

INTERNET MARKETING MISTAKES



IAN DEL CARMEN

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INTRODUCTION

Information marketing is in its most basic definition “the process of selling information”. That sounds simple enough, right? But how exactly does that work in an internet-based business?

Well, first of all, let's figure out what kind of information we're talking about here. Typically, it's information that serves to educate and, hopefully solve a problem that a potential customer is having.

For instance:

- Teaching a busy executive how to lose weight.
- Showing a single mom how to make more money.
- Helping a couple to avoid a divorce.

The information is typically delivered electronically (digitally) via eBooks, membership sites, audio and video downloads. It's a multi-billion-dollar industry, several times over, and has generated millionaires such as Dan Kennedy, Yanik Silver, and Frank Kern, to name just a few.

Why is information marketing appealing?

Entrepreneurs are drawn to the low barriers to entry, high profit margins, hands-off management, and quick time-to-market. An information marketer can dream up a product one day and release it overnight, seeing a return on their investment almost immediately.

While it's easy to become an information marketer, doing it successfully is another matter. Many bright-eyed would-be millionaires dive into the market, hoping to discover the fabled rivers of gold, much like the 49'ers in the Gold Rush of yore.

In this short report, I will share several of the common pitfalls that information marketers can fall into, as well as provide tips as to how to become one of the lucky – and hard-working – few who strike it rich.

AIMING FOR PERFECTION

When the Wright brothers took their first historic flight on December 17, 1903, they weren't trying for perfection. They weren't trying to offer great cocktail service or wireless Internet or 100 channels of TV aboard their flying machine. They just wanted the darned thing to stay up in the air for a few seconds!

And a few seconds – twelve, to be exact – was all they got. And they became famous for it.

Now imagine if they had been concerned about the extras – no, I don't mean beverage service or comfy seats. But if they had wanted a crash-free landing, a three-hour (or three-minute!) flight, a stylish rig – they'd probably have never gone out to that sand dune in Kitty Hawk in the first place. They'd still be in the workshop, tinkering with the wheels or wing flaps.

What Orville and Wilbur knew – and what information marketers would do well to take note of – is that perfection is over-rated. In fact, it doesn't exist. So waiting until your product is “per-fect” before you release it means you have a good chance of either never releasing it at all, or delaying so long that someone else beats you to the punch and scoops your market out from under you.

Hesitant to release a product that is less than perfect? Well, Microsoft – and pretty much every other software company – does it all the time! And if “good enough” is good enough for billionaire Bill Gates, it’s good enough for you.

Of course, there is a fine balance between releasing something that’s not ready and releasing something that’s valuable but a little rough around the edges. This is where having a handful of beta testers can come in very handy. Send out your product to a group of people for their feedback, and see what they think. Ask them:

- What’s missing?
- Can you use this product to create more value in your business or life right now?
- On a scale of 1 to 10, what would you rate this product?
- If you could change one thing, what would it be?

If you get overwhelmingly positive feedback and your ratings are all in the 6-plus range, you’re good to go. If you’re getting comments like, “I couldn’t understand what you meant,” or, “I’m not sure how to use this,” or, “You need to rewrite Chapter Three,” then you’re not quite there. Take another look at what you have, make the requested changes or suggestions, and try again.

Remember, you don’t have to make it across the Atlantic in one piece; you just have to make it around the block.



RELEASING A “ME TOO” PRODUCT

When you see other information marketers making big bucks from an ebook on, say, Twitter traffic generating strategies it is really tempting to jump up and say, “I could write an ebook on Twitter traffic generating strategies, too! And then I could make big bucks too!”

It sounds good – but it doesn’t necessarily work that way. In fact, if you create and release a “me too” product that is nothing more than an imitation of a more successful product already on the market, don’t be surprised if the world doesn’t rush to your door. (And, don’t be surprised if you tick off the original product creator, too.)

“But wait!” you might be saying. “Dunkin’ Donuts opens up across the street from Starbucks, and they both do well!”

Yeah, they do. That’s because it’s NOT a “me-too.” Each has its own spin on the product. Dunkin’ is where you go for quick brew and a 99-cent donut. You head across the street to Starbucks if you want a gourmet breakfast sandwich and a wi-fi connection while you prepare for your client meeting. Distinct needs; distinct products.

To take the coffee metaphor online... It’s okay to come up with a product that’s similar to a competitor’s, but you need to put your own spin on it, adding value over what your competitor is offering.

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HERE ARE some ideas that you can use to create a “me-too” product that stands on its own:

- **Make it faster.** Check out your competitor’s product. If it promises Thinner Thighs in Thirty Days, offer Thinner Thighs in Two Weeks.
- **Make it easier.** Does the original product offer ten steps to increased conversions? Then offer three steps instead.
- **Make it bigger.** Competitor sells 100 30-minute recipes? Then you need 200.
- **Make it visual (or auditory, or written).** If there’s an ebook on the topic, create the videos and audios, or vice-versa. Not all people learn the same, so cover the parts of the market your competition is missing.
- **Make it cheaper.** When Jeff Walker released his six-figure launch e-course, a smart marketer released “The Poor Man’s Launch Course” for a fraction of the cost.
- **Make it more expensive.** It may sound counter-intuitive, but it works! Some customers want “the best” and will go for the more expensive option automatically. If you can back your higher price tag with greater value, you will pull people looking for the Rolls Royce solution.

There’s really no excuse for creating a copycat product. Put your individual stamp on the product instead, and you’ll find that you can reach the buyers your competitors are missing.



OVERSELLING

The other day, my six-year-old convinced me to get her this chalk set that promised “3-D effects on your own driveway!” She pointed to the kids on the box, glowing with the success of creating artistic, 3-D effects that would rival those of Pixar. “Please, Mommy, please!” she begged.

I gave in, shelled out the \$12, and we took the box home. You know the story – it didn’t work. Within five minutes, I had a crying daughter, a box of broken chalk, and a headache.

The problem here? The company oversold their product. They made promises their product didn’t fulfill. Let this be a lesson to you.

Now, the chances that your disappointed customers will end up in tears may be remote, but there are takeaways for information marketers:

- **People read – and believe – your sales page.** You may think that no one reads those things, but they do! And they expect your product to perform as described. If you say, “Thinner Thighs in Two Weeks,” that’s what they expect to see. Don’t make promises that aren’t achievable.

- **If you don't fulfill what you say, they will be upset.**
They won't blame the extra cookies they had after dinner each night this week or the ice cream sundae they chowed; they will blame YOU and YOUR PRODUCT. If there are limitations on performance, make sure you clearly state them on your sales page.
- **If the product doesn't work, they will tell their friends.** My little Ralph Nader has already warned the entire kindergarten not to buy that particular craft product, and you can bet she'll warn anyone she sees at Target, reaching for the box. Mad customers talk – online, in person, in forums, you name it.

While you want to tout your product's capabilities and present it in the best possible light, make sure the results you're claiming aren't only possible, but likely, if the product is used as intended and recommended. If the results you cite in your sales copy are not typical, be sure to note that as well. Otherwise you may face the wrath of unhappy customers. And that's not a pretty sight.



UNDERPRICING

You may naturally assume that to make something sell quickly, you want to price it as low as possible. After all, the laws of economics state that the lower the price, the higher the demand, right?

Well, sometimes that's true. But not always.

In fact, lowering your price tremendously can actually have a detrimental effect on your sales. Why? Because many people equate “low price” with “low quality.”

Think about it. You are headed out to the store to buy a piece of jewelry for your spouse's 10th anniversary present. You know it'd better be good, or you're going to suffer. The jeweler pulls out two necklaces, which look pretty similar. One has a price tag of \$15; the other is ten times as much. Which do you choose?

If you were evaluating coffee mugs, you might immediately go to the lower-priced option. It's much closer to the price you expected to pay. But with jewelry, you'd likely think twice – or more – before going cheap. You'd worry about the workmanship. Would the clasp break? You'd worry about the materials. Would it turn your beloved's neck green? You'd worry about its provenance. Was it stolen?

The worries aren't worth the lower price, so you scoop up the

more expensive necklace, have it wrapped in a gorgeous blue box with a white bow, and proudly present it to your loved one. Crisis averted.

The truth is, we rely on price as a signal of quality. If a leather jacket costs \$1000, we assume it's better made, more fashionable, and created with more care and attention to detail than the one that costs \$100 at Joe's Bargain Basement. We don't know for sure, but we assume it's true.

The same goes for information products. If an ecourse on diabetic cooking costs \$1.99, we assume it's not as valuable as the one that costs \$19.99 or \$199. Sure, not everyone can buy the \$199 course, but most people would agree that it's probably a "better" course than the one that's $1/10^{\text{th}}$ the price.

So when you're pricing your information products, don't automatically assume that lower price = more buyers. In fact, many business-people have noticed their sales actually INCREASE when they raise their prices! Yes, extra income for the same level of work. Why not take advantage of it?

STILL NOT SURE where to price your product?

Do research on what your competition is offering, where their price points lie, and compare your product to theirs. If you offer more value, personal interaction, a better guarantee, then price higher.

If you're offering a shorter course or less value, price lower.

You can also try several different price points to see which one converts the best. But remember – one sale at \$199 equals ONE HUNDRED SALES at \$1.99. And if you've got the value to back it up, it's probably a lot easier to get that one, higher-priced sale.



TREATING CUSTOMERS AS EXPENDABLE

One of the great benefits of selling on the internet is that you have access to over a billion people. Yes, BILLION. When you think of what fraction of the total internet population you need to convert to customers to make a living online, it's miniscule – a fraction of a fraction of a percent!

But the problem with dealing with numbers that large is that you can view any one particular customer as unimportant. You might think, "Well, it doesn't matter if so-and-so is unhappy because there are 999,999,999 other people I can sell to." In a way, that's true. But in an even more important way, it's not.

When information marketers treat their customers as expendable, or easily replaced, you lose something valuable. You lose the trust of your market.

And no matter how big the numbers are, the online world – particularly in any one niche – can also be a very small place. The time it takes for a bad reputation to be propagated is only a matter of seconds via Twitter, Facebook, forums, blogs, and other social media vehicles. It may take years to create a good reputation, but it can be destroyed in moments.

Which is someone more likely to tweet about: A routine interac-

tion with the cashier at McDonalds, or one in which they were treated poorly? Which do you think would be retweeted 'round the world until McDonalds rues the day they hired that particular cashier?

The same is true for your information marketing business. If you treat your customers like they're easily replaceable, you'll soon find that YOU are the one who's easily replaceable. So pay attention to them. Read their emails. Respond to their questions, even if you've answered the same thing ten times before and it's plainly stated on your FAQ page. Treat them like gold – because that's what they are.



TECHNICAL GLITCHES

We've all heard info marketing horror stories of website crashes, payment system snafus, affiliate tracking night-mares, and the like. And we all think, "That could never happen to me!"

Well, it could. And someday, it probably will.

I would venture to say that there is more lost revenue due to technical glitches, than from just about any other cause. And when you add in the stress and hours spent to rectify the problems, the costs skyrocket.

HERE ARE the most common technical glitches and what you can do about them:

- **Website crashes.** Websites crash when too many people are trying to access the same page at the same time. While in theory it's a good thing (lots of buyers!), it's very, very bad. There is no guarantee that the person who tried to log in when they first got your email at 10AM will try again later on. They may just give up, never to return.

- **Solution:** Check your server capabilities BEFORE your launch. Call your website host and tell them you're anticipating a big traffic surge. Will they be able to handle the traffic, or do you need to upgrade? Do what you need to do to keep the traffic flowing.
- **Payment processing issues.** What is more annoying than waiting in line to check out of a store? Or trying to buy something online and not being able to go through the checkout process? When your customers have made up their mind to purchase, LET THEM PURCHASE. QUICKLY! Typically, payment processing issues arise because your merchant account provider wasn't prepared for the onslaught of traffic. The result? Long virtual "lines." Ugh.
- **Solution:** As with the server issues, get in touch with them beforehand and let them know what to expect. They can beef up their own service to make sure you stay up and running. Also, TEST your process. Go through the entire purchase process multiple times, using PayPal, credit cards, and any other payment method you allow. Look for glitches and fix them – before you launch.
- **Email problems.** We've all gotten that email that says, "Oops, I gave you the wrong URL!" While many of us are skeptical enough to think it's nothing more than a marketing ploy, it does happen. You put the wrong URL in your email. Your email doesn't go out at the scheduled time. You misspell your product's name. You misspell YOUR name. It happens.
- **Solution:** Test. Test. TEST! Check your settings, your links, your spelling. Then test again. Then double-check the settings and test one more time. Did I mention that I think you should test it?

● **Download problems.** Recently I got a slew of emails from purchasers of one of my ebooks, asking me why they weren't able to access the information they'd purchased. Turned out, the redirect page wasn't redirecting. Oops. This was easily fixed, but it took some time on my part to figure it out, and time on my customers' part to email me about the issue. Time = money. You do the math. ● **Solution:** Refer to #3.

While these tips won't get rid of every possible source of technical glitch, it will cut down on the most common issues, allowing you to keep your online business running smoothly, with the least amount of effort on your behalf.



NOT HAVING AN AFFILIATE NETWORK

You probably already know that an affiliate network is a group of individuals who market your products on your behalf, and in return receives a commission on each sale they send your way. Commissions in the information marketing world can range from 50-75 percent, and sometimes can be as much as 100 percent.

MANY INFORMATION MARKETERS forego the affiliate network tactic for two main reasons:

1. They think they will earn more money if they sell themselves.
2. They think it takes too much time or is too difficult to set up an affiliate program.

LET'S look at these one at a time:

MYTH: Affiliates cost you money.

Now, agreed, 50 percent of your revenue may seem like a lot of clams to shell out for your affiliates... but think of it this way:

- 100 percent of nothing is... NOTHING.
- 50 percent of something is... MORE THAN NOTHING.

In other words, affiliates drive customers to you that may never have heard of your product, thereby ADDING to your bottom line, not taking away your hard-earned revenues. Each and every sale by an affiliate should be viewed as added revenue that you would not have otherwise earned.

MYTH: It takes a lot of time to set up and manage an affiliate program.

Affiliate programs can be as complex as you want them to be. You can take a completely hands-off approach and use a system like Clickbank or Shareasale that will put you in touch with a database of affiliates looking for products to promote (the site takes a share of your revenues in exchange for managing your program). Or you can create your own affiliate program using a service like e-Junkie for as little as \$5 a month. It's up to you.

And while you can spend hours creating materials for your affiliates and training them about your products, that's time invested in selling. Remember: Each sale an affiliate makes adds to your bottom line.



RELYING ON OTHERS TO PROMOTE YOUR PRODUCT

You may think that with a strong affiliate program behind you, you don't need to do any promotions or marketing of your product because your affiliates will do it for you. Nothing could be further from the truth.

Any published author, with the exception of the big names like Grisham, Macomber, King, and Patterson, know that you have to be your own best marketer and salesperson. Even if your publisher says they'll market your book, you can't count on their efforts alone.

The same is true for information marketing. The biggest push needs to come from you, not from your affiliates. The sales they make need to be gravy, not the meatloaf, if you follow my metaphor. The more buzz you can generate about your product, the more your affiliates will want to take part in the feeding frenzy by promoting along-side you, and offering the latest and greatest product on the virtual block.

HERE'S a short list of ways you **MUST** promote your information product:

- **Create a top-notch sales page.** Even if you are using affiliates who pre-sell your product, they are going to end up on your sales page eventually. Make sure you're doing all you can to convert them when they arrive (Hint: High conversion rates also lure great affiliates!).
- **Use social media.** Do the usual routine – Facebook, LinkedIn, YouTube, Twitter... and keep doing it!
- **Offer bonuses.** Your product may be great on its own, but up the offer by adding in fabulous, can't-miss bonuses! They'll sweeten the pot for you and for your affiliates.
- **Keep on promoting.** Once your product is launched, you may think the marketing ends. Not so! You must keep the wheel turning by periodically revisiting your marketing efforts. Hold a monthly call on the topic, add a blog post a quarter, mention it as an upsell or downsell for another product... if you don't keep promoting, it will die a quiet death.

The great thing about promoting your products is that you often lead by example; the more your affiliates see you promoting, the more they'll promote. And that leads to a win-win for both of you!



NOT HAVING A FUNNEL IN PLACE

Information marketers, especially those at the beginning of their career, often see each sale and each product as an isolated event. A customer comes, purchases, and leaves. Done deal.

Right? **WRONG!**

Think about Starbucks, or Audi, or even Barnes and Noble. They are masters at turning a one-time customer into a lifetime customer. Here's the secret of how they do it:

THEY HAVE a sales funnel in place.

They know that it's much cheaper (some say, 6-7 times as inexpensive) to sell to an existing customer rather than to obtain a new customer. They know that the potential lifetime value of a customer is humongous, but to realize that value, they must have a funnel. And you need one, too. Here's how it might look, vastly simplified for the purposes of this discussion:

- Customer opts-in to your mailing list and receives a free report....
- When they download their free report, they receive a one-

- time-offer to purchase an entry-level product at a big discount, say \$27 instead of the regular \$49. They
- purchase the \$27 product and a week later, they receive an offer to take part in a live teleconference about the product, showcasing success stories and providing tips on using the \$27 product. Cost? Free.
 - At the teleconference, attendees are invited to become part of a short-term group coaching program, at a flat charge of \$49.
 - At the end of the short-term coaching program, they are invited to join into an ongoing membership site on the topic for a monthly charge of \$27.
 - On an annual basis, all your members are invited to attend a live event for \$299, where they can meet you in person and hobnob with their forum buddies.

See how it works? Instead of selling a \$49 product once, you've sold them over \$100 worth of products and services, with the potential to sell them hundreds more. You can do this, too!

All you need to do is draw out your current funnel, identify the gaps, and fill them in, one at a time. If you have the \$49 product, work on a free product to introduce them to your funnel. If you have the big-ticket live event but don't have the other pieces, start working backwards.

It all works together, and you can start wherever you are. The key is to start, and start now. Otherwise, you're leaving money on the table.



NOT KEEPING IN TOUCH WITH YOUR CUSTOMERS

I have this friend. We'll call him Rex. I only hear from Rex a couple of times a year, like clockwork:

1. When he has a kid graduating from college or high school and we get an invitation.
2. When he's joined a new MLM and he wants me to host a get-together or buy something from him.
3. When he's scheduling his summer vacation and wants to know if he can stay at our mountain home in Lake Tahoe.

You know what? I think Rex is a schmuck. Why? Because he only calls when he wants something. He thinks he's "keeping in touch." I think he's using me.

Don't use your customers. Don't just email when you're selling something or you want them to vote for your blog for some sketchy award. Don't just send updates when you're about to lay a big product launch on them. That's transparent – and silly.

You should be trying to create a relationship with your customers. That means you get in touch not only just to check in, but to give

something with no strings attached. The more you give, the more receptive they'll be when you ask them to do something.

HERE ARE a few ways you can stay in touch without asking for a dime (or for a graduation present):

- Record a video of FAQs or ways they can use the product you sold them more effectively. Send a link via email as a thank you.
- Send an email telling them about someone who's used your product successfully. Case studies are awesome because they're inspiring!
- Check in, asking them what questions they have, then hold a teleconference to answer those questions – related to your product or not. Record the call and add it to your product as a bonus.
- Send them a link to a funny video or blog post that is related to your industry (everyone likes to laugh!).
- Tweet links to valuable content.
- Post "Happy Birthday" on their Facebook page on their birthday. This is an amazing goodwill gesture and only takes a few minutes.

In sum, just think of how a friend would act, and then act that way.

Oh, and if you see Rex? Please tell him that we sold our mountain house.



CONCLUSION

The benefit of working online as an information marketer is that the possibilities are wide open. You can really write your own ticket for how much (or little!) you want to work, and how little (or much!) you want to make.

The drawback to having such an unstructured environment is that it can be tough to know what to do – and what not to do. I hope this short report helps you avoid some of the many pitfalls out there for information marketers. If you concentrate on serving your customers well, I know you'll be a success.

