

THE MARKETING SYSTEM



A COMPREHENSIVE GUIDE ALL ABOUT MARKETING SYSTEMS

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Table of Content

Introductory	4
Chapter 1: A Glance At Internet Marketing	5
Chapter 2: A Few Ideas On Internet Marketing	7
Chapter 3: Viral Marketing Techniques	9
Chapter 4: Setting Up your Affiliate Marketing System.....	13
Chapter 5: Affiliate Marketing.....	15
Chapter 6: Balancing Your Promotions	17
Chapter 7: Avoiding Marketing Money Pits	20
Chapter 8: Business Marketing Strategy.....	22

Introductory

When you think about Online Marketing, what do you think of first?

Which aspects of Online Marketing are important, which are essential, and which ones can you take or leave? You be the judge.

1. Sell more back end products to your existing customer base. You already created rapport, trust and proved your credibility to them.
2. Make it a practice to up sell to new and existing customers. After they decide to buy one product, offer them another product.
3. Cross promote your products and services with other businesses that aren't competition. You will reach a wider audience at less cost.
4. Create joint venture deals with other businesses. You can expand your product line and target other profitable markets at a lower cost.
5. Start an affiliate program for your business. You will be able to spend less profits on risk advertising and spend more money on guaranteed sales. I trust that what you've read so far has been informative. The following section should go a long way toward clearing up any uncertainty that may remain.
6. Trade advertising with other businesses to save revenue. You could trade e-zine ads, banners ads, links, print ads, etc.
7. Outsource part of your workload. This can save on employee costs, equipment costs, taxation costs, expansion costs, etc.
8. Add low cost bonuses to your offer that have a high perceived value. It could be eBooks, members only sites, consulting, e-reports, etc.
9. Use viral marketing to promote your business on the internet. Give away free stuff with your ad copy include on it so others can give it away.
10. Follow up with all your prospects. You can use a free e-zine, a follow-up autoresponder, an update or reminder list, etc.

Chapter 1: A Glance At Internet Marketing

Internet Marketing is a concept of business marketing, both to customers and to other businesses, via the internet.

But, to explore and understand this black box is not simple. The main reason is that the internet is forever evolving and is subjected to waves of changes.

With new advances in internet technology, businesses are able to leverage on it and add to their marketing approach and content. Similarly, more people are logging onto the internet every day as the internet access are made more affordable and readily available.

The demographic is changing, and no longer is the wealthy individual the only target of internet marketing. Today, we should consider all income levels in our internet marketing approaches of business.

In the 1990s, internet marketing went berserk. It was a brand-new concept, and caution had been thrown to the wind in all the hype. Companies did not take into consideration that the same variables of marketing in other forms of media should logically be applied to internet marketing as well.

Their failure to study markets and create sound strategies led to the fall of many so-called dot-coms in the end of 2000. The survivors, and successors, began to look toward time-tested logic in marketing for direction, and the result was massive growth.

Through the now-careful approach of businesses and marketers alike, targeted advertising on the internet has brought forth great success. Virtually any market you may wish to break into can be tapped on the internet. Many marketing firms offer the solutions a business needs to get their products out to consumers, while a small firm may wish to handle their marketing on their own and can find lower-cost solutions for their goals as well.

The Marketing System

A major resource for internet marketing is the search engines. To get the spontaneous suggestions offered by television or radio, pop-up ads and ads placed directly on a web-site are used. Another excellent form of marketing is the email feature that is available on the internet. But bear in mind that the business will only achieve success when you have built a good relationship with the customer.

Many people are spending hours on the internet daily. This is because the internet offers convenience, and it is capable of helping you get your tasks completed, with handy and easy to use point and click features.

Many tasks no longer require a trip in the car to be completed. Thus, relationships are growing on the web, and as they do, the pace of internet commerce has rocketed into the trillions of dollars. Advances in technology, and increased traffic, are leading to a future for internet marketing that can only point skyward.

Chapter 2: A Few Ideas On Internet Marketing

Promoting your small business on the internet is crucial in today's world. The entrepreneur who ignores this gold mine of potential opportunity does so at his or her own peril.

There is too much to be gained through marketing on the internet, and little to be lost. If your company is internet based to begin with, this is a no-brainer, of course.

But things are rapidly changing on the Web, and those marketing strategies that worked a few years ago may not work as well today. Here are a few things you can do to expose your business to potential new customers that work today, but may not in a few years.

SEO. Search engine optimization. For the internet entrepreneur who wants their website to be a success, this is the first step toward ensuring that success. Unless you have unlimited funds with which to advertise your product, this is a step you cannot afford to skip. Optimizing your website is the equivalent of building your brick-and-mortar store in a major shopping district as opposed to halfway down a dirt road with an old rusty sign pointing in the other direction.

Its importance cannot be overstated. There are many facets to SEO, and not enough room in this article to get into them. Fortunately, few topics have been as exhaustively written about. Do a Google search of your own, and you will find plenty to read.

Pay Per Click. This is another fine way to get your internet business off and running. This service is offered by Google, Yahoo!, and MSN, to name a few. With Google AdWords, you're going to have the most potential traffic, but you may also have the most competition for the best keywords. What does this mean? Well, AdWords (and the others) work by letting you create an advertisement (usually a headline and a couple of sentences).

You then must choose the keywords that will activate your ad. Then you place a bid on how much you're willing to pay per click of your ad,

depending on each keyword. It all sounds a lot more confusing than it is. The benefit of this type of advertising (as opposed to, say, banner advertising), is you only pay when you have been ensured of a visitor. Of course, what you do with that visitor is up to you and your own marketing skills.

Articles and inbound links. Next to SEO, this is the most powerful section of strategy for the up and coming internet business owner. In order to move up in the search engine rankings, you must have incoming links (backlinks, as they're called in the SEO world). When the search engines see a website with a lot of natural inbound links, they begin to see the website as an authority on whatever subject the site is about.

Thus, the site's ranking begins to improve. There are many ways to go about getting backlinks, but one of the best ways is through writing articles. There are article "farms" on the internet, which host your articles for free and then sell them or give them away to other website owners, who are hungry for content. This benefits you because at the end of the article you will have included your name and a link to your website.

Every time someone grabs your article to put on their website, you get another important link.

There are a million successful strategies for marketing on the internet, but these are the three building blocks. Go and research them, and your business will be the better for it.

Chapter 3: Viral Marketing Techniques

With the onslaught of marketing campaigns geared towards Internet users, viral marketing has paved the way and has become one of the top methods used in advertising.

The principle behind the success of viral marketing is the number of users reached through the campaign. There are several viral marketing techniques that can be applied for an advertising campaign to succeed. Take a look at the following:

1. Creating viral marketing awards.

Creating viral marketing awards help both the companies and users by creating even more users. Awards in viral marketing help innovate the industry more and bring out more effective marketing techniques.

2. Distributing free software.

Anything useful and free gets an instant “fan base” on the Internet. Provide online users with any software that they need for free – even for a limited time – and they will surely grab it.

When using a free software, you can run the program to suit any application, check the flow of the program to learn how it works, make improvisations and have the right to distribute the software for free.

3. Providing free email account.

This is what Microsoft did to initially launch Hotmail. They put in a “teaser” at the end of the free e-mail messages that they send out providing a link for users to sign-up for a free and private e-mail account.

The word “free” has sparked the interest of online users, as well as the fact that this is something that online users really need. Soon, almost all Microsoft users signed up for a free Hotmail account. This started the viral marketing fever.

4. Providing free web space.

Personal web logs have become all the buzz on the Internet.

There are companies now who are competing like crazy just to offer customers the lowest cost on directory listing and have the biggest space allotments.

This competition will benefit the users in such a way that they get their pick from a host of web space providers and have the greatest deal.

5. Creating top 100 site.

Online users often need a list of web sites relating to the topic that they need. Creating a top 100 list is one way to build your list and increase your customer base.

6. Offering free e-cards.

Egreetings.com is one company which provide teasers for online users to send electronic greetings cards. They are animated and personalized, so most users take advantage of the offer.

7. Offering free graphics, banners, templates.

Just like the marketing of regular consumer products, anything that is free and useful will catch the attention of a lot of people. Banners, graphics, templates and other items that online users can use is a welcome addition to their list of freebies and will infuse the viral marketing fever.

8. Offering free consultation.

Most online users do not know exactly where to go for consultations about web services or other services in various fields.

Free online consultation web sites require you to enter your name, e-mail address and other pertinent information and this would help add up to your subscribers and customer base.

9. Offering specialized link directory.

Specialized links directory help build a more specific clientele, as the users who need this service can be classified. This technique yields more accurate results.

10. Free newsletter with bonuses.

An online shopping company might use this viral marketing technique. Offering catalogs with free online gift certificates will generate a huge customer base.

11. Free redirect service.

Redirect services gives out the new contact information of a web site that changed hosts or servers, as well as re-directing users to a new or personalized domain name. This is an alternative to the much longer and complicated URL's offered by most web hosts.

12. Free screensavers.

You cannot browse through the Internet and not find popup advertisements about free screensavers. This is one way of getting the user's e-mail address for a company to start building a solid customer base.

Getting online users to take advantage of free screensavers, as well as emoticons or other downloadable that they can use on their computers is one of the most effective techniques used in viral marketing.

13. Free autoresponder service.

Autoresponder services add up to your company's sales by using follow-up e-mail messages in marketing.

14. Free email course.

You cannot believe the wealth of information that you can gain from free e-mail courses. Most publishers of free e-books want to share their knowledge to other online users and this is a good way to entice users to your web site.

15. Writing articles and distributing them for reprint with resource box.

When writing articles for free download, make sure to have them reprinted with the resource box.

A resource box is a box on one side of the web page where you got the article, and it shows the complete contact information of the author of a particular article.

16. Using forums and discussion boards which uses signatures.

The users of discussion boards and forums have the same interests. By getting their signatures on message boards, you can have a very wide array of potential buyers from a specific target market.

17. Starting your own affiliate program.

This is one of the best methods to generate traffic and sales to your site. Here, a specialized link is provided for your affiliates so that users can be veered towards your web site.

18. Providing free guestbook.

A guestbook makes a list of all your online visitors. After a user visits your website, you would have their contact information for future marketing and mailing purposes.

19. Providing free forums.

Online forums have a lot of participants which can be a very useful viral marketing technique.

By applying these viral marketing techniques to promote your products and services, you will surely generate traffic to your web site, build a huge and solid customer base, add to your sales and contribute towards the success of your company.

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Chapter 4: Setting Up your Affiliate Marketing System

There is much speculation about how much money you can earn online without your own product.

Marketing your own digital product on the Internet can be very lucrative but there is no reason why you can't profit a great deal by using creative methods that offer real value to Internet surfers and have your own product as well.

An affiliate program is really not as difficult to set up as you may think. Thanks to the high demand for affiliate systems recently, there are now lots of ways to set up your own program.

Here's what you need to set one up:

1. A web site with your own domain name.
2. At least one product or service that you own completely.
3. A system to handle commission tracking and payment.

That sounds pretty easy, doesn't it? Well, actually it is! And it's getting easier all the time.

The first two items listed above are self-explanatory. Of course, you need your own website and your own product or service. You can't very well set up an associate program if you don't own the site or the product(s) you will be promoting.

If you have not taken these two steps, you'll need to do them first. Once you've managed to get by these two steps, you can move right to step three, setting up your program.

You will need to search the Internet for a system that will handle commission tracking and payment. You can try to do this yourself but you will most likely miss some and missed ones are missed income. There are free ones, as well as, paid ones.

The positive aspects of an associate management system are many:

1. You can sign on associates more rapidly and grow a larger force of resellers.
2. You'll enjoy the automation and online management of affiliates.
3. These systems provide full sales statistics for both you and your associates.

Chapter 5: Affiliate Marketing

Affiliate marketing can greatly increase sales figures with only a little increase in the quality and quantity of affiliate partnerships.

The advantage of using affiliates is that it increases the leverage in the marketplace.

Imagine getting people out there selling your product all day for free, and they don't make a penny until they start selling stuff for you. It's great writing checks because each dollar you write to an affiliate, you are getting two dollars back into your own pocket.

Someone once said in response to a question on increasing page ranks in search engine searches that eight simple words that has been incredibly important, 'I rely on my own network of affiliates'.

Affiliate manager, Stu McLaren, said the advantage of increasing affiliate numbers was clear, but it was important to have active affiliates that continue to promote the product each month rather than in a one-off attempt. Understanding how affiliates increases sales can be easily seen in a formula.

Fig. 1

Total Sales = Product or service price * the number of active affiliates * number of monthly sales per affiliate.

Increasing any part of the above formula will increase sales; however, increasing the product's price will have a decreasing effect on the other two variables in the formula.

Not all people that pay \$30 for a product of service will be as willing to pay \$40. However, increasing the number of affiliates, or sales they make will have an exponential increase on the bottom line.

Fig. 2

Original sales:

Total Sales \$10,000 = Product price (\$100) * affiliate numbers (10) *
monthly sales per affiliate (10)

Increasing affiliates:

TS \$15,000 = Product price (\$100) * affiliate numbers (15) * monthly sales
per affiliate (10)

Increasing affiliates and monthly sales:

TS \$22,500 = Product price (\$100) * affiliate numbers (15) * Monthly sales
per affiliate (15)

What this example shows is that it doesn't take huge increases in the number of affiliate or units sold to have a substantial increase in the bottom line.

It is important that the affiliates are active, and they worked each month to get the product out to the marketplace. The role of an affiliate manager is to ensure that affiliate numbers increased and there are a high number of active affiliates.

It is just now coming to peoples' mind that such a small increase can have such a huge impact. Businesses are now looking for affiliate managers and if you look at the employment lists, affiliate managers are being sort after.

There is a very small number of affiliates that would be classed as active affiliates. I would say on the average affiliate list about 2.5 to 5 per cent would be active. The role of the affiliate manager is to increase the number of active affiliates and train them to sell the product.

It is in the best interest of the manager to train affiliates because they were more likely to remain active and draw more affiliates into the system if they increased their own individual sales figures.

Chapter 6: Balancing Your Promotions

Promotion of your online business may take a variety of directions. Some will bring more success than others.

Everyone is important to consider when you are trying to open the door to visitors to your site.

This article discusses several of the more useful ways to promote and the necessity of keeping some balance in your promotional efforts.

Search Engines

Everyone needs to make an effort to get their site indexed to the major search engines.

If you want more people to visit your website, you must know how to create search-engine-friendly web pages, and then submit your URL to all the major search engines. That's what this site is all about.

Linking

Think of links on other websites as road signs that point to your site. That's what links do. They will be useful if they are on high traffic sites that are relevant to your site's content.

Now there are many ways to create and maintain links. Too many for this article to discuss. Here are a couple of pointers about linking.

Avoid "link farms" that create a load of useless, irrelevant links to your site. They may do more harm than good with the search engines.

I recommend that you create a links page and manually add and delete links. Avoid purchasing and installing scripts or other such methods.

If you don't have the skills to do that then, there are some good paid services that will manage your links. A simple search on one of the major search engines will turn up a bunch.

Here are a couple that I can recommend:

Reciprocalmanager.com
Linksmanager.com
Websitetoolbox.com

Joint Ventures

This is simple. I have something to promote. You have a website or newsletter. I will pay you a portion of my profits to promote it.

It can work well if you can endorse the item with a personal statement and recommendation.

Be careful of jumping on all offers. Make sure they are legitimate.

Articles

One of the least expensive and most effective ways to get some exposure for your business or newsletter is to write and distribute articles.

Publishers are looking for good, fresh content for their newsletters and ezines. You provide it with a well-researched article.

The tradeoff is that they are required to include a short resource box at the end of the article that links back to your site.

It's a Win-Win situation.

One of the ways to let your article gain exposure is to list it in several of the online article directories like:

ArticleToGo.com
BizSiteBiz.com
Marketing-seek.com
Articlecentral.com

There are many others. Just search "article directories".

Ad Swaps

Great way to get some no-cost exposure. If you have an ezine or newsletter, just locate some similar publications and offer to swap ads with them.

Ezine Advertising

Probably the easiest ways to get some exposure quickly is to locate and advertise in some selected publications.

Be sure that the newsletter is likely to reach your target audience. It won't do much good to promote your "Yellow widgets" to an ezine which is made up of readers who are mothers of newborns interested in learning about how to mix baby formula.

You can also spend some serious money quickly with this type of promotion. Be sure and track your ads to make sure you are making money above your advertising expenses.

Depending on the nature of your online business, some of these promotional types may have more or less relevance for you.

Whichever means you use, try and keep a balance in your efforts that will allow you to most effectively reach your target audience.

Chapter 7: Avoiding Marketing Money Pits

Is your business bombarded by sales and other marketing professionals telling you that the products or services they are offering are in the best interest of effective and cost reducing methods to market your organization?

Finding your way through the maze of offers, opportunities and avoiding potential money pits highlights the importance for all businesses regardless of size to have a strategic marketing plan that is implemented and followed.

It is a tough market place for any small business and information is the key to making wise marketing decisions and for the survival of any business or organization. The relevance of a strategic marketing plan cannot be understated.

It is unfortunate but all too common that people under the guise of professionals in marketing and sales will boast their products and services as the most effective and cost reducing methods to market your business. Additionally, by writing articles or giving lectures for example, they attempt to give their claims a form of legitimacy.

Beware of people making extraordinary claims, a true professional will want to sell you their product or service but also retains the integrity to learn your business and knows when the product or service is not a good fit. The benefit for this type of sales or marketing professional is your loyalty and trust in future business transactions.

A strategic marketing plan helps a business to avoid potential money pits that waste valuable marketing dollars in expenditures that may appear to cost less but have minimal or no measurable results.

Simply because something may cost less and other businesses are participating does not make it a solid marketing decision for your organization and certainly does not guarantee successful results. Regardless of the ticket price if it does not produce measurable results and drive business to your establishment it is a money pit.

There are many good examples on the internet of people under the guise of professionals boasting their products or services as sound marketing advice.

One of these claims is that a business could inexpensively build brand recognition through the purchase of low cost promotional items with the organizations name or logo embossed on them; items such as pens, tablets, calendars, magnets, and much more.

The problem is that this technique offers minimal to no measurable success in brand building, but more importantly does nothing to draw new customers into the business.

In terms of simple math, if an advertising business were to spend the same money that would be spent on embossed promotional items in traditional media channels such as print, radio, or television for example with an expected 2% rate of return and a minimal exposure of 12,000 individuals gives the advertising business the opportunity for 240 customers for that expenditure.

If only 30% of the 2% actually make a purchase that provides the business with 72 new transactions. A business can multiply its average transaction price by 72 to see the real potential income from this one marketing expenditure.

Another benefit is brand awareness that would be gained through the advertisement and the opportunity to build customers for life. Furthermore, to entice repeat business and brand loyalty the organization can offer its customers coupons. This method promotes customer appreciation and can be a low-cost marketing method.

Moreover, with any marketing expenditure a business should always perform a cost benefit analysis in correlation with its strategic marketing plan. Simply, if it does not offer measurable results, drive new business, and build brand awareness it is a money pit.

Chapter 8: Business Marketing Strategy

The term business marketing strategy might sound like it is esoteric or stratospheric, so let's take the mystery out of it so you can devise and implement your own business marketing strategy that fits in to your small business plan.

Strategy comes from a Greek word "stratagein" meaning "to be a general". Think of a strategy as an overall plan of action needed to win a war. The smaller, detailed actions are called tactics. You can have tactical plans which help you achieve your strategic marketing plan or overall business marketing strategy. That's simple enough, isn't it?

A business marketing strategy or strategic marketing plan is an overall plan of marketing actions you intend to take in order to accomplish a specific goal for your company.

Start with a goal: \$2 million in sales this year; expand into new premises by a certain date; double the size of the company in 2 years... whatever the goal may be. Something realistic but challenging. That's the "war" you want to win. Guess who the general is.

Then work out a simple, overall plan of the major marketing steps needed to accomplish that (for example):

- Publish a newsletter for all existing customers and mail out quarterly.
- Work out 4 special offers in the year and promote them to all our customers.
- Set up on-line shopping and expand the web site.
- Direct mail campaign promoting the web site to all customers.
- Get mailing lists of (target markets) and do a series of 3 mailings of postcards to them and follow up on and close all leads.

You get the idea. Don't rush this. Do your homework. What worked in the past? Read up on successful marketing campaigns.

Your business marketing strategy needs to be laid out in the right sequence and you should have some idea of budget when you write it.

"Run a series of 30 second TV ads during the Super bowl" might sound like a good thing to do but can you afford it?

On the other hand, when you build your business marketing strategy you mustn't try and cut corners. If you don't promote heavily, it doesn't matter how good your product or service is, no one will know about it and you will go broke.

What really works when it comes to marketing?

Many business owners don't have a good enough answer to this important question. I learned by a combination of study and trial and error.

From my own hard-won experience, I have discovered that a real marketing campaign will take into consideration at least the seven points which are outlined below:

Target Your Market

Your marketing will produce the best results for the lowest cost when you target prospects with the greatest need for what you offer. Identify the best people to send your postcards to. Design your postcards to appeal to their greatest need.

If you are able to break down your target market into sub markets you can then write postcards that specifically speak to the needs of those people (an example is breaking down your own customer list into customers who buy most often, customers who spend the most money with you, customers who have been your customers the longest and then making them special offers based on the category they fit into).

Create A USP For Your Business

USP stands for "Unique Selling Proposition".

It is a statement of what is different about your company and its products. Your USP gives the reason people should do business with you. It amplifies the benefit of doing business with you and your company. My USP is POSTCARD MARKETING EXPERTS.

Create your own USP and put it on all your promotional materials, invoices, shipping labels etc.

Use your USP to communicate the benefit of doing business with you and why you are better than any of your competitors.

Always Make an Offer

Make sure you ask your prospects and customers to do something when they receive your postcard. By offering them something you know they are likely to want and giving them a smooth path to respond on, you are making it easy and desirable for them to respond.

Create and Maintain a Database of The Customer Information You Collect from The Responses to Your Mailings

Most people who receive a postcard from you won't contact you the first time they receive one.

But once they contact you, you must create and maintain a database which allows you to repeatedly contact them with offers to respond to.

Fifty percent or more of many businesses' sales come as a result of following up with people who were previously contacted, but didn't buy right away.

No kidding, repeat contact does drive sales. One-time mailings can get response, but are bound to leave sales on the table. Those sales can be picked up with repeated mailings.

Take Away the Fear of Loss

People don't want to be fooled, plain and simple. Unfortunately, trust does not run high today between customers and businesses in general. People have been disappointed too many times by being sold one thing and getting another.

A guarantee or warranty is a good way to reduce or eliminate the customers' risk of getting something other than what they bargained for.

Guarantees and warranties increase response and sales by reducing customer risk.

Expand Your Product Line

Getting new customers is more expensive than selling to existing ones. By regularly developing new products and services to sell to your customers and offering these new products and services to them, you can expand your business efficiently and easily.

Test Your Postcard Promotions

Track the effectiveness of your postcard mailings. How many people responded to your mailing? What dollar amount of sales resulted from those responses?

Is the money you are spending to attract new business giving you a good return? What can you do to make your marketing more effective? Change your offer, headline, price, the timing of your offer. When you do track the results, and improve your response.

These are the points to follow when designing your own marketing strategy. When you are done, you will have laid out the steps needed to accomplish your goal using existing resources to achieve a great marketing ROI (return on investment).

After that, you simply have to get those steps executed and that might require further planning but it is all in the context of your main business marketing strategy.