

# MAKE YOUR **2002** SITE SELL!

## It All Starts with **The Product.**

“Ce n'est pas bien, bien compliqué,”

as we say here in Québec, Canada.

Translation?

**“It's not terribly complicated.”**

If your products deliver poor price/benefit ratios,

or are inappropriate for sale on the Web,

quit wasting **your** time.

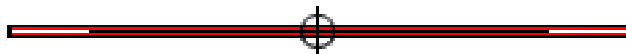
Quit wasting your **visitors'** time.

Don't sell via the Web.

**Develop a sizzingly great product**

**that is appropriate for the Web.**

**Then write a Web site that SELLS.**



# 1. Products that **SELL!**

Just about anything **can** be sold via the Web. But let's focus on the "best fits" for Web sales. The best products are ones that people **want**.

Let's say that **you are opening...**



**... a soda fountain.** What is the most important advantage that you want to have going for you?

Quality soda and ice cream? Nope.

Superb location? Uh-uh.

Great sign over the door? Who cares?

Nope, **you want a large market that is...**

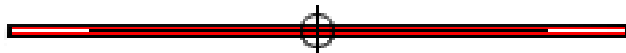


**... dying of thirst.**

**Before** you develop a product, **find out** what people are dying for. Then design a product to quench that thirst. Of course, make sure that your product meets the other criteria that are discussed in this chapter.

But develop your thirst-quencher first. If you work the other way around, you will be forever trying to convince people that they want your brand spanking new auto-widget. Without making any moral judgments, why do you think the **XXX** sites are thriving? Yup, those companies are selling what people **want**.

**If you develop what people want, your Web effort will become easy.** It will be a snap to write a great site that **SELLS!** And it will be child's play to attract targeted people to your Web site.



## 1.1. Where Do YOU Stand?

If you're reading this book, you're in one of two positions...

**1) You already have a product or service to sell (or are selling) on the Web.** In this case, view this Product volume as a sort-of "prep sheet" -- work through it and find out whether you really **DO** have the right product for the Web.

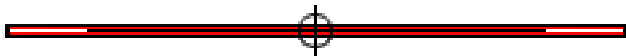
**Or...**

**2) You don't have a product or service to sell on the Web.** No problem. Consider this as your template to build the most profitable Web biz possible, starting with your **product**.

In today's cyber world, there's really no point in spinning your wheels. Do your homework, and use the most powerful tools available to...

- Build the right e-business... **the first time.**
- Match your passion with profits.
- Find the best solutions for **you.**

Ready to move from a standing position? Let's get started...



## 1.2. For LOVE or For MONEY?

Are you eager to put your "foot-on-the-pedal" and begin brainstorming the best possible product ideas? Hang in there, we'll get to it soon. I promise.

But first, a bit of personal introspection. There are two ways to go about determining the ideal product for yourself...

**1) From the perspective of a mercenary...**

You're in this only to make money. As a result, find niches to capitalize on, and do so with deadly efficiency. Approach this as a **J - O - B** (in every sense of the word).

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Do it well, and you'll profit handsomely.

## 2) From the perspective of **love**...

Take your passion, your hobby, your life-long ambition, your never-ending-project, and build it into a focused Internet enterprise. What a great way to build a business! There's an old saying that goes something like...

"Do what you love, and the money will follow."

**MYSS! 2002** shows you how to take your passion, and turn it into an income stream. And because it's your passion, building it into a business won't even feel like work!



A word of caution...

Please, don't quickly scroll past this chapter. A personal reflection exercise may seem rudimentary, but it **IS** important. Ask yourself...

What's **really** important to me? Do I really want another job? Do I have what it takes to devote time to something that will be an extension of my work day?

Be honest. Remember. There's no wrong answer here. Just what's right for **you!**

No matter which road you choose, building a profitable online business means that you'll be devoting a part of each and every day to the Net. Decide first-off whether it's going to be a **J - O - B** or an **extension**...



... of your passion.



## 1.3. Your Product Or Someone Else's?

Some final questions before we move into high gear...

- Are you going to develop and sell your own product via the Web?
- Will you represent other merchants' products online (via affiliate programs)?
- Are you taking an existing business onto the Web?
- Are you converting your passion (for example, golf) into a "how-to" manual for sale on your Web site?

Great! These are all fantastic options. But whatever you're planning, remember...

The best kind of products to sell on the Web are **your own!** Of course, not everybody is in a position to market their own product on the Net.

If you can't do it, you can't do it, and that's that. Don't worry about it! Even if you don't **fully control** your **product**, there are still plenty of other ways to build a profitable e-biz as you will soon find out. 😊

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### [ **SIDEBAR** ]

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The following discussion is obviously aimed at the **netpreneur**. If you are working for a large company with its own R&D team, adapt the info accordingly.

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I'm going to draw on my own experience to offer you the **simplest, fastest, most risk-free** way to develop a product for the Web. The product for this sample exercise is **digital or knowledge-based**.

Keep in mind that the steps below are **relevant and critical** for **any** product...

**STEP 1 -- Start with what you know.** It also has to meet **what a well-targeted group of people really need**. If you don't know anything that fits, either **learn something or...**

... **die poor**. No smiley icon here. I'm serious.

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**STEP 2** -- Once you have a candidate for a product, **evaluate** it thoroughly. (Use the [16 point checklist](#) to get you started.) Either improve your product concept until it scores high, or kill it.



**STEP 3** -- Decide upon **the best way to package your knowledge** (either as an infoproduct or service or software, etc.).

In my case, I knew a lot about penny mining stocks and toy design. I understood that others would pay to have this knowledge. Although our toy licenses had already generated millions in royalties, I chose penny stocks **for two reasons...**

- 1) My passion for toys was waning -- “been there, done that, bought the t-shirt.”
- 2) Market size... more potential investors surf the Web than toy inventors.

Once I selected penny stocks as my category, I chose to package that knowledge into a **software program**. (However, I decided to bundle my **Web-sales knowledge** into this PDF file -- it makes more sense as a book.) The “packaging” decision must be made carefully, taking into consideration [pricing](#), and foreseeing the basic elements of your marketing plan.



**STEP 4** -- Acquire the technical skills to develop and package your knowledge. For PennyGold, I learned how to write my program using [Filemaker Pro](#). For **MYSSI**, I studied as much as I could about electronic publishing.



**STEP 5** -- Develop your product. Test it with target users. Keep improving it until you get strong feedback from your testers. Simple. Fast. Risk free.



Let's keep mining for more golden nuggets by drilling a little deeper...



## 1.4. The Best Digital & Knowledge-Based Goods

The best products are products that people want. **And**, to qualify them more...

... they are **digital or knowledge-based goods** that can be **shipped via the Net**. All this means is that they can be downloaded online instead of being sent via FedEx.

There's almost **no limit** to these ideal-for-Internet products. Let's look at some now...

### 1) Software and Video Games

Consumers can now download software straight from the Web site -- bye-bye middlemen. As the Internet quickly changes, there are always new niche markets opening up. **You merely have to provide products that meet these needs.** If you sell software on a CD-ROM, you're doing it the hard way -- that's a **hard good**. If you sell it via download, you're ready for the third millennium!



### 2) Pornography and Gambling



... **People want it**, so there are pragmatic capitalists who provide it. Without making judgments about it, the Net pornographers and gambling hall operators are pretty darn smart. They don't worry about convincing people that they want their product. They just have to execute well and attract people to their site.



### 3) Direct-to-Consumer Web Services

Hundreds of direct-to-the-customer services fit the Web well, especially if they are automated and used by a worldwide clientele. For example...

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**Auto-By-Tel**

<http://www.autobytel.com/>

Auto-By-Tel provides leads to auto dealers.



**The New EGGHEAD.com**

<http://www.onsale.com/>

**ONSALE** started as an online computer auction house. But they have grown into an "auction supersite" in very short order... computers, sporting goods, home and office, etc.



**Quote.com**

<http://finance.lycos.com/finance.asp>

Quote.com sells investing data.



**Thomson & Thomson**

<http://www.thomson-thomson.com/>

Thomson & Thomson offers a variety of online intellectual rights services.



#### **4) Consulting Services**

Do you have knowledge or expertise in a **specialized niche**? For example, you may be an expert on government rules and regulations concerning the introduction of new medical drugs. Chances are there's a pharmaceutical company out there who needs you to help launch a new drug in Canada.



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No matter what your area of expertise, **you can attract companies to you and sell them what you know.**

Are you ready for an interesting twist on the concept of a consulting service? Say you run an offline rare books business. Or maybe locating hard-to-find books is just a part-time passion, a hobby. Do this...

Instead of selling books (which are hard goods), do what Abracadabra does, **locate** rare, out-of-print books. Great service, limited competition, no inventory costs, good markup on the product. Ah-h-h... the best of all worlds!...



**Abracadabra Book Search**  
<http://www.abrabks.com/>

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## 5) Theme-Based Affiliate Sites

Why bother with the hassles of selling your own product, if you can sell someone else's and receive commissions for it? Yes, **you can** build a good business as an affiliate... you just have to know **how!** In fact, the affiliate business model is e-commerce 101, and as such is the perfect starting point for anyone!

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## 6) Infoproducts

Selling **specialized information** is a huge opportunity for the Web. It's not hard to create infoproducts that people will buy, **if** you know what you are doing. ([More details on infoproducts later on.](#))



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## 1.5. Hard Goods... Only **These** Kinds

Hard goods are **things**. They're made of molecules instead of electrons. They have an obvious downside compared to knowledge-based goods. **But it can be done.**

Which hard goods lead the pack?

**Dell** has been selling millions of dollars worth of **computers** each month. **Books** are big, and **Amazon.com** is the first in this category. CD stores like **CDnow** are shipping tons of **CDs**. **Drugstore.com** sells... er... stuff you would find in a drugstore.

These four companies understand how to sell on the Web (unlike **most** big guys, by the way). Large competitors should copy the best, then push to the next level because... there's always a next level.



Dell Computer

<http://www.dell.com/>



Amazon.com

<http://www.amazon.com/>



CDnow

<http://www.cdnow.com/>

**Product Volume...** Products that **SELL!**



**Drugstore.com**

<http://www.drugstore.com/>



Mass-market hard goods are **not** opportunities for entrepreneurs. Specialized niches, however, **are** very profitable. Take a look at **eVineyard and Wine.com**, which sells wines and high-end foodstuffs...



**eVineyard and Wine.com**

<http://www.evineyard.com/>

Or have you ever been to a store with 1500 spicy sauces? Try **Hot Hot Hot...**



**Hot Hot Hot**

<http://www.hothothot.com/>

Or course, it's always possible to “niche” a mass-market item. But you need to be extra creative. For example, airline tickets. There is a substantial market for this product. However, if you're not a travel agent, this would not be a very feasible business venture... **unless** you have a unique idea for scouring all the airlines in the world and selling unsold tickets the day before departure!



Any hard good that is sold via print catalog/mail order can be sold via the Web. But you're best off with high-end hard goods, **products with high cost-low shipping ratios**. For example, sell high-end audiophile speakers or \$5,000 Italian titanium bicycles or \$50,000 custom-made art guitars. These goods are generally unavailable in standard retail stores. They are also fairly price-insensitive which permits a good markup.

**Unless you're Wal-Mart, don't offer Wal-Mart type products...** inexpensive and everyday items with a **low cost-low shipping ratio**. If you're going to sell books,

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sell the extremely expensive high-end collector stuff from esoteric publishers -- stuff that Amazon would not list in their database.

**Of course, your high-end product has to be great.** For two reasons...

- That's the only way to do business!
- You offer a no-questions, money-back guarantee which you honor.



The Web is ideal for **catalog sales**. But you must understand the strengths and weaknesses of the medium. Graphics are limiting so thumbnails are a must. On the other hand, there's no limit to the amount of **drill-down info** you can give your customers.

If you're building a catalog retail business, design a database-driven site. I highly recommend Filemaker 5.0 for this...



**Filemaker**

<http://www.filemaker.com/>

Filemaker has several unique strengths, the **three most important of which are...**

- 1) ease of programming** -- simple scripting language
- 2) ease of dealing with Web sites**, including your catalog
- 3) ease of creating a strong developer base**, which is simple to reach through the Filemaker site. They have a terrific Web page designed to put qualified developers together with prospective clients...

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**Find FileMaker Consultants**

FSA Consultants are software professionals who recommend, design, integrate or install customized FileMaker Pro solutions. If you're looking for a specific consultant, enter the information and click the find button below. Otherwise, use the geographic region to locate a consultant close to you.

NOTE: This search page will find Consultants in North America only. To locate consultants in other countries, please see that country's web site listed in the [International section](#).

Enter Your Search Criteria:

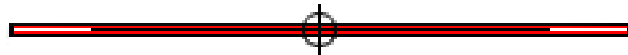
Company	<input type="text"/>
Keywords	<input type="text"/>
Name	<input type="text"/>
City	<input type="text"/>
State	<input type="text"/>
Zip/Postal Code	<input type="text"/>
US Area Code	<input type="text"/>
Country	<input type="text" value="- None Selected -"/>
<input type="button" value="Find Consultants"/>	

### Filemaker Consultant Search

[http://www.filemaker.com/solutions/find\\_consultants2.html](http://www.filemaker.com/solutions/find_consultants2.html)



For more ideas about products to sell on the Web and on catalog sales, see Ralph Wilson's [Electronic Commerce Research Room](#).



## 1.6. So What's Selling Now?

First, let's take a look back in time. Michael Tchong reviewed seven e-commerce research studies in his brilliant newsletter, the **ICONOCAST**, in 1998 and came up with this consensus estimate of what's selling on the Web...

### Top Items Purchased Online in Past 12 Months

Item	Millions of buyers	Percent
Software	26.0	38.8%
Books	13.0	19.4
Computers	10.1	15.1
Travel	7.5	11.2
Music	6.8	10.2

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Food/Gifts	6.5	9.7
Clothing	6.2	9.2
Investments	4.2	6.3
Consumer electronics	3.0	4.5
Auto/Accessories	2.3	3.5

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**ICONOCAST**

<http://www.iconocast.com/>



Fast-forward to more current information...

### **Top Items Purchased Online May 2000 (Source AC Nielsen)**

Item	Percentage of Respondents Who Bought
<hr/>	
Books	42%
CDs/DVDs/Videos	38%
Computer Software	29%
Travel	28%
Clothing	27%
Specialty Gifts	24%
Computer Hardware	18%
Entertainment Services	17%
Houseware Items	16%
Grocery/Drug Products	13%

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And the top 5 categories of products as determined by **PriceWaterhouseCoopers...**

- Books
- CDs/Cassettes

**Product Volume...** Products that **SELL!**

- Computer Software
- Toys
- Clothing



Whoa -- look at that! Despite the influx of many and varied products/services onto the Net, the stuff that sells well... **hasn't changed**. Important detail?

Without a doubt!

A couple of years of stats may not be enough to give me the right to make definitive statements, but generalities...

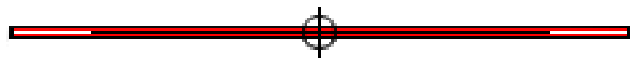
You betcha! 😊

Take a good look at the data again!

**“What value does it provide you?”** Well, besides its context-setting value, it points out the paths of least resistance -- it shows you the kinds of products that Web-consumers accept most readily. These are, of course, also the areas where competition is likely to be hottest.

For example, unless you are a well-funded enterprise, it may be tough to launch a general travel site nowadays. But there must be a million ways to build a successful, value-added niche-travel site.

**Come up with one... then build a site that SELLS!**



## 1.7. So What's Not Selling Now?

In the “boom times” that followed the release of **MYSSI**!, I watched as some very unlikely products went online. For instance...

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**Furniture.com**

<http://www.furniture.com/>

And now, you can visit the Furniture.com Web site and read their bankruptcy statement.

Let that be a sobering reminder of what can happen with the **wrong** game plan. Or an impractical game plan. On a lighter side, you could probably pick up the domain name for next to nothing. 😊

Some products just aren't right for the Web. For example, the logistics of selling furniture effectively over the Web are mind-boggling. But the problem can run even deeper than that. For Furniture.com, the problem wasn't getting visitors. Nope, they had lots of them.

So what was the problem?

Visitors weren't buying. They were browsing. Surfers would use Furniture.com to find exactly what they wanted, then they'd hop down to their local offline store and buy there... after all, delivery was free!

The moral of the story is not difficult to grasp...

**Proven products are the best route to go!**





## 2. 16-Point Checklist

When considering a product to sell on the Net, weigh the following sixteen factors, listed in **approximate** order of importance...

**1) Product Quality** -- Does your product solve someone's problem, or deliver a benefit, in a high-quality way? If not, **STOP**. Kill this product. If yes, read on...

Two extremely effective sales techniques are the **free trial download** (software) and the **money-back guarantee**. But if your product is of poor quality, these techniques will actually **kill** sales.

Great onsite **consumer testimonials** are another super way to sell your product. But guess what? Bad product = **zero** testimonials.

**Everything** becomes a lot easier if you are selling a great product.



**2) Competition** -- Consider the competition. Don't enter a crowded field if you don't have some kind of unique edge (for example, a **unique product** or a **unique approach**).

You need more than just a strong product. It should be relatively easy for your customer to find **you** before your competitors (that's tough if you have 80 competitors). And there must a strong, unique reason to **buy it from you**.

Here's how to do a [Net-based competitor analysis](#).



**3) Market Size** -- Wide appeal is great, but the Internet is ideal for niche products. A specialty item that can be otherwise hard to find, particularly if it is a collectible, is a good choice. Just make sure that the **target market** for your product exists on the Internet. And/or that the product is **compatible** with what people do on the Web.

If it's a **niche product**, it should at least have a **wide geographic target market**. A niche product for Albanians is unlikely to succeed!

#### 4) Promotability -- Can your product be promoted at low-or-no-cost?

Once you have determined that your customer is indeed on the Web, can you reach him? While doing your competitive and market size research, did you find evidence that your target market will be able to find your type of product by entering keywords into Search Engines (**SEs**)?

If not, consider one or more of the following...

- Kill this product concept.
- Do some more SE research to see if your product **can be found**.
- Determine if your product has some extraordinary feature that allows some other highly efficient, low-cost way of building traffic to your site.
- Jump to a [test market](#) right away.



**5) Profit Margin/Pricing** -- Even though the cost of doing business on the Web is low, a product with a **great profit margin** is still a wonderful product to sell. If you're selling a product with powerful benefits, you can price more **aggressively** than if you're selling simple "shoppable" items like milk or books.

**There's nothing like a product that you can sell high...**



**...but costs little to make!**



**6) Supply and Exclusivity** -- If you develop your own product, you're 100% sure of your supplier... if you can't trust **yourself**, who can you trust?

**Exclusivity** on a product is the next best thing.

Otherwise, make sure that you are **protected**. Is your supplier reliable? Is the price to you guaranteed? Quality guaranteed? It would be a shame to develop a

successful Web business, then have the rug pulled out from under you due to lack of product control.

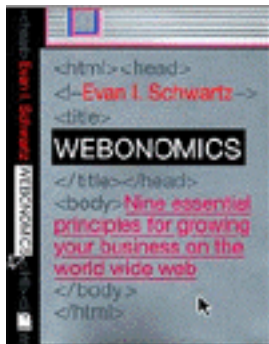


**7) Web advantage** -- Evan Schwartz, in his wonderful book ***Webonomics***, describes information-rich products as being the ideal ones for the Web. By that he means videos or software, but not Tide detergent.

PennyGold, my investing software, is a great example. I weaved tons of good information about penny mining stocks into the selling process of PennyGold, even gave away **part** of the strategy. But what if I was selling Tide detergent? Well, I'm sure there's a lot of information about the chemistry of Tide, and lots of R&D going on, but no one cares -- it's what Schwartz calls an **information-poor product**.

If your product is **information-rich**, you can develop a huge edge over any other kind of sales medium.

Schwartz' book is certainly info-rich -- I highly recommend it to anyone serious about marketing on the Web. Its principles are timeless.



**Webonomics**

<http://www.webonomics.com/book.html>

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**[ SIDEBAR ]**

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Start writing the content of your Web site towards the end of product development, **not after completing it**. Your site may bring up some practical, promotional issues that you had not considered during product development. You may need to adjust the product to help the Web site do its job. This is especially true for digital and knowledge-based goods.



**8) Customer Advantage** -- Is there an advantage to the customer to buy via the

Web? For example, availability, price, convenience, or speed of delivery.



**9) Sizzle Factor** -- Does the product lend itself well to some marketing “sizzle”? Can you build some romance into the picture?



**10) Support Required?** -- Is the product basically “plug and play.” If your consumer can use it immediately with no special help, this is a big plus. Otherwise, either make your product more user-friendly, or prepare for tech support expenses and/or returns. Factor this in.



**11) Legals/Regulations** -- Make sure it’s **safe and legal** in every jurisdiction where you’ll be selling it.

Verify that you are not violating any **existing trademarks**, at a minimum. Do your own trademark search at **Thomson & Thomson...**



**Thomson & Thomson**

<http://www.thomson-thomson.com/>

If it’s worth the money, and if you own the rights to the product, go ahead and **register the trademark**.



**12) Cost of Transportation** -- The product must be cheap to ship (as a percentage of the cost of the item). Infoproducts/software are the ultimate, obviously. Free trial downloads of software mean that you have shipped the product, **free**, before it’s even bought!

If your product is good, the consumer will return to buy a password to release the software from its “trial” status.

Can you ship your product **via the Net** (zero cost)?

**13) Cost of Inventory** -- It should be cheap to maintain inventory. Infoproducts strike again! But if you want to sell high-end bikes, maybe you can get an Internet exclusive from that snazzy Italian manufacturer. Then just arrange to ship directly from his North American or European warehouse! Hey, your inventory costs just dropped to zero!

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**14) Repeat Purchase Potential** -- Your product must have the potential to develop repeat business. Once you have a customer, if you treat her well (see below), she will buy again. It's OK to launch a business with a single product if you can sell enough of it to make money. But that single product must provide a springboard to repeat sales (ex., more soap, or software upgrades), or sales of other **related** products.

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**15) Community** -- Does the product lend itself to building community? Perhaps via a newsletter? Or through a Chat Room or E-mail Discussion List?

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**16) "Fun" for you?** -- Does selling the product give you pleasure? Your Web marketing efforts will suck a lot of your time, and will require a lot of creativity. If you enjoy it, time and creativity both come easier.

If you do not feel a **passion for your product**, consider looking for either...

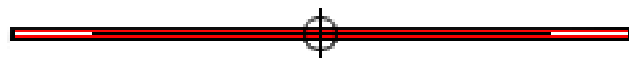
- **something** else which **does** excite you, or
- **someone** else who can get enthused about your product, and market it for you.

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**[ SIDEBAR ]**

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I put "**fun**" last. It's such a special consideration that I didn't know where to rank it! For you hard-core sales professionals, "fun" may not matter. But for the husband-and-wife team who are marketing a "labor of love" and/or long-time hobby, "fun" might rank as #1 on the list.



## 2.1. Checking Out the Competition

Considering a new product, or extending an existing one? Or just want to get a “quick fix” on a competitor, or perhaps “borrow” a clever marketing concept or two? Here’s how to find out **what and how** your competitors are doing on the Web....

### **Stealth out the competition.**

It’s quite simple...

To stay on the cutting edge, you need to check out what your most successful competitors are doing. Of course, you don’t copy anything. That’s an unethical infringement of copyright, and well,...

### **Just plain wrong.**

But it makes sense to see what they **are** doing well, and what they are **not** doing so well. (If you don’t know who your competitors are, just do a search for your site’s keywords at your favorite Search Engine. Your competitors are occupying the top 10 positions.)

Then you just make sure your site does it **better**.



But here’s your concern...

If you go visiting your competitors often enough, they’ll know you’ve been checking up on them.

How? Because your Web site URL will show up in the referrer fields of their log files. Oops!

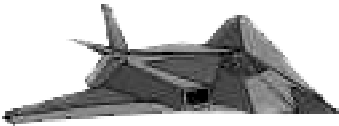
Is this a problem?

Well, it may be enough to stir up otherwise nonchalant Webmasters to the point where they spy on you. Chances are, they won’t know you exist **unless you start...**



**...waving a great big sign.**

So, although there's nothing immoral or illegal about checking out your competition, **you may wish to visit them...**



**...in stealth mode.** Just so they don't know you're checking up on them.

How do you do this?

By using Anonymizer's proxy service. This service will replace your IP address, and all tell-tale facts about you with an anonymous footprint. It's as simple as entering your URL. Best of all -- your competitor will never know you're there...



**Anonymizer.com**

<http://www.anonymizer.com/>

Rewebber offers a very similiar service...



**Rewebber**

<http://www.rewebber.de/>



The drawback?

Expect your connection speed to seem slower, as all your visits will have to be routed through this service.



### 2.1.1. Get the Dirt on Known Competitors

Let's start easy, and then work deeper. Visit the Web sites of each **known** competitor. **Surf the site.** Study her approach to selling competing products. Make notes of strengths and weaknesses, from **two viewpoints** -- consumer and yours, as a competitor.

Do they follow the principles of a good site that **SELLS**? Is the site usable, easily navigated, customer-oriented, etc.? Do they offer a newsletter?

Are there signs of programming sophistication (ex., cookies, database-driven)? [VIEW SOURCE](#) their pages to learn more about your competitors....

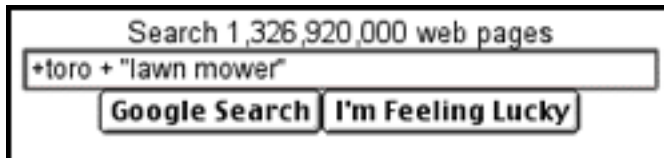
- Are they using dirty tricks? Report them to the SEs.
- Note their [META Keyword tags/Optimization techniques](#) -- in the Traffic Volume of this book, we'll discuss how to use them.
- Is their HTML coding well done and sophisticated, or is it full of mistakes?

And now for the most important point -- add ideas of how you can **differentiate** yourself and your product... **how you can do it better.**

=====

Once you've surfed the site in a normal fashion, go a level deeper...

Search for the **company and product** using the **Google** Search Engine (my favorite for **targeted** results). For example, let's say that Toro makes lawn mowers, and is a direct competitor of yours. Go to [Google](#), and enter the following...



The quotation marks tie "lawn mower" together into a phrase, forcing the engine to look for this phrase exactly. The two + signs mean that **both** "toro" **and** "lawn mower" must be on the Web page. This will turn up an interesting group of sites related to your competitor...

- Competitors, of course -- It will reveal **domains used by your competitors.** Write these down, because you'll use them in a moment.



- Distributors -- Gain an overall picture of their Web presence. Study each site to look for trends and methods. Do they distribute your products, as well?
- Customers -- Comments in discussion forums can be especially revealing.
- Press coverage -- Both official corporate releases, and the less flattering ones, will turn up.

**Finished with Google?** Now repeat for [AltaVista](#) and [Northern Light](#) or any of your favorite engines!



### And now for the true “deep dip” competitor research...

Remember **those domain names** used by your competitor? Well, we’re going to find every page from each of the important ones. First though, we’ll check to see if they use **any other domains...**

Go to [InterNIC’s...](#)



**Web Interface to Whois...**

<http://www.networksolutions.com/cgi-bin/whois/whois>

Do a search for your competitor by name, rather than for a certain domain. For example, let’s say you manufacture lawn mowers. You’re investigating Toro. During your SE work above, you found that Toro uses two different names, “Toro Corporation” and “The TORO Corporation.” Enter “Toro Corporation” on the **Whois** page, and hit the Return key on your keyboard...

Search for domain name; NIC handle; host IP or lastname, firstname:

Here’s what you find...

Toro Corporation	<a href="#">TORODEALER-DOM</a>	TORODEALER.COM
Toro Corporation	<a href="#">LBDEALER-DOM</a>	LBDEALER.COM
Toro Corporation	<a href="#">YARDCARE-DOM</a>	YARDCARE.COM

Check each of the above domains. You find that...

- torodealer.com is a distribution-oriented domain
- lbdealer.com is unused
- yardcare.com is a clever marketing angle, which had not turned up in your previous searches.



Then do the same for “The TORO Corporation”...

The TORO Company, Inc.	<a href="#">TORO-DOM</a>	TORO.COM
The TORO Company, Inc.	<a href="#">GREENSMATER-DOM</a>	GREENSMATER.COM
The TORO Company, Inc.	<a href="#">GROUNDMASTER-DOM</a>	GROUNDMASTER.COM
The TORO Company, Inc.	<a href="#">LAWNBOY-DOM</a>	LAWNBOY.COM
The TORO Company, Inc.	<a href="#">LAWN-BOY-DOM</a>	LAWN-BOY.COM
The TORO Company, Inc.	<a href="#">REELMASTER-DOM</a>	REELMASTER.COM
The TORO Company, Inc.	<a href="#">LINUX-HST</a>	<a href="#">170.92.1.180</a>
The TORO Company, Inc.	<a href="#">LIQUID-AG-DOM</a>	LIQUID-AG.COM
The TORO Company, Inc.	<a href="#">WHEELHORSE-DOM</a>	WHEELHORSE.COM
The TORO Company, Inc.	<a href="#">SNOWTHROWER-DOM</a>	SNOWTHROWER.COM
The TORO Company, Inc.	<a href="#">PROGRIND-DOM</a>	PROGRIND.COM
The TORO Company, Inc.	<a href="#">ROADHAWK-DOM</a>	ROADHAWK.COM
The TORO Company, Inc.	<a href="#">TUBGRINDER-DOM</a>	TUBGRINDER.COM
The TORO Company, Inc.	<a href="#">LIQUIDAG-DOM</a>	LIQUIDAG.COM
The Toro Company	<a href="#">DEALERGATEWAY-DOM</a>	DEALERGATEWAY.COM
The Toro Company	<a href="#">THETOROCOMPANY-DOM</a>	THETOROCOMPANY.COM
The Toro Company	<a href="#">MTIDISTRIBUTING-DOM</a>	MTIDISTRIBUTING.COM
The Toro Company	<a href="#">TOROEXPRESS-DOM</a>	TOROEXPRESS.COM

Good work! Now that you’ve got a list of functional domains, **it’s time to go even deeper...**

This requires the use of SEs that employ the **most thorough spiders**, and that have **the most stable listings** (i.e., pages don’t disappear from the spidered index) like AltaVista and Google. To get a truly comprehensive picture, do the following with both engines, for each important domain used by your competitor...

**AltaVista** -- Enter “link:yourcompetitor.com” into the search box, where “yourcompetitor.com” is the domain of your competitor. The search results page lists **who links** to competitor.com, plus **all the pages** in its **index** that are part of this domain. Or you can also enter “host:your competitor.com” -- this will list only those pages with “competitor.com” in them.

**Google** -- Look up “link:http://www.yourcompany.com”. The search results page lists who **links** to this domain, plus **all the pages** in its **index** that are part of this domain. This is powerful. It will reveal...

- **links to your competitor.** These will generate all kinds of ideas (existing alliances, potential opportunities, banner ad vendors with their banner advertising, etc.). You will find more unexpected info about and from your competitor, its distributors, its customers and more clippings from the press.

- **a total review of every page of your competitor's site,** for every one of their domains. This will often reveal much more than they intended. At a minimum, you will get a comprehensive picture of their Web presence. If you get lucky, you may find Web pages that they thought were hidden... for example, pages that were intended purely for a certain large customer.



Now let's get into **newsgroups**. **Google Groups** (formerly **Deja News**) is the best way to search **newsgroups** for postings about your opponents. These postings will come from distributors and customers, maybe even employees -- disgruntled or otherwise...



**Google Groups**

<http://groups.google.com/>

Use **Google Groups**, too, to do a search for the names of key employees of your competitor. Google Groups is a quick and easy way to get a fix on the presence of your competitors in the newsgroups.

But there are other good resources for researching newsgroups... and also mailing lists. [Please see the glossary for more info about this.](#)

Subscribe to relevant newsgroups and mailing lists to keep your finger on your competitor's pulse. If you're creative in ferreting out information, this is just the very **beginning** of digging up info on your competitors.



### 2.1.2. Finding Unknown Competitors

So much for researching **known** competitors. But the Web is a **big** place -- let's look for **unknown** ones, too. Back to our favorite Search Engines...

This time, enter **keywords** (topics) that **customers** would use to find your product. If you find zillions of businesses, analyze the amount and intensity of competition. Be realistic here -- if you're considering a new product, kill a project if the risk/reward ratio is poor.

If there seem to be only **a few** important competitors, subject them to the same competitive analysis outlined in the previous section. On the other hand, if there's no competition, there's either a fatal flaw in your project... or a **terrific** opportunity! For example, are you sure your target market exists on the Internet? If you're convinced there's no lethal reason why the number is so low, then you have a fantastic opportunity.



### 2.1.3. For More Info...

I've only touched on the basics in this chapter. Do them before launching any new product. Other possible strategies include...

- **scouring databases such as Dunn and Bradstreet and LEXIS-NEXIS**
- **subscribing to electronic news-clipping services.**

Thorough competitive analysis is a lot of work... specialized work. If you want to keep detailed tabs on your competitors and your industry, check out the Web site of **The Society of Competitive Intelligence Professionals**. Expect to find postings from "info-gathering" experts available for hire, as well...



**The Society of Competitive Intelligence Professionals**  
<http://www.scip.org/>



### 3. Your Product... Your Business!

There are six major online opportunities available to the small business owner or entrepreneur...

**1) Affiliate Business** -- the best way, bar none, for anybody to dabble their feet in the waters of e-commerce. You don't need your own products, you simply **PREsell** those products belonging to other merchants, using [Theme-Based Content sites](#). These sites require minimal cash outlay to get up and running, so it's perfect for the cash-strapped, and/or those who like to take it slow and easy! Learn while you earn... so to speak!

Although I'll do my best to get you pointed in the right direction further along in this chapter, **MYSS! 2002** isn't really about building an affiliate business. It's about selling your single great product or online store products from a **site** that **SELLS**.

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#### [ **SIDEBAR** ]

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If you're interested in a high-earning, low cost affiliate business, and need the whole enchilada... subscribe to the **Affiliate Masters Course**. This comprehensive 5-day e-mail course shows you how to become an income-generating affiliate champion step-by-step...



**Affiliate Masters Course**

Send a blank e-mail to [tams@sitesell.net](mailto:tams@sitesell.net) to subscribe.

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**2) Selling Your Single Great Creation** -- whether it's e-books, software, or your lifetime project... the Net offers you unparalleled opportunity. In fact, it was my

**Product Volume...**Your Product...

“single great creation”, PennyGold, that gave rise to **MYSSI!**

Having your **own** product means you control your business!



**3) Selling Your Services** -- consultants, programmers, graphic designers -- heck, professionals of any sort can leverage themselves by maintaining a professional Web site, and **selling** their service directly from that site. Yes, you may only **be selling yourself..**

... but you still need a site that **SELLS** your service.



**4) Online Stores** -- take your existing inventory (or build a Web store without an offline presence), and offer your products for sale online. Your options are numerous...

- **online malls**, like SureFire Commerce's [Buyitonline...](#)



**Buyitonline.com**

<http://www.buyitonline.com/>

- **free Web stores**

- **Out-of-the-box Web store software solutions.**

- **Commerce server packages** -- for the really big businesses!

**SiteSell.com** is currently integrating powerful e-commerce modules into **Site Build It!**. By the time you read this, its enhanced automated order-taking, processing, and digital fulfillment system may already be up and functioning. Be sure to check in at...



**Site Build It!**

<http://buildit.sitesell.com/>

**5) Net Auctions** -- a Net Auction business offers a fantastic opportunity for a full time/part time business and an additional income stream. This opportunity has low-to-no financial risk and is easy to start -- which is especially encouraging for e-commerce newbies.

Net auctions offer those with online businesses the ability to leverage their main sales sites. They also provide a profitable way to liquidate existing inventory.

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[ **SIDEBAR** ]

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**Make Your Net Auction Sell! (MYNAS!)** is SiteSell's one-stop complete resource guide (over 500 pages) for building a successful Net auction business, covering everything from start-up to expansion.

**MYNAS!** even includes a bonus book, **Build Sources**, that shows you where to find profitable goods to sell so that you can build your own source list, no matter where you live...



<http://mynas.sitesell.com/>

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**6) Local Businesses** -- Use the Web to increase your exposure or presence locally. This may not be as obvious as the other examples, so I'll explain...

Say you run a duct cleaning and furnace-repair business in your local community. Obviously, a **worldwide** Internet presence isn't of much value to you. After all, you're unlikely to load up the van and drive all the way to Zanzibar for a furnace cleaning job, right? So what does a Web presence offer you?

**A lot.**

Sure, the Web is best known for its ability to leverage a business presence across **international boundaries**, but it's just as powerful in your own neighborhood. Even though your business doesn't maintain an international presence with 1,000 franchises, the Net can still offer you great benefits. Here's what I mean...

It's very unlikely that you hold a monopoly on the business in your area. Even if you live in Sleepytown, U.S.A., it's a dog-eat-dog world, just like everywhere else! If you're not on top of things, your competitors will gobble you up.

The Net lets you keep the upperhand. Stamp your URL in big, bold letters all over your business cards, invoices, and any offline promo you do. Then use your Web presence to build **stronger relationships** with your customers by offering them convenience and extras. How?

It's simple...

- Your bimonthly **e-zine** keeps you first and foremost in your customer's mind, as well as providing valuable information for the home owner (the importance of a clean furnace to reduce the chance of low-grade carbon monoxide poisoning, for example).
- your **online form** allows potential customers to obtain a custom quote at their convenience (3 A.M. in the morning, whilst you're nestled comfortably in bed!).
- your **list of customers' e-mail addresses** offers an unobtrusive and gentle way to remind them they're due for furnace service or duct cleaning -- "Just a friendly reminder from Pete at ABC Furnace and Duct... it's been 6 months since your ducts were cleaned! We're here any time you're ready."
- Your informative site allows customers to **troubleshoot** the most-likely problem scenarios with their furnace and duct systems. This saves them money and time, and builds your credibility as a someone who cares!

Simple and effective.



Let's take a second and see how these opportunities apply to **MYSS! 2002...**

Although the principles are still applicable, **MYSS! 2002** isn't really about selling via an online mall, sourcing your product at auction, or building a presence in your local community. And, although we discuss affiliate programs a good deal, **MYSS! 2002** isn't really about them either.

**MYSS! 2002's** main focus is on **# 2 and #3** -- selling your single great product(s), and services via a **site** that **SELLS**. (The [Store Volume](#) covers multi-product selling.)

No matter what you want to do on the Net, the lessons of **MYSS! 2002** will stand you in good stead, even if you're an affiliate, auction entrepreneur, or simply have a local business. If you want to sell a product of any kind on the Net ("one of a kind" or



thousands of SKUs through a store) or a specialized service...

You've come to the right place! 😊



### 3.1. No Product?... No Problem!

As you were reading that last section, “**Your Product... Your Business!**”, were you thinking...

“Hey Ken, what about me? I don’t have my own product.”

No problem. This chapter is for **YOU**.

#### **[ SIDEBAR ]**

If you're already selling a product online... can you just skip ahead? That's entirely up to you. I suggest you stick with us, since even those with existing products and businesses can benefit from the right affiliate program, or a properly targeted, self-published infoproduct.

So... you don't have your own product. Or so you think. In reality, however, you do! Let me explain...

Take a walk through the downtown center of your local city, town, village, metropolis, anywhere! Enter a couple of stores at random. Browse around a bit. What do you see?

Merchandise -- in various shapes and forms, depending on the store you enter. All is as it should be, right? Okay, now answer me this...

How many of the merchants you visited on your excursion have invented, patented, developed, and manufactured the stock of their respective stores?

Exactly. None. (Okay, I **can** think of instances where merchants may manufacture their own goods -- in a craft store, for example. But for the most part, this is extremely rare.) **Does this mean none of these merchants have their own product?**

**Product Volume...**Your Product...

Nope.

Ahhh, I hear you asking...

“Okay smart guy, so what’s the product then?”

**The product is the selection, the presentation, the decoration, the ambience, the sales staff, the service -- even the “vibes.”**



Let’s think about it for a minute...

Suppose you’re out looking for a widget. And suppose that there are numerous merchants who carry the exact widget you want. If this is the case, what makes you choose one merchant over another when all the products are essentially the same?

It could be any number of things...

- the friendly, courteous sales staff
- the relaxed, comfortable atmosphere
- the complimentary coffee and donuts
- the extensive selection
- the Chopin gently wafting through the air
- the decoration and paint scheme.

In other words... the **presentation**. You can buy the same product at any number of places, yet you choose this one. The **big “P”** is why.



Okay... now let’s get back to you not having your own product. Let’s assume your initial foray into e-commerce will be as an affiliate, PREselling your merchant’s products. You don’t have any physical products taking up space in your garage but you still have a product -- your Web site.

So what makes up **your** product...

- the presentation -- i.e., the design, look, or feel of your Web site
- the valuable content on your Web site
- the theme of your site
- the high-quality selection of merchants and products you represent
- the delicacy with which you **PREsell** your visitors.

Yes, all these are an essential part of your product. Even vibes are important on the Net -- who's lurking behind this Web site? A money-grubbing charlatan? Or somebody who genuinely wishes you the best shopping experience?

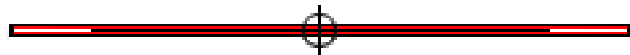
Let's say that you have an online store selling computer parts, a highly competitive arena. In this case, you stock and ship actual products. However, **it isn't** the computer parts themselves that are your product. There a billion companies selling exactly the same thing. So your actual physical product doesn't give you any distinguishing identity.

What does? The way you assemble and present your products, the theme you give the store, the outstanding support you provide your customer.

**That's your product!**



Now that you know "product" doesn't necessarily mean something physical, let's get started finding the right approach for you...



## 3.2. Picking the Right Affiliate Programs

Okay, you've taken your passion and developed it into a profitable income opportunity. You've found your "theme", and compiled a list of the most profitable keywords to target. All you've got to do now is build your site... right?

**Wrong...**

That's putting the cart before the horse. Make sure there are some **good merchants** around to partner with **before** you decide on your product.



Here are a few pointers to help your evaluation of affiliate or associate programs...

**1) The quality of the program itself** -- Does it set cookies? Pay lifetime commissions? Pay fair commission rates? Is it two-tiered -- i.e., can you sign up people below you and receive commissions from them as well? What about tracking? Are you sure you'll receive credit for every purchasing customer?

You must find merchants who treat affiliates as true partners. A complete set of minimum requirements for a good, solid program is listed [here](#)!

**2) The integrity of the company offering the program** -- The past year has been ripe with stories of companies offering generous commission rates to attract affiliates, only to renege on the payments, or reduce the commissions to a small percentage of what was originally offered. There are ways to determine integrity...

**i) Sign up for Allan Gardyne's Associate Programs Newsletter.** Allan and his audience of over 15,000 readers will keep you posted on the best and the worst affiliate programs on the Net.



**The Associate Programs Directory**  
<http://www.associateprograms.com/>

Or search the newsletter index at...

<http://www.associateprograms.com/search/newsletter.shtml>



**ii) Visit the rest of the top 10 most highly trafficked affiliate directories on the Net,** and see if your possible merchant partner's program is listed. Most of these services allow affiliates to review or rate programs, so pay careful attention to what they have to say. Start with [AssociatePrograms.com](http://www.associateprograms.com), (still #1), and move on to...

**Product Volume...**Your Product...



**Refer-It**

<http://www.refer-it.com/>



**CashPile**

<http://www.cashpile.com/>



**Associate-it**

<http://www.associate-it.com/>



**ClickQuick**

<http://www.clickquick.com/>



**Revenews**

<http://www.revenews.com/>



**Affiliate World.com**

<http://www.affiliateworld.com/>

Product Volume...Your Product...



**AffiliateMatch.com**

<http://www.affiliatematch.com/>



**2-Tier Affiliate Program Directory**

<http://www.2-tier.com/>



**AffiliatesDirectory.com**

<http://www.affiliatesdirectory.com/>



iii) **Cast a critical eye over the commission structure.** If it sounds too good to be true, 99 times out of a 100, you can bet it probably is. Remember, if your merchant partner is selling electronic goods in a downloadable format (software or e-books), higher commission rates are perfectly acceptable. After all, there are no shipping, handling, or stocking costs involved.

For instance, **SiteSell.com** pays 30% commission on affiliate sales of the PDF version of **MYSS! 2002**.

But only pays 20% commission on sales of the “hard” copy of the original **MYSS!**.

After all, it makes the most sense, right? We have the additional costs of producing a physical book. Plus somebody’s got to package it and stick it in the mail. Obviously, we can’t afford to pay 30% commissions because our profit margin is much smaller.

## Product Volume...Your Product...

So, if you are seeing exceptionally high commission rates paid out on “hard goods”, be wary. This is just not a sustainable business plan. They will have to dump commission levels to more practical levels -- if they want to survive, that is!

And guess where that leaves you?

Uh-huh...



... out of luck!

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### iv) Quality of Product and Service Offered by the Company -- Pretty obvious.

Not much point in reselling a crummy or overpriced product. No point representing a company that lacks the ability to deliver a great shopping experience. Or great customer service. Or fast and efficient shipping.

Key point?

You won't receive commissions from an inferior company because you won't be able to PREsell its product.

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**v) Online Brand Recognition** -- Even though Amazon.com's affiliate program isn't particularly fair (it only pays commissions on sales that occur on the initial referred visit, and full commissions only on directly referred products), they still have a bazillion affiliates. Why? Two reasons...

- Amazon.com **is** the affiliate program pioneer. They started their affiliate network long before anyone else. Plus, they have a highly-regarded, well-known, and visible brand -- synonymous with “quality” on the Web.
- Affiliates know that any visitors they do send to Amazon.com will have a “seamless”, quality experience. But knowing a referred customer will receive stellar customer service is only half the battle. On top of that, customers are more likely to buy from a brand they are familiar with. For example...

Say I'm looking for a book on **HTML Programming**.

After a search at my favorite engine, I find a great little site that provides top-notch HTML programming resources for beginners. It also recommends a particular book. I click the recommendation link to arrive at Amazon.com. Having bought from Amazon.com before, I have no qualms about making the purchase now. After all, I know their service is great!

And if I haven't bought from Amazon before? Chances are I'm sure to recognize the brand -- unless, of course, my name's Rip Van Winkle. 😊

### **CLICK-KA-CHING!**

**I buy.** I'm happy. Amazon's happy. Affiliate member makes 15% of direct referral, and she's happy.



**But it's not always payday in happy-happy land.**

What if a great little HTML site refers me to a merchant **I've never heard of before**. The site isn't that intuitive. The shopping cart is a little creaky. And like most online buyers, I'm extremely wary of the unknown. In this case, do I buy?

That depends.

How well does the affiliate establish his credibility? How well does he PREsell me on his merchant partner? If the affiliate has enough credibility, maybe I will. But it's iffy.

On the other hand, a referral to a well respected merchant means the **CLICK-KA-CHING** is almost in the bag. And that, dear reader, is the name of **this** game!

Here's the **successful referral** mapped out. Remember that I am looking for a book on **HTML programming**...

- I find affiliate site at the **SEs** for my keyword search (HTML programming).
- affiliate site provides **top-notch targeted information** on HTML programming, and establishes its **credibility as an "expert."**



**Product Volume...**Your Product...

- affiliate effectively **PREsells** me to his or her merchant partner
- merchant partner is **respected and well-known.**
- **CLICK-KA-CHING!**

I buy. It's **payday** in happy-happy land.



**vi) Business record** -- how well is this company doing online? Is it likely to have much of a future on the Net? Worst case scenario? Sure...

Let's say that you're an affiliate for **COMPANY XYZ**. You are doing a great job... you built a masterful **Theme-Based Content site**... you're getting tons of traffic. Commissions are rolling in...

Then, one day, you read a press release...

**COMPANY XYZ TO ELIMINATE ITS WEB BIZ!**

Wham! **You're** out of business, too.

Return to square one.

The moral?

Tried and true is good. Stick with companies who have an **untarnished, proven online record!**



**vii) Number of affiliates** -- no point trying to carve out an existence PREselling a product that a billion others are also representing. More importantly, a company that limits affiliate membership shows it's serious about treating associates as partners. Why? Restricting the number of affiliates ensures that the most dedicated and hard working partners are always **justly rewarded!**



Other important considerations for success?

## Know your merchant partner's products!

Discover for yourself if the product you're PREselling is really worthwhile. Check your merchant's ability to deliver a seamless, pleasurable buying experience. What about their support staff and fulfillment capabilities? Are e-mails responded to promptly and courteously? Do products arrive swiftly?

What does it really come down to?...

## Would you recommend this product and merchant to a friend?

And while it may not be possible to purchase from every one of your merchant partners, it's a pretty good idea to do so from the most important ones.

Because, really...

How much more enthusiastically can you recommend Amazon.com when you've experienced their service first-hand? Makes sense, right?

And if you discover your merchant partner's a dud? Congratulations, you just saved all important "face" and built credibility! You are obviously more interested in ensuring your visitors receive a quality buying experience than simply making a buck. And that's a good thing!



At SiteSell.com, our statistics show the same thing over and over again...

Our most successful affiliates own at least one -- often several of the SiteSell.com products they promote. That's no coincidence.

Furthermore, it simply boils down to integrity. How much value does a recommendation have when it comes from somebody who has never used the product or service? There's only one correct response -- **none**.

Imagine chatting with a friend in the office...

"No, I've never used it myself, but I highly recommend it."

Ridiculous. You'd never **dream** of doing this. But it happens everywhere online.

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[ **SIDEBAR** ]

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Sitesell.com's **5 Pillar Affiliate Program** is widely recognized as one of the best on the Web. Membership is free and comes with the **5 Pillar Manual** -- the **definitive** guide to building a profitable affiliate business from the ground up...



**The 5 Pillar Affiliate Program**

<http://www.sitesell.com/affiliateprogram.html>

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### 3.3. PREsell Your Way to Affiliate Profits

What could be better than selling products that you don't ship, stock, or for that matter, even worry about? Just sit back and collect your monthly commission check, thank-you-very-much.

Sounds great! Where do I sign up?

These days, just about anywhere. **Affiliate programs** are all the rage on the Net. Any merchant with a good grasp of the obvious has one in place, or plans to implement one soon.

As an affiliate, you're an **official reseller** of the product or service your merchant partner offers -- with one vital difference. You don't actually ship product, stock product, or swipe credit cards. Nope, you simply PREsell (i.e., warm up your customer) so that she will click through to your merchant partner's site, where **they** take care of the hassles.

If you do this properly, a percentage of referred visitors will make a purchase, and you'll receive a healthy commission.

Sounds good, right? Sure it does...

### **But being a successful affiliate requires real effort.**

It's a business, just like any other. Affiliates who make big money put in long, hard hours. They recognize that an affiliate business is built on the same "give, then take" fundamentals upon which any good business operates.

Yes, even as an affiliate member, you must be able to solve a visitor's problem instantly. You must establish credibility, so that people come to respect your recommendations. None of this can be accomplished by posting a banner ad on your site.

What does it take?

Work, research, and most importantly, good content on your Web site.

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### **[ SIDEBAR ]**

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Obviously, a "nuts-and-bolts" approach to building an affiliate program is critical, if you decide to go this route. Don't worry. It's all covered in the **5 Pillar Manual** (free when you join SiteSell's **5 Pillar Affiliate Program**) and the **Affiliate Masters Course**. To subscribe to the course, please send a blank e-mail to [tams@sitesell.net](mailto:tams@sitesell.net).

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What about those **do** who recognize the potential of the "affiliate model" and apply the hard work?...

They are few and far between. It's a depressing fact that more than 90% of affiliates accomplish nothing, generate minimal leads, and make little or no money. (Don't let this bother you... you've qualified yourself by buying this book. You'll do fine). 😊

So why are there such high failure rates?

Perhaps folks don't recognize the affiliate model as the **viable** business option it can be? Perhaps it's as simple as plain old laziness? The extent of most affiliates' participation amounts to little more than enrolling, and throwing a banner on a Home Page already choking with banners.

When no check arrives the following month... they drop the program. The attitude is "tried it once, didn't like it."

Truth is, the affiliate model **can** work for you -- if you're willing to roll up your sleeves.

Let's take a look at the affiliate model, and how to make it into a profitable product for you. First from...



### • The Perspective of Love

As you've probably figured out by now, I'm a golf fanatic. I've studied the swing in detail, and I own a bazillion books on the subject. I've even tutored some pretty decent players. Golf is my **passion**.

What am I trying to say? Good question!

The best way to build a **genuine** affiliate business is to center it around something you're passionate about. Why? Because your sincerity and honesty will shine through. Folks will recognize your passion. They'll recognize you as the expert. And when you make recommendations, they'll trust you, and listen.



Let's go back to my passion for golf. **How can I turn this passion into an income stream?**

**There are two ways that anyone can make this transformation...**

1) Build a [Theme-Based Content Site](#) dedicated to your passion. In my case, it would be about the intricacies of the golf swing, or the top courses in North America, or whatever aspect of golf that interests me the most. It would be packed full of great riveting content that builds my credibility as an expert.

And, while illustrating the best ways to improve your swing, or describing Torrey Pines in detail, I'll integrate **in-context** merchant partners into my body copy, and PREsell them to my visitors.

Why **in-context** partners?

Because it makes the most sense, doesn't it? After all, anyone who wants to learn how to improve their golf swing will probably need new Titleist balls soon, or new clubs, or a new bag, or even a trip to Torrey Pines. On the other hand, they are less likely to be interested in low cost long distance plans, new credit cards, or a spending spree at an online casino.

Bottom line?

**The fact that the visitor is spending time at my site qualifies them as being interested in golf-related products.**

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**[ SIDEBAR ]**

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Whether you're a merchant using your **Theme-Based Content Site** to drive traffic to your own sales site, or you're an affiliate driving traffic to your merchant partner's site, PREselling is exactly the same thing. And effective PREselling is vital to the success of your business.

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Okay, that was easy. What's the other way to build my **passion** into an online business?

**2) Build your Theme-Based Content Site** around a concept that **closely** matches your passion or interest, **as well as having the highest profit potential.**

Huh?

Back we go to the golf example...

Yes, I **could** build a Web site about whatever aspect of golf I wanted, without giving any regard to the profit potential of the site. That would be okay, as long as I wasn't too concerned about turning it into a money-making venture.

That's one way to look at it.

Perhaps a more practical way would be to integrate my passion with a **related topic that is in high demand** (lots of keyword searches performed at the engines), **and in low supply** (few results returned at the engines). Why?

Because that's where the opportunity to **profit** lies. "Golf" on its own is **too general** a subject for the netrepreneur to target successfully. You won't be able to compete with the big guys on this one. Chances are, they have much more money than you do. After all, they're the ones paying Tiger Woods. 😊

**Narrow the focus of your site.** Generally, the more narrow the focus, the easier it is to build yourself a comfortable position within that niche.

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[ **SIDEBAR** ]

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Picking the most profitable niche for your **already existing business** is covered in the **MYSS! 2002 Traffic-Building Volume**.

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Now let's look at building an affiliate program from...

- **The Perspective of a Mercenary.**

Nothing complicated here... it's simply about money. And you can make buckets of it in three easy steps...

**1) Find the biggest, most profitable niches you can!**

**2) Form merchant partnerships with companies that sell products within those niches.**

**3) Build Theme-Based Content Sites to attract targeted visitors**, and PREsell them through to your merchant partner's site. In short, plug those holes up... with cold hard cash!

Okay, so I've simplified it a little. The good news is... it's not difficult to become an expert in any field these days -- the Web holds the key to everything. Have you found a highly profitable niche that you know nothing about? No big deal.

Tackle the task as a small research paper, like the kind you did in high school. Fire up your browser (or visit your local library), and do a little digging. Then use that information to develop high-value content pages that effectively PREsell your visitor to your merchant partner's site. Easy as pie!

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Of course, if you're going to be a mercenary, you'll need to find the **most profitable** niches to target. One way to do that is to...

- Use trial and error to determine what's hot and what's not.

Okay, that's the hard way!

If I was going to build an affiliate business, here's what I'd do. First, a visit to...



### Cyberatlas - Stats Toolbox

[http://cyberatlas.internet.com/big\\_picture/stats\\_toolbox/article](http://cyberatlas.internet.com/big_picture/stats_toolbox/article)

**Cyberatlas' Stats Toolbox** holds tons of great information for the Net marketer that shows what's selling like hotcakes! This gives me a list of the most profitable places to start looking for niches to target.

For example, tech products are hot on the Net. Here's an abbreviated listing of what I find...

Product	Sales	% Change
-----		
• Plasma Flat-Panel TV Screens	4,060	+263%
• PC Cameras	1,369,740	+222%
• PDAs	2,084,077	+164%
• DVD Players	3,095,388	+119%
• Digital Still Cameras	2,315,958	+112%
• Recordable/Rewritable CD Drives	1,930,721	+76%
• Network Devices	1,498,543	+67%
• Direct Broadcast Satellite	2,206,687	+65%
• CD Recorders	155,347	+62%
• Cellular Phones	2,486,827	+62%

Source: NPD Intellect Market Tracking

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What a fantastic way to develop a "jumping off" point! Of course, in your search for



niches, you can target any group of products you wish. However, for greatest success, I recommend you stick to re-selling the types of products proven to work online.



For the sake of argument, I'll choose “**DVD Players**” from the list above. They're fairly expensive (commissions should add up quickly), and over 3 million units were sold in the first 10 months of the year (lots of demand). At this point, I have a couple of choices...

1) Manually build a list of most profitable keywords to use in developing my content pages.

**OR, the preferred method...**

2) Click the **Brainstorm button** of the **SBI! Manager** (part of the [Site Build It!](#) system). To be a true mercenary, you need the appropriate tools. In this case, the best tool to ferret out the most profitable keywords is the **SBI! Manager!** Remember, it's these keywords that'll you'll use to build your **Theme-Based Content Site(s)**. So you need to target the absolute best ones. And that's why the **Manager** is so important!

For example, I'll plug “dvd players” into the **SBI! Manager** and PRESTO, I'm presented with a list of the most profitable keywords. Here they are...

- dvd drive reviews
- external dvd drives
- portable dvd drives
- laptop dvd drives
- usb dvd drives
- dvd drive info

From here, it's a simple matter of deciding whether or not there's a big enough hole to fill, and if so, how to fill it. For example, the keywords “dvd drive reviews” are entered often in the Search Engines (**large demand**), but return few results (**short supply**). That's good news. But how would I turn this into an income opportunity?

Easy.

I'd spend a little time on the Net. I'd buy a couple of magazines down at my favorite bookstore/library and find out what individuals, the press, and industry analysts are saying about the top 5-10 dvd players.

Next, I'd join the affiliate program of a reputable online merchant who sells the top brands.

And finally, I'd build a [Theme-Based Content Site](#), targeting the keywords "dvd drive reviews." This site would provide high-value content to visitors through a comprehensive review and analysis of the best dvd players on the market. While I doing this, I am PREselling my visitors to my merchant partner's site.

See how it works?

**All I'm doing is looking for unfilled holes.** Did you notice how I couldn't possibly target "dvd drives?" It's too **competitive**. But "dvd drive reviews" is perfect. And do you think that someone entering "dvd drive reviews" into a Search Engine is interested in buying a dvd drive?

Of course, they are!



### 3.3.1. Theme-Based Sites vs. Mini-Sites

Presently, "mini-sites" are being highly promoted as the affiliate's "super tool." This type of site is supposedly the cheapest and easiest way to make a profit from an affiliate program, and so forth. Not so. The "mini-site" is **not** a viable tool for the average netrepreneur.

#### What's a mini-site?

It's nothing more than a single or two page affiliate site comprised **entirely of powerful sales copy** that drives a visitor through to a merchant partner's site.

"What's wrong with that?", I hear you asking.

For the big guy, nothing. But for the little guy or gal?...

It's not so great. A [Theme-Based Content Sites \(TBCS\)](#) is the way to go.

Here's why. For a mini-site to work, one must have....

### 1) Money

Yup... cold hard cash. Mini-sites don't do well at the Search Engines. Their sole purpose is to SELL, not to rank highly with SEs. As a result, there's nothing but sales copy. And don't expect to attain a directory listing either... even at the most lenient ones.

So the only way to get traffic is to pay for it -- by buying highly-targeted e-zine ads, advertising at the Pay-Per-Click Search Engines, and so on.

That's strike one. Strike two, I'm afraid, is the killer...



### 2) Already Established Credibility on the Net

A mini-site delivers no valuable content to establish the credibility of the expert. It's just sales copy, remember? So if you aren't already well-respected on the Net, your mini-site will bomb. Nobody buys from a straight-pitch Web site unless they respect and trust the author. Since most netrepreneurs aren't well-known, this poses an insurmountable problem.



### 3) Finely-Honed Net Marketing Skills

Because you have to pay for every visitor to a mini-site, you'd better have your Net marketing down to a science. Your copywriting skills need to be impeccable, and your mini-site must attain a click-through and sales rate of 1, 2, or 3%. This is the **only** way you can make a mini-site profitable -- know **exactly** what it costs you per visitor, and advertise accordingly.

Most of us aren't at this point yet. The mini-site is a tool **only** for the practiced, experienced Web professional.

But don't worry... you're well on the way to becoming just that!

In comparison, a **Theme-Based Content Site** offers much greater opportunity as an affiliate vehicle. Here's why...

### **1) You don't need money.**

A Theme-Based Content Site is full of content-rich Web pages that have been designed specifically **to attain high rankings at the Search Engines...**

... while effectively **PREselling your visitors** to the merchants you represent.

And because the site is such a valuable information resource, there shouldn't be any problems getting directory listings as well.

Sure, advertising your **TBCS** is never a bad idea. But unlike the mini-site, it's not a necessity. Built properly, many folks will find it just fine, all by themselves.



### **2) A Theme-Based Content Site establishes your credibility as an "expert."**

Since the **TBCS** is such a valuable information resource, it automatically establishes your credentials. Folks recognize your expertise, and give more credence to your recommendations. When they click-through to a merchant partner's site, they are more likely to buy.

Since the mini-site offers no opportunity to build your own credibility, it's much more difficult to get people to respect your counsel.



### **3) A Theme-Based Content Site allows you the opportunity to hone your Net marketing skills.**

With the **TBCS** model, it's not an all-or-nothing shot. You get lots of chances to make the sale.

On the mini-site, an arriving visitor initially decides whether or not she will read the sales copy. If she does so, she still has to decide whether to follow your lead and click-through to your merchant partner's site. Again, she may, or may not do this. But the sale is either made, or it isn't...

There are no second chances.

But a **Theme-Based Site** may have 5-10 (or more) great articles, each ending with the option to visit a merchant partner's site, or to return to the Home Page and select other articles of interest. So if a surfer decides not to visit a partner's site, but instead to return for other articles...

That's a good thing.

Because your next article will end with the two options -- to visit a different partner's site or return for more articles. Sooner or later, you'll hit the **right button**. Eventually your visitor's interest will be piqued enough to visit a partner's site. And the more articles she reads before she does, the better it is for you! Each article continues to **add to your credibility**, and to build trust between you and your visitor.



There's another significant problem with the mini-site.

It only PREsells one product. Bad idea? Yup. Any visitor arriving to that page has only one of two options...

- She needs your merchant partner's product.
- She doesn't need your merchant partner's product.

### **No rocket science here!**

50-50 chance, right? If you've gone to all the trouble of getting the visitor to your site, why not give her multiple options? For example, earlier I talked about building a Theme-Based Content Site around my passion for golf, and integrating in-context merchant partner links within it. Okay... let's say that I decided to represent a single merchant -- one that sold golf clubs.

Any visitor to my site is in one of two possible categories...

- She needs new golf clubs.
- She doesn't need new golf clubs.

But here's the thing...

She may not need clubs, but she **may need** new golf shoes. Or a new bag. Or any

number of golfing accessories. So I integrate in-context merchants to my themed site.

Consider this... a visitor, upon reading my great article on a set of high-end titanium alloy golf clubs, decides "Nah... I just got new clubs last year", and returns to the Home Page for more articles. Do think placing that same link in the next article is going to be any more effective? Nope -- your visitor **still** got new clubs last year.

Follow the next article up with a link to a partner that sells golfing accessories. Your visitor's purchase of new clubs does not disqualify her from being interested in golfing accessories.

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[ **SIDEBAR** ]

GoTo.com has recently fired a wrench directly into many master affiliates' traffic-generating plans. Their new regulations now require affiliates who purchase keywords to drive traffic to their mini-sites to label themselves as such.

You can imagine how sticking the word "affiliate" into otherwise compelling copy will seriously damage click-through rates. And without click-throughs from the Pay-Per-Clicks Search Engines, the mini-site is doomed. But a Themed-Based Site, with its wide range of merchants and valuable content, is less likely to incur such a penalty from GoTo. A big plus.

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Bottom line?

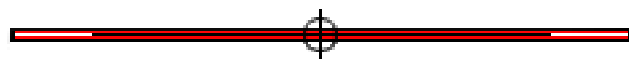
A Theme-Based Content Site wins hands-down over the mini-site. There are just too many advantages. So unless you're a seasoned Net professional, confident of your abilities...

I don't recommend using mini-sites.

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[ **SIDEBAR** ]

Of course, this is only **my** opinion. Lots of well-respected web gurus out there **are** fans of the mini-site. Therefore, the choice to use them is totally up to you. I don't have a monopoly on the truth! ☺



## 3.4. Selling Your Brain-in-a-Book Online

In **MYSSI**!, I said...

**“If you don’t control your product, you don’t control your business.”**

It’s still my mantra...

To succeed in your Web-based business, you only have to win three battles...

- **develop a great product**
- **write a Web site that sells**
- **attract targeted customers to the site.**

Keep all three **under your control.**



**If you control your product, you control everything...** quality, supply, pricing, etc.

The infoproduct (or e-book) is far and away the **easiest** way for **any** Netpreneur to **create** and **control** their own product. The cost is cheap, and it’s well within the ability of most people.

Don’t think so?

It wasn’t so long ago when SiteSell.com sold one product -- an e-book in PDF format. Guess what it was called? That’s right...

**Trumpets please...**



... Dant DADA!... **“Make Your Site SELL!”**

And now, we sell **six** products (with more in the works), and we have over 13,000 affiliates. The beauty of it all is that SiteSell.com isn't the only company on the Net that's done well with infoproducts. Lots of others have done exactly the same thing. Best of all...

You can do it, too! Yes, you can write, publish and produce your own e-book. And you can do so successfully -- selling it for good money on the Web.

After all, you are unique, right? And you know all kinds of stuff other people don't... things people **would pay** to know.



We all have areas where we are knowledgeable. For example, I could easily write and sell a book about the "golf swing." Maybe you could do one on wind surfing, or importing products from Latin America.

And, if you're **not** an authority on any subject, it doesn't take long nowadays to become one. Thanks to the Web, you can easily become an expert on several topics in about a month's time.

The same goes for this book. As I "accidentally" became a Web sales expert due to PennyGold, I realized that there were tens of thousands of people who would happily exchange dollars to gain what I have **learned and experienced**, thereby saving the **pain** of trial-and-error.

So although you may not know it, you're already very close to **profiting** from your knowledge. Better still, you're very close to creating and controlling your own product!

What do you need now? A proven system that will show you...

- **How to pull knowledge out of your brain**
- **How to publish it**
- **How to sell it on the Net**

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**[ SIDEBAR ]**

**Make Your Knowledge Sell!** is the "A to Z" guide to building a highly profitable infoproduct business. Co-author, Monique Harris, is the proof. She has gone from



Product Volume...Your Product...

college dropout and receptionist to a highly successful “infopreneur”, generating a \$100K+ a year.

**MYKS!** is the complete package. It covers **far more** than finding your subject. It is the entry point to a **true** infopublishing business. **MYKS!** supports you with a robust, step-by-step, “yes-we’ve-thought-of-everything” approach to publishing...

**MAKE YOUR KNOWLEDGE SELL!**

**Make Your Knowledge Sell!**

<http://myks.sitesell.com/>

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Sure, maybe you **could** invent your own unique product, but the invention would only be the start of a very long process. You’d have to manufacture it. And package it. And ship it. Of course, that presupposes that anybody actually wants it.

The costs to take a new product, even a relatively simple one, from the design through to the manufacturing stages are prohibitive for all but a small percentage of people. Besides, most of us aren’t inventors.

But an infoproduct is something **anybody** can create.

Cost to do so? Couple of hundred bucks for software, your time, and a little bit of elbow grease.

That’s it, that’s all!

Any other good news?

Sure... we’re not talking about “War and Peace.” Or a 300 page manual. Or swirling majestic prose...

**Solve a problem. Provide a solution.** That’s what people are paying you for -- not how many words you do it in. The bigger the solution you provide, the more you can charge -- yes, even if you can accomplish it with less than 10 pages. **A well-conceived infoproduct must...**

- be what your target market **wants** (i.e., find thirsty customers)
- be of truly **high** value (i.e., **quench** that thirst!)

**Product Volume...**Your Product...

- be **unique** or have a unique angle (**10 out of 10** if you have hard-to-acquire and valuable knowledge).



Need an example? Here it is...

Let's say that you've worked in construction as a general contractor for 25 years. You know at least 2 dozen things people would pay good money for you to do -- things that they could easily accomplish themselves.

Now you've got your e-book! All you have to do is get the info out of your head, and put it into a PDF format. And trust me, it's not hard!

Then it all boils down to building a site that **SELLS...**

"Homeowners: Let Me Show You How To Save \$2500 A Year in Maintenance Fees!"

And let me tell you... if you **can** show people how to save \$2500 a year, they won't bicker over a \$20 price tag, and a 30 page e-book.

Bottom line?

**Your own infoproduct is the way to go!**

And to get started on the right foot, follow the **InfoProduct Masters Course**. It's your perfect tool kit...



Send a blank e-mail to [tims@sitesell.net](mailto:tims@sitesell.net) and watch for the first installment in your mailbox!

Once you've written and edited your information, decide on the format. Will you sell

an Adobe Acrobat PDF file? Super!

Just print to PDF, add internal links and external hyperlinks. Bye-bye dead trees.

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**[ SIDEBAR ]**

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**Site Build It!** is developing transaction processing capabilities. You'll be able to automatically fulfill digital orders. Here's the process...

- customer orders with major credit card
- credit card is **validated in real time**
- customer receives invoice, as well as username and password to access the download zone
- once customer downloads her infoproduct, access to the download zone is removed to prevent fraudulent downloads.

There's nothing left for you to do but spend your money! Soon your infoproduct-based e-biz will run itself while you snooze in bed, travel the world, or embark on whatever type of venture you wish!

---

Will you also distribute a hard-copy book? Include a workbook manual and/or audio tape? If you decide that you **do** want to cross the line into hard goods (books, tapes, etc.), **test the water first with your digital version.**

Or, if your info is specialized, valuable and updated often, provide your **paid-for** info in a password-protected part of your Web site...



**Wall Street Journal**  
<http://www.wsj.com/>

Depending on the nature of your infoproduct and your target market, there is an **unlimited number of ways to distribute your infoproduct.** The best part? **They all cost virtually nothing!**

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[ **SIDEBAR** ]

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People **love** to collect information products. As I've said, I love golf. I have studied the swing in great detail. I collect books and videotapes on the golf swing. Hundreds and hundreds of them. I have only read about a third of them. **The rest just make me feel good to own.**

My wife loves cross-stitch and needle-point. When she sees a big, beautiful, new book in a bookstore, she wants to add it to her bookcase full of these books.

**Neither I nor my wife consider ourselves collectors! But we **are...** collectors of specialized information.**

Almost everyone collects information on something they enjoy. But very few consider themselves to be "collectors." You can bet that the person at the cash waiting to pay for "Why Men are From Mars and Women are From Venus" is **not** buying her first "relationship-improving" book. If she is, it won't be her last!

**Find out what kinds of information people collect.** Let's say you identify a topic with potential. Go to [www.amazon.com](http://www.amazon.com) and do a search for the subject. Kill or proceed, depending on what you find.

As a matter of fact, you can use Amazon.com to **generate new ideas for infoproducts** in any particular area of interest. They have a mind-boggling database, chock-full of great infoproduct ideas. To make that database "your personal topic brainstormer," **learn their search tool well...**



**Amazon Search Tips**

**<http://www.amazon.com/exec/obidos/ats-query-page/powersearch/>**

For example, here's how to turn up hundreds of books on "how to make money" books...

Product Volume...Your Product...

Author:  ☒ First name/initials and last name ☐ Start of last name ☐ Exact name

Title:  ☒ Title word(s) ☐ Start(s) of title word(s) ☐ Exact start of title

Subject:  ☒ Subject word(s) ☐ Start of subject ☐ Start(s) of subject word(s)

ISBN:

Publisher:

Develop a product to fulfill what “collectors” **want**. People will buy... if the product is good **and** if it's marketed and sold effectively through the Web.



### 3.4.1. Give 'em Both Barrels!

Want to build a doubly effective Internet business? That goes without saying. We all do!

Why not integrate your own e-book into an existing affiliate business? Or, build an affiliate business around your e-book business?

Earlier, I discussed how to build my passion for golf into a full-fledged affiliate business? Here's how to build upon that business by **adding an infoproduct to the mix...**

Let's say I take my knowledge of the golf swing, transform it (with a little help from **MYKS!**) into a compelling “how-to” manual in PDF format. Once I've done that, my next step is take everything I've learned in **MYSS! 2002**, and build a site that **SELLS!**

#### **[ SIDEBAR ]**

Do you remember where I put golf-relevant content pages that pre-sold visitors to my merchant partner's site? Correct -- on a **Theme-Based Content Site**. Okay, this is the important part... my e-book is **not** sold on this site. I built a separate “pure” sales site and its only purpose is to sell my golf e-book.

Product Volume...Your Product...

Now it's time to return to my golf-themed site with its content-rich pages. To integrate my e-book into this site, I simply treat my own product exactly as I would any other -- **I PREsell**. So now when a visitor clicks-through to my site and buys...

I don't get a measly commission.

Nope. **I get it all.** 😊

And you can, too.



### 3.5. Auction Action

I've already discussed why placing a couple of listings at auction sites like [eBay](#) and [Yahoo](#) is a worthwhile experiment.

Folks are making a good living (and building a retirement fund), **sourcing product and selling directly** on eBay or other auction sites. They do this daily **without a Web site...** heck, without a Web presence. You simply need to register, and then you can sell your product to visitors who are **actively searching** for it.



Net auctions are the 21st century's equivalent to the village markets of old -- full of hustle and bustle. The air is filled with the sounds of merchants and their buyers -- haggling, arguing, buying, and...

... **SELLING!**

Find a unique product that has great price and you won't have to worry about traffic. Potential buyers are eagerly waiting to bid.

A Net Auction business can provide an **additional profitable income stream**. As an affiliate, use Net auctions to **highlight** products you represent. Promote your Theme-Based Content site, your main site or your merchant's site by including links to them in your auction listing. It's great **advertising!**



### 3.6. Online Stores - Get Behind a Digital Counter

For the netpreneur tied up in an already existing brick-and-mortar business, the **right online mall** is the perfect solution. It's the easiest trouble-free way to get a business onto the Net, bar none.

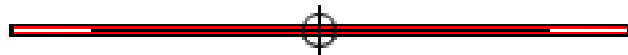
Successfully transferring an offline business to the Net requires effort, money, research... and time to master an entirely new learning curve. But your brick-and-mortar presence already takes up too much of your time. So...

Why bother if you don't have to?

Take advantage of the ability to sell online, as well as offline, with a minimal amount of hair-tearing! An online mall is your answer to stress management. [See the Store Volume for more details.](#)



Wow! So many potential directions for your online business! But they could all disappear with...



## 4. Bad Products --- Why Bother?

This book is **not** about convincing suckers to buy bad products.

**Why bother?** I was watching a movie the other night, *Heat*. It involved incredibly complicated and well-planned robberies. Major capital costs in equipment... lots of planning, rehearsing, etc. I thought to myself... Why bother? Just start an honest business!

If you do try to sell junk, word spreads like wildfire on the Internet. **You and your reputation will soon be...**



**... toast.** People will e-mail you nasty letters all day long! They'll complain to your Web hosting service. They'll complain to the BBB and government authorities.

**Why bother?**



In this digital Wild West, it's much easier to present and sell **solid products that deliver great benefits for the price.** Bad products kill repeat business. Great products develop strong repeat business.

**Repeat business is the key to long-term success.**

If you don't happen to have a good product, or a product at all for that matter, take the time to **develop a good product** before you go any further. Otherwise, you will be **wasting** your money and more importantly, your time.





## 5. Setting the Price

**Price, product, and site design** are, and must be, seamlessly intermingled. Reflect upon these questions...

- What is the nature of your products and the value of its **benefits**? Are you selling a commodity that can be price-shopped by your customer? Or does your product deliver unique, powerful benefits? Obviously, these two situations require two completely different pricing models. Two totally different Web sites!
- Who is your target market and what they are **willing** to pay for your product's benefits? How strong is the perceived value of your product?
- Who are your competitors? What are they selling similar products for?
- How well have you established your credibility?
- What is the format of your digital or knowledge-based product?... Software, infoproduct, consulting service?
- Remember, there is a general belief that the Web can offer product cheaper.

A detailed discussion of price is beyond the scope of **MYSS! 2002**. Entire books have been written about pricing. While this chapter won't turn you into a pricing guru, it will show you how to make smart and appropriate pricing decisions.

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### [ **SIDEBAR** ]

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For an intensive look on setting the price for your product, refer to [What's the Right Price](#) in the **MYSS! 2002 Site-Selling Volume**. Or, visit SiteSell.com's pricing solution...

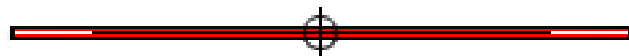
**MAKE YOUR PRICE SELL!**

**Make Your Price Sell!**

<http://myspsitesell.com/>

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Perhaps two examples of my own will best illustrate some of the key points of pricing, since they hit both ends of the spectrum...



## 5.1. How and Why to Price High

**PennyGold** is a **high-end, unique** product -- an investing **software program** that gives people the **tools** to succeed. Since it is a **strong product with great benefits**, we decided to start it at a high price, \$197. We were only selling 1,000 units, so we increased the price steadily as sales increased. And in order to create some "buy now" urgency, we published the price history...

- **October 18, 1997** -- beta-testing, **CDN\$197** for beta-testers
- **November 11, 1997** -- *PennyGold* launch, **CDN\$197** introductory price
- **November 16, 1997** -- price increase to **CDN\$249**
- **January 26, 1998** -- price increase to **CDN\$269**
- **February 16, 1998** -- price increase to **CDN\$287**
- **April 9, 1998** -- price increase to **CDN\$349**
- **July 8, 1998** -- price increase to **CDN\$387**
- **September 8, 1998** -- price increase to **CDN\$427**
- **October 29, 1998** -- price increase to **CDN\$447** -- V. 1.5 Upgrade released, **free** to current owners. Beta-testers rave that *PG* has pushed to an even higher plane!
- **January 25, 1999** -- price increase to **CDN\$497** -- The market is coming to life. *PG*ers profited while the "gurus" **lost over 50%** throughout 1998. And **now**, *PG*ers are flooding me with "victory e-mails." **Today** marks the 750th copy sold. Everyone says to **increase** the price. So we did!
- **May 14, 1999** -- price increase to **CDN\$587** -- With fewer and fewer copies remaining, and with *PG*ers reporting outstanding results, *PennyGold* is a bargain at any price!
- **July 14, 1999** -- price increase to **CDN\$697** -- Into the home stretch to the 1,000th and final copy. From here on, the price will climb towards its final price of **\$997** quickly.
- **September 5, 1999** -- price increase to the final full price of **CDN\$997** -- Only 20 copies left as of the date of this final price increase.
- **September 28, 1999** -- **#1,000 is gone**. That's it, none left. *PennyGold* owners will be discussing in the new *PG Forums* (set to start in mid-October) whether to allow any inactive owners to **sell back** their serial number, under carefully controlled circumstances. If you'd like to go on a waiting list, please e-mail Janice at [1000@goodbytes.com](mailto:1000@goodbytes.com) to let her know. If the *PennyGold* owners vote "yes" on this, Janice will contact you when your name rises to the top of the list. There is **no charge** to go onto the waiting list.

**PennyGold Order Page, Price History**

<http://www.goodbytes.com/pennygold/6012899.html#HISTORY>

As you see, the price rose steadily -- reaching a pinnacle of \$997 on September 5,

1999. Slightly over three weeks later, we were sold out! Each time we increased the price, **orders surged for a week or two**, then settled down to the same level.

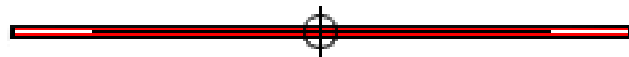
Of course, I had to build a site that would “prove” beyond any doubt that PennyGold was for real, and that it was worth it. It evolved into a massive site. Since I was only selling the 1,000 copies, I did not mind losing those not motivated enough to do the work.

Yes, we could have made a lot more money by selling an unlimited number of copies at \$50, with a shorter, pure sales-getting site. But that would have turned the whole effort into a scam. If 50,000 people all started using the PennyGold strategies, this little niche would simply get “blown up” and the strategy would stop working.



What is the critical lesson I learned from pricing PennyGold?...

As a **unique** product with **strong benefits**, increasing the price increased the **perceived value** and validated the business model. Of course, every product will hit a level of price resistance. With PennyGold, perceived value became so high, we never hit any point of price resistance... not even at \$997!



## 5.2. How and Why to Price Low

Selling **MYSS!** at \$50 was a totally different proposition from the same **MYSS!** at \$10, and again totally different from “giving it away” (à la Netscape)!

I considered 3 possible price points for the first version of this book. **Each would involve three completely different Web site approaches.**

**At \$50**, I would have to spend an awful lot of time convincing you that a PDF file was “worth it.” Even if I could justify the price, I would leave myself open to competition at a much lower price. And the \$50 price would tempt those without scruples to copy and redistribute the PDF file.

Of course, I could have changed the format. **Instead of a PDF book...**



... we could have developed **MYSS!** into a full-blown “training program” -- book, manual, audiotapes, etc. But that would have limited the number of people that I can help. And after all, anyone who reads **this** book gets the same benefits as a \$400 training program!

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If we “did a Netscape” and gave the original **MYSS!** away, we could have tried to generate an absolute runaway... millions of downloads. Marketing a giveaway is easy, of course, so this could have been done... **maybe**. By print-disabling the book, we could have then “made our money” by selling the hard copy of the book, or licensing it for publication.

However, I worried about cheapening the product in my customers’ eyes (there’s that issue of **perceived value** again) -- after all, “How good can it be if he’s giving it away?” Also, if we did not achieve “runaway” status, it would have been hard to suddenly start charging for something that once had been free. Possible, but awkward.

At \$10-\$20, I knew I could build a tight, simple Web site that would **trigger a “free trial download”** (an absolute no-brainer response). After reading the “free trial,” I figured that anyone half-serious about Web sales would pay \$10-\$20 without thinking twice. It gave us the flexibility to go to the “giveaway option” if necessary, or to increase the price if we were flooded with orders.

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#### [ **SIDEBAR** ]

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If you’re searching the **MYSS! 2002** site wondering...“Where the heck did that free trial go?” Well, you’re right, it’s no longer there. It’s more powerful as an affiliate tool. So yes, the trial is still available, but only for our affiliates.

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For the first version of **MYSS!**, I went with the \$10-\$20 biz mode (\$17US to be exact). Things progressed splendidly. Pricing the book as we did allowed us to build legions of raving fans. And everyone agreed **MYSS!** was priced much too low.

For the new version of **MYSS!?**

Well, **MYSS!** has received more than a facelift... this is **MYSS!** on steroids, with a ton of new stuff. We **have** already established ourselves as providing great value for the dollar and **MYSS!** really was “under-priced.”

I’ll leave you to conclude why we’re pricing **MYSS! 2002** the way we are.

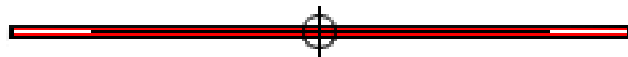


Bottom line... if you don’t have a good reason (or several) for your pricing strategy, you’re probably making a mistake!

If you want to capture a **big share of your market** quickly, price low. If you want **big profits** quickly and don’t mind having a smaller customer base, then price your product higher. Remember though... people will only pay a higher price if they **perceive** high-value (i.e., feel that the product’s quality is worth the higher price). Your Web site must support that perception as well.

It all goes back to the opening line of this chapter...

**Price, product, and site design are seamlessly intermingled.**



## 6. How to Test A Product, Free!

**The Web is the perfect environment for product testing.**

Here's the quickest, cheapest way to test your new product concept... **no R&D, production, or inventory required!**

For the sake of this experiment, let's assume your passion is oriental gardening.

You plan to create, produce, and publish your own infoproduct on this theme. Wisely, before you set pen to paper (or fingers to keypad), you want to know if anybody's interested in such a product.

First step?...

Make an extensive list of the most **popular keywords** your customers are likely to use at the Search Engines. If you need help, don't worry! I'll show you how to brainstorm a super-extensive list of keywords in the **MYSS! 2002 [Traffic Volume!](#)** For now, just get the most obvious ones down on paper.

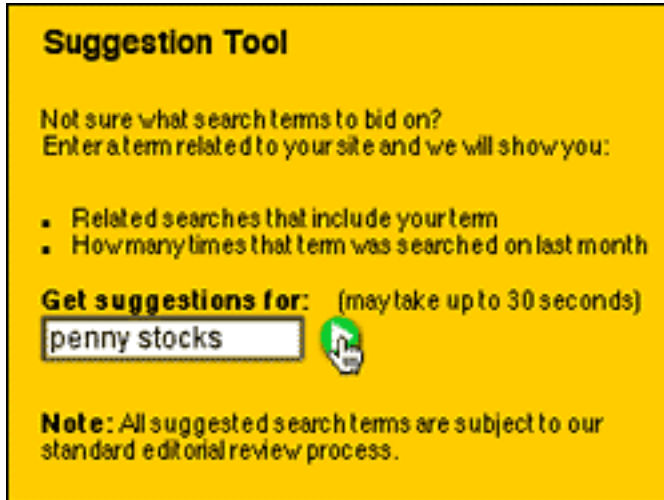


Finished? OK, now...

Use a text file, spread sheet, or word processor to make a simple template. (This is the basic template from which we'll expand a little later.) To record the basics, you need three columns...

- **Keyword** (enter your popular keywords in this column)
- **Demand** (how many times your keywords were entered into a searchbox)
- **Supply** (how many sites return listings for your most popular keywords)

Now let's head over to **Goto's Suggestion Tool...**



### GoTo's Suggestion Tool

[http://inventory.go2.com/inventory/Search\\_Suggestion.jhtml](http://inventory.go2.com/inventory/Search_Suggestion.jhtml)

Or, should this site be down...

[http://inventory.goto.com/inventory/Search\\_Suggestion.jhtml](http://inventory.goto.com/inventory/Search_Suggestion.jhtml)

Or, should this site be down

<http://inventory.goto.com/d/searchinventory/suggestion/>

(Don't ask me why they move it around!)

Enter your keyword into the suggestion box, and get ready for the deluge of related keywords. What you're interested in is the "Count", displayed in the left hand column. That's the demand, or the amount of times this particular keyword was searched for on the Goto network in the last month. Enter that number into the **Demand** column.

Repeat the process for all your keywords.

Next, fill in the "Supply" column (how many sites return listings for your most popular keywords).

For that you need **AltaVista**...

<http://www.altavista.com/>

or **Google**...

<http://www.google.com/>



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## [ SIDEBAR ]

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When you search for your keywords, be sure to enclose all phrases in quotation marks. This makes the engine look for the entire “lawn care accessories” phrase, and not “lawn,” or “care,” or “accessories,” as single words. Depending on the engine, it may or may not make a difference -- so it's best to play it safe and use the quotes.

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It's a good idea to stick with either Google or AltaVista when you do your supply research. Both have large, comprehensive indexes that are regularly re-spidered. As well, both engines index submitted sites fairly quickly.

If you're going to go to the trouble of doing the research, you may as well make sure your efforts yield fresh and comprehensive data! Most importantly for our experiment, both tell us how many sites matched your search query. And that's essential for determining supply.

Presently, AltaVista reports like this...

“32,574 pages found”

And Google reports like this...

“Searched the web for lawn care... Results 1-10 of about 125,000.”

This may change, of course. So if you don't see the above, or something similar, look closely to see if they are reporting the data another way. If either of these two no longer seems to report this statistic, use the other.

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Okay. Let's get back to filling up that “Supply” column now, shall we?

**Plug your keywords and phrases, one by one, into the search box.** Make note of the number of sites returned for each search. Enter that number into your template under the **Supply** column. Continue on until you complete your list of keywords.

Finished? Take a closer look at your list. What exactly are you looking for? Keywords in **high demand** (lots of searches performed at the engines), but in **short supply** (few sites returned as a result of that search). That's **profitability!**



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[ **SIDEBAR** ]

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This exercise will give you a very basic idea -- will your business flop, or rock? But even if things don't look too promising after this simple experiment, there's no need to despair. The **Affiliate Masters Course** will show you how to exploit the niches within your topic or theme to build a profitable e-biz, even in the most competitive arenas. Subscribe by sending a blank e-mail to [tams@sitesell.net](mailto:tams@sitesell.net).

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If your keywords show lots of **potential** for profit, all you have to do is build a site that **SELLS!**

And if they don't?

Use the methods outlined in the **Affiliate Masters Course** to build a much bigger and more extensive keyword list. Find more related keywords. Then hunt for profitable niches. There are probably tons of opportunities available for you in your field, provided you narrow your focus somewhat.

If you don't have the patience for research, then let **Site Build It!** do it for you. The **SBI! Manager** saves you time so that you can focus your efforts on **cash-building** activities...



**Site Build It!**

<http://buildit.sitesell.com/>

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Bottom line?

**Do the research.** Identify a product with the **highest profitability, before you commit your time and money.**

Once you are at that point, then it's the **real** test...



## 6.1. The LIVE Test

Good news!

Your preliminary research has indicated a significant demand for the most popular keywords your product is known for! That may be good enough for you to start building your business a.s.a.p. But perhaps you're the cautious type? After all, people still have to recognize **your solution** as the **answer** to **their problems**. In other words...



**... they still have to buy the product!**

Perhaps a little extra due diligence wouldn't hurt then, would it? I mean, I have just been discussing how the Web IS the perfect environment for product testing, haven't I? What's it really going to cost you to take a few extra steps? A few bucks, a few more hours, and a week or three?

It could save you a world of headaches!

Want to test a product in the "real world" environment? Generally, it's an expensive proposition. Say good-bye to hundreds of thousands of dollars. Yes, big companies can, and do spend that much money on product testing before they go "full launch." They feel that it's better to kiss a few hundred thousand away in the beginning, than to lose tens of millions in a dismal national roll-out!



But there is a simpler and less expensive way to test your product. Here's what to do...

### **1) Write a simple, direct 1-5 page "test" Web site to sell your product.**

Your **MWR (Most Wanted Response)** would not be the same one that you would use in your actual site. For example, normally you require a substantial site to sell a high-end product. However, for your test site, you need a **MWR** that just gauges interest ("Yes, I'm interested" -- with name, e-mail address and phone number to be supplied in a form).

Remember, you don't have a product at this point, you're simply trying to find out if anybody would want it, should you go through the effort and challenge to create it! When your site is built, post it to the Web.



## 2) Buy some keywords at Goto.com and the other Pay-Per-Click Search Engines.

The next step in determining whether or not the folks who are entering your keywords at the SEs will actually buy your product is to...

Get some of them to your Web site!

Don't submit this experimental site to the free engines. It takes time to tweak pages so that they rank at the top of the search results. This site is coming down after your test, remember.

You need visitors **now**. That's why you need to buy keywords at the Pay-Per-Clicks.

### **[ SIDEBAR ]**

I show you how to build **low-cost, targeted traffic from the Pay-Per-Clicks** in the **Traffic-Building Volume** of **MYSS! 2002**.

## 3) Now that you've got some good traffic, it's time to analyze it!

Are your visitors progressing past the **Opening Page**? Are interesting joints (the "glue" that ties one page to the next) pulling their eyeballs magnetically through your pages?

If not, improve the copy until they do. Hire a pro copywriter, if necessary. If, after all this, you can't generate click-throughs, kill the project. **It's just not attractive to your market.**

When you start receiving your **MWR**, measure the **Conversion Rate (CR)** -- are you getting 1 **MWR** for every 50 visitors, or every 500 visitors? A good **CR** could be as low as 0.1%, or as high as 5-10%, depending on the project, price, and the desired **MWR**.

If you see a viable **CR**, you have a GO!



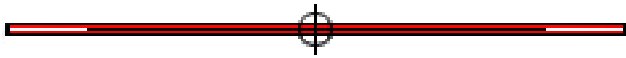
## 6.2. Now What?

**Once you've established the validity of your project...**

E-mail everyone who replied, thanking them for their response. Explain that they are among the first to respond, that the Web site is still being developed, and that you will get back to them when you are in full launch. Explain that this was a test. You might consider asking them to continue as market research participants. Or go even further and offer all interested parties a discount!

If inventory is months away, let your accounts at the Pay Per-Clicks lapse, and pull down the site.

**When everything is ready... launch your product!**



## 7. Your Product is Your Future

**Build your business on a solid foundation... a great product.** Once you have that, everything else will fall into place easily.

Hey! What are you waiting for?

Start skipping down your yellow brick road to **success...** 😊

Ken

