazon pioneered personalization on the net – when you a buy a book, it shows you other books in the similar genre saying "people who bought this book also bought these", inducing you to buy more.

A consumer survey from the Personalization Consortium found that 56 percent of respondents say they are more likely to purchase from a site that allows personalization, and 63 percent are more likely to register at a site that allows it.

Personalization can lead to customer delight and can increase your sales.

1.5 Graphics

Your site has to be aesthetically attractive with visually appealing organization and enticing images. Fashions change fast on the Internet, so when you come to choose a designer, make sure you take a good look at their portfolio. You want the user to just

glance at your homepage and understand immediately who you are and what you can do for them.

1.6 Webcopy

Your website content should convince visitors that your service is either unique or superior to that of your competitors in terms of quality or is competitively priced. It should show your potential clients that you can provide the solution that they are seeking. Your product or service will solve their problems, answer a dream, enrich their lives, and/or improve their businesses. You are the dependable expert that they want and need!

Your website copy plays a major role in establishing and growing your customer base. Web site copy creates the "voice" of a company, just as the look and feel of a site put a "face" on the company and on otherwise intangible products and services. On an e-commerce site, the copy plays a key role in closing sales as well as in up-selling and cross-selling products and services. Good copy delights first-time visitors, encourages return visits and propels both customer acquisition and retention.

People read a Web page differently than they do a brochure or a newspaper. They scan, scroll, click, hit the back button, and hit the forward button. "Reading" is about moving around and being in control. You have one chance to make a first impression – to quickly convey the benefit of staying on your Web site. I can't overstate the importance of first impressions, which in Web-time are measured in milliseconds. The layout, functionality,

message and overall look and feel of your web page determine who stays – and who clicks away.

Your story should be clear and to the point. The goal of any web page should be to get the visitor to DO something: to move on to the next step in a purchase sequence or to click for more information about a product or service. Without readable, compelling copy and clearly organized hypertext links, visitors are much less likely to complete a transaction – and return to your site again.

Writing for your Web page should always start from your visitor's perspective. What is your Web site visitor looking for? Why is he/she here? How can you make his/her visit as quick and efficient and positive as possible? You should take the time to clarify the goal of each page before starting to write. If the page is part of a transaction sequence, identify what may be hindering the buying process. Be sure instructions are clear and easy to read.

If you are selling a service on your website, your Unique Selling Proposition (USP) is your service's most powerful benefit, in combination with a strong, unique feature of your business. It answers that most difficult question:

Why should potential customers hire your service company?

Tell your customers what service you are selling and explain what your service provides. What is the key benefit(s) to your customers? What pain does it cure, what solution does it provide? Compare your service with that of your competitors and highlight what makes you stand out from the competition? Keep working on this until you can clearly separate yourself from the field. As stated earlier there must be a convincing reason for doing business with you, instead of your competitor.

Summarize the above into one tight, powerful, motivating phrase that will persuade your customer to do business with you and to trade their money for the benefits delivered by your service.

As you start to work through the above four steps, you may find this to be a lot harder than it looks. Don't blow it off and give up! You must have a USP. If it was easy, everyone would have a great USP! Come up with a tight, sharp USP that sells your service to your customer.

Write tight, get right to the point, be keenly aware of the audience for the page, and don't use a three-syllable word when a one or two-syllable word will do. Use call-to-action language and be interesting. The page should be so clearly organized that, in seconds, visitors can understand and get convinced to buy your product and be able to anticipate where a hypertext link – or a "Continue" button – will take them. Studies show that "ease of use" is the winning factor on an e-commerce site.

If you're going to promote your service and expand your customer base using your website, potential clients have to be able to trust you. Their confidence in you and your products has to be boosted. Endorsements on your website from a valued friend or colleague, or a referral from a strategic partner are the types of "leads" that boost your credibility. You and your service must be perceived as being trust-worthy before your visitor will be confident enough to contact you or even buy your product.

Show prospects that you have their best interests at heart and that you can adapt or customize your service to meet their individual needs. Foster an ongoing relationship that steadily increases their trust levels and cements a view that you are an "authority" in your field.

Another important aspect of convincing prospective customers is to keep abreast of recent developments in your field. Check on what your competitors are writing about, and watch for new trends. This will keep your website current, razor-sharp and unique. By keeping your eyes open, you will be able to grab an angle or niche that hasn't been well covered yet by your competitors. Portray this angle or niche on your website.

Finally, be wary of broadening the theme of your site too much. Try not to dilute your product or service's targeted niche simply to expand your base of merchant partners. Remember; focus on your selling your service. That's where the "meat and potatoes" of your business will come from.

1.7 Choosing a Domain Name

In the physical world, you can distinguish a business because of its structure, window displays, or signs. You can tell that a bank is a bank, or a clothing store is indeed a clothing store.

In the Internet, however, it is an entirely different story altogether. Your domain name is the only clue to your online business. You do not have visual clues: no location, no look, and no store design. Instead, users have to type in a word or a set of words to reach your site. Your prospective visitor has no way of knowing what your site is all about until he/she finds it and reads its contents. Who can ever tell that Amazon.com sells books? Or that Excite is a search engine?

Your domain name can spell your success on the Internet. A good domain name is the best asset you can ever have. It can make your business stand out in the crowd, or just float aimlessly in space.

The need to provide immediate clues to an online business led to the prevalence of generic domain names. Generic names instantly provide the user with an idea of what a business is all about, what to expect and look for in a site. For instance, Etoys.com is a toy store.

The temptation of the generic name has been so powerful; that some companies even paid ridiculously high prices to get the name they want. The domains Loans.com and Wines.com were both bought for $3 million each. Telephone.com was acquired for $1.75 million, while Bingo.com sold for $1.1 million.

However, generic names do not necessarily create the "buzz" that you'd like surrounding your website. Branding has always been about proper names: McDonald's did not name their store Hamburger. Hertz is not called Car Rental. FedEx is not Mail Carrier. Kodak is not Photographs. Microsoft is not Computer Software.

For better branding results, your domain name should be memorable and easy to remember. Remember the following tips when creating a domain name.

- The domain name should be short
- The domain name should be simple
- It should be suggestive of your business category
- It should be unique
- It should be easy to interpret and pronounce
- It should be personalized
- It should not be difficult to spell
- It should not be difficult to remember

Domain names can be registered through many different companies (known as "registrars") - a listing of these companies is available at ICANN: http://www.icann.org. You can register for 1 to 10 years - prices can vary anywhere from $10 to $20 per year. Most web hosting companies, as explained later, will handle the registration process for you, but make sure that you are properly listed as the owner of the domain when it is registered. If you have registered a domain name for a specific period, make sure you renew it in time. You can be surprised at the number of cases, where site owners have let a domain name slip by if they have not renewed in time.

1.7.1 Using expired domains to skyrocket your traffic

At some point while you're building your website, you're going to have to buy a domain name. This is the address that users type into their browsers to reach your site. That takes about five seconds, and depending on the name you want and whether anyone else owns it, it won't cost you more than a few bucks.

But domain names are also a golden opportunity to make some easy money.

I'm not talking about Internet real estate, where you buy up good names and sell them on for a profit—if you haven't got into that now, forget it. The bottom's fallen out of the market and the best domains are long gone.

I'm talking about expiring domains.

Thousands of webmasters invest time, effort and money to promote their site and build up traffic. Many of them then lose interest and move on, leaving their site active. That means that although they still own the domain, they're not actively promoting it. But they don't need to. All the automatic marketing systems they've put in place are still bringing in traffic. The site runs itself.

Now, at some point the ownership of those domains is going to expire. If you snap up those domains once they come back onto the market, you've got a pre-built stream of customers. You can either rebuild the site, or redirect the traffic to your domain. You could set up an affiliate program get paid for users someone else paid for.

It's that easy.

There are tons of options, and lots of easy ways to make lots of money with very little effort. Opportunities like these are everywhere.

Websites such as www.expiredtraffic.com or www.deleteddomains.com actually do all the legwork and let you reap all the rewards. Expired Traffic even has an affiliate program and www.snapnames.com allows you to back-order a specific domain name.

Do be careful when using other sites though. There are some swindlers out there that will sell you subscriptions, provide you with outdated lists, take your money and keep the

good domains for themselves. It happens, and there's little point in taking a risk when www.deleteddomains.com does such a great job.

1.8 The Host

Let's start where the Internet starts: with a host. A host is a server which provides a home for your website on the World Wide Web. Just as your computer contains all your files, so a host contains all the files needed to run your website. Why can't you just keep all those files on your own computer? Because that would mean users would have to connect directly to your computer to see your website. Not a good idea—it wouldn't be secure and it would make your machine run like a tired snail. With a host, you can simply upload everything you need to the server and your users can then connect there to see your site. It lets the site run faster and allows it to have all the security and extras it needs.

Selecting a host is the first important step towards building your Internet business.

Hosting services and companies vary from totally free, shared servers to large-scale dedicated machines. You'll have to decide which is right for you and your business.

Your choice of server will depend on how much money you have available at the beginning and how much you plan to grow in the future. In my opinion, for commercial sites, free hosting is a waste of time. Your users are going to get blasted with annoying pop-ups every time they surf to your page, it's going to be impossible to get a decent position in a search engine, and you don't even get a real business URL. No one's going

to remember your Web address if they have to type www.freehosting.com/my_site. But it is possible to choose a cheap host at the beginning and move up as your business begins to bring in money.

1.9 Testing and Performance

You have designed a very usable web site, you have hosted it using a very reliable web hosting company, and you have integrated a safe and trusted payment processing system with your website. However, all these can prove to be useless until you know your site is actually working and accessible. If you want to create an accessible website, you will need to test, test and test again.

A recent Forrester Research report reported that failure to ensure website quality will cost the average small or mid-size company thousands of dollars in wasted expenditures on website redesigns, forfeited revenue, and lost customers. Testing a website is a long and tedious task, but it's perhaps the most important task of all. There are numerous stages to testing, all of which are very important. Ranging from browser testing, to content testing, none should be excluded.

Visual Acceptance Testing

Visual Acceptance Testing is the first port-of-call for all webmasters. This type of testing generally ensures that the site looks as it is intended to. This includes checking the graphic integration, and simply confirming that the site looks good. In this stage you

should assess every page carefully to ensure that each looks the same. The site should be tested under different screen resolutions and colour depths.

Functionality Testing

Functionality testing is perhaps the most vital area of testing, and one which should never be missed. Functionality testing involves an assessment of every aspect of the site where scripting or code is involved, from searching for dead links, to testing forms and scripts. You should also test your payment processing system completely and thoroughly. After all, you wouldn't want a potential customer to get stuck at the last stage and eventually leave the site just because there is something wrong with payment processing.

Content Proofing

This stage of testing removes any errors in your content, and ensures that your site has a professional appearance. In this phase, you should reread each page on your site, and check for spelling and grammatical errors.

System and Browser Compatibility Testing

This test phase is completed in order to ensure that your website renders correctly on a user's screen. To begin with, you should test several pages from your site on different browsers such as Internet Explorer 4, 5, 6, Netscape 4 and 6, and Opera. This can be

extremely important - if your site does not work properly with the Netscape browser, Netscape users will end up annoyed, and they'll go elsewhere.

1.9.1 Monitoring and Tracking

Understanding what your visitors do on your site is crucial information, not to mention interesting. If your visitors proceed to purchase a product but then a large majority leave the site when they get to a specific page in the order process then you need to know about it. It could be that this page is confusing or hard to use. Fixing it could increase your sales by 200%. This is just an example; there are many reasons why you want a detailed analysis of your site visitors.

Most website hosting services offer a stats package that you can study. If you're not sure where this is, call up your hosting service and ask them. Statistics are a vital part of tracking your marketing progress. If you don't have access to website statistics get a package that can help you in this area. Do not get a counter that just shows how many visitors you've had. You'll be missing out on vital information that can help strengthen weaknesses in your site.

A good website hosting service would offer traffic logs that provide an invaluable insight into the traffic being referred to a web site from various sources such as search engines, directories and other links.

Unfortunately traffic tracking provided by web hosting services is often in the form of raw traffic log files or other difficult to understand cryptic formats. These log files are basically text files that describe actions on the site. It is literally impossible to use the raw log files to understand what your visitors are doing. If you do not have the patience to go through these huge traffic logs, opting for a traffic-logging package would be a good idea.

Basically two options are available to you and these are: using a log analysis package or subscribing to a remotely hosted traffic logging service. A remotely hosted traffic logging service may be easy to use and is generally the cheaper option of the two. WebTrends Live and HitsLink are two good, remotely hosted, traffic-monitoring services worth considering. However, WebTrends Live is a more complicated system and is suitable for larger ecommerce websites. "SuperStats" is another recommended traffic logging service.

These services do not use your log files. Typically a small section of code is placed on any page you want to track. When the page is viewed, information is stored on the remote server and available in real time to view in charts and tables form.

Log analysis packages are typically expensive to buy and complex to set up. Apart from commercial packages there are also some free log analysis packages available, such as Analog.

A good traffic logging service would provide statistics pertaining to the following:

- How many people visit your site?

- Where are they from?

- How are visitors finding your site?

- What traffic is coming from search engines, links from other sites, and other sources?

- What keyword search phrases are they using to find your site?

- What pages are frequented the most - what information are visitors most interested in?

- How do visitors navigate within your web site?

Knowing the answers to these and other fundamental questions is essential for making informed decisions that maximize the return on investment (ROI) of your web site investment.

The most important aspect of tracking visitors to your website is analyzing all the statistics you get from your tracking software. The three main statistics that will show your overall progress are hits, visitors and page views. Hits are tracked when any picture or page loads from your server on to a visitor's browser. Hits, however, can be very misleading. It is quite an irrelevant statistic for your website.

The statistic that is probably the most important for a website is Page Views/Visitors. This gives you a good indication of two things. First, how many people are coming to your site, and secondly how long are they staying on your site. If you have 250 visitors

and 300 page views you can figure that most visitors view one page on your site and then leave. Generally, if you're not getting 2 page views per visitor then you should consider upgrading your site's content so your visitors will stay around longer.

If you see the number of visitors you have increasing as well as the number of page views per visitor increasing then keep up the good work! Always look for this stat as an overall barometer of how your site design is going and if your marketing campaigns are taking hold.

Also, a good stat to look for is unique visitors. Once a person visits your site they will not be added to the unique visitors' category if they visit again. This is a good way to track new visitors to your website.

Page views are a good indication of how "sticky" your website is. A good statistic to keep is Page Views divided by the number of Visitors you have. This statistic will give you a good idea if your content is interesting and if your visitors are staying on your site for a long time and surfing.

Some people are intimidated by web traffic statistics (mostly because of the sheer volume of data available), but they shouldn't be. While there are many highly specialized statistics that can be used for more in-depth web traffic analysis, the above areas alone can provide invaluable information on your visitors and your website performance. Remember- this data is available for a reason. It's up to you to use it.

1.9.2 Tracking your sales

Like any business, it is absolutely vital to track and maintain your sales records. You should know every month your income and expenditure. This would give you a good idea of which products are in demand and which ones are not.

There are many ways to keep track of your sales. Using orthodox methods such as keeping a paper journal is time consuming. Simple spreadsheet programs as well as basic accounting software are available at no or minimum costs. However, it is advisable to install advanced accounting software such as QuickBooks, Quicken, or Microsoft Money.

Such advanced programs save you time by sorting your register transactions by date, transaction amount, document number (e.g. check number), order entered, or cleared status. The tracking feature included in such software tracks, by user, changes made to each transaction. Daily, weekly, monthly as well as yearly sales reports can be generated with a few clicks. These reports help you analyze the sales of each and every product. Logs and reports can be generated to keep track of all your customers.

1.10 Building credibility and maintaining it

Finally, make sure that you build trust and credibility for your business. We discussed earlier the importance of credibility. Credibility is a key ingredient for any successful

business venture. Building and enhancing the credibility of the products and services you offer is an ongoing and full-time effort.

Why not make sure the web site you use works as hard as you do to establish credibility? Let's look at elements that can be built into a well-designed web site to enhance credibility in the eyes of your potential customers.

Offer a Guarantee

Nothing beats a solid, believable guarantee for building credibility online. It may be hard to believe but buying via the Internet is still unfamiliar, and uncomfortable, territory for the majority of people. It is up to you, the business owner, to put their minds at ease. One way to do this would be to offer an unconditional, 100% money back guarantee. By assuming all of the risk, you will earn instant credibility points with most potential customers.

Provide Contact Information

Even the best guarantee won't help establish credibility if the potential customer cannot contact you. Post accurate contact information on your web site and make it easy to find. Provide as many methods of contact as possible; do not simply post a link to an email address. For maximum credibility, post the complete mailing address, phone number

(preferably a toll free number), and email addresses for customers to use if they feel the need to contact you.

Provide a Brief Bio

Familiarity is one of the most effective tools for building credibility on the Internet. How do you establish familiarity in a faceless, impersonal medium like the Internet? Simple, tell people about yourself. Post a page that provides a thumbnail sketch that describes who you are. Be sure to include personal data as well as professional credentials. Place your photo on the page so people can put a face with your name. Creating familiarity will impart another level of credibility for you and, by extension, for the product you represent.

In this chapter, we looked at how you can build your website and explained what it should contain. We also discussed some of the ways you can generate traffic and even told you about a fantastic way to make buckets of cash for a nickel investment. And we're only getting started! In the next chapter, we're going to look more closely at some of the popular and successful Internet business ideas.

2. Internet Business Ideas

2.1 Leverage the advantages of the Net

The Internet is a vehicle that has been used to escalate higher communications levels between people, companies and countries throughout the world. It means your online selling business does not just have to concentrate on local markets - nothing is impossible! If your business has a web site, this in itself means it is accessible by the global market, and it is vital that your business take advantage of this.

Internet selling is on the rise. There are many research studies and statistics that support this statement. A study conducted by Ipsos-Ried in February 2003 concludes that in the year 1999 only 28% of worldwide Internet users purchased a product or service online, whereas this figure rose to 62% in the year 2002 and is projected to be about 70% in the year 2005. Nielsen/NetRatings supports this finding with its own research.

The Web is a huge marketplace that has attracted businesses with its potential for big-time revenues. Dizzying success stories of ventures started in a basement that grew to become stock market's darlings are constantly parlayed in the media. Small businesses came to the Internet, tentative at first, and then in droves - eager to sell everything from fake estate jewelry to handcrafted tapestries.

You can sell just about anything from soup to nuts — as long as you have a product that has a market and an ability to get it (legally) to your customer.

2.2 What businesses are succeeding on the Net?

After the settling down of the dot-com bubble, sanity checks have brought realistic expectations to the fore. Initially, a backlash was seen, forecasting the doom of the Internet. Finally, merits have made the Internet gain its rightful place. In breakthroughs that show the promise of e-commerce wasn't all smoke and mirrors, four dot-coms recently reported their first quarterly profits. The list of the Internet's publicly held moneymakers includes eBay Inc., Amazon.com Inc., Yahoo! Inc., Overture Services Inc., Expedia Inc., FindWhat.com Inc. and E-Trade Group Inc. Several privately owned dot-coms, including search engines Google and DealTime, say they have been making money, too.

In 2001, the last full year where numbers are available, the Department of Commerce broke out e-commerce sales versus total U.S retail sales which revealed the $3.16 trillion retail industry saw a total of $37.7 billion in sales take place online -- comprising 1.2 percent of the total. This year e-commerce is tracking about the same. Through the third quarter, the last full quarter where numbers are available, total retail sales were $856 billion versus $11 billion in e-commerce, about a 1.3 percent share.

There were big gains made in Home and Garden, a 78 percent increase; Furniture and Appliances, a 75 percent increase; and Toy shopping online with a 61 percent increase in the year 2002. There is no doubt that online shopping is growing.

Nielsen//NetRatings found that more than 35.5 million U.S. Internet users made shopping trips to virtual department store sites during the week ending November 3, 2002 - that's a

20 percent increase from the week ending October 20 and roughly 14 million more than almost the same time period in 2001.

There is a growing tendency amongst Internet users to pay for valuable content online. There are many reasons for this. First, only a few websites operated by big companies can afford to provide valuable content without being compensated. The rest of us can't be so generous. And trying to recapture our expenses by selling advertising on our websites has failed to pay the bills. Online advertising and click-through rates are on the decline.

Second, many people are now more than willing to pay to receive quality services and products even if they were offered for free earlier. Several paid content websites have already proven this unmistakable trend. The discerning buyer values his/her time as also the quality of information or service and is willing to pay for it.

However, not all products can be sold on the Internet. Some products may be better suited for online sales than others; others simply will not work on this new commercial medium. According to an Ernst and Young study, the most popular online purchases are computer related products (40%), books (20%), travel (16%), clothing (10%), recorded music (6%), subscriptions (6%), gifts (5%) and investments (4%).

Businesses offering paid services have also prospered enormously. The top three categories (Business Content/Investment, Entertainment/Lifestyles and Personals/Dating) accounted for 62% of all paid content revenues in the first three quarters of 2002. The total market for paid online content in the U.S. grew to $361.4 million for the quarter, a

14 percent gain over the previous quarter and a 105.3 percent gain over Q3 2001. An interesting statistic put forward by this report is that 85% of money spent by U.S. Consumers for online content goes to the top 50 sites in most of the categories.

The graph below (Top 3 Content Categories) is indicative of this change.

In terms of "stickiness" of different categories, Business sites - especially finance and investment rank the highest. In other words, users are more likely to spend longer time surfing through a business website compared to other categories. This study was conducted by Nielsen//NetRatings. The table below shows the most addictive web categories for 2002.

Category	Time per person (hr:min:sec)	Audience
Business – Finance and Investment	0:21:33	51,586
General News	0:15:47	64,822
Entertainment	0:14:32	45,922

Source: Nielsen//NetRatings

According to the above figures a person spends about 22 minutes on a finance website on an average.

2.3 Should you be selling a product or a service?

The Internet is primarily used to communicate, entertain, educate and research. It is thus no wonder that nonperishable, information-intensive products - including computers and software, books, travel, consumer electronics, magazine subscriptions - are the most popular online products at present. Content-rich sites, subscription-based sites to advertiser-supported sites focusing on a wide range of topics, have been sprouting all over the Internet.

Services such as hotel reservation, air travel and investments have successfully translated themselves to the Internet.

Unique services such as Online driving schools have been prospering. Some states in the US have set up online payment sites for Government services. Residents of a state can log on to a common site to pay all bills and other expenses, such as parking tickets to the local/County courts.

However, all kinds of services cannot be run entirely on the Internet. The Internet is less effective when face-to-face selling is needed to close a deal. The Internet can give lots of preliminary information that's useful in setting the scene for the closing. But the actual closing takes place offline - i.e., not on the Internet.

Products can also be marketed and sold successfully on the Internet. The kinds of products and services that sell best on the Internet are those that take advantage of the convenience of the Net. Remember that convenience is the primary reason why consumers flock to the Internet in the first place. People can shop any hour of the day at any site. They can avoid crowded stores, irritating sales clerks, and even avoid pickpockets.

Offbeat or unusual products and services often attract online attention and sell strongly. You would generally not try to sell items people can get at the corner store. Thus, few toothbrushes are sold on the Net; the same thing with daily food and beverage purchases. But special cheeses, rare cigars, Turkish plates, long-aged wines, even diamonds, can and do sell on the Net.

Most products sold by catalog and mail order also sell well on the Net. However, people tend to buy only those products that could be shipped at a reasonable price. Higher shipping costs diminish the price competitiveness of online products and turns-off a lot of potential buyers. In fact, high shipping costs is the primary factor that discourages people from buying online more than any other single reason. An Ernst and Young report shows that 53 percent of online shoppers are concerned with shipping costs that are too high, compared to only 19 percent who are concerned with credit cards being stolen.

As an online merchant, you have to work out the advantages as well as disadvantages of selling either products or services. However, in the recent past, online services have known to flourish. Nevertheless, if you chose to sell products you need to rethink your

product offering if the total costs of the product and the shipping are higher than what is offered elsewhere.

2.4 Importance of Back-end Selling

Considerable effort is required to get customers for your products. You design killer web pages, work hard for high search engine rankings (or pay for them), submit classified ads, etc. but still do not manage to sell enough. This is where the concept of back-end sales is useful.

Most marketers are successful because they apply back-end selling into their marketing efforts. Back-end selling is when you sell other products or services to your existing customers after they have purchased an initial product.

It is always easier to sell products or services to your existing customers because you have developed a relationship with them when you sold your first product or service to them. You will find it less expensive to sell to old customers as compared to selling to new customers.

Your conversion ratio will be dramatically higher with existing customers. Every time you continue selling back-end products or services to existing customers, you will be building a life-long relationship. You should continually bring out new back-end products or services to sell to existing customers.

Many businesses sell their front-end products (initial products) at almost zero profit in order to generate back-end profits. These businesses do not care even if they lose money on the front-end products or services; they want the back-end profits.

How do you make backend sales? There are several ways. When you order a product from a mail-order company, they'll send you a catalog along with your order, or put you on a mailing list and send you new catalogs from time to time. They might also send you a sales letter for another product. This may be related to the first product in some way. Many companies implement such a strategy.

To implement this technique on the web, you can put the sales pitch for your backend item in the email to the customer to confirm their order. If you have an online catalog, you could include a link to it, or even include a coupon or special offer "for all valued customers".

For a faster response, you should put the backend offer on the "Thank You" page that is generated by a credit-card sale. The customer just bought something from you and has a credit card in his or her hot little hand! Why not ask for another purchase while they are in the mood to buy. In case you do not sell more than one product or service, affiliate programs might come in handy. This way you can back sell products promoted by your affiliate programs as well.

Back-end selling can also be integrated with "Up-Selling" wherein you introduce more expensive products or services to your existing customers in similar ways as those mentioned above. This will almost instantly raise your sales and profits.

2.5 Cross Selling

Another successful strategy similar to the ones discussed above is Cross Selling. One of the best examples of cross selling via the web is on Amazon.com. If you search for a book on the Amazon site, a message will appear on the same page, saying 'Customers who bought this book also bought…' and will list half a dozen other books for your consideration. This is an excellent way to cross sell additional services or content to your members.

You can also direct visitors to other parts of the site, to consider products and services that they hadn't previously considered. Successful cross selling is the result of recognizing a customer need and meeting that need with a useful product or service. Customers benefit from needs-based cross selling efforts because they receive the services they need and want.

Cross selling can help your business realize its objectives: providing useful services, retaining customers, attracting new customers, and staying competitive with other websites.

In conclusion, you can offer a range of products and services on the Internet. The key is proper research and a great marketing plan. We'll be talking about marketing strategies for your product or service in the consequent chapters. In the next chapter we discuss one of the most important Internet Marketing strategies – Search Engine Optimization.

3. Secrets of Winning Traffic through Search Engines

It doesn't matter how great your website, if no one sees it, you're not going to make a penny. You can spend days producing the perfect design, weeks tweaking the copy, and months writing the code and uploading the pages, but if no one knows where you are, how are they going to know they should buy from you?

When I first started selling on the Web, the first major problem I ran into was bringing customers to my door. I put banner ads on other sites, organized reciprocal links and joined Web rings. Those methods all worked to some extent, but what really did it for me, what turned my business from a small earner into a major money-grabber, was figuring out how to use search engines.

Sure, I'd submitted my sites to the major search engines as soon as I'd finished building them, but I didn't really pay them much attention. After all, I figured search engines are just for people who are looking for information; they're not really good for commercial sites.

Boy, was I wrong!

One day, I sat down and checked out which sites were popping up first in the categories that suited my businesses. I found that all the top-ranked sites were my biggest competitors. And when I say biggest, I mean these guys were in a whole other league.

They had incomes that were ten or twenty times the size of mine—no wonder they had top billing at Yahoo! and Google! And then it clicked. Search engines don't list sites by size, they list them by relevance. These sites weren't listed first because they were big; they were big because they were listed first!

That was when I began to 'optimize' my pages and think about meta-tags and keywords. As my sites rose through the listings, my traffic went through the roof. And not just any old traffic! The people that came to my sites from search engines hadn't just clicked on a banner by accident or followed a link from curiosity, they'd actually been looking for a site like mine. My sales ratio went up like a rocket. I'd created my own big break.

In this chapter, we are going to discuss all proven strategies of Search Engine Optimization. We would discus how to optimize your site, submit your pages and pick up the targeted traffic you need to make cash. This chapter is probably the most important chapter in the whole book. It's crucial that you read it carefully.

Let's start with search engines.

3.1 How Search Engines work

Internet search engines are special sites on the Web that are designed to help people find information stored on other sites. There are differences in the ways various search engines work, but they all perform three basic tasks:

- They search the Internet -- or select pieces of the Internet -- based on important words.
- They keep an index of the words they find, and where they find them.
- They allow users to look for words or combinations of words found in that index.

Early search engines held an index of a few hundred thousand pages and documents, and received maybe one or two thousand inquiries each day. Today, a top search engine will index hundreds of millions of pages, and respond to tens of millions of queries per day.

Spidering

Before a search engine can tell you where a file or document is, it must be found. To find information on the hundreds of millions of Web pages that exist, a search engine employs special software robots, called spiders, to build lists of the words found on Web sites.

When a spider is building its lists, the process is called Web crawling.

In order to build and maintain a useful list of words, a search engine's spiders have to look at a lot of pages. How does any spider start its travels over the Web? The usual starting points are lists of heavily used servers and very popular pages. The spider will begin with a popular site, indexing the words on its pages and following every link found within the site. In this way, the spidering system quickly begins to travel, spreading out across the most widely used portions of the Web.

Indexing

Once the spiders have completed the task of finding information on Web pages, the search engine must store the information in a way that makes it useful. There are two key components involved in making the gathered data accessible to users:

- The information stored with the data
- The method by which the information is indexed

In the simplest case, a search engine could just store the word and the URL where it was found. In reality, this would make for an engine of limited use, since there would be no way of telling whether the word was used in an important or a trivial way on the page, whether the word was used once or many times or whether the page contained links to other pages containing the word. In other words, there would be no way of building the ranking list that tries to present the most useful pages at the top of the list of search results.

To make for more useful results, most search engines store more than just the word and URL. An engine might store the number of times that the word appears on a page. The engine might assign a weight to each entry, with increasing values assigned to words as they appear near the top of the document, in sub-headings, in links, in the meta tags or in the title of the page. Each commercial search engine has a different formula for assigning

weight to the words in its index. This is one of the reasons that a search for the same word on different search engines will produce different lists, with the pages presented in different orders.

An index has a single purpose: It allows information to be found as quickly as possible. There are quite a few ways for an index to be built, but one of the most effective ways is to build a hash table. In hashing, a formula is applied to attach a numerical value to each word. The formula is designed to evenly distribute the entries across a predetermined number of divisions. This numerical distribution is different from the distribution of words across the alphabet, and that is the key to a hash table's effectiveness.

The Search Engine Program

The search engine software or program is the final part. When a person requests a search on a keyword or phrase, the search engine software searches the index for relevant information. The software then provides a report back to the searcher with the most relevant web pages listed first.

3.2 Top Search Engines

We studied how search engines work. An integral part of any Internet Marketing or Search Engine Optimization campaign is to know exactly which search engines to target. This section discusses some of the top search engines today.

Google

Google has increased in popularity tenfold the past several years. They have gone from beta testing, to becoming the Internet's largest index of web pages in a very short time. Their spider, affectionately named "Googlebot", crawls the web and provides updates to Google's index about once a month.

Google.com began as an academic search engine. Google, by far, has a very good algorithm of ranking pages returned from a result, probably one of the main reasons it has become so popular over the years. Google has several methods which determine page rank in returned searches.

Yahoo

Yahoo! is one of the oldest web directories and portals on the Internet today, and the site went live in August of 1994. Yahoo! is a 100% human edited directory, and provides secondary search results using Google.

Yahoo! is also one of the largest traffic generators around, as far as web directories and search engines go. Unfortunately, however, it is also one of the most difficult to get listed in, unless of course you pay to submit your site. Even if you pay it doesn't guarantee you will get listed.

Either way, if you suggest a URL, it is "reviewed" by a Yahoo! editor, and if approved will appear in the next index update.

AltaVista

Many who have access to web logs may have seen a spider named 'scooter' accessing their pages. Scooter used to be AltaVista's robot. However, since the Feb 2001 site update, a newer form of Scooter is now crawling the web. Whichever spider AltaVista uses, it is one of the largest search engines on the net today, next to Google.

It will usually take several months for AltaVista to index your entire site, although the past few months scooter hasn't been deep crawling too well. Unlike Google, AltaVista will only crawl and index 1 link deep, so it takes a good amount of time to index your site depending on how large your site is.

AltaVista gets most of its results from its own index, however they do pull the top 5 results of each search from Overture (formerly Goto).

Inktomi

Inktomi's popularity grew several years ago as they powered the secondary search database that had driven Yahoo. Since then, Yahoo as switched to using Google as their secondary search and backend database, however Inktomi is just as popular now, as they were several years ago, if not more so. Their spiders are named "Slurp", and different versions of Slurp crawls the web many different times throughout the month, as Inktomi powers many sites search results. There isn't much more to Inktomi then that. Slurp puts

heavy weight on Title and description tags, and will rarely deep crawl a site. Slurp usually only spider's pages that are submitted to its index.

Inktomi provides results to a number of sites. Some of these are America Online, MSN, Hotbot, Looksmart, About, Goto, CNet, Geocities, NBCi, ICQ and many more.

Lycos

Lycos is one of the oldest search engines on the Internet today, next to Altavista and Yahoo. Their spider, named "T-Rex", crawls the web and provides updates to the Lycos index from time to time. The FAST crawler provides results for Lycos in addition to its own database.

The Lycos crawler does not weigh META tags to heavily, instead it relies on its own ranking algorithm to rank pages returned in results. The URL, META title, text headings, and word frequency are just a few of the methods Lycos uses to rank pages. Lycos does support pages with Frame content. However, any page that isn't at least 75 words in content is not indexed.

Excite

Excite has been around the web for many years now. Much more of a portal than just simply a search engine, Excite used to be a fairly popular search engine, until companies

such as Google seemed to have dominated the search engine market. As of recently, Excite no longer accepts submissions of URL's, and appears to no longer spider. To get into the Excite search results, you need to be either listed with Overture or Inktomi.

Looksmart

Getting a listed with Looksmart could mean getting a good amount of traffic to your site. Looksmart's results appear in many search engines, including AltaVista, MSN, CNN, and many others.

Looksmart has two options to submit your site. If your site is generally non-business related, you can submit your site to Zeal (Looksmart's sister site), or if you are a business, you can pay a fee to have your site listed. Either method will get you listed in Looksmart and its partner sites if you are approved.

Once you have submitted your site, and it is approved for listing it will take up to about 7 days for your site to be listed on Looksmart and its partner sites.

AOL Search

America Online signed a multiyear pact with Google for Web search results and accompanying ad-sponsored links, ending relationships with pay-for-performance service Overture Services and Inktomi, its algorithmic search provider of nearly three years

3.3 Search Engine Page ranking algorithms

A search engine's main job is to provide results which most satisfy a user's query. If they present a result that the user visits and doesn't agree that the document is about their query, there is a very good chance that the user may not use that search engine again. Most search engines pay no attention at all to the Meta description tags. Meta description and keyword tags are hidden attributes that you can add to the front of your document which are supposed to annotate and describe the document. Since the users will never see this information, they will be disappointed if you stick in invalid keywords or fail to keep the description in line with the document's contents which usually is the case.

Most Search Engine page ranking algorithms rank pages based on the following aspects:

- Content of the website
- Representation of content, keywords, and links on websites
- Location and number of inward and outward links on websites
- Relevancy of search terms as compared to the websites

Given below is a brief description of the page ranking algorithms of some of the most popular search engines.

Google

You can submit your site to Google using http://www.google.com/addurl.html. Submitting your site will only make Google aware that your page exists; it is quite possible that your pages may get crawled even if you have not submitted. It is advisable

to submit the home page and some inside pages. Inside pages are added to the submission, just in case the home page is found too slow to load or crawl. The pages that are submitted should link to the rest of the pages. Google indexes the full text that is visible on any page that it crawls. It generally does not index the metatags – keywords or descriptions.

When Google lists your page in the search results, the description that is displayed is the extract of text that is around the first line where the search word appears on the page. It may thus be a good idea to write a good description of the page and build it around the most likely search term(s) and place that near the top of your page. You should remember that one sure way of getting your site listed and indexed is if there are several links that point to your site and such links appear on web pages that in turn have several other links pointing to them. The term 'link popularity' is used for this. It analyzes links of the pages that it has visited and this 'link analysis' helps to determine the ranking of the page.

Google uses a proprietary PageRank algorithm for determining relevance and ranking of pages in the search results. Location and frequency of the search term on your web page are no doubt factors in ranking; however off the page factors such as link analysis are more important. Generally, Google provides search results based on relevancy, meaning that it returns a list of pages ranked by the number of other Web pages linking to each page, as well as other mathematical algorithms

Yahoo

Yahoo offers a human powered directory and visitors are offered the results from this directory. The directory is supplemented by web page index created by crawling. Yahoo currently uses Google for its crawler indexing. The directory is an important channel in the area of search engine marketing. It is popular and is used extensively by people to locate sources of information. Moreover the directory is a valuable boost to your site for crawling and ranking in other search engines, as the directory provides a high quality link to your web site.

When a visitor is looking for information or relevant sites, he/she could either browse through the hierarchy of directories and sub directories or search for an appropriate directory through a search interface. As your site can be listed in just one category, generally, the choice of category is an important step.   Choose the top category that your target visitor who is making a search may select out of the different categories offered to him/her.

Select your target keywords and find out which categories relate to those keywords. For submission of non-commercial sites also the Yahoo Express submission is recommended rather than the Standard submission option.

Listing of your site on the results page in your chosen category is in two possible sections (for most categories). One section is called Most Popular Sites and this is on top, while the remaining listing is Alphabetical in the second section on the page.

Yahoo does not reveal how it includes certain sites in the Most Popular Sites list. However link analysis, clickthroughs are likely to be factors. You cannot pay to be included in this section. Certain sites with sunglasses shown next to their name or @symbol shown at the end of the name reflect that Yahoo considers those sites as excellent.

Inktomi (MSN Search, AOL Search, Hotbot)

Inktomi is a search engine that does not offer its search services through its own site, but through Partner sites – prominent ones being MSN Search, AOL Search, HotBot and others.

Inktomi through its crawler creates three different indexes. Best of the Web index has around 110 million pages that it indexes on the web and considers high in link analysis. The next set of around 390 million pages is indexed as Rest of the Web, considered as lower in link analysis. The third index is of paid inclusion. It also offers specialized regional indexes as well as targeted news, multimedia and directory indexes. It avoids duplication of the same page in more than one index. Link crawling and paid inclusion are the two most effective ways to get covered by crawling. For bulk submissions to its paid program, it offers IndexConnect (for 1000 or more pages). Again there is a cost per click basis, with a monthly minimum.

Ranking at Inktomi is determined by a combination of factors including HTML links, keywords and description tags near the top of the page or in the Title tag. If the search string matches with what is found at these places on the page, the ranking is higher. Link analysis and analysis of clickthroughs are other important criteria that it adopts.

AltaVista

AltaVista will accept free listings through its addurl link, but it also has paid inclusion features. Generally their crawler may visit every four weeks. Paid inclusion may be desirable if you have a new website or pages or if your pages are refreshed every week or so and you do not wish to wait till the next cycle of crawling. There is an Express Paid inclusion service of self-service type for upto 500 pages at a time. This service will enable weekly crawling. Their bulk program called Trusted Feed will enable the pages to be directly linked to their index. Pricing for Trusted Feed is on a cost per click model with a monthly minimum. In this program you can submit the Meta data, descriptions and keywords directly to the index. Nevertheless, the engine will check whether the destination page has the same Meta data or not and could levy a penalty for spam.

AltaVista's ranking policies are a combination of various factors. The frequency and positioning of keywords and descriptions is important, so are Title tags or words that appear near the top of the page. Besides, it applies link analysis to determine relevancy and page ranking. It levies penalty on spamming and also it does not recognize invisible or tiny text, keyword stuffing, identical pages, mirror sites, and quick meta refresh tag.

3.4 Keywords—Optimizing Your Site to Get Top Billing at Search Engines

When a user enters a search term, also known as a 'keyword,' into a search engine, the engine runs through the billions of pages in the database and awards each one a 'relevancy score.' The higher your score, the higher your listing. If your site doesn't contain the keyword used by the searcher, the only score it's going to get is a big, fat zero. Your first task then is to make sure you know which keywords are most relevant for each of your sites.

There are three ways to figure out your keywords:

Ask your competitors

This is the cheapest way to find many of the most important keywords. Simply log on to a search engine (AltaVista is good, Google is better) and carry out a search for sites like yours. Open the top site, and once the home page has downloaded, click on 'View' in your browser, and then 'Source.' That will reveal all the HTML used to build the Web page, including all the keywords that have been specially inserted.

For example, let's say one of your websites sold nutritional supplements. You could carry out a search for 'vitamins' in Google. The top site there is called DrugEmporium.com,

and the keywords they list are "The Katz group, Snyders, Drug Emporium, Drug, Drug Store, pharmacy, stores."

Some of those keywords will be relevant to your site. Others, of course, won't be relevant and there will be lots of other keywords that aren't obviously listed—like 'vitamins' for example. But you can repeat the process on other sites, using different keywords, and build up a pretty long list.

Ask the pay-per-clicks

Pay-per-click sites actually let you see how popular a keyword is. They're not being kind; they're trying to make money. The more webmasters bid on those keywords, the higher the bids are going to rise—and the more money the pay-per-clicks are going to make. FindWhat, for example, has a Keyword Center, and Overture a Keyword Suggestion Tool. Both are very handy, but they also require you to open an account. That can cost a few bucks, but when you have a lot of sites covering a lot of different areas, it's usually worth the expense.

Use a specialized tool

Not too surprisingly, a number of companies have popped up to supply specific keyword services for a fee. The best of these is WordTracker.com. They're not bargain basement,

but you get what you pay for. They'll give you all the keywords you need and in my experience, they're a sound investment.

Googlefight.com is another useful tool to see whether one keyword is more popular than another. The site compares two keywords and tells you which is more popular. It's free and has a limited use, but it's fun to play with.

As you make up your list of keywords, bear in mind that it's also worth looking at key phrases. It's quite possible that a user looking to buy flowers online might search for 'red roses' or 'cheap bouquets' as well as just 'flowers.' Key phrases are often overlooked by competitors, so you've got a pretty good chance of getting a high placement with the right combination.

Don't worry too much about the competition though. Some people will tell you that you're better off trying to find keywords that no one else has thought of—as if there were any!—and others will tell you to throw in keywords that are only slightly relevant to your businesses.

In my experience, that's a waste of time. If your competitors are using certain keywords, it's because they know they work. And if you pick up any users using irrelevant keywords, you're not going to sell them anything. Don't try to reinvent the wheel here: just try to figure out the most popular keywords and the best key phrases to put on your site.

Whichever of these methods you use—and I tend to use more than one—you should end up with a pretty comprehensive list of keywords that you can stick into your website. The next question then, is how do you use them? When a search engine assigns relevancy to a site, it looks for the keywords in a number of specific areas.

Title Tag

The title tag is written in the <HEAD> section of the Web page and after the <TITLE> tags. It's usually the line listed in the search results as well. For example, the New York Times' title tag is "The New York Times on the Web: Daily international, national and local news coverage from the newspaper, breaking news updates, technology news, sports, reviews, crosswords, classified ad listings."

That looks long, but the title tag is usually between 50 and 80 characters including spaces. Different search engines have different limits so you want to make sure that your most important words are near the beginning of the title. When you look at the New York Times' site, you only see "The New York Times on the Web".

The rest of the title is made up of keywords and phrases but in fact, you don't want to put in too many keywords here. Just place one keyword as the second or third word in the title. Too many, and your site could be seen as spamming.

You can also list more keywords in the <META Keywords> and <META description> sections of the <HEAD> area, but because these areas have been so abused in the past, a number of search engines today will skip right past the title tag and go straight to the Web copy.

3.5 Web Copy for SEO

The search engines will scan the text on a Web page to see if your site is relevant to the search term. That means that in effect, your Web copy is going to have to do two things: to persuade a customer to buy, and persuade a search engine it's relevant.

When you write your copy aim for about 500 words a page, but throw in between four and eight keywords. You'll have to try to balance a smooth text flow with getting in all the keywords you need to be listed.

You can also consider adding text-only pages such as how-to articles, tips or tutorials to your site. Throw in some keywords and they can turn up in search engines and create opportunities for link exchanges.

So there's a few ways you can try to improve the position of your site in a search engine. More important than where you put the keywords is choosing the right keywords. That's not really a huge challenge as your competitors are likely to have done the job for you.

Of course, even if you do get everything right, it doesn't mean you're going to shoot straight to the top of Google. One of the criteria for relevancy is how long you've been online, so success on the search engines won't come overnight. The sooner you start submitting though, the sooner you can start to rise.

3.6 Submitting to Search Engines

Submitting sites to search engines is much easier than submitting them to directories or pay-per-clicks. In fact, you only have to submit the home page. The search engine's 'spider'—a neat little software program—will then follow all the links from the home page and include your other pages. Spidering actually increases your relevancy score more than hand-submitting your internal pages yourself.

The disadvantage of spidering is that it can be slow. Google has the best spider but even they can take up to a month to index all your pages. For other search engines you can wait three times as long.

3.7 Search Directories – The Benefits of Browsing

Search directories differ from search engines by providing a range of categories for users to browse. Rather than enter a keyword into a search box, users click through categories and sub-categories narrowing down their options.

You could say that search engines are like going straight up to the sales assistant and asking what they have in eveningwear; search directories are like browsing through the store and seeing what catches the eye.

How you make your site catch the eye in a directory though is actually pretty similar to standing out in a search engine: it's all about relevancy—a mixture of keywords and links.

3.7.1 Submitting to Search Directories

Submitting your site to a search directory is a little tougher than submitting to a search engine. Directories don't have spiders—they rely on humans. When you submit your site,

whether it's to Yahoo! or any of the other myriad directories, you'll have to complete a form that will include your URL, Page Title, Keywords and a Page Description.

Your keywords and title will play some role in your ranking, but for the description, it's much better to put a hard sell that will attract users. There's no point having a link at the top of a category if no one wants to click on it.

Bear in mind that because each submission to a directory is checked by a human editor, it can take quite a while for your site to be approved and listed. Some sites do have express services but these are pretty pricey (Yahoo! wants $299 and $600 for adult sites!), and if they decide your site isn't suitable for a category, you don't get your money back. It's usually worth the wait.

3.8 Pay-Per-Click—Buying Status

Pay-per-click programs (PPC's) allow you to buy a prime position in a search engine by selecting the price you wish to pay for each visitor your receive. This can place you exactly where you want to be in the listing, or let you decide how much you want to spend on advertising.

The big advantage of PPC's is that you don't have to worry about messing with keywords or links or any of that. You can just figure out how much you want to pay for a keyword and buy your position. In addition, you only pay for people who actually click on your link (for banner ads, you often have to pay when someone sees it.) And you can also get

cheap visitors. Bids usually start at around five cents per click. The top three bids though

are often promoted across a network of sites (Overture place theirs at the top of Yahoo!)

so there can be big bonuses for bidding high.

This is how most pay-per-click programs work:

1. You create your page title, description and link as you want it to appear in the
   search results.

2. You enter the keywords and phrases that will prompt your listing to appear.

3. You enter your keyword bid (the amount you are willing to pay for each click
   to your site).

4. Your keyword bid is compared to that of other bidders for the same
   keyword. The results are returned to the user with the highest bid appearing
   first.

3.8.1 Show me the money!

With PPC's, the name of the game is profit. You need to be careful not to get carried

away with the ranking so that your promotion doesn't cut into your revenues.

This is essential! There's no point in being top if you're out of business in a month. You have to figure out what you can afford and keep to it. Base your decision on your visitor to sales ratio (the number of visitors on average that it takes to generate a sale) and your net profit per sale.

So for example, if you were get a sale from every tenth visitor, and you net a profit of $20 from each sale, then you can't pay more than $2 for each click without operating at a loss. In practice, you might make one sale for every 500 or so clicks and pay perhaps 15 or 20 cents for each visitor, depending on your market.

It's absolutely crucial for you to know your visitor to sales ratio.

It's also important to keep that ratio as high as possible, and that means only bidding on relevant keywords. If you pay for visitors who are looking for something completely different to the services you're offering, you're just throwing your money away. They aren't going to buy, and even at five cents a shot, those wasted nickels soon add up. On the other hand, because you can pay so little, it *is* worth bidding on as many <u>relevant</u> keywords as possible.

The key is to balance high payments for top keywords with low payments that bring in less traffic.

You should also consider the quality of visitors the site will send you. The more targeted a directory, the more your visitor to sale ratio may improve—and that might make it worth improving your bid price.

3.8.2 Submitting to pay-per-clicks

Submitting your site to a PPC is certainly a lot faster than submitting to a search engine or a directory. You must, however, make sure you consider the following:

- The maximum amount you can bid (can't stress that enough!)
- The keywords you wish to bid on.
- The titles and descriptions of the site.

That last point is very important for making the most of PPC's. Just because you don't have to worry about putting keywords in your title and descriptions to please a program doesn't mean relevance isn't important. On the contrary, relevance still matters. You need to let the *user* know that your site is exactly what they're looking for. That means putting the keyword in the title and having a catchy, informative description. Remember, the more good clicks you get, the more money you'll make.

3.8.3 AdWords and Premium Advertising

If you do a search at Google, you'll notice that not only do you get a list of all the sites that return your keyword, you also get a list of other relevant ads on the right of the page and at the top of the listing. These are part of Google's Adwords and Premium Advertising programs. Advertising like this can certainly be an important part of your marketing plan. Well developed ads with clever wording can prompt an immediate response from the reader to visit your site. Google and Overture are currently making a lot of money with this kind of advertising—and if they're making money, you can be sure their advertisers are too.

Buying an AdWord on Google is a little complicated but it can be very cost-effective. In effect, Google have combined the Pay-per-Click system with their own relevancy calculations. You'll need to select a keyword—or an 'AdWord' in Googlespeak—and write a short description. But you'll also have to choose how much you wish to pay, and the price won't guarantee you a position.

Advertisers enter a maximum bid per click and this is multiplied by the click-through rate (the percentage of users who click on the ad). That's the score Google use to allocate position.

So for example, if you were prepared to pay a dollar per click, and one user in a hundred who saw your advert clicked on it, you would get a rank number of ($)1 x 1% = 0.01.

Let's say that gives you top position. You might then get even more users and a higher click-through rate of 2%. That higher rate would reduce your price to 50 cents (0.01 divided by 2%).

All very nice, and it's always fun to pay less than you've said you can afford, but how it works is less important than the fact that it does. All you have to do is figure out how much you're prepared to pay for each click, how much you can afford to pay each month, and write a great description.

And once again, it's the description that's key.

Like the PPC's, your description has to persuade users that you're relevant; it doesn't have to play to the search engine's software. By all means repeat the keyword, but also make sure you have good, call-to-action copy like "Grab a great deal on DVD's today!" or "Buy now, while stocks last!" Remember, the more clicks you get, the more sales you'll make—and the less you'll pay.

Always place the AdWord in the most appropriate category and track the responses you receive from it. Be proactive in redefining your strategy if you receive minimal response. You'll probably have to play with the wording and the keyword selection to get the results you want.

Premium Advertising

This is the Platinum Card of Google advertising. For at least $5,000 you can be one of two advertisers to top a category. Very effective, very prestigious—and very expensive. $5,000 is the *minimum* bid. Something to think about—if you think you can make the money back.

3.9 Link Popularity and Link Analysis

Majority of the major search engines use link popularity as an important factor in ranking relevancy. As search engines have become more sophisticated, so too has link popularity. Link popularity simply is the number of links from other websites that point to your website. This strategy has gained immense success due to the crawling nature of most search engines. Spiders crawl from link to link and store pages into their database. Link popularity is generally gained through reciprocal linking. Other websites would usually point to your website only if you have a link to their website from yours.

A few years ago, the number of websites linking to your site gauged link popularity; little emphasis was placed on the "content relevancy" of the linking site. In an effort to gain more link popularity, "link farms" began sprouting up across the web. For a nominal fee, a website owner could join link farms and enjoy increased link popularity overnight.

Search engines caught onto this tactic and created better tools for detecting legitimate links. Websites that have links from websites with "similar" or "relevant" content score higher, thus earn better placement in search engines.

However, Avoid joining "link farms"; some search engines consider them a form of Spam. Many engines will actually penalize sites for maintaining an abundance of links from non-related websites. It is more important than ever to develop a solid "link-popularity" strategy. One excellent, although time consuming, method is to simply write complimentary website requesting a link exchange.

Link analysis is somewhat different than measuring link popularity. While link popularity is generally used to measure the number of pages that link to a particular site, link analysis will go beyond this and analyze the popularity of the pages that link to your pages. In a way link analysis is a chain analysis system that accords weighting to every page that links to the target site, with weights determined by the popularity of those pages. Search engines use link analysis in their page-ranking algorithm. Search engines also try to determine the context of those links, in other words, how closely those links relate to the search string. For example if the search string was "toys", and if there were links from other sites that either had the word toys within the link or in close proximity of the link, the ranking algorithm determines that this a higher priority link and ranks the page, that this is linked to, higher.

3.9.1 Reciprocal Links and Partner Sites

Keywords and AdWords aren't the only way that search engines score relevancy; links to other similar sites are another important factor. Keywords have been so abused by some webmasters that links are winning much more relevancy points. Google is said to love them.

It might sound strange to suggest that your users should check out your competitors, but they probably know about them anyway. If your competitors have a higher ranking than you, linking to them can make the higher relevancy score—and the increase in traffic— worth your while.

Alternatively, you can link to your own site by creating a sub-directory. This is like building another Web page, but the URL will include your keyword. So if you were selling stuffed toys, the new URL would be www.yourdomain.com/stuffed_toys/stuffed_toys.html. You could then write a short paragraph on the home page, describing the new page and including a link. Big relevancy points!

Reciprocal Links

Reciprocal linking means forming partnerships with other sites who place a link from their Web pages to yours. You give them a similar link in return.

When you look for people to swap links with, make sure that you don't reduce the quality or content of your own site. You don't want users to click straight through without reading your content; you want them to buy first. One way to stop them from running away too quickly is to create a "Webmasters Resource Page" and link to that page from your homepage. This doesn't take away from the content on your homepage and the links are just one click away rather than being buried deep within the site, giving value to your partners.

In any case, you want to be sure that your site is more than just a page full of links. If your site contains more links than content, it will not be attractive to webmasters, search engines or users.

3.9.2 Picking your partner

Your link partners should be sites your target market will visit. Think about your product and its subject area and brainstorm to determine where people interested in your product might be looking online. For example, if you're trying to shift your book about blackjack strategy, it makes sense that the people visiting online casinos would make great customers. Online casinos then could be good partners. Identify top-ranked, high quality casino sites and find the email address of their webmasters.

You can also identify your competitors and see where they trade links.

Tips for talking to webmasters

- Before you contact webmasters, place a link to their site on your resource page to assure them that you will actually provide a quality link.

- Create a subject line that will encourage them to read your message rather than deleting it—you don't want them to think you're spam. (Something about *their* site or product is sure to capture their attention; they will open it, thinking you're a potential customer.)

- Begin your message by talking about your visit to their site and what you found interesting about it. Detail your product or service in one line and ask them to exchange links with you.

- Tell them in detail where you have placed their link and emphasize that it is only one click away from your homepage.

- Tell them that if you don't hear back from them in a couple of days, you will consider that to a negative response and that you will remove their link from your site.

3.9.3 Inward link analysis

Like reciprocal linking, inward links to your website can be an effective strategy to increase your website's visibility. Inward links are links pointing to your websites from other websites without providing a reciprocal link from your website.

There are many techniques to improve inward linking. Many of these have enjoyed success. The most proven technique for inward linking is through Ebooks. You can offer interesting and educative Ebooks for free to other websites and they could install the icons or the Ebooks on their sites. The icon or the Ebook you create would have a link to your website. This will allow a spider to crawl through that link and visit you website. For example, a footer on every alternate page can have a link to your website that would increase the probability of your website being listed with a crawler based Search Engine.

Other techniques include posting newsletters, white papers, news stories and press releases at other websites, particularly industry specific and general portals. The newsletters and press releases would contain a link pointing to your website, thus, promoting your website.

3.10 Optimizing your Website

To get listed correctly in the search engines each page of your site that you want listed needs to be optimized to the best of your ability. Since the keywords that you decide to target will be used throughout the optimization process choosing the right keywords is essential. If you choose the wrong keywords you will not be found in the search engines. If you are not found in the search engines how will anyone find your site? Since the keywords you choose to optimize your pages with are so important we have put together

some tips to help you make sure that you make the right choices. You should utilize these tips when selecting keywords for each page that you plan to submit to the search engines.

Think "specific keyword phrases" not "keywords". Due to the extreme amount of competition for general terms in the search engines, if your keyword phrases are too general it is very unlikely you will rank well in the search engines. You stand a far better chance to rank well for specific phrases where there is less competition. The resulting traffic, since it is more highly targeted, should also be much higher quality too.

You should try to come up with as many keyword phrases as you can think of that relate to the page you are optimizing. Try asking a few friends and family what they would search for when searching for a site like yours. Check out your competition for ideas. Do a search using keywords that you already know you want to target and click through on the top sites that come up. Once on the site view the source HTML code and view the keywords they have in their Meta tags - this should give you many more ideas.

Make sure to only use keywords that relate to YOUR site or page. To view the HTML code, simply click the 'View' at the top of your web browser then select 'Source', or 'Page Source'. You should develop a list of keyword phrases, following the tips on this page, for each page that you optimize for the search engines.

Apart from these, there are certain aspects that should be avoided. These are:

Dead Links - As search engines index your entire site by crawling through hypertext links, you must make sure you check for dead links before submitting.

Graphics and Image Maps - Search engines cannot read images, be sure to include Alternative Text tags.

Frames - Many Search engines aren't frames compatible. Meta tags and the <no frames> tags are important in this instance.

Spamming - Avoid resubmitting your pages repeatedly to search engines if your site does not get listed in the first few weeks. Allow at least 6 weeks before resubmission. Continual resubmission (such as those caused by automatic submission software) can cause your site to be penalized.

3.11 Monitoring Your Progress

Okay, so you've decided on your keywords, inserted your links and submitted your sites. Now all you have to do is open your offshore account and wait for the cash to pour in, right?

Well, not quite. You might get lucky with your first shot, but it never happened to me. Once you've submitted all your links, you need to keep a close eye on them, and see which need improving and which can be dropped.

The crucial factor here is to keep track of your Search Engine Statistics. These will tell you how many people have come from the various search engines and how many of those became customers.

But it's not enough to know how much traffic you're receiving, you also want to know how you're doing in the rankings. There are two ways to do that:

Manual Searches

Dead easy, simply log on and look. First enter your URL to make sure your site has been approved and listed. That can take a little while. Once you can see that you're online though, you want to see how you're ranked in each keyword. To do that, you can simply enter each keyword into the search engine and browse the pages until you find your listing. Works, but takes a while.

Computerized Searches

I'll be honest with you: it's been a long time since I did a manual search. If you've got just ten sites and you want to check ten keywords for each once a week, you're going to lose at least a day's work a month. That's too much for me. I use WebPosition Gold. I tell it which keywords to check where and it gives me an automated report. Simple.

When you look at your statistics, pay particularly attention to which keywords are bringing in the most traffic. In general, the higher you are, the more traffic you receive and the more sales you make. But that isn't always true. It might pay more to be fifteenth on a keyword that gets a million searches a month than first on a keyword that gets just a thousand. And if you're fifteenth, you've still got room for improvement.

And it's the improvement that's the key. If you see that your link is stuck at the bottom of a list somewhere, try adding more links, putting that keyword in more pages or adding keyword-rich content. If you can see where you stand, you can figure to where to go.

3.12 Finally, a word about Spam

Don't.

You can spam search engines by stuffing your site with keywords, submitting them numerous times or filling your pages with links. And they'll just get you blacklisted.

Don't do it. It's just not worth it.

It used be accepted practice to create doorway pages—duplicates of a home page filled with different keywords—but search engines won't accept even these any more.

They will accept smart pages though. If you want to use more keywords than you can fit on your site, create a second page that is totally different from your homepage but which is still based upon your product or service. Here, you can expand upon a topic you merely touched on in your homepage. A great example of a smart page is to write articles on the benefits of your services using a different set of keywords to those on your home page. You can do that.

To sum up, this chapter gave a detailed view of many of the proven and effective Search Engine optimization techniques. SEO is probably the most important and the most successful traffic generating mechanism, and when done carefully it can do wonders for your website and your products.

In the next chapter, we discuss Internet marketing through ads and banners.

4. Buying Advertising and Keeping Customers!

In my experience, search engines and directories are the easiest and probably the most effective methods to bring users to a site. But it's never a good idea to use one tactic exclusively. In this chapter we're going to look at three other methods: banners, text links and classified ads.

4.1 Banners

When the Web first started, banners were all the rage. Today, they're pretty much passé. They're no longer a novelty and unless they're super-clever, users pretty much ignore them. Conversion rates have dropped through the floor and many advertisers have found other ways to push their products.

And yet, every website still contains a whopping great banner ad splashed along the top or running up the side. In part, that's because they've become more sophisticated with better targeting and improved graphics. But in practice, banner ads tend to be used for one of two reasons: as a method of gaining/ giving users through an affiliate program; or as a way of generating revenue—or traffic—through paid advertising.

Both these methods work to some extent, but the key is always to make sure the economics make sense. We'll look closely at the math in this chapter, but before we go

on to talk about the math of banner ads—and how to tell whether your banner campaign is worthwhile—let's just take a look at the terms involved. You're going to see these words whenever you join an affiliate program or take part in any other kind of online marketing scheme. You should definitely be familiar with them.

4.1.1 Banner Glossary

- **Banner Ad** — A graphic ad linked to an advertiser's website. These usually run across the top of the page but can also run up the page ("skyscrapers"). Banners are usually limited by size.

- **Banner Views** —The number of times a banner is seen by users. This is usually the same as "page views," but counts the number of times the banner is actually downloaded rather than the number of times the *page* is downloaded. Some users click away before the banner finishes loading.

- **Clicks/ Click Throughs** — Banners are operated by clicking the cursor over them. Not too surprisingly these responses are called "clicks" or "click throughs."

- **Click Through Rate (CTR)** — The percentage of users who see the banner and click on it.

- **Conversion Rate** —The percentage of people who visit your site and actually give you money. The higher the better!

- **Cookies** — Small files placed on a user's computer. They're used for all sorts of reasons and by all sorts of sites. Banner ads use them to make sure the user hasn't seen the banner recently, which banner brought them to the advertiser's site, and even which adverts they've seen recently.

- **CPM** — "Cost Per Mille." The amount you pay for every thousand times a banner is shown—the usual way of charging for banners.

- **Hits** — The number of times a server receives a request for a Web page or an image. Not a great way to measure interest. One page can have lots of images and get lots of hits, even if it's only seen once. Often, people will say "hits" when they really mean "page views" or "impressions."

- **Page Impressions or Page Views** —The number of times a Web page has been requested by the server. Much more accurate than hits: each view is a potential customer looking at a page of your site. But not necessarily a different customer...

- **Unique Users** — The people who download a Web page, counted by IP address. You want to bring lots of users to your site so that you can create a broad customer base. The same user clicking on a banner a dozen times could cost you money without increasing your sales. Most reputable sites will check the IP address of the person clicking on a link and only count it once in a 24-hour period. If a site doesn't do this, don't advertise with them.

4.1.2 Banner Economics

Business online, like business offline, always boils down to math: the difference between cost and revenue. If your banner campaign is costing more than it's earning, you won't be in business for very long. To figure out how your campaign is doing, you're going to

need to know your Cost Per Mille, your Click Through Rate and your Conversion Rate. These are your basic tools. If you don't know them, find out!

Let's say your CPM is $20, your CTR is 1%, and your Conversion Rate is 4%. (So you're paying $20 every 1,000 times your banner is shown, it brings you 10 new users, and you make one sale for every 25 users the ad brings). The question you need to ask yourself is how much are you wasting on the 24 users who *don't* buy.

Cost per visitor = $20 / 10 = $2 So each visitor costs you $2, but you need 25 visitors to make one sale, so...

Cost per sale = $2 * 25 = $50 ...if your product is worth less than $50, you're making a loss.

That's pretty simple, and as you can see, there's not a lot of room to maneuver here. Margins are tight on banner advertising and that applies to both the site selling the advertising space and the webmaster buying it.

Of course, hard cash isn't the only way to measure the success of a banner ad, and one reason they're still popular is that they're a pretty effective branding tool. After all, advertisers spend millions on billboards without expecting motorists to drive straight through them and make a purchase! On the Web, those advertisers can even be reasonably sure that the people who see their ads will be interested in them. But branding

costs money—lots of it—with no guarantee of results. It's usually best left to the big boys.

The banner ads on my sites usually send users to my affiliate partners, and the banner ads I place on other people's sites usually come *from* my affiliate programs. They don't cost me anything and as long I'm making the sales to pay my affiliate partners, everybody's happy.

If you do decide to purchase banner advertisements though, and if you have a *very specific* market in mind, make sure they are strategically placed—on sites where the traffic will most definitely be interested in your product or service. Find a site that suits exactly your specific product and you're going to be appealing directly to your target market.

4.2 Text Links

Text links are much simpler than banner ads. They're also less eye-catching and less sexy. There's no funky animation, no neat Flash, just a few well chosen words often stuck at the side of a Web page. But that doesn't mean they're not effective.

In fact, to some extent, text links are the unsung heroes of online marketing. They don't get half the attention they deserve, but they can do a pretty neat job of bringing users to a site. And you can't ask for more than that.

The first point to bear in mind about text links is that they're tough to write. You might have all of 50 characters to make your sales pitch. That's about the length of that sentence, so you're going to have to be pretty creative in what you say. That's the downer. On the plus side though, text links are amongst the most popular form of promotion amongst users. They don't get in the way like pop-ups, and they're often mistaken for content—so unlike banners, they're actually read. And because they're written into the site's HTML, you know that each page view means a real exposure.

They're also cheap. You might have to pay a flat-fee or a cost-per-click, but there's much less risk there than with banner ads. If you know how much traffic the site's getting, you can figure out in advance if it's worth your while.

Best of all though, you can sometimes arrange for free links with partners in return for a similar placement on your own site. That doesn't just give you free advertising—it also helps your search engine placements.

I use a lot of text links to promote my sites, but I wouldn't just use them. They aren't prominent enough to really keep traffic moving in droves, but in terms of effectiveness and cost, they're way up there.

4.3 Classified Ads

Offline, classified ads are cheap little adverts that appear at the back of newspapers or magazines. They work well if you're trying to sell your old Ford Escort or you're looking for a new home for your tatty sofa, but they're not too profitable for businesses aiming to keep repeat sales coming in.

That's offline. Online, things are a little different. But not hugely different.

I post adverts on classified columns, but I don't expect to make a lot of money from them. What I do expect though is an opportunity to test my headlines and ad copy before I start spending hard cash on AdWords, text links and sales letters.

That's why I don't bother with the dollar ads. If I'm going to spend marketing money, I'd rather give it to a search engine than a classified ads column. The return on sales just doesn't justify it.

But there are places where you can place free ads, and you can actually do this on some of the really big sites like AOL and Yahoo. Even if I don't make many sales, the fact that I'm getting my product in front of so many people certainly won't do me any harm. Occasionally, I'll post an ad on one of these and monitor how many replies I get.

4.4 Cultivating New Customers

Text links, banners and search engines are all ways to attract clients and build a customer base. It's our buyers that's we're really talking about here. But the Web isn't the only

place to look for customers even for Web-based businesses. Some of the old traditional methods like word-of-mouth referrals still work just as well, and still bring me a fair bit of cash each month. Here are some tips to help you grab as many customers as you can while you're setting up your business and getting your online marketing programs in place.

Know Your Market

Whatever your line of business, you've got to know your market. You have to know who your clients are, what they want and what makes them buy. Do the market research, check out your competitors, create a formal marketing plan—but take the effort to put yourself in the shoes of your buyers. Otherwise you won't get any!

Bring Out Your Benefits

You might think you know what your product's sales points are—you might even be dead proud of them—but the fact is, your buyers don't give a toss about all the wonderful gizmos you've packed into your product. They just want you to answer one question: *what's it going to do for me?*

That's what all your marketing has to be about: explaining to your buyers how you're going to improve their life.

Make Your Site Sing

It can take a fair bit of effort and not a small amount of time to create a website that works. But you can't stop there. You're going to have to keep updating it, checking it and making sure all the links and addresses work. It's the first place to look when you notice your sales starting to drop, and it's crucial to keep them coming in.

Be Alert for New Marketing Opportunities

You must always be alert for opportunities to make new business contacts and not allow yourself to be caught off guard when opportunities arise. It doesn't matter if you're out shopping or at a Chamber of Commerce meeting, make sure that you have professional business cards, brochures, etc. on hand—and don't be afraid to use them.

Don't Keep Your Business a Secret

Tell everyone about your business and your product. You might even consider sending out a mass mailing to everyone you know, telling them what you're doing. Chances are, someone knows someone who wants what you've got, and friendly referrals usually bring the best business!

Find Repeat Customers

When it comes to building customers, there are clients who buy once—and clients who buy lots of times. It's the latter that you want to pack into your customer list; they're worth their weight in gold. Big companies are good places to prospect for repeat business (they have big demands and budgets) but *always* treat your repeat customers well. That might mean the odd discount or the occasional freebie, but the extra business should make up for it.

4.5 Creating effective Ads

Online advertising on the Internet leaves a lot to be desired. We have ads that emulate Windows-warning boxes. We have pop-ups and pop-unders. All of these are developed with the intent to make people notice them. However, most of them only end up irritating them. Advertisers, especially those with small budgets, can't afford to waste money on ineffective buys. In order to optimize your advertising buys, you need to concentrate on improving your creative.

Here are some tips that might help:

Step 1: Define clear goals of your advertising campaign

The most important aspect of any advertising campaign is to have a clear objective in mind. You may be targeting a specific group of people, your initial aim may be to target at least 1000 internet surfers and so on and so forth. Have a well defined, clear purpose.

Step 2: Identify the most effective sites for achieving your goals

Sites that are most relevant to your product or service will, more than likely, be your best bet; but also consider larger sites or networks that can target the audience you're trying to reach. They can be very cost-effective. If you have multiple products or services that appeal to various target markets, you'll have to consider sites that reach all those various segments.

Step 3: Craft your message to fit the needs of the audience you're targeting

This comes down to understanding the audience of the sites you're advertising on. The message you use on a technology site to appeal to technologically savvy customers won't have the same appeal for visitors on a small-business site. Focus your campaign.

Step 4: Content of your Ad

Pay particular attention to the content of the Ad. The content should be such that it clearly distinguishes your product or service from your competitors'. Have a catchy headline. The headline is probably the most important part of the Ad – It is the customer puller.

Step 5: Formulate the specific promotional messages that correspond to your goals

The promotional messages should concentrate on the major selling points of your product or service and have a strong call-to-action.

Step 6: Make the desired action clearly visible

This certainly doesn't mean the desired action should necessarily blink, bounce or do flips, but it should be visible within an accepted format for the media you're using. In the case of the Internet, underlined text links, "click here" text entry boxes, and pull-down menus are all ways you can make the desired action clearly visible.

Step 7: Design the ad so it looks like it belongs on the sites where you're advertising

For instance, you may want to use the site's font faces in your text, color schemes in your background, font color choices overall, and emulate images where appropriate. Try to conform to the environment so potential customers visiting the site don't gasp in shock when they see your ad.

Step 8: Produce multiple versions of each ad

Create three or four versions of each ad, changing the promotional message, call-to-action, font faces and color schemes. This is especially important if you're doing price testing or gauging reaction to specific promotions. By splitting your advertising buy

among the various versions of your creative, you can then start to optimize your buy based on the message that works best.

4.6 Advanced Ad Tracking

The need for an Ad Tracking program

There are two main factors that make an Ad effective – Content of the Ad and the sites where it is advertised. Most experts would agree that constant testing and experimenting is the only way to ensure that you get the right combination. However, the question arises – How do you test your Ads? An integral part of any advertising campaign is knowing which ads bring you the most visitors. After all, you may have banner ads, newsgroups ads, ads in newsletters and articles, ads in autoresponders, or a simple classified ad on a website.

Every marketer can only benefit by knowing:

- which of the ads received the best response
- whether free classified sites are worth the effort
- which newsletters are the most profitable
- how a sponsored newsletter ad compares to the standard one
- whether animated banners are better than static ones
- how effective are your email ads

- does the ad at the start of an newsletter or article outperform the one at the end

Ad Tracking programs would answer all of these questions. They can help you analyze the effectiveness of every single ad and hence they should be an integral part of every marketing campaign. At the basic level an ad tracking program records when your URL has been clicked. It can detect where your visitor came from (the referring URL), the browser and operating system and the exact time. It can record total hits and unique hits (i.e. where one visitor may click several times). This data is kept in the system so you can then pull off reports on any ad campaign over any period e.g. by month, day or even by hour.

Types of Ad Tracking tools

There are two types of Ad Tracking programs. However, the operation of both these types is the same.

CGI Script

You purchase these programs outright and it is installed on your site. If you have some technical knowledge you should be able to install it yourself otherwise the supplier will charge an installation fee. There are certain minimum software requirements for programs which run on your site, including access to the cgi-bin. Hence, most free sites

would not be able to install CGI scripts. However, with CGI scripts your tracking URLs carry your own domain name.

Online Services

These programs operate completely independently from your site - no software installation or use of your system resources (such as disk space) is required. However, such programs run at the supplier site. You pay a rental (monthly or yearly) for the program. Thus, you are dependent on the supplier's website for your ad tracking. Besides, your tracking URLs carry the supplier domain name.

The main difference between these types of ad tracking tools is the installation. For some businesses, running CGI scripts may be more advantageous, whereas for some online services would be more useful.

There are many Ad Tracking tools available at reasonable rates. Some of the most popular tools are discussed here.

Adminder (http://www.adminder.com)

This is an online service tool. AdMinder provides an ad tracking service that can be used with multiple websites. It provides the capability to track clicks, actions and sales.

AdMinder provides reporting as well as the ability to export your data in CSV format, which you can use in MS Excel for additional analysis.

Some of its key features are:

- Browser based service, so no installation required
- Works with all major web browsers
- Provides key financial stats
- Allow for Grouped Reports
- Unlimited Campaigns

ProAnalyzer (http://www.proanalyzer.com)

ProAnalyzer Ad Tracking System is a CGI program that installs on your website's cgi-bin directory and tracks your ad click-throughs and sales without paying a monthly fee. When a visitor enters your website from an ad URL, a cookie is placed on his web browser and a click-through is recorded. If the visitor purchases a product, that cookie is read on the Thank You page with the purchase total, and the sale is recorded for the ad that generated it.

You can track sales or results either by the campaign name, the revenue generated by a sale, or the action accomplished (lead generated, etc.). The Administration Area allows

you to monitor each of your campaigns showing hits, sales, and the conversion rate for each. You can configure how the program calculates the conversion rate (by raw hits or unique hits) and how results are sorted.

There are lots of different ways to bring customers to your site. So far we've talked about search engines, banners, text links and even reminded you of some of the old-fashioned, offline methods you can use.

As you learn these methods and begin to put them in practice, it's important to remember that no one method has all the answers. The best marketing campaigns are a combination of them all.

In the next chapter, we're going to look at another exclusively online method of building a customer base—and making money: affiliate programs.

5. Getting Rich from Affiliate Programs

Affiliate programs (also called Referral Programs or Partnership Programs) are essentially commission-based sales schemes. You recommend a site to your users and pick up a percentage of any sales those users generate. You benefit from the commission and the site benefits from sales it wouldn't otherwise have made. If you've ever gone to a website and seen links to Amazon, those were affiliate links.

You can run an affiliate program from a site you've already set up, or create a site specially to promote a product or service. As long as it brings in more cash than you spend on building it and buying traffic, you're laughing.

Affiliate ads work two ways: you can join them to make money, or you can run one to attract users.

5.1 Joining An Affiliate Program

As with any marketing venture, you need to be careful in the selection of an affiliate program. The benefit of an affiliate program is that it gives you another way to make money from your users. Instead of selling them a product yourself, you send them to a partner and take a cut.

On the downside though, your affiliate ads will take the place of a different ad that you could have put in that same spot. You have to make sure that each advertising position on your site is bringing in the maximum revenue possible. If you're not getting the most from your site, you're tossing money away.

The key to success is to choose the right program, right from the beginning.

Now, a lot of commercial sites run affiliate programs. That's because they know that they only have to pay a commission if a sale is actually made; it's a proven way to generate revenue without risk. What that means for you is that when it comes to choosing an affiliate program, you're going to have a huge range to choose from. What it all boils down to though is product and price.

While it might be tempting to go for the program that pays the highest commissions, the program won't pay you a penny if your users won't go there or won't buy once they get there. You have to be certain that the service you're promoting is of genuine interest to the kind of users you buy, whether you're buying them from search engines or anywhere else.

Sure, you can work backwards: You find a high-paying affiliate program and create a small site to send users to it, but do you know where to buy users for a program like that? You're going to have to research the field, check out the most popular sites, and negotiate banner campaigns and link exchanges.

That's fine if you want to invest the time and the effort. But it's much easier to find an affiliate program operating in a field you're familiar with, and use that program to earn extra cash.

For example, suppose you had set up a dating site. You might make bit of money selling subscriptions, but you might make even more by joining Match.com's affiliate program and selling them your users. Unless you're planning to be the Internet's biggest dating site, you're not going to be able to compete directly and beat them, but you can join them—and earn money.

Or rather than sell your users directly to a 'competitor', you can look for services that complement your own. Visitors to your dating site, for example, might be interested in buying flowers, books on relationships or tickets on singles cruises. Instead of selling just one product—membership subscriptions—you'd be selling a whole range of different goods to the same people, and increasing the sources of your income.

Here are some tips to selecting an affiliate program that is lucrative and right for you:

- **Don't accept less than 25% commission.** You can find affiliate programs with great payment structures and high percentages of the purchase price in just about every field.

- **Look for comprehensive statistics pages** that list the number of click-throughs, sales and earnings so you can see how you're doing. The information should be broken down by month.

- **Look for programs that offer a wide variety of promotional tools** to put on your Web page, including text links, banners and graphics.

- **Find out how often you will be paid** and make sure that the payment schedule meets your expectations. Some programs pay monthly, others quarterly; which is best for you?

- **Look for examples of marketing methods** that successful affiliates are using to get the best results.

- **Make sure that top level support is given.** If they can't answer your questions promptly and intelligently, you don't want to work with them.

5.2 Setting up Your Own Affiliate Program

Joining an affiliate program is a neat way to make money from your users. But just as you can join someone else's affiliate program, so you can set up your own program and invite webmasters to sign up.

What would that bring you? The same as you're bringing your affiliate partners: deals. Every time someone sends you a user who gives you money, you give a portion of that money to your affiliate. It's an easy way to generate traffic and earn cash.

And you don't need to be a programming genius to set up an affiliate program. There are a whole bunch of companies out there that offer entire affiliate kits right off the shelf.

Ultimate Affiliate lets you run a fully featured affiliate program from your website. It integrates with virtually every payment method, awards down-line commissions, and can handle high-traffic websites. You can edit the sign-up form to match the "look and feel" of your site as well as delete some of the optional fields. The administration area allows you to edit affiliates and commissions, create printable reports of money due, export the data to a text file, view the traffic through your affiliate program, and much more. Your affiliates can log in at any time and see their traffic and commission statistics as well as change their information and get links and banner code.

Once the program is set up you'll only need to log in once a month to print out a list of the affiliates, their addresses, and the money owed. You can do this quarterly if you wish. You can export the payments owed to a text file in PayPal's "mass pay" format and then just upload it to your PayPal account to pay everyone automatically. Or, you can simply write your own checks. If you have to pay a lot of commissions, there is a check printing service called qchex.com. Upload the file and they'll print and mail your checks for a fee of about 80 cents each.

Alternatively, **Locked Area Pro** is an advanced member's area management system offering very good security that's easy to maintain. The system provides a huge list of useful features including automated sign-up, user account validation, optional random password generation and an administration approve/decline account feature. It also comes with an extremely powerful control panel with an online administration of users, backup, and full customization facilities from the browser. A statistics system is also in built in. What more could you want?

5.3 Cooking off the Spam

Any time you run a program where your affiliates rely on other signups to generate profits, you will eventually have a problem with spam. One of your affiliates will inevitably get it into their head to blitz the Web with unwanted garbage.

When this happens you need to be ready to take action—otherwise it will cost you! Your Internet company can boot you off your server and you can find yourself blacklisted. Not good for business. If you get an email from someone claiming they received spam with your URL, then take it as an early warning. I am not advising you to immediately terminate the affiliate's account, but be sure to contact them to follow up on the complaint. Let your affiliate know you received a complaint and advise them to remove this person from their list.

If you only get one or two complaints, it's probably not spam—the complainants might simply have signed up for an email list and forgotten all about it. You will know when one of your affiliates is spamming, because you will get anywhere from 10 to 100 complaints in the same day all regarding the same URL. The best thing to do in this case is to immediately terminate or disable the account of the affiliate URL that was spammed.

5.4 Managing and tracking your affiliate programs

The key to any business is to promote your products and services to people who need them. Your affiliate business is no different. In order to earn commissions you must put your products in front of the people who need them. The beauty of marketing affiliate programs is that it is anybody's ball game. This is the one place you can burrow deep into your own niche and stick it to the so-called 'big wigs'.

You may create your own affiliate program or you may promote other popular affiliate programs that are related to your product or service. The best way to manage and track affiliate programs is by creating your own affiliate program website. This is where you can list all your affiliate programs.

Staying Organized

There are many affiliate networks that provide multiple affiliate programs and merchants. Keeping a track of all affiliate programs in a single network is easy. You would generally be given one username and password as well as a single interface that controls all the programs. However, if you have many of your own affiliate programs or you promote several stand-alone affiliate programs from your website, the task of staying organized becomes a bit more complex.

There are many software programs available on the Internet that organize and keep track of all data associated with affiliate programs. Some of these are My Affiliate Program 2000 and Affiliate Assistant 1.0. These programs maintain databases pertaining to information about all your affiliate programs. A typical database would consist of the following fields:

- Program Name
- Date joined or created
- Contact Name
- URL
- Email Address
- ID
- Password
- 1st Tier Percent
- 1st Tier Sale
- 2nd Tier Percent

- 2nd Tier Sale

- Total Income

- Additional comments

Once the program information has been entered, you can add information about individual sales made and checks received. The program then keeps track of sales to date, amount collected and receivables. Besides, some of the advanced software programs also provide analysis and comparison tools for all affiliate programs. If you take the time to input collected data about clicks, sales, and page views, impressions, emails sent etc. from your various campaigns and enter all of it into the program, it will show you:

- Click to Sale Ratios

- Impression to Sale Ratios

- Amount Earned Per Impression

- Amount Earned Per Click

Apart from these are a few other tips that might help you manage your affiliate programs.

- Always ensure that your website is up and running. On a Daily basis type your URL into your browser's address bar, refresh the page and find out. The danger in not knowing that your site is down comes when you are running a pay per click advertising campaign. The click costs add up whether your site is functional or not. If your site is down, you are paying for advertising, but no one is buying.

- Check your statistics daily, maybe even twice a day. This will give you a better idea of your income trends and also highlight affiliate programs that bring your business. Visit the statistics interface for each network and individual affiliate partner and input your total revenues into any accounting software. Using such software frequently will also keep you informed as to whether certain checks have become overdue.

- Be prompt in answering any queries from affiliate partners or customers, especially when these are about your products or services. This probably means that the customer trusts your site and is thinking of buying your product.

- One of the main aspects of any affiliate program is residual income. You've got to make the most of each and every customer you receive. The best way to do this is by promoting affiliate programs that offer residual commission.

- This allows you to repeatedly get paid for work you do once. For example, if a visitor arrives at your site and purchases auto responder services, newsletter subscriptions, ISP/hosting services, you will collect a portion of the monthly fees for as long as they remain a paying customer. Membership sites are a good way to collect residual commissions and are steadily growing in popularity. There are many affiliate programs that offer residual commission.

- A well placed recommendation placed at the end of an outgoing email can bring in extra sales. Target your audience, what are their specific needs? If you can offer them a product they need/want, often times the end result will be a sale.

- Finally, track all your affiliate links. The best way to accomplish this is by setting up tracking software for your affiliate links. There are a number of scripts that will do the job. Most tracking programs typically allow you to setup tracking links for any product you promote, telling you how many hits each product has received, and where the hits are coming from. A more detailed view of tracking and analysis is given in the section below.

- It is not enough to have a few banners and classified ads. You must provide as much help as possible for your associates if you want them to be successful. You should have tested and proven endorsements, testimonials, sig files, ezine ads, and other unique tools and techniques. You must also make yourself available, either through email or the phone, to help your affiliates implement these tools and to answer any questions they may have.

- Whether you run your own or participate in an affiliate program, you must be able to determine what methods work best in a particular medium. For instance, which ezine ads work best and in what ezine; which banner ads produce the greatest clickthroughs and from which sites or banner exchanges; and where on your website is the most effective spot to include a testimonial.

- Some affiliate programs, have implemented unique payment procedures to get affiliates their commission checks on a timely basis. Some of these procedures include: online electronic payment services, direct bank deposits and checks by fax. If you can solidify your payment procedures from the start, you will save yourself an administrative headache and more importantly, keep your affiliates happy and working to promote your program.

5.5 Evaluating your website's performance

Website statistics and affiliate sales figures are essential for evaluating the effectiveness of your affiliate programs. Before you start recording and analyzing data, it's worthwhile to know what statistics you're trying to calculate - and why. Following are some of the key questions that need to be answered periodically to ensure the success of affiliate programs.

- What percentage of the website visitors become customers through affiliate programs?
- What percentages of sales are new or renewals?
- What is the average revenue per visitor?
- What is the average revenue per sale?

The most important figure you need to keep track of is the visitor to customer conversion. It tells you exactly how well you convince your visitors to buy your affiliate products. Average conversion ratios for affiliate programs range between .5 and 1.5 percent. Anything above 1.5% is really good. This figure, however, indicates the total conversion for all the affiliate programs. If you promote more than one affiliate program you need to also calculate the conversion rate for each of the programs.

Knowing how conversion rates compare between programs is useful when deciding how to direct your promotional efforts. For example, if you discover that Program 'A' converts at 1% and Program 'B' converts at 2%, it might be time to spend more time and effort to promote Program 'A'. Most tracking software would give you detailed information about each of the affiliate programs promoted on your website.

All affiliate programs that have a low conversion rate should be dropped. While this may seem like a lot of work to go through to track your site's performance, it really is a worthwhile endeavor. Once your tracking mechanism is set, and you've done the inputs a few times, you'll be surprised at how simple it becomes. In fact, you may find that eventually you look forward to 'adding things up' at the end of the month to get a clear picture of where your affiliate business stands.

5.6 How to attract affiliates

One of the biggest fears new Affiliate managers have is in finding new affiliates. This fear is a stumbling block that stops many site owners from getting started with affiliate marketing. Interestingly, with a proper marketing strategy, getting affiliates may not be very difficult. Given below are some tips that may help in attracting new affiliates.

- Find complimentary sites - "Complementary" sites are a sites that sell products or services that compliment your offerings. If you sell "gardening tools", a site that sells books on "gardening tips" would be a perfect affiliate. If you sell software, try looking for sites that sell computers or computer parts. Finding sites that already attract your target market, and can benefit from recommending your product or service to their visitors, is the goal.

- Find content sites – There are many sites that do not sell any kind of product or service but are mainly content-oriented sites. Such sites promote an idea, concept, study or belief. Content sites that are used as a resource for your target market are ideal affiliates.

- Finally, there are several sites on the Internet dedicated to listing affiliate Programs. Get your program listed in these directories.

5.6.1 Classifying Affiliates for better management

The hardest part of administrating an Affiliate Program is deciding what your affiliates need to help make the sale. But, by carefully categorizing your affiliates, you can easily

determine what their needs are and how to accurately meet them. The plan given below helps in categorizing affiliates in order to manage your affiliate program better.

The first step is to pick at least three types of affiliates. Take a look at your affiliates and try to determine one outstanding characteristic that can easily be compared across the board and choose at least three types of the characteristic. Here are some examples:

- Level of Sales - You may find that your affiliates are so completely different that it's hard to find something to classify them by. Try classifying them by the level of sales they've reached with you. You'll most likely find that you have a few forerunners that lead the pack with a number of sales, quite a few affiliates that have sporadically made a sale or two and some that have yet to make a sale. This will help you classify them based on sales.
- Products - If you sell a wide variety of products for specific interests/needs you may be able to classify your affiliates by product. For instance, a financial site could classify types like Personal Finance, Small Business Finance, and Corporate Finance.
- Industry - If you market commodities like office supplies, health and beauty products, house-wares and so on, you may find that your affiliates come from a wide variety of industries. You can most likely classify your affiliates according to their industry.

The **Second Step** is to determine the needs of each type. Each of your affiliate types will have different needs; some of their needs will overlap, but you should find a distinct difference in many of their needs. If you find that all of them have the same needs, go back to step one and re-think your types.

Here are some basic things to look for:

- Linking Methods - Different types of affiliates will need different linking methods. Let's use the example above where we had different groups based on sales. Your low sales group may be satisfied with a banner or two to place on their site. Your medium sales type may be interested in an article or two for added content on their site. Your high sales group will probably pass up banners for articles, guestbooks, email ads and signature files.

- Capturing visitors is what you want. In order to do so -- you have to know what they want. Visit your affiliates' sites to see what visitors are looking at and looking for. Ask yourself, "How does my product relate to what I am seeing?"

- Different types of affiliates may expect different commissions. You'll have some Affiliates that have joined your program "on the side" and others that plan on earning a substantial income from the program. Determine what effort they are putting into advertising, how much other programs in your industry are paying, and the amount of time they devote to your program.

The **Third Step** involves the process of creating and compiling linking methods for each group of affiliates. Based on the needs you identified in Step two, create and compile linking methods for each type. Here are a few linking methods to think about.

- Banners - Though they aren't as effective as other linking methods, banners are still widely used and expected. Make banners in a variety of sizes to fit tops of pages, bottoms, toolbars, sidebars and other miscellaneous areas.

- Articles - These are great for affiliates that need content for their websites and newsletters. Be sure that your articles are articles and not ads.

- Email Ads - Your active affiliates may be interested in placing ads in e-zines or their own newsletters. Try writing a few ads in different lengths.

- Signature Files - Dedicated affiliates may even add your tag to their signature line. Give them a few witty lines to choose from.

- Guestbooks: - Let your affiliates help you build your Opt-In email lists with guestbooks. Offer them a commission for each email address they send you, or each resulting sale from the subscribers they send you.

- Product Images - Give your affiliates images that show and link directly to specific products. They'll be able to choose an image specific to their site, or choose several images to display.

- Review each affiliate Type and match them up with your new linking methods. You may have some linking methods that overlap Types -- this is okay. Just be sure you are concentrating on the affiliates' needs.

The **Fourth Step** is to decide commission levels. Your first decision will be to determine whether you want to pay a flat rate or percentage of each sale. Based on the needs you identified above for each of the affiliate types, decide on a commission amount for each Type. If you have a two-tier program, consider the possibility of different second tier rates as well.

The **Fifth Step** is to devise promotions for affiliate groups. Once you have your affiliates properly categorized and your system under control, consider developing promotions for your affiliate groups. Give them special incentives to sell more during a certain time frame, move seasonal products, or increase business during your slow months. Offer them additional commissions, or even bonuses for reaching a specific amount of sales.

5.6.2 A few avoidable errors

- Many affiliate marketers make a huge mistake of posting their ads on forums. Forums can be used to promote your affiliate programs and your website but in a proper manner. Posting banners is very similar to spamming and may easily upset forum administrators.

- Always do your research before promoting your affiliate program to a potential customer. Do not offer affiliate programs to visitors who are not at all interested in the products associated with the program. This is a futile endeavor.

- If you promote affiliate programs offered by other merchants, ensure that you develop your own advertising copy. Many websites commit a common mistake of using the same advertising copy as used by the merchant themselves.

- Avoid Copyright infringement in all cases. Always use original content or ask permission to use graphic images or text found on other websites.

- Do not submit your programs to free websites. These may be free but your programs would hardly ever be noticed, especially by Search Engines. Moreover, your own ranking would get lowered if you submit your affiliate programs to such websites.

- Avoid using caps on your web page or email ad. Using caps is symbolic to shouting, which never goes well with potential customers. A few words may be written in capital text to give them additional emphasis. However, such practice should be limited.

- Always respond to all queries sent by visitors as soon as possible. A slight delay in your response could easily result in loss of a potential client.

- Do not use pop-up ads along with your webpage. Most surfers are likely to close their browser if they come across pop-ups.

- Do not host your website on a free server or use free email accounts. This gives a negative impression to visitors. Using free hosts and email accounts looks cheesy and loses sales.

- Many websites do not have an opt-in list. Create an opt-in and opt-out list for your visitors. Without these, there is no way of tracking potential customers. Visitors should be allowed to opt-in at any time as well as opt-out at any time.

- Most sites have a poor tracking mechanism. It is essential that you track all business activities. Accurate record keeping is crucial. There are many software tools, discussed earlier in this chapter, than can automate your record keeping process with minimal error.

- A 'mall' site is best used as a central hub to send visitors to your other domains. As a main or only site, unfocused mall sites don't get traffic from the engines, and they don't convert well to sales. Highly focused theme sites attract traffic and sales.

- Offline advertising may not be effective. A lot of money and effort should not be wasted on offline advertising. Most people rarely check websites that are advertised in local magazines or newspapers.

- Avoid focus on animated banner ads. These simply use up bandwidth, thus making web pages load slower.

- While advertising do not degrade other competitors. It is recommended that you highlight your products' uniqueness and superiority but never mortify other products.

- Banners or text links that expire are guaranteed to eventually send your visitor to a broken link or show a broken graphic on your page. Time sensitive advertising is best used only in email advertising campaigns.

- Never put affiliate links on your homepage. This is similar to asking your visitors to leave immediately. Give them a chance to browse, sign up for your newsletter and decide that they'd like to come back to your place before introducing them to your affiliates.

- Technology changes with amazing speed. To keep up with this rapidly evolving industry, you must invest time and money in research. The investment is a tax write-off, and will pay you back many times over in additional revenue.

- Finally, persist with your plan. It might take you time to get established even if you have a solid marketing plan. Persistence is the single most important factor in determining success online or off.

5.7 LinkShare – Affiliate program that can bring you great results

LinkShare hosts a password-protected website that offers affiliates a choice of hundreds of merchant programs. On the site, affiliates can join new programs, get links to put on their sites, and then see reports about how their links are performing and how much they have earned.

When a visitor from an affiliate's site clicks on a link and goes to a merchant's site, LinkShare keeps track of all of the transactions that the visitor makes. If that visitor buys something on the merchant's site, you get a commission. In some cases, affiliates are compensated even if the visitor doesn't buy anything, just for having driven traffic to the merchant's site.

LinkShare also provides affiliates with customer service, notifies affiliates about new programs and new opportunities, and offers resources for affiliates to learn about how to get the most out of their programs.

5.8 Affiliate management in-built with your payment gateway – ClickBank

ClickBank (http://www.clickbank.com) has a built-in affiliate program. It offers all features of a good affiliate program. There is no need to install any expensive scripts on

your website. You can start signing up affiliates right away as soon as you open your account.

The beauty of ClickBank is that it integrates the affiliate management program with an in-built payment gateway. ClickBank is one of the most popular and easiest services to use for payment processing online. Sign-up is quick and you get approved and running in one day.

The ClickBank Control Panel is easy to use. You can get familiar with the whole system in no time. It costs $49 to open a ClickBank account. This is pretty cheap when compared with other payment processing systems. Once you open an account, all your transaction money gets deposited into your account. You are paid the full balance every two weeks.

I'm a member of probably about dozen different affiliate programs, and have literally hundreds of webmasters signed up in the programs I run myself. If you're serious about earning serious money on the Web, then you're going to be spending a lot of time checking out affiliate programs and tracking your responses. It's one of the easiest and most reliable ways to make cash with a website.

So far, we've talked about the kind of marketing plans that work through your website: banners, links, affiliate programs etc. But the website isn't the only way to get the traffic you need. In the next chapter, we're going to begin talking about how you can use e-mail to drum up business.

6. Exploding Your Profits through Email Marketing

Off the Web, mail marketing is hated by customers. It's unwanted, uninvited and stuffs mail boxes. But it's pretty clear that it's also incredibly popular with advertisers. Why? Because while most potential customers toss away their junk letters with barely a glance, enough take action to make it all worthwhile. They do buy—and in high enough numbers to more than cover the cost of those who don't.

Email marketing is pretty similar, but with one important difference: on the Web, you can only send marketing emails to people who have already chosen to receive them. A bit tricky. On the other hand, because those people have already chosen to receive your emails, you can be confident that they're going to buy.

In this chapter, we will read how to produce marketing material that gets results!

6.1 Collecting Opt-In Email Addresses

Email is still the most popular and most used application on the Internet. It's also an efficient means of distributing your message to large numbers of people who have *requested* that information. As a form of marketing, it generates high response rates—and gives you measurable results with instant feedback.

But because email marketing been so abused, it's just not accepted any more to send emails to people who haven't chosen to receive them. Bust that rule, and there's a good chance you'll be out of business. That gives you the problem of building up a list of willing subscribers.

When you're first starting out, there's often a temptation to simply purchase an opt-in email list. Lots of people sell them and you can easily pick up a million or so addresses for just a few bucks. But while that may appear to be a fast, easy way to build up customers, the names on the list may not be up to date, or even opt-in contacts at all. You could well find yourself inadvertently spamming.

Similarly, there are also programs that surf the Net, recording every email address they find. These will let you quickly build up a huge list of e-mail addresses—none of whose owners will thank you when you stuff their inboxes with marketing material. Forget about them; they're not worth the effort. It's much safer, and much more effective, to take the time to build your own list.

6.2 Double Opt-in

Marketing by e-mail can attract new customers, keep existing ones, upsell, cross-sell, and cut costs. E-merchant Wine.com, for example, found e-mail campaigns drove twice as many "best prospects" to their site compared to banner ads or other Internet marketing programs.

If executed improperly though, e-mail campaigns can backfire with disastrous business consequences. How to minimize the risk and maximize the return? Part of the answer is a common sense approach called "permission" or "opt-in" marketing, in which customers or prospects volunteer to receive e-mail.

The odds of users joining a list can be improved by providing three opt-in opportunities, all with low entry barriers. First, there should be minimal sign-up work. Many sites require only an e-mail address; all other personal information is optional. Second, there should be several sign-up opportunities on a site, including on the inquiry, order, and feedback forms. These forms may use a checkbox asking prospects if they would like to receive occasional special offers/newsletters by e-mail. If so, it must be placed conspicuously on the form. Third, a privacy policy that addresses what will be done with user information should be posted in an obvious place.

Continuing on the lines of "opt-in" marketing, one of the most successful methods is the double opt-in technique. In double opt-in a user elects to receive e-mail newsletters or standalone commercial messages. A confirmation e-mail is sent to that user, who is not required to take further action to be included on the list. The confirmation e-mail includes an opportunity to unsubscribe or opt out.

Although, the double opt-in techniques runs the risk of losing subscribers during the confirmation process, it gives the subscribers more control and thus, has proven to be more successful. That said, here are some measures e-mailers who practice, or are considering, double opt-in can take to reduce confirmation drop-offs.

- When a user enters his address, mention an e-mail will be sent to him and include its estimated arrival time. Indicate the user is required to respond to that message to receive subsequent mailings. With transactional customers, consider placing this information on the page with order confirmation.

- Ideally, a confirmation message is sent immediately. It should be sent while the subscription is fresh in subscribers' minds and they're still engaged in an online session. If you notify them it will be within a day or two, make sure you follow through on that promise. If your systems are slower, then requirements related to message content are even more relevant.

- If you need a confirmation, that's the only thing you should ask for. Explain to users they will not be added to the list until they take the necessary action. Most desirable is a one-click confirmation link embedded in the message. Giving users a reply option with subject line intact is another good approach. Requiring them to write something in the subject line or body of the message or asking them to forward the e-mail on to another address is not as effective. Ensure the brand is clear, the list subscription is identified, and contact information is included. It's also a good idea to link to your privacy or e-mail policy.

6.3 Intelligent targeting through tailor made research

As with any other marketing campaign, careful planning and proven techniques are the best way to deploy the most effective campaigns and to realize the highest response rates. The key: putting the right offer in front of the right person at the right time. Targeting your emails is crucial for any Email marketing campaign. No product or service can be all things to all people. Acknowledging this reality, targeting is simply focusing your marketing onto a specific niche. The two factors that you alter to target your email campaigns are targeting the message, and targeting the list.

Targeting your message means tailoring your message to the expected audience. For example, you may have two pitches for your product: one that concentrates on the radical new features of the product, and another that details the tremendous cost savings from using it. You can also target the creative used for the email campaign. You might have two versions, one that uses a clean list of bullet points, and another that features highly stylized text that flies across the screen.

You also need to target (i.e. subdivide) your email lists. Targeted messages will be more effective when sent to an appropriate group of recipients. Continuing the example above, you would send the product feature pitch and technical information to technical people, and send the cost savings information to finance people.

The primary rule of effective targeting is deceptively simple: figure out what your target groups wants, and then offer it to them. How do you go about doing that? Try asking some of your existing customers. Another way to know what actually works is to send a

test campaign to a sample of your targeted group. Once you have the attention of the recipient, for an all too brief moment, the biggest factor in obtaining a positive response is usually how valuable the offer is perceived to be. Providing something of actual value that really speaks to the target is a requirement.

Tell a story to each targeted group over a series of messages. This will help lead to increasing the permission level with each recipient. As you learn more about each other you will be able to utilize more sophisticated targeting. Once you begin to establish a dialog with your target, eventually a true one to one marketing relationship can develop.

Unless you have an unlimited budget for your marketing efforts, you need to make sure that every dollar invested counts. You need to target your email campaigns, or else at best much of your efforts are being wasted. Be careful to target accurately, or your campaign might miss the target or even work against you. Deliver the correct message to the correct group of recipients, and the results from your campaigns will "hit the bull's-eye" and deliver a great boost to your profits.

6.4 Renting or Buying Lists

Many marketers peg acquisition-based e-mail response rates at historically low levels, primarily due to the high volume of messages in everyone's inboxes these days. Some believe that allocating any percentage of a marketing budget to acquisition-based e-mail is waste. However, this is not true. Although the true response rates for acquisition are

typically lower than those for retention-based e-mail, renting lists to win over prospects and grow a customer base can work wonders, if you do your homework.

Here are some guidelines that can help in buying or renting lists for achieving high ROI.

- With email, just like direct mail, how precisely the list is targeted to the marketer's offer is critical to the success of the email campaign. The marketer will need to test a variety of email lists in order to find the most responsive names for their offer. Recency, Frequency, and Monetary Value are important within email lists. Thus, where applicable, focus on lists of recent online buyers or registered users.

- More importantly, when researching email lists, focus on the origin of the list to ensure compatibility with your offer. Make sure you obtain names from branded, well-recognized sites or sources. Since an outbound email announces to the recipient, in the form of a header, exactly where they gave permission, a well recognized source would lend more credibility to the message.

- A frequency cap can ensure lists aren't over mailed. If a list manager can't provide the details on mailing frequency, look elsewhere. That organization probably lacks the control, technical expertise, and reporting basics. Also ask about recency selects. Newer names offer access to new subscribers.

- Frequent uploads of new names and instant suppression of unsubscribes are a must. Your brand will be associated with spam by those who unsubscribed but still receive mailings before their request is processed. Lists that are housed and resold by multiple managers are probably mailed more frequently. This negatively impacts performance, brand equity, and deliverability.

- As filtering becomes increasingly dominant, you must make sure list managers are up to speed on delivery techniques and processes. ISP relations and white listing are critical. Check all available blacklists for the list manager's IP addresses. List managers should be able to monitor delivery of their campaigns and ensure messages are delivered to the inbox, not a bulk mail folder.

- Finally, the best-performing lists provide the most ability to slice and dice the file to find the right people for your offer. Leveraging selects based on demographics, psychographics, and even specific stages of the buying cycle will almost always outperform untargeted mailings.

6.5 Creating Pop Ups

Pop ups are mini windows that open when a user takes a particular action. That action could be anything from reaching the site, clicking onto a particular page, or even leaving the site.

Many businesses use pop ups in collaboration with joint venture partners as a way of sharing traffic, but they're also great ways to trap users' email addresses so that you can keep them informed and send them marketing material. It's very effective.

So how do you add pop ups to your site?

One of the best things about pop ups is that they're dead easy to produce. It takes just a few lines of script inserted into the <HEAD> part of your website. You don't need to hire a programmer to do it for you. I'll give you the script right here. All you have to do is paste it into place and customize it to meet your needs:

<SCRIPT TYPE="text/javascript">

<!--

*function popup(**mylink**, **windowname**)*

{

if (! window.focus)return true;

var href;

if (typeof(mylink) == 'string')

*href=**mylink**;*

else

*href=**mylink**.href;*

*window.open(href, **windowname**, 'width=400,height=200,scrollbars=yes');*

return false;

}

//-->

</SCRIPT>
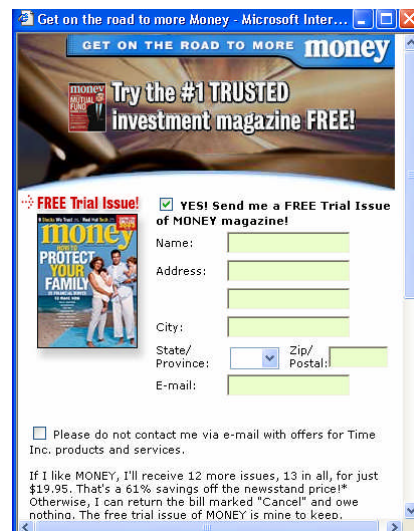
Don't worry about how the code actually works; the important thing is that it does. Simply swap the parts in bold for the name of your link and the name of the pop up.

Of course, you'll still need the trigger that gets the pop up popping:

*<A HREF="**popupbasic**.html" onClick="return popup(this, '**notes**')">The link</A>*

Use that as the link, with the right URL and the word 'notes' replaced by the name of your page, and you're in business.

Finally, when you build the pop up page itself, make sure you include the following line of code:

<SCRIPT TYPE="text/javascript">

<!--

window.focus();

//-->

</SCRIPT>

This just makes sure that your pop up stays in front of the main window instead of disappearing behind the browser and getting lost. Very important, otherwise your users won't see it to sign up.

So pop ups are dead easy to make. Anyone can do it. But there's no point in having a working pop up if the pop up itself doesn't have persuasive enough text to close the deal. There are a number of sales tactics that you can use on your pop up to make sure the user actually fills in the form and sends you his details:

1. Give them a reason to play

If you really want to make sure your users hand over their email addresses, offer them something in return. Free reports are good, e-books are fine too. In fact, anything that's free and relevant is likely to get results. You don't have to go overboard here; if you can find a goody that won't cost you anything, fantastic. If you're going to pay, make sure it pays overall.

2. Make the Title tell

The title tag of your pop up isn't going to push it up the search engine listings, but it's still important. If you leave it out, or worse, write something daft, like "mypopup", no one's going to take you seriously. Be professional and you'll achieve professional results. Use a real title.

3. Use a hard-hitting headline

I talk about headlines in more detail later in this chapter. I can't stress how important these are. You've got about two seconds to grab a reader's attention and make them read. That's the job of your headline. It's got to focus on the benefits the user can expect by signing up:

"Increase Your Sales By 127%!"

"Learn How To Speak Swahili In Three Weeks Or Less!"

"FREE Marketing Newsletter! Sign up here!"

Use a duff headline and you'll get a duff bottom line.

4. Keep it slim

If your users have to wait more than a few seconds for the pop up to download, the chances are they'll close the window before it's finished. Use minimal graphics and make sure everything's optimized before you put it on the server.

5. Make it sexy!

Slim doesn't mean the same as dull. You can still use cool colors and attractive fonts, but make sure the pop up looks professional. The copy has to be easy to read, and the whole page has to be good on the eye. Balance and simplicity are key when it comes to pop up design.

6. Offer a close button

You might think it's a good idea to keep the pop up open until the user signs up. But if they're not going to register to get the benefits you're offering, are they likely to opt in just to get rid of the pop up box? And if they do, are they likely to buy from you? Keep your users happy; let them close the box easily if they want it out of the way. Maybe they'll go ahead and buy something instead.

6.6 Email Marketing Tactics

All right, so you've got the addresses. Now what are you going to do with them? Obviously, what you're going to do is send your users marketing material in the mail so that they'll know all about the great stuff you've got on offer.

There are two ways you can do that: you can send them a newsletter every couple of weeks or so; or you can send them a sales letter. Newsletters are hugely important. In the next chapter I talk about newsletters in detail.

In the rest of this chapter, I'm going to explain how to write simple sales material that gets results. I'm going to do that by concentrating on the two most important parts of any sales material: the headline and the call to action. Get those two right, and any piece of marketing material you produce—online or off—will get the results you want.

6.6.1 Writing Headlines That Grab Your Customers and Sell Your Goods!

Headlines are absolutely vital for all your marketing efforts. Whether you plan to use them on your website, your emails, your newsletters or anywhere else, they're the hook that grabs your readers, reels them in and turns them into customers. There are dozens of different kinds of headlines that you can use and some of them are better than others. These are the ones that I use, and that I've found the most effective.

The No Nonsense Headline

The first type of headline you can use is the simplest. No frills, no tricks, no hooks, just a straightforward description of the contents of your message. You could produce something like:

Tips To Save Money On Your Weekly Shopping

The Best Way To Choose Your Next Car

Real Estate Agents That Shift Property Fast!

Notice that you can still use explanations and hard-hitting adjectives to get your point across, but these headlines do little more than tell the reader what to expect.

The advantages of these headlines is that they're easy to write and easy to read. You don't have to try to come up with some hard-hitting sales message and customers aren't put off by a document that looks a piece of promotional material. On the other hand, they're a bit weak and that makes them hard to turn into cash.

When to use it

You can use No Nonsense Headlines when you don't need to work hard to make the sale. If you're sending information that you know your customer will read, either because it's free or because it makes no obligation on them, these are the kind of headlines to use.

The Question Headline

Question headlines work by asking customers a question that plays on their worries and promises a solution further on. These are great devices when you really want to grab a customer and ram your message home.

Want To Save Thousands On Your Home Insurance Bills? Learn How To Cut Your Costs In Half!

Where Do You Look For Love? Discover The Best Places To Meet Your Match!

Suffering From Termites? Drive Them Out With The Extermite-Ator!

To write these headlines, think first of what problem your product is actually going to solve. (If it's not going to solve a problem, then you're going to have a problem selling it!) In the first half of the headline, you ask your customers if they're suffering from the problem. Just by asking, you're suggesting that they do. In the second half of the headline, you tell them that you have the solution. Dead easy and dead effective.

This is a really simple formula to follow: all you have to do is state the question and promise the answer. And it sells too; you've put the problem in the reader's mind, now you're offering the solution.

Of course, these kinds of headlines depend on the reader empathizing with the problem. If they don't, or if they decide that the headlines looks too long to read, they're not likely to buy.

When to use it

Question Headlines are most effective when your product is going to clearly solve someone's problem—*and* when you know your customers are going to empathize with that problem. If they don't say yes to the question, they're going to say no to the sale.

The How Headline

This is pretty similar to the Question Headline—but only offers the solution. It makes for a shorter read than question headlines so you get your point across faster, but you lose the empathy.

How To Fix Up Your Home Without Breaking The Bank!

How I Made $3,000,000 With One Phone Call!

How I Lost 33 Pounds On A High Fiber Diet And A Revolutionary Light Exercise Plan!

These kinds of headlines cut straight to the problem-solving aspect of your product. They're short and to the point and can be easily absorbed with just a glance.

When to use it

How Headlines are great when the rest of the document is going to reveal information. That information might just be details about your product, but the focus should always be on telling customers how they can solve a problem. These work best when you're selling information products like books or newsletters.

The Numbered Headline

There's a good reason that magazines like Cosmopolitan use headlines like "6 Ways To Drive Your Man Wild!" They work. Most people are put off by the sight of a giant slab of text. They want their information in bite-sized chunks. When you put a number in your headline, you let your reader know that the information you're offering them is going to be easy to read:

7 Ways To Make Your Computer Run Faster

15 Top Tips To Turn Your Website Into A Money spinner

23 Sales Tools That Guarantee A Sealed Deal

The advantage of these headlines is that they promise easy reading, increasing the chances that your text will actually be read. It's also easy to slip a call-to-action sales message into these kind of documents: one of the tools, deals, or ways etc. will be "buy my product"!

On the other hand, easy reading isn't the same as interesting reading. The headline still has to grab your readers to make them *want* to read it.

When to use it

Numbered Headlines are most effective when you're confident your readers will find your message interesting and you don't have to fight to make them read on. They're best used when you're competing against other articles or sales letters. I use them a lot in newsletters, especially when I know it's going to published in a joint venture partner's newsletter.

The Testimonial Headline

These are some of the toughest headlines to write. You take a chunk of text from a letter written by a satisfied customer and use that as the headline for a sales letter:

"Last Year, I Was Working 12 Hours A Day And Making Just $36,000. Last Month, I Made $32,000 And Worked Three Days A Work—And It's All Down To Your Amazing Methods!"

"I'd Tried Every Weight Loss Program Ever. I'd Tried Dieting, Exercise, High-Fiber, Low Fat, High-Carbs... You Name It, I'd Done It And Nothing Worked. Then I Tried The Lose Fat Fast Program. I Lost 33 Pounds In The First Two Months And I've Never Felt Better!"

"Within A Week Of Sending Out My Resume, I'd Got Three Interviews And A Fantastic Job Offer. I Couldn't Have Done It Without You!"

These headlines puts your reliability right at the top, increasing the customers' confidence to buy. They explain in detail precisely what you're offering and what you can do for the reader. They also create massively long headlines that are difficult to absorb at a glance and can put a reader off.

When to use it

Testimonial headlines are best used in industries where reliability is a bit of a problem. If you're selling weight loss products for example, or any other life-changing service, then a headline like this goes some way towards proving to the buyer that you're on the level.

Those are just five kinds of headlines that I use in my businesses every day. There are dozens more, but these are the ones that I've found the most effective. There's certainly enough here for you to get started. Play around with them, figure out which ones would work best for your business and try them out.

But even the best headline will only grab a reader's eye and get him reading. They won't close the sale. After the headline you'll have to describe all the wonderful benefits of your product—you've got to get the reader to actually take the action that will seal the deal. That's the call to action.

6.6.2 Growing your Email lists

A key concern of most marketers is how to build their Email lists without compromising on the subscribers that already exist. After all, Email marketing is about building relationships with your best customers without neglecting others. The process of growing email lists can very easily turn into spam. This is something all marketers need to steer clear of. Most companies are always looking for ways to get their email marketing address lists together. Large companies are trying to get email addresses for their existing customers and prospects, while small or startup companies are just trying to create any list at all.

With careful and meticulous planning, you can build strong relationships with new subscribers. Here's how:

Collect only relevant information

While requesting a visitor to sign up, collect information that is relevant to your business. A recent study lamented that most of the corporate probing was unnecessary, given that most companies never act on the information they extract from their customers. It is crucial that you know exactly what you intend to do with the information you're going to collect. Moreover, you should also be able to prove to your visitors that information you would be collecting from them is actually vital for your business.

Do not make your customers repeat information

Most customers don't mind telling their banks the ages of their children if they think the bank will use the information to help them sort through the myriad college savings plans or make them aware of estate planning issues. But nothing irritates customers more than having to repeat the same information to each channel as if it's the first time they've ever heard the information. This is especially true in the case of Email lists on web sites.

Focus your list

We have discussed the importance of focusing or targeting customers earlier as well. Current customers are the most important e-mail addresses to collect, much more so than prospects. They'll be more receptive to your communications and likely to respond, since they're familiar with your company and its products. Do not run campaigns that attract a high number of visitors that have no interest in your products or services.

Scrutinize and leverage all available data

Scrutinizing all data that is collected is vital. This is particularly true for bigger companies. Let the rest of the company know what you're doing—they may know of a quick way they can help you. There have been many cases when employees come and go, unknown projects sprout up and wither before anyone discovers them and multiple, redundant databases flourish.

Special Offers and Discounts

Special offers like coupons and discounts are classic direct marketing techniques that translate extremely well to email. In order for an offer to be effective, it must provide something of real value to the recipient. Minimal discounts are not enough to get the readers' attention; you have to offer something of substance. Don't discount lower than your profit on the transaction, however. Having a time limit on these types of offers is extremely important, in order for the call to action to work.

Apart from using the Internet as a medium, there are also some ways you can use your marketing efforts in the real-world to help build your Email lists.

Networking Meetings

From your local chamber of commerce, to specialized industry groups, the meetings of many organizations are great opportunities to make contact with new people. You are exchanging business cards with interested prospects or possible referral sources, so make sure that you send appropriate email communications to these people. Start with a personal email recapping your conversation with them, and letting them know that you will be adding them to your monthly email list. Don't just start sending a barrage of email to every person that you come in contact with, however. Make sure that the person indicated some interest in what you have to offer first, or your contact will become quickly unwanted.

Trade Shows

Whether you have a booth, are one of the presenters, or are simply attending a trade show, you have an excellent potential opportunity similar to networking events, but at a much greater scale. Organizing the follow-ups to people you actually spoke to yourself, and then adding the person to your personal list is a given.

The general information requests gathered by associates at your booth can be handled in a similar way. Lastly, you may have organized a giveaway or contest to gather more leads at the show. These people are frequently less interested in what you have to say, and more interested in whatever they might be getting or winning. As a result, it may require secondary contact to obtain the permission to add them to your regular communications. In general, hitting contest winners with a "hard sell" is not usually effective.

Seminars

Organizing informational seminars is a great way to build a healthy relationship with prospects and potential referrers. One effective technique is to have advance registration, and to ask permission to send regular emails at that time. This way, even if the person is not able to attend the seminar, you still have an opportunity to stay in touch with them. After all, they were interested enough to register for the seminar.

Events

Concerts, parties, art openings, or any other occasion that gathers people together can provides an opportunity to build your email address lists. Having a registration or check in location, or associates with clipboards working the room are just two ways to make contact. In the case of events, it is a good idea to offer some kind of incentive to boost signups. However, make sure that the person can only receive the incentive via email. This way, you will improve the quality and accuracy of the lists you are collecting.

Post Cards/Direct Mail

When a company has an existing database of postal addresses, direct mail may be the best way to get the email addresses for your existing customers and prospects. Again, offering an incentive always helps stimulate a greater response, and is particularly effective when there is a pre-existing relationship. This helps increase the typical response rate of converting postal address recipients to email recipients. Publish a specific, but simple, web site address on your mailing to direct people to a landing page with the list signup on your site.

6.6.3 Email Content – Text vs. HTML

This is probably every Email marketer's dilemma. More so, due to the fact that there is no clear majority of people preferring one format over the other. Some people will always prefer text to graphics, and some email readers only support basic text. A

prominent Internet Marketing website recently carried out a survey asking not only which format was preferred but why one format was preferred over another. Over 600 people—mostly marketers and small business operators—responded.

55% favored HTML and 45% preferred Text. Given that well over 90% of email readers can view HTML, it is surprising that almost half the people would prefer to receive Text. To investigate this point further, the survey gave those who chose Text a list of possible reasons to explain why. On average, people listed about two and a half reasons each. They said:

- Can't read HTML 6%

- Just want the meat without the distractions 32%

- Like to read offline 15%

- Ads are more intrusive in HTML 22%

- Slow to download 14%

- Other 11%

The most popular reason for choosing Text over HTML was an interesting one. People were clearly expressing a desire for email layouts that focused on the message, and they often saw HTML emails as containing elements that distract from the content—the content being the reason they signed up for the email in the first place.

11% of the people who selected "Other" as their reason gave their own reasons as:

- Text takes up less storage space 28%

- Security—fear of viruses 22%

- Easier/faster to read/scan 13%

- Text is easier to read on a PDA 9%

- Text is more reliable, formatting/forwarding etc. 7%

- Easier to save/file/copy text 6%

- Like to read email in preview pane 4%

- Text is more personal 4%

- Fear of tracking/being spied on with HTML 4%

- Text is more easily searched off line 1%

The fact still remains that readers are almost equally divided on their preference. The best way to get around this is to give your subscribers an option of receiving messages in Text or HTML.

6.7 Managing Email campaigns

6.7.1 Personalization in Email Marketing

People respond more favorably to marketing when they feel special and unique. People respond differently to things when they perceive themselves as part of a group. These are only some of the psychological factors that come into play when using individual message personalization as a part of your email marketing campaigns. When done correctly, personalization can be a powerful way to reinforce the bond between your

brand and your customer. However, poorly personalized messages can just as quickly

sever that connection that you have worked so hard to establish.

The Initial Greeting

The initial greeting has a tremendous impact on whether a recipient will read the rest of a

communication. The tone must match the type of communication, and the type of

relationship that exists between the sender and recipient. For example, "Hi, John" is good

for an email from a business to consumer, but too casual for a message to a business

recipient. A "Dear Mr. Smith" or "Dear John Smith" is more appropriate for a business to

business communication in email just as in a business letter.

Providing References

A very strong technique is including a reference to a specific product or service that the

recipient has either already purchased, or that they have requested information about.

Don't forget to link directly to the page on the site that corresponds to the product or

service you are trying to up-sell.

Affiliation

When recipients are members of a known group or organization, you can create a positive

tie-in. When using this kind of personalization, you must make sure that the relevancy

will be obvious for the recipient. This works particularly well for sending partner offers,

but again only as long as the offer tightly matches the needs of the target group, and will be perceived as relevant.

The more reliance your email marketing campaign has on your database, the more important that it is to have the correct data. Errors in your data can lead to your mailing showing how poorly you know the recipient, not how well.

Always have default information to substitute in case you are missing data. You can write your copy so that substituting this default text maintains the flow of the narrative. For example, let's say you plan on merging the "Company Name" from your database into your email, Using default text of "your company" works well as in "We know that XYZ Corp. can benefit from our services" or "We know that your company can benefit from our services".

Lastly, always respect the privacy of the recipient and avoid all sensitive information. Anything that might make the recipient uncomfortable such as financial status or health status, are best left off limits when it comes to email personalization.

In conclusion, Leverage the full power of your database to personalize email content to individual names, histories, likes and dislikes. In the world of direct Email marketing, one size does not fit all, so use available tools to make your email as personal and as relevant to each person as possible.

6.7.2 Creative Segmentation

If you look at the overall behavior of all of your web visitors, you'll be inundated with a ton of information. Trying to distinguish and identify patterns among such a large group is extremely difficult, if not impossible.

If you segment or divide your users into logical groups and then compare and contrast how they behave and what they do, you'll have more accurate, actionable information that actually means something.

Segmenting your site visitors allows you to develop a clearer overall picture of your site's performance. If the metric you're trying to measure is how many people buy a particular product, it makes sense to measure that within the context of how many people interacted with the site in a meaningful way.

Since prospects and customers are always more likely to respond to messages that match their interest sets, it makes sense to chop the database into smaller, segmented slices based on preferences and past behaviors, making Email messages as relevant as possible to each group. You may use historical data to apply what you know about the likes and dislikes of your target market segments, and develop your messages and offers to fit.

6.7.3 How often and when to mail?

Email marketing is a powerful yet inexpensive way to make contact with customers and prospects. Depending on whom you are trying to touch, there may be certain times of day, or days of the week, when the recipient may be more responsive to your message. In addition to specific timing for your email marketing campaigns, the frequency and the number of times to send can all play a big role in helping improve your results.

When to Email?

For a mailing to business recipients, sending midday from 11 AM through 3 PM is probably the best time. Sending a message earlier in the day can result in a higher risk of the message getting lost in the rush to prepare for morning meetings. Sending it too late in the day and it may end up quickly deleted before the recipient leaves for their commute home.

On the other hand, when mailing to consumers after work is probably the best time. People tend to check their personal email when they get home from work or after dinner. Most consumers are too busy getting ready for work in the morning to read their email.

Like the time of the day, different days of the week can affect your results as well. The best days to contact businesses are weekdays barring Monday and Friday. Monday has proven to have too many meeting to reach decision makers, and on Friday most people would prefer to leave early before the rush hour than receive your email, no matter how cool the email and offer may be.

Consumers are more likely to spend more time on the Internet on weekends, and hence have more time to consider your offer. One observation is that since many people tend to check their personal email at various points throughout the day, selecting a specific time to hit your target group while they are online is much more difficult.

Avoid mailing during Holidays

During the holidays, people tend to be away from their computers and not check their email regularly. This means they may get your message when they return together with a ton of other mail that has piled up during the holidays. Chances are all but the most important messages will be deleted in a rush without a second look.

Frequency of the Email

Sending email too often can be annoying, resulting in recipients asking to be removed. Not sending often enough and you may have been forgotten when the recipient is finally ready to buy. As for most communication, once a month is best. A few exceptions are a daily newspaper, or a time-dependant offer like a seminar invitation.

Sending three variations of the same offer to the same recipient is a good way to improve response rates. You should never send the exact same offer more than once. Otherwise you risk the recipient thinking that it's just another copy of the same email and deleting

it. If a recipient has not responded by the third attempt, they are not going to, either because it's the right offer/wrong person, or the wrong offer/right person.

Following Up

It is important to follow up at least once after an initial offer. Many times it has been seen that a number of recipients who click-through on the first mailing after receiving a second mailing. You cannot wait too long to send a follow-up message or they may have forgotten about the original offer. Follow-up contact is recommended one to two weeks after the original offer is sent.

6.7.4 Refrain from Spamming

The proliferation of abusive email marketing has dramatically changed the landscape for anyone with an email address. Legitimate marketers now not only have to work harder to obtain a positive response for a campaign, but they also have to avoid a negative response and all this while trying to avoid getting filtered right out of the in box before recipients even see your message.

Make sure you have permission to communicate with every person on your lists. Many spam emails are now claiming "you signed up for the XYZ list" when in reality there is no existing relationship. If someone has indeed opted-in to your list, make sure they understand when and where this took place. If their relationship is with a third-party that

you are partnered with, make sure to spell that out instead. You may well be better off with a partner sending on your behalf, so as to avoid any confusion about exactly why the recipient is being emailed.

Once you've crossed the line with a recipient by spamming, there is usually no going back. The same ability of email marketing to directly reach recipients, can inadvertently offend them. Like the difference between using a chainsaw to cut up a fallen tree versus accidentally severing your own limb, email marketing requires both care and knowledge to use correctly. Make sure you stay on the correct side of the line, and you can put that power to work to improve your bottom line results.

6.8 Analysis of Email Campaigns

6.8.1 Tracking Performance - Measuring useful metrics

Tracking and analyzing the actions of your customers and prospects is critical to your success. After deploying several campaigns you will have generated a mountain of response information - invaluable data enabling you to create new and more effective approaches and offers. There are many software tools easily available that track, record and analyze all data pertaining to your Email marketing campaign. Many sophisticated analysis tools predict future actions based on past behavior. Such tools are crucial for your campaign as Response data is meaningless unless it can be analyzed and turned into valuable customer knowledge.

Once you have the capability to track the vital statistics of your email marketing campaigns, the inevitable question becomes: how well are my mailings doing? Here are some guidelines on what information to gather and how to measure the performance of your campaign from the gathered information.

There are a number of different pieces of information that can be gathered when using any reasonably good email broadcasting service. The five primary measurements are: the totals each of messages sent, message opens, click-throughs, bounces, and opt-out requests.

Total number of items sent must be accurately counted, based on reaching each individual email address only once. Opens measure the number of people who actually view the message using their email program.

We prefer to use "unique" opens, so that if a recipient views a message in their preview window, then opens it into a full size window, that this only counts as a single open instead of two opens. Click-throughs are recipients that respond to your offer by clicking on a link in the email. Bounces are messages that are undeliverable to the recipient. They could be "soft bounces" due to temporary issues such as a full mailbox, or "hard bounces" from an invalid email account, but for our purposes here it means "people on your list who did not receive your message". And last, opt-out requests are recipients who request to no longer receive email.

There are a wide range of results that can be measured for Email campaigns, such as:

- How accurate is the list (how many bounces out of total sent)

- How active is the list (how many opens out of total sent)

- How positive was the reaction to the offer itself (number of click-thrus out of total opens)

- How negative was the reaction to the offer itself (number of opt-outs out of total opens)

The actual number of responses on any particular campaign can vary quite a bit. A newsletter whose primary job is to inform, will not achieve the same click-through rate as a promotion, which is intended to get a specific response. The differing levels of permission within your list of recipients will also affect results. Until a list has been "cleaned" of bad addresses and those who are not interested, you may see far different data. Pruning these from your lists will help you improve your results considerably.

In order to account for these wide variations in factors, we suggest some general "baseline" ratios that should be achieved on any particular mailing. There should be more opens than bounces, or else the list is probably out of date. Also, there should be more click-throughs than opt-outs, otherwise the offer is poorly targeted or the list is of questionable origin.

In order to get the optimum response you will need to send two or three multiples of your

email marketing campaign, each time using a variation of the original offer. If they haven't responded by 3 attempts, it's time to change your approach.

The typical response pattern is that mailings 1 and 2 will have a similar response, with number 2 often slightly fewer click-throughs than number 1. Number 3 picks up the stragglers and undecided recipients, so the response will be much lower, but usually significant enough to justify the mailing. Please note that you shouldn't necessarily just blast out three mailings one after another. For example, you might piggyback your first offer onto a monthly newsletter, send the second offer separately as a special promotional mailing two weeks later, then finish the series with the final offer in the next month's newsletter.

It is useful to understand how the size of your lists is changing over time. By viewing how many people sign up for your lists each day, you can attempt to correlate list growth with other marketing activities that you may be conducting. It is also important to consider how many people are signing up for your lists versus how many are opting off of them. If your lists have been cleaned, and the overall list size is still shrinking, you need to reevaluate both your list acquisition strategy and the content relevancy of your mailings.

Testing is critical to optimizing your email marketing campaigns. But in order to test, you have to measure first. Make sure you have a way to collect detailed information about

your mailings, preferably in an automatic way. Careful analysis of the actual metrics will help give you the information you need to take your email campaigns to the next level.

6.8.2 Enhancing Email response

The process of Email marketing may not always bear the kind of results that you expect. In fact, even after doing all the basics right the response rates may fall way short of expectations. The good news is that Email responses can be enhanced with a little bit of analysis and research.

We discussed, earlier, the importance of gathering statistical data during Email campaigns. With this ton of information available and a few creative segmentation strategies, email response can be enhanced by a great deal. Your Emails may reach three sets of readers:

- Those who deleted the Email without even opening it
- Those who opened the Email but did not read it or click on the offer made
- Those who read the Email, clicked on the link provided but did not accept your offer

The set which represents readers who never opened your Email is probably the biggest. It is very much possible that at least 50% of readers discarded your Email as junk. To boost response rates of such readers, you should segment these as a group and change the subject line of the Email, and the sender's name and address. Chances are good that

you'll find some of the changes work better than others, and that some of the non-openers to the first message have opened up the new message based on a single and possibly simple change.

Perhaps this change lies in a new appeal in the subject line, or perhaps it's due to the message coming from a living person instead of an impersonal company. Record and save those variables and continue to test and fine-tune them with each subsequent campaign.

The next segment comprises of readers who read the Email but were not interested enough to click on the offer and land on your website. This segment may be pretty huge as well. It is very likely that most of these readers may have read a couple of lines at the beginning of the mail and deleted it. The best possible remedy in such cases is to analyze the section of your promotion—does it say enough to make people want to read further? If not, reformatting and/or reworking the introductory copy and headline may be all it takes to increase your clicks.

Finally, we have the last segment comprising of readers who actually read the Email and were interested enough to click through and reach your website. However, once they got there their interest disappeared and they chose not to go through with the transaction. Such a segment would be much smaller when compared with the above two segments.

In such cases it may be best to take a hard, objective look at the landing page. Something is clearly missing or is not being communicated properly. Does the offer remain clear? Is

the form too cumbersome or too long? Can you revise the form, and perhaps also revise some of the required form fields within it, for purposes of having these potential customers complete their first transaction?

Some times it may pay to instill a tad of humor in your Email. There have been many instances when potential clients were so taken by a humorous gesture in mails that immediately decided to do some business with the marketer. Make some assumptions and apply them to your next campaign. It's all about getting potential customers over that hurdle and making that first commitment.

Considerable time and effort may be required to enhance Email responses. That said, the fruits such a process may bear over a period of time can be well worth it.

6.8.3 Should the message trick the reader or be honest?

Often, companies try to trick people into opening an Email to start a relationship with a prospective customer. From the customer's point of view, this is certainly not the most brilliant idea. Almost all potential customers would not prefer to do business with someone who deceives them, not matter how good a product or service they offer.

As a marketer you must approach your direct mail and email marketing messages with the attitude that this may be the one and only opportunity to start a relationship with a new customer. For that matter:

- Messages should be honest and reflect the company's credibility - Take the high road with your creative. Tell people who you really are and what you really do.

- Be clear and concise with the offer - Don't make it difficult for the reader of your message to figure out what you are promoting.

- Test your message - Try your message out and ask for feedback. This will be the best way to assure you are not misleading.

- Know your audience - The shotgun approach to marketing does not work with direct mail or email. Sending your message to the wrong audience is wasteful spending of your advertising dollars.

Remember your message is a reflection of your brand, product or service and employees. Make sure your message is something you can stand behind with pride no matter how it is delivered.

6.9 Autoresponders

Automation of your Email marketing process is crucial for the success of your business. An automated system enables you to reply immediately solicited information, send follow ups to your prospects, and save lots of time. Automation can be achieved with tools known as Autoresponders.

The auto-responder is a program that automatically sends a reply with a pre-designed response to any email address that sends email to it. It is also often called infobot, autobot, auto-mailer, or responder. Auto-responders are great for confirmation messages as well.

Advantages of using an Autoresponder

The auto-responder allows you to capture the email addresses of your visitors, so you can build your own opt-in targeted mailing list. This is a great tool to use for an Email or Newsletter. You can offer via auto-responder a free article that pertains to the subject of the newsletter to all of your new subscribers.

The auto-responder will automatically extract the prospects name and use this information in your follow-up messages. With this marketing tool you can send personalized follow-up messages. If you personalize an email message, your prospect is twice as likely to buy from you.

You can sell your products 24 hours a day, 7 days a week with the help of an auto-responder. Auto-responder is a handy tool that automatically follows-up with a series of email messages at preset time intervals and works for you 24 hours a day. You will be able to develop your follow up messages and set reliable time intervals.

Following up with your prospects could mean a 50% increase in your sales. Your potential customers may simply forget about your initial message or they simply may have a bad day; for that reason, it is so important follow up with your prospects at preset time intervals at least five times after sending your initial message.

Autoresponders are great for sales letters. Suppose you posted to a couple of forums and newsgroups you can offer a free report about your industry and included in that you could have a sales letter. You then post the email address of your autoresponder and within seconds the user could be reading the free report and your sales letter. You don't have to do anything. Apart from these, autoresponders also allow you set up predefined answers to the most likely questions. This can cut up to 70% of your customer service requirements.

Given below are some of the other key benefits of Autoresponders:

- They introduce your business to the prospective customer
- List out special offers for members
- List out benefits of joining your website
- Compare your product or service with your competitors
- Give testimonials of existing customers
- Welcome letters for new members
- Thank you messages for new orders
- Order confirmation

- Acknowledgement of a query or a receipt of payment from your customer

- A reminder when their subscription or free access period is about to expire.

It is a good idea to have a copy of the original email sent to the autoresponder forwarded to you. Some people don't understand exactly what to expect from the autoresponder and they put a message inside the body of the email. If you don't at least take a peek at these emails, you may accidentally ignore a question from a prospective customer.

Autoresponders can handle many more emails than you could ever process manually. Also, you can send a ten-page email just as fast and easily as sending a two paragraph email.

Choosing and Setting up Autoresponders

It can be simple to set up and use an autoresponder, but choosing which one from the dozens of autoresponders that are available can be difficult. Most web hosts offer a simple autoresponder that gives one email message in response to an email to a specific email address. The problem with this type of responder is that one message is often not enough to keep the continued contact or deliver the content that you want to offer your visitor.

There are two main types of autoresponders. They each have their pros and cons.

Autoresponder services

Autoresponder services are web based services that allow you to send a series of emails to a visitor who has either requested the email through a web-based form on you site (the service provides the html code for your site to use) or who has sent an email to a specific address the service has provided you to use.

The primary advantage of such services is that they are very easy to set up, and are very reliable. In addition, they are host independent. This means that your web host doesn't have to allow you to run any particular services on your site to have access to all that an e-mail autoresponder can provide.

Email autoresponder services have two main drawbacks -- they can be costly, especially if you need to use an autoresponder on more than one web site, and they lack a certain amount of flexibility -- whatever the service provides is what you get. There is a limited amount of customization that you can do with such a service. GetResponse is recommended for most people. It has good customization, and the price is quite reasonable.

Autoresponder programs (or scripts)

The other choice for an autoresponder is to purchase (or lease) a program or a script (usually written in perl, requiring CGI access on your server.) Several of these are

available. They offer the potential for lower cost, especially if you have multiple web sites to support. (But be careful to check the license agreement. Some license agreements require an additional fee if you are going to use the program or script on more than one site at the same time.

These types of autoresponders also allow, potentially at least, for increased flexibility. Some are quite powerful in their own right, while perl scripts can generally be modified to suit your needs for a fee. A good example of a script based Autoresponder that you can install on your site and never have to pay monthly fees to use is Autoresponse Plus.

Autoresponse Plus offers the advantages of a system you can own along with all of the flexibility. It is available at a very reasonable price, and a multi-domain license is also available for only modestly more. Finally, most of the complexity often associated with such programs can be almost completely eliminated because professional installation is available for a small incremental increase in cost.

6.10 Call to Action—Closing the Deal

At the end of the day, everything you do on the Web is geared towards one thing: driving your users to take an action that will result in you getting money. That might be buying something from you, subscribing to a newsletter, clicking an affiliate link, or any other move that brings you cash.

When you begin preparing your email copy, you have to know exactly what you want the user to do as soon as he finishes reading. You can have the most amazing headline and the greatest product described in the finest email ever written, but if the reader doesn't know what to do at the end of the email, you've wasted your time.

You've got to get them to take action.

There are a number of points to bear in mind when you're trying to turn your reader into a customer.

Stand out

You want to be sure that your reader doesn't miss your call to action. It's got to absolutely stand out from the rest of the page. You can do that by playing with font color, font size, underline, bold etc., but make sure it's seen and acted upon!

Be clear

Orders rarely come in the form of long sentences. In general, marketing material should take the form of short paragraphs, punchy phrases, and bulleted points that spell out the benefits as clearly and quickly as possible. Potential customers tend to scan rather than read. The easier you make it for them, the more chance they'll buy.

Compel

The words you use to persuade someone to take action are crucial. You want your call to action to include real action-packed verbs that are simple to obey. Use phrases like "Click here!", for example, or "Press Submit". The more precise the verb, the easier it will be for the reader to take real action.

Play it straight

Once you've got them doing what you want, you don't want to waste time. If you've told them to click on a link so that they can fill in an order form, make sure that the link leads right to the form. Don't give them a chance to change their mind. Even the best call to action copy only works for a short time.

Create a sense of urgency

Many people like to put off making a decision as long as possible—especially if that decision means spending money. The fact is though, if they don't take action as soon as they finish reading the email, they probably won't take action at all.

You have to create a real sense of urgency, an idea that if they don't buy, click, order, whatever... *right now*, they're going to lose the opportunity of a lifetime. This isn't too difficult to do. Here are some options:

- Offer a time limited prize: "Order now and receive a FREE copy of 'Build Your Own Bicycle!"

- Offer a quantity limited prize: "The first 50 people to register will be entered into our FREE prize draw!"

- Create a penalty for not acting immediately: "Every day that you don't use the amazing ideas in this book, you're throwing away thousands of dollars! Download your copy and start earning now!"

Bear in mind that the kind of action you want people to take will depend on the kind of product you're selling—and the kind of person you're pitching to. If you're trying to sell cars online for example, "Place your order here" isn't likely to get many results. People don't usually like to buy cars so quickly. You might want to say something like: "Click here for a picture of the interior" or something that's less committal than inviting them to part with lots of cash. Similarly, if your marketing material doesn't contain all the information necessary for someone to buy, your call to action will only be to invite them to find out more.

On the next page, I've put all that advice together in a sample marketing email. I've also added my notes to explain how I built it up. Feel free to use this email as template for your own.

6.11 Sample Marketing Email

Subject: Discover How To Make Your Users Pay You!

(The subject line is unique to emails. It's like a mini-headline, but it's got to stay short.)

Want Your Users To Give You More Money?

Give Them More Value!

(There's the headline. I've used a Question Headline here. I've stated the problem and followed with the solution.)

Dear Friend,

As the webmaster of a dating site, you know how important it is to keep your users coming back day after day, week after week. You know that the more your users see your site, the more likely they are to buy a subscription – and the more they'll <u>keep sending you cash!</u>

(The first paragraph explains what the email is all about: making money.)

And you also know that the only way to keep those users logging in is to renew your content on a regular basis.

GoDating.com is now making its dating magazine available to the webmasters of dating sites. GoDatingMagazine will give your users:

(And here I explain how to do it: by adding value. Note the link so that they can see what I'm offering.)

- **Amazing, insightful articles** on subjects ranging from matchmakers and soul mates to swingers and foreign brides.

- **Real, practical dating advice** for both online dating and face-to-face relationships.

- **Exclusive interviews** with dating experts, authors and celebrities.

- **Fun, interactive Love Quizzes** to help your users discover their real selves!

- **Heartwarming relationship news** from around the world.

- **Exciting, fresh content**, *week in, week out!*

(Bullets and bold make the benefits stand out.)

GotoDatingMagazine is updated every week with new articles, news stories and an interactive advice column.

That's <u>20 original relationship articles every single month!</u> You can provide your users with all this fantastic dating content for just $99.95 a month.

If you were to hire writers to produce this content yourself it would cost you hundreds — if not thousands — of dollars. For the price of just a tiny number of monthly subscriptions, you can give all your users this incredible extra value.

(More details. As soon as I tell them it's going to cost money, I explain why it's great value.)

To learn more about what we can do for your users—and your income—write to me *today* at bizdev@godating.com.

(And there's a simple call to action.)

We look forward to working with you!

Yours Sincerely,

Andrew Hudson,

Editor,

GoDating.com

In **conclusion**, from the advent of the Sears catalog in the late 19th century to tons of catalogs arriving in every mailbox today, Email marketing has proved to be a superior way to quickly and cost-effectively create a personal connection with customers, and garner immediate sales results. It also lends itself to greater measurability and testing in order to optimize results. Email marketing can be easily coupled with other marketing techniques to further improve end results. One such technique, which is an integral part of Email marketing, is marketing through newsletters. Newsletters are discussed in detail in the next chapter.

7. Creating Newsletters That Sell As Well As Inform

Running you own free Newsletter or Ezine can bring huge benefits to your website and profits. Newsletters are one of the most important components for you to drive traffic to your website and build your online business.

The popularity of these newsletters is based on the need for information. The main reason people are online is because they want and need information and that is exactly what newsletters provide. Newsletters are mostly delivered via email, some however are delivered as HTML pages. Newsletters which are delivered as HTML pages still utilize email, as the webmaster will email subscribers notifying them that a new issue is ready.

There are many advantages of starting your own newsletter, however newsletters do require a bit of work to get started and maintain so they may not be for everyone.
The two main advantages are:

- Being able to maintain regular contact, and
- Being able to build a relationship with your subscribers

Newsletters allow you to maintain regular contact with your website visitors, this is vital to success, because rarely do people buy on there first visit, in fact people usually have to be exposed to an offer several times before they actually buy. A Newsletter allows you to

keep the connection with your site visitors reminding them of how your product is suited for them.

Newsletters give you the "excuse" to send potential customers emails packed with articles and off course your sales message. Newsletters are great for building trust and relationships online, if your newsletter provides regular quality content which your subscribers can really use, they will begin to trust your opinion and also they will begin to feel that they know you. This is important as developing relationships is vital for any business.

The other, often overlooked, advantage of having a newsletter, is the income it can generate, not from selling your products and services but from selling advertising space in it. You do need a medium to large subscriber base before other businesses will be interested in advertising but this is not that hard to achieve, especially if it is regularly full of quality content. You can earn a few hundred every month just from ads if you play your cards rights.

Your online customers will eventually become your offline customers if they trust the information you regularly send them. Put simply, a newsletter is your way of helping people. If you help people online, eventually they will buy from you.

However, running your own newsletter involves considerable amount of work. It is vital that you regularly write a lot of quality content before your next send-out. Besides,

ideally a newsletter should be sent out every week or at least every fortnight. This is not always easy. In fact it's never easy; the next thing that adds to your work load when it comes to newsletters is maintaining your email addresses. Many of the email addresses may be wrong. Maintaining a list of working email addresses is crucial.

7.1 Advantages of newsletters as a marketing tool

Just as in the olden days, trust builds relationships, and relationships build sales. Used properly, newsletters can help build business relationships based on trust. And the key word is **trust**--trustworthiness in content, subject lines, mailing lists, regularity, and ability to quickly subscribe and unsubscribe. Given below are some of the key advantages of newsletters:

Newsletters demonstrate value

Newsletters deliver valuable information that solves the day-to-day problems of readers, helps them stay on top of industry trends, and saves time by distilling practical information such as real-world best practices and industry advances from many sources.

They help in building trust

As stated earlier, the most crucial benefit arising out of newsletters is building of trust. Newsletters can very easily become customers' trusted information source on business

problems. Trust helps you to position your company as a credible source, which in turn retains your customer base.

Online business owners can portray themselves as a stable source of information

Newsletters deliver accurate and timely information that is vital to the success of your customers and visitors business at regular intervals over time.

Newsletters serve as an attention puller

Valuable and relevant information can always prove to be a great attention puller. Most people dread junk emails. However, once you build a sense of trust amongst your potential customers, you can reinforce your value to your visitors with each newsletter issue.

Newsletters offer better prospects for closing a sale

Not only do newsletters make it easy for potential customers to contact you, they also let you harvest the relationship built around them and simplify sales for your sales team. The sales team dreams of knowing about their prospects' hot buttons prior to making that first call.

7.2 Creating an effective newsletter

Creating a successful newsletter can be extremely rewarding. Subscribers and customers respond with glowing feedback, online sales jump and your customer relationships and brand loyalty deepens. Here are some useful tips that might help in creating a successful newsletter.

Define Success

Ask yourself "What is the purpose of your newsletter?" A newsletter is a substantial investment of company resources in terms of time and energy, and you need to define in as tangible terms as possible the purpose of your Newsletter.

Voice and Personality

Establish a voice or editorial personality – whether newsy, serious, gossipy or funny – that is synergistic with the image you want to portray and connects with your audience. Remember that email newsletters aren't email promotions designed to stimulate immediate action. Sales and promotional copy don't suit e-newsletters. Nor does the traditional tone of broadcast corporate communications.

Think of your newsletter as a one-on-one conversation. Just imagine sitting in a coffee shop talking informally with a customer. That's the starting point for your approach--a more personable and appropriate "human" voice will come naturally. Drop the jargon, drop the sales pitch, be as honest as you can, and talk like a human being.

You can have as much or as little personality as is appropriate. Consider adding a brief editorial, a comment or two, an editor's note, a couple of lines of commentary, a touch of opinion; adding a little human element here and there. Sign editorials, give authors a byline, or list some names down in the administrative section of each issue to which your readers can relate to.

From Line

Whether a person's name, name of the newsletter or company name – determine what will resonate best with your readers and stay with it.

Subject Line

 "Vol. 1, Issue #8" or "Company News" are not enticing subject lines. They are certainly consistent and simple, but they don't tell your readers anything that will motivate them to open your email. Your subject line is your calling card - entice your readers with the most interesting or intriguing information in your Newsletter..

Style/Format

Establish a format and layout of your Newsletter that is clean and simple, with elements of the Newsletter (table of contents; "Tips", subscription information, etc. located in the same spot each issue).

Content

Figure out what your readers want and give it to them. Seek continuous improvement by obtaining reader feedback and monitoring click-through rates to determine what types of articles are most popular.

Another dilemma that we all confront is too much information and too little time. The newsletter's job is to keep readers on top of trends and the latest developments in the industry. Aim for articles and feature stories to meet one of the following criteria by including either: major industry occurrences, forward thinking industry ideas, education on issues or new techniques, or business opportunities.

Whether your customers work out of a corporate or home office, employees need answers to questions and tips for improving business activities. E-newsletters provide you with an opportunity to point out work inefficiencies, and share relevant best practice. When you create a newsletter, try changing your focus from selling products and services to solving your customers' problems. Think about what they need and give options they don't know exist

Frequency

Determine how frequently your readers want to hear from you/receive your Newsletter – and what you can commit to. As a thumb rule, a weekly newsletter is ideal. However, don't launch a weekly newsletter if you are not absolutely certain that you can distribute a quality Newsletter every week. A fortnightly newsletter is a good option too.

Timing

Test and pick a day and time that works best ...and stick to it. Readers should almost be able to set their watches by the receipt time of your Newsletter.

Make it Viral

Provide information readers can act on or that stimulates reaction – forwarding it to friends and peers, stimulating purchases or requests for additional information. Make it easy for readers to forward articles and information to peers and friends. Provide a "Forward to a Friend" link that enables readers to forward the Newsletter with a personalized note.

Search

Make it easy to find articles of interest and back issues. Provide a table of contents and links to articles within the newsletter and to resources and past articles on your site.

Printing

Consider providing "printer-friendly formats" on your Web site.

Personalize

At minimum address the reader by name. The most successful newsletters have a human being associated with them...and a personality. If possible, your Newsletter should be "written by a person" at your company...not the company.

Write in layman terms with simple vocabulary

Not everyone has the vocabulary that you and editors do. Use words that are easy-to-understand, and if you do use technical terms, provide a definition that people can relate to. There is nothing more frustrating then a definition that makes less sense than the word itself.

Test

Test the Newsletter on few email addresses to check for errors and other issues – before sending to the entire distribution list.

If you lack experience in print media, seek out assistance if you know someone in the field. If not, don't worry – the above mentioned basic principles apply. Plan to research your material thoroughly and avoid factual or editing errors, as they will make you seem less credible.

Add hyperlinks and include updates on old material should new information surface. The typical form of newsletter is a one-way communication where you provide information to customers, such as product updates and announcements. You have the option of formatting your e-mail by including colorized text and a variety of fonts, but not all e-mail software supports HTML mail. Consider writing your newsletter in plain text or offer two mailing lists- one for plain text mailings and the other for HTML e-mail.

Make sure you Include:

- Table of Contents

- Hyperlinks for customers who want more information for a featured topic

- Exciting secrets or tips related to your product or service

- Contact information

E-newsletters can take up a good amount of time if not managed correctly. The use of a list server (a piece of software that runs on your Internet provider's computer or on your own web server) is a good option. It will automatically manage a list of e-mail addresses. Once you send your newsletter to the list server, it distributes the letter to the stored addresses. For more information on list servers, contact your Internet service provider. If you opt to use another method, make sure you have a plan for handling incoming and outgoing mail when your customer base increases.

7.3 Steps for a successful newsletter campaign

Internet marketing with newsletters is probably one of the most effect marketing strategies. However, the whole process of devising and implementing a newsletter campaign involves considerable amount of planning. Given below are a few guidelines that would help you make your campaign a success.

Step 1: Determine what you can sell online, or how to monetize your site.

Step 2: People use the Internet for information. Try to figure out what information is unique to your business? Everybody is an expert in his or her chosen field. This information is valuable to others.

Step 3: Identify your target audience. Define your audience, and then find out where they are going online for information. E.g. which sites, newsgroups and discussions boards are the most popular. This technique alone will greatly build your traffic as well as your name. You'd be amazed at how many businesses still define their audience as "all people" or "everyone needs my product". This is not true. Contrary to popular business myth, the Internet is not a mainstream medium. Communities are usually quite passionate about their interests. Find your community and become an authority to them.

Step 4: Your website and newsletter content is the information that is your leverage. With proper content, the Internet can be the most successful medium to propagate the essence of your business. Content works in becoming your business's USP. Your content will mean the difference in your site being an online business or merely a 'brochure site'.

Step 5: Create and maintain your mailing list.

Step 6: Produce your newsletter. Email newsletters are great because you can include 'hot links' that will open a webpage. Make sure you include the http:// and almost all email

software will understand it to be an internet address, make it 'clickable', then open the page in your internet browser.

Step 7: Make sure you have auto-responders in place to field often-asked questions, and subscribe and unsubscribe your recipients automatically. (You will always lose a few. Don't take it personally. Make it easy for people to off your list).

Step 8: Never SPAM. Spamming is the practice of sending information to people who didn't actually ask for it. It has been an accepted practice in the offline direct marketing world but for some reason has become a really sensitive issue online. Don't even try it. You could find yourself switched off by your ISP. They will not hesitate for fear of being listed world wide as a SPAM server.

7.4 Getting subscribers and generating leads for your newsletter

There are many different ways of getting subscribers to your Newsletter. Obviously, the first place you should start is on your website, doing this can get you an immediate flow of subscribers. You should advertise your Newsletter and place a sign-up box on every page of your site. Always use the sign-up box instead of a simple email link when you can because the results are far better. The top of the page is a better place for your sign-up box as it gets more exposure but the bottom is still good. Always include a privacy statement telling people exactly how you are going to use their email address and how

you will keep it private, with all the talk about spam nowadays this is bound to reassure them, which in turn will increase the number of new subscribers.

Offer an incentive to your visitors. You should whenever possible offer them a free gift if they subscribe, such as a free report or Ebook. There a hundreds of free Ebooks which you can give away. You are bound to increase your sign-ups by doing this provided you offer them something related to your site's theme.

Next you should submit your Newsletter to all the Newsletter directories you can find, there a plenty of them on the net, and some of them get really big traffic every month. If your articles are good quality and informative then newsletter and website publishers will be interested and your work could end up being published in endless newsletter editions and hundreds of websites. Not only will this increase your credibility, it could result in 1000's more visitors, this is because at the end of all your articles which you allow others to publish will be a link back to your site. Don't forget also if lots or your articles are published on websites then your link popularity will improve drastically. This will result in higher search engine rankings in Google and the other engines which use link popularity as a ranking factor, which or course means lots more visitors and profit for you.

Include details of your newsletter in your signature file. This is the little bit of text that you attach to messages you post on the Internet and the emails you send to people. You then can promote your Newsletter through you signature when you post in email

discussion groups. Email discussion lists are great ways of communicating with people who have similar interests as the topic of your Newsletter. Contribute to the discussion by posting solutions to problems. You can also mention "We have put together more in-depth advice on xxx. Feel free to visit our website. You'll find loads of free information and resources."

This technique alone will drive much more traffic into your site. It also begins to establish you, the author, as an authority in your field. Once your online customers come to trust your information, they will also trust you enough to buy from.

Similar mediums to email discussion lists are newsgroups and online discussion forums. Remember that you cannot advertise your newsletter directly in any of these mediums, but having a little mention in your signature is perfectly OK (in most cases). The amount of subscribers you get through your signature file will depend on the quality of your post, if you post an interesting and useful article people will think that your Newsletter will also be useful.

Apart from these, Ad swaps are a very effective way of getting subscribers. You should find other publishers with newsletters similar to yours and trade ads with them. You run their ad and they will run yours. This helps both sides, which is another plus. You should swap ads with publishers no matter how many subscribers they have. Another method of 'swapping' would be to have the other webmaster recommend your newsletter in the

confirmation email he or she sends to people who have just subscribed and you in turn could do the same for him.

7.5 Advertising in newsletters

We discussed earlier the advantages of having advertising space in your newsletters. Similarly, advertising in other companies' newsletters is equally beneficial. By advertising in other newsletters, you can reach an audience which is highly targeted and cost effective. Moreover, you can never be accused of spamming as all the recipients have subscribed to the newsletter. There are so many newsletters out there covering so many different topics that it's easy to find highly targeted ones to advertise in. So if you've matched the newsletter to the product you're selling, you've reached your target audience to a tee.

Almost all newsletters are archived, thousands of people read these archives, and your ad will be seen by these people at no extra cost. This can bring in exposure and extra sales on a long term basis. Besides, newsletter publishers may have already developed a trust between themselves and their readers. Just by placing your ad in the newsletter, it's more likely to be read because it appears in a publication they like and trust.

Newsletter advertising is not only effective, it's cheap as well. A 5 line ad in a newsletter that goes to 3000 people will cost you between $5 and $25 per issue. With so little risk involved, this is definitely worth it.

Buying Ads in Other Newsletters

Just as you can sell advertising, you can also buy advertising in newsletters. You can use those ads to promote your business or to invite people who read newsletters to read your own.

Again, you have to pick your partners carefully. There's no point just picking a newsletter with the cheapest rates; you want to make sure you choose an outlet that appeals to the same buyers as you. You also need to think about where your ad is going to be placed. In general, the higher the position the better.

And the more the merrier too. Don't expect a huge response from a single ad. It's always best to think of advertising in terms of a campaign. You'll get a better deal—and better results—if you reserve an advertising slot for four or five issues than if you buy them one at a time.

7.6 Promoting affiliate programs through newsletters

As many webmasters are now discovering, making money with affiliate programs can be hard work. It is not as simple as uploading some banners then sitting back and collecting commission checks. A more effective way to distribute this content is through newsletters.

As a more creative approach, web savvy marketers are finding that creating a "niche specific" email newsletter is one of the most effective ways to boost profits with affiliate programs. For example, a website about Pets could offer a free newsletter about caring for a pet. The newsletter could include informative articles such as "How to exercise with your dog" and "10 tips on keeping your fishbowl clean", etc. Pet products such as a dog leash, bowl, and toy should then be included with an affiliate link to encourage a purchase.

One of the main reasons why newsletters are a great way to promote affiliate programs is because of the clickthrough rates. Clickthrough rates for a targeted newsletter can reach anywhere from 10 to 15%. This can be significantly higher than banners and buttons. Obviously if you receive more clickthroughs, you will have a better chance of success.

Moreover, promoting affiliate programs through email allows for the removal of some of those slow loading banners from a web site. Instead, web sites can be filled with much stickier content such as interactive bulletin boards, exclusive articles, chat rooms, and voting booths.

Common sense dictates that featured affiliate products should be related to a newsletter's target market. If a newsletter is geared towards senior citizens, this market is probably not interested in the latest skateboard gear. Instead, a better fit would be to feature an online greeting card service that pays a commission for each free registration.

Besides, a newsletter should always be opt-it/opt-out. A potential subscriber must request to be on the list and be given instructions on how to unsubscribe. Benefits of an opt-in newsletter include: higher response rates, fewer undeliverable emails, and time saved on list management.

7.7 Blogs

Blog (also known as Weblog) is traditionally a webpage where pre-surfer or a blogger "logs" all pages he/she finds interesting. In other words, it is a Web page that contains brief, chronologically arranged items of information. Typically updated daily, blogs often reflect the personality of the author.

Weblogs provide a series of annotated links to items such as news stories, and often include personal rants. They are maintained by one person, most commonly someone who is involved in Web design or some other tech-related field.

A blog is often a mixture of what is happening on a particular website and what is happening on the Web, a kind of hybrid diary/guide site, although there are as many unique types of blogs as there are people. Blogs can be used to introduce products to potential customers.

People maintained blogs long before the term was coined, but the trend gained momentum with the introduction of automated published systems, most notably Blogger

at blogger.com. Thousands of people use services such as Blogger to simplify and accelerate the publishing process.

Blog as a marketing tool

Blogs offer huge marketing potential. They are highly strategic tools that can strengthen relationships, share knowledge, increase collaboration, and improve branding. Besides, blogs can represent the real voice of the website.

A weblog can take the form of a diary, a news service (or summaries of and links to current news items on a topic), a collection of links to other Web sites, a series of book reviews or products, reports of activity on a project, the journal of an expedition, and much more. Businesses can use this tool to effectively advertise their products or services.

One of the most interesting ways to use a weblog is by allowing it to function as a discussion forum for customers of your products or services. In this case, the webmaster can give posting rights to other people – visitors and customers, and their posts may or may not be reviewed before they are published to the Web page. Customers, in such a way can post favorable comments about the websites offerings. Some weblogs are set up in such a way that only the owner or the owner and certain other people have posting rights, but anyone else can add comments to the posts.

Weblogs when used with newsletters present immense marketing opportunities:

- Articles within newsletters can be linked to a blog, extending life and creating a massive conversation.

- You can offer a bidirectional forum to customers to get true, personal opinions on your products and services.

- Company experts can start a blog and become industry experts, helping your company edge out competition and, through this interactive forum, draw customers into another exchange of information and thoughts.

- The beauty of this interplay is you can layer your blog with editorial controls.

How to create a Weblog?

The majority of weblogs are now created using software or services designed specifically for this purpose. Some of the software is free - and some of the organizations that provide weblog software will also provide free server space to house a weblog so that it is publicly accessible on the Internet. There are also commercial versions of some of the free software; these commercial versions often provide more features. Some weblog software is available only as commercial software. Alternatively, bloggers can create and maintain their weblog using free software or a free weblog service, but use FTP (File Transfer Protocol) to load the resulting weblog to their own Website.

There are many blogging softwares available easily on the Internet. One of the most popular weblogger is "Blogger" which can be downloaded for free at http://www.blogger.com. Most webloggers simplify the process of Website creation. However, they do require basic knowledge of FTP, Website structures and a few technical terms. Besides, creating an advanced weblog requires knowledge of HTML.

Adapting Blog Concepts to Your Newsletters

Blogs as discussed earlier fit very well with newsletter strategies. A blog is not intended to replace your newsletter. Its purpose is to extend and complement a newsletter strategy, serving customers and prospects in a way that extends your expertise and leadership in the marketplace.

A blog communication is four or five sentences of direct, informative content about a specific issue or bit of news. Think of b-blog content as marketing to inform and educate. Besides, blogs are ongoing. The flow of communication builds a knowledge-sharing platform among a community of like-minded people. Soon, an extensive base of information will develop that becomes important not only to your company but also to the faithful readers who contribute to it.

Another advantage of blogs is that they can serve the purpose of FAQs through newsletters. Blogs can be automatically archived by age in days, weeks, or months. And

they're searchable, allowing readers to easily retrieve the information they need, when they need it.

However, creating an effective blog requires careful planning. Blogs should present as much information as possible while representing the voice of your website. Here are a few guidelines on how to plan and create a blog to go along with your newsletter.

- Like all good communication vehicles, you want to establish goals and objectives. Define your audience, what its needs are, and how best to meet those needs.

- Find someone who can step into the role of pundit, who's willing to be the host. Keep in mind that over time, your blog will develop a personality. Look for a thought leader who's just waiting to be unleashed and empowered.

- Search thoroughly for the right kind of tool to develop the Blog. There are tools developed everyday. Look for ones that serve your purpose.

- Before you officially launch your blog, plan topics that will start the initial discussion. Your readers and customers may be shy about being first to share, so ensure that you or your publisher posts information as needed to get an exchange going. You'll want to include an easy way for readers to respond to the content on your blog.

- Use your newsletter to announce and promote the blog. Offer to email it to subscribers or provide the option, through an icon or link, to visit the blog directly.

- Blog functionality should have the same analytical capabilities as a newsletter. So as with your newsletter, make sure you know who reads what, when, and where.

- You'll want to periodically check in on discussions and see if they flow the way you anticipated and if they meet your goals. If not, as with any newsletter strategy, you may need to refine your approach, depending on the feedback and analysis you receive.

7.8 Planning your Newsletter

Here are some other basic ideas that you can use to plan your newsletter:

Interviews

These are great opportunities for joint ventures. You don't have to interview a competitor, but you can probably find people who work in related fields or clients who have used your product in a unique way. Just drop them an e-mail, ask if they want to participate (and seeing as they're getting free publicity for their business, why shouldn't they?) and then you can actually do the interview by e-mail. Dead easy and lots of fun too.

News

You probably already read the newspapers and magazines that relate to your businesses. They're going to be full of great content that you can use in your newsletter. Obviously you can't just paste them into your newsletter and send them out, but you can report what other people are reporting, provided you give due credit. Heck, you probably notice that they do it all the time. How many times have you seen phrases like, "according to AP" or "Reuters reports that" in the mainstream media? If it's good enough for CNN, it's good enough for you.

Talk to Your Customers

One of the best ways to guarantee that your newsletter will be read by your subscribers is to invite them to write in with their questions. You could devote a section of the newsletter to a Q&A column. You'll have to be careful with privacy, and feel free to edit what they write so that it flows better, but don't be afraid to let your subscribers speak straight to you. It's the best way to come across as an expert and provide advice that you know they'll find valuable.

7.9 Ezine Joint Ventures

You should also be creative in your advertising. Instead of asking for cash in return for advertising space, you can ask for a reciprocal promotion on a partner's newsletter. As long as you're not competing, setting up joint ventures with complementary businesses is a great way to increase your customer base—and boost your sales.

For example, you could trade articles or interview other 'experts.' Or offer special deals on your partner's goods.

I look at joint ventures in more detail in the next chapter, but as you read that chapter, bear in mind that almost any joint ventures you create for your business, you can create for your newsletter.

7.10 Managing Your List: Paid List Servers vs. Free List Servers

As you build up your subscriber list, you're going to find yourself with a problem. Whichever mail program you're using, whether it's Outlook or Eudora or something else, it's just not going to be set up to deal with the kind of mass mailing involved with newsletters.

If you have more than 50 people on your list—and that will probably take you less than a week—you'll need to use a listserv. Don't even *try* to do this by yourself!

My hosting company organize this for me. They have a mail server that handles all the mail. I just send them the newsletter and they send it out. Alternatively, you can use a professional listserv such as Microsoft's List Builder or Sparklist.

There are free list servers available too. While you can use these if you're on a really tight budget, I don't recommend it. First, they stuff their own adverts onto your newsletter. That doesn't just reduce the effectiveness of your brand, it draws attention away from your own ads—provided you can persuade people to advertise on a newsletter like this. But their privacy policies have also come under a lot of criticism lately and even some of the biggest companies have been found to have used their clients' lists to market their own goods.

If you're going to do a newsletter—and you should—it's worth investing in a professional service. That is, after all, what you're offering.

Newsletters then are one of the most effective ways to keep customers, and keep your revenue flowing in. They remind people you're still out there, provide news about deals and bargains, and give customers the confidence to buy. You can put them together in a snap, or even pay someone a pretty small fee to do it for you. If you sell advertising space on your newsletter, you'll even find each issue will pay for itself.

It was mentioned earlier that one of the ways to maximize the revenue from your newsletter was to enter into joint ventures with other businesses. That's what we're going to look at in more detail in the next chapter.

8. Joint Ventures—Partnering For Success

We've already mentioned joint ventures briefly, but in this chapter we're going to look at these kinds of partnerships in much more detail. I can't stress enough how important joint ventures are in creating a profitable online business. It doesn't matter what products or services you're selling, there are always people that you can partner up with in a way that will bring benefits to both of you, without costing you a penny. It's those savings that boost your profits and reduce your costs.

In this chapter, I'm going to explain how to find partners, reveal a number of different ideas you can put into practice, and show you how to keep track of your deals.

8.1 Choose Your Partners

Selecting the right partners is crucial for the success of a joint venture. As always, the best bets are businesses whose services complement your own. If you're selling CD's for example, you could do a deal with company that sells audio equipment, or a music magazine; if you're offering home-made furniture, you could partner up with other home furnishing companies.

Essentially, you want to be sure that you're both appealing to the same kind of market but not directly competing.

One way to find partners is to figure out where they advertise. As you surf around sites related to your business, you'll probably notice that you keep seeing promotions from the same sites. Those are the kind of people you want to team up with.

In fact, you don't even have to look further than your inbox. You probably already get a whole bunch of newsletters from companies in related industries, and are already pretty familiar with their business. Your first choices for joint ventures then will probably be easy to think of—and they'll probably be the best ones too.

If you want to expand the scope of your partners beyond the immediately familiar though, it's worth downloading Alexa. This is a neat little software tool that plugs in to your browser and ranks websites based on the amount of traffic they receive. That makes it pretty useful when you want to be sure a potential partner has a decent amount of users to send you. It's also free.

You can then do a keyword search, pick the top ten sites, and use Alexa to get an idea of how big those sites really are. Alexa will even tell you the name of the webmaster and give you a contact number.

Of course, it's one thing to get in touch with a potential partner, it's quite another to get them to agree. In my experience though, this isn't really a problem. About 80 percent of the people I contact already know me and understand exactly what I have in mind. Once

your business is up and running, you'll probably find that's true too. The whole negotiation takes nothing more than a couple of emails and maybe a five minute phone call.

Even a cold call gets pretty decent results. In general, I start with an email introducing my site and suggesting a partnership. It's pretty rare not to get a reply at all, and about half of my proposals result in a deal.

So what sort of partnership do I suggest? In practice, that depends on who I'm writing to. Clearly, you want to make sure that you create a joint venture that uses your partner's strengths to strengthen your own services—and your profits.

Here are three different joint ventures that I use regularly and profit from:

8.2 Joint Subscriptions

This is a newsletter joint venture. A user comes to your site and signs up for your newsletter. They then get a thank you message inviting them to sign up for other newsletters that they might find interesting. Those other newsletters are your joint venture partners. In return for an advertisement on your site, you get the same on theirs. You want to be careful not to pester the user so the invitation needs to be kept simple and well targeted.

8.3 Exit Pop-ups

Exit pop-ups have become an increasingly popular way for Internet-based companies to work together. The fact is only a tiny percentage of the people who visit your site will actually give you money. The rest will just click straight through. The problem is that you're paying for all of those users. Whether you're buying them on a search engine, an advertisement or some other deal, you're paying. The more ways you can find to turn those users into money, the better.

Exit pop-ups present another website to a user as soon as s/he leaves your site. The advantage is that your users aren't bothered until they actually leave (in which case they're no longer your users), and you can choose which pages generate the pop-up. So if a user comes to your home page and then clicks away, they get offered your joint venture; if they purchase, they don't.

On the downside, most exit pop-ups are with competitors which means you're getting good users but giving them extra business. Users also find them annoying.

You can approach another site directly to arrange an exit pop-up joint venture, or you can use any one of a number of different companies to join a wide ring of sites offering the same service. WebTrafficSwap.com for example, gives you two users for every three that leave your site. They also make sure the users you receive are well-targeted and unique. They're a pretty useful site if this is the way you want to go.

8.4 Plug Your Pals

There's no need to be too subtle with joint ventures. There's nothing wrong with using your email list to simply send a marketing letter to your subscribers to plug your partner's products. You'll have to negotiate a good deal for this in return—one that includes a mail-out of at least a similar scale.

Ultimately, a successful joint venture depends on providing services that are truly complementary. Offline for example, a computer technician could make a deal with a computer store offering customers free installations and advice in the first three months after their purchase. He'd get access to a pool of potential customers; the store gets an extra service to offer its users. Online you can use similar special offers to truly boost the power of your partnerships.

8.5 Strengthening Your Joint Ventures

The best way to make your joint ventures truly successful is to use exclusivity. Offer your users something they can't get anywhere else, even if it's someone else's services, and you make your users feel that they're getting a real value by knowing about your site. Of course, if you want your partner to give something truly valuable to your users, you'll have to do the same for them. That's not really a problem though. You don't have to give them all gold watches, but you can offer them a discount or a special offer.

For example, I get a newsletter every week from a marketing guru. Just about every edition he sends me contains at least one offer of a book or some other product at a bargain rate. Those products come from his joint venture partners, and I assume that he's doing the exact same thing with his products on their newsletters. I get a lot of newsletters, but his is one I always read. I never know what sort of offer I'm going to be made next, and I know that I'm getting a real value in return for my free subscription. If you've got a good relationship with a joint venture partner, these are easy to arrange.

8.6 Track Your Joint Ventures

Whenever you enter a deal, whether it's listing a keyword on a search engine, buying a banner ad, or entering into a joint venture, it's crucial to track your progress.

The only kind of joint venture you should enter into is an equal one. There's no point in sending thousands of users to a site that only sends them back in the hundreds. You're going to wonder what you're getting out of the deal and if you can't get more somewhere else. You probably can.

How you track the responses will depend on the particular joint venture. If you're swapping users, any traffic monitoring script should keep you in touch. Otherwise, you'll have to monitor sales—ultimately, the best way to monitor your progress.

Joint ventures are one of the most enjoyable ways of promoting your business. Working from home can be pretty lonely. When you start to set up joint ventures not only do you

get access to the customer bases of other entrepreneurs, you also build up a network of other people working in the same industry. There are benefits every way you look.

8.7 Keeping Your Customers

The whole point of joint ventures is to generate customers. But even more important that getting them is keeping them. It costs much less and bring in much more money. Before we go on to talk about products, I just want to stress the importance of marketing to your *existing* customers.

At the end of every month I sit down with my stats and sales figures, and try to figure out answers to the following questions:

1. What percentage of my sales came from repeat customers?

2. Do my customers believe that they are important to the success of my business?

3. Did I go out of my way to learn all about my customers and keep them interested in my products?

4. Did I check out my competitors to see if they're offering customers something that I'm not?

5. If a customer complained, how quickly and adequately did I respond?

6. Were orders filled correctly and did I offer bonuses to particularly loyal customers?

7. If I heard about a customer who went elsewhere, did I try to win him back?

It doesn't take long to answer these questions, although it does take a bit longer to put new procedures in place if an answer comes up 'no'. But it's definitely worth the effort. I'll confess, I went into this for the money, but I love getting letters from satisfied customers praising me for my service. The fact that it pays to do that too, is a real bonus.

Essentially, there are two golden rules for providing great customer service: punctuality and politeness. Always answer your customers as soon they write to you and send out their goods as quickly as you can. And always maintain a professional, business-like manner with them. It doesn't matter how much they complain or moan, or how unreasonable they are, remember that you're a professional and keeping your cool is part of your job. It's all about customer satisfaction.

So now you know of a whole range of different ways to promote your website. You know how to use search engines, buy advertising and build affiliate programs. You understand the benefits of newsletters and how to set up joint ventures with other people selling on the Web. In the next two chapters we're going to look at precisely *what* you can sell on the Web, starting with information products.

9. Selling Information Products Online

In my experience, before most people set up an online business they've already got a pretty good idea about what they want to sell. It's often something they've worked with in the past or something they use in their spare time, like model aircrafts or football memorabilia. The Web, they believe, is the perfect way to get those products to the public with little expense.

But not everyone comes online with an idea in hand. In this chapter and the next, I'm going to look at two kinds of product you can create and sell on the Web: information products and software programs.

Let's start with information products.

On the Web, information products mean e-books. These are small books that are downloaded from the Web (like this one) and are usually aimed at niche markets. It costs a lot of money to make a print book and if the market is small, few publishing companies are going to bother with the risk and the expense. E-books cost little more than the time it takes to write them.

And anyone can write an e-book! You don't have to be John Grisham or the world's leading expert to write a book. Everyone knows something that other people don't know,

whether it's how to fix a TV or how to tell the difference between a blue tit and a crow. You don't even need to write it yourself. If you've got an idea for a book, simply find yourself a ghostwriter, tell them what's on your mind and get them to write it for you!

9.1 Finding a Writer

If you don't want to do the writing yourself, finding a writer for your e-book is dead easy. Finding a good writer though is a whole other ball game. Everyone and their aunty thinks they have what it takes to win the Pulitzer if someone would just give them a chance, but even most college graduates have a hard time constructing a sentence, let alone writing a complete book. And you don't want any old book. You want a book your readers will enjoy reading in a style that speaks to them.

If you've already hired someone to write your newsletters for you, they're probably going to be the first person to ask. Every time you hire a new writer, you're taking a risk. You'll have no idea how talented they are, how much they know about your industry or how well they can write in the style you need. A writer you already work with though, does know about your industry—and you know how well they can write.

If you don't have anyone on call though, Elance is a good place to search. Again, check the portfolios carefully and pay attention to people's feedback. Elance encourages its clients to review the work of the people they hire. These are great pointers to the reliability and skill of a writer you're thinking of hiring.

One little tip for hiring writers on Elance is not to pay too much attention to the amount of work the writer has done in the recent past (another little piece of info Elance gives you). You don't want to hire someone who's too stressed to give your book the attention it needs, and just because someone's new to Elance, or doesn't use it very much, doesn't mean they don't have a lot of experience. They might have a lot of clients outside Elance.

In short, you want to find someone who can show you an e-book they've already written and ideally on the subject and in the style you want.

Now, once you've made the hire, it's important to remember that you're paying someone to do the writing not the thinking. It will be up to you to supply the writer with all the information he needs to get the job done. The more you help the writer with the ideas you want the book to contain, the greater the chance you'll get the product you want.

And finally, don't be surprised if the writer demands that you stump up some cash in advance. On Elance, a deposit of as much as 50% isn't uncommon. This a result of all the unscrupulous buyers who have bought services and not bothered to pay the bill. Too many writers have been stung in the past and most of the more established ones will want to see at least some cash to know you're on the level. There's often room to negotiate the deposit though, and you can sometimes use milestones to lessen the risk on both sides.

9.2 What Can You Write About?

In essence, there are four categories of books. Of course there are a plethora of subcategories in each of these main categories, but the main ones are:

9.2.1 Pleasure Books

Usually fiction: novels, short stories, poems, romances, sci-fi, historical, adventure or humor are the most popular, but they're all hard to sell online. Most people prefer to buy fiction in stores.

9.2.2 Inspirational Books

Spiritual books, devotional writings, uplifting life-experiences, Biblical or other religious writings, stories from the heart, or life-changing principles. A select market that you need to know well to make pay.

9.2.3 Study Books

There is a constant need for reference material both for business and academic use. This could cover everything from supplementary reading for school kids to advanced math tutoring for university students. Know something others don't?

9.2.4 How-To Books

"Do-it-yourself" and self-improvement books. Straightforward approaches, pictures and analogies that teach everything from archery to amateur zoology.

Although *all* these types of books sell, the how-to-books and guides are by far the best sellers on the Web. You don't have to be massively original here. The most profitable books are those that offer a slightly new take on a topic with proven popularity. There's no point in picking a subject that only interests you and your best pals.

I've found that these are the ten most popular—and most profitable—topics for "how-to" e-books.

1. Making money.
2. Saving money.
3. Saving time.
4. Saving effort.
5. Building a more comfortable life.
6. Achieving greater success.
7. Solving a problem.
8. Increasing knowledge.
9. Attaining better health.
10. Gaining information.

Those are pretty general, and clearly you're going to have to generate ideas that focus on a particular topic. A book entitled "Making Money" isn't going to sell many copies; a book entitled "Making Millions in Your Pajamas" will.

When you're looking for a topic, first make sure it's a subject that you do actually have some knowledge about—or alternatively, make sure you hire a writer who does.

If you've found a subject that no one else has touched, or even come close to touching, it's unlikely that anyone will want to read it. The reason that there are millions of romances on bookshelves—and almost all of them the same—is that publishers know they sell. And like you, they're interested in making money not breaking new ground.

So how do you assess the popularity of your chosen topic? Here's a simple three-step process:

1. Identify keywords for your book idea.
2. Conduct a search of your keywords to determine how many people are searching for the information you're putting out.
3. Run your keywords through the search engines and look for the following information:
    A. The number of e-books already available on the subject.
    B. The number of paid sponsor ads for the search. This indicates that there is interest on the subject—otherwise big companies wouldn't be wasting their marketing budgets to sponsor the searches.

And what does all this information tell you? First, it tells you whether there is a market at all; and secondly it tells you whether the market is saturated.

9.2.5 Choosing the right topic

We discussed earlier the importance of choosing the right topic or your Ebook. The Internet is primarily used to communicate, entertain, educate and research. It is thus no wonder that nonperishable, information-intensive products - including books, travel guides, magazine subscriptions - are the most popular online products at present. Content-rich sites, subscription-based sites to advertiser-supported sites focusing on a wide range of topics, have been sprouting all over the Internet.

Ebooks and guides on various subjects have been prospering in the recent past. Anything you can put in a physical book, you can put in an Ebook. You can sell just about any content — as long as you have an offering that has a market and an ability to get it (legally) to your customer. Yes, there are exceptions. In some cases you might be competing with big companies with a chunk of the market share.

Here are some categories that you may pursue:

Personal advice, motivation and self help sites

There are several sites aimed at the individual - mainly motivational and self-betterment sites. Such sites offer tips, articles, advice and counseling on how to build self-esteem and self-confidence and reduce stress for a happier life. You may also provide great inspirational quotations, inspirational stories, motivational poems, and other resources to motivate and inspire your visitors. It could include psychology tests, IQ tests, emotional intelligence tests and personality tests for self-help improvement.

The market for personal advice and counseling, especially for students is pretty big. You can provide educational counseling through such sites. Professional advisory information and training is covered in a subsequent category.

Fitness and health, diets, weight loss sites

These sites provide complete guides, articles, tips and counseling on proper eating and exercising habits, benefits of diet and exercise, fitness techniques, diet articles and diet tips, weight loss, as well as some of the popular diet plans. It includes tips from fitness experts, reviews of fitness and diet programs, message boards, forums and discussions on health and fitness.

Information of various nutritional and diet supplements, healthy and non-healthy foods can be included. Some of the popular fitness and health sites are eDiets.com and WeightWatchers.com.

Not all the sites are comprehensive in nature; most in fact focus on some specific program(s) and try to promote those programs to their members. Members are provided not only great details about some proprietary programs, but also personalized guidance to suit their individual cases. Members are also able to share their experiences. Generally, such sites will also offer privileges and discounts to their members to avail of fitness equipments or nutritional supplements or membership of fitness clubs.

Credit Help websites

This category includes sites offering access to consumer credit history records and related content, for example ConsumerInfo.com and CreditExpert.com. Such websites also offer credit counseling and tips as well as credit consolidation services. Articles, guides, and tips for credit improvement are provided.

Medical research websites

These sites focus on medical issues and/or health insurance. Medical research websites provide an extensive listing of research resources on various diseases and promotion of health through public education. It includes clinical information as well as information about doctors and hospitals in all states. Information on medical ethics and fraud is also provided.

Medical Journals, publications, and articles are often presented. Such websites are a good resource for lists of National Institutes of Health, medical encyclopedias and dictionaries, and extensive information on prescription and nonprescription drugs. Apart from these, all information related to Medicare and health insurance can be found on these sites.

Consultants, paralegal and legal researchers and consumers are amongst those who have interest in such sites.

You may also like to consider a site that provides information on health and medicine for the general public or for a specific target group, say women, nursing mothers. While there are quite a few sites that offer this type of information free, there is room for those that can provide uniquely targeted information. Alternate and complementary medicine and therapy is another area evoking considerable interest and audience.

Personal Finance and Investment

These sites offer advice and tips on managing personal finance and investments. These include articles and guides from financial experts and assist in retirement planning. Such sites provide comprehensive information on various investment plans such as investing stocks, mutual funds, bonds, real estate and so on. They also offer advice on taxes.

Finally, once you have selected your subject, it's just a question of putting it all together and making the sales. Show it to your friends and colleagues to get their feedback, add some pictures to break up the text if you can, and upload it onto your server.

Your basic sales method is likely to be through a website, but e-books also make great bonuses, joint venture opportunities and ways to add extra value to your sales.

Information products have two great advantages. First, they're dead easy to put together. If you've always thought of yourself as a bit of a writer and want to do it yourself, you can have fun and hit the keyboard. If you'd rather pay a pro, you can probably make the money back once you've shifted about thirty or forty copies—follow my marketing methods and that will take you less than two weeks.

Best of all though, information products give you an unending stream of revenue. Once you've uploaded the book onto your server and set up the website and payment system, they money pretty much rolls in by itself. There's no shipping, no inventory, no fiddling about with order sheets. You just keep an eye on the marketing, make sure the users keep coming and count the number of times people download. Put a series of books like this out, combined with my marketing methods and you're looking at a very nice way to make a living.

You can also sell a range of other products. One of these is software, which is discussed later on in this book. For now, lets examine some other marketing techniques such as Press Releases.

10. Press Releases

Press releases, also known as news releases, are brief documents that are used to communicate news (not advertising) to the media. Although a one-page news release is the most basic of publicity tools, it is also one of the most powerful documents that your company can possess - IF it is used correctly. Just one news release has the potential to receive publicity that reaches thousands of potential customers.

Your press releases will provide publicity that will:

- Increase your sales
- Increase traffic to your Web site
- Give you and your company recognition and credibility
- Increase your profits for a relatively low cost
- Save money

Press release distribution is an extremely cost-effective Internet marketing tool. It can build more credibility than any other Internet marketing technique because most readers are more likely to trust independent authorities such as reviewers, columnists, reporters or broadcasters than an over hyped advertising message. A well-written press release can dramatically expose your company to the masses, and greatly enhance the image of your business.

10.1 Writing an effective press release or news article

Although common practice in the corporate world, press releases are an example of an all too often overlooked potential for business growth, exposure, and traffic generation.

Press releases, done correctly, can garner the online business significant, low cost marketing via interest generated in writers and editors across the globe. These interests can develop into stories, features, or even a mere mention that can send traffic counters reeling, and sales through the roof.

Developing an effective press release is an art form all its own. The content must be creative, eye catching, and somehow moving to the reader. Though this sounds much like the creation of a successful marketing campaign, the idea here is to assemble a final release that communicates ideas and features in a manner that makes the copy of interest to the news-hungry.

One of the most important lessons that you need to learn is that writing media releases is all about developing a persuasive communication within the framework of a traditional news story format.

Editors will quickly trash media releases that make outlandish promotional promises -- "the best ever," "everyone wins," "one-of-a-kind," "changing humankind forever." Instead, you must think like a reporter. Media releases must follow journalistic style in

order to be given any kind of consideration. How do you accomplish this task? Here are some tips:

Collate and organize your facts

Contrary to what most people think, a journalist actually spends the bulk of his time in collating information and facts. When everything is ready, it is not uncommon for journalists to finish writing the story in just half an hour.

How should we go about collating all the information and facts surrounding a particular event? A simple rule of thumb is to find answers to questions pertaining to the who, what, when, where, why or 5 Ws of the event. And we do not stop at just the absolute facts and figures. These must be presented in the right perspective relative to some industry norms, trends and statistics. You may have to undertake some researches by going through past industry and newspaper's reports.

Identify your story's angle

Now that you have collated all the relevant facts and figures, the next step is to identify the "angle" or headline of your story. A good story angle must have the following three attributes:

- It must be the most important fact in your story.

- It must be timely.

- It must be unique, newsworthy or contrary to industry norms and trends.

This story angle must be presented in the first paragraph as well as the headline of your press release. Most newspapers employ an "inverted pyramid" format that presents the most important information in the opening paragraph, follows by other information that support or develop the key points raised in the first paragraph.

Create a catchy headline

By all means, keep your headline short and simple using less than ten words. It should convey the key point raised in your opening paragraph in a light-hearted manner that catches people's attention and imagination.

Write in third-person voice

Unlike an emailed newsletter that is written in a personal voice, a press release must be presented objectively from a third person point of view.

The reason is obvious. Every journalist has a duty to provide his readers with impartial facts and figures. He must not be seen as endorsing a company's products or services.

Some of the guidelines are listed below:

- Refrain from using any sales pitch in your press release.

- Remove "you", "I", "we" and "us" and replace them with "he" and "they".

- Provide references to any statistics, facts and figures raised in the press release.

- Refrain from expressing personal opinions, unless they are done in quotes.

- Draw conclusion from facts and statistics only - not general opinion.

Provide "quotes" from the newsmakers

As a newsmaker, put your most important message down into a quote. Reporters always use quotes from the newsmakers to add an authority voice to their reports. If your press release contains quotes that are important and relevant to the story, chances are high that they will be replicated in full in the published article.

Provide additional background information

You should end your press release with an appendix that provides brief background information on your company, newsmakers as well as who to contact for further information.

Identify your readers

Do you understand your consumers well? As marketers, it is important for you to recognize the profile and buying behavior of your consumers. Information such as their age groups, interests and preferred media would come in handy when you want to reach out to them effectively.

The key to an effective communication, whether verbal or written, lies in presenting your messages to interested audience or readers. Whenever possible, you should only send your press releases to those media whose readers' profile matches that of your target consumers.

You must send your press release to the right persons in order to increase the chance of having your story published. Look through the chosen newspapers and identify those reporters who cover events or activities that share the same theme as your products or services. You can identify the reporters by the articles' byline.

Prioritize Your Messages

Before you start writing a press release, you should list down all the relevant facts and details on a piece of paper. This is a good writing practice. It helps you organize your story better. I encourage every writer to make it a habit to do so.

How should we go about collating all the information and facts surrounding a particular

event? A simple rule of thumb is to find answers to questions pertaining to who, what, when, where, why or 5 Ws of the event. And we do not stop at just the absolute facts and figures. These must be presented in the right perspective relative to some industry norms, trends and statistics. You may have to undertake some research by going through past industry and newspaper's reports.

The next step is to evaluate and prioritize the facts according to their relative importance in conveying your intended message to the media. The most important fact will form the basis for your story's angle.

Relate Message to Readers

What you want to say about your product or service may not be the same as what your readers want to know. What this means is that you and your readers may look at the same event from totally different perspectives.

To kindle your readers' interest, you must present your intended message from their perspective. If you have done a good job in understanding your readers, you should have no problem in empathizing with their view and interest.

Remember that practice makes perfect and the best way to learn how to write an effective press release is to observe how business news are reported in the business section of your newspapers.

10.2 Press Release Distribution

Press Releases should be distributed to various publications. Smaller companies should start local and small. Here are some distribution tips:

- Local and/or small media are most likely to be interested in your story and it's the perfect way to hone your release writing skills. Try local newspapers, trade journals, industry specific magazines, websites, radio shows, and television shows. Don't send your release to just anyone, or you could be accused of spamming.

- Always remember to get specific contact information for your press release. A release address to a particular person will receive a lot more attention than a general release sent to the media outlet.

- Familiarize yourself with the editor or reporter's work. Find out the method she prefers to receive press releases. Don't automatically send them by email...some will prefer mail or fax. Find out their deadlines.

- If you are sending your release by email, never send an attachment. Copy and paste your release into the body of the email. Never send a bulk email. Address emails individually

- For your local media, check the publication or their website for information on how to submit a release. Do a search on popular search engines for websites in your industry that might just be interested in running your story. MediaPost

(www.mediapost.com), which is an extensive directory for US media, may be a good place to submit press releases.

- Submit your site to a few online newswires and news websites. There are a number of sites that require payment. However, there are a few good free websites as well. Some of these are www.prweb.com, www.free-press-release.com, www.usanews.net and so on.

- If your budget permits, you may contact a good Press Release Agency. Such agencies distribute your press release to various industry specific websites and publications for a fee. However, care should be taken while selecting a PR agency. Some of these may just spam instead of targeting various sources.

10.3 When should you distribute Press Releases?

Press Releases should be distributed every time something newsworthy happens with your website or products. The key here is newsworthy. A press release may easily be considered spam if the reader feels that the content of the press release is not interesting.

Given below is a list of events when a Press Release can be distributed:

- The launch of your website

- When you add new services & products:

- When you arrange events like public speaking engagements, open houses, seminars, fairs and so on.

- If your company creates new partnerships

- When you run contests on your website

- If you are arranging fundraisers & donations

- If your company or product gets a major award or accomplishment.

Press Releases can be an effective tool for marketing your products. As discussed, you can hire professionals to create a valuable press release for your company. However, this would add to your costs but nevertheless, it definitely is worth it.

In the next chapter, we will discuss a very interesting form of marketing known as Viral Marketing. Viral Marketing is probably one of the cheapest forms of marketing, yet extremely effective.

11. Viral Marketing

Viral Marketing is defined as "Any advertising that propagates itself the way viruses do"; E.g. When Hotmail users send e-mails, they "infect" the recipients with the tagline at the bottom of their messages. Viral marketing denotes any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message's exposure and influence. Thus, the name "Viral"! Viral Marketing is also called V-Marketing, organic marketing, word-of-mouth marketing or word-of-mouse marketing.

Viral Marketing works best when it induces Web sites or users to pass on a marketing message to other sites or users, creating a potentially exponential growth in the message's visibility and effect. In simple words, you pass your message on to 10 other people – each of these 10 people pass on that same message to 10 other people and so on. Such collaborative communications, by nature, needs others in the chain. Everyone simply tells everyone else. ICQ, a service that prompts you when selected friends or colleagues are also online, is an example of a service that is viral by its nature. Its users want to tell their friends about it so that it will be more useful to them.

Viral communication is clearly an enormous opportunity for creating brand growth. Get it right and the rewards are enormous. Your consumers will spread your message for you, at astonishing speeds to a phenomenal number of people. Get it wrong and your carefully crafted proposition will get little further than the marketing director's in-box.

11.1 Viral Marketing is not a pyramid scheme

MLM (Multi-level Marketing) has its own detractors as well as champions. It is important to point out here the main differences between MLM as is generally practiced and the viral marketing concept that is being discussed here. Just as MLM differs from the infamous pyramid money making schemes (that were grand con efforts), viral marketing is significantly different from MLM.

The major criticisms against MLM are two:

MLM thrives on an unending infinite multiplication through down line proliferation. At the same time, what is being marketed is a physical entity. The participants in MLM are oblivious of the fact that there is a limited supply of the products and there seems to be no one controlling the chain and ensuring that supply can be matched with demand. If the market were to get over saturated, and there is no supply to meet it, the people at the lower rung of the chain are going to get burnt. Those who joined early have nothing to worry as they have made their bucks from their down lines. The criticism thus is that the persons who started this and the early perpetrators in the chain have not pointed out to their down line that there is a limit to how far the chain can actually see fulfillment. Moreover, the participant has first to pay a deposit to join the chain. As long as he/she can see their returns from the deposits coming from their down line, everything is fine. When this stops (due to supply constraint or failure of the primary seller), there would be

large number of participants at the lower rungs who paid deposits expecting to recover it from their promoted down lines, but cannot do so.

The second criticism arises from the fact that what the participant is earning from is from the participants' down line and not from the actual sale of goods or any tangible value. Thus what is being marketed is a dream and the economic theory tells us that this cannot go on.

Well, viral marketing, as we are discussing does not suffer from any of the two lacunae. What you are selling is primarily information, and the transactional cost of either supplying the information or of spreading the message is very low. Thus the risk factor is practically negligible. There is no supply constraint. You can sell as many copies of the e books as there would be persons that you can find in the chain. Moreover, there is no deposit being asked; the upfront investment, if any, is minor. You will not be faced with a situation where you have signed up down lines, but have nothing to offer. Also remember that content that can be offered can be as varied as you get persons to join the chain.

Secondly, the earnings being made are from tangibles. They are from real people visiting sites and subscribing to the information that is provided or through buying of other goods and services that were advertised. This is not a get-rich-quick scheme. It is one of those wonders that are offered by the internet medium and technology.

11.2 Viral Marketing through Ebooks

Viral Marketing can be performed in several ways. Many of these different forms of viral marketing have enjoyed enormous success over the years. Viral marketing has been applied to emails and the World Wide Web alike. Another proven technique is the use of E-books as a powerful tool for Viral Marketing.

Ebooks or Electronic books are self-contained "executable" files of HTML. This HTML may be a web site you've created or HTML you've specifically prepared to be compiled into a downloadable .exe file for distribution. When downloaded, this file will self install on your client's desktop.

Ebooks are very similar to normal physical books in the sense that they are rich in content. They are a huge resource for information. Anything you can put in a physical book, you can put in an Ebook. If your site is about tropical birds, why not write a tropical bird guide. If your site is about web design, you could write a beginner's web tutorial.

An Ebook basically is a packaged offline web site that allows authors a great deal of flexibility in presentation of content. Ebooks can be downloaded from your website and stored and read offline at any time. Ebooks come with user friendly navigation tools that lets the reader skip to any page or search for any keyword in the Ebook.

Ebooks can be completely interactive with the Internet and can contain live links, graphics, forms, JavaScript, embedded video, audio, animation and more. Hyperlinks and internal search engines enhance navigation, allowing the reader to find items of interest quickly and easily. Ebooks combine the functionality and purpose of physical books along with complex software.

Ebooks will play a very important role in Viral Marketing over the next few years, no matter what the product or service offered by a company is. How can your business benefit from the Ebook direction especially in terms of Viral Marketing? Read on to find out.

Why are Ebooks an effective viral marketing tool

Here's how viral marketing with Ebooks works. First of all, it is essential that your Ebook contains interesting information. It is very difficult to market something if it is of no use. Readers of your Ebook should get to learn something from the Ebook. In this sense it is very similar to a physical book. A reader would throw away a book after reading a page or two if he/she finds it to be boring and dull. The same is the case for Ebooks. No one would want to download your Ebook if it is not rich in content. In other words, your Ebook should have some useful information that the reader wants.

To use Ebooks effectively as a viral marketing tool they should be offered to visitors of your website for free. The production and distribution costs of an Ebook are generally very small. This is what makes it an effective tool for viral marketing.

The Ebook would have the layout and feel of your business service or product, which would familiarize readers with your brand. The Ebook you create would have a message promoting your website and a link to it. This will bring back the reader to your website and create an opportunity for more business. Thus, Ebooks can contain advertisements or links to your website that would persuade the reader to come back to your website. For example, a footer on every alternate page can have some message about your business and a link to your website that would interest the reader and encourage him to visit your website by clicking on that link.

How does Viral Marketing come into the picture here? How do you ensure that Ebooks can be given to more and more readers and in turn generate traffic for your website? A very simple way of doing this is to allow other visitors to your website to either download your Ebook for free or sell at a very nominal rate and then allow them to sell the Ebook to their customers. Be sure to include hyperlinks to your web site all over - at least one in every two pages. Also, you can include brief advertisements and all kinds of other things. The advantage of such a strategy is explained in the above paragraph.

Your customer can either upload the Ebook on his/her website or offer it individually to his/her friends through email in the form of an executable file. Note that Ebooks can be

created in the form of executables (.exe) with the help of various software. These software(s) are explained later.

To make the Ebook more appealing to your customers you can offer them incentives. For example you can offer your customer a commission every time a person visits your website through your Ebook on your customer's website. Tracking software can be integrated with your website that would give you a detailed analysis of all your visitors and track the website from where they were directed to your website.

This will allow not only your direct customers but also customers of other people selling your Ebook on their websites to come back to the source of the Ebook, which is your website. This will benefit your customers in two ways. First of all he/she can sell your book at his/her own price. The second benefit is that every time your customer brings in traffic to your website through your Ebook, he/she would get a commission. Your customers can again employ the same strategy and allow their own customers to market the Ebook, thus, making the Ebook viral.

To further benefit from Ebooks, allow your customers to copy, change, and co-brand the Ebook, which would contain a few ads and links about their own sites in addition to your own links. This will also help your customers to generate traffic for their websites. This is a proven strategy and should be employed.

Ebooks are one of the best promotional tools online. With its vast variety of uses, just one quality Ebook development and distribution can produce an on going viral marketing tool that will work 24 hours a day, seven days a week and multiply itself by leaps and bounds.

Tips for creating an Ebook

- The most important aspect of an Ebook is the content. Unless, the content is well written and interesting, you would find it hard to attract customers. The importance of content in your Ebooks is already known.

- The format of the Ebook is very important. You may create an Ebook using Adobe Acrobat (.PDF format) or as a solid .exe file. An .exe file is recommended. . The main advantage of using PDF is that it works with almost all operating systems whereas executable files generally cater to only Microsoft Windows users. A more detailed explanation of all popular formats for creating Ebooks is given in the section 2.1.4 – Comparing different formats for Ebooks.

- Make sure your source code is protected. This should be done for security reasons. Your source code may allow unauthorized users to hack into your website which is the last thing you would want from a marketing campaign.

- Allow icon customization (allow using custom icons for your EBooks).

- Allow resizing of the compiled EBook to the preferred size. Resizing and icon customization basically allow your customer to change your Ebook according to his/her preference. You should allow your customers to reformat and edit content from your Ebook. However, care should be taken that they are not allowed to

delete advertisements and links to your website. Making links and advertisement un-editable can be done while creating the Ebook.

- Allow co-branding of your Ebook. This is a very successful strategy and gives your customers a huge incentive to download your Ebook and pass it on to their customers.

- Create an Ebook search function. This provides easy navigation. Readers should be able to skip to any page in the Ebook directly. They should also be offered keyword search functionality that enables them to search for a particular keyword in the Ebook.

- Support Flash Files, Shockwave, JavaScript, DHTML, Audio, Windows Media, Midi Files and other formats.

- Insert a tracking feature in your Ebook that not only tracks users downloading your Ebooks but also provides different statistics.

- There are many Ebook generators available on the Internet that provide the functionality described above. You can also start your Ebook campaign by buying Ebooks from other users and then reselling these Ebooks.

EBook Generator Software

There are several software packages available online to assist you in compiling your Ebook. These generators assist you in each of the functions mentioned in the above section on Tips for Creating Ebooks.

The Prices range from $30 to $149.

E-ditor: This is a nice ebook compiler that includes a step by step interface that will guide you through the entire process. Unlike other programs, this compiler comes with five "skins" to enable your ebooks to have a unique look. It also includes a pop-up message box that loads prior to your ebook loading when your ebook is launched. This box can contain system requirements, copyrights or whatever text you'd like. Cost: $97.00

http://www.e-ditorial.com/

Ebook Edit Pro: This is a great ebook compiler. Not only is it easy to use, but it also includes a pop-up message box that loads prior to your ebook loading. In addition, you can select which buttons you would like to be displayed such as, navigational, print and home buttons. It also has an added feature that enables you to include an affiliate ID within every ebook you create and make money for referral sales. An Affiliate ID is given to any user who joins the affiliate program provided by Ebook Edit Pro. Any eBook you sell or give away will have your affiliate ID embedded. If someone clicks the link, you will earn commission if they purchase. Ebook Edit Pro also has a free demo on its website.

Cost: $64.95

http://www.ebookedit.com/

Activ E-book: The great thing about this compiler is that it assigns an ESBN number to each ebook you compile. It also has a free demo that is fully functional for up to 10 files to be compiled (including graphics). You can create and distribute ebooks with the free demo, but you must register the software if you'd like to sell your ebooks. Cost: $29.95

http://www.ebookcompiler.com/

WebCompiler: This program is a little complicated the first time you use it however, once you've figured it out, you can easily create an ebook. This program will allow you to use your own product icon and also includes a search feature.

Cost: $149.00

http://www.webcompiler.com/

11.3 Viral Marketing through Emails

Email is one of the best ways of spreading your message - it's fast, cheap and, most important of all, it can be viral. Have you ever sent a message to your friends, maybe a joke or a story, only to have it sent back to you days later with several other email addresses in the CC field that you don't recognize? That's because your friends have sent it to their friends, and these friends in turn have sent it to their friends and so on. The Email chain is endless.

It's fair to say that email is an ideal mechanism for viral marketing, because a message can be spread to multiple recipients almost instantly.

Email allows us to touch people at any time and in any place. Email enhances a whole dimension of branding by allowing our brands to be directly connected to the times and places in which we deliver them. Because we can touch people more precisely, we can brand ourselves more precisely as well.

Email that you send to your customers and friends, if interesting, would be again forwarded by your customers and friends to their own customers and friends.

A good illustration of viral marketing through Emails is through Ezines and newsletters. The term Ezines is coined for publications sent through Email. These publications could be anything – articles related to your website or business, press releases for a new service offered by you or any other write up inviting people to visit your website.

Email Newsletters or Ezines

We had a whole chapter on Newsletters. However, what we didn't discuss then is that newsletters can be a great viral marketing tool. If your newsletter contains information of value, such as tips, hints, news or tutorials, you'll find that subscribers will forward it on to others.

The use of newsletters can also help build content for your web site which increases search engine visibility. Another great benefit is that your newsletters, or ezines or ebooks will proliferate links on many sites that point to your site. Several leading search engines, primarily Google use Page-ranking algorithms that measure how many links point to your site and rank your page in search findings accordingly. The way to do it would be to promote uploading of your material on your customers' sites.

Most importantly, a newsletter should contain valuable information, not just sales copy - otherwise interest will quickly drop off and you'll be getting a number of unsubscribe requests. Worse still, your ezine will be deleted as soon as it arrives; leaving you with a valueless list that only sucks up your time, resources and bandwidth.

Ezine Advertising is one of the most powerful ways to market and promote your products and or services. There are literally thousands of electronic newsletters on the Internet with millions of people who subscribe to them. Placing ads in online newsletters is an inexpensive way to reach your target market quickly -- especially when you compare it with other forms of advertising.

In 2002, ezine publishing took a quantum leap, as its status evolved from "amateur's hobby" into becoming the most powerful marketing tool for business online. Email newsletters have come of age, and increasingly, more ezines will take this route, as subscribers prefer them to drab, lack-luster text-only ezines. In the coming year we'll see more ezines published.

There are tens of thousands of Ezines being published every month, with a collective audience of millions. And the editors of most of those Ezines are all looking for quality content for their newsletters.

If you master this technique you can get your name and your website URL in front of 100,000 or even a million readers. Right now there's a shortage of good Ezine Articles. So, if you write well and you know how to do research on the Internet, there's a huge market waiting for you.

However, Ezines and newsletters can go unnoticed easily. People get a lot of junk newsletters which they delete without looking at them. Subscribers would only subscribe to Ezines which are actually useful to them. Besides, it's very important to inform subscribers exactly what you will be doing with their details as the Internet is rampant with mailing lists being sold off by web masters. Savvy surfers are becoming more selective in what they'll subscribe to - they'll expect some sort of commitment that you won't be distributing, selling or renting their email addresses.

Tips for Creating an Ezine and Emails that are viral

- Pick a topic that you know something about and then go to the Search Engines and find as many websites as you can that deal with that subject.

- As well as collecting information for your article, make a note of any URLs that offer free resources dealing with the topic of your article. Include those URLs in your article.

- You should choose a topic very carefully. Once the topic is selected, doing enough research on the subject is vital. Organize the material and write in an interesting style. Make sure that you provide links to free resources.

- The content in your Ezine should not be pure sales copy. There has to be valuable and genuine information. Promotion of your product or service should be subtle. Viral marketing using Ezine is different than running an E Mail marketing campaign that blasts millions of mail messages to unsuspecting readers.

- At the end of your article, attach a 5 or 6-line 'Resource Box' that includes your website URL and/or your email address.

- When you have finished your article, do NOT send it off straight away. Let it lie fallow for 2 or 3 days and then come back and read it again. You'll be amazed at the improvements you can make. Those final improvements are what make the difference between an article that gets published and one that doesn't.

11.4 Viral Marketing with affiliate programs

Affiliate Programs create powerful alliances between an online merchant's web site and various "affiliate" web sites. Affiliate programs as discussed earlier, are a great marketing tool, especially due to the fact that they are viral in nature.

However, affiliate programs are attractive only if they offer useful and valuable incentives to the customers. The best form of incentive would be cash in the form of commission from product or service sales. This is a great incentive for your customers to join your affiliate program and spread your message in turn.

Tips for making your Affiliate Program attractive

Here are some tips to help you in attracting customers for your affiliate programs on your website. Doing some research would help you immensely in increasing traffic to your website and making the affiliate programs as viral as possible.

- The most important aspect of any affiliate program is the incentive. You should offer better incentives than your competitor sites. Money is the biggest and best form of incentive you could offer your customers. Offering a percentage of your sales revenue resulting out of each successful hit can be a great incentive.

- Apart from the normal incentives offer something unique such as cash awards and bonuses for three customers who are responsible for bringing in the highest traffic or highest business to your website. This would provide greater motivation for prospective customers to not only join your affiliate program but also refer your website to more people.

- Most standard affiliate schemes reward only the subscriber directly responsible for bringing more traffic. Develop a second and third tier incentive program for your affiliates. In other words, reward both the affiliate responsible for bringing

visitors to your website as well as the other person who had originally referred this affiliate. Let me illustrate this strategy. Let us say John referred Max to your website and your affiliate program. Max liked your affiliate program and joined it and eventually bought your product or service offered on your website. In this case, John would get a percentage of the profit. Now let's say, Max referred your website to a friend of his – Harry. Harry visits your website – likes your product – and buys it. A single tier incentive program would reward Max by giving him a percentage of the profit generated. A two tier incentive program would offer Max a percentage of the profit as well as John a percentage of the profit because John referred Max in the first place. This strategy is expansive but very fruitful.

- The above point can be explained in simple terms as "Make it as easy and as natural for affiliates to promote your product or service as possible, by letting your affiliates benefit those whom they refer". This will encourage your affiliates to convince more people to visit your website and even join your affiliate program.

- Keep updating the content of your affiliate program. For example, if your affiliate program is subscription to a paid or even free newsletter, make sure that you update the topics and content of the newsletter constantly. The content should always be informative and unique.

You can offer incentives to your customers and affiliates for getting your site visitors by sending referrals to their friends, and you can also provide incentives to get these friends to respond.

However, if you make the incentives for both parties the same, then there is no reason why a friend will become a carrier.

The trick is to make the incentives for each party different, and make the incentive for the carrier greater than the one for their friends. This has the effect of motivating each friend to then become a carrier.

Using Ebooks for Affiliate Marketing

Let us discuss of all the ways that an e-book could fit into an affiliate marketing business.

If you've been delving into affiliate marketing at all, you're no doubt aware of the viral potential for e-books, first of all *as* affiliate products. It's the affiliates who make them viral, after all, passing the word about the product to their website visitors, e-zine subscribers, and clients, in hopes of earning a commission from a sale.

Then, reseller licensing of the e-book product, or allowing those who buy the books to give them away, adds another viral layer to the promotion. In either case, there's now even more incentive for the book to be pushed along.

The possibility of re-branding the e-book (that is, customizing certain portions of it, or changing the affiliate link coding so that the current host of the download can gain from

the affiliate commissions) also adds pass-along momentum. Re-branding might be offered for a low cost or even for a free Ebook.

Let me explain the concept of re-branding further. If you've created a useful Ebook which also promotes your products or services and where affiliates can change the links in your book to point to their affiliate links, you can let your affiliates give this book away to their visitors and subscribers, so that they are giving their visitors something useful and they have the chance of selling your products to them as well.

A merchant's affiliates, or an affiliate's sub-affiliates, could use their own links instead of the author's. If there's another goal that overrides the affiliate commission, or perhaps if only some of the affiliate links will be re-brandable, or the downloader who re-brands a link will have to purchase the product first in order to use or evaluate it, then the loss of immediate affiliate commissions can be amply made up for by the viral spread of the book.

Free as well as "for sale" ebooks might be used by affiliate merchants to promote their offerings. An e-book can be a report, a catalog, a sales presentation, a detailed list of features, and so much more – the possibilities are endless. It could be whatever that is helpful to your visitor and your customer. It can contain graphics, hyperlinks and, with some compilers, even animated graphics and multimedia stuff.

You might create e-books around a subject that pertains to your affiliate program/s. Your affiliates can then create "adjunct" e-books around your program offerings. For instance, a businessperson whose core is consulting of some kind might produce a book that elucidates the importance of his service in achieving clients' greater success. Another could write a book on how to use her product to its fullest advantage. Or an in-depth discussion of an interesting issue could lead into a mention of the product or service "in the background".

Either an affiliate or a merchant can use downloadable ebooks to enhance the attractiveness of his/her website or ezine, of course, as an incentive, or to engender a feeling of trust in his/her visitors/readers, by providing good information and advice therein.

This technique certainly trains affiliate program merchants to help their affiliates to become more acquainted with viral marketing. Using ebooks as a source of affiliate viral marketing can only increase traffic and in turn profits for your website.

11.5 Viral Marketing on the Web

How many times have you followed links from one site to another and another – only to end up at the first website? The World Wide Web is easily one of the best mechanisms for Viral Marketing.

As discussed earlier, the simplest and most obvious way of getting people to link to your site is to make it an incredibly useful site packed with informative material. This takes advantage of the main reason people use the Internet - to find information. If you narrow down the focus of your site, you have a much better chance of being found on the search engines, and by those who are looking for the specific information you provide, and hence your chances of being linked to increase greatly.

Another strategy that would immensely help is increasing the link popularity of your website. You want to be found wherever possible and appropriate, throughout the Internet. If your competition is there, you should be, too. Inbound links from other websites to your website provide two benefits: increased traffic to your web site and increased rankings in search engines that calculate inbound links in their algorithm, like Google.

Like you, other site owners are trying to increase their link popularity and require reciprocation or give preferential placement of your link on their site if you provide a link in return. This means you need a page or directory on your site to provide reciprocal links. Creating a links page or directory within your site makes your site more content rich and certainly more viral in nature.

Also, you can encourage your visitors to link your website to theirs. This is only possible if your website is useful to them and rich in content. Sometimes, providing incentives to visitors for link reciprocation would do you a world of good. You can encourage visitors and other complementing sites to reciprocate your website's link in return of commission

and "giveaways" for each person visiting your site through their link. This strategy may pay rich dividends.

11.6 Word-of-mouth Viral Marketing

Word-of-mouth is considered the very best marketing, because it is unsolicited. Here are some ways to encourage friends to share with friends, and use their network to promote your site.

- Install software for website referral. Such software allows visitors to recommend your website to their friends and customers. It is imperative that your website is informative and useful. Try and provide something unique on your website. This could be a new product or a new service that would interest your visitors and encourage them to spread the word for you.

- Make it easy to e-mail or fax your web page to a friend. Encourage readers to e-mail your web page to a friend. This is similar to recommend your site, but allows your visitor to send specific content as well. This is easier to accomplish without a database-driven site.

- Create Email newsletters and send these newsletters to your friends and customers. Always encourage readers to forward your e-mail newsletter to their friends. Do this at the end of a newsletter, and you may jog some readers to do it immediately. It's easy to do.

- Create attractive Press Releases with a link to your website and send these to customers and friends. Press Releases are very viral in nature. By providing a link

at the bottom of the press release, you ensure that the reader would click on the link and visit your website. It is a good idea to submit your press release to publications that have the same type of target audience as you.

11.7 Measuring Viral Effect and performance

As with any marketing campaign, tracking the results and optimizing performance over time is absolutely necessary. Understanding how viral and effective your marketing campaign is crucial information, not to mention interesting. You may be reaching a huge audience with your viral campaigns but the key is to analyze how many of these actually visit your site. You may have the right viral marketing strategy but somehow your message may not be efficient enough to bring back visitors to your website. Fixing it could increase your sales by 200%. This is just an example; there are many reasons why you want a detailed analysis of the viral effect and performance of your campaigns.

Thankfully, sophisticated viral marketers can track insightful and actionable data that can be used to evaluate performance. Important metrics to analyze are pass-along, click-through, and conversion rates. Marketers should separate the click-through and conversion rates by original customers from referrals and evaluate their respective performances. These metrics will alert a marketer about the offers and customers that drive the highest ROI.

12. Creating a Hot Software Product with no programming experience

Producing an information product is easy. If you can read this book, you can write an e-book. There are really no special skills required beyond the ability to write and some basic knowledge about the subject. Producing a software product on the other hand *does* require some special training. It needs someone who know how to program, who understands how a computer works, and who knows how to construct software. It's a fair bit more complex than putting words on a page. It's also much more profitable.

With the right software product, the sky's the limits for profits; Bill gates proved that. But Bill Gates didn't become a multi-billionaire by just being a great programmer—most decent programmers will tell you he's barely that. And if you've been using Windows for a few years, you'll know exactly what they mean. *He became rich by combining some basic programming talent with some outstanding marketing skills.* It's that combination that we're going to put together in this chapter.

There's no two ways about, you're going to need an idea. You might have one already. Lucky you! But if you don't, it's time to whip out your pen and paper, and start scribbling. There must be some kind of tool that you wished you had on your computer, or a program that you use every day that just drives you crazy. Maybe you wish your Media Player stored favorites better, or there was a graphics program that was as simple to use as Paint but as versatile as Paintshop. Put down your ideas and then check out the competition.

Do a quick search on Google to find out what other products are already on the market that are just like the one you want to create. There's no point in putting a ton of effort into creating a product that's already out there. Check them out, figure out what's wrong with them and aim to create a new version that's just the way you like it.

(You'll also need to be sure that competition is selling. If they aren't finding a market, what's the chance your program will?)

12.1 Building an Outline

Programmers always begin with a written outline—at least the good ones do. When you come to hire a programmer, the better your outline, the easier the project is going to be and the more successful the outcome.

12.1.1 Feature list

Just as it sounds, the feature list is a list of all the benefits you hope your product will contain. Put as many down as you can think of. You'll find that the list will come in handy not just to explain to your programmer what you want your program to do, but you'll also use it when you come to put together the marketing material. In effect, you're writing a list of unique sales points.

You might end up with something like:

- Capable of handling gifs, jpegs and bitmap images.

- Easy, one-click picture editing.

- Simple to use, fast to learn...

And so on...

I usually find that this is the most enjoyable part of the whole project. As you come to think of each little feature, you'll find that you actually get quite excited. The project will begin to form in your mind and each feature should lead naturally onto the next.

12.1.2 User stories

Here we get into more detail. User stories describe the program from the user's perspective. For the programmer these are the best way to understand precisely what your program is expected to do. For example, you might have a user story that ran like this:

"User right-clicks on image and receives a menu offering Edit functions. The user can then effect a change to the whole image by clicking on one of the options."

The user story has to be clear enough to be easily understood by the programmer but detailed enough to provide guidance. You want the programmer to be able to look at it and say, "Hey, that's cool!"

12.1.3 Data Directory

And this is where things get complicated. Most software programs work at some level by storing and retrieving data. If you don't put the right data in the right place, you're going to get the wrong results, bugs and delays.

Personally, I leave this to the programmer. If he can't get it right, what chance do I have?

12.2 Study Competition

The only way you can distinguish your software product from that of your competitor's is by formulating unique functionality into the software. What is the most pragmatic way of devising a unique offering? The answer to this is plain and simple. Study your competition! This is probably the smartest thing you'll ever do. Make a list of all your competitors and their offerings.

Look out for news items and case studies on your competitors. These would give you a fair idea of what makes them stand out and what doesn't. Sometimes it is also possible to study customer reviews of software products offered by your competitors. This sort of information is invaluable. It will help you in offering your customers something your competitors don't.

Assessing the competition also will also help you in deciding what kind of software product you wish to develop. For instance, sometimes it may not be worth selling a particular kind of product if your competitors are dominant market leaders and cater to a high percentage of the market segment. An example of this would be an accounting system or a word processing application. There are many standard accounting systems easily available in the market. Also, MS Word is dominant in the segment of word processors.

12.3 Determine Pricing

Studying your competition also gives you a fair idea of what should be the pricing of your product. The key is to price your product competitively. You may offer a lower price for your product or offer it at the same price but have additional promotions or discounts. Apart from this, your break-even cost also plays a major role in pricing. Moreover, the break even cost may be a good indicator especially if your product is completely new in the market.

The formula for calculating break even cost is

Initial Software Cost + Upgrade Software Cost + Package Cost / Profit per Sale = Sales Needed to Cover Cost

Initial Software Cost is your investment into the core software. Upgrade Software Cost is your investment into additional features or bugs that need fixed. You might determine that you need to add 3 or 4 major features and fine tune other features based on customer response. Package Cost is your investment into packaging your software – this includes hosting costs, marketing material, documentation, web site design, and some other costs.

Ideally you should estimate the profit per sale to be enough so as to reach break even after around 25 to 30 sales. Again, while doing this you need to keep your competitor's price in mind. If you offer a niche product, customers may be willing to pay more.

There is no simple answer to how much should you charge your customers for your product. A client based software could be charged at a higher price compared to a web based software. Besides, you can also have different versions of the same product. The basic version would have the most common functionality and would be priced the lowest. Premium or advanced versions would have much higher functionality and would be priced higher.

12.4 Choosing a Programmer

No one's expecting you to sit down and code this baby by yourself. There are plenty of people who can do a great job in a decent amount of time—and sometimes even for free.

Why would a programmer who usually charges about $100 an hour work for you for nothing? Well, that's where things get interesting...

A great programmer is a genius at coding. He can put together 1 and 1 and make it equal 10 or 11, or whatever two is in binary. That's his job. But few of them could sell you water if you were dying of thirst in the Sahara. They'll tell you what water's made of and design a program to count the molecules in the bottle but they'll have absolutely no idea how to persuade you to buy it.

In effect, you're going to offer a programmer a joint venture: a collaboration of his programming skills with your marketing ability. Neither of you will make any money with a program idea alone. But together you can make a fortune.

That's what most corporate programmers dream of. They're just dying for someone with a great idea to come along and help them with the marketing. It's a match made in Silicon Valley heaven.

So where can you find these freelance programmers waiting to hit the big time? Again, Elance is a pretty good place to look. Many of the programmers advertising there are professionals who have made their money and are looking for a lower stress level than

the 9-to-9 that most computer companies expect their whizzes to work. Many will expect payment but you should be able to find some looking to code for a 50/50 split of the profits.

Scriptlance is even better. This works in pretty much the same way as Elance, except that it's targeted precisely at programmers. Again, you just submit a description of your project and wait for programmers to bid on it. As with Elance, the person you choose will depend in part in their price and in part on their experience.

Now, I'm not going to claim it's a walkover to find a programmer who will work on the promise of future profits. They are out there, but you're not going to bump into them on the street. Most of the programmers on Elance *will* expect payment—and that's fair enough.

But there are plenty of programmers who have been waiting years for the chance to come up with that one idea that will give them a constant income month after month for no extra effort.

Be careful who you choose though. There's nothing worse than picking up a duffer who isn't prepare to put in the time needed to make the deal work. Ideally, try to find someone local; the whole process is going to go much smoother if you can create a decent personal relationship.

And most importantly, make sure your programmer is genuinely blown away by your idea.

If you're going into a partnership with someone, they have to believe in the project as much as you do. In some ways, this is an advantage over paying someone to do the job (this and the $5,000 it would cost). When someone is truly captivated by the idea they have the motivation to do it right.

When you find a programmer who sounds interested in working with you ask the following questions:

- Have you programmed a product like this before? (There's a fair amount of specialization within programming; if your programmer hasn't worked in this field, he might have no idea what's needed.)

- How much experience do you have? (Some newbies will work for free to fill their portfolio; that's fine for you, but it might take a little longer).

- How would you improve the product? (Every product can be improved; be suspicious if the programmer says it's perfect.)

- How long will it take? (Take too long and the market could change—or fill.)

12.5 Developing functionality

It goes without saying, but you want to make sure that there is a level of interest within your target market for the software you plan to develop. Again, studying your competition is essential to ensure that your product is sustainable. After all, you would need to at least provide as much functionality in your product as your competitor.

The best way to assess what kind of specifications and functionality should go into your product is by asking your prospective customers themselves. A good strategy of achieving this is by surveying your existing customers and visitors on your website. You could have the survey on your website itself of Email all your customers with a list of specifications for your software product – Just ask them what functionality they would prefer at a given price. Don't name the software at this time - just list the features and give a short description of what it will do. That should be more than enough to peak your customers' interests and generate a response.

12.6 Creating a Work Agreement

Even if you hire a programmer through an established freelance site like Elance or Scriptlance, it's still a good idea to draw up some kind of legal agreement. The last thing

you want to happen is that you reveal your idea for the greatest software product since Windows and watch some programmer put it together, cut you off and sell it to the highest bidder.

When you're entering into a business relationship like this with a total stranger, it is definitely worth paying a lawyer a couple of hundred dollars to draw you up a basic contract.

The agreement should contain the following:

A Confidentiality Clause

If your programmer spills the beans, he gets twenty years in a Turkish prison. That would be nice, but pretty unenforceable. A whopping great financial penalty is enforceable though and par for the course in a work contract.

The information you share stays between you. If the programmer tells someone else and you lose money, you want to be sure you're going to be compensated.

Payments

If this is going to be a cash job, you want every penny put down. You don't want to release your product, watch it make millions then get hit with a lawsuit from your old

buddy claiming 50% in royalties. If you're paying, the product is yours and so are the profits.

On the other hand, if you're not paying, the product isn't yours.

If you're working on a profit-sharing scheme, you'll have to negotiate who gets how much of the profits and for how long. You'll definitely have to make sure that that's all put down clearly in the agreement.

Timeline

Creating a software product can take a fair bit of time—at least several months and much longer for really complex programs. Before you write the contract, ask the programmer to tell you how much he thinks each section is going to take and include those in the agreement. You could even put in penalties for failing to meet deadlines, just as you would if you were hiring someone to fix your house.

In my opinion though, it's better to be flexible about deadlines. All sorts of unseen problems can crop up while you're putting together a program—maybe you'll have some changes; maybe the programmer will have some suggestions—and these can have an effect on the timeline. As long as you seem to be heading towards your target release date, and as long as your programmer isn't stringing you along, I'd advise being flexible about the scheduling. It's better to get a great final product than a quick one.

12.7 Packaging your product

You have created a great product and are ready to market it. However, before you start marketing your product you need to package it well. If you sell a product that can be downloaded directly from the Internet you need to also provide proper documentation and licensing information along with the software files. If your product is such that it has to be shipped to the customer, apart from documentation, licensing information, software files on a CD, you also require to box up all the contents properly.

Documentation consists of all manuals required for a layman to understand and use the product well. Without detailed documentation, your products value would be "zero", even if it's the best product around. Documentation generally consists of three guides:

- The Set Up or Installation Guide, which explains how to set up the software on the customers computer
- The Tutorial, which explains how the software can be in a day-to-day basis. It would also offer guidance and tips on how to perform certain tasks.
- The Reference Guide, which is much more detailed and describes each of the functionality fully. This manual requires maximum time to develop.

To create a box for your product, it may be best to hire a professional to design and develop the box. However, if you are familiar with tools such as Photoshop and are

creative, you may design the box yourself. This will save you money. However, this should be done only if you are confident of developing an attractive box.

Finally, you should always include licensing information with your product. The licensing information would lay out all the terms of the agreement between your company and your customer.

12.8 Customer Service and Support

In order to develop a good relationship with your customers, you must provide them with quality customer service. Let them know that, should they have any questions or problems pertaining to the product, they are free to contact you. Provide them with all of your contact information to make the process simple. Make sure that you have a good customer support group ready to help. Reply to their support requests as quickly as possible and assist them until the problem is resolved.

Customer service is one of the most important factors in determining your customer's satisfaction. Even if you have a great product, if your customer support isn't good, your sales will suffer. Good customer service is perhaps the most important way to build your credibility with the customer. When you are doing your business online, building trust and credibility is the most important factor. Prompt customer service can make the difference.

For every dissatisfied customer, you can expect to lose one hundred new customers. Why? When one customer has a bad experience with your company, you can be certain that they'll tell everyone they know about their bad experience. It will travel through the grapevine and ultimately cost you sales.

Follow-up with your customers and ask them how they like your product or if they have any questions. This is a great way to not only provide good customer service, but to also obtain feedback about your product. By listening to your customers, you will know exactly what they want, what they're having problems with and how you can develop a better product.

By following up with your customers and providing great customer service, you are creating a life-long relationship. Satisfied customers are more apt to purchase your new products in the future. Treat them with the utmost respect and go above and beyond the expected.

Your customer and support service should include:

- A 24 hour toll free number
- Email support that is quick and efficient
- Online chat support

Provide an FAQ

Before the clients purchase the software product from you they will probably ask a few questions regarding any concerns they have about your product.

During the first few weeks of business you will experience similar questions constantly resurfacing. You would be fairly well advised to put this regularly asked for information on your website to reduce your administrative workload. Your interested parties will be happy to get the answers to their questions answered immediately; and you didn't even need to lift a finger.

Have a detailed FAQ page that tries to offer clear explanation of your policies and rules, how the product works and what are the most common problems that customers may face and how they should tackle them. Such measures will really reduce the need for your costly support time.

So now you know all about marketing on the Web. You also know how to create a couple of great products that generate cash constantly. With information products and software products, there's no limit to the amount you can sell. You don't need massive warehouses to stock your goods, and you don't have to deal with postage and shipping or anything like that. You just have to set up a website and keep the traffic flowing. It's a completely automated system that brings me money week in, week out.

But it doesn't happen without some effort, especially at the beginning. In the next chapter, we're going to look at the best way to manage your time so that your business becomes as profitable as possible as quickly as possible—and with the fewest headaches as possible.

13. Managing Your Life When You Work From Home

At the beginning of this book, I pointed out that not only does my Internet business bring me a decent chunk of money each month, it also brings me time. Now that my system is set up, all I have to do is check that my affiliate partners are sending me cash, suggest the odd joint venture to a partner, and stay in touch with my customers. I rarely spend more than three hours in front of my computer each day.

But it wasn't always like that. It took a lot of effort and a lot of work to get into the position I'm in now. When I first started, it was a bit of a struggle to organize myself. My first website took ages to launch and while the other ones went up quickly, my family went days without seeing me.

Let's be frank, if you don't set up your business properly right at the beginning, you're going to make your life much harder—and your income much lower.

The problem is that until now, you've always thought of your home as a place to relax and the office as a place to focus and work. Now you're going to have to focus at home— and that's not an easy shift to make. You need to keep the same rhythm (without stopping to watch your favorite daytime soap!) and the same kind of discipline you had when you had to commute every morning.

The first thing to do is to give yourself an office. I'm not talking about a laptop on the coffee table or a corner in the library; I mean a proper room with a door you can close and a desk full of goodies: from a computer with broadband to a place to put your safety clips. If you don't have a spare room to start with, then use your bedroom. But if you're serious, think about finding an office once your business gets running.

The next thing you're going to need is a schedule—a realistic one. This is one of the greatest challenges when you begin working for yourself. At the end of each day, I'd make a list of all the tasks I was going to do the next day. If I got half of them done, I was lucky. I spent weeks frustrated and grumpy.

Once you get a feel for how long each task takes you, whether it's approving a new site design, planning a new marketing program or answering customers' emails, set yourself a timetable and keep to it. Turn off the radio, shut the office door and get to work! And at the same time, don't get annoyed if the day ends before your work does.

13.1 Balancing Your Business and Family

Of course, all work and no play makes Michael a dull boy. And it doesn't do much for his wife and kids either.

When you have a family as well as a business, time in the office is time *away* from the family, and it's hard to know when to stop. You can easily find yourself in front of the

computer at midnight and all weekend too. Sometimes working from home seems to be a double-edged sword. If you spend too much time with your business and not enough time with your family, the most important relationships in your life can suffer. But if you spend too much time with your family and not enough with your business, the success of your business can be in jeopardy. And, since your business is likely your main source of income, its success can also determine the wellbeing of your family. Tricky.

Fortunately, it doesn't take a superhero to make the work/ family division work. All it takes is some patience, a little savvy scheduling and a lot of willpower. In fact, if you have the time to read the following tips, then you have the time to do them!

13.2 Know how to say "no"

Not easy to do, especially when you're just starting. But if something doesn't fit into your schedule and impedes on another activity you've already planned, just say "no." For example, if a client calls at six in the evening and pleads with you to have a teleconference with him at seven, but your son's basketball game starts at the same time, you're allowed to reschedule. Clients actually like to work with people who sound busy.

13.3 Take a day off from work at least once a month

How often have you said: "I wish I had my own business. Then I could take a day off whenever I wanted." Now you can do it! Chances are, you'll be working more days with your own business than you would when you were employed by someone else. If you

don't take the weekends off from your business, make sure you take at least one day a week for no work and all play. Then, on top of that, schedule one day per month for a mini vacation.

For one day, do no work whatsoever and spend all day with your family. That means no computer (unless you're helping your kids with homework or playing games), no business phone, no fax, no meetings, and no paperwork for one entire day. Have fun! I do.

13.4 Learn how to compromise

If you learn how to successfully make deals with your family and clients, you'll see how simple it is to balance your time between both. Running a home business and a family can be tricky, and that frustration does no one any good. It'll cost you clients and create a frosty atmosphere in the house.

If a client, for example, gives you a week to complete a project, and contacts you two days before the deadline saying she needs it right away, don't let your frustration show. Offer her what you've got and tell her you'll send the rest later. She should be able to meet you halfway. The same is true of your family.

13.5 Maintaining a Positive Attitude Is Good For Business

And the end result of managing your time properly should be fostering the right attitude for business. Here are six ways to build a positive attitude.

1. **Be Committed**

   It took me a couple of years to reach the point I'm at now. I could have given up any time before I got here and I had a million different reasons for doing so. But I knew what I wanted and stuck it out. That's the first key to success.

2. **Accept Challenges**

   Being your own boss and owner of your own online business can be scary and a bit intimidating. It takes guts to leave a 9 to 5 job and start your own online empire. It takes guts to have a dream and to go for it. You ultimately determine whether your business succeeds or fail.

3. **Be In Control**.

   Keep your mind focused on important things. Set goals and priorities for what you want to do and accomplish. Develop a strategy for dealing with potential problems—and when those problems surface, feel confident in your ability to handle them. The worst you can do is fail.

4. **Don't be too Critical**

There is no use criticizing yourself once you've made a mistake. Saying "I should have landed that account or handled that situation differently" is not going to make any difference at all. It's just going to drain you of your energy and discourage you. Simply learn from your mistakes and move on.

5.   Practice Makes Perfect

And stop worrying about getting everything right. It's not going to happen. If Time Warner can buy AOL, you can create a website that bleeds cash. Just keep trying.

6.   Ask for Help

You want to work *for* yourself not *by* yourself. There is nothing wrong with asking for help. Don't think you're incompetent simply because you can't do it all. Professionals hire other professionals to do the job properly. Don't be afraid to bring in a specialist when you need it.

If I have to warn you that there's nothing more important than getting the work/family balance right, then the chances are you're going to learn the hard way. I went into this for the money. But there's no question that the greatest benefit my business has given me is the extra free time I have to spend with my family. I'm sure if I put that time into building more websites or creating more products, I'd make more money.

But there's more to life than money.

Conclusion: All You Need To Skyrocket Your Web Profits

In this e-book, we've looked at a whole range of different ways to make money on the Web. We've talked about search engine optimization, affiliate programs, joint ventures and even e-books and software programming.

It should be clear that at the center of the book—and at the center of all your online marketing efforts—is traffic: hits to your site by potential customers. That's what all the marketing chapters in this book are about, bringing people to the site so that as many of them as possible will buy. As you build your online business, concentrate on marketing opportunities that provide targeted traffic.

You should also concentrate on programs that are multi-level in nature such as affiliate programs. If you are doing all of the work yourself, your income will be limited by your time and resources; when you bring others into your program, your income potential becomes unlimited. Affiliate programs increase the ways you can turn your traffic into cash, and that's what money-making on the Web is all about: buying traffic and earning from it.

It should also be clear that the most lucrative opportunities are those that have a repeat customer component. It costs less to maintain a customer than to find a new one. That

means it's always smart to take opportunities that generate repeat business. It's also worth creating a newsletter that keeps your customers informed, in touch and in your revenue stream.

And the more revenue streams you have the better. On the Internet, as in the real world, chances come and chances go—online, they just come and go a lot faster. If you are diversified, you are more likely to survive market dips that would otherwise shut you down—and that will certainly already shut down many of your competitors.

It should be clear now that a lot of what people have said about online business is a load of old bunkum. You can see that it's possible to make money; you can see that you can do it by yourself, right now; and you can see that whether or not you succeed is entirely up to you.

You can also see that the following myths are simply untrue:

1. **Your site has to have millions of page views to make money.**

   It doesn't. Small sites with good conversion ratios can make more cash than large sites with lots of click-through traffic.

2. **Ad revenue and affiliate revenue don't make money.**

   They do, if you know how to use them.

3. It's easy to make money: just put up a website and the money will roll in.

   If only that were true! Making money on the Web takes time, effort and investment.

Contextual Marketing – The newest concept

This is a newly emerging but extremely targeted and effective form of promoting your online business. Consumers download specific software from a contextual marketing network organizer (such as Gator Corporation, Hotbar, Save, or WhenU) at no cost and install it on their desktops. When the consumer is about to make a purchase for a specific product or service or is placing a search query for that item, the software will beam advertising messages from suppliers of that product or service, offering some incentive to the consumer such as discounts or promotion offers. Through this facility, the advertiser (supplier) is getting an opportunity to promote his offering to a targeted consumer and that too at the point of sale or when there is an intention to buy. Thus contextual marketing offers a highly targeted marketing tool that connects the supplier with a genuine lead and spurs transaction.

The effectiveness of contextual marketing can be seen from the fact that response rates and conversion rates are from 5 to 20 times higher than the results from conventional online advertising.

Automating your website – E-Business Automation Systems

There are hundreds of websites emerging online everyday. Some survive, some don't. Of these new businesses, many are one-person bands. Some are partnerships as well as a handful of others have formed a company with the view to operating 100% online.

The part which makes or breaks a business like this is the website management and maintenance. Don't assume that once the site is online, your work is completed. If people are to return to the site, it will need to have fresh content in order to make the site "sticky". Since this is the most important part of your online business it is very important to be able to keep the administrative tasks to a minimum. One of the best ways to achieve these objects is to automate all possible marketing as well as administrative procedures of online selling.

The ultimate in automation is when all automated functions can be pre-programmed to be carried out at regular intervals with an in-built scheduler. You can go on holidays and have everything carried out for you in your absence as if you were sitting at your terminal for the duration. There are many E‑Business Automation Systems available that automate the entire web marketing procedure along with many of the redundant administrative tasks. This is like running your business on "Auto Pilot". One of the most popular tools is discussed below:

QuickPayPro.com

QuickPayPro is a remotely-hosted ecommerce automation system that includes a shopping cart system, secure, real-time credit card processing, digital product delivery, affiliate marketing system, ad tracking, mailing list manager and email marketing autoresponders.

This system is available at a reasonable monthly cost and is easy to set up on your website. Some of its other features are:

- Sell digital or "real" products and services.

- Single-product order form or full shopping cart version.

- Secure, real-time credit card processing, with or without a merchant account.

- Supports payment gateways such as 2CheckOut, PayPal, PaySystems, Revecom, Authorize.net, QuickCommerce, EMS and SkipJack.

- Digital product delivery with automatic download link expiration.

- Two-tier affiliate marketing system with real-time statistics for both your affiliates and yourself.

- Option to export affiliate commission payments to upload and pay via PayPal, or import into Quickbooks or other applications for automated check writing.

- Ad tracking system and sales calculators for web site and email advertising.

- Unlimited email mailing lists.

- Unlimited sequential follow-up autoresponders.

- Mail merge personalization.

- Customizable order and thank you pages to fit your site's look and feel.

- Remotely-hosted - Manage account using any web browser.

Some Warnings

The fact is, just because you can make money on the Web, it doesn't mean that the streets of the Internet are paved with gold. Like any opportunity, there are scams and hazards. As you set up your Web business it's important to stay alert, use common sense, and keep your feet firmly on the ground.

First of all, don't be tempted by get-rich-quick schemes that promise you instant wealth with no investment of time or effort. There are lots of these on the Internet. One of the most popular are those emails that fly around every now and then from someone claiming to be a wealthy political dissident who's having trouble getting a huge sum of money out of their (normally African) country. They'll ask you to open an account put some money in it and they'll add the rest in return for a fat commission.

Lots of people have fallen for this scam. It's real. And real stupid.

As soon as someone tells you they can make you rich—all you have to do is send them some cash—be sure they're trying to scam you. The Web is just like the real world: if something looks too good to be true the chances are, it is.

And just like the real world, It takes money to make money. The Internet has provided a very economical way to do business and there are some inexpensive Internet marketing options; but marketing is imperative to the success of an online business and productive marketing campaigns do require *some* cash down. That might be money for search engine campaigns, payment for a programmer or a Web designer, or even just the fee for your hosting company, but you will need some money to get started; you get nothing for nothing.

I'm not going to promise you that there's no risk involved here. There is. The size of the risk depends on how much you want to invest. You can start small with a cheap hosting company, a site you create yourself and so on. You'll still make money like that; it will just take you a little longer. Alternatively, you can splurge right from the beginning by getting a pro to create your site and marketing it hard from the get-go. It's entirely up to you.

Me, I started small and spent more money as it came in. How you do it will depend on how much spare cash you have and how confident you feel.

Checklist for Launching a Successful Internet Business

☑ **Keywords and phrases**

Have you developed the key words and phrases that will ensure good placement in the search engines?

Remember, you can think up keywords yourself, you can see which key words your competitors are using, or you can simply pay a specialist company to find them for you. Once you've submitted your site to the search engines in all the keyword categories you want, it's crucial to monitor your traffic carefully.

☑ **Optimization**

Have you identified what you need to do to ensure that your site is fully optimized? Do you have the means or resources to effectively complete the task?

Once you've figured out the keywords, you have to decide where to put them and how. You also have think about link exchanges to improve your ranking even more. Remember, the more sites link to you, the higher your position in the search engines.

☑ **Content**

Have you developed content that is not only attractive to your potential clients, but also search engine friendly? Do you have content and tools other than your main text that will assist with search engine ranking and drive visitors to your site?

Content has to contain persuasive sales text with a fine scattering of crucial keywords. You also have to update it as often as necessary—not so often that it

gets in the way of your business, but often enough to keep fresh traffic pouring in and the site interesting and attractive.

☑ **Traffic and promotion plan**

Do you have a plan for promoting your site and driving traffic to it?

There are all sorts of ways you can bring traffic to your site. In this book, I mention just a few of them—the ones that I've found the most effective. When you set up your Internet business, you should have your entire promotion campaign planned out in your mind. You should know which methods you want to use, and what to do if they don't yield the results you want in the time you want.

☑ **Target Market**

Have you identified your target market? Do you know how to reach them? Do you know what they want? Do you know how to attract them?

The more finely you target your marketing, the greater your sales rate will be and the higher your profits. Those high profits begin with a clear understanding of who your ideal audience is. Make sure you know your market before you even build your site, and keep it in mind as you prepare your promotions.

☑ **Time**

Are you prepared to put in the time required to make your site a success? When the site launches, will you be ready to roll?

The biggest investment of time comes before the site is launched and in the period immediately after it launches. First, you have to do all the research. You have to understand how you're going to break into your market, and know exactly what you want your online business to do. Once your first sites are built and launched, you have to do all the marketing. Only once it's up and running will you be able to relax, move into monitor mode and begin thinking about your next opportunity. How long that takes depends on how much time you invest at the beginning and how successful your marketing efforts are. It usually takes a few months.

☑ **Advertisers and Affiliates**

Have you identified advertisers and affiliates who will promote your site, your products and your services?

You can start looking for advertising opportunities and affiliate programs before you even launch your site. The more prepared you are when you launch, the quicker you'll be able to move from inception to income.

☑ **Opt-In Email**

Have you identified features for your site that will build a marketable opt-in email list? Have you though about what you're going to put on your pop up and how you're going to manage the list when you get it.

The people on your opt-in email list are like a little pool of potential customers—and repeat customers. The more people you can bombard with your marketing material, the more money you're going to make. Ways to trap email addresses should form a part of your site design.

☑ **Monitoring**

Have you identified monitoring features for your site that will provide you with information about your target market? Do you have a way of knowing who has visited your site? Do you have a method of collecting data from your visitors to help you improve your site?

The Internet changes constantly. One week, you can have top rankings and a sales rate to die for; the next week, your site be down on page fifteen with traffic made up of spam from Romania. You have to keep track of your traffic, and be prepared to make changes to your marketing plan.

☑ **Joint Ventures**

Do you have an idea who you could partner with to offer complementary services that bring real benefits to you, your partner and your users?

Joint ventures are your partnerships for success. They allow you to pool resources with other entrepreneurs to bring real benefits for all of you. Start by talking to the people who send the newsletters you like to read each week. Then move out into people who provide complementary services to the ones you offer. As you build up your business, keep your eye open for new opportunities all the time.

☑ **Vision**

Do you know what you want to achieve and what you'll do when you get there?

If your goal is only to make money, you can achieve that in your first week on the Web. Most of us have bigger goals than that though. Whether you want to be the Bill Gates of online marketing or simply set up an automated revenue stream that will bring in a constant flow of cash with very little maintenance, you can do all that on the Internet—as long as you know what you want.

Costs budget and ROI

We have looked at various strategies and options related to Internet Marketing. One of the key factors while devising your strategies is your cost budget and the ROI you get from it. In this guide, we have studied a number of different techniques for marketing your product or service. The importance of each option is closely linked to your own objective, and consequently your budget in terms of management time and expenditure.

Marketers would be interested in knowing the results of any campaign and most often the result is desired in terms of increase in company revenues. Name recognition, brand image creation and other outcomes are important; however the bottom line is sales. ROI should be able to determine your website's conversion rate in terms of the ability to persuade your visitors to take the action that you desire them to take. At the same time, the success in terms of increase in sales depends on several other factors such as the competitiveness and value in your product or service offerings and the quality of your website to induce the visitor to take action.

Focusing your marketing campaign is crucial to ensure maximum ROI. Your marketing strategies should be able to target prospective customers that are most likely to buy your products. You have to introduce the right product to the right person.

Perhaps the whole promotion cost for small or midsize companies may come to a minimum of $2500 plus the consulting and the services cost and the production costs. Remember that budgets for marketing will just zoom up as you go along the way. In some cases the final cost could be three times the above number or even more. Whether this budget is right or not, depends on what you perceive as the market potential for your offering. You may choose to pursue only a few of the strategies mentioned in this guide and still get reasonable success.

The key is to make use of some of the tracking tools mentioned for each of the strategies. For instance, tools that measure the traffic coming to your website and identify the source

of the traffic. In other words, tools that tell you what search engine did the visitor come from, or which ad/affiliate program directed the visitor to your site. Moreover tracking tools can also tell you what the visitor has done online, including page visits, time spent, actions taken (relevant for e-commerce sites or query/contact forms) and so on.

Proper analysis of the data available is required to relate the traffic history to the revenue results.

Being a successful Web entrepreneur doesn't require massive amounts of investment or a genius idea. It simply requires some initial time and effort. It requires an understanding of how business works on the Web, and it requires the drive to succeed.

Are you ready to begin?