

Working the Web...

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Working the Web...

So you have a web site... you built it but they are definitely NOT coming... at least not in the numbers you would like.

You are not alone. Way back in the good old days (1995), “*If you build it they will come*” was a true statement. It’s easy to understand why. There were very few on the web. Today it is estimated that over a million new web pages go online every month. When you do a search for *tennis* on *Altavista*, one of the major search engines, you are presented with the top 10 results of 7,644,724 links; Over SEVEN MILLION pages for you to look at. What chance do you have of being in the top 30 or 40, the first three or four pages?

In fact, you can be in the top three results on the page very easily. By going to a site called *overture.com* and agreeing to pay a per click fee (currently 29 cents per click), you will be the number one or two link on *overture.com*, *aol.com*, *altavista.com* and others for the keyword *tennis*.. To get the top placement for the keyword *e-commerce* it will currently cost you \$2.59 per click.

So, the question is not how do you get people to your site... it’s how do you get people to your site at a price that allows you to make a profit.

Your web site is either an extension of your existing brick and mortar business or it is your business. As an extension of a brick and mortar business, your web site may not actually produce a revenue stream. Instead, it may provide customer support services that create customer good will or satisfaction. If so, the site may add to the bottom line by increasing customer satisfaction and thereby increasing repeat sales. It may also add to the bottom line by reducing the cost of customer support. Either way you need to be able to track the cost of the operation of the site and the effect on your profit margin.

So, before we start talking about ways to increase traffic to your site we are going to spend some time on how you will track and evaluate the results of your web site on your profit margin. You can do this by keeping track of the visitors to your site and the result of their visits.

Tracking...

Tracking visitors to your site can be relatively easy. Most hosting companies provide a statistics package for the web sites they host. Some of these packages are fairly extensive and some are not. In either case, the information that the statistics packages use to create your report is pretty much the same. This information is pulled from a web tracking database generally referred to as the stats file.

Stats files are comma delimited text files that contain information about every request to your web site. They contain requests for each image file, html file and all other resources on your site. They also include the time the request was made, some information about the computer requesting the information, what Internet location referred the user to your site and the keywords used to find your site if a search engine was used. If you are getting a lot of hits to your site these files can be hundreds or thousands of megabytes in size. There is so much information that it is impossible to make much sense of it without an analysis program.

Stat analysis programs can be a little difficult to master. To measure the effect of your marketing program you will need to understand at least a little about the statistics. Trying to look at all of the information available is generally overkill and a waste of time you could be spending on more productive activities (like marketing).

If you really want to get into the details of the stats files, contact your hosting company. While basic statistic analysis report packages are generally available through every hosting company, most will charge an additional fee for more detailed reports or reports generated more often than once a month. If you are REAL detail oriented, the raw

stats files should be available for download from your site. You can then use your own analysis program to process the information to your hearts content.

The following list gives you a few examples and a URL for more information. Costs run from less than a hundred dollars to thousands.

Webtrends – www.webtrends.com

123logalyzer - www.123logalyzer.co

webstat - www.webstat.com

faststats – www.mach5.com

sawmill - www.sawmill.net

There are, however, a few areas that you need to look and track at on a regular basis, either monthly or weekly.

1. Total Visitors – Generally available with all analysis programs, this number indicates the total number of visitors to your site. It includes visitors that come to your site more than once. The raw number will tell you if the traffic to your site is increasing, decreasing or staying the same. A line chart or bar chart is the best way to track this number. In the sample below, (Figure 1) the left column of numbers indicates the number of monthly visitors. The bottom line indicates the months. The three red lines indicate changes in your marketing plan. For instance, 1 may be when you started your link exchange program. A graph like this will give you an instant picture of the effect of your marketing on total visitors. This same type of chart can be used for most measures.

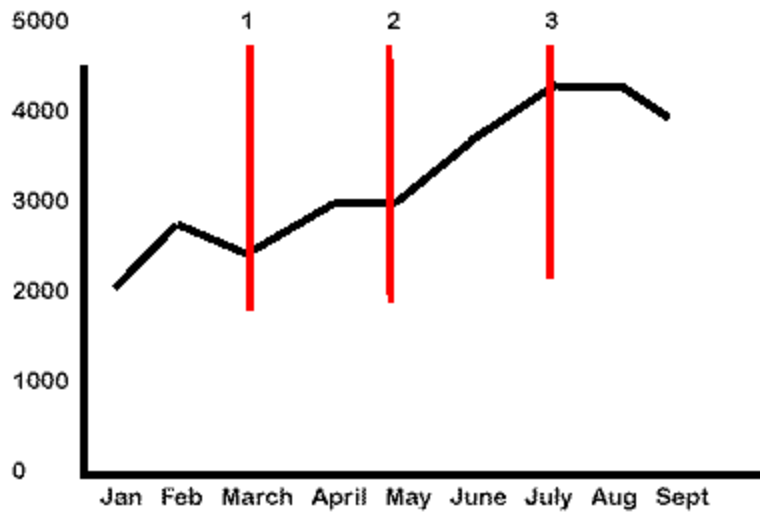
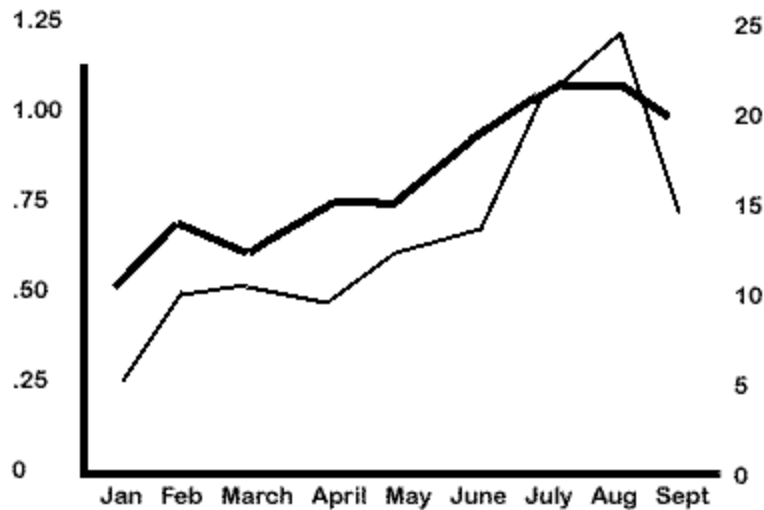


Figure 1

2. Unique Visitors – Another standard measure in most analysis programs, this number indicates the total number of individuals that visited your site. (See *repeat visitor ratio* below)
3. Average time spent in the site – This number gives you the average number of minutes that your visitors stayed within your site. Generally, the longer they are in your site the better. You may also want to track the effect of average time on the site to sales. One method of doing this is to develop a ratio of dollar sales per visitor or some block of visitors (divide total sales by total visitors). Then you can use a double line chart to compare the two numbers. (Figure 2). *The left column of numbers is the average revenue per visitor (or visitor block – for instance you can use the average revenue per 100 visitors). The right column is the average length of stay on the site. The bottom shows the tracking months. The thick line indicates the average revenue per visitor. The thin line indicates average stay on the site in minutes.* A quick look at this chart will tell you if length of stay has any relationship to the average revenue per visitor. If you are aggressively working your site and making changes, this graph will help tell you if the changes you have made positively effect the

Figure 2



performance of the site. If the change causes the average stay to go up and the revenue per visitor go down, you may want to reconsider the changes. For instance, if a change in your order entry system causes people to take 5 additional minutes to make a purchase it may well increase the average time spent on the site. It may also decrease the average revenue per visitor because some visitors get fed up with the additional time required and leave prior to finishing the order.

4. Referrer – A referrer is a site that refers (provided the link) to your site. This can be a search engine or another site.
5. Key Words – In the case of a reference from a search engine the keywords used in the search are kept. You want to track which keywords people are using to find your site. In the case of keywords, you want to keep track of all the keywords used and not just the top ones.

In addition to these numbers which are available through the stats files you also want to track visitors based on the purpose of the site. This list is not so easy to define. Every site is a little different.

If your site is a sales site you definitely want to track:

1. Total sales
2. Average sale per purchase
3. Average sale per visitor
4. Average profit per purchase
5. Average profit per visitor

If your site is a customer service/support site you will also want to keep:

1. Total number of support/service users
2. Total number of unique support/service users
3. Total number of support/service calls from other sources (phone, fax, email, etc.)
4. Satisfaction level of customers using the site.

Your purpose in tracking should be to measure the success of the intended use of the site. If the site is primarily support/service you need to make sure that it is achieving the intended purpose. If it is a sales site you want to track sales. If you are not tracking, you cannot make effective decisions about your site.

Once you are tracking these (or other) numbers there are a couple of ratios you may also want to keep. One method of determining the amount you can afford to spend to build traffic is the *profit per visitor* ratio. This is simple to figure. Divide the profit you make from one sale by the average number of visitors per sale.

For instance if you sell widgets for \$100.00 and you make \$50.00 profit on each widget sold. If you sell one widget for every 1000 visitors to your site the maximum you can spend to get a new visitor and still break even is 5 cents.

$\$50.00$ (profit) divided by 1000 (visitors) = $\$.05$

Assuming that you can expect repeat sales from each customer, you can afford to spend up to 5 cents to get a new visitor to your site. If you want 5000 new visitors you can spend up to \$250.00 to get them.

Each business will have a different profit per visitor ratio. It is very important for you to understand YOUR profit per visitor before you start spending money on increasing traffic to your site. There is nothing more frustrating than to find out that for every new customer you get you loose more money.

If repeat purchases are a substantial part of your profit, you will also want to track your *repeat visitor ratio*. The *repeat visitor ratio* is generated by dividing the total number of visitors by the total number of unique visitors. This number tells you if the number of repeat visitors is going up or down as a percentage of total visitors regardless of how many visitors you have.

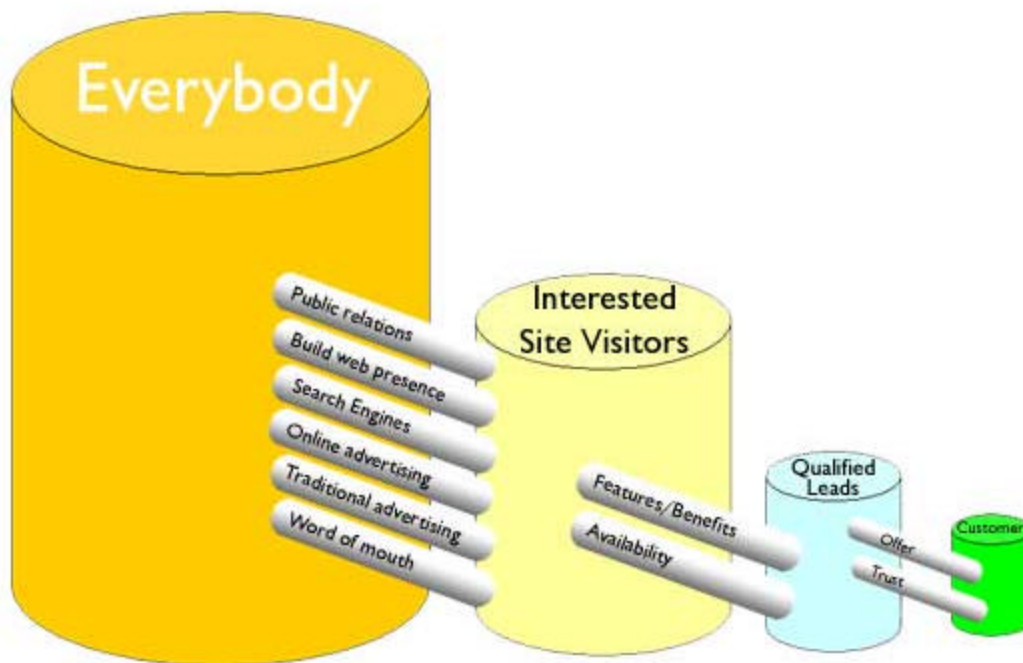
Increasing traffic...

Now that we have defined some of the ways we are going to measure the success of our marketing efforts lets look at how to increase traffic. We are going to review six major (cost effective) ways to pull people to your site. None of these six ways include buying 30 second spots on the Super Bowl or full-page ads in Time Magazine, The New York Times or Wall Street Journal.

1. Build your web presence
2. Directories and search engines
3. Free and paid online advertising
4. Traditional advertising (newspaper, magazines, TV etc.)
5. Free and paid public relations
6. Word of mouth

Each differs in cost and effective response. Effective response is the number of *qualified* visitors to your site. If you sell retirement condos it will do you little good to produce millions of hits from 12-year-old children. So when we talk about getting visitors to your site we are always talking about visitors who have some interest in the product/service you sell.

I like to think of sales development as a series of big water tanks



The biggest tank is the *everybody* tank. This tank holds everyone in the universe. This is NOT the tank you want to make your sales pitch to. When you are advertising in this tank you are simply trying to attract people who are already interested in a product/service like yours to your *interested* tank (your web site in this case). This is much less expensive and less difficult than trying to make a sale. The pipes that bring some of the *everybody* tank to your web site are the six ways to attract visitors to your site. Each is capable of bringing a number of visitors to the site. Each has a different cost.

Once you have lured them into the *interested* tank you can be pretty sure that there is at least some interest in your product/service. In this discussion it is assumed that

the marketing materials used to get them to your web site are not misleading. Misleading marketing will pull visitors who may not have any interest in your product/service.

For most businesses, the *interested* tank is MUCH SMALLER than the *everybody* tank. Because you are dealing with a group of people that have DONE SOMETHING (i.e. visited your site) you can focus your information on the areas that you know they are interested in. This includes the features and benefits of your product/service, availability, guarantee and other information that will help push them toward the *qualified lead* tank.

The pipes between the *site visitors (interested)* tank and the *qualified leads* tank include the features and benefits of your product/service, availability and other, less concrete, aspects of your information presentation. To get someone from the interested tank to the qualified tank can be compared to the sales pitch in the real world.

Once they have reached the qualified lead tank the only barriers between the visitor and a sale is trust and the offer (the close). Remember that the features and benefits have already been agreed to or they would not be in the qualified lead tank.

Each tank is connected by one or more pipes. Each pipe allows the flow of people from one tank to the next at a different rate and at a different cost.

The goal of everything you do in your business should be maximizing the flow of people from the *everyone* tank to the *customer* tank with the highest possible profit. In the end, however, it is generally the *established customer* that is the most profitable. It is much more expensive to market in the *Everyone* tank than in the *Customer* tank.

For a commercial transaction (sale) to take place, a number of requirements must be met.

1. Need/Want – the purchaser must have a need for or must want the product/service.
2. Features – the product/service must provide a set of features that meet the needs/wants of the purchaser
3. Trust – the purchaser must trust the seller and the product/service and the seller must trust that the purchaser will pay.
4. Availability – the product/service must be available for delivery within the needs/wants of the purchaser.

It seems simple enough but when looking at the complexity of some of the products on the market it's amazing that a sale is ever made. In fact, all four requirements are seldom met at anywhere near complete satisfaction in any transaction. Just think about the last time you purchased a car. This one costs a few hundred more but it has anti-lock breaks... but this one has leather... but this one has 6% financing... but this one... the number of options are enormous and as a buyer, you are constantly weighing the value of each option in comparison with the cost.

Lets take a look at each of the six pipes connecting the *everyone* tank to the *interested/web visitor* tank. Remember that each of these pipes bring people to the site in different quantities and at different costs. As you look at each you should compare the cost of each to your *profit per visitor* ratio.

Build your web presence...

This is the simplest, easiest and least costly pipe to build. Get serious about your web site... tell everyone about it... get excited. Put your web address and email address on everything: brochures, ads, business cards, Christmas cards, bumper stickers, wedding gifts, answering machine, checks, invoices, purchase orders. I mean everywhere.

IMPORTANT: Don't forget to get an email address at your domain name. All respectable hosting companies will supply you with at least one email address for your URL. This lets you have an email address of yourname@yourdomain.com instead of yourname_8896@aoloryahoo.com. This is much more professional and promotes your web address with every email you send.

Create a signature file for your email and attach it to every email you send. Include your name, address, phone, email address, web address and a great, short marketing message.

Go to www.usenet.com and join any newsgroups related to your business. Read and reply appropriately to others questions and comments. When you reply by email, include your signature file.

Use yahoo, AltaVista, AOL and other chat rooms and bulletin board discussion groups and always include your email address (the one with your URL in it).

Set up some promotional FREE items. Check the net for sites that promote “free stuff” (there are lots of them) and offer some of your own promotional goodies.

All of this is free (except for the FREE items that you will be giving away) and easy to do. It takes a little time but the price is right and, over a period of time, will increase traffic to your site.

It is important to remember that it is easier to make a sale to someone requesting your information than it is to make a cold pitch to someone who has not expressed an interest. When they come to you the potential customer is already thinking about your product/service and is ready, even excited, about getting the information. When you call them you are interrupting and forcing them to think about what you are interested in. This is one of the reasons that the web is a great place to do business. All you have to do is invite them to the party. If they come you can be sure they are looking to enjoy themselves.

One last word on building your web presence. You must keep in mind that web surfers today are used to the interactivity and easy interface of the big sites like Amazon.com. Make sure that your web site makes it easy for them to enjoy the visit.

Don't forget that the most profitable sale is one made to an existing customer. This is because you don't have the expense of pulling them in from the everyone tank through all that costly plumbing.

Directories and search engines...

Now this is a topic that can bring tears to your eyes. Search engines and directories are the most often used method for surfers to find a site. The problem is that there are MILLIONS of pages of information on almost any topic. A search on AltaVista for the keyword *search engines* returns **208,108,764 results**. If you look through the top forty or so results you will find a host of different information. Some, if not most, has little to do with the topic you were looking for. Most people searching don't look any further than the first thirty or forty results. With that in mind, out of 208 MILLION results pages how can you expect your site to get ranked in the top thirty or forty.

Before we get too deep in the how to let's talk about the what. What are search engines and directories?

Search engines and directories are big groups of computers that maintain an "index" of web sites/pages. Basically, they either maintain a list of "registered" web pages and sites or they go out to the web and "read" all the words on the web pages they finds. They make a list (or index) of all the descriptions or words they finds and include a cross reference to the pages the words were found on. Based on a set of criteria specific to each search engine, they rank the pages. This really makes life interesting.

Some search engines rank a page higher in relevance if it has lots of instances of the keyword searched for. On other search engines repeating a keyword will lower the relevance. There are literally dozens of criteria and each search engine ranks each criterion differently. This makes getting ranked "high" in the search engines anything but easy. There is a huge group of people and businesses out there that do nothing but research search engines and determine what criteria they use to rank pages.

In some cases you can do a pretty good job of ranking high on the search engines without knowing all the tricks. For instance if your keyword is *acetylsalicylic acid* it will be easier to get to the top of search engines. Altavista returned only a few more than 5000

responses for that keyword. If your keyword is “search engines” it will be a little tougher. Altavista returned over 208 MILLION responses for that keyword.

Even with the difficulties involved, search engines and directories can bring substantial traffic to your site.

- Over 80 percent of Internet users use search engines or directories to find information.
- A typical search will generate thousands, even millions of results.
- Only those web sites or pages in the top 40 or 50 will receive significant traffic.
- Each month an estimated one million new pages go online
- Thousands, even millions of businesses are competing for the top 40 or 50 result listings.
- The odds of your site getting into the top 50 listings for any one keyword is slim without professional help.

Since when have a few little obstacles stopped you. Let’s take a look at what you can do to improve your odds.

Do it yourself...

This is the way most businesses go, at least to start. To do-it-your-self will require a fairly extensive investment in time. There is a lot to learn. As a first step, go to www.searchenginewatch.com and study the *Search Engine Submission Tips*. You will also want to subscribe to their search engine newsletters. Another great search engine information site is www.searchengines.com.

That’s all the information you will need to get started. Well, you’ll also need lots of time to study all of the information AND you will need more time to put what you

learn into your web site. There are no short cuts to doing this yourself. It's going to take time and effort.

There are a few key points to think about before attempting to do your own search engine registration.

- What are your keywords? It is not unusual for the owner of a web site to completely miss the most commonly used keywords. If you run an architectural salvage company you may be tempted to work hard to get the keyword "architectural salvage" ranked high. Your customers, on the other hand, will probably be searching for "used walnut mantel" or "used oak doors". Talk to your customers, set up a survey, and find out what keywords your customers would use to find you. It will not do you any good to get top placement on keywords that your customers would never use.
- I have found wordtracker.com to be very helpful in finding keywords for sites. The free service gives you a pretty good indication whether a keyword will work well but the full service is well worth the price. This is a great service even if you are paying someone else to do the registration.
- Each of the search engines uses a different set of criteria to position pages. Either learn what those criteria are or hire someone to do it. The wrong number of keywords can cause some search engines to block your site completely.
- Do as you learn. Don't wait until you think you have finally mastered the subject. Do a little as you learn. Sometimes it takes months to see the results of your work so getting started quickly will give you feedback on your success as you learn.

Hire someone to do it for you...

From free to fortunes... that is the price range for having someone register your site with search engines. I can't tell you what to do but I can give you a few pointers.

- Don't register your site until you have finished setting up the site to be registered. That means adding all those keywords, Meta tags and HTML <H1> heads and keywords to your site.
- FREE registration services are fine if you have already set the site up for registration. If you have not, choose a registration company that can help you get your site ready to submit. Don't just trust that the registration company will know what keywords and phrases are best for your site. If you do nothing else, do your own keyword research.
- READ THE GUARANTEE'S CAREFULLY. Most registration services guarantee some placement. Most guarantee only top placement of one "set" of keywords (a keyword phrase). Also be cautious of companies that are going to build only one page for all search engines. What will rank you high in one search engine will completely kick you out of another.

Obviously, getting to the top of the search engines will bring people to your site. Your choice of keywords, site description and how you set up your page for registration will make a difference in the interest level of those coming to the site. Make sure you spend your time, energy and money registering with the **right** keywords. Choosing the wrong keywords will mean that no one searches for them or if they do, they are coming to your site expecting something you do not provide.

Pay per-click search engines...

Pay-per-click search engines are on the wrong end of my good-things gage. When Overture.com started charging for placement a couple of years ago I was determined never to use the search engine. Somehow it just goes against the grain of the Internet as a free information source.

However, it can help you get traffic to your site within days of launch.

Overture.com is one of the major pay-per-click search engines around. Several other search engines (AOL and AltaVista) use the top 2 or 3 Overture positions as *featured sites* at the top of their search results. That means that if you purchase the top position in Overture you will also have a featured top position in AOL, AltaVista and other search engine results.

Buying search engine placement for a list of keywords or keyword phrases needs to be well thought out. Choosing the correct keywords here is essential to reducing your cost-per-click and still maintaining top positions. We'll start out by looking at two keywords; aspirin and handbag.

Go to Overture.com and search for aspirin. At the time this was written the top placement was going for sixteen cents per click; second place ten cents; third place ten cents. Handbag is a different story. Top placement was going for eighty-eight cents per click; second place eighty-seven cents. Generally the more popular the keyword the more it will cost you.

Just to see what was going on we went to www.wordtracker.com and did a few searches and found *replica handbags*, *designer handbags* and *western handbags* all had good KEI values. (KEI values, defined by **wordtracker.com**: *The KEI compares the 24 Hour result (number of times a keyword has appeared in our data) with the number of competing web pages to pinpoint exactly which keywords are most **effective** for your campaign.*) At Overture.com we found that *designer handbag* was going for fifty-six cents per click, *replica handbags* top listing went for only thirty cents per click and *western handbag* went for only five cents per click. The amazing thing is that these three keyword phrases pulled almost half as many searches as *handbags* but would cost you less than half the cost-per-click.

I cannot over-emphasize the need to choose your keywords wisely for free or paid search engine placement. You also need to develop a great title and description for your site. With pay-per-click sites you get to choose the title and description. Both should be

designed to bring *qualified* visitors to your site. The more qualified they are the less it will cost you per sale.

Overture.com is not the only pay-per-click search engine out there and there may be more by the time you read this, so look around for the best bet. You may even decide to use several. Remember, it does you no good to bring thousands of people to your site if you lose money every time anyone visits. Like any advertising, it must bring a return on investment or you shouldn't use it.

Free and paid online advertising...

The goal of marketing any business (especially an online business) is to generate *scalable* revenue. In other words, you want to be able to systematically control revenue and by controlling revenue growth you can control the growth of your business.

If your sales grow too fast or too slow you experience cash flow, inventory and probably work flow problems. Your marketing plan should create revenue growth that fits with your ability to grow and expand.

I'm sure everyone has seen the TV commercial where the company takes their web site online and immediately they see two or three sales; then 10; 100, 1000, 10,000. It was just such a problem that hit at Christmas in 1999 when several big toy stores (we won't mention their names) couldn't fill all the online orders. Their growth exceeded their ability to deliver. On the other hand there are too many sites to mention that have gone the other way. Dumping tons of money into advertising and getting no response. Both scenarios can be disastrous.

Although search engine traffic is mostly free, it's difficult to control the response. Unless you can afford to make an investment in a professional positioning company or hire a full time person to constantly fight for search engine position you are going to have a difficult time getting into and staying at the top of the search engines. Worse yet, if

your infrastructure can't handle the traffic and increased sales you will create lots of dissatisfied customers.

Chances are, you don't have the money to worry about getting too much business from search engine placement. It is also likely that you will need to find ways to draw visitors to your site other than search engines. That means advertising; push marketing.

Push marketing is sending information to people who have not requested it. Online this means classified ads, banner ads, links from other sites, e-zine ads and e-mail. All have their place but you have to be careful.

Classified ads...

If you've researched marketing on the web at all you've seen the ads that guarantee placement of your classified ad on 7,000 web sites for free. Well it's probably true. (I've never tried it so I can't say one way or another.) You will get your ad on 7,000 sites and you will probably receive 7,000 junk emails before it's over. If you are going to try this, I suggest that you register with an email address that you are not going to use for business. We have heard reports of people getting hundreds, even thousands of junk emails after they take advantage of these free offers but very little traffic to the site.

If you are interested you should visit www.classifiedclub.com.

Banner and pop-up ads...

Banner ads are those annoying graphics that show up on just about every site you visit. Pop-up ads are those **really** annoying web pages that pop up when you visit or leave a web page. If you have surfed the web at all you are well aware of both.

While great in concept, both are less than great at producing a click-through (when someone clicks on the ad and is forwarded to your site). The click-through rate of

banner ads has been falling steadily since their inception. Click-through rates for pop-up windows are higher but still not great.

Most banner and pop-up ads are still sold on a cost-per-thousand impressions (an impression is when the ad is delivered with a web page). The better way to buy is by clicks (when someone clicks the ad). If you know your revenue per visitor ratio you can make an informed decision on the value of placing an ad. It is much harder to determine the value when the price is based on a cost-per-thousand impressions.

Most of the biggest community sites like Yahoo, MSN, CNN and others sell banner ads. Pick the site that meets your market demographics and look for an *Advertise with us* link on the site. You will have little trouble finding it.

In addition to purchasing banner ads you can also arrange a *banner-add-exchange*. There are a number of sites that help you locate sites that will exchange banners with you. You place a banner on your site for them and they place one on theirs for you. Check out www.bitsonthewire.com for both paid banner ad campaigns and banner exchange information. There are other sites but this seems to be one of the best.

Link exchange...

One of the least expensive (FREE) banner programs is the do-it-yourself link exchange program. Basically this only takes a little research and a few emails. First, do a little research and find sites that compliment your site but do not directly compete. Get the email address and/or phone number for the site and get to work. Email, or better yet, call them and find out if they are willing to exchange links. You put a link to their site on your site and they put one on their site to yours. FREE TRAFFIC FOR BOTH OF YOU. This is an excellent, if somewhat slow and tedious, method of building traffic.

In the long run, however, building a good base of exchanged links is an excellent way of increasing traffic to your site without the expense of advertising.

www.linkleads.com is a great source for exchange links. It is also a great place to advertise that you are willing to exchange links.

Be cautious of using link exchange programs. There are rumors that several of the major search engines are planning to drop all listings for companies that are involved in formal link exchange programs. They consider it *spamming*.

E-Zine Advertising...

E-zines are email or web site newsletters that are sent to hundreds, thousands or even tens of thousands of subscribers. This is excellent permission marketing. The recipients have established that they are interested in the topic of the publication by requesting to receive it. Advertising in some of these e-zines is expensive. On the whole, however, placing a 6 or 8 line ad in these email magazines can be very cost effective.

If you want to do your own research, find e-zines that meet your criteria and place your ads yourself, you should try <http://ezinedirectory.com> and <http://www.ezinesearch.com>. Both have great lists of e-zines on dozens of topics. Contact information is included and you can pick and choose from hundreds.

If you are going to advertise in an e-zine we strongly recommend that you subscribe to the e-zine to get a feel for the actual content and to make sure that you want your company represented by them. Fee based e-zines generally have a very good *Advertise with us* section of the site and sometimes even a sales staff to help you out. Other e-zines are operated by a single person and you will have to do most of the correspondence through email.

Ads in e-zines are generally 6 to 8 lines so you have almost no time to make an impact. How you word the ad and the offer will make a big difference in the rate of return.

E-zine advertising is an excellent, low cost method of getting your site in front of people interested in your products/services.

E-mail rental lists...

It is possible to rent email lists of people who are interested in your product/service. It is also possible to send emails to thousands, or hundreds of thousands of people who will be upset that they got an email from you.

Whenever talking about email advertising, the first topic needs to be SPAM. SPAM email is defined by at least some SPAM laws as any unsolicited email that does not include contact information and a way to be removed from the email list. The general web surfer, however, has a different definition of SPAM. That is, SPAM is any un-requested information, especially advertising.

My suggestion is stay away from both. I'm sure that the people receiving SPAM (by their definition) from you will be just as or more angry than you are when your mailbox fills up with unsolicited email. So, make sure that any email list you rent is based on opt-in email lists. These are email lists created from people who have *requested* information on specific subjects. Stay away from those *Millions of email address for \$79.95* mailing lists.

SPAM not only makes the receiving parties angry, it can get your site dumped from most Internet Hosting Companies. Just about every hosting company out there has a clause in their agreement prohibiting SPAM. And there are thousands and perhaps tens of thousands of people out there ready to send an email to your hosting company complaining that you are sending SPAM email.

O.K., now that I've had my say about SPAM (**DON'T DO IT**), let's talk about what you can do.

There are a number of companies out there that provide valid opt-in-email lists. Several, such as www.postmasterdirect.com, even use double opt-in standards (people have to ask twice). These lists are not \$79.95 per 12 million addresses, however. Generally the lists will rent for \$.10 to \$.50 per address based on the list. This price generally includes the e-mails, merge/purge to get the list, and all other details of the mailing. You just get the results.

One caution, don't send out millions of emails unless your web site can handle the traffic. Most web sites are hosted on servers that also host sometimes hundreds of other sites. This basically means that if your traffic increases dramatically overnight the server running your site may not be able to handle the traffic. Talk to your hosting company before you do any mass mailings.

Building your own email list...

I don't care what business you are in, online or traditional, the most effective marketing is permission marketing. People who have asked you for information, pricing or samples, or who have purchased from you in the past are excellent prospects.

In the brick and mortar world, sending a direct mail piece to an existing customer list almost always produces better response per advertising dollar than any other method. In the online world this is even truer because there is no postage on an email.

There are a number of ways you can get started building your email list. Take a look at the section about word of mouth advertising. There are a number of good ideas on how to get people to return to your site and to tell other people about your site. These same ideas can help you build your email list.

If you are giving away a coupon make sure that you get their email address and name before you send it to them. Every free item needs to include the requirement of

leaving an email address. Free items, contests, information, coupons; whatever you are giving away should require an email address.

With the current and expected legislation on Spam email, you will need to develop, purchase or rent an Opt-In-Email program that allows email receivers to manage their own email options. Automating the process of adding, editing and deleting email addresses from your list will reduce the amount of time and energy necessary to manage an email list. This is especially true as your list grows.

There are a number of programs available at prices that range from free to thousands of dollars. Before you even start looking for a program you should clearly define the processes you need. Some of the most common include:

- Fits your budget
- Provides automated processes for people to opt-in and opt-out
- Provides the infrastructure for presenting and maintaining a number of email groups or lists.
- Is easy to maintain
- Is easy for surfers to use and understand
- Provides an interface that allows easy maintenance for you

The opt-in email program is one that I can recommend completely. This is the ultimate of permission marketing. The people signing up are **requesting** the information and looking forward to receiving it. It would be difficult to find a better target market at a maintenance cost of close to nothing.

Traditional offline advertising...

In the beginning (1995-1996) of the World Wide Web, many a business guru dubbed the Web as the next advertising medium. The view was bought hook, line and sinker by the advertising industry. And it came to pass that online advertising was sold in the same way traditional advertising was sold: CPM (Cost Per Thousand).

Most traditional advertising fees are based on a cost per thousand impressions. If a newspaper has a circulation of 100,000 your cost is based on that circulation. On TV your cost is based on the number of people watching the show where the commercial airs. Same for radio; Drive times are more expensive because more people are listening.

In the beginning the web went down the same road with sites charging based on the number of people who “viewed” the banner ad. Unlike traditional media, however, the web allows you to track the number of times the “viewed” banner was actually “clicked”. As the years have gone by the concept of paying “per impression” on the web has gone by the way. It has been replaced by more performance-based measures.

Unfortunately traditional media cannot be measured as easily as web advertising. To be successful with traditional advertising requires repetition and lots of it. If you cannot afford a consistent advertising program with the ads running repetitively, don’t bother.

For most online businesses there are a few advertising possibilities that do not cost a fortune, can be very advantageous and are often overlooked.

Trade publications are newspapers or magazines that are targeted to a particular industry. One of my favorites is *Fine Woodworking*. In every issue there are tons of small ads in the back of the magazine for all kinds of woodworking related businesses. Hardware, tools, wood stock, custom services and instruction; they are all there... dozens of them. Generally one column wide by an inch or two tall, most of these ads advertise their principal product line and either a printed catalog or a web site where you can get additional information.

Advertising in a trade publication is advertising to people who are already interested in your product/service. The cost will typically be more than a mass media

publication but your cost per visitor should be lower than advertising in general interest publications.

While generally more expensive, advertising on an interest specific TV show can also be cost effective. While print advertising can be saved for reference, TV is fleeting and will require more repetitions. For television, make sure that your web address is easy to remember. You may have seen TV ads for www.expedia.com. Each of their ads repeat the URL several times.

All advertising works better with repetition. Again, if you can't afford a repetitive and continuing campaign, spent your money elsewhere.

Do the research! Who is your typical customer? What do they read, what do they like to do, how old are they, where do they shop, how much do they make? Once you have a good mental picture of your customer go to your local library and find the *Standard Rate & Data Service* (SRDS) directory. Most libraries have a subscription.

The SRDS is a service that lists information, rates, and audience demographics for most newsletters and publications in the nation. You can purchase the subscription if you have a spare couple of thousand sitting around. I use the one at the local library.

Using the mental picture of your customer browse through the SRDS and locate the publications that accept advertising and have audiences that meet your customer description. Once you have a list, call or write each media and ask for an advertising packet. These packets are sales kits for the media. They generally contain detailed information about the audience, advertising rates and a copy of the publication. Once you have all of the information, make your decision.

Take your time and put some effort into developing your ad. Think about what you want your ad to accomplish, what you want the viewer to do when they see it. Use friends and customers to critique your ad and offer suggestions. A professional

advertising designer may offer a design sense and creativity you don't have. On the other hand, your customers will know how they respond to your advertising message. Build your ad as if your business depended upon it. It very well may.

Before you place your ad you need to make one more important decision. How will you know if the ad worked? Most small businesses advertise by the seat of their pants. Don't be one of those. Advertising is an *investment* in your business and you have every reason to expect a *return* on that investment. The only way to know if the advertising is working is to track the results.

The online world offers more opportunities for tracking advertising results than a bricks and mortar business. Take advantage of those opportunities. There are any number of ways to track your results.

As a control you should leave your other advertising as is. Don't make any changes to your other advertising for at least 30 days prior to the release of your advertisement. By limiting the changes you make you make it easier to see the effect of that one ad. Make sure you know when the publication is delivered to the market and watch your visitor statistics. Look for increases in visitors and track the increased volume for the duration of the ad run and for 30 days after. Remember that you don't want to start this unless you can afford to run the ad for at least 3 issues. If you don't change any other aspect of your advertising during the test you should be able to get a reasonably good picture of the value of the advertising.

You can track the effect of several ads at the same time if you set up a separate web site for each and have the sites redirect to your main site. Another tact is to point each ad to a different page in your site. These methods will tell you how many visitors each ad generated.

If you want to track sales by ad you will have to provide some kind of tracking process for each ad. With direct mail different 800 numbers are sometimes used for each

ad. Others use a different extension or department for each ad. I suggest using a special offer, coupon or discount that is keyed to the ad.

In addition to tracking visitors you also want to look at your profit per visitor ratio. If it goes up, the ad is probably drawing the right audience. If it goes down, you need to change the ad. What you don't want to do is end up with a successful ad that brings visitors to your site without an increase in profits.

Free PR online and offline...

Now this is magic. Nothing is worth more than a great news story about your business or a new product. There is something about a news story that makes what is said worth more to the reader or viewer. A news story carries more weight than any advertisement you could design. You can't buy that kind of publicity.

But newspapers, television stations, magazines and other media receive tons of news releases every week; only a few every make it to print or air. What is the difference? What makes them use the one of many?

It can be summed up in a single word.

Newsworthy!

While few news releases make it to print or on air, every medium out there is constantly searching for content. They are looking for interesting stuff to fill up their print space or airtime. They are looking for **newsworthy** information. And, if you can come up with a **newsworthy** angle for your business you will find media companies receptive.

Without question, this is the most effective way to get your message out. It is also without question that it is one of the hardest things to do.

It is not very often that you can come up with a newsworthy angle for your business. That does not, however, mean that you should not take the time to provide news releases to the most relevant media for your company. The obvious first choices are local media; newspapers, radio and television stations, magazines, business journals and chamber of commerce newsletters. All of these are focused on local news and will be more receptive than national media companies.

After local media, you should concentrate on media in your specific industry. Practically every industry has it's own set of national and international magazines (trade publications). And of course, if your news is **really newsworthy** then it's national television or better yet, *Oprah*.

But, what is **newsworthy**? Newsworthy is relative. On a day when there is absolutely NO NEWS in your community opening a new store may be front-page business news. On other days it would hit the circular file without a second glance. The more exciting and different the news is the more likely it will make the cut.

Who is your market? When writing a news release your market is the editor/writer that will be reading your news release. If at all possible, get to know the editor/writer. Find out what their interests and passions are. The closer you can get to the subjects, topics or approach they like the more chance you have of your news release being picked out of the bucket. Certainly you should also try to get to know the audience of the magazine or newspaper. Read the publication over several weeks or months to see which subjects get the best placement and what types of topics and writing gets the best placement. Understanding these trends can make the difference.

The following guidelines cover the basic physical structure of a news release layout.

1. Press releases should be no more than two pages in length. Don't forget to double space and leave 1 ½" to 2" margins. (You want to give them plenty of room to make notes and write questions when they call you)

2. Use your letterhead and logo but use only light or white paper. It's O.K. to have your business slogan, address and phone numbers but don't go overboard with company info. Remember that you are trying to sell the story, not your company.
3. DO NOT FORGET to add contact information. *For additional information contact My Name at 555.5555 or me@mydomain.com.* If they find it interesting you want to make sure they can get to you to ask questions.
4. About 1/3 way down the page center the heading *News Release* (don't use italics). Directly under that type *Release* and add the date when you want the information made public.
5. Skip a line and add the title. Make sure that the title is exciting and clearly reflects the purpose of the release. In many cases the title and maybe the first line of the first paragraph is all you will get to grab the editor's/writer's attention.
6. If there is a second page, use the same paper used for the first page. If you used your letterhead continue using it here. At the top of the page type *page 2*, skip a line and continue your story.
7. At the end of the release type *-30- or ###* at the bottom center to indicate the end of the page. This is a kind of reporter shorthand for *the end*.

The information in your news release should be presented like a news story. The first paragraph should include the important information. You need to include the *who, what, where, when, why and how* in the first paragraph. Place the most important or exciting elements to your news release first. Get to the point in the beginning because you may not get a second chance. Generally speaking you have at most 10 or fifteen seconds to capture the interest of the editor/writer reading your news release. That means they will never get to the third paragraph if you don't have their interest.

In the following paragraphs you can elaborate, expand, clarify and explain the information contained in the first couple of paragraphs if you have their attention. The simple formula is the less important the information, the further down the page it goes.

When writing the news release, remember that you have to maintain a balance between creating excitement and hype. Using descriptive, emotional words is OK but hype is frowned upon by most editors/reporters. They are looking for worthy news, not an advertisement.

One way of developing excitement is to follow the problem/solution format. This format first creates a problem and then provides the solution. For instance:

Problem: There are over 5000 infant deaths due to auto accidents every year.

Solution: The My Company ME child restraint has been proven to reduce serious injuries to children under 6 by 30 %.

Other good formats include the use of comparisons and contrasting ideas.

Now for a few tips:

- Don't send out mass emails or mailings of your news release.
- Do send out individually addressed emails or envelopes (and don't use labels on envelopes; address directly on the envelope).
- Always send mailed news releases first class and clearly mark who the letter is from.
- Don't call or email editors/reporters to ask if they received your news release
- Do it yourself and do it right. Sloppy, misspelled words or hard to read copy will not get published.
- Send releases only to editors who are likely to have an interest. You don't want to waste their time and have them remember it and you don't want to waste your time sending a news release to someone who has no interest.
- Don't send multiple news releases in the same envelope. Remember, you have only ten or fifteen seconds to capture their attention. Don't waste it by forcing them to look through several different releases within that time.

You may want to hire a professional writer or public relations firm to do your news release writing for you. Be prepared; prices and quality will vary. Every professional writer I have ever known keeps a scrapbook of published writing. So, ask for copies of published news releases.

If you are going for local media, local writers will have a better understanding of the market and often have relationships with local media. That means that, in some cases, they can almost guarantee that the release will be used.

Locating appropriate places to send your press release is just a matter of time and energy. Locate the appropriate media for your news release. This could include newspapers, consumer magazines, trade magazines (or pubs), business journals, and electronic media including Internet publications, radio and TV. Remember appropriate... sending news releases to uninterested media is wasting your time and the writer/editor's time. Once you have the long list, read, watch and/or listen to the media with the most potential. Choose your short list of media that show an interest in printing stories like yours.

From your short list you should be able to find the names and addresses of the appropriate editor/writer. You should also look for an indication of how they like to receive their news releases. Some will prefer email; others snail mail.

I have never found a place that will sell you a list of their media contacts. There are, however, businesses that will send out your release to their list. I would suggest looking for the company that will target your news release to the appropriate market instead of sending a blanket release. You can start with www.press-releases.com or www.pressreleasewriting.com. I have not used either of these firms but it's a place to start comparing services and prices.

E-zines are another great public relations source. There are thousands of electronic magazines on hundreds of targeted topics. Many of these e-zines are constantly looking for material to publish. Well, haven't you always wanted to be a writer? Here is your chance.

Find a list of e-zines that cover your topic area. Take a look at www.ezinedirectory.com and www.ezinesearch.com. Both have lists of hundreds of e-zines on dozens of topics. Find the ones that best fit your area of interest and subscribe. A bit of advice; I have noticed that when I subscribe to some e-zines my Spam email seems to increase. To offset this, I use a different email address and set the Spam filter to filter out everything except the e-zines I have asked for. Doing this means that I see nothing but the information I asked for.

Once you have reviewed a few issues of each, pair the list down to the e-zines that closely fit your topic and indicate an interest in receiving submissions. You are now in the writing business. If you don't feel that you have the talent there are ghostwriters who will write the article for you and let you put your name on it.

Word of Mouth...

The most cost effective customer you can have is one that comes to you by word of mouth. Customers that come to your site on the recommendation of a friend already have a degree of trust that usually only comes after a satisfied purchase. If a friend says it's OK, it's OK.

In the online world word of mouth is even more important to the development of trust than in the bricks and mortar world. With a brick and mortar store the customer can see, feel, touch and physically experience your product/service and your business. In the online business there is no reality, no touch, no one-to-one human interaction, no face with a trusting smile. In the online world the biggest impediment to transacting business is lack of trust.

Word of mouth marketing from one person to another adds a level of trust that is missing with every other form of marketing. The exception is a good news story. If it's news it must be true.

Word of mouth marketing doesn't just happen. It is the result of very interested, satisfied or happy customers. If a visitor thinks that what you have to offer is valuable they are far more likely to recommend it to a friend.

Give your customers a reason to talk...

Your site needs to give visitors a reason, better yet dozens of reasons, to invite their friends. On the Web the best reasons are FREE. Using FREE as your guide, start thinking about products, services or information that you can give away free.

- Free information
- Free special reports
- Free survey results
- Free books
- Free trial offers
- Free coupons
- Free discounts
- Free instructions
- Free help
- Free quotes
- Free samples
- Free offers from partner companies
- Free coupons to other companies
- Free entry in contests
- Free software

Don't let the list end here. Add your own ideas. Not all of the items may be of interest to everyone but they may be of interest to someone. Your goal is to give your visitors a reason to come back to your site, a reason to tell someone else about your site and a reason to be pleased with their experience at your site.

Don't stop with the free item either. Build in the ability to send automated e-mails thanking them for their time and encouraging them to return, sign up for your email newsletter, new contest or to request additional information. As with any sales process the more contact you have with the potential customer and the more satisfied they are with their experience, the more likely they are to become customers. Keep rewarding them at every opportunity.

Unlike brick and mortar operations where this kind of personal reward system would require extensive manpower and mailing costs, the Web will allow you to automate many of these systems. Using email auto-responders and a little programming you can create a site that automatically knows what the visitor has requested and responds appropriately without interaction from you.

Amazon.com is one of the leaders in providing their users with rewards. There is not a week that goes by that I don't receive some special offer, coupon or notice on the release of a new book from amazon.com. Their site has a record of what I have purchased in the past, what items I have looked at and has a great, automated system that only emails me with information I have showed an interest in.

Amazon.com doesn't stop there. The site is full of those little things that make visiting their site rewarding. Contests, coupons and other give-a ways are just the tip of the iceberg. They have a great *Wish List* that allows me to save links to stuff I am interested in but not ready to buy. They have real world people writing real world reviews of books and music. They have a shopping basket that holds my items for days. If I get bumped off line while shopping and return later, all my stuff is still there. They have free

information, articles, coupons and gifts. It seems like every time I go back to Amazon.com they have another great way of rewarding my visit.

You probably cannot afford the money to develop the sophisticated responders that amazon.com has but there is still a lot you can do on a limited budget.

- Give your visitors something new every time they come back. Keep your site fresh and interesting. Don't let your information go stale.
- When you send emails don't give the farm away. Give them a taste and a link back to your site for details or the rest of the information or to a sign up page.
- Get permission to gather additional information about your visitor and give them rewards for giving the information. Give them access to a special section of the site only available to them or special discounts.
- When a visitor becomes a customer give them an **unexpected** reward. Send them a coupon for a discount on their next purchase, a coffee mug (with your web address on it), or a pen. Just make sure that the gift has value. Don't give away a thirty-cent pen. You will get better results from a hand written thirty-cent post card.
- Make it personal. Whatever you do, make it personal... use their name... use some piece of personal information to let them know that the message is just for them.
- Set up a reward points system that allows them to generate discounts on future purchases.
- Give them coupons for the same product they purchased and suggest that they pass them on to a friend.

This is a good start but I will bet you can come up with a few ideas that are even better than these. Use them. In today's world, anything you can do to personalize your service and enhance the well being of your customer will bring a return on your investment.

After you have filled your site with information and other rewards for your visitors you are ready to start your word of mouth campaign. You can start by giving your visitors the infrastructure to spread the word.

There are several flavors of word of mouth online. The traditional flavor is “tell a friend”. I’m sure you have seen this link if you have done any shopping at all online. Amazon.com, ebay.com and most of the other big sites give you a link on every product that will let you email a link to the page you are viewing to a friend. They all use it because it works. Only a small percentage of visitors to your site will use the link. When they do you can almost bet on a receptive visit.

A warning... Don’t make the process a chore. Using some old technologies can cause the process to take several steps and sometimes requires that the visitor has to use the back button to get back to where they started. Go ahead and develop your site so that they are automatically sent back to the page or product they recommended. If you can’t afford or don’t know how to make the process simple, don’t do it. You don’t want to frustrate the current visitor on the hopes of getting another.

Another flavor of word of mouth online is the affiliate program. An affiliate program is a program that pays people to send visitors to your site. Most affiliate programs pay a small fee each time someone clicks into their site through the affiliate or they pay a percentage of any sales that are made by a visitor from the affiliate. While this has proved effective in building traffic I believe that affiliate programs are indirectly the single biggest bane of the Internet.

It is true that building an effective affiliate program will bring traffic to your site. It is also true that you have no control over what your affiliates say or do to bring that traffic to your site. If you take a close look at the Spam mail you get you will find that the majority of it is from people who are pointing you to a site that runs an affiliate program or links to affiliate programs.

Because of the potential revenue from the affiliate owner, over zealous, fast buck entrepreneurs are using Spam email because it is free. There is no cost to email hundreds of thousands of emails to everyone on the planet in the hopes of getting even a minimal response. One ISP I work with estimated that 75% of all email that comes through their email servers is Spam.

If you want to develop an affiliate program be sure that you create a program that is fair to your affiliates but dictates no spamming. Remember that spam can eventually lead the receiver to your site and end in disastrous results, including having your site shut down by your hosting company. Most have an anti-spamming policy.

Now, let's talk about how to set up an affiliate program that works for you. Affiliate programs require that you track clicks or sales by affiliate. Basically this means that your site has to have the intelligence to track a customer through the site and record which affiliate sent them and what they bought (if you are paying a percentage of sales). There are a number of options. Several affiliate programs are on the web and provide the infrastructure to track everything and to make payments to the affiliates. Look closely at the fee structures for these companies. Some require that you install software on your server to track the movement of every visitor to your site. This may even mean that you will have to set up your own server which can be an additional expense.

To get an idea of the services available check out www.commissionjunction.com or www.access-affiliate-programs.com. [Access-affiliate-programs.com](http://www.access-affiliate-programs.com) is a good source for information about affiliate programs and list several affiliate program management sites.

Another way is to set up your own affiliate program. This will cost you a little in programming to have the tracking developed for your site. But once it is complete you will have complete control over your affiliate program and who is acceptable as an affiliates. But don't go into an affiliate program without expecting to invest some time and money. Each affiliate will have to have an accounting of the number of clicks or

sales made by visitors sent by them. Imagine if you have thousands of affiliates and it is successful. Just writing the checks will be a chore.

Either developing your own affiliate program or hiring a company to manage your affiliate program will be costly. From my experience, there are other, less expensive and complicated ways of increasing traffic that you should pursue. Leave the affiliate program until you have the resources to cover the substantial cost of administration.

The Beginning...

There you go. Making your site successful requires lots more than just having a good idea. Like any business, your site requires hard work, time and money to make it successful. If you are like most small businesses, you have more time than money in the beginning. If that's the case, and you follow up on just a quarter of these suggestions, you should see a substantial increase in your site traffic. More importantly, you should see an increase in the profitability of your site.

The only thing standing between you and success is a lot of hard work and the need to succeed.