Mining **Gold** on the Internet: How To Make $1,000 In 15 Days!

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Introduction

Welcome to Mining Gold On the Internet: How To Make $1,000 In 15 Days!

The techniques in this course will help make money as fast as you – as long as you want. Any business has 2 phases – the startup and the long term. In the startup phase, getting off to a quick start can put cash in your pocket and boost your confidence. For the long term, you need a solid plan to build your business and increase your profits. Mining Gold provides you with both parts of the plan.

In addition to this manual, you have access to tremendous resources in the online member’s area. You can watch exclusive training videos, grab free targeted traffic for your website and discover amazing information in the free special reports and ebooks. Make sure you take advantage of all these resources.

I’m sure you’ll make more money with your Internet business when you start using the proven techniques contained in this manual. If you’re just starting a business, this manual is a tremendous starting point for your future success.

I’ve designed this manual to provide you with a step-by-step method to create, market and sell your business products and services on the Internet, or simply build a business acting as an affiliate for other companies. If you follow the steps, you’re sure to be successful.

I recommend you read the manual all the way through from beginning to end to get the most out of it. As you go through the book, you’ll find techniques you’ll want to begin using right away. Then, do it. Whenever you find a technique you think will work for your business don’t hesitate to use it. These are free and low cost marketing ideas. You’re not risking your life savings on these. Invest your time, track your results, and you’ll receive huge dividends.

If we can be of further assistance, please feel free to contact us at any time at support@goldwares.com.

Yours in success,

Shawn M. Casey, Esquire
Chairman and CEO
Mining Gold Corporation
Chapter 1
How You Can Make Money on the Internet

Let’s start at the obvious place – the beginning. How can you make money on the Internet?

If you’re already in business, you might be tempted to skip this chapter. Don’t! You may be focused on a specific sales process in your business. Great, you should be focused. But, maybe you’ve overlooked some simple ways you can increase your revenues without much additional effort.

✓ You can sell your own products and services.

What can you sell on the Internet? Anything! From cards to cars, you can sell it online. Assuming you’re running a small business, however, you’ll probably want to sell something you can deliver easily. If you’re going to be working out of your home with the entire staff consisting of both you and yourself, then you want to make sure you can readily ship out the orders to wherever in the world they’re sold.

You can develop products or services to sell. Many people have great ideas of items they’d like to sell (and, hopefully, people want to buy). If you’re one of them, you can take a shot at selling those proprietary items.

You can acquire the rights to resell digital products like ebooks and software. We offer a low cost membership that gives you access to over 100 products, most of them with pre-built websites, at www.instantproductsclub.com.

You can also buy products to resell in the same way that retail stores do. The shoe store obviously doesn’t make its shoes on site. The store acquires the shoes from the manufacturer and resells them to the public.

One of the best ways you can find products, if you don’t already have them, is to simply go to any major search engine and search for "merchandise." You’ll find many websites with information about companies who are looking for people just like you. They have products. They want you to sell them. Some companies will even deliver the product directly to your customer after you’ve made the sale.
Many people have success selling close-outs and over-runs, or "last year’s models." You can get this merchandise at a huge savings over regular goods. For example, a friend of mine regularly buys clothing at a huge discount. He buys leather bomber jackets for $30 or $40. These jackets previously sold in the store for $199. He recently bought a large number of bikinis made by a brand name manufacturer for 12% of the suggested retail price.

This merchandise is brand new and ready for sale. The big department stores have bought all they want and sold all they’re going to sell. The manufacturers only have two choices – sell it cheap to a close-out company or throw it away. Obviously, some money is better than nothing.

If you can get this merchandise for pennies on the dollar, then you can sell it at a big discount off retail so you’ll sell more. Of course, you still make a great profit for yourself. These kinds of situations are ideal for small businesses to take advantage of.

Where do you find this kind of merchandise? You can search for "distress merchandise" or "close outs" in any major search engine.

✓ You can sell products or services of others after purchasing a license.

Have you ever been on a trip and found a great product, but you can’t find the product locally? Or, have you ever noticed a great product in a store and had the thought that lots of people would want one if only they knew it existed?

You now have the chance to sell those products. You can contact the owner/manufacturer of the product. Many of these people only make a small amount of these products for their own small sales. If you can buy the product to resell, that’s great.

Often, you’ll find it more advantageous to negotiate a license. This license gives you the right to recreate and sell the products you’ve found. You should pay very little, if any money, up front. Usually, you’ll just pay a small percentage of each sale (weekly or monthly) to the product creator.

Licensing is particularly powerful with information products. Many people have created proprietary information products, but they don’t know how to market and sell them. If you find products that fit your target audience, you can often set up a licensing arrangement with the author. He has no risk because you don’t want him to do anything except give you the right to send him money. You have only a little risk because you don’t have to pay him until you actually make a sale.

✓ You can get paid for leads and/or sales that you generate for other companies.
Everybody needs a list of prospects and customers. You need one. I need one. So do the very large, well-funded companies.

How much does it cost to get a prospect or a customer? It depends on the type of business. To get a new brokerage customer, E-Trade might spend $75 in advertising for each new customer. Amazon.com might spend $25 in advertising for each new customer. In other words, these companies lose money to acquire new customer. Until the new customer transacts enough business to cover the initial acquisition cost, the company loses money on that customer.

The most expensive part of the business marketing cycle is the acquisition of new customers. You’ll want to minimize this cost and maximize the amount of money you can eventually make on each customer. The big companies have the same goal as you.

What if, instead of spending $10,000,000 on advertising, one of these companies spent $10,000,000 paying small business owners, like you, to send them new prospects and customers? What if, instead of the normal $25 that they’d pay in advertising to acquire a new customer, they paid you $1.00 when a new person joined their mailing list? Or, what if, they just paid you a commission of 20% on each sale instead?

Which makes more sense to you? Spend $10,000,000 and hope customers show up? Or, spend $10,000,000, but only when customers actually show up? It’s obvious.

That’s how the thousands of affiliate programs were born on the Internet. Amazon.com has perhaps the biggest and best known of these with over 500,000 affiliates.

You can access affiliate programs that have 3 different ways of paying you-

- Commission percentage per sale
- Fixed amount per lead (a new person who joins the database)
- Pay-per-click (you get paid whenever someone clicks on the link)

In the chapter on affiliate programs, you’ll find a lot of information on effectively using them. As you develop your business and marketing plans, you’ll want to remember them.

You can find affiliate programs for virtually everything being sold on the Internet. You want to find the programs that fit your target audience (the same people you’re trying to sell) because that will give you the greatest
Many people make good money simply by using affiliate programs that offer products and services to a specific audience that they target.

✓ **You can sell advertising in your newsletter.**

Later in this manual, I'll be stressing the importance of publishing a newsletter. As you'll understand, if you don't already know, your newsletter will become a key component of your online marketing strategy. Just as you sought out your target audience, other companies will want to reach the same people.

After you've got a sizeable audience base, you can start charging for people to advertise in your newsletter. This way, you can actually get paid for sending your newsletter. You'll find more information on places to find advertisers in a coming chapter.

✓ **You can sell advertising space on your website.**

After you develop a steady flow of traffic, you'll be able to sell advertising space on your website. You can sell banners (large and small) as well as text links.

✓ **You can get paid for click-throughs that you generate for other companies.**

Many advertisers are adverse to buying ads in newsletters and hoping that someone clicks on the ad. They would rather pay for results, such as a sale, just like an affiliate program.

On the other hand, newsletter publishers want guaranteed income, that is, cash in hand before the ad is run.

The happy medium between these two positions is a click-through program. The advertiser agrees to take part of the risk by paying for anyone who clicks on the ad in your newsletter. You can receive $0.20 to $0.30 per click.

As a newsletter publisher, you take part of the risk as well. If you run an ad and no one clicks, you don’t get paid. But, if you run a good ad that’s targeted toward your core audience, you can get a lot of clicks and generate a good return.

A good program I've found to provide you with a variety of click-through ads you can run any time is through [www.Advertising.com](http://www.Advertising.com). They've got good advertisers, accurate tracking of statistics and, most importantly, they pay on time. A newer company offering CPA (cost per action) ads you can run is [www.CPAEmpire.com](http://www.CPAEmpire.com).
✓ You can get paid by subscribers to your newsletter or website.

When the Internet first started to blossom, everyone expected all Internet products and services to be free. That was the "Spirit of the Net." Unfortunately, it’s hard to turn a profit when you’re giving everything away, and someone has to actually pay for all the stuff that makes the Internet run. Thankfully, people are realizing they have to pay to get the best stuff whether they do it on, or off, the Internet.

Early efforts by sites to charge for use or by newsletters to charge for subscription were mostly disastrous. Even the Wall Street Journal had trouble getting people to pay less than a hundred dollars per year to access hundreds of pages of data based financial information. Critics actually suggest that the Journal should give this away free. Probably, the only early successes for pay sites were those offering adult material.

If you’ve got information with enough value, people will pay to get that information. If you can deliver a continuous stream of valuable information, people will pay for it every month.

To make a paid site or paid newsletter work, you’ll need great sales copy to get people signed up. They’ll have to really understand why they agree to let you charge them on a monthly basis.

After you get the paid members, you’ll have to work to keep them. Every time they receive a credit card bill, they’ll be looking at the expense and wondering why they let you charge them that month. If you don’t deliver well, you’ll be delivering to a dwindling number of people every month.

Clearly, achieving success with people paying you monthly is not easy. But, it’s very profitable. With just 200 people paying you $10 per month, you’d be bringing in $2,000. And, it just gets better from there on out!

Now, you’ve got eight different ways to make money on the Internet. How many can you use to mine the gold from your target audience?

By the way, if you haven’t been taking notes as you read this, you should be. You should write down every idea that pops into your head. None of us can remember everything. I always have several notepads filled with thoughts, ideas and to-do lists.

I find that writing down the information accomplishes two important things. The first is that it clarifies what steps I should take next. The second is that I can review the information later. I periodically review all my old notes to find the great ideas I had, but never used.

You don’t want to waste a good idea!
Chapter 2
Developing Your Business Plan

Every successful business starts with a good plan. The old saying – *you don’t plan to fail; you fail to plan* – is accurate.

Your business plan does not need to be complex unless you’re trying to raise money from investors. You don’t even have to prepare a spreadsheet with lots of numbers on it.

What you have to do is analyze your business so you can develop a complete understanding of what you’re doing and where you’re headed. This business plan will help you to build a stronger, more profitable business rather than just plunging in without planning first.

The core of your business plan is determining what you’re going to sell and to whom you’re going to sell it. In other words, how you will generate income.

Look At the Big Picture

Since you’re in the planning stage, let’s take a look at what it takes to create a wildly successfully business:

- Take big risks.

  To be really successful, you have to overcome your fear and take the plunge. You’ve got to take risks. This doesn’t mean you have to blindly jump off a cliff with a rope or parachute tied on. You can assess the risk and limit it as much as possible. But, sooner or later, you have to get started.

  What do you mean … you’re scared? Aren’t we all scared at one time or another? Of course. Successful people overcome their fear. Unsuccessful people never make the attempt.

  Oh, so you’re worried you might fail? Let me help you with that … you will fail. You will screw up miserably at times. Everyone does. It doesn’t matter. The world will not stop turning. You’ll survive as long as you keep moving forward, taking action.

  But, what if you screw up really big? I live at the shore and go to the beach quite often. I spit in the ocean the other day. Did it make any difference? No. That’s how much difference your mistakes will make. None. Whether or not you worry about them – you’re still going to make them. But, they don’t make any difference. Forget about it and move on.

- Think big, really big.
My friends John and Gregg Rice are the world’s shortest twins. Believe me, you’ve got tabletops higher than their heads. They were abandoned shortly after birth. They’re now self-made millionaires from several successful businesses they’ve founded. Their motto: "Think Big!"

I can pretty much guess that you didn’t start off any worse in life than they did. So, what’s your excuse? If these little guys think big, so can you.

✓ Put the customer first.

Anybody can screw a customer on the first purchase. You can’t do it more than once and stay in business. You have to take care of the customers. Otherwise, you won’t be in business long.

✓ Take care of your people.

Good employees are hard to find, and harder to keep. You’ll live and die from their efforts. If you treat them like crap, they’ll still be nice to you (you’re the boss), but they’ll abuse your potential customers.

✓ Persevere.

Don’t quit. You’ll feel like it sometimes. I know you will. Don’t do it. I have personally interviewed dozens of people who were at the edge of quitting, but didn’t. They usually report they were on the verge of success, but they didn’t know it at the time. If they had quit, they would have thrown away all the hard work and investment. Because they didn’t quit, they succeeded. It’s that simple.

✓ Have confidence in yourself.

Create a good plan. Then, believe you can accomplish your goals. You must have faith in yourself. All sorts of people will call you a fool. Your soon-to-be-ex-friends will laugh at you. Forget about them. Leave them behind.

Believe in yourself and take action. You’ll succeed.

✓ Be passionate.

Get excited! If you can’t get excited about your business, you’re in the wrong business. Why did (do) you want to quit your job? You didn’t like it any more.

You’ll find it easier to work hard if you are passionate about what you’re doing. Develop a business you can really get excited about. If you’re not excited, then make a change.

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Choosing Your Products and/or Services
In the last chapter, we examined the different ways to make money on the Internet. Now, you’ve got to pick one or two to focus on. When we cover marketing in a future chapter, you may find yourself further refining the product line with additions or deletions that better fit your marketing plan. For now, you’ve got to have a place to start.

How do you determine what to sell or to whom to sell it? Partially, you use your common sense and, for the rest, you make your best educated guess.

To get ideas, you can look at other businesses you find which are successful. You can certainly consider the top selling categories on the Internet which include computers, software, books, travel and music.

Unless you’re planning to build a huge, multi-billion dollar company, you should focus on finding a niche. A good niche is a segment of the market that contains enough people who are interested in your products or services and who will spend money purchasing what you’re selling. Another characteristic of a good niche is an area you know something about or are, at least, interested in.

Amazon.com is the world’s largest bookstore. As you probably know, it’s expensive to become the world’s largest bookstore and be all things to all people. In fact, Amazon has lost hundreds of millions of dollars in the quest to be number one.

I’m probably safe in guessing that you don’t have hundreds of millions and aren’t planning to raise that amount of money. Without that money, you can’t compete with Amazon. You’re going to lose. Don’t waste your time and money trying.

Since you can’t have every book in the world at your fingertips, could you effectively target a certain niche of the book world? Probably, you can do this well.

Let’s say you’re interested in angels (the cute ones with wings, not the financial kind). You could gain access to the best books (you really don’t need them all) about angels. You’d have books about how to communicate with your angels, life stories of peoples’ relationships with their angels, etc. You could create a top quality information source for people to find out information about angels.

With the specific focus on angels, you could compete with Amazon in this area. Amazon has books and book reviews, but they don’t have you. You make all the difference!

People can go to Amazon and find books. But, they will go to your site to find out which books are the best books you recommend and why. If you steer them straight the first time, they’re likely to return again and again for more information.

Of course, if you had a site focused on angels, you could also sell related items like posters, bumper stickers, candles, and refrigerator magnets with angel themes.
You may find yourself unsure of the specific products and services, but you’ve got to pick a couple right now and move forward. You can always change and adapt – that’s what successful business owners do.

**Type of Business Entity**

Your first consideration is what type of business entity you should use. You can choose from being a sole proprietor, a corporation, a partnership or a limited liability company (LLC).

You’re acting as a sole proprietor when you just do business in your own name or a fictitious name, such as Jim Smith DBA (Doing Business As) Joe’s Internet Business. A sole proprietor has personal liability for everything about the business. He is liable for any problems with employees, defective products, etc. For this reason alone, being a sole proprietor exposes you to liability you can easily avoid using other entities. A sole proprietor does not get all the same tax advantages that are available in other business entities.

Most people begin their businesses as a sole proprietor and chances are you will, too. You should consider improving the form of your business as soon as possible, however, because you can gain protection from liability and increased tax advantages.

Two or more people can enter into a partnership agreement and formally create a partnership. The partnership files a tax return and lets the partners know how much profit or loss each must report on their personal tax returns according to the share of ownership. Each partner is liable for everything that happens in the partnership, including the conduct (or misconduct) of other partners. Thus, you could be sued because another partner does something wrong even though you don’t know about it. I strongly recommend you do not form a partnership. You would be much better served by forming a corporation.

Both corporations and LLC’s are created by delivering certain documents to the secretary of a particular state and holding initial meetings of the parties involved. For your purposes, corporations and LLC’s have the same basic tax options. Both the shareholders of the corporation and the members (owners) of the LLC are protected from personal liability for any problems experienced by the respective entity. If for no other reason than the liability protection, you’ll want to form one of these entities.

To save money initially, you may choose to operate as a sole proprietor, but you should seriously consider forming a corporation as soon as possible.

**Budget**

You’ve probably heard it said that *it takes money to make money*. While you don’t need a lot of money to start a business on the Internet – the more you can invest, the quicker you can increase your income.
Unless you’ve got an unlimited supply of money available, you should list all the sources for the funds you may want to invest in your business. Sources include:

- Savings
- Mutual Funds
- Stocks
- Bonds
- Pension Plan (You can usually borrow 50%)
- Unsecured Bank Loan
- Mortgage Loan
- Secured Bank Loan
- Credit Cards
- Family
- Friends

This manual contains a lot of information about using free and low cost marketing techniques so you don’t need a lot of money to get started. As you see the business start to take off, however, you’ll want access to all the money you need to make the business really soar.

The initial part of your budget will be the start-up costs. You should make a list of all the expenses associated with actually getting your business off the ground. Start-up costs will include setting up a website, ordering a phone line, buying equipment, purchasing inventory and initial advertising costs.

**Chapter 3**

**Developing Your Marketing System**

The most important part of building your successful business is creating your marketing plan. Your marketing plan is the foundation for your business.

I’m going to provide you with as much concrete information as possible without knowing your specific business. If you just spend a short time filling in your business information, you’ll have a complete plan you can start immediately.

If you have your own products and services, or you market products from affiliate programs, you’ll have to create a marketing plan or you’ll put yourself out of business – quickly.
You don’t need to be overwhelmed by the concept of marketing. For most businesses, the basic rules of marketing can be applied to achieve significant success. If you study the rules that follow, you’ll be well on your way to earning substantial profits for your business.

A marketing plan is not simple statements like:

- I want to sell a lot of stuff.
- I’m going to get rich quick.
- I’m going to sign up lots of affiliates and they’re going to make me rich – quick.
- I’m building the ultimate website with the most information about ancient widgets so people will definitely flock to my site.
- I’ll make $10,000 by Friday.

A marketing plan is a step-by-step guide as to how you will acquire prospects, convert them to customers, and sell those customers additional products and services. Of course, the step-by-step plan will be undergoing constant changes as you test new ideas and continually improve your marketing plan.

**Lifetime Value of a Customer**

Before you can create a marketing plan, you should understand your business as it relates to the value of your customers. With this information, you can design your marketing plan to maximize the profits you receive from the efforts you expend.

The lifetime value of a customer is the profit he/she brings you from the first sale to the last. Even if you don’t have a current business model from which to draw information, you need to complete this exercise with your best guesses.

Before we can design a marketing plan, we have to understand when and where we make money. Then, we’ll build the plan to maximize the profits.

The Lifetime Value of a Customer can be determined with this simple formula:

A. Average profit from the first sale to a new customer: $_______

B. Average profit from additional sales to customer: $_______

C. Average number of additional sales to customer: ______

D. Average total profit from additional sales to customer (B times C): $_______

E. Lifetime value of a customer (A plus D) $_______
***Add the following steps if you know customers refer other people to you:

F. Average number of customers this customer will refer: _______
G. Lifetime value of these new customers (E above): $_____
H. Lifetime value of new customer referrals (F times G): $_____

This formula makes it easy to see 2 primary keys to improving the profitability of any business:

1. Increase the sales to each customer and you increase the lifetime value of the customer.
2. Increase the number of referrals from each customer and you increase the lifetime value of the customer.

This is so simple, but so important. You will pay dearly to get a customer the first time. Whenever you sell additional products or services to an existing customer, your profit margin is very high. Whenever you get customers by referrals, you avoid the "pay dearly" part.

For example, at one point, AOL was paying about $140 to get a new customer. At $20 per month for AOL internet service, they needed to keep a customer for seven months just to break even on the gross dollars. The customer has to stay even longer for AOL to show a profit on that customer acquisition.

On the other hand, AOL has a referral program in which existing customers can refer their friends to become AOL members. Whenever a referral joins AOL, the referrer gets one month free service on AOL – a $20 value, but it doesn’t even cost AOL twenty dollars.

The profit margin on AOL’s referrals vastly exceeds the profit margin on customers that cost them $140 to acquire. If AOL didn’t want to grow at a very fast pace and dominate the Internet, AOL could have slashed their marketing costs and relied more on referrals for new customers.

You will need to balance your desire for growth with your marketing budget.

**Backend Marketing**

The previous example shows us where we make a profit – the backend of our marketing efforts. The backend is all the additional sales you make to existing customers.

Your highest marketing cost will always be to acquire a customer. Accordingly, your lowest profit margin is usually on the initial sale to a customer. In fact, many
businesses lose money on the first sale just to get new customers. They’re glad
to do this if they have a very profitable back end.

Conversely, the most profitable sale will be to an existing customer – because
you’ve already paid the cost to get the customer. Instead of marketing to fifty
people to find one buyer, you’re now marketing to the buyers. You pay less
money to market. Your sales percentage rises. You make a lot more money with
less effort.

Oddly enough, many businesses focus their efforts on acquiring new customers
and completely ignore the backend. While some of these businesses are very
profitable, they could further increase profits by selling additional products and
services to their customers.

Ted Nicholas is one of the greatest marketers ever. He has sold more than
$200,000,000 of products through direct response marketing. He describes his
marketing system as an ice cream cone.

The ice cream cone is wide on the top. That’s where his new customers start,
usually by purchasing a low cost product.

The ice cream cone begins to thin. Some of those new customers will continue
onward and make another purchase, usually priced higher than the first.

The ice cream cone gets thinner still. Fewer customers move forward and make
even more purchases.

The ice cream cone is so thin now that the walls almost meet. The fewest
number of customers will reach this point. Often they will have run the gamut of
the marketing system by purchasing the highest priced items Ted has available.

Even a marketer as talented and successful as Ted doesn’t sell all the customers
all the time. That’s why we plan based upon the average sale to a percentage of
your customers. Increasing the average sale amount and/or the percentage sold
will positively impact your profitability.

**Where Do You Start?**

At the beginning, decide what product or service you’re going to sell. If you
already know this, then skip to the next section.

I can’t tell you what to sell although I do supply some ideas in the Money Making
Programs section. I can give you some ideas of products and services to
consider and how to judge what’s right for you.

A key phrase to remember (Ted Nicholas taught me this as well): "Don’t find a
need and fill it." You’ve probably seen the opposite phrase – "find a need and fill
it" – used to teach people about business.
The problem is this:

People don’t buy what they need. People buy what they want.

You may have seen the recent television commercial advertisement in which two young men with limited funds go shopping for food and toiletries. With their last few dollars to spend, they have to make a critical decision – buy beer or toilet paper. They buy what they want, not what they need . . . and get it packed in paper, not plastic, bags.

When you’re planning your business, you’ll be served well by targeting a niche. You’ll have trouble being all things to all people. You should focus on a specific group of people who you can provide with a good number of quality products and services.

Key points to help shape your thinking:

✓ Find something that you’re passionate about. If you can’t get excited about your business, you’re not going to get anyone else excited either.

✓ You’ll often be advised to build a business around something you know, but I think that’s bogus advice. Don’t limit yourself. Lots of people start businesses that sell something they don’t know a lot about – but they have passion. Passion beats knowledge all day long, especially if your knowledge is focused in a narrow area that only 10 people in the world care about. Unless those people are billionaires, you’ll need to switch.

✓ The business area should lend itself to selling a series of products and services to the customers. After you acquire a customer, you want to profit from backend sales.

✓ While you may have created the magic answer to the world’s problems and everyone is going to beg you to sell it to them, I doubt it. You will be better off to choose a subject matter that you’ve seen someone else sell profitably. You can use that business as an initial starting point for designing your own. Take what they do well and ignore the rest.

✓ Given a choice, I’d choose a product with a high profit margin (like software or information) over a low margin item (like books) all day. If I have to work equally hard at both marketing plans, I’ll take the higher profits for the same amount of work!

✓ If you want ideas of what people are interested in, then check out the best seller booklists online at any of the major bookstores. One of the best
gauges of interest is, "What are people spending money to read?" Since bookstores constantly update these lists, you can get some current research – free – anytime you want it.

**Additional Products and Services**

One way to determine what additional items to offer is to ask your customers. Often, you’ll find that what customers say they want isn’t really what they’ll buy from you. You still have to test, test, test.

Many Internet businesses use affiliate programs to provide backend products and services so they don’t have to stock the products or supply the services. This allows the business to earn additional profits with limited risk and without additional capital investment in inventory and personnel.

If you refer to the chapter on Money Making Programs, you’ll find more information on affiliate programs and business opportunities you can add to your Internet business.

**Outline of a Marketing Plan**

To help you develop your marketing plan, please follow these steps. You can check or circle each step that applies to your particular plan. Many of these steps are meaningless to you right now. After you’ve completed the book, you will understand each of these steps, how to accomplish them and whether or not they’re right for you. If you haven’t printed this entire book, you’ll want to print this section so you can make notes on it.

I will generate leads (including traffic to my website and email to my autoresponders) through:

- passing out business cards
- posting flyers on telephone poles
- advertising using paid banners
- advertising on banner exchanges
- advertising using ezine ad swaps
- advertising using paid ezine ads
- advertising using direct email blasts
- advertising in cooperative card decks
my own affiliate program
posting in newsgroups
posting in free and paid classified ads
link exchanges with other websites
membership in a web ring
publishing my own ezine
mailing to my own opt-in mail list
submitting my website to free search engines
advertising on the pay-per-click search engines
using my email signature on all correspondence and postings
participating in chat rooms
participating in message board discussions
posting to discussion lists
posting to safe lists
requesting referral from customers and prospects
issuing periodic press releases
participating in top lists
advertising in auctions
advertising using post cards
sticking post-it notes on correspondence
joint ventures

When these leads visit my website (or send email to my autoresponders) I will offer them the following products or services. This is the beginning of your relationship with the potential customer so you probably want to start at the low end (if you have one). In many cases, you will only offer one low-priced item for sale to get the people to become customers as quickly as possible and cause less confusion.

Product or service _____________________________
When these leads visit my website, I will offer them the opportunity to:

Join my mail list and receive notice of special events.

Join my newsletter subscription list.

If the person does not make a purchase on his initial visit, then my follow-up program will be as follows.

Nothing (bad choice, but . . . it is a choice)

If the person joined my mail list, I will mail him 1 or 2 or 3 or 4 additional offers to make purchases from me.

If the person has contacted my autoresponder, then I will send him 1 or 2 or 3 or 4 additional offers to make purchases from me.

If the person has provided me with a telephone number, I will call the person to try and sell him my products or services.

If the person has provided me with a street address, I will mail him 1 or 2 or 3 or 4 additional offers to make purchases from me.

After the person makes a purchase, I will be able to offer him related products and services on a periodic basis. I will have available the following products and services (including those supplied by other companies with whom I am affiliated).

Product/Service How Often/When Offered

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________
You can further develop your plan in a similar fashion if you want to detail additional steps.

**Beyond the Initial Marketing Plan**

Your marketing plan provides the initial blueprint for your business. As you implement your plan, you must be constantly monitoring your results. You will use the actual results of any marketing effort to improve your plan.

When something doesn’t work, either fix it or stop doing it. I once mailed 5,000 letters (which cost about $3,000) to sell a product and made 2 sales at $79 each. A marketing person (who shall remain nameless) wanted to repeat this same disastrous mailing so we could be sure it really didn’t work.

When I mention testing, I don’t mean you actually have to do stupid things to prove they’re really stupid. I didn’t repeat the same mail test. I already knew it didn’t work.

The general process for testing and improving your marketing plan is to test some ideas and find the one or two that provide the best return on your time and money. The best one of these becomes your “control”.

If you can remember back to your high school science classes, the control is the portion of a scientific study where we know all the elements. We already know what’s going to happen. For instance, if we want to test a new drug, we’ll pretend to give 10 people the drug. In reality, 5 get the drug and 5 don’t. Since we know who’s who, we can find what effect the drug really has.

When you are testing ways to improve your marketing, you already know the results that are generated by your control. You have to test new concepts and ideas to try and get better results than your control currently achieves.

Whenever you decide to test something, you need to make sure that it’s a valid test. Think about the way that polling companies conduct their tests. They don’t call one or two people and then report on how everyone feels. They poll a
thousand or more selected people. Even then, the poll may have a 5% margin of error.

In the same way, you won’t get valid results from just 50 or 100 people being exposed to a test message.

Another important point about testing is that, unfortunately, you can only test one major thing at a time. If you test 2 or more changes, you don’t know which change had what effect.

Obviously, you’ll be testing forever! That’s what super successful companies do – test and refine, test and refine, test and refine.

Chapter 4
Your Own Mail List

Direct marketing experts have long recognized the importance of building a mailing list of customers and prospects. For many businesses, this list is the key to great success and profitability when they have learned to unlock its value.

For your Internet business, the value of such a list is greatly increased. In the "real" world, you have to pay the costs of printing and postage to deliver a sales message to your list. On the Internet, you can deliver the same message at very little or no cost. Instead of paying $6,000 to snail mail to 10,000 people, you can send the same message online for nothing. Anything you sell to those people as a result of that online advertisement is profitable from the first sale onward.

Any reference I make to sending email to people refers to an opt-in list. An opt-in list is built from people who agree to be added to a particular list. Opt-in is the opposite of spam. Spam is the colloquial term for Unsolicited Commercial Email (UCE). Spam, while not illegal, is completely unacceptable on the Internet. Don’t do it.

No matter what business you’re in, you have to build a mail list. You can virtually guarantee your business success if you diligently build a mail list. You’ll be able to continually send sales messages to the list. You should make money every time you send mail to your list.

In my opinion, you should publish a periodic newsletter (also known as an ezine) to your list because:

- It gives people a good reason to sign up for your list.
- You can build your newsletter list from other sites even if those people never visit your site.
- Businesses will pay you for advertisements in your newsletter.
- You can swap ads with other ezine publishers.
- You will be perceived as an expert because you publish a newsletter.
- You can offer your products and services in each newsletter.
- You can offer products and services from affiliate programs in each newsletter.

How much money can you make with an ezine? Depending upon the size of the list and the list composition, you can make a ton of money. On top of that, you get to sell your products and services. You also get to make targeted offers for affiliate programs. You should be able to make another $200 per week just from mailing the newsletter.

With this little bit of effort, you’re now making $700 per week or $36,400 per year. I have been very conservative with these numbers. Some list owners claim to have made hundreds of thousands of dollars from lists as small as 10,000 people.

Now, you’re probably worried about where you’re going to get information to put into your newsletter. In most cases, this won’t be a problem. You can find a lot of people who are trying to get their articles published and will give them to you for free.

In fact, I receive 2 or 3 articles every week whether I need them or not. Because I have listed my ezine in all the directories, I’ve been approached by people who want their articles published. When I let them know that I occasionally publish articles by other people, they keep me constantly supplied.

You must build a mail list. Otherwise, you’re just throwing away money.

By the way, your list doesn’t have to be big. You just have to use it effectively. When you start researching ezines for your advertising purposes, you’ll find that most ezines have only a few thousand subscribers.

You’ll use three different methods to build your mail list.

- Getting Subscribers From Your Traffic
- Getting Subscribers from Free Ezine Directories
- Buying Subscribers

**Getting Subscribers from Your Traffic**
The first place to look for people to join your mail list is the traffic passing through your website everyday. You can invite those people to join your newsletter list. You should consider having a link to your newsletter subscription form on every page of your website.

One of the best ways to drive subscriptions is to offer the subscription through a popup window or a form on your entry page. When someone visits the page using a popup window, a second, smaller window will open with a short offer to subscribe to your newsletter. The person will subscribe using the popup window. When he's completed the process, he can close the window and remain at your site.

When you ask people to join your newsletter list, you have to give them a reason. Very few people will just randomly type in their email address unless you give them a good reason to take the time and expend the effort. I know your ezine is free, but you still have to sell the people on joining the list.

You should briefly explain the many benefits of joining your newsletter list and tell them what type of information to expect and when. If you're already a recognized expert in your industry, this might be enough to get people to subscribe. For the rest of us, we need to offer something extra.

If you want people to take action now, you have to give them an incentive. Since this is a free newsletter, you want to give them something that costs you nothing. Often, this is a free report with information they will feel is important enough to push them into joining your list now. Some people provide access to "members only" web pages after you subscribe.

One aggressive technique is to offer new subscribers a free 3-line classified ad in your newsletter. You can't do this for too long or it could get messy, but you can use it to get started building your list.

After the people join your list, you should send them a welcome message. This message should give them information about what they just joined, how to remove themselves from the list and, by all means, something they can consider buying from you.

**Getting Subscribers from Free Ezine Directories**

Many people have set up free directories of newsletters. Anyone can list a newsletter in these directories. Anyone can search these directories.

If you take a little bit of time to list your ezine in these directories, you'll receive a few new subscribers every week. Like the subscribers from your website traffic, these cost you nothing.

Here is a list of the largest newsletter directories:

[www.marketingpromo.com/tad.htm](http://www.marketingpromo.com/tad.htm)
More Places to List Your E-Zine:

http://www.asphyxia.com/ezm/
http://www.copywriter.com/lists/
http://www.cumuli.com/
http://www.e-zinez.com/
http://www.escribe.com/
http://www.ezinesearch.com/search-it/ezine/
http://www.ideamarketers.com/publish/esignup.cfm
http://www.lifestylepub.com/
http://www.EmailUniverse.com/
http://www.liszt.com/
http://www.new-list.com/
http://www.newsletteraccess.com/
http://www.published.com/
http://www.reference.com/
Buying Subscribers

If you know that a new subscriber is worth money to you right away, you can afford to buy subscribers and build your list even faster.

You can buy a small volume of subscribers for amounts ranging from $0.10 to $1.25 each. If you can afford to pay more, you can buy subscribers in a larger volume.

How do you know how much you can afford to pay? As you add subscribers, you have to track how much profit you make from each subscriber in the first 30 days. This period is the time when you have your best chance of making the initial sale.

If you sell 1 out of 20 new subscribers and your profit on each sale is $5, then each subscriber is worth 25 cents to you. If you can buy subscribers for 25 cents or less, you can build your list as fast you can buy them. Of course, now that you have these new subscribers, every additional sale to them and all the advertising revenue are very profitable for you.

If you want more information on higher volume programs, you should check with the companies who run the multiple affiliate program sites. They are listed in the section on Money Making Programs.

A Co-registration company gets people to sign up multiple offers so the cost per subscriber is less and some companies can deliver a large volume of subscribers.

You must carefully test these different providers. You’re going to find some major differences in the value of the subscribers you get depending on the company, the process and the offer.

Co-Registration Providers:

http://www.customlead.com/
http://www.everyone.net/
http://www.freeshop.com/
http://www.leadfactory.com/
Hosting Your Mail List

You have several ways to host your mail list:

☑ Most web hosting companies provide mail list programs which will handle up to 1,000 subscribers. You can have people automatically added to the list, but you will have to manually remove them when they want off.

☑ When your list becomes unmanageable on your website, you can use a mailing program like Aureate Group Mail to send out your mailings. Aureate provides a free basic program which you can upgrade to a sophisticated program, if necessary. Aureate Link - http://www.infacta.com/gm.html

☑ You can develop your own mail list management program using readily available free CGI scripts. With these programs and the others listed below, subscribers can join and leave the list with no effort on your part. This will take some time and effort on your part, but will keep you in control if you like that sort of thing.

www.cgi-resources.com
www.list-business.com/list-software/
www.thescrpts.com
www.freescripts.com
www.aspin.com
✓ You can use free online services such as Yahoo! or Topica. Some of the following services will provide free hosting and mailing for your newsletter.

www.topica.com

groups.yahoo.com

www.listtool.com

www.coollist.com

www.mail-list.com

www.listhost.net

www.emailuniverse.com

✓ A great for people just starting out is to use an autoresponder. For $20 to $30 per month, you can get an autoresponder set up that can really benefit you.

Since you really want to follow up with several messages to all new subscribers, the autoresponder is the perfect tool. And most autoresponders allow you to send specific mailings to all or a portion of the list. That means you can send your newsletter whenever you like.

A service that I really like is the Ultimate Marketers Resource. This service combines several features with top notch autoresponders. And I’ve arranged a special deal for you to get a one month free trial. Just check the Mining Gold member’s area for the link to this great resource.

These are some of the other quality autoresponder services:

www.getresponse.com

www.sendfree.com

www.aweber.com

Getting Articles for Your Newsletter

To get articles for your newsletter, you can use several methods.

The first is to list your newsletter in all the ezine directories in the appropriate categories. A lot of people who want to get articles published will be looking in these directories for ezines that accept articles. They will write and email you completed articles formatted to your requirements. All you have to do is include a
4 to 6 line ad, sometimes called a resource box, immediately following the article when you publish it.

The second method is to visit sites that post articles for newsletter editors to use. A good place to start would be any of these websites:

http://www.amazines.com/
http://www.aracontent.com
http://www.articlecentral.com
http://www.authorconnection.com
http://www.certificate.net
http://www.clickforcontent.com/cgi-bin/epr0/print.pl
http://www.contentious.com
http://www.ezinearticles.com
http://www.freesticky.com/stickyweb/
http://www.goarticles.com/
http://www.groups.yahoo.com/group/free-content
http://www.ideamarketers.com
http://www.marketing-seek.com/articles/submit.shtml
http://www.powerhomebiz.com
http://www.web-source.net/syndicator.htm

You can also post your articles at sites like these for use by other newsletter editors. Of course, when they use your article, they’ll include your resource box so you get some traffic.

**Chapter 5**
Targeted Direct Response Advertising
After you’ve developed your Internet marketing system and decided on a marketing budget, you need to start advertising.

As you probably know, advertising can take on a lot of forms from billboards to radio ads to television ads to banners on websites. Advertising can be used to build a brand image – think Coke. Advertising can be used to position your company in an advantageous light compared to the other guy – think “The Pepsi Generation.”

Advertising can be broad based, as in broadcast on national television, or targeted to a specific audience, as in advertising in a trade magazine.

Most important to your small business, advertising can also be used to provoke a response. Direct response marketing, as it’s known in the trade, is seen through direct mail offers, space advertisements in print media, and television infomercials. The advertiser wants you to respond to the ad by doing something like calling the toll free number to order right now.

Since I assume you’re in business to sell your products and services, direct response advertising is probably right for you. Most direct response advertising is broadcast, run in the print media or placed on the Internet with a simple concept in mind. The concept is that the ad will immediately generate more profits from its direct sales than the advertising cost. If you can do this, you can reuse the same marketing budget over and over again. You can be particularly effective if you aim your direct response advertising at a specific target market which is more likely to be interested than the average person.

For example, you spend $200 running targeted direct response advertisements this week. You know from previous testing that these ads will generate $500 in sales which translates to $300 in profits. Even with a $200 marketing budget, you could generate new customers for your business as often as you get your $200 back.

Upcoming, you’ll find two very important chapters on No Cost Marketing Techniques and Low Cost Marketing Techniques. You will use these techniques to maximize the return on your marketing investment.

If this is so good, why doesn’t everyone do it? Beats me. I have no idea why more businesses don’t measure their marketing returns this way.

An interesting story – Dan Kennedy, besides being a friend of mine, is a well-known marketing expert who consults with Guthy Renker (the major infomercial company) as one of many multi-million dollar clients. A few years ago, when Jaguar introduced their new coupe to the U.S., they ran a very expensive advertising campaign for the car. They invited interested persons to attend wine and cheese parties, or the like, at the Jaguar showrooms and generally made a big deal of the debut of the awesome new coupe.
The Jaguar advertising folks bragged in a story in USA Today about how successful the campaign was. When asked, they stated that the measure of success was how many people showed up at the free events. They said nothing about actually selling cars, which is what Jaguar is in business to do.

Dan wrote a scathing letter to USA Today about the stupidity of measuring success by how many people ate your free food as opposed how much profits you made selling cars. The letter was published by USA Today amid much hoopla.

Dan’s point is incredibly important to your business. Not only do you have to measure the effectiveness of your advertising, you have to measure the right numbers.

I strongly believe you had better be measuring your success in terms of profits and losses, not traffic to your website. The only people who can measure success in terms of website traffic are the publicly held Internet companies who are losing millions of dollars while trying to gather market share. But, even these companies will soon have to deal with the reality of making a profit or they will be extinct.

You should be measuring your business success by the profits you generate, not the traffic to your website.

**Tracking**

You must carefully track your advertising efforts and results. You have to be able to see in black and white exactly what happens in each of your marketing campaigns.

Let me repeat that last sentence because it’s so important. You have to be able to see in black and white exactly what happens in each of your marketing campaigns. While you can rely on your gut feelings to test a marketing idea, you can’t rely on your gut feelings to tell you what really worked. Your emotions and biases will sway your view of the results.

When you force yourself to write down all the pieces of the campaign, then you have to confront reality. An added bonus to this reality stuff is that these numbers will often reveal previously hidden successes to you. You’ll see which parts of a marketing effort are working and which parts need improvement so you can tweak the campaign.

Here’s a sample tracking form for reporting results of a campaign:

Type of Campaign:

___ Direct E-mail: No. of Addresses ____________
___ Banner Campaign: No. of Impressions ___________
___ E-zine Advertisement: No. of Subscribers ____________
    Placement: Top Ad ______ Regular _______
___ Paid Click Throughs: No. of C/T's _____________
___ Classified Ad
Date Ordered: ______________________
Begin Date: _______________ End Date: _______________________
Service Provider: ________________________________________
Campaign Details: _________________________________________________
________________________________________________________________
________________________________________________________________
Target URL: _____________________________________
Target Autoresponder: ____________________________
Autoresponder Message: ____________________________
No. of hits to URL: ____________________________
No. of hits to Autoresponder: ______________________
Advertisement Cost: $__________ Cost Per Response: $________
No. of Sales: ________ % of Sales to Hits: __________
% of Sales to Quantity Ordered: __________
Total Sales: $_______ Profit (/Loss): $________

You can add or subtract from the form depending on the campaigns you’re running.

How will you know how many hits came from which ad? You have three basic options:

1. If you have an affiliate program, you can code the ad using an affiliate number and the affiliate software will report on the campaign for you. If you have an affiliate program, there’s no better way to get accurate reporting.

2. You can set up a separate web page for each ad. These will usually be duplicates of the main sales page with a separate counter on each web
page. When you want to count the hits, you just have to look at the counter. You can find free, easy-to-use counters at http://www.bcentral.com/products/fc/default.asp

3. You can set the website address in the ads with a code like www.yoursite.com/ad1.htm#test. The ad1.htm page will open as normal. Your website logs will show the access to the "#test" page. You just have to access the logs and count the number of accesses.

After you have tested different marketing campaigns, you should do a side-by-side comparison of your results. You’ll pick up information from this study so you can find additional ways to test some more.

You’ll be continually testing new marketing ideas as long as you’re in business. You’ll always be trying to improve your results. You have to do this. The marketplace will keep changing. Your competition will try to steal your best ideas (or you can steal theirs).

When you change anything in your marketing, you can only make one change to have a valid test. If you’re going to test a new classified ad, then you must measure the number of hits it brings. You’ll also measure the number and dollar volume of sales. You can compare this to other classified ads.

If, however, you tested a new classified ad and a new sales presentation on your website, you could only compare the number of hits generated. You couldn’t directly compare the sales numbers because you changed the sales copy.

You have to be cognizant of each part of your testing. Once you have a control advertisement, one that’s working well, you can begin to work on improving each part of the campaign. Track your results and you’ll know which changes to keep and which to forget about.

**Choosing Your Targets**

You’ve got to identify your potential customers for whatever you’re selling. If you have customers now, you’ve got a head start if you know something about them.

Some of you will already know your key data, such as the average customer/decision maker is the purchasing manager for a mid-sized business with more than 500 installed computer work stations. Others of you can only guess right now.

A highly effective way to learn the composition of your customer base is to ask them. You could send an email to your customers and offer them a free gift, or an entry in a free drawing for answering a few simple – non-personal – questions. This will give you quick insight into your customer base.

You can run this survey on your website or just have them answer a few key questions by email.
Once you know more about your customers, you can start looking for future customers in places where you’re more likely to find them. If you’re advertising to doctors, you can spend $1,000 for an ad in a medical journal or an ad in a national magazine. Since you’ll be paying a cost per thousand readers, it’s obvious you want to be paying for a magazine more likely to be read by doctors. Your return on your advertising investment should be greater with the medical journal ad.

If you don’t have any customers yet, then you’ll have to start out like all businesses do by guessing. You should be able to get close enough to get started, gain some customers and, then, ask them to complete the survey.

When you write the survey, please make sure you think about the questions before you publish them. For example, I had a marketing person who surveyed a customer group at a seminar. One of the questions asked the people to choose their favorite type of music. The idea was to determine which radio station formats would be best for advertising. For this survey, the clear winner was country music. The results seemed out of proportion to previous results until I asked the marketing person to explain to me what advertising had gotten people sold into the seminar. His reply – “We advertised heavily on the country music radio station.”

Therefore if you ask people how they found out about your company, it should be no surprise to you, if you’re advertising solely on the Internet, that they found it on the Internet. They couldn’t find you anywhere else.

**Adverting Where Your Targets Are Likely To Be**

After you know what your target audience looks like, you should narrow your advertising focus to this market. Two key ways to focus your advertising are targeted banner ads and targeted ezine ads.

While I’m not a huge fan of banner campaigns for most businesses, let me address these in case they’re right for your business. If you’ll be running a banner campaign, you don’t want to run it all over Yahoo! to reach whoever shows up. You can consider running it on Yahoo! when certain key words are searched. These people are looking for something reasonably related to your target audience. The problem with this campaign is that Yahoo! charges a steep price (relatively speaking) for that target audience.

You could use Yahoo! to search for websites related to your product or service. Many of these websites will be looking for advertisers as well. Since these sites are already targeted to your core group, you don’t have to be as choosy about when and where you show up on their sites. You’ll find these sites will often charge less than Yahoo! does for a ”run of site” ad so you can save money while still targeting your audience.
A key component of your advertising campaign should be ads in newsletters specifically geared to your targets. You can find information about thousands of ezines from the ezine directories listed in the Mail List section of this book. The only problem is that you’ll have to contact the newsletter publishers individually to get their circulation and advertising information.

The following services have already compiled this information in a searchable format. I use these services and they pay for themselves over and over. I suggest you check [www.marketingpromo.com/tad.htm](http://www.marketingpromo.com/tad.htm) and [www.directoryofezines.com](http://www.directoryofezines.com) if you’re serious about purchasing advertisements in targeted ezines.

You’ll usually be able to find several publications that are aimed at your target audience. Until you have a proven marketing system, you should start out with less expensive ads. You don’t want to waste money on proving which ads don’t work.

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**Chapter 6**

**Search Engines**

1. **Introduction to Search Engine Optimization**

Search engines are the primary means through which Internet users find web sites. That's why a web site with good search engine positioning may see a dramatic increase in traffic. Millions of searches are initiated every day through search engines for locating information or suppliers of goods and services. You know that the Internet is a great medium to expand your business across geographic frontiers and to let the world know about your unique offering. *How do you let the world know?* A search engine is the most effective tool that can bring a prospective customer to your Company website. While online advertising and promotion and lead generation campaigns are also important techniques to acquire new visitors to your site, the investment required for getting traffic through search engines is much lower.

Everyone wants good search engine listings. Unfortunately, many web sites appear poorly in search engine rankings or may not be listed at all because they fail to consider how search engines work. As search engines have millions of pages in their coverage, it is important to have a proper approach to using this channel effectively. The art and science of understanding how search engines identify pages that are relevant to a query made by a visitor and designing marketing strategies based on this is called search engine optimization.
Submitting to search engines is only part of the challenge of getting good search engine positioning. It's also important to optimize your site to get a high ranking on search engines. Search engine optimization means ensuring that your web pages are accessible to search engines and have been designed in ways that help improve the chances they will be found.

2. Search Engines

You would be using search engines so you know how they work from the user perspective. From your own experience as a user, you also know that only those results that list at the top of the heap are most likely to attract you. It doesn’t amuse you to know that your search yielded 44,316 results. Perhaps even number 50 on your list will not get your customer or even their attention. Thus you know that getting listed on the top or as near to the top is crucial. Since most of the search engine traffic is free, you’ll usually find it worth your time to learn a few tricks to maximize the results from your time and effort. In the next section, you will see how search engine works – from your perspective as a website owner.
2.1 How do Search Engines Work?

Most of the top-ranked search engines are crawler based search engines while some may be based on human compiled directories. Search engines are primarily composed of three parts.

Spidering

A search engine robot’s action is called spidering, as it resembles the multiple legged spiders. The spider’s job is to go to a web page, read the contents, connect to any other pages on that web site through links, and bring back the information. From one page it will travel to several pages and this proliferation follows several parallel and nested paths simultaneously. Spiders frequent the site at some interval, maybe a month to a few months, and re-index the pages. This way any changes that may have occurred in your pages could also be reflected in the index. The spiders automatically visit your web pages and create their listings. An important aspect is to study what factors promote “deep crawl” – the depth to which the spider will go into your website from the page it first visited. Listing (submitting or registering) with a search engine is a step that could accelerate and increase the chances of that engine spidering your pages.

Indexing

The spider’s movement across web pages stores those pages in its memory, but the key action is in indexing. The index is a huge database containing all the information brought back by the spider. The index is constantly being updated as the spider collects more information. The entire page is not indexed and the searching and page-ranking algorithm is applied only to the index that has been created. Most search engines claim that they index the full visible body text of a page. In a subsequent section, we explain the key considerations to ensure that indexing of your web pages improves relevance during search. The combined understanding of the indexing and the page-ranking process will lead to developing the right strategies. The Meta tags ‘Description’ and ‘Keywords’ have a vital role as they are indexed in a specific way. Some of the top search engines do not index the keywords that they consider spam. They will also not index certain ‘stop words’ (commonly used words such as ‘a’ or ‘the’ or ‘of’) so as to save space or speed up the process. Images are obviously not indexed, but image descriptions or Alt text or “text within comments” is included in the index by some search engines.

The Search Engine Program

The search engine software or program is the final part. When a person requests a search on a keyword or phrase, the search engine software searches the index for relevant information. The software then provides a report back to the searcher.
with the most relevant web pages listed first. The algorithm-based processes used to determine ranking of results are discussed in greater detail later.

**Human powered directories**

These directories compile listings of websites into specific industry and subject categories and they usually carry a short description about the website. Inclusion in directories is a human task and requires submission to the directory producers. Visitors and researchers over the net quite often use these directories to locate relevant sites and information sources. Thus directories assist in structured search. Another important reason is that crawler engines quite often find websites to crawl through their listings and links in directories. Yahoo! and The Open Directory are amongst the largest and most well known directories. LookSmart is a directory that provides results to partner sites such as MSN Search, Excite and others. Lycos is an example of a site that pioneered the search engine but shifted to the Directory model depending on AlltheWeb.com for its listings.

**2.2 How do Search Engines rank web pages?**

Search engines rank web pages according to the software’s understanding of the web page’s relevancy to the term being searched. To determine relevancy, each search engine follows its own group of rules. The most important rules are:

- The location of keywords on your web page; and
- How often those keywords appear on the page (the frequency)

For example, if the keyword appears in the title of the page, then it would be considered to be far more relevant than the keyword appearing in the text at the bottom of the page.

Search engines consider keywords to be more relevant if they appear sooner on the page (like in the headline) rather than later. The idea is that you’ll be putting the most important words – the ones that really have the relevant information – on the page first.

Search engines also consider the frequency with which keywords appear. The frequency is usually determined by how often the keywords are used out of all the words on a page. If the keyword is used 4 times out of 100 words, the frequency would be 4%.

Of course, you can now develop the perfect relevant page with one keyword at 100% frequency - just put a single word on the page and make it the title of the page as well. Unfortunately, the search engines don’t make things that simple.
While all search engines do follow the same basic rules of relevancy, location and frequency, each search engine has its own special way of determining rankings. To make things more interesting, the search engines change the rules from time to time so that the rankings change even if the web pages have remained the same.

One method of determining relevancy used by some search engines (like HotBot and Infoseek), but not others (like Lycos), is the Meta tags. Meta tags are hidden HTML codes that provide the search engine spiders with potentially important information like the page description and the page keywords.

Meta tags are often labeled as the secret to getting high rankings, but Meta tags alone will not get you a top 10 ranking. On the other hand, they certainly don’t hurt. Detailed information on Meta tags and other ways of improving search engine ranking is given later in this chapter.

In the early days of the web, webmasters would repeat a keyword hundreds of times in the Meta tags and then add it hundreds of times to the text on the web page by making it the same color as the background. However, now, major search engines have algorithms that may exclude a page from ranking if it has resorted to “keyword spamming”; in fact some search engines will downgrade ranking in such cases and penalize the page.

Link analysis and ‘clickthrough’ measurement are certain other factors that are “off the page” and yet crucial in the ranking mechanism adopted by some leading search engines. This is quickly emerging as the most important determinant of ranking, but before we study this, we must first look at the most popular search engines and then look at the various steps you can take to improve your success at each of the stages – spidering, indexing and ranking.

2.3 Most popular Search Engines

There are nearly a thousand search engines and search sites listed on the Internet, just as there are over a thousand SEO software and services firms listed in some directories. However there are just a handful that are well known and used almost universally. It is these that deserve your attention.

The chart below shows the most popular search sites in the United States, as based on audience reach for January 2003. Audience reach is the percentage of US home and work Internet users estimated to have searched on each site at least once during the month through a web browser or some other online means.
The major ones are listed and key facts and figures on each are presented below:

**Google**

Within a short span, Google backed by some important venture capitalists, has reached the status amongst the top search engines and is often cited as “The World’s best Search Engine”. It is reported that it handles over 150 million searches daily and has an index of over 2 billion pages.

**Yahoo**

Google is the search engine that powers the search directory for Yahoo. This partnership started in the year 2000 and recently there was a report that the contract is being extended. Yahoo has a net income of $21.4 million. Yahoo is a portal or directory (explained later in this chapter) and not a pure play search engine company.

**AltaVista**
AltaVista is one of the oldest and most well-known search engines. Over the years it has lost its prominent position to Yahoo and Google.

In March 2002 AltaVista launched its new release of Enterprise Search v2.0 software that it sells to the Enterprise search market, similar to Inktomi and Verity. AltaVista recently launched important freshness and relevancy initiatives, crawling key areas of the Internet four times per day and increasing relevancy by 40%.

Inktomi

Inktomi has a robust networking business and a foothold in enterprise search. To stay healthy and competitive in consumer search, Inktomi introduced in the last year a program that generates fees from Web sites listed in its database. Inktomi charges companies such as Amazon.com and eBay to list more than 1,000 Web addresses; they might pay anywhere from 5 cents to 40 cents per click when Web surfers jump to their pages from Inktomi's database.

AOL Search

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

2.4 Submission to Search Engines

A majority of search engines charge a fee for submission. There are also some good search engines that allow you to submit your site for free. Although, listing of your website is not guaranteed through free submission, it is always recommend submitting your website to a search engine with free submission.

Free listing is available with some major search engines such as Google, AltaVista, and Webcrawler. As stated earlier, even after submission of your website, a listing is not guaranteed. Generally, it takes up to 2 to 3 months to be listed after submission. A recent research concluded that the audience potential for websites submitted through free search engines is about 39%.

Most search engines charge a nominal fee for every URL submitted. You are more likely to get favorable results by submitting your website to a search engine with paid inclusion. AskJeeves, Inktomi, AOL, and LookSmart are the most popular search engines in this category. Once you submit your website with these Search Engines, your website is most likely to be listed within a week. The Audience potential for paid search engines is 100%.
Search engines generally list pages of ten to twenty results per page. Most search items will return thousands, if not hundreds of thousands, of results. The key, however, is to get listed amongst the top results if you expect to get any traffic through these search engine results.

There are two methods of submitting your URL to Search Engines. One is to use Search Engine Submission services such as “Submit it”, which is a part of MSN Central. The fee for submitting URLs using this service ranges from $79 to $299 per year. Another is to submit your URL by submitting it individually to popular Search Engines and thus avoiding the fee charged by submission services. The prevailing counsel is that manual submissions should be made to the top five search engines or so and one could use automatic submission services for the rest.

It is possible to submit your URL to search engines for free. At the same time, you have to keep in mind that there are premium programs offered by some search engines that assure listing or provide better positioning in ranking. Some use of paid listing programs is recommended if you wish to receive serious traffic on your website from the search engine. Paid Listing Programs are explained later in this chapter. Free submission could result in much lower traffic, a low rank and positioning amongst the results returned, and a longer period of time before your website actually shows up in the results returned by the search engine. Also there is no guarantee that your website would be included with these free services. To avoid these issues some search engines offer paid participation that guarantees high traffic and ranking for a fixed fee per year.

2.5 Search Engines Submission Budget

Despite the rise in paid participation programs offered by search engines, free search engine submission is still possible. However, using the paid programs that are offered will speed up the listing process and almost certainly generate more search engine related traffic for your web site.

Given this, it is highly recommended that any site owner establish a search engine submission budget. This is true whether you are running a commercial web site, a ‘hobbyist’ site in your own time or a site for a non-profit organization.

How much would you like to spend on this exercise? If the budget is limited, options such as some of the paid programs, advertisements and expensive directory listings will have to be forsaken and attention given to getting the best results from limited but focused efforts.

The key is to strike a balance between free and paid programs that yield maximum ROI. You should submit your website to all the free search engines such as Google, AltaVista, and WebCrawler, at least one paid search engine
such as Inktomi ($89 for submission of 3 URLs), and Yahoo Directory ($299 a year). Apart from these, you should think of submitting your website to a couple of “paid participation” or “paid placement” programs such as Google Adwords and Overture, which are discussed later.

2.6 Crawling policies and ranking algorithms of major search engines

To help understand how to better search engine optimization, discussed below are some of the crawling policies and ranking algorithms for some of the major search engines.

Google

You can submit your site to Google using http://www.google.com/addurl.html. Submitting your site will only make Google aware that your page exists; it is quite possible that your pages may get crawled even if you have not submitted. It is advisable to submit the home page and some inside pages. Inside pages are added to the submission, just in case the home page is found too slow to load or crawl. The pages that are submitted should link to the rest of the pages. Google indexes the full text that is visible on any page that it crawls. It generally does not index the Meta tags – keywords or descriptions. When Google lists your page in the search results, the description that is displayed is the extract of text that is around the first line where the search word appears on the page. It may thus be a good idea to write a good description of the page and build it around the most likely search term(s) and place that near the top of your page. You should remember that one sure way of getting your site listed and indexed is if there are several links that point to your site and such links appear on web pages that in turn have several other links pointing to them. The term ‘link popularity’ is used for this. It analyzes links of the pages that it has visited and this ‘link analysis’ helps to determine the ranking of the page.

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

Yahoo

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

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

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

**Inktomi (MSN Search, AOL Search, Hotbot)**

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

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

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

**AltaVista**

AltaVista will accept free listings through its addurl link, but it also has paid inclusion features. Generally their crawler may visit every four weeks. Paid inclusion may be desirable if you have a new website or pages or if your pages are refreshed every week or so and you do not wish to wait until the next cycle of
crawling. There is an Express Paid inclusion service of self-service type for up to 500 pages at a time. This service will enable weekly crawling.

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

3. Submission to Directories

Directories are search engines compiled by Human editors. Directories are very popular and are widely used by people as a source of information. Web crawler search engines may also have better chances of finding your website if it is listed with any of these directories. Most of the directories charge a fee for listing your website. Some sites such as Yahoo offer free submission as well.

An important aspect of submitting your website to a directory is to have a 25 word or less description of the website. This allows the web crawler search engines to efficiently find and include your website.

Yahoo, LookSmart and Open Directory Project are some of the most popular directory services on the World Wide Web.

Some tips for Submission to Directories

The maximum length of the Title of the website should be 60 characters for Yahoo, 65 characters for LookSmart and 100 characters for Open Directory.

Description of your website is essential for submission to any Directory. The maximum length of this description for Yahoo is 25 words or 200 characters, 170 characters for LookSmart and 25 to 30 words for Open Directory.

Yahoo requires that you submit the Title, Description, Your name and Email for website submission, whereas LookSmart and Open Directory only require the Title and Description of the website. Yahoo allows a maximum submission for one category per website; LookSmart and Open Directory allow a maximum submission for one category per URL.

4. Intelligent ways to improve page ranking
Danny Sullivan of www.SearchEngineWatch.com offers this advice: “Start by designing search-engine-friendly pages. Use good titles and good copy (i.e. text on the page) to match popular search terms and tap into natural traffic. People only use tricks to make up for the fact that they don't have good copy.”

Besides internal page factors including frequency and positioning of relevant keyword phrases, the leading search engines now suggest the importance of off-the-page factors, particularly links from other domains.

Google ranks individual URLs based on which other URLs link to them, which URLs link to those, and so on. Thus the steps you have to take are:

Choose the terms that you wish to include as the most productive search terms for your site. These are terms that you associate with the correct target visitors to your site. Put those in the search engines and find what pages rank near the top for them. These top-ranking sites or pages would be on the top of your list, if you needed to plant links to your site on other pages.

Once you have found the top ranked pages/sites for your chosen search term(s), you should check what sites or pages link to that site. If you get links from any of these sites to your target pages, you may be able to dramatically improve your ranking on Google and other crawler based Search Engines.

If a website has a lot of interlinked pages, then even an obscure page from that site could be a reasonably effective candidate for having a link to your site. It is not essential that the link should be on the home page or prominent page of a popular site.

Creating fake domains and letting those domains point to your site is a trick thought to be effective for improving page ranking at Google. However Google claims that this is not true and they are able to spot duplicate domains and domain scams.

4.1 Link Popularity

Your link popularity is simply a count of the number of web pages that are linked to you. Improving your website’s link popularity is absolutely vital for improving the visibility of your website with regard to Search Engines. You may want to know your link popularity for two reasons. The first is that your link popularity will improve your ranking on all crawler search engines. As discussed earlier, all crawler-based search engines have a component called the spider, which crawls from one webpage to another through links. Hence, the more websites linking to your website, the better your chances are of getting listed through a search engine. The second reason is that you might want to know which websites are linked to you and potentially referring traffic.

Search engines give sites with good inbound and outbound links a higher ranking. The logic goes that if you provide outbound links to other material you
are providing a valuable service: and, if other sites link to you then you must have content of value.

4.1.1 Link Analysis and measuring Link Popularity

The best way to discover how people are finding your web site is to analyze your site's activity logs. If you are unable to analyze their logs you can instead use search engines to track down referral links. In particular, this method gives you an idea of how "popular" a search engine believes your site to be. Be aware that "popularity" is only one part of the link analysis systems that search engines, such as Google, use to rank web pages. The quality and context of links is also taken into account, rather than sheer numbers.

You can use link:'site URL' feature of many search engines to list all the pages that link to the selected site, and that too in order of Page Rank. For Google, North Light and AltaVista, use link:yoursite.com to find the listing of pages that link to the website www.yoursite.com. For Alltheweb, use 'link.all' instead of link and for Inktomi use 'linkdomain' instead of 'link' in the above example. The results would be a list of all pages (if indexed by the search engine) that link to your target site, listed in the order of popularity.

If you need to find the link to specific pages instead of to an entire site, then the above link: feature will not work. Use the Advanced search features offered by HotBot and MSN Search, enter the full URL of the target page including http:// and use the option “links to URL” or similar.

Some sites offer to run comparison of the links to a chosen site vis-à-vis three other chosen sites. http://linkpop.marketleap.com and http://www.linkpopularitycheck.com are two such sites where you could submit your target URL and three other URLs if you wish to have a comparison done. www.linkpopularity.com is a site that will analyze the link popularity of a chosen URL in three prominent search engines.

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

As a site owner, you want to seek links from good pages that are related to the terms you want to be found for. Linking strategy is not a trick as many get rich
quick merchants would have you believe. Links for the sake of links have no
value whatsoever. Indeed, they can damage your rankings. So forget about link
farms and other such nonsense. A small number of inbound links from great,
relevant sites will be much more valuable than many links from low-traffic,
irrelevant sites.

However, you should not become obsessed by link popularity alone. Treat linking
as one important aspect of your Search Engine Optimization strategy. Decide
how much time and effort you are prepared to invest in relation to your other
activities and be disciplined about your approach. Monitor your results and adapt
your strategy as necessary.

4.1.2 Where and how to seek reciprocal linking

Once you have found the candidate sites that have high link popularity and link
quality as seen through link analysis, the next step is to choose those that you
believe may agree to reciprocal linking. Your competitors obviously would not,
but in respect of others, you must try. Several sites have a page where they list
useful links or relevant links, as a service to their site visitors. You can locate the
e-mail of the company or of the person who handles link requests for such list
pages.

When you make a request for reciprocal linking, approach the target site owner
or webmaster or link request handler by providing your URL and a short
description and explain how providing this link would be a valuable and useful
addition for the benefit of their audience. The description is important as often
that would be what appears in their links page. Offer them reciprocal linking from
your site’s links and resources page. Better still tell them that you have already
provided a reciprocal link to their site.

Build a good links and resources page on your website. Present the links in an
organized manner so that this is useful to your site visitors too. Of course, you do
not want this links page to be amongst the first pages accessed by your visitor,
as this may induce the person to leave your site. Some webmasters try to build a
standalone links page that is totally isolated from all other pages on their site.
This would perhaps provide an URL to the reciprocal link provider, but in reality it
is not a genuine link page at all. Avoid these tactics; they will not work in the long
run.

Finally, not all sites are equal and therefore not all links are equal. A link from a
high traffic industry portal is worth infinitely more than a link from a low-traffic
free-for-all site. Concentrate on giving the search engines what they really want -
great content, well-organized, well-published and linked to other relevant
material. Concentrate on that and you will be rewarded.
4.1.3 Inward Linking

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

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

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

Affiliate programs also help in improving inward linking. In affiliate schemes, you provide incentives (usually a commission on the sale of your product or service) for other websites to become affiliates (i.e. carriers). These affiliates then generate you direct traffic; the added bonus comes in the form of those inward links to your site. Affiliate Programs create powerful alliances between your website and your various affiliate websites. Providing affiliate links to your website would improve your website’s search engine ranking. It makes your website more visible to crawlers.

4.2 Adding and using Meta-tags and Keywords

While Meta tags are not the complete answer to the question of "How do I improve my search engine ranking?" they can help with some search engines. Since there are millions of pages with Meta tags, you can add all the pages you want and still not control a sizeable percentage of the pages on the World Wide Web.

What are Meta tags? They are information inserted into the "head" area of your web pages. Other than the title tag, information in the head area of your web pages is not seen by those viewing your pages in browsers. Instead, Meta information in this area is used to communicate information that a human visitor may not be concerned with. Meta tags, for example, can tell a browser what
"character set" to use or whether a web page has self-rated itself in terms of adult content.

Meta tags may help you with some search engines, so you'll want to consider adding them to every page you create. On the other hand, you can find many highly ranked web pages without Meta tags. For example, Meta tags have no effect on how humans will view your pages and enter your information into directories like Yahoo!

4.2.1 Tags that do matter

Titles

The TITLE tag is an important one for search engines like Google, as that is often the first one indexed and it is given higher weighting in the relevance rankings. You have to pay attention to this tag. Keep it short (lower than 40 characters) and let the tag have material relevant to the keywords used in the search. As an example, if you had stuffed your Company Name as the TITLE tag, it would not help. The visitor that you want to attract is unlikely to be looking for your Company name in the search string. Think creatively as to what keywords people would use if they were looking for goods or services that your site offers.

Keywords and Description

Two Meta tags that are important are KEYWORDS and DESCRIPTION. You have to be very careful about how these are developed and positioned. Frequency and location of the keyword that is being searched are important criteria that determine relevance and hence page ranking. The search engine would generally consider the page more relevant if the keyword that is being sought is in the TITLE tag or is in the KEYWORDS tag near the top of the page. Similarly if the sought after keyword is found being repeated in the page, it may give the impression that this is a more relevant page and improve ranking.

There is a caveat, though. The above is only a general rule that has been often followed by many search engines, but there are many variants to it. Several players in the SEO industry have tried to proclaim that this is the gospel truth and hence it has spawned a large number of experts that suggest and resort to keyword stuffing and spamming (repeating long strings of keywords). The result can often be just the opposite. Some search engines penalize pages that have keyword spamming. Some will just ignore these pages. Some engines also do not read Meta tags. The intelligent method today is to stay away from spamming and to use tags judiciously. Blend your technique to attain the right frequency and location, but stay away from any excess or spamming.
You can provide an in-depth list of words and phrases in the KEYWORD Meta tag. These words should have some relevance to the specific page or, at least, to your website. While you can vary the case of the keywords, you’ll want to concentrate on the lower case because over 90% of the searches either use lower case or are conducted on search engines that are not case sensitive.

These keywords should contain variations on the same theme. If your site was about gardening, you could use garden, gardening, home and garden, home gardening, vegetable garden, and herb garden. These are all words that might be used in searches for information that your site might provide. The keywords Meta tag is not intended to replace the actual text on your website. This tag is simply to aid the spider in collecting accurate information about your web pages.

The DESCRIPTION tag is used by search engines like Inktomi for the page summary that is displayed on the results page. This summary is what the visitor will read and decide whether he/she wishes to enter your site. If the description is just full of repeated keywords, it won’t do you any good, even if your page is ranked high. You still do not have a visitor. May be you have put off a visitor.

**Meta Robots Tag**

One other Meta tag worth mentioning is the robots tag. This lets you specify that a particular page should NOT be indexed by a search engine. To keep spiders out, simply add this text between your head tags on each page you don’t want indexed.

By default, a crawler will try to index all your web pages and will try to follow links from one page to another. This can be prevented by using the Robots Tag.

Most major search engines support the Meta robots tag. The Meta robots tag also has some extensions offered by particular search engines to prevent indexing of multimedia content.

There are other Meta tags apart from the ones explored above but most of them are simply ignored by almost all search engines.

**4.2.2 Selection of keywords**

This is an important step in the SEO exercise. What keywords do you need to emphasize and include? How do you choose the most relevant keywords that will be used by your target audience? Pose yourself the question: What would my target visitor be looking for and for which queries would I like to lure him/her to my site? Imagine those queries, as many of them as you can think. Apply this to all categories of visitors that you are targeting. Then list those queries and formulate your keywords from those. Select phrases (at least two words), rather than single words, as there would be too many contenders for single word
searches. Let your creativity develop grammar and synonym variants of these keywords. The same would apply to descriptions; however while keywords have to match closely with search strings, descriptions should be drafted to allure the visitor after he has seen your listing. It should tell the visitor that your site is indeed offering him the best information or outcome for what he is looking for.

4.2.3 Stemming and other word forms

Search engines often look for variants of words from a stem and this is referred to as stemming. Thus ‘play’ can also lead to a search for ‘plays’ or ‘playing’ or ‘players’. Similarly singular and plural forms of words and case can lead to different results for some search engines. Some advisers suggest that Capitalization is a better bet in choosing keywords. However, the wiser counsel is that these variants do not make that great a difference and one should prefer lowercase. Most searches are made in lowercase. Moreover, many search engines are not case-sensitive.

4.2.4 Focus on important keywords: Finding top keywords

You may like to know the most popular search words and strings so that you could choose top keywords related to your own site. Some resources that help in this are discussed here.

Place your subject term in Overture’s free Search Term Suggestion Tool. The result will be a list of all search terms related to the word you inserted that were most popular at Overture. The list is in the order of popularity. Thus you know what most people are looking for. Wordtracker has a fee-based service that lets you do the same based on Meta search engines such as Dogpile and Meta Crawler. Supplement this effort through the Related Searches feature that is seen in many search engines. Sites such as AltaVista, Yahoo, HotBot and others have this feature. Place your subject or one of the target keywords in the search string on these. From the results page go to the section: “Others searched for” or “Related searches” that is available on many search engines and you will find the other related terms listed there.

4.3 A few other Search Engine Placement Tips

Submit a site map page or a page with links to all inner pages

One good tip I found was that you should prepare a crawler page (or pages) and submit this to the search engines. This page should have no text or content except for links to all the important pages that you wished to be crawled. When the spider reaches this page it would crawl to all the links and would suck all the desired pages into its index. You can also break up the main crawler page into
Several smaller pages if the size becomes too large. The crawler does not reject smaller pages, whereas larger pages may get bypassed if the crawler finds them too slow to be spidered. You do not have to be concerned that the result may throw up this site map page and would disappoint the visitor. This will not happen, as the site map has no searchable content and will not get included in the results, rather all other pages would. We found the site www.wired.com had published hierarchical sets of crawler pages. The first crawler page lists all the category headlines. These links lead to a set of links with all story headlines, which in turn lead to the news stories.

Size of submitted page

We have written above that the spiders may bypass long and “difficult” pages. They would have their own time-out characteristics or other controls that help them come unstuck from such pages. So you do not want to have such a page become your “gateway” page. One tip is to keep the page size below 100 kb.

Submit key pages

You do not have to submit all the pages of your site. As stated earlier, many sites have restrictions on the number of pages you submit. A key page or a page that has links to many inner pages is ideal, but you must submit some inner pages. This insures that even if the first page is missed, the crawler does get to access other pages and all the important pages through them. Submit your key 3 to 4 pages at least. Choose the ones that have the most relevant content and keywords to suit your target search string and verify that they link to other pages properly.

4.4 Write a persuasive home page

One of the most common questions during the process of Search Engine Optimization is “What information should I put on my home page?”

Sounds like an easy question, doesn't it? But, with the myriad of site layouts out there, it's no wonder companies get confused. Some sites have no home page content at all. Some sites have a ton of text to scroll through. The key is to find the happy median where your content is just right.

Two of the extreme cases are either including a huge number of graphics and flash animations on your home page or including all content on the home page itself. These are some of the worst examples of copy writing and would surely make your website invisible to most search engines and users alike.

So, with that in mind, how can you structure your home page so you still tell the reader what they want to know, without overwhelming them with tons of information?
Include some text on your home page describing what you do and the benefits of working with you

Don't worry about putting every bit of information on your home page. The key is to write a couple benefit-rich paragraphs and then link your prospect to more information. Consider sentences like:

"We specialize in innovative online and offline marketing plans that will increase your profits and extend your brand. Learn more about how we can help you now!"

The "help you now" statement is a hyperlink leading the reader to more information about your services. On that inner page, you can describe your offerings more in-depth - and you've succeeded with getting your client to drill deeper into your site.

Consider short teaser blurbs with call to action links for more information

This is a great option if you offer a lot of unique services or products and you want to highlight them on your home page. This way, your prospects immediately know what you offer - and they can instantly click on your links for more information.

Keep your Web copy short and sweet

According to Nielsen, you should write 50 percent less text than you would have used to cover the same material in a print publication. If you make your prospects wade through too much text (like a 1,500-word text block), they'll get overwhelmed and surf away. Using quick-scan bullet points is one way to make your copy easy to read and digest. Another way you can divide your copy is by using sub headlines before a short text blurb. This way, you've made it easier for your prospects to read your copy - but you've still told them enough to tempt them to drill deeper into your site.

4.5 Staying sharp with Search Engines

Keeping abreast with Search Engine algorithms and techniques is vital for any website, more so during redesigns and domain name changes. Let me give you the example of the electronics major Sharp.

Sharp Electronics survived the seesaw rankings game, thriving through two major issues - a domain name change and a site redesign.
When Sharp redesigned their site in September 2000, search referrals plummeted 49 percent. The rankings were decimated. What's worse, the odds that people would guess Sharp's URL and type it into their browser window were practically nonexistent. The URL had no direct navigators (the domain name was sharp-usa.com).

In essence, the Sharp site was almost invisible to new surfers. During major Web site disturbances, having a sharp SEO strategy is highly crucial. Overhauls can slice top Search Engine rankings - and positions take time to build.

For instance, Sharp's rankings hit their lowest point in December 2000 - three months after the site redesign. After aggressive paid inclusion and eventual Search Engine re-indexing, total rankings grew from 615 to 3,400 - a 457% increase. Search referrals have increased 226 percent and cost per click is six cents and dropping.

In fact, due to savvy planning, search referrals even increased after the domain name changed to sharpusa.com in June 2002. Today, over 50 percent of the traffic to Sharp’s website is search engine visitors.

### 4.6 Clickthroughs and Affiliate Programs

In affiliate programs, sites that send you traffic and visitors, have to be paid on the basis of per click or other parameters (such as number of pages visited on your site, duration spent, transactions etc). Most common contractual understanding revolves around payment per click or clickthroughs. Affiliates use tracking software that monitors such clicks using a redirection measurement system. The validity of affiliate programs in boosting your link analysis is doubtful. Nevertheless, it is felt that it does not actually do any harm. It does provide you visitors, and that is important. In the case of some search engines, re-directs may even count in favor of your link analysis. Use affiliate programs, but this is not a major strategy for optimization.

### 4.7 Things to Avoid

**Doorway or Gateway pages**

Doorway pages are pages that have been designed for one purpose only, to rank high in the search engines for a particular keyword and then direct the arriving visitors further into the site. Usually their design is relatively simplistic and includes a lot of text, but contains very little graphics or other fancy effects.

Doorway pages focus on particular keywords and phrases targeted for search engines and serve as an entry page to visitors. These used to be a popular
means to achieve high rankings with Search Engines, but recently, many Search Engines have started completely ignoring websites with doorway pages.

Because creating doorway pages used to be so easy, especially when using programs that can automatically generate hundreds or thousands of pages in a heartbeat by using a simple template and merely placing the keywords in the right places, many sites lost control and created enormous amounts of them.

The search engines initially tolerated this behavior, but as their databases started being filled with doorway pages they soon realized that these pages would quickly conquer the top ranking spots from normal content-rich pages. This would reduce the quality of their indices and lower the value of the search results, resulting in users abandoning the search engine.

Search Engines such as AltaVista began removing doorway pages from its index and in some cases even banning the sites that were using them. Other engines followed suit and soon it was safe to say that the age of doorway pages, at least in the form we used to know them, had passed.

Instead of focusing on doorway pages, you should focus on optimizing your actual content pages.

**Keyword stuffing and spamming**

Important keywords and descriptions should be used in your content in visible Meta tags and you should choose the words carefully and position them near the top and have proper frequency for such words. However it is very important to adopt moderation in this. Keyword stuffing or spamming is a No-No today. Most search engine algorithms can spot this, bypass the spam and some may even penalize it.

**Dynamic URLs**

Several pages in e-commerce and other functional sites are generated dynamically and have a ‘?’ or ‘&’ sign in their dynamic URLs. These signs separate the CGI variables. While Google will crawl these pages, many other engines will not. One inconvenient solution is to develop static equivalent of the dynamic pages and have them on your site. Another way to avoid such dynamic URLs is to rewrite these URLs using a syntax that is accepted by the crawler and also understood as equivalent to the dynamic URL by the application server. The Amazon site shows dynamic URLs in such syntax. If you are using Apache webserver, you can use Apache rewrite rules to enable this conversion.

**Re-direct pages**
Sometimes pages have a Meta refresh tag that redirects any visitor automatically to another page. Some search engines refuse to index a page that has a high refresh rate. The meta refresh tag however does not affect Google.

**Image maps without alt text**

Avoid image maps without text or with links. Image maps should have alt text (as also required under the American Disabilities Act, for public websites) and the home page should not have images as links. Instead HTML links should be used. This is because search engines would not read image links and the linked pages may not get crawled.

**Frames**

There are some engines whose spiders won’t work with frames on your site. A web page that is built using frames is actually a combination of content from separate pages that have been blended into a single page through a ‘frameset’ instruction page. The frameset page does not have any content or links that would have promoted spidering. The frameset page could block the spider’s movement. The workaround is by placing a summary of the page content and relevant description in the frameset page and also by placing a link to the home page on it.

**Tables**

When you use tables on the key pages and if some columns have descriptions while others have numbers, it is possible that this may push your keywords down the page. Search engines break up the table and read them for the content the columns have. The first column is read first, then the next and so on. Thus if the first column had numbers, and the next one had useful descriptions, the positioning of these descriptions will suffer. The strategy is to avoid using such tables near the top of the key pages. Large sections of Javascripts also will have the same effect on the search engines. The HTML part will be pushed down. Thus again, place your long Javascripts lower down on key pages.

**Link spamming**

Realizing the importance of links and link analysis in search engine results, several link farms and Free for All sites have appeared that offer to provide links to your site. This is also referred to as link spamming. Most search engines are smarter to this obvious tactic and know how to spot this. Such FFA sites, as they are known, do not provide link quality or link context, two factors that are important in link analysis. Thus the correct strategy is to avoid link spamming and not get carried away by what seems to be too simple a solution.

**Tiny text and invisible text**
Some search engine crawlers will avoid pages with “Tiny Text”. If the font size is too small, the crawler can presume it is an attempt at spamming and stuffing keywords and may bypass the page. You should watch out for this and avoid using a font size that is significantly smaller than the normal one. This is also true for invisible text (text placed in the same color as the background color of the page). Crawlers sense that there is invisible text on a page and may refuse to crawl that page.

5. Paid Placement Programs

In addition to the free and paid search engine listings, several search engines allow you to actively bid for positions under search terms. When someone searches for a specific term, the listings show up in the order of highest bidder first, second highest bidder next and so on. If two companies bid the same amount, the first bid gets priority for the listing and will be listed first. Such programs are called Paid Placement Programs or Pay-per-click programs. You only pay when someone clicks on your listing and is delivered to your website.

Benefits of Paid-Placement / Pay-per-click Campaigns

- Search Engine Marketing campaigns are effective for increasing web site traffic quickly.
- Pay-per-click programs will allow you to quickly test the ability for your web site to convert visitors to a call to action or make a purchase.
- You will be able to identify which keyword phrases will provide the best conversion rate.

While ordinary search results frequently include links to non-working pages, home pages with irrelevant content and filler listings, paid search content ensures a user will gain quick access to relevant sites of interest. Since each listing is displayed by either a keyword search or relevant text link, you are ensured only visitors with interest are being sent to your site. Thus, pay-per-click programs offer a more targeted approach.

The most prominent and successful Paid Placement programs are Google Adwords and Overture.

In 1998, Overture was the first to charge advertisers to be listed in its search results. Now, all the major search companies have jumped in. So-called paid-search revenue grew 40% last year, to $1.4 billion. It's now up to 23% of the $6 billion Net advertising market, which shrank 17% last year, according to analysts' projections.
Placing ads near search results offers the simple appeal of the Yellow Pages, but with different economics. Overture made $78 million last year on $668 million in sales, about half of the paid-search market. That's more than Yahoo made on $953 million of revenue, largely from traditional online ads such as banners. Paid search also pushed search specialists LookSmart Ltd. and Ask Jeeves Inc. into profitability in the fourth quarter. And the biggest potential initial public offering of an Internet company this year is Google Inc., which began offering pay-per-click search last year. Search ads will make up the lion's share of Google's revenue, estimated at $350 million to $400 million.

5.1 Google Adwords

Google offers a paid placement program called Google Adwords. Paid listings in Google appear above and to the side of its regular results. Like most Paid Placement or Pay-per-click programs you are charged a fee only when a visitor clicks on your listing. There is a $5 activation fee for this service and there is no monthly minimum fee.

Some advantages of Google Adwords are:

- Your price is automatically lowered to one cent more than your closest competitor.
- No one can lock in the top position because user click through rates and CPC determine where your ad is shown. The most relevant ads rise to the top.
- Google offers a unique set of tools to forecast your budget and select target keywords.
- You can target your ads to users in a specific country or only to speakers of a specific language.

Features of Google Adwords

- **Competitive Pricing**: AdWords Discounter automatically monitors your competition and lowers your CPC to one cent above theirs.
- **Ranking**: Rank is determined by combination of CPC and click through rate. If an ad is irrelevant to users, they won't click on it and it will move down the page. Your relevant ads will rise, at no extra cost to you.
- **Campaign Management**: Multiple ads per keyword. Google tracks individual ad performance to help you monitor which ones perform well. AdWords Discounter takes care of your campaign for you, dynamically raising and lowering your CPC within the range you specify to keep you in the position you want.
- **Timing**: Ads go live almost immediately once you create them.
- **Minimum Deposit to start**: $5.00 total startup cost
- **Monthly Minimum Fee**: None
- **When Billed**: Billed only for clicks received, after they're received.
- **Budgeted Delivery**: Set daily budget for your campaign. Continuous delivery each day over the time period at that level.
- **Target by Country or Language**: You choose who should see your ads from among 250+ countries and 14 languages.
- **Tools**: Enhanced keyword tool suggests other phrases AND most popular synonyms based on billions of searches. Results in better targeting and higher click-throughs.
- **Ad Groups**: Set a maximum price for an individual keyword or a group of keywords.

### 5.2 Overture

When you advertise in Overture Premium Listings™, your business appears in the top U.S. search sites: MSN, Yahoo!, InfoSpace, Lycos, AltaVista, and Netscape.

Overture offers two sign-up plans, Fast Track or Self Serve. You have to select a few keywords with reference to your website. You have to then bid an amount (per click) and position in the search results for each of the keyword. If you have the highest bid for that position, Overture will display your website in the search result of the keyword selected, at the position selected, in each of the above mentioned search engines. Note that even if your website is displayed in the search results you do not get charged the amount you bid per click. It is only when a user clicks on your website link from the search results that you get charged that amount.

The higher the position, the higher the current bid amount. Also, in order to keep your account active, you have to spend at least $20 a month. Your account with Overture will be discontinued if the total clicks on your website amount to less than $20.

The two sign-up plans, Fast Track or Self Serve, give you the choice of expert assistance or starting out on your own. Fast Track charges an additional one-time service fee of $199 whereas Self Serve does not have any service fee.

When you sign up with Overture using the Fast Track Sign-up program, you will receive a customized proposal prepared by one of the Overture experts. When you receive your proposal, all you have to do is approve Overture's choices to get your search listings online. You can also make changes in the proposal yourself.

Two basic concepts apply to using these types of search engines (Overture and Google Adwords) to your best advantage:
While you obviously want to pay the least possible amount for each hit you get, you’re going to have to bid more if you want a higher listing and, therefore, more traffic. You have to carefully track the traffic you get from the search engine so you know the value of that traffic. If you don’t know the value, you could be paying too much for your traffic or missing great opportunities to generate more traffic if you can afford the higher price.

In other words, let’s assume you’re selling an item with a $25 profit margin. If one (1%) percent of visitors to your site buy the product, then each visitor is worth twenty five ($0.25) cents to you. If you get the traffic for less than that, you’re making money on each sale.

The other concept involves bidding for several hundred keywords at low prices such as one penny each. This way you get listed all over the search engine. Each keyword won’t bring you much traffic by itself, but the total may be a hundred or more hits per day. If you’re only paying a couple of pennies per hit for this traffic, then it should be profitable for you.

If you search popular terms like "business", you’ll find the cost to be quite high and the position is usually held by a large enterprise like Inc. magazine or Entrepreneur magazine. Large companies are often willing to invest millions of dollars in building their brands so they’ll pay more for traffic than it would normally be worth. I strongly suggest you don’t compete with them unless you are absolutely sure your business model will justify it.

Often, you’ll be able to find a top ten ranking for a third or less than the price to be Number One. Since you’re limited to buying only traffic that’s profitable for you, this position will be better suited for you. Even if you end up far lower in the rankings, you must stay within your proper range for investment. You’ll probably get less traffic than the number one ranking, but you’ll get traffic you can make money on. That’s far more important.

5.3 Searchfeed

Searchfeed is another pay-per-click program that has gained popularity in recent times. Based on site relevancy, you bid for placement within search results distributed to leading Web portals, industry specific sites and regional Internet service providers through the Private Label Feed (PLF) program. While the program is much like any other pay per click program, the difference is that Searchfeed has tied up with several portals and high traffic sites; thus visitors to those sites may use the searchfeed engine to find suppliers.
You select relevant keywords for your website, create a title and description for each listing and bid on select keywords based on site relevance. You pay for each targeted lead only.

You determine the value of each unique visitor to your site using the most appropriate search terms to build continuous traffic. The more targeted the pay per click search term, the higher the bid you will want to make to ensure high placement. Because you can place an individual bid on each specific keyword or phrase being displayed, the value of each lead can be determined based on how targeted the interest of a potential visitor might be.

A deposit of $25 is required to activate your account. Bid amounts can be as low as 1 cent.

5.4 Gaining more value out of pay-per-click programs

Determine the value of a visitor to your website

Determining the value of each keyword, and in turn each visitor, is vital. The simple formula goes like this: Divide the average number of new customers each month (a long enough period to be statistically significant) by the average number of monthly visitors to get the percentage of visitors who actually become customers. If you multiply this percentage times your average profit margin on sales to new customers, you get a good idea of how much a visitor is worth to you on the first visit.

For example: If I average 10,000 visitors per month to my website and sell 150 of them a product with a $20 profit margin, then I can easily calculate the percentage (150/10,000) to be 1.5%. Multiplying the 1.5% by $20 yields a $0.30 value for each visitor.

It's interesting to look at the bigger picture of this example as well. While making $0.30 per visitor doesn't seem like much, the dollars get big quickly when you multiply pennies by thousands of visitors. My profits for the month with 150 sales would be $3,000 if I had no advertising costs. If I can generate the visitors for a cost of $0.10 each for a total cost of $1,000, then I have a profit of $2,000.

Submit targeted keywords

Submitting an extended list of keywords may not be useful. In fact, you won't get as many potential customers to your website with an extended list of keywords as you would with focused and targeted keywords. Besides, you would also end up paying more without any benefits.
Targeted keywords would ensure that only those visitors who are actually interested in your product or service click on the search listing and visit your website. Thus, there are more chances of a visitor becoming a loyal customer.

**Develop a catchy title and description**

When the search engine user gets the result of a search, they'll see the highlighted titles for each listing followed by a short description. You should think of this just like a classified ad with a headline and short copy.

Here are some tips for formulating effective titles and descriptions:

- Use an attention getting headline to get as many people as possible to read the description. Here’s where you want to be sure to use the important proven successful terms like "free" and "you".

- Write a description that succinctly tells the reader why he or she would be a fool not to click on your link. For most keywords this is the best plan because you’re only paying a penny or two for the click-through. But, you’ll want to be more selective about the copy for the more expensive bids. If you’re going to pay a quarter for each click through, then you may want to have higher quality traffic. You don’t want just anyone to click through. You want people who are more likely to buy.

- You should have the ability to track each keyword so you can determine the success ratios of clickthroughs to sales. All programs discussed above will allow you to use their system to track clickthroughs.

**Re-evaluate and adjust your bids**

If you determine that the traffic generated by a specific keyword is more valuable to you than other keywords, you can go online and immediately raise your bid for that term. You will instantly increase your traffic.

It would be a good idea to even track the patterns of which days and times generate the most sales from Search Engine traffic. During this prime time, you should raise your bids to increase traffic. As soon as the slot ends, you should lower your bids to the old levels.

**6. Verify and monitor listing and ranking**

**6.1 Spider spotting**

The effectiveness of your efforts in submitting your pages for listing on search engines can be monitored and evaluated by two methods: spider spotting and URL check.
Spiders from search engines that visit your site and crawl pages leave some unique trace marks in your access log. This can tell you whether a spider has visited or not, what pages they have visited and also the frequency or duration of their visit.

The best way to identify spider visits is by finding out which visitors asked for the file robots.txt from your site. Only spiders make such a request, as this file is an indication to them to avoid covering the page in question. So the first thing a crawler would do is to check for this file. If you see the access log and analyze it using some convenient software, you would be able to spot all the visits that were initiated with this request. Then one can spot the host name and relate that to major search engines. Host names are related to the search engine company’s name (it is the name of the site that hosts the spider). Another name that is used to identify such visits is the agent or browser names used by respective search engines. Get a list of host names and agent names from available resources (these names tend to change often) and also develop your own intuitive list by searching your access logs for all occurrences of known engine, host or agent names. Concentrate only on the top engines; though you may find several other smaller and less known search engines visiting your site.

Pay attention to not only the total number of visits but to the activity pattern for each of the recent visits to actually judge how many pages they covered. This is a very good way of ensuring if submissions have worked or if other inducements such as links from other sites have worked or not. This also helps you to distinctly evaluate the effectiveness of submission, indexing and page ranking characteristics of your site.

Some examples of hostnames and agent names are as below:

- AltaVista: hostname may have altavista.com within its name; agent is often called Scooter.
- Excite host name may have atex or excite.com and agent name is Architextspider.
- Inktomi agent and host names have inktomi.com and Slurp is often used as the agent name.
- Lycos uses lycos.com within its host name and Lycos Spider is often part of the agent name.

6.2 URL Search

One can use specific search strings in most search engines to find if your URL is included in their index and also to see how many pages are thus indexed. These search strings have been identified and compiled by some useful resources on SEO.
For searching the pages from your URL in Google for example, insert the following search string in Google search:

allinurl:yourcompanyname.com/webmasters/meta.html (this depends on the index pages of your site). In the Yahoo directory use the command u:yourcompanyname.com to find the listings for this URL. There are similar, but specific search strings applicable to each search engine.

Again checking the search engine for your URL is a good way to check what that search engine has indexed. Thus through spider spotting and URL checking you have evaluated and confirmed the effectiveness of your actions on submission and indexing activities.

7. Review of SEO software and submission services

The use of automatic Submit tools for the major search engines and directories may not be desirable. If you submit to some search engines incorrectly your pages could actually be deleted permanently from their index or directory. At the same time, you may find manual submissions too time consuming. Experts have suggested that you use software that submits pages as if you were doing it by hand. TopDog, Web Position Gold and Submit Wolf Pro are good choices. Some others are: CommandoPro Submission Software, Add Web Site Promoter, VSE Be Found (Mac), Submission 2000.

Be very careful in selecting the company or service that you hire for search engine optimization, if you do not wish to do it yourself. Beware of those who promise top engine rankings through the use of Meta tags or by building doorway pages or using link farms or cloaked pages (submitting pages that are different from the actual live pages). If the firm tells you that you need to improve content, position keywords carefully, and seek quality reciprocal links, perhaps that is an indication of a good firm to work with.

8. ROI in search engine optimization

We have looked at various strategies and options related to search engine optimization. The key determinant that you have to use to formulate your own strategies would be to ascertain the ROI (return on investment) from your plan. There seem to be a surfeit of techniques, suggestions and tips for SEO. How do you separate the wheat from the chaff? Moreover, the importance of each option is closely linked to your own objective, and consequently your budget in terms of management time and expenditure. How do you measure ROI?

Search engine marketing is similar to advertising and other marketing campaigns. The marketing people would be interested in knowing the results of
any campaign and most often the result is desired in terms of increase in company revenues. Name recognition, brand image creation and other outcomes are important; however the bottom line is sales. ROI should be able to determine your website’s conversion rate in terms of the ability to persuade your visitors to take the action that you desire them to take. At the same time, the success in terms of increase in sales depends on several other factors such as the competitiveness and value in your product or service offerings and the quality of your website to induce the visitor to take action. The search engine marketing effort is to bring the right targeted visitor, and bring the visitor to the right section at the right time. Converting such a targeted visitor to a customer is not within the ambit of SEO.

How does search engine optimization compare with other options for online advertising and promotion? Jupiter Research predicts that by 2006 the spending on Email marketing shall be $9.4 billion, whereas the spending on online advertisements shall be $15.6 billion, and that on digital marketing initiatives such as campaigns, promotions, sweepstakes, coupons etc. shall be around $19.3 billion. Forrester predicts that total online advertising spend should be $42 billion by 2005—a significant 9.5% of total ad spending.

Costs in search engine marketing include the cost of optimization services as well as the paid inclusion and pay per click programs. Typically the cost of optimization for a small to mid-sized site through a firm may run from a few thousand dollars to over $50,000 for a large site. If you do it in-house consider around four person months’ work plus around two person months’ of maintenance time over the ensuing six months.

How do you compare costs per click or costs per thousand impressions for search engine optimization vis-à-vis other forms of advertising? PwC report that the effective cost per thousand impressions or views (CPM) for an online ad is around $3.50 for a general site (though it could be higher at $10 to $100 for other specialized sites) compared to $19 for newspaper ads and $16 for Prime-time TV. The CPM for search engines is certainly higher, but then it leads to targeted impressions. Thus it is important to look at targeting and conversion rates, not just CPM. Clickthrough rates for ad banners, in general, can be as low as 0.4% to 0.5%. Conversion rates would show you what percentage of visitors actually resulted in business. As discussed below, this may be easier done in e-commerce sites.

Cost per click for important keywords at Overture could be as high as $0.50 to $5 or $10. The average bid reported according to one source is $0.73 per click (for Overture). This is already lower than the cost per visitor for online ad banners. Overture can only cater to a small percentage of search traffic, while Google, Yahoo and others comprise the larger portion; thus it can be said with certainty that SEO is the most cost effective ROI generator.
There are several tracking tools that measure the traffic coming to your website and that can identify what search engines and what keywords have brought that traffic. Moreover tracking tools can also tell you what the visitor has done online, including page visits, time spent, actions taken (relevant for e-commerce sites or query/contact forms) and so on. You will have to find your survey methodologies to relate the traffic history to the revenue results. Some of these are mentioned below:

**DoubleClick's DART**

DoubleClick's DART paid placement and advertising ROI tracking tool generates web-based reports on cost per click, number of clicks, overall media cost, conversion rates, gross sales, return on investment (ROI), and net profit. Such tools are suited to online merchant sites.

**WebTrends from NetIQ**
http://www.netiq.com

Offers server-based software to determine how many visitors are coming to the website, where they're coming from, what they're doing on the website, which search engines are sending the most traffic, along with which phrases drive the most traffic from each search engine.

**HitBox from WebSideStory**
http://www.websidestory.com/

It uses a different data collection method, by enabling site owners to add code to their site. It tracks the same type of information that the WebTrends product does.

**Urchin**
http://www.urchin.com/

This is another useful measuring and tracking tool.

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**Chapter 7**

**No Cost Marketing Techniques**

One of the keys to the success of any business is to let the world know you exist. For most companies, paid advertising is the communication method of choice.

When your marketing budget is limited, however, you have to be careful to spend your money effectively. You want to get the biggest bang for the buck!

Most small businesses face a dilemma when it comes to advertising. They don’t have a large enough budget to make a big impact, yet no one will know they exist
if they don’t advertise. This problem is further exacerbated when you’re doing business on the Internet.

I’ve heard current estimates suggesting your advertising budget will need to be at least $10,000,000 to even get noticed as a major player on the Internet. Even a huge investment like that, however, is no guarantee of success. Most of the major Internet companies start out losing millions of dollars as they try to attract enough traffic/customers to get themselves to profitability. The burn rate (how much cash they use from reserves) of some of these companies is truly staggering.

How do you compete with these companies? You don’t. As I’ve mentioned elsewhere in this book, you have to pick a target, a niche, which you can profitably sell to. If you don’t spend millions of dollars on advertising, then you don’t need millions of dollars in sales to turn a tidy profit.

The key for most small Internet businesses is to focus on no cost and low cost promotions. Then, as the business gets traffic, builds its mail list, and gains customers, the business can be run profitably almost from the beginning.

The results of a recent survey show that the average person starting a business on the Internet has $200 to spend on marketing. You can contact one of the top Internet sites and buy banner impressions with this money. At $20 per one thousand impressions, you’ll get 10,000 impressions. The average click-through rate varies from 0.25% to 1%. Even at 1%, this will only give you 100 visitors to your website at a cost of $2 each. If you can’t make back your $200 in profits – immediately – then you’re out of business. You have no money left to market.

The key to success, therefore, lies in focusing on no cost/low cost marketing. Free promotions require nothing except an investment of your time. If you have more time than money, then you’ll be doing a lot of this to start.

Low cost promotions are covered in the next chapter.

These free marketing concepts require no investment except your time. Even when you have a larger marketing budget, some of these concepts will still be worth your time.

This chapter is broken into several focused sections. The list is in alphabetical order by chapter title. Don’t attach any significance to the listed order.

**Ad Swaps**

If you’re publishing a newsletter, you can swap ads with other ezine publishers. Even if you’re just starting with a couple of hundred people – so are hundreds of other publishers.
You can use these ads to promote a specific product or service, your website or subscription to your ezine.

You can find other publishers who want to swap ads by contacting them directly from any of the ezine directories listed in the Mail List section.

This ezine specializes in ad swaps from other ezine publishers:

www.Ezine-Swap.com or join by sending an email to join-ezine-swap@ezine-swap.com

**Banner Exchanges**

When you join a banner exchange, you agree to place a banner or banners from the exchange on your web pages. Whenever one of your pages is viewed, the banner exchange system registers the hit and gives you one credit in the system.

The original banner exchange systems offered a two for one ratio. For every two banners you displayed, you received one showing of your banner on another website in the system.

Since in most cases your banners are shown randomly throughout the network of websites belonging to the banner exchange, your banners are not targeted on specific websites. Also, you don’t know where on a web page your banner would appear. The webmaster could have his banners buried on the bottom of a very long page.

But, you may well ask, if it’s free, and I have this traffic flowing through my website, what have I got to lose? Plenty. You can lose in two ways.

The first is losing your website visitor to an enticing banner that takes him off your site prior to completing his business with you.

The second loss occurs if you’re not receiving the full possible value of your website space and traffic.

Let’s look at the volume and value of traffic you can generate from a banner exchange. Assuming you’re in a banner exchange with a two to one ratio, you’ll show your banner four thousand times to get two thousand impressions of your banner elsewhere. The average click through rate on banners is one half of one percent so the one thousand impressions nets you one hundred click-throughs.

How much are one hundred website visitors generated from a random banner advertisement worth to you? I’d bet they’re worth less than people who have read a classified ad because they haven’t qualified themselves by receiving enough information to make a real decision about visiting your site. At least, they’re at your site.
If you usually sell one percent of your website visitors, then you’ll make one sale to these people. If your average profit per initial sale is $20, then you will have made $20 for showing someone else’s banners four thousand times. You got paid one half of one cent for each time you showed the banner.

As I’ve mentioned often in this book, you need to test marketing ideas to see what really works. You’ll have to carefully track your banner exchange venture.

Once again, as long you’re making something, why do you care if this is free money? Because you might be able to make more money by showing banners or text links for various affiliate programs. You’ll have to test what makes you more money. Of course, until you’re ready to join affiliate programs, banner exchanges will at least make use of your traffic.

When you’re ready to show your website’s visitors options on where they can go next, you might be well served to send them somewhere that pays you more money. In the chapter on Money Making Programs, I discuss the different types of affiliate programs.

I realize I’m forcing you to test your marketing ideas and track your results, but that’s the only way to maximize your profits.

One of the best places for you to use banner exchanges may be when you’re generating a lot of transient traffic to a certain web page. For example, you may be getting a lot of traffic to a top list page that you host. You have so much info on this page and so many places to click that the banner is unimportant. All the traffic to that page, however, can greatly increase the impressions your banner will get in the network.

My favorite banner exchange is Banners Go MLM. The hyperlink is www.bannersgomlm.com. Banners Go MLM will give you a one to one exchange on banner impressions. That means you get one of your banners shown for each banner you show.

You also receive overrides on the impressions generated by your referrals and their referrals. You get an override of 10% down through five levels. Banners Go MLM is free to join.

**Chat Rooms**

Like message boards, you can find chat rooms on any subject. If you belong to AOL, for example, you’ll find chat rooms full of people around the clock.

If you have the time, you could target a few chat rooms. Spend a few minutes in the room chatting with the other visitors. Provide them with your expertise. Then, tell them they can find more info on your website. You have to do this delicately so it doesn’t come across as blatantly commercial.
Some websites set up chat rooms that need to be monitored for content. You can volunteer to spend time as a monitor in the chat room in exchange for the chance to mention your products or website.

**Discussion Lists**

Hundreds, if not thousands, of discussion lists have been started. A discussion list is an email-based forum where a group has gathered to discuss specific topics like marketing, single parent issues, or automobiles.

Some discussion lists are moderated and those are the ones in which you're interested. You might as well avoid those that aren't moderated because they seem to quickly degenerate into a mess of postings of no legitimate value.

The moderator usually starts the discussion list so he has a reason to send out email periodically to his target audience. The moderator controls the list, the postings and gets to add his info and an ad or two to every message.

You can post questions to the list or answer questions that other people have posted to the list.

As your regular mail list grows, you can consider starting a discussion list by suggesting to your list members that they join the discussion list. This will give you additional contact with them.

You'll find several companies that provide the technology to host and control the list. Many offer a free service so they can add advertisements to your message. By the way, when you visit these sites, you can search for discussion lists to join.

- [www.topica.com](http://www.topica.com)
- [groups.yahoo.com](http://groups.yahoo.com)
- [www.listtool.com](http://www.listtool.com)
- [www.coollist.com](http://www.coollist.com)
- [www.mail-list.com](http://www.mail-list.com)
- [www.listhost.net](http://www.listhost.net)
- [www.emailuniverse.com](http://www.emailuniverse.com)

**Email Signature**

As your business grows you will send thousands of emails. Those emails will be read and present an opportunity to promote your business. Whenever you sign an email by typing your name, you should add a few lines to this signature (sig).
For example, your signature might look like this:

John J. Johnson

If you love widgets as much as I love widgets, you should check out the all widget site at http://www.yoursite.com. We’ve got all the latest info, newest models and you can get a free bonus just for visiting our website or mail to:info@yoursite.com.

I don’t care what your message is as long as you follow some basic rules:

1. All your lines should be 65 characters (including spaces) or less so they fit any email program without wrapping around in an odd looking manner.

2. Give the people enough information so they’ll know if they would be interested in your website.

3. Give them your website address.

4. Give them an email address. Often, this email address will be for an autoresponder which will deliver a specific message.

5. Limit the signature to 5 or 6 lines.

Most email programs, including the latest version of AOL, have the capability of allowing you to save your signature file so it’s easy to add to every message.

Exchange Links with Other Sites

You should consider exchanging links with other websites for two main reasons.

The first reason is you might get some traffic from the links. This depends on how far inside the other website your link is buried. No one may ever see the link.

The second, and perhaps more important, reason is that some search engines will rank your site higher if a lot of websites are linked to your website. The idea seems to be that if many sites link to your site, your site must be valuable.

To exchange links with other sites, you’ll have to get personal. You should search for sites that are reasonably related to your site. You can then visit the site to get the webmaster’s name and contact information. Send a personal note to the webmaster complimenting them on their site and suggesting the exchange of links.

A better way to get traffic from links is to offer the webmaster something of value. If you have a web page that’s set up to provide an explanation of currency conversion that includes a form to perform the actual conversion, you could
suggest to the webmasters of travel related sites that this page and the form would be a valuable offering to their visitors.

If you find something of value, usually information, to offer visitors to another website, then you will sometimes be able to not just get a link, but get substantial traffic as well.

**Free Classified Ads**

Classified ads are the ads from which many successful businesses are started. These small ads give you an opportunity to advertise your product or service without losing your shirt. If the ad doesn't pull or the people don't break your door down with demands for your product, you just try again.

Classified ads are written according to all the advertising rules. What is said in a classified ad is the same thing that’s said in a larger, more elaborate type of ad, except in condensed form.

When you’re writing a classified ad, pretend that you’re writing a telegram. Every word costs money and every word is important. You’ll want to use only your best phrases and hottest keywords to get people’s attention.

You can manually place your ads on thousands of websites, but you’ll probably make yourself crazy in the process. Instead, you should manually place your ads only on high traffic or highly targeted websites.

You can join classified ad networks to get your ads on lots of websites without a lot of work. Some of these networks are free for listing your classified.

You can also join a classified network to help generate traffic to your website. You'll be able to advertise so that people can come to your website to place free classified ads.

You’re probably going to find that getting much traffic from classified ads is very tough unless you’re able to place ads in niches that are very targeted.

**Free Link Exchanges**

Many websites will provide you with a free place to list your website. Some of these sites are linked with thousands of other websites so placing your link on one website gets the link placed on every one of those sites.

Sounds good, but there are drawbacks. One of the primary reasons that website owners offer this free service is that every one of those thousands of websites is going to send you an email. Don’t use your main mailbox for the link posting. You’ll regret it.
Another problem is that many of the exchanges have so many people posting on them that your link only stays on the page for an hour or less.

You can pay a fee to join the free link network so you can have your own free links page. Then, you can send an email to every one who posts on your web page. It’s hard to get this email noticed among the thousands being sent so make sure you have a killer subject line to get the recipient’s attention.

**Joint Ventures**

If you provide a high quality product or service with a good profit margin, you should look for every opportunity to joint venture with other companies.

You form a joint venture when you join forces with another business for a specific project. You can use two kinds of joint ventures to your very significant benefit.

One type of joint venture is an agreement to cross-promote each other’s products, etc. For example, a few of the people or companies mentioned in this book are here not only because they provide high quality products and services. Lots of other companies do as well. They’re specifically included because they have agreed to promote my website and/or this book on their high traffic websites or in their books.

As your business grows larger, you’ll have more clout and credibility to play with the big dogs. Even as you start out, though, you can trade promotions with other small companies. Many of them will be grateful for your efforts because they never thought of doing this. They’ll jump at the chance for free promotional assistance.

Remember, thousands of other businesses are looking for ways to promote their businesses. They will welcome you with open arms.

Another type of joint venture involves the other company selling your products or services to its customers or mail list. While this sounds like the definition of an affiliate, your joint venture partner is not your average affiliate. First of all, the average affiliate does not generate a tremendous amount of sales in a short period of time. Second, your joint venture partner will make significant efforts to sell your wares and get paid a high percentage for doing so.

You’ll usually make a deal with someone who’s got a large mail list or a high traffic website and is willing to endorse your products or services. He’ll mail a message to the list and, if he has an ezine, mention the product in the ezine. He will give you a glowing endorsement. Since this person is the list/website owner, most of the people will hold this person in high regard. His opinion will carry a lot of weight and result in significant sales of your items.

Obviously, you’ll need to pay your joint venture partner for his efforts in generating all this money. You can negotiate your best deal, but don’t be afraid to give up half of the profits. The other half is yours to keep and your advertising
cost was zero! Plus, you get to keep selling more products and services to these customers on the backend.

Don’t be too greedy! You’re getting money from someone else’s work.

Most of your potential partners won’t have the ability or the desire to write the endorsement letter so you’ll need to supply them with some good ideas. The endorsement doesn’t have to make the sale in the email message, but it does have to get people to visit your website or request your autoresponder message.

As soon as you’ve had successful results from this joint venture, pay your partner immediately. Then, ask him who he knows that might be interested in the same opportunity.

One last note on joint ventures, don’t ignore or be afraid of your competition. You may find a very profitable situation when you have products or services that can be promoted to each other’s lists. You can also find more information, including an online video, in the Mining Gold Bonus Section.

**Message Boards**

Many sites provide message boards on just about any subject. Sites like Yahoo! provide thousands of message boards that are searchable by topic. Other sites might just provide message boards on specific topics like magic, marketing or music.

You’ll find two types of message boards. The first type allows people to post anything marginally related to the subject matter. The second type usually has people post questions and participants can post answers.

For the first type of message board, you can obviously post your message that your awesome new website is ready for business. For either type of message board, you can post knowledgeable answers to questions and include your signature.

Webmasters will often be looking for help answering the questions posted on their message boards. Sometimes, they will list you, your expertise and your website on the page in exchange for you answering some of the questions.

If you’re not sure where to find message boards, start with the message boards on the big search engines. You can also use the search engines to search for message boards on other websites.

**Newsgroups**
Newsgroups are comprised of people who are interested in a specific subject. People can post messages to the newsgroup so that others can read the messages and respond if they have input to add.

Before posting to any newsgroup, you should read the newsgroup FAQ’s so you can meet their requirements for proper posting. They do have rules they expect you to abide by. You can’t post off topic messages to the newsgroup. This is akin to SPAMMING the newsgroup. Bad idea.

You can search for newsgroups by subject matter. You’ll only find a few newsgroups that might be appropriate for your topic since you are targeting your message.

I strongly suggest you read several of the posted messages before you send out your messages. You’ll want to adapt yourself to the flavor of the existing messages.

In fact, one effective method of posting is to reply to an existing message. Of course, you should have something salient to say as opposed to "I agree" followed by your lengthy signature.

If you participate in discussions and contribute interesting and informative comments, the newsgroup readers may even begin to view you as an expert on your targeted subject matter. Let’s hope they’re right :-).

**Press Releases**

A press release is simply an announcement of an important event for your business. To be effective, the press release should contain compelling reasons why this event and your business are news worthy or will be of interest to other people.

If you can tie your press release to current events, this hook can be very compelling. For example, as we approach Valentine’s Day, you announce a special free class for men to teach them about jewelry so they’ll know how to buy it for their significant others.

More and more reporters are starting to do their research online and to accept press releases by e-mail. One way to get noticed is to include the names of well-known companies in your press release. For instance, if your jewelry store carries Seiko watches and you mention this in your press release, a reporter may find your press release when he is searching for Seiko.

The following online services will help you reach the media. I realize some of these do cost money, but I wanted to give you as much information in one spot as possible.

**Editorial Calendars** ([www.edcals.com](http://www.edcals.com)) – An editorial calendar shows you the deadline to submit information to a publication for a given issue. ######
ProfNet (http://www.mediainsider.com/) – This site provides you with media contacts and allows some free announcements.


NOTE: The above two networks add credibility to your release because it comes from a respected source.

Newswise (www.newswise.com) – offers fee-based access to business, feature, science and medical reporters.

Internet News Bureau (www.internetnewsbureau.com) – a subscription based e-mail press release distribution service.

Imediafax (www.imediafax.com) – a large, up to date database of media contacts.

URLWire (www.urlwire.com) – offers press release distribution on website launches and other net events.

Association of Freelance Journalists (AFJ.home-page.org) – a global organization that offers press release distribution and lots of links, as well as a good way to find freelance help.


MediaMap (www.mediamap.com) – a press release distribution site.

If you’re going to be written up in the media, then you might want to keep up with your success. These services can take the hassle out of watching for your publicity.


Newstracker from Excite (www.excite.com) – a free service for tracking news stories.

Referrals

Many successful salespeople have built their businesses on referrals from satisfied customers. Referrals are very valuable because the referral implies an endorsement of the product or service or website.
Like those salespeople, you can use referrals to build your Internet business. Actually, you can do even better than the salespeople because, as you'll see below, you can get referrals from people who aren't even customers. Since referrals are free and the people approach your business from a positive frame of reference, you should be constantly working on increasing your referrals.

Referrals are part of what's known as viral marketing. Viral marketing is the fancy name for word-of-mouth advertising. The key is to get people to pass on your message to other people so will use your product or service and pass the word.

The most well-known success story in this area is Hotmail.com, a free email service. While Hotmail did advertise to get people interested at the start, their big growth came from people using the system. Whenever an email was sent, the last line in the message read something like, "Get a free email account from Hotmail.com."

Like a virus, the message was passed from person to person. People signed up by the thousands and, then, by the millions. Hotmail was a huge success.

As you're planning the marketing for your company, you should consider what you can do that might have the same type of effect. For instance, we sponsor The Million Dollar Drawing. Whenever people enter, we invite them to refer their friends. Many people do so we generate a lot of referral traffic to the site.

You have two key sources for referrals: the traffic to your website and your newsletter subscribers.

When people visit your website, you can suggest that they refer their friends. Give them a link to click on. On the next page, you provide them with a form to enter their friends' email addresses. (Please remember that you don't have a right to add these names to your mail list.) When the person clicks on the "submit" button, a short message will be emailed to his friends. The message will be something like "John was just at our funkadelic new website. He thought you should check it out, too, so he sent you this message. http://www.yoursite.com"

If you are capable of installing a short CGI script on your website, you can find an easy to use referral form at:

www.bignosebird.com

The second source for referrals is your newsletter subscribers. If you supply a good quality ezine full of information that people actually find interesting, they may forward it to their friends. You should invite people to forward your newsletter. Since it is copyrighted, you'll request that they forward the entire newsletter to their friends. Since your ezine should always contain information on how to subscribe to it, the referred people may find it interesting enough to join your list.

Safe List
A safe list is a list of people who have agreed to receive email from other people on the list.

In other words, for the right to send mail to people interested in business opportunities, you agree to receive mail from people who want to sell you their business opportunities.

Some safe lists are free to join as long as you agree to receive mail. Of course, you don’t have to read the mail – and neither do the other recipients.

Some safe lists require a one-time payment to join plus you agree to accept email from the list participants.

You have to overcome two problems with safe lists. The first problem is the risk that you’re mailing to a list that gets people on it by accident. They didn’t realize they joined a list to get tons of email and they can’t figure out how to get off. So, they report you as having sent the spam and you can lose your email connection, your ISP or your web host. You may not have done anything wrong, but you might as well have because you’ll be punished for it.

The second problem is that people join safe lists to send mail – not read mail. You may be mailing to a safe list of 2,500 people, but you may be mailing to mailboxes that they never look in.

If you can join safe lists without paying a fee, and test your ads to the list for free, what do you have to lose? Nothing, except a few minutes of your time.

As always, test the concept. If it works for you, keep doing it. If not, stop. You’ve got a dozen other no cost marketing concepts to use.

**Top Lists**

Top lists are simply rankings of websites based upon some criteria. The size will range from 5 to 100 sites on the list.

Most list owners create the rankings in one of two manners:

1. Rank the websites by how many people are referred to the top list to view the list of sites. Those who send more traffic are ranked higher so more people see the website name/description.

2. Rank the websites according to voting by visitors to the website. Of course, you’ll want to send people to the top list website to vote for your site.

In either case, you’ll get more hits out of the list if you put more hits in. You’ll also improve your chances of getting clicked on if you have a compelling site name that ties in well with the list. Obviously, you don’t have to use your URL as the site name so you can adapt yourself to the list.
You can benefit from a top list if you’ve got the type of site that fits in well with people wanting to visit many similar sites such as those focused on games or music.

Of course, one of the best ways to succeed using a top list is to build your own. You can host it on your website or use one of the free providers.

The following lists are links to some of the providers of software and companies who will host your top list absolutely free. You can also search these sites for other top lists to join:

www.topsitelists.com
www.ultimatetoplists.com

Web Rings

A web ring provides another way to surf the World Wide Web. A ring consists of homepages with some common thread and is created on a ring server, such as www.webring.com.

The web ring is started by one webmaster (known as a "ringmaster") who will recruit other webmasters. The ringmaster is responsible for maintaining the ring. Users of the web ring follow links on ring member’s homepages to go to the next member in the ring. A surfer can go forward or back around the ring. On some rings, you can jump forwards or backwards 5 or 10 sites.

People are free to join a web ring as long as they fulfill whatever criteria are necessary for membership of that particular ring. You can create a web ring with any criteria such as the common thread of "residents of Atlanta" or "mp3 sites".

Web rings are listed in directories such as the one at www.webring.com. You can list your web ring in their directory when you have at least five sites in the ring.

The basic concept of the web ring assumes the website visitor has come to a specific site looking for information related to the common thread of the web ring. If the visitor is interested in the first site he sees, he'll probably be interested in the other sites in the web ring and travel to those.

If you become involved in a web ring, the key from your standpoint is to get at least as much traffic as you send to other sites. Please make sure you don’t send people away from your website until you’re finished with them.

Your Web Address

I feel dumb even mentioning this, but I find that many people don’t even think of the obvious. Put your website address on your letterhead, business cards, flyers
and anything else that anyone might see. You never know when someone might go to your site just out of curiosity and become a customer.

The same applies to your email address. You should make it easy for people to contact you so they can do business with you.

Another tip: Whenever you are mailing or passing out items like business cards or flyers, use both sides. You'll pay very little to print the second side, but you gain a lot more space to add your message.

I would also like to add a bit about the domain name you choose. First, find a dot.com name. People continue to think dot.com for business sites.

Second, try to have the domain name reflect your website contents. Use keywords in the domain name if you can. Search engines like keywords in the domain name, so this can improve your ranking.

Chapter 8
Low Cost Marketing Techniques

Low cost marketing ideas are designed to be cost effective and return your advertising dollars to you in the shortest time possible. These low cost ideas are usually based on direct response concepts. They are designed to produce an immediate action on the part of the reader/viewer.

Low cost marketing can be very effective if you can continually recycle your marketing budget. For example, you could invest your marketing budget of $200 this week in such a fashion that it brought you $200 or more in profits in the following week. You can then invest the marketing budget again. Your $200 marketing budget could be invested 25 or more times per year. And, you would have a profit of $200 each time you did it.

As I talked about in the section on your marketing system, as long as you acquire your customers at break even or better, you'll make money on them with your backend sales. Let's break this down further because I think too many people get overwhelmed when they start out. They can't imagine how they can get anywhere when they're starting with just a few dollars.

Week 1 – You invest $200 in low cost marketing efforts. Of course, you'll be working on the free promotions as well.

Week 2 – Your $200 investment brings a return in the form of:

- 20 sales of a $40 product with a 50% profit margin so a $20 profit means $400 in profits
• $200 for your marketing budget is back in the bank
• $200 in profits on those sales
• 200 new people have joined your mail list
• Take your spouse or significant other out to dinner to prove this Internet stuff really works.

Week 3 – You invest the same $200 in low cost marketing efforts. You continue to offer products and services to the people now on your mail list. You make additional sales to your list. Since you’ve already paid all the advertising cost for these sales, the profit from each sale is yours to keep.

Week 4 – You continue to reap the rewards of your marketing efforts and investment. You earn at least enough profits to keep your marketing budget intact. You add 200 or more people to your mail list. You sell more items to your mail list.

Even though you start with just a few hundred dollars, you can invest that money wisely to build your business profitably.

This chapter is broken into several focused sections that are in alphabetical order. Don’t attach any importance to the order.

**Auctions (Where You’re the Seller)**

You can offer products and services for sale on a variety of Internet auction sites ranging from Ebay to Ubid. You can offer items of interest to consumers or to businesses. Some people make good money just from selling at auctions.

Savvy auction sellers, however, don’t just make money from the sales generated at the auction. They wisely put links in their “about me” section, so visitors can find the main website.

Think about the pure logic of this type of marketing. People go to the auction and search for items to buy. They are in a buying mood at that very moment. When they read your ad on the auction site and get ready to place a bid, they’re trying to buy. They’re ready for instant gratification – to buy now and receive the purchased item.

While you’re probably familiar with auction sites like Ebay, you may be surprised just how many auction sites (over 70) are now available. You’d be further surprised how much the price will vary from auction to auction.

To become a seller at auctions, you register at the website and prepare a web (HTML) page that serves as your advertisement. You set up your auction dates, terms, etc. and begin the auction.
You only pay a small amount to set up your auction. Then, you pay a small percentage to the auction company for whatever products or services you actually sell. You don’t pay to advertise. You don’t pay for all the traffic the auction company brings in. EBay, for example, gets over one billion hits per month. You only pay for actual sales made.

Auctions are a great, low-risk method of marketing. You can generate interest in your wares or find out that there is no interest. You can drive traffic to your website at no additional cost to you.

Another way to use the auction sites is sell a product at a great discount, or even a loss, to generate new customers. You should then be able to make money from these customers with additional sales.

**Auctions (Where You’re the Buyer)**

You can often find significant savings if you catch advertisers unloading unsold inventory. If you’re an advertiser with unsold ad space or banners, you either waste that space or take whatever amount you can get for the advertising.

Can you imagine owning a high traffic site with thousands of daily visitors and no advertisers? Some analysts estimate that as much as 70% of available banner space is unsold each month. Since it costs the site nothing to deliver the ads, any money they receive from the auction is basically pure profit.

Of course, if you develop significant amounts of advertising opportunities, you can offer them for sale on these sites as well.

One of the best places to buy ads is Ezine Ad Auction:

www.ezineadauction.com

**Card Decks**

Card decks are essentially a collection of 50 to 100 small postcards that are shrink wrapped and shipped as one mailing. You may never have received a card deck in the mail if you’re not on some of the larger mailing lists.

The idea behind the card deck is you have an opportunity to buy a card, or a portion of a card, for much less than you would spend to mail the same card to all the prospects on the list. Usually, the mailing list will consist of 50,000 to 100,000 people who have a common interest. You would spend $50,000 to $60,000 to mail to 100,000 people. Your cost for one card in the card deck will be one-tenth that or less. For example, Entrepreneur magazine mails at least one card deck each year to its subscriber list.
If the other prospects are anything like me, they sit down next to the trash can, break open the plastic wrap and read the headlines on the cards. I trash at least 95% of the cards within 5 minutes. Of course, that does leave a few cards that get my attention or get me to take action.

Once again, you want people to take action when they receive the card. The ideal action is to visit your website immediately, but that's not always practical. I think many people receive these decks in an office setting where they're actually supposed to be doing work. Browsing on the Internet when they're at the office may be tough.

I suggest you give them 3 easy options to get more info. The first is to visit your website. The second is calling a phone number to hear a recorded message. They can leave their contact information if they want to be called. The third is to be able to fill out their info on the postcard and mail it back to you simply by adding a stamp.

Personally, I love choice number three because I can respond and get on with my busy day. A lot of postcards require your phone number or "the information will not be sent". This almost guarantees that I won't ask for the information. You certainly won't get my phone number. Some people don't like to even give out their addresses. But, almost everyone will give you an anonymous email address. Depending upon the information you need to be effective in your sales efforts, you can adapt the card to your needs.

To find out more about card decks you can check out:

www.worldprofit.com

www.venturedirect.com

How would you like to get your ads sent free? It's easy to do. You sign up for an entire card. Then, divide the available space into four quarters. You keep one. You sell the other three quarters and change each advertiser one-third the total cost.

**Classified Ads (Paid)**

In the section on No Cost Marketing, I told you about free classified ads. You can also pay to have classified ads placed on various Internet sites. The price is usually fairly reasonable.

I have done some testing of paid classified ads and I was not satisfied with the results for the effort involved. You may achieve better results, however. Many people do. As always, it comes back to test, test, test.

In my opinion, you will always do better on the very high traffic sites and services with paid ads (as well as free ads) than on low traffic sites. Why pay $5 to advertise on a site that no one visits, when you can pay $20 for a site viewed by
10,000,000 people per month? You give yourself a much better chance for success with the bigger site.

To find classified ad sections, you can simply perform a search on any of the free search engines.

**Post-it Notes**

You can put a post-it note on every piece of correspondence you send. You can put them on your bills (I’d rather do that than actually pay the bills :-)). You can put them on letters. You can also put them on the bulletin board at the local supermarket.

If you put the post-it note on, someone will have to handle it to take it off. Chances are – they’ll read the note. If they’re interested, they may actually do something like call you or visit your website.

You can have post-it notes printed by a local printer with any message you choose. Then, all you do is commence sticking.

I’ve never tried this and probably never will. I can imagine it works well for certain offers, especially for business opportunity offers. If I was the low paid person who processes your credit card payment, I might be interested in a message that reads:

Hate your job? Want out?

I got out and I love it!

To find out how, go to:

www.yoursite.com

**Postcards**

I absolutely love marketing with postcards. I’ve mailed hundreds of thousands of postcards for various ventures. You’ll primarily mail postcards to your in-house list of customers and/or leads for which you have snail mail addresses.

You can create postcards in two sizes – the normal little size that gets a discounted postage rate or 8 ½” x 5 ½” (1/2 of a 8 ½” x 11” piece of paper) which requires a regular postage stamp.

Although the big postcards cost more, you can get more information on them. More importantly, they are hard to ignore when someone goes through their mail. If you use bright colors for the stock, you can print them in black ink so the cost is reasonable and no one can miss the color.
You want your advertising to stand out. Sending out white postcards that look like everyone else’s postcards will get your postcards in the trash as fast as everyone else’s.

If you want to get lots of postcard ideas, then visit several casinos and sign up for their free player’s clubs. You don’t have to gamble. Just sign up. Most casinos spend millions on marketing so you can get some really good ideas from the mail they’ll send you. The casinos are currently mailing a lot of postcards (I got 2 the day I wrote this) so you should see some different ideas of sizes, printing and offers.

If you’re going to mail postcards, here are some suggestions for what to put on them:

- Use a large bold headline to capture the prospect’s attention. He will hold this mailing in his hand for a few seconds, glance at it and either discard it or keep reading. The headline is your chance to keep his attention.

- Keep the copy short and the print large. Think of this postcard as a large classified ad.

- If you have testimonials for your products or services, you can drop in one or two in the margin. This is especially effective on the larger size postcard.

- Don’t forget about the front of the postcard. You can print on the front if you keep the mailing label area and the postage area clear pursuant to post office regulations. If you do nothing else, print a short testimonial or some teaser copy on the front. You want them to turn the post card over and read the back. Teaser copy is something like "Are you one of 16,000,000 Americans that’s ill and doesn’t know it? Turn over this card to find out more."

- Clearly request your prospect to do something. This is direct response marketing. You want the person to take action. Don’t make him guess. Give him directions. "Dial this toll free number now – operators are standing by." "Visit our website right now to learn more about this incredible offer."
Chapter 9
Your Own Affiliate Program

Many companies have developed a strong business model by using affiliates to generate the bulk of their sales. Since affiliates don’t cost you anything until a sale is made, they provide a very cost effective method of marketing and selling.

An affiliate is a webmaster who joins your program. The webmaster markets your products or services by referring people to your website. Special software tracks the referrals so you know where they came from. If a referral makes a purchase, then the webmaster earns a commission.

If you can set up a successful affiliate program, you can have a nice situation where a lot of people can be marketing your products without you paying for the marketing. You only pay a commission when you actually make a sale.

You do obviously have to make a serious commitment to create a successful affiliate program. You can’t just tell a few people that they are now affiliates and expect business to come pouring in. You’ll have to devote significant time and effort to developing a strong affiliate program.

Should you set up an affiliate program? Only if you want to make money!

The Elements of a Successful Affiliate Program

✓ You must provide a quality product or service and have a proven system to sell it.

Your affiliates will not create sales pitches, etc. for you. They are depending on you to do all the sales work. They expect to simply send traffic to your site for you to sell.

Your affiliates will need proper HTML coding, sample banners, sample text links and suggested advertisements they can use to maximize the amount of traffic they send to your site.

Your affiliates will measure their success based upon the amount of money they are making from your program. This measurement usually has 3 parts:

1. How easy is it to send traffic to your site? Is this program a good fit with the traffic the affiliate is receiving? If it is, then they can send a lot of traffic and make more money.

2. How much does the affiliate make on a click-through? If your site sells a $20 item and 3% of the people who visit the site purchase the
item, then the program is paying $0.60 per click-through. The income per click-through will vary depending upon how well the affiliate’s traffic relates to your product or service.

3. Does the affiliate only make money on the initial sale or can he make commissions on future sales? Just like you, your affiliates are in business to maximize their profits. If they can develop a continuing stream of income, they will obviously be more interested than if they only get paid once.

✓ You must have a sophisticated tracking program to manage the affiliate statistics.

Your affiliates will expect you to provide tracking of the number of click-throughs, number of sales, sales per click-through, and similar numbers. They’ll expect these for each pay period and for the total relationship. Most programs allow affiliates to view these numbers in real time 24/7. They should be able to check on their progress day or night.

An important factor in your affiliate program will be the determination of how long the affiliate qualifies for a referral commission. Some affiliate programs only pay the affiliate if the referred person makes a purchase during the first visit. Other programs track the referral and pay the affiliate if the referral comes back to purchase within a reasonable period of time—usually 30 to 90 days. The only exception would be the referral clicking through from another affiliate prior to making a purchase.

✓ You have to pay a fair commission to the affiliates on each sale.

Your affiliates want to make money. That’s why they joined your program. You’ve got to decide what a fair commission is for them based upon the type of product or service you provide and whether or not the affiliate makes a single commission or ongoing commissions.

Commissions will usually be determined based upon the profit margin of the product or service:

- high margin – 15% to 50% (i.e. software or information)
- mid margin – 10% to 20% (i.e. web hosting service)
- low margin – 5% to 10% (i.e. books or compact discs)

✓ You have to pay the affiliates on a monthly basis or more frequently.

Nothing motivates business people more than receiving a check. Nothing will destroy your affiliate program faster than failing to pay on time.

You should pay your affiliates at least on a monthly basis. You can set a reasonable minimum amount for sending a check. These range from $20
to $100 in accumulated commissions. Some programs will send a check for a lower amount if the affiliate pays a $5 fee.

✓ **You should create a fair, yet solid contract.**

You’re going to live and die based on your affiliate contract. The contract needs to be fair to the affiliate, but must give you the ability to control the program.

Affiliates need the ability to enforce your contract, but you have to protect yourself from out-of-control affiliates.

For example, if one of your affiliates sends out spam, you have to be able to terminate that affiliate immediately. You can’t take the risk of losing your web service because some affiliate unilaterally decides to violate the etiquette of the Internet. Of course, this assumes you have set up rules for your affiliates which clearly state that sending spam is grounds for termination.

✓ **You must have a support system for affiliates.**

This support system includes proper HTML coding, sample banners, sample text links and suggested advertisements they can use to maximize the amount of traffic they send to your site. You’ll need to update these items on a periodic basis.

You can also provide a message board or a chat room so that affiliates can communicate with each other. I prefer a message board so I can control the messages being posted. Unfortunately, some people may try to take advantage of this free opportunity to communicate with your affiliates. You’ll want to control this access carefully.

You’ll also want to send periodic updates or newsletters to your affiliates. You can use this newsletter to share new tips or tricks and success stories from other affiliates.

**How Do You Set Up Your Own Affiliate Program?**

Unless you are qualified to create your own affiliate program, including the CGI scripts which automate the process, I strongly suggest you invest in a quality program.

You have two choices. The first is to simply use a third party service that will provide the software, tracking and payments to affiliates and access to a large database of pre-signed affiliates. The second is to manage your own affiliate program using software written and installed specifically for that purpose. I’ve used both approaches in different situations with varying results.
The third party services, such as Commission Junction, WebClients, and OnResponse, offer strong packages. I’ve found Commission Junction the easiest to use from a management standpoint because they handle all the tracking and reporting with their software.

The initial set-up cost is about $1,000 and you’ll pay around a 30% premium over what you’re paying the affiliates. For example, if you’re paying a 15% commission for the sale of an item, then your cost is 19.5% (15% to the affiliate and 4.5% to the service).

The services all have different ways of handling payments after the initial set-up. Commission Junction requires that you maintain a significant deposit with them to keep your affiliate program operating. As an affiliate earns his money, this account is immediately debited and the account of the affiliate is credited. Because Commission Junction already has the funds from the merchants and tracks the leads and commissions, they issue checks on the 20th day of the month following the month in which the money is earned.

Services such as WebClients and OnResponse do not require payment in advance. You’ll generally have 30 days from the end of the month to make your payment. The services then use the next 30 days to manage the accounting and issue checks 60 days following the month in which the money is earned.

For your investment, these services do most of the work. They have thousands of affiliates already registered with them who can immediately be marketing and selling your products. Commission Junction alone has over 100,000 affiliates worldwide. The services will manage the individual affiliates, handle their questions, coordinate the banners, text ads, and tracking links, maintain the accounting and issue all the checks. You supply your website sales information, banners and text links.

Instead of adding a premium to affiliate commissions, you can purchase software to manage your affiliate program. Good software will handle all the tracking of click-throughs, sales, and commissions across two tiers, monthly accounting and affiliate contact. My favorite program now will even provide a file that integrates with Quicken to assist you with your accounting and issuing the checks to affiliates.

You can find a lot of different software to manage your own program, but I recommend you check out the following services.

DirectTrack and My Affiliate Program are premium affiliate services that provide you access to use software that they manage on their servers. These systems are extremely robust and can handle millions of transactions. We currently use DirectTrack for our affiliate program at [www.goldaffiliateprogram.com](http://www.goldaffiliateprogram.com).

DirectTrack: [www.directtrack.com](http://www.directtrack.com)

My Affiliate Program: [www.webmarketingbook.com/aff1.htm](http://www.webmarketingbook.com/aff1.htm)
You can also use affiliate software that resides on your computer. That means you pay once for the software instead of paying monthly. I highly recommend Synergyx if you want to go this route. We used Synergyx for several years for the Mining Gold Affiliate Program until we outgrew it when we hit 40,000 affiliates. The owner, Paul Galloway, provides outstanding support. You can access the Synergyx website via http://www.synergyx.com/cgi-bin/sgx/d.cgi?S1532.

Chapter 10
Website Structure

If you're serious about running a business on the Internet, you've got to have your own domain name. No choice. It's a fact.

Your main domain name should be as short and memorable as you can make it. You want people to be able to remember the name so they can return to your website whenever they want.

If you want to be super successful, you'll need more than one domain name. And... now is the time to get them.

How many times have we all searched for a good domain name for a new venture, but "all the good ones were gone?" Don't you just hate coming up with a "killer" name only to find out someone else is already using it?

You can search for all the names you want free of charge. There is no obligation to register the names you search. When you've settled on your names, you can register them very easily. Then, the names will be yours forever.

What can you do to come up with great domain names? Think of the domain names as headlines. Use the same attention getting words and catchy phrases you would use in a headline.

If nothing else, you should file the name of your business as a domain. Make sure you bookmark this web page in case you think of new domain names that you need to register later on.

When it comes to actually building your main site, your first step should be to sit down with the old fashioned tools of a pen and paper. You should diagram your site before you begin building it so you have an overview of your entire plan.

Another important part of your planning is to determine the focus and keywords of each page before you create the pages. You’ll save a great deal of time and effort if you only have to create your pages once.

The rules for building a successful website:
Choose your website type.

Most small business websites are either sites that focus on selling a particular product or service or they are informational sites for which sales are, more or less, incidental. You can’t be both because of the inherent confusion caused by too much information.

I read a lot of articles and information that tells website owners how to make their websites "sticky". Sticky simply means keeping your website visitors clicking on more pages. I don’t understand what good it does to keep people clicking around my website unless it has a direct impact on my sales.

Many website owners are obsessed with counting hits on their websites. You can have a million hits and still not make any money. Or, you can have a thousand hits and make several thousand dollars. It’s your choice.

One of the problems we have is reading statistics on the huge Internet success stories like Yahoo! and Ebay. They have millions of page views daily, but we’re not ever going to be like them. Forget about how they measure success.

Website visitors bouncing aimlessly around your website because you have cool stuff does you no good unless they buy.

Some of you are probably thinking about all the money you’ll make on banner advertising if you could get to a million page views. Unless you have a highly targeted website that is in great demand, you’ll only net at most $1.00 per thousand impressions as a maximum number. Industry statistics show that more than half of all banner inventory goes unsold each month. For delivering one million banner impressions, you would receive $1,000. While that’s not a small amount of money, just think of how much time and expense you’ll have invested in your website to get all those page views.

If you want to be an informational site, make sure your information leads people to a specific solution—either yours or someone else’s—that makes you money.

If you want to be a site focused on sales, then don’t clutter your site with extraneous material that will only confuse your visitors.

Collect the email addresses of your visitors.

I’ve mentioned several times how important it is to build your own mail list. You’re throwing away money if you don’t.

You should give people several opportunities and a good reason to join your mail list. Since most people will not buy from you on the first visit to
your website, you want to capture their information so you can follow up with them later. Pop-up pages can work well to get attention and get the email address.

✓ **Provide a page with your Privacy Policy.**

Your privacy policy reveals to people exactly what you will do with the information you collect from them. Will you sell their names, addresses and phone numbers to third parties? Will you sell their email address to everyone who wants to spam them? Or will you carefully safeguard the information and keep it private?

Privacy is becoming an important issue for Internet companies. I find it fascinating that hundreds of millions of names and addresses are bought and sold each year outside of the Internet. When you want to do the same thing on the Internet, however, it’s considered to be a breach of etiquette. Whether or not it seems right to you, you have to realize that people expect you to truthfully disclose this information.

✓ **Provide a page with your contact information.**

Your contact page should clearly spell out the name, address, and email address of the website owner. Most people, including me, have a hard time giving money to people who they can’t easily contact afterwards.

I laugh when I receive solicitations that invite me to send a check made out to a fictitious name to a private mailbox in a faraway state. No person’s name is offered. How comfortable can anyone feel with this?

✓ **Provide a page with your Terms of Use.**

Your Terms of Use sets out the rules that govern the use of your site by visitors.

✓ **Tell the world about your company.**

Many people want to know something about you and your company before doing business with you. Your company profile can be as short or as long as you feel comfortable with.

✓ **Keep the graphics small.**

Graphics are really exciting for those of us building websites. Graphics are really irritating for those of us who are waiting for web pages to open.

While graphics can enhance the look of your site, keep them to a minimum and keep the file size small. Everyone who’s on the Internet is impatient. They will not wait for your slow loading site.
By the way, you might think this will soon become less of a problem because of the high-speed access available. Wrong. More than half of the U.S. is still using phone lines to connect to the internet. The percentage is even larger in most other countries.

✓ Offer secure online ordering.

People want to feel certain that their private information, especially credit card numbers, will not be captured by anyone except you. Secure order pages make this possible.

✓ Make your website easy to navigate.

First of all, don’t make people guess where they should go on your website to get what they want. You’re not trying to outsmart them :-).

If you provide navigation buttons, you should also provide text links. Make it clear and easy for people to use your website.

Every single page should have a link back to the main page so people can find their way back to the beginning.

✓ Track your website traffic.

Most web hosts provide traffic statistics as part of the hosting package. The better statistics packages will let you track page views, unique users, referring sites and much more for your site and for each page.

Chapter 11
Website Hosting

In order to connect your web pages to the Internet, they must be stored on a computer that’s connected to the Internet. Most small businesses hire web hosting companies to perform this complicated service.

Essentially, a web hosting company has a bunch of computers that are connected to the Internet through high speed phone lines. The service provider will add your web pages to one of its computers (a web server) and you’ll actually share the computer with dozens of other websites. Because you are just one of thousands of websites hosted by a company, the price becomes affordable. For $20 a month, you can get website hosting that would cost you over a thousand dollars per month if you tried to do it all yourself.

Web Hosting Features
Costs

- Setup fee (if any) - $25 to $50
- Monthly fee – varies depending upon options or extras you select. If you’re just starting your website, opt for the lower priced packages. You can always upgrade easily.
- Domain registration fees for each domain you register. The retail price is $35 per year.

Contract Term

- Many hosting companies require you to sign a contract for a minimum number of months. Others advertise discounted rates, but you have to prepay a year or more to get the discounted rate. Make sure you understand the deal before you "sign" up.

Server Space

- Size of your website as measured in megabytes (Mb). You’ll just need a few megabytes to start. Your website will usually take up much less space than you think. Remember, it’s easy to pay for additional space when you need it.

Server Usage

- Server usage is measured by how much data is transferred during a given time period, usually a month. Every time someone accesses your website, data is transferred from the web server. You’ll see this referred to as bandwidth.
- Some web hosts advertise unlimited usage. While this may actually be true, please read all the fine print because there are often exceptions to ‘unlimited’.
- If usage is limited, then you’ll pay for each additional megabyte that’s transferred after you pass the limit. When you’re starting out, this will not be a problem.

Technical Support

- You’re going to have problems and questions. Someone has to help you. Jim Billy Bob’s Web Hosting Service and Real Pit Barbecue probably doesn’t staff the support desk on nights, much less weekends. How important is the support function? Just imagine waking up on Saturday morning, firing up your web browser, clicking on the link to your website and getting an error message – file not found. Ooooops!
- Quality of Internet Connection
  - The speed at which your website information is downloaded to a viewer’s computer is limited by the physical makeup of your web server’s internet connection. You want to be connected by high-speed lines, at least T3 lines.
  - One phone line might break down or an Internet connection might fail. You want a hosting company with redundant lines and connections so your site will always be up.
  - Sophisticated hosting companies provided automated peering. This means the host computers continually test the Internet connections and utilize the fastest connections at all times.
  - Massive amounts of bandwidth are needed to handle all the traffic. For example, if your host uses 80% of its bandwidth during average usage times, you’re in trouble during peak hours. The 20% cushion may not be enough to handle the additional requests from people to connect to your website.

- Reliability
  - The reality check – hardware fails and software gets glitches (sometimes all by itself). The good hosting companies can provide statistics showing the average downtime for its servers. You expect the number to be less than 1%. If it’s over 2%, keep looking.

- Server Backup
  - The hosting company must backup the server daily. Of course, you should be backing up your computer everyday as well. You do, don’t you?

- CGI Bin Access
  - Either you or your website designer will want access to a CGI bin. CGI stands for Common Gateway Interface. Most of your website functions like forms, guestbooks, order pages and shopping carts will be run by CGI scripts. In order to set up and run the scripts, you’ll need access to a CGI bin.

- FTP or Telnet Access
  - In order to transfer files and configure your scripts, you’ll need access to the web server through FTP (File Transfer Protocol) or Telnet connections.

- Pre-configured Scripts
Many web hosts will provide you with standardized forms and scripts for common website functions. These include order forms, drop-down lists, on-site search engines, guest books and message boards. Since these are already set up in a generic format, you simply customize them for your site.

**Autoresponders**

- You'll want access to a large number of autoresponders that you can configure whenever you want. You'll be able to personalize these like "subscribe@yoursite.com" or "freeinfo@yoursite.com". When someone sends an email to this address, they will receive an automatic reply with whatever text information you have predetermined. These autoresponders are not the sequential autoresponders I've mentioned elsewhere. These will just send one message.

**Mailing List Programs**

- You should be able to build small mailing lists (a few thousand people) using automated systems programmed into the server. In fact, if you're good, you can have someone send an email to "subscribe@yoursite.com" to subscribe to your newsletter. They'll receive an automatic response from your autoresponder, plus they will automatically be added to your newsletter list. However, most people find it easier to manage their list through an autoresponder service.

**Email POP Accounts**

- A POP account stores your email until you access the mailbox using programs like Outlook or Eudora.

**Email Aliases**

- An email alias works like this: An email message is sent to "question@yoursite.com". You have set up all mail sent to this address to be forwarded to the answer person in your office. You'll want lots of email aliases because you can designate them for different purposes such as order, support, sales, info, etc.

**Traffic Analysis**

- You'll want access to website statistics that track things like the number of hits to each page. These programs will vary greatly depending upon the level of hosting you've requested. You'll also want to make sure that you have access to your raw server logs (even if you have no idea why right now).
- **FrontPage Extensions**
  
  - Microsoft FrontPage provides specific built-in pieces. Most web companies will have the corresponding extensions available upon request. You only need this if you’re using FrontPage.

- **Shopping Cart**
  
  - If your customers will be ordering multiple items, you’ll probably need a shopping cart. The shopping cart allows them to add or subtract individual items from their ‘cart’. Then, the program will total the purchase, add applicable sales tax and shipping costs and present a final total.

**Free Web Hosting Services**

Yes, you can have free web pages on dozens of different services. The services and support vary widely from company to company.

Most free companies won’t let you have your own domain name. Since everyone expects a serious business to have its own domain name, you’ll face a challenge without one.

Usually, the free host services will require links or images superimposed on each of the pages. The host company sells this space or else tries to lure your customers to their home site.

If you’re really serious about your Internet business, you’ll want to spend the $20 per month to have a real website.

The leading free web host companies are:

http://geocities.yahoo.com/home/

www.tripod.lycos.com

**Commercial Web Hosting Services**

To find a quality web hosting company, you can go to Host Index to access rankings of the largest companies.

www.hostindex.com
Chapter 12
Money Making Programs

Besides selling your own products and services, you should consider adding other programs to your website. As I’ve stated before, the most expensive part of your marketing is generating traffic to your website. From that traffic, you get your most expensive customers – the first time buyers.

If you’re going to make the investment in time and money to get this traffic and build your mail list, doesn’t it make sense to give yourself every opportunity to make money from this investment?

Your choices of add-ons fall into two basic categories:

- Affiliate Programs
- Business Opportunities

Affiliate programs allow you to add related products and services to your web site without making a major investment in additional staff or inventory. You usually don’t make as much money as you would if you were completely in this other business, but you don’t have any risk. Using various affiliate programs allows you to continually test to see what efforts make you the most money.

Business opportunities can present you with an interesting … you guessed it … opportunity. We all know that millions of people are interested in starting or expanding their own home-based business. Further, we know that many of those millions of people think, as you probably do, that the Internet should play a part in that business. Therefore, you can imagine that some portion of the people who visit your website and join your mail list may be interested in making money – just like you are.

Each of these concepts is covered more completely below in separate sections.

**Affiliate Programs**

While I can give you an overview of your choices in affiliate programs, the number of programs grows daily. I will direct you to some sites below where you can view the larger programs.

You can split affiliate program offerings into 2 broad sections:

- Single company
- Multi-company

Single company programs are those offered by one company with one website, even if the company offers multiple products and services. If you launched your
own affiliate program, you would initially be a single company program under this definition.

Multi-company programs are basically a compilation of several companies’ programs offered on one website. You register once to have access to all the programs.

You can choose from programs that sell almost anything. You should choose products and services reasonably calculated to be of interest to your customers and your mail list. Remember, your mail list can be contacted with offers of other products and services even if they have not made a purchase from you.

With single company programs, you will have to judge the merits of each program and the integrity of each company, as in "will they really send your check?" You also must carefully read the rules of each company’s affiliate programs. While most companies will not issue a check if the amount is less than $20, some companies require at least $100 in earnings before issuing a check. Also, some companies only issue checks every three months. For example, one company issues checks on the 15th of May for the commissions earned in January, February and March. You might not want to be waiting quite that long for your money.

You can check out many affiliate programs at the following site:

www.associateprograms.com

Multi-company sites, including Commission Junction, OnResponse and Link Exchange, provide you with hundreds of programs in one location. You can register once and have access to many programs. Many of the big name merchants have one of these companies run their affiliate programs.

The multi-company sites often provide better tracking and reporting of your activity than single company sites because they have more money invested in software and personnel. On the other hand, the commissions are sometimes lower because the affiliate company is making part of your commission instead of all the money being paid to you.

You can find the multi-company sites at:

www.cj.com
www.linkexchange.com
www.cyberbounty.com
www.directleads.com

Business Opportunities
The Internet has provided many people with the opportunity to realize their fondest hopes and dreams of owning a small business. Unfortunately, many programs have been launched to take advantage of those with hopes and dreams, with the specific purpose of separating those people from their money.

Not all business opportunities are bad. You can find many quality companies offering proven products and good opportunities to make money. You just have to look hard.

How do you tell the good ones from the bad ones? Here are some clues of programs to avoid:

- "Easiest program ever – no work required." - You have to work, at least a little, to get paid.

- "Retire in 3 to 6 months." - The only way this will happen is if you’re already rich or you win the million dollar lotto!

- "New program just started. First people in will get rich." - The first people are already in. You’re too late already.

- "Secret program allows you to invest in bank trading program and reap profits of 40% to 60% per month." - This program does not really exist. While some people do actually make money initially, they’re getting paid so they’ll tell their friends to put in the big bucks.

You can also check out the website for the United States Federal Trade Commission at [www.ftc.gov](http://www.ftc.gov). You should particularly read the section about pyramid schemes at: [www.ftc.gov/bcp/conline/edcams/pyramid/index.html](http://www.ftc.gov/bcp/conline/edcams/pyramid/index.html).

Some questions to ask before you join a program:

- How long has the company been in business?

- Can you check out the company’s financial condition? If so, what do their numbers tell you?

- What do you know of the track record of the company?

- If the company is fairly new, what do you know about the track record of the company’s leaders?

- Can you get someone who’s successful with the company to teach you how to be successful?

For every good company, I would bet there are at least 10 bad ones. Much of the success or failure of the companies rests in the hands of the founders. First, they must have good intentions. Second, they must be capable of actually building and running the company. Even the best intentions cannot overcome
incompetence. Third, they must have enough money to carry the program to profitability.

To whom are you listening? If people who are less successful than you want to give you business advice, you should think carefully before following that advice.

My brother joined Amway several years ago. His sponsor was a gas station attendant whose sponsor was his mother (a housewife of 20 years). Her sponsor was someone similarly lacking in business experience.

My brother was excited about the Amway program and the opportunity it presented. He worked his butt off for several months and got nowhere. He had no leadership. He had no one to show him how to be successful because he was looking to people who (a) were not successful and (b) had no business experience.

I know people who make awesome incomes with top network marketing companies. But, I know more people who have failed. That’s no knock on network marketing companies. The same is true of people who start any business.

After you’ve found a good opportunity, you have to apply good business sense. You can’t just sign up and expect something good to happen. You have to set reasonable goals and diligently work the business. Then, you give yourself a good chance to succeed. I think you’ll further increase your chances of success if you can hook up with successful people who will show you the path to success.

I highly recommend you check out the program at this website:

www.sfisuccess.com

I have personally flown to Lincoln, Nebraska to meet with the owner and the Chief Operating Officer of this company – twice. They’re straight shooters and they’re providing a legitimate chance for regular folks to make a good buck. Best of all, the program is free to join so you can become an affiliate at no risk. If you like what you see, you can get more involved later. I am usually the top recruiter for this company each month. My staff provides direct support for all of my referrals.