

**How I Increased My Only Profits 10 Fold  
In Just 15 Days By Discovering  
The \*Whole\* Truth About Backend Sales**



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7 Summary

# 1. An Introduction

All businesses rely on backend sales and their resources whether they know it or not. The resources are quite simply the audience they promote to, and others that promote for them. In the case of us online marketers, that's affiliates, customers, long term customers, joint venture prospects and our lists. When you have just a small number of each of these resources at your disposal, the road to success becomes a much easier ride.

Gathering new resources is often labeled as expensive by many marketers. It doesn't have to be though, and that's what we're going to demonstrate to you in this manual. Getting the audience to promote to doesn't have to be a time consuming, awkward or complicated affair, and it is mighty profitable every time.

## 2. The Goals Of This Section.

- To firmly establish where you are in your journey right now, and what you need to do next to move forward, quickly.
- To introduce the five main resources that are going to be the mainstay of your online marketing career. Even if one fails, you have piles more that won't.
- To demonstrate that each of the introduced five resources will build themselves. You don't have to spend mountains of cash to make mountains of cash.
- To show you why so many people are failing with their marketing, trying to build and sustain one resource, when really they should be building five, all of which sustain themselves.
- To differentiate between each resource, and to show you what role each one has in building another, and in turn, you have five very powerful forces making you money all the time.
- To explain that there is no overnight way to do this, and to demonstrate that this can be achieved within just a month or two of solid resource building.
- To show you why using these five resources that many are not aware of, is contributing to at least half if not more of the failures in online marketing, and how it's actually the fault of the information sellers, not the buyers.

- To demonstrate the stages of online marketing, and what you need to do to move forward. Which stage are you at?

## **3. An Exponential Overview**

Greetings, and welcome to the section titled an exponential overview. What I'm going to demonstrate throughout this manual is the natural progression of things relating to online marketing. All too often people don't know where they are in their career, and they don't know what to do next, even after reading many e-books or training guides and so forth. The biggest problem that arises out of this issue, is if people don't know where they are, and they don't know what to do next, they can't progress.

### **3b. Progress Is The Key To Success.**

Generally, anyone that doesn't progress in the online marketing world, in fact in any type of activity where the general plan is to move forward, never gets anywhere, they get frustrated and start to wonder why the heck they started out in the first place. What I'm going to show you now is the natural progression of things in the online marketing world.

From totally clueless, to a massive number of affiliates, a big list of previous customers ready to buy from you again and again, to the number of joint venture prospects and areas that you've improved on through tracking and testing. Our aim here is simple. To finally sort out where you stand, and to get you moving forward, because lets face it, if everyone out there knew these two things already, there wouldn't be such a massive market for products such as this.

Ok, so getting started. The first thing I want to show you, without going into technicalities, is how all of your main resources are related to each other in very specific ways. It, will build up a big picture for you to base your marketing off of. I'm not just teaching you how to create a product so that you can create a single product, go and make a couple of thousand dollars and then head out and buy the next hottest guide to marketing that supposedly tells you all you need to know. This is the first part of showing you exactly where you stand in your field of expertise and more importantly, how much promotion power you have under your belt.

So without further ado, lets look at how some of these things pan out, with a clear start to finish, and you'll be able to pick up what I mean about an exponential overview, and how things that grow in one area, can benefit another in a number of ways. Remember, we're not looking at technicalities here and how to pull off each technique, that's a separate manual entirely, but you can't build resources if you don't first know how to manage them efficiently.

## **3c. Starting Out.**

### **The Two Critical Stages.**

#### **Stage 1**

This unfortunately is where we all start. The totally one hundred percent newbie to online marketing. We know nothing about promotion techniques or sales systems, copywriting and the like. We have a list of zero friends in the same field, we don't know anyone at all, we have no

affiliates and no list, and may not even know what those things mean at all. Not to worry though, because things soon start to look up.

## **Stage 2**

You've bought your first few training guides, and hopefully if you've been pointed in the right direction, you've been told that it's best to get out there and start creating your own products (which we mentioned in the product creation section of this course). So you head on out, and create your very first product, site, sales system, sales letter, follow-up, list maintenance system and affiliate program for starters.

It's quite likely at this point that you've already met a few other people in your field of expertise, whether it's through the sites that you've bought things from, through e-zines, or other product owners. This will most likely form the basis of your joint ventures for future projects. It's unlikely that you'll have a massive amount of joint venture prospects prior to creating your first product, unless you happen to be very well connected already.

Now comes the fun part. Out comes the cash from in the pocket, a few pay per click keyword searches later, the visitors start to roll in. This is where you have to see the relevance of each of your resources and how they relate to one and other.

### **3d. Resources: What is your list?**

Your list. The people that come to your site and sign up for your product, or a free e-zine, newsletter etc and end up subscribing to one of your services. The mainstay of the people that you can promote to at no cost to yourself. The people that talk about your last published issue and your products to friends, and more importantly, sign up as affiliates and promote your products for you.

### **3e. Resources: Who are your affiliates?**

Your affiliates are super important people. They'll head out and try to make money by promoting your products for commissions. Not only will they be putting money in your pocket, but they'll be building your list at the same time. Most importantly though, they'll be sending you first time customers through their contacts and promotion.

### **3f. Resources:**

#### **Who are your customers?**

They pay your bills through the purchase of your product right? True, but look to the future, what are your customers, really. They're the people who are going to buy from you not once, not twice, not three times, but over and over if your stuff is of a high caliber. They're not just random people passing by anymore, they've bought from you, they're important. They turn into long term customers.

### **3g. Resources: Who are your long term customers?**

Like we said already, they buy your stuff a lot and keep putting money in your pocket. True, but look to the future. You're likely to meet some of them, talk with some of them via e-mail or over the phone, and it's quite likely that some will eventually become quite friendly, and swap deals and form joint ventures with you.

### **3h. Resources: Your joint venture prospects.**

Your joint venture prospects, now we're getting to the meaty stuff. Not only will your joint venture prospects gain you new long term customers, new first time customers, new affiliates and additions to your list, but often, they'll introduce further joint venture prospects to you, adding to all our resources at the same time. And this is key. Do you see the connection?

### **3i. Build One, Build Them All.**

Through each of these resources; the most important promotion based resources you can possibly create, the story is the same; build one, you build them all. I can't get over the closed mindedness of many people who state they have affiliates, they have a list, they have joint venture

prospects, but they should never mix. What many don't see is this: Take any single resource from that list, build it, and you have the opportunity to build the other four at the same time. Don't set rules for your resources, don't segregate them, because they are all related, and this is where the growth comes from that we were talking about earlier. Use everything to build everything.

Your joint venture prospects don't just have to be for building your first time buyers list, you can use them to build your affiliates, your long term customers, your list and your joint ventures even further. Your list doesn't just have to be to make sales, but you can use it to create joint ventures, increase your first time and long term customer base, and at the same time build your affiliate numbers, and so on.

This is key. Make sure to connect every single resource to another, and they will all grow, and before you know it, you have a flood of resources to pick from whenever you want to promote a new product, whether it's someone else's product, or yours. If you fail to recognize this, and one section becomes disconnected from the other, it's very hard to adjoin them again. You'll also find that if they become disconnected, the whole system will break down, and one will no longer build the other four. This is disastrous and will lose you money, big time.

You've probably already noticed that there is no super system, no overnight millionaire making business when you're starting from scratch. If this is the first course on this subject that you've purchased, let me assure you, that this is the case. I want to use the above example to demonstrate something equally as important as the connections we've

just described.

Now in my time as an online marketer, I've seen people come and go, I've seen people get rich, some get into debt, and some lose out over and over again to the point of total frustration. Back when I first started I didn't know why, but now, it becomes clear. You see all those resources we talked about a moment ago? The way they're connected, how one builds the other. Well what happens if you take away all those resource bar one. What happens then? It's no longer possible for one to build the other, and all the work will come down to both the hours you have to put in struggling away, or it becomes a job for your pockets.

### **3j. No Cash Input Needed.**

Notice also how none of the above takes cash to build from one and other. The only point that this actually requires money or a lot of time to get you anywhere is at the very start of step one. Once you have all five of these resources, and they're building each other, you can relax a little, because the worst of it is over.

This fellow marketers, is why so many people quit or never get anywhere after long, long periods of time, because they can't see how each of these resources relates to each other. More often than not in fact, they're sitting there in the background trying to promote other peoples products straight off the bat. Again, you can see how this does nothing for their pockets, not even in the short term compared to building these key resources that will keep putting money in your pocket

over and over again. Understand this, and you've won half the battle.

So, continuing on from the above method, pay attention to how you're building these resources. Before you even start selling in any way, shape or form, you need to know where you're coming from, and where you're going. What's building what other resource if you will. Is your PPC search engine advertising increasing your list of affiliates, how are you going to get your affiliates to build your list for you, how is your list going to build your affiliates for you and so on for each of the five main resources. This is key to even having a shot at success.

Looking at this on a per resource basis, take a closer look at your methods, pick out a clear starting point and finish point as we go into the finer points of each of the five resources you're building. Ask yourself, why you're doing it, where it will lead you, what gets more of what, how effectively, when were, why and how.

I'm sure you can see that when people talk about not being able to maintain their resources, through things such as unsubscriptions from their lists or affiliates leaving, they're obviously not using such methods to their advantages. Self feeding methods that will make it all but impossible to run out of people to promote to.

## 3k. Why Are So Many Not Succeeding?

Moving on a little from that, I'd like to take a moment out to answer the question that's on everyone's lips. If it's so easy and I can sit here and tell you what to do and when to do it, why are so many marketers still not succeeding?

There are two reasons as to why most people fail to make the money they've dreamed of and end up throwing reports like this in the trash claiming that they don't work. It's all about timing, what to do and when. I can't tell everyone what to do if the time isn't right. It's the same basic principle that tells you something written twenty years ago about a subject isn't necessarily true today, which is exactly the reason I see people failing all the time, not just at marketing. Why don't a lot of the marketing reports out there work?

First. They're only aimed at people at a particular point in their marketing career. Why would someone just starting out that doesn't have their own products yet need to hear about how to promote other peoples products? This is just one example of why we have so many people out there running around trying to get rich through affiliate promotion when really, it's not going to be possible, because they only have part of the story. Generally that part of the story that forgets to tell them they need their own products to build the resources that any marketer would be lost without unless they're already well established.

Secondly, because they fail to adapt, or more over, the reports and guides that they're reading fail to tell them they need to adapt. If there's one thing I've learned through talking to other marketers over the years and getting out there to experience this first hand, it's never assume something is common sense, because even in the best of situations, with the smartest people, even the simplest of solutions can be overlooked. I'm sure you've been in that situation before when someone asks you a really simple question, but you just can't seem to figure out the answer, and when you're told it, you kick yourself and wonder how you didn't see it.

### **3I. Adapt And Succeed.**

Learn to adapt is the most important lesson you'll get out of this document. Take these methods, learn them, put them into practice now, and then adapt them to your own tastes and needs. Don't assume for a second that everything I write is set in stone and has to stay like that forever. That is far from correct. Keep asking yourself why, all the time why does this happen, why did that happen, why am I doing this? Keep that in mind, and you'll suddenly find that you're keeping up with the trends, whilst others are being left behind. Most of all, you'll find that you don't have a problem getting stuff, in this case, lots of cash, lots of resources and a solid business.

Here's a little snippet from a text I wrote for another product, which looks at the stages of online marketing. Lets skip stage one and go

straight to stage two because it demonstrates the brick wall and lack of progress in a business that we've been talking about.

**Stage two:** The Exploration Stage: Learning, buying, books, confidence booster, fact gatherer.

**Way to move forward:** Great, time to create my own product and try out what I've learned.

**Way to move backward:** Hmm sounded good but doesn't seem to work. I only tried it for a week, but I'm not rich yet. Must buy more e-books.

Don't stop at stage two! Most people do. They continue buying over and over again, and say things like 'Well, I heard this before, but I'm not making any cash'. Move on! Move on! Go go go!

If you've bought any other general guides of this nature before, I'm talking recently, maybe three to four months ago max, you've definitely got all you need to get the full picture that you need to start making headway and developing your business. Don't keep buying stuff over and over from different people that tell you the same thing. You'll only find yourself in the same place in a years time. Of course, if you've bought a report in the past and it's been shoddy and not given you the whole story, that's a different matter entirely. Don't turn into an information junkie, or you'll end up frustrated and confused. Focus on moving forward. This is the advice I would give people at all different

stages of their marketing career. I'm showing you how to move forward, and the most commonly made mistake at this point in my experience, is that progress is halted, or even pushes people backwards.

Alright, lots of little snippets of information in this report. It's really an introduction into the resources that we'll be discussing next, so don't worry if the information seemed a little jumpy and disorganized. Let's continue.

## 4. Summary.

- Welcome to an exponential overview. What I'm going to demonstrate throughout this section and progressively through the following sections is the natural progression of things relating to online marketing.
- Many marketers find themselves in a situation where either they've spent a lot of their time, or a lot of their money on building their resources, but are still seeing little results in the way of building these resources. The biggest problem that arises out of this issue is they don't know where they stand and what to do next to improve their situation and their business. If they don't know where they are, or what to do next, their progress is blocked, which is a big problem.
- Our aim here is simple. To finally sort out where you stand, and to get you moving forward.
- So lets get started with the first tip I want to give you to assist you in getting stuff. Every resource we're about to talk about is connected in some way. There are reasons and effects for everything, no matter how out of ordinary or unrelated it might seem.
- The problem with most guides is that they give you some tips that you can go away and create a product and come away with a few thousand dollars, but leave you wondering how to follow that up, leaving you in the dark and having to buy another guide. That's not what we've done here.

- This is the first part of showing you exactly where you stand in your field of expertise and more importantly, how much promotion power you have under your belt.
- So without further ado, lets look at how some of these things pan out, with a clear start to finish, and you'll be able to pick up what I mean about an exponential overview, and how things that grow in one area, can benefit another in a number of ways. Remember, we're not looking at technicalities here and how to pull off each technique. This is a technique all on it's own.
- So where do we all start with our businesses? Stage 1. We know nothing yet, we're total marketing newbies, knowing nothing about promotion, resources, or management, couple that with the fact we have zero contacts, no affiliates, no list, no nothing. Not to worry though, things soon start to look up in Stage 2.
- Stage 2, entering the marketing world. You've bought your first few training guides, you head out and create your first product/site/sales system, follow-up, resource maintenance and affiliate program.
- At this point it's likely you've already met marketers in your chosen field, and if not, you most likely will through your product launch.
- All you've had to do to get to this point is create your product and launch it. There's nothing holding you back or stopping you from doing this right away. Now comes the fun part. After a few JV's and maybe some PPC promotion, the visitors start to roll in. At this point it's important that you know immediately how to gather the five main resource types, their specific roles, and how to use them to grow your business because if you do this right, they will grow themselves without

delving into your pockets or taking up masses of your time. Lets look at these resources in detail before we go any further.

- Resource Number 1: Your Own List. The visitors that land on your site and sign up for your products, freebie giveaway, or lead generating system etc. The mainstay of people that you can promote to at no cost to yourself.
- Resource Number 2: The affiliates' role is simple. They sign up for your affiliate program and use the resources and knowledge that they've learned to promote your products, and make themselves and you a whole lot of cash.
- Resource Number 3: Your Customers. These are the people that should be kept separate from your standard list who have actually paid money for at least one low priced or entry product of yours. They're important because these are the people we'll be turning into resource 4.
- Resource Number 4: Long Term Customers. These people differ from customers in that they have either purchased multiple products from you, or have purchased a high ticket item. They're willing to spend large amounts of money, and if treated correctly will earn you a lot of cash in exchange for providing them with quality products. They also have a much higher potential than any other resource to be turned into any of the other four resources including resource 5.
- Resource Number 5. Joint Venture Prospects. Spawned from all of the other four resources, joint ventures are going to gain you large, quality amounts of each of the other four resources, and often they'll introduce other joint venture prospects to you.

- Through each of these resources, each one that you build successfully will build you the other four in one form or another. Don't set rules and segregate your resources. Keep them separate at all times, but allow them to meet indirectly. What could be more powerful than using everything to build everything else?
- It isn't black and white. Your list isn't just for creating sales, it can be used to pull in further joint venture prospects or attract new affiliates for example. Your joint venture prospects aren't there to make you sales, sales don't make you rich, the resources that give you the power to make these sales are the key. Jv's will build all aspects of your business, from new affiliates, a bigger list, and more joint ventures even.
- So you see, next time you go out and try to persuade your affiliates to promote, think about how you can build your other resources, even more importantly, remember earlier we were talking about joint ventures and how I said the knowledge will tie in later and you'll begin to create your own deals and make your own choices? This is the start of what I meant. JV to get sales, fair enough, but see how your choices are suddenly wide open when sales aren't the only thing that you want out of a deal? We'll continue this discussion in a moment and clarify a few things, but before we do, there's something I want to slip in here.
- There is no super system, there is no overnight millionaire making business when you're starting from scratch on a shoestring budget. If this is the first course you've purchased, let me assure you that this is the case. Don't be put off though, just because it's not overnight, it doesn't have to take all year either, in fact a matter of months or even weeks can have you going from zero to solid ground and your resources building themselves.

- In my time as an online marketer I've seen people come and go, some get rich, some go broke, some get into debt and some lose out again and again and only achieve total frustration, and I couldn't figure out why this was in my first year online. Now though, it all becomes clear.
- You see all those resources we talked about a moment ago, and how they all build each other (the specifics of which we'll get into later). Well, let me ask you this, what happens if you take away any four of those resources from this system? If you said it's no longer possible for one to build the other, you'd be dead right.
- You see, the whole list craze is fine. I'm all for guides telling people how important list building is, but they're totally missing the fact that there's four other important resources, and without all five, the system breaks down, and this is why they were failing. So infatuated with the list building malarkey, their eyes were closed to the other important aspects.
- Adding to that, also notice how not one of the above takes cash to build the other. Sure they may take a little time and a little cash to get initially, but let me ask you another question. If you didn't have all these resources building each other for free, what happens? Well the answer is you have to spend a whole lot of money and a whole lot of time. Notice I said it doesn't take a lot of money to begin to get these resources flowing, this is true, but if you tried to keep up the same methods for getting new customers as when you got your first customers, you'll be broke and working your fingers to the bone trying to keep up and keep each of these resources going.

- This fellow marketers, is why so many people quit or never get anywhere after long, long periods of time, because they can't see how each of these resources relates to each other. More often than not in fact, they're sitting there in the background trying to promote other peoples products straight off the bat. Again, you can see how this does nothing for their pockets, not even in the short term compared to building these key resources that will keep putting money in your pocket over and over again. Understand this, and you've won half the battle.

- Inflows of marketing, adding to different resources, creating a circle where each resource molds into the others to create one big personal and never-ending marketing system. I'm sure you can see that when people talk about not being able to maintain their resources, through things such as unsubscriptions from their lists or affiliates leaving, they're obviously not using such methods to their advantage. Self feeding methods that will make it all but impossible to run out of people to promote to.

- This my friends is why most people fail to make the money they've dreamed of and end up throwing reports like this in the trash claiming that they don't work. It's all about timing, what to do and when. I can't tell everyone what to do if the time isn't right. It's the same basic principle that tells you something written twenty years ago about a subject isn't necessarily true today, which is exactly the reason I see people failing all the time, not just at marketing. Why don't a lot of the marketing reports out there work?

- Reason 1: They're aimed at people in a particular point in their career, often assuming they know something that they don't. Why would someone starting out without their own products want to know about promoting other peoples stuff? This is just one example of incorrect and

detrimental teachings floating around out there for the sake of people trying to make a few quick bucks out of you.

- Secondly, because they fail to adapt, or more over, the reports and guides that they're reading fail to tell them they need to adapt. If there's one thing I've learned through talking to other marketers over the years and personal experience with my promotions, it's never assume something is common sense, because even in the best of situations, with the smartest people, even the simplest of solutions can be overlooked. I'm sure you've been in that situation before when someone asks you a really simple question, but you just can't seem to figure out the answer, and when you're told it, you kick yourself and wonder how you didn't see it.

- If you learn nothing else out of this document, learn to adapt. Take these methods, learn them, put them into practice now, then adapt them, change them, experiment with them over time to meet your own needs.

- Don't assume for a second that everything I write is set in stone and has to stay like that forever. That is far from correct. Keep asking yourself why, all the time why does this happen, why did that happen, why am I doing this? Keep that in mind, and you'll suddenly find that you're keeping up with the trends, whilst others are being left behind. Most of all, you'll find that you don't have a problem getting stuff (pulling in those resources).

- Don't forget those resources. These are the key to your success, no affiliates or list building or anything like that in singular.

## 5. Goals Of This Section.

- To show you how each of your sales systems should be set up to pull in the best response every single time you launch a product.
- To show you how this method builds your most important resources allowing you to make the most of the massive promotion power coming your way.
- To introduce the five stages of product sales, and how fully utilizing these given stages is going to make you far more in the way of promotion power, than five full products sold one after the other.
- To build on aspects of resource management to show you how the time it takes to become successful using this method is far less than it seems. Success is closer than you think.
- To show you examples of how this very system is being used as we speak to generate millions of dollars a year for one-person business operations.
- To dissect each stage and get right down to it's roots, so that you can understand why it's there, and how it's making you money allowing you to tailor it and refine it to your needs in a flash.
- To demonstrate this process in it's bare bones format, making sure it's quick and easy for you to commit to memory and put into action.

## **6. The Beauty Of Backend Sales.**

Greetings. In this section, I'm going to demonstrate how to put a successful sales system together. Things should start to get a little more complicated now as you'll begin to see how not only mixing and overlapping your five primary resources is productive and extremely profitable (Affiliates, customers, long term customers, your list and joint venture prospects in case you've forgotten), but doing so over multiple products, with multiple prices, each with it's own specific goals becomes the key to putting you on the road to wads of cash.

### **6b. The Goal Of Backend Sales.**

Such sales techniques for the want of a better word have been around for as long as I can remember, the backend sales methods. There's two sides to this in fact, both look very different on the outside but when it comes down to it, have the same goal of first building your resources, then building your income and your resources at the same time. Once you've got this down, it's just a case of rinse and repeat, and keep getting more and more profitable the more products and services you release (as long as they're good of course).

### **6c. The Concept In Real World Practice.**

So getting started, let me ask you a few questions to back this up. Tell me, why do you think that supermarkets like Tesco and Walmart for example stock items that they make a tiny profit on, or sometimes no

profit at all? I remember when I worked in a store, my first job in fact. They told me that on the sales of \$1500 and upward computers, they only make a profit of \$20. Bearing in mind, the volume of sales was relatively low too.

The reason was simple, to get people through the door and signed up for loyalty cards, or buying other products and services (they didn't just sell computers). To that effect I later learned that the profit from peripherals was up to 85%. Now in general, when someone goes out to buy a computer, the sales person sells them on extras too. If we didn't stock the computers, we wouldn't be able to attract customers who were buying extras, for the simple reason they were having them included when they bought their systems. In addition to these add on sales, the loyalty cards that offer significant benefits for returning customers create repeat custom and build loyalty.

The concept of backend sales, whilst it's method differs, the situation is the same. We're offering products that provide very little in the way of money in our pockets to start with, but just like in the above example, they're building our resources, which in the future, the near future in most cases, will provide us with a heck of a lot more than if we'd just gone all out. I guess it's kind of like someone offering to buy you a new car today, or a big shiny new four floor house in twelve months. I know which I'd pick.

So here's the thing. The problem with most people, is that they seem to give up too easily. Sure if it doesn't work, then it's time to quit, change or adapt what you're doing, but if you just haven't given it enough time,

that's another matter entirely. It won't happen overnight, that's for sure. Millions I'm talking here. Two to three thousand a month from nothing is however achievable within that short period of time, don't get me wrong. You gotta start somewhere though. As long as you understand this and don't quit after your first product, you're set.

## **6d. In Practice Online.**

The concept I'm talking about here not dissimilar to add on sales we just talked about is backend sales. Going from free, to cheap, to rather a lot, to premium. Of course there's a lot more to it than that. It's no good just setting something like this up before understand the fundamental goals you want to achieve with each one.

I gave you an example there earlier, but lets briefly look at one that happened to me not so long ago and is far better suited to our line of work, with single, or small ranged product websites. The stock market. I decided one day that I need multiple things to do. I want to start branching out into other types of business and be able to wake up, and chose to either not work, hit the stock market, or create and design a new product. So here's me looking through the local papers, browsing the net and reading money mag, and I see an ad for a free beginners investment seminar.

Looks good to me, so I go along knowing full well what's going to happen and how they're going to try and sell me onto something that costs. Anyway, I enjoyed the taster, and at the end of the day, sure

enough, out comes the sales pitch for the intermediate course. I seem to remember it being around \$500. He had his sales pitch down anyway, you know the usual, limited numbers, discount if you're one of the first twenty to order, so on and so forth. Aside from the sales pitching stuff, to which I mumbled 'I know your game', I signed up anyway because I wanted to learn more. He'd given me enough information through his presentations to make me feel like I was getting something for free here, but there was more.

Ok so fast forward four or five months, and I land in a hotel for a night and a day, to which I attend the seminar. Great stuff, and I learned a lot, but of course there's more. An Advanced \$3000 class. I went for this one too for the sole reason that I was already learning a lot, and was confident I'd learn more. Later this went on to a further \$5000 class, where the attendees got to keep the computers they were provided with. Anyway, that's enough to first of all show you what I mean about promoting freebie hunters to paying customers, to low priced items, to expensive items.

## **6e. Three Important Aspects Of Backend Sales.**

Three points you should have picked up from that example. First, trust. I know his products after the first two, so I know my money will be well spent. Don't even think about doing this if your products aren't the best you've ever created or you'll fail, and your freebie hunters won't become your customers.

Second. I don't give up my free time for anyone to sit me down in front of a computer or in a room and hard sell me (and I wouldn't expect you to either). If you tell me I'm going to get something from your entry level products, I want to get it. Whatever you do, whenever you do it, make sure your low priced or entry level products which only produce resources, not profits are good, and are real products, not just glorified sales pitches.

Third and finally, this should show you how things progress in quite an obvious way. Freebie --> Low price product --> Higher Priced --> Premium priced. Whatever product you're selling online, if you've created it yourself, I highly recommend you follow this sort of pattern here, simply because it works.

## **6f. The Basic Model In Detail.**

First, one small point I want to get out of the way, is this is just a basic model that has been successfully used many times for many years. It doesn't mean you have to stick to it exactly. You can add in or cut out as many steps as you like if it's relevant to your product and suits your situation. I would however suggest that you start off with a similar pattern, as it is a good optimal starting point for pretty much any product I've seen being sold, and launched myself lately.

## 6g. The Roles Of Each Stage.

Next, comes the big part. Those two examples of the different types of backend sales are great, and they do indeed demonstrate the type of effect we're going for in your online marketing here. What I'm going to do now for you, is take each type of product, from the free one, all the way up to the really high ticket one and talk about them to you in direct relation to the five primary resources and online marketing we discussed earlier, and the goals, problems, solutions and most importantly what each stage grants you in terms of these marketing resources.

Ok, first up in this chain of events we have the free product. This is something that you're going to be giving away that will generally be related to your final high ticket item, even if not directly, you need to be making sure that you're attracting the people that are going to be interested in your higher priced product and your target market.

Now obviously, seeing as this product is free, it's goal isn't to make you a huge amount of cash. What you will find though, is this is the area that will be exposed to the most amount of people and will start you down the road to building all five of your resources, but initially, before you move on to the next stages, it'll only be building your mailing list. There's nothing to buy yet, nothing to promote, so there go the JV, long term and short term customers ideas.

Eventually some of these people may develop into these resources, and cash in your pocket, but for now, that's not what we're after. A simple entry level product that will build the numbers that you can promote to for free. They won't be the most targeted in the world either, remember your previous customers are far more likely to buy from you again than these people to start buying from you, but it's still important as a starting phase. Gotta start somewhere, this is where.

Now depending on your product, this free section can vary in size and type. If I were creating a marketing based info product as my highest ticket item, I'd make sure I'm getting people interested in marketing by creating a small, original document relating to my high ticket item. Even if I'm not selling a marketing based product, I might still be able to create a how to document that gives valuable information about how to do something that relates indirectly to my final product. For example, I may release a document that explains how webmasters can attract a large number of affiliates, where as my end product may be a webmasters affiliate solution or software.

So you see, at this stage, even if your end product isn't an info product, you can always go out there and learn, and create a short info product that relates indirectly to your final high ticket item. The reason it's so important that your free item is connected in some way to your high ticket item, is because our aim is to take these free signups and distribute them not only through your five main resources, but to get those sales flowing for your high ticket item too. It's no good if the list you're gathering isn't interested in what you will end up selling to them.

I've seen this done numerous times, and have carried this out for myself, and I have to say it's highly effective for grabbing a targeted but diverse list. Try to think laterally when creating this product, and most of all be original. A 1980's e-book reprint doesn't cut it anymore.

Length wise, for an info product of this type, you can be looking at anything from three or four pages of said information in exchange for mailing list details, up to ten or twenty pages. Don't go too far and give away the world for nothing. You'll only end up attracting a bunch of freebie seekers. Instead, make sure your info is solid, focused, and the best thing you've ever written. After all, it's these people that are going to go on and turn into your other resources. Through follow-up and hopefully if you've done it well, straight through the info packed report you've written and instantly onto product number two. It's almost an extended sales letter that contains good information intended for quick conversions.

Stage two, the cheap product. The second stage in this cycle, however also sometimes the first (usually my first also). It really depends on the person and their promotion power, and whether or not you think that you can get the word out about free products (of which it's very hard to joint venture for unless it's directly tied in with your end high ticket item.) So we'll call this starting point number two. Your choice totally. Both work incredibly well. Keep in mind however that when choosing, it's harder to promote for free to try and sell a freebie than it is to promote for cost to sell a freebie, and even promote for free to sell something that costs.

Now when I say cheap product, I'm talking ten to sixty dollars. Again, totally depends on your aims and your target market. What we have to remember here though, is that people are paying for it. This is the first time you've asked your customers to get their wallets out, and when they do they're going to expect a real, useful and functioning product to come out of it. At this stage you must not under any circumstances make this a glorified sales letter.

Yes indeed your intention is to sell people on to the next product on the ladder, but that's just it. If someone pays you for just a sales letter of some sort, they're definitely not going to be happy, and will see the quality of what they've just bought and never look at your products again. This is the exact opposite of what we want them to do. The idea here is that they can read through it, or test out the product, and at the same time subtly be sold on to the next product, either through follow-up, or links at the end of the document.

Things are getting really important now. This is the step between your cheap product and the real money makers. If it's a demo or a taster, or a short course or info product of some kind, make sure it's the best thing you've ever written, because if people don't read it, and finish up trusting you and listening to what you have to say, you have failed in your task. Also if they don't read it all the way through and catch the information for product three, you've failed in your task once again. You could argue that you could place links to the next rung on the ladder throughout the product, but again, I urge you to avoid making this look like a glorified sales letter. It'll hurt your sales in the end.

## 6h. Resources Begin To Build Themselves.

Alright, now, resources wise we're starting to get somewhere. As you already know you should be gathering people for your mailing list through your site anyway but aside from that, you're starting to see some other types of resources emerge. First up, is your standard customer. The people that have parted with their money for your product. It's these people that you should start treating like royalty, because you've established that they're not freebie seekers, and are actually interested in what you're selling, and hey, if they're interested in this, and it's related to your final products, they're quite likely going to be interested in that too. These will form your long-term customers in the future.

Next up comes the affiliates. The people that come along again and promote your product. Remember we were talking about this earlier? Make sure to give them a 60, 70, 80 or even 90% or higher for commissions, depending how much you want to pocket for yourself. Now there's something here to be promoted by the affiliates, they will come if you advertise your high percentages, and not only this, but they'll be promoting three of your resources at once. Your list, your customers, and your affiliate program, bringing even more meat to the table.

Now this is where it starts to get interesting. You already know now not to start again with affiliates through each product. This is real powerful, but the catch is you have to treat your affiliates like your loyal

customers. On looking at your subscriber bases stats, if anyone is performing incredibly well, watch very closely, because this is going to be the first stepping stone to forming even more new joint ventures now you have the power to see the top performers.

So through two products we already have three of the five resources going, and we're looking for a fourth through joint ventures. No profit yet, but can you see how your promotion power just skyrocketed for the future? This is now where you start to take advantage of it, and through the next product, start to make a bit of a profit.

Product three. Your big product. Now comes the money, and the patience will pay off. The large product, product three may have a value of around \$150 up to and around \$1250. This is where the trust comes in, and the confidence, excitement and other emotions you've stirred from your previous products.

You're creating a high price, high quality product that's surpassed by few. This is the real meat of what you were aiming to sell when you first started out, and now you have the trust of your customers, the promotion power of your top affiliates, and your list to promote to right now, and for future products. Again, before the cash flows in, you should make sure your other resources are in place. This is key. Your affiliate program allowing higher commissions for select affiliates (more on this later), your customers in a separate list, ready to receive priority and special treatment over other customers (they are paying you after all) and of course, your standard list building tactics. Most importantly, no popups or anything like that here! This really isn't the time to ruin

your sales process.

Now comes the good part. Start pulling your best performing affiliates from the previous products, and talk to them about a joint venture in it's simplest form. Raising their commissions to a higher than normal level if they're to promote your new product for you. Now you don't always have to do this through your high priced items. You can give them the product instead if you're close to them, but if they don't know you, expect them to want a little more than favor to be returned in the future. This will form the basis of your joint venturing, now and into the future with separate products.

Next up comes the people that buy your product. They may not be long term customers just yet, but they're getting there. If your product is as good as you say it is, and they get results, out comes the cash, and it's stuffed straight into your pocket, not because they've bought from you, but because they know what you're made of. They know you're not a cowboy, and they're going to trust pretty much everything you say, so be careful not to put a foot wrong. It's taken this much effort to get it, don't throw it away now, because there's more to come in a moment.

## **6i. Resources, Profit & Prospects.**

So there we have it, now not only do you have your products, you've made a profit, have a good number of people that are willing to spend money on the products that you're selling, but also a good selection of a standard list, a gold list with these special customers on, an affiliate

system packed with standard affiliates, and a few special affiliates that you may go on to create joint ventures with (where the big money is at) and you have a nice wad of cash in your pocket to pay bills, debts, go on vacation, or fund your next product and a grand marketing scheme. It's all starting to take shape. See how each resource is dependant on the other? Like I said before, it's the people that don't understand how these resources join together that have the problem making any cash, because there's a dirty great hole that it's falling through.

## **6j. Taking Your Business One Step Further.**

That's not it though, you don't have to stop at the high ticket product. It's not unusual to create a product that takes things further, a premium product that totally covers everything you have to offer on your chosen subject. Typically premium products are priced between \$5000 and \$15000 (That's not a typo).

This is generally where all resource pulling goes out the window. Of course you'll still have your all important follow-up, but this type of sale is going to come from customers who have purchased from you further down the line. Whether or not affiliates come into play is another matter. Personally, I don't think they should. By the time you've created three or four products using the previous steps, you should have enough resources to sell your premium products too. If you decide to use affiliates, that's fine also, but by this point, you shouldn't need to.

Generally it's your long-term customers that are going to buy this product, people that have bought from you before. Due to the trust elements involved, it's rare that you'd try to recruit outside customers in at this stage. I sure wouldn't spend \$15000 on a product from someone I've never bought from before. For all I know, it could be a shoddy piece of work, no matter how many testimonials they have up on their site.

Remember, now you're at this stage, putting money in your pocket is your top priority, over list building, affiliate building, JV prospects or getting new customers in. What you will find though with step five and six is as the price gets higher and your volume of sales gets lower, is that you'll start to have more contact with these customers. It's only common sense that should tell you to keep in touch with these people, especially if you're teaching them to enter your field of expertise. If your product is any good, this could be your new base of high end JV prospects. Full circle.

Before we go any further, I'd like to say right now that both stage 1 and stage 6 can be cut out quite easily. As far as stage four goes, don't worry if you don't think you can come up with a product worth 5-15k. More often than not it's easier to do this once you've had multiple products completed that you can bundle together and create the ultimate package for your customers. Section one also isn't required. Generally it's only a starting point if you're totally stuck for product ideas, or want to be gathering resources whilst building your larger products for further down the line. Stage two is where you start to get some real promotion power, and stage three is where you'll make most of your profit in most cases.

One thing I would like to note here before we go any further is do not under any circumstances start discarding your resources from any stage of this. All too often I've seen the attitude that goes a little something like this: ' Ah well, I only got 200 new people for my list, that didn't go as well as I planned it, time for a fresh start today' or '.. time for a fresh start with my next product'. Don't do it. Like we mentioned before, things snowball, starting off slow, and getting faster and faster. This is the reason why I said there's no overnight super online business get rich quick method. Anyone that tries to persuade you otherwise isn't telling you the whole story.

Look at things this way when you think about discarding your old lists or resources, what if just one of those people you met wanted to joint venture with you, or accepted your joint venture proposal. Through a single joint venture, if everything is set up correctly, you can pull thousands of subscribers, tens of thousands of dollars in sales, and countless affiliates, not to mention new product ideas, promotion ideas and plenty of renown for yourself. Think about what you're throwing away before you do it. And stop starting again after each product release!

## **6k. Taking The Next Step.**

Next up I want to talk to you a little about taking this to the next step, moving on and getting a little more advanced, mixing and matching your resources in a kind of organizing the masses type of way, achieving optimum levels of performance from each of your resources due to them being in the right places at the right time.

Hopefully if you've been doing this right up to this point, you've been keeping separate lists (and backups!) of your resources. First your standard list, your customers, your longer term customers, your affiliates, and your JV prospects. Using these five in future is a must, we already talked about not discarding them, but remember to overlap them too, a little bit of cross promotion won't go amiss either.

So there we have it; the total low down on all your resource types, and what to do with them at different stages of a products development and price range. Hopefully by this point you'll have ideas floating around in your head, and things will be clicking into place as you read. Don't worry if you found yourself rewinding or backpedaling to read some sentences over again. It's quite a complicated process with different product levels, resources and resource levels and can be hard to grasp to begin with.

I assure you though, the results are well worth the effort.

## 7. Summary.

- Greetings, and welcome to the backend sales section. Using all the knowledge you've gained thus far, we're going to start to look at the structure of your sales system, and how, through simple marketing methods you can have an abundance of the people willing to spend thousands of dollars per product at your disposal.
- Let's open this section with a question for you. Why do you think large supermarkets like Tesco and Walmart for example stock items that are such good value that they make little or no profit on them at all. Why did the computer store where I used to sell computers sell them when they were only making \$20 profit on a \$1500 computer?
- The reason was simple. To get people through the door and signed up for loyalty cards, or to get them to buy other products and services that they do make a profit on. I later learned in this instance that profits on peripherals were no less than 85%. This is not the whole story, and in fact this is done in a very different way by online marketers, but it forms the basis of what I want to talk to you about. For you sales people out there, you may already know this is called add on sales, but there's more, and what I want to concentrate on now is not add on sales themselves but something closely related.
- The concept of backend sales, whilst the methods differ slightly from real world to internet, the reasons are the same. It's all about building resources for the future in more ways than one.
- Now real world businesses use these loss leaders to sell add on products which is a simple concept in itself. If we've got you through the

door to buy a computer which we make no profit on, we're sure going to sell you on peripherals at 85% profit. That's only a small part of it however.

- Add on sales are all well and good, but what I want to talk about now is instead of piling on the progressively more profitable products while you're in the store through salespeople, adding sales on at a slower rate with a view to future sales rather than selling more in a single session.

- Remember, this isn't about the add on sales at the checkout, which even though is a good method, isn't what I'm getting at here. What we're doing is managing our resources in such a way that we can further persuade our customers to buy progressively more expensive (or profitable) products from us.

- There are several reasons for doing this. For example, would you buy a \$2000 product from someone that you've never heard of? Probably not. But would buy a \$2000 product from someone that you know and trust, because you previously purchased their \$64 product which turned out to be solid? It's far more likely.

- In effect, what we're looking at here, is creating products with a view to attracting short term customers with low ticket items, and further selling them on through trust and loyalty systems to something larger, often going from free to cheap, to rather a lot, to premium, and in some cases further.

- An example of this is a stock market seminar I recently attended. I jumped on a free beginners course at the start. Whilst we were there, out comes sales pitch for an intermediate course at the end of course 1. \$500 I seem to remember it costing. Anyway, I signed up for that, they

had my trust, I was confident they were for real and know what they were talking about, so along I went. Enjoyed this course, and was fed through a further \$3000 and \$5000 class, both of which were excellent learning experiences.

- Three things you should get from that example. One, trust. It's amazing how much easier it is to sell to people when they trust you and have experienced your products. If all my products cost \$1500, then I wouldn't have half the customers I do because they just wouldn't be willing to take that risk on someone they haven't experienced before.
- Secondly. I don't give up my free time for anyone to sit me down in front of a computer, or in a room and hard sell me, and I'm guessing neither would you. A good entry level product can be even more powerful than a sales letter in selling follow-up products, but make sure that your intro products does what you said it does. Make sure your low priced intro products and loss leaders are of a high caliber. You're after trust and confidence, not profit here. (If you're wondering how this is a loss leader and not just a backend sale, bear with me, because we'll be talking about that in a moment).
- Third and finally, this should make it clear how the easiest and most flowing progression works for your products. Whatever you're selling online, if you've created it yourself, I highly recommend using the freebie to low price, to high price to premium pattern. Don't make the mistake of putting up a thousand dollar product and expecting people who haven't bought from you to gobble it up, because they just won't take that risk.

- Each step can be cut in and edited out at your leisure, as long as you have at least the two steps in there. Cheap followed by expensive follow-up product.
- Now, let's look at each stage of that simple equation and clarify exactly what their roles are in your sales process, beginning with the freebie. The freebie is your groundwork for your new product. Your resource gatherer. The resources it generates is used for building your four other resources, and gain the numbers that you can promote to for free.
- Now depending on your product, this free section can vary in size and type. If I were creating a marketing based info product as my highest ticket item, I'd make sure I'm getting people interesting in marketing by creating a small, original document relating to my end high ticket item. Even if I'm not selling a marketing based product, I might still be able to create a how to document that gives valuable information about how to do something that relates indirectly to my final product. For example, I may release a document that explains how webmasters can attract a large number of affiliates, where as my end product may be a webmasters affiliate solution or software.
- So you see, at this stage, even if your end product isn't an info product, you can always go out there and learn, and create a short info product that relates indirectly to your final high ticket item. I've seen this done numerous times, and have carried this out for myself, and I have to say it's highly effective for grabbing a targeted but diverse list. Try to think laterally when creating this product, and most of all be original. A 1950's e-book reprint doesn't cut it anymore.
- Length wise, for an info product of this type, you can be looking at anything from three or four pages of solid information in exchange for

mailing list details, up to ten or twenty pages. Don't go too far and give away the world for nothing. You'll only end up attracting a bunch of freebie seekers. Instead, make sure your info is solid, focused, and the best thing you've ever written. After all, it's there for people that are going to go on and turn into your other more advanced resources through follow-up and hopefully if you've done it well, straight through the info packed report you've written and instantly onto product number two. It's almost an extended sales letter that contains good information. Sales letter/mini product cross if you will intended for quick conversions. Simple enough, so lets look next at your least expensive introductory product.

- Stage two, your less expensive introductory product. Usually priced between ten and sixty to seventy dollars, designed entirely for trust building purposes, and to get customers to take a short term and less expensive risk buying your stuff instead of throwing a \$1000+ product right in their faces where they might not be willing to take that risk.
- Your overall intention is to use this product to easily attract customers and later turn them into long term customers. One of the requirements for doing this is that your introductory product is related to your main product in such a way that the system flows.
- Secondly, your intro product must be good. This is a taste of what you're worth and how good you are, and if you pull this off correctly by producing a quality intro product, you'll have no trust troubles when it comes to further and larger sales from the same customers.
- There's one more aspect that comes into this product type, and that's the resource building and where the loss leader comes in, beginning with affiliates, which you're going to openly advertise on your intro page

high commissions. 60,70,80 percent, I've even seen 90 to one hundred percent products previously. Remember this is not your profit-maker but it's your resource gatherer.

- At such high commissions as this, you won't have trouble attracting affiliates to promote for you, and in turn you're going to be pulling in not only the customers who are going to buy your more expensive stuff, but along with that, a juicy sized list generated from the visits through all the affiliates attracted by the high commissions you're offering. What's more is you'll have the affiliates to promote for lower commissions for your more expensive products, as well as the chance to pull in the most confident and best promoters for future joint ventures and loyal affiliate schemes.

- So you see, this product has many advantages over the freebie with regards to resource building. Remember it's not the sales that you're going to make that are going to make you rich, but your promotion power, and that of your resources.

- Do you see why most marketers without this stage fail totally? Whether they have their freebie or not, they can't get affiliates to promote freebies and therefore their resource building lacks massively. Those with just the higher priced product don't have the resources to make a large number of sales, and furthermore, don't have the trust they need to push a majority of potential customers over the edge that's built with the intro product. This is the power of the low-ticket item, intro product stage that many fail to understand.

- Next, comes your high priced product. Your -first real money-maker. Generally priced between \$150 and \$1250, and sometimes slightly more. It's the epitome of quality in your target market, it should be your

cleanest, your hardest hitting, most powerful piece of work to fit the price tag. Surpassed by few, this is going to provide the cornerstone for your money-making efforts and of course your profits.

- This is where, through the promotion of the intro product, you now have the power succeed where others simply fail. You have the list to promote to, you have the trusting first time customers, who in my experience are more than ten times more likely to buy from you compared to first timers. You have your affiliates, and you have your top performing affiliates to turn into joint ventures and long term relationships by offering them higher commissions and special deals on your higher priced product.
- Through your intro product, the scene is set. All your resources at this point begin to gain momentum and as we discussed earlier, and build themselves. How much does this stage cost you? Nothing, because you have all the promotion power you need, each one building the other from product to product, from sales system to sales system.
- You can see already, the more products you release, instead of sticking to one for four years, the more growing room your resources have. Affiliates will only promote once or twice on many occasions to the resources that they've built. Your customers will only buy the big follow-up product once, and to take advantage of these very powerful resources, you need to launch multiple products, and as we mentioned earlier, not get bogged down trying to make millions from a single product, which will lead to you waking up years down the line, finding your situation hasn't improved, because you can't take advantage of all your resources. This is the power of the backend sales system coupled with the promotion power of your resources.

- Oh but hold on there, that's not where it stops. You can move further, and through the presentation techniques we talked about previously, you can present similar products in such a way that they become premium products, generally priced around \$5000 up to \$15000.
- This is where you're at the opposite end of the scale compared to your intro product. All the resource pulling goes out of the window and it's all about making the money. Whether or not you use affiliates for this stage, it's up to you, but personally, I wouldn't. It's your customers and long term customers that are going to pick this up, because quite simply, if the trust isn't there, no one will buy, full stop.
- At this stage you're looking at products like intensive one to one training for a period of time, or a session of personal consultations or weekend workshops for example. It doesn't have to be carried out all the time, because it's not every month you can create a product worth fifteen thousand dollars. It's a long-term project and will become easier and more apparent to you once you've launched your first few products along with the all important intro product, and of course, it'll become far easier to sell the more products you launch too, simply because you have more resources to promote to and to promote for you.
- These projects are few and far between, they're special. Extremely profitable but time consuming. Don't fret if you don't have an idea for this yet, I don't expect you to create one of these before you've created at least three sales systems that comprise of the intro product and the higher priced, \$150-1250 follow-up products.
- So there we have it. The total low down on all your resource types, and what to do with them at different stages of a products development and price range. Hopefully by this point you'll have ideas floating around

in your head, and things will be clicking into place. Take this knowledge and use it well, because ultimately understanding this, as you can plainly see if you've ever seen people not succeeding online, if these methods aren't used at least in part, they have trouble even getting started. A problem you no longer have.

- Don't worry if you found yourself rewinding or backpedaling to read some sentences over again. It's quite a complicated process with different product levels, resources and resource levels and can be hard to grasp to begin with. Rest assured though, the results are well worth the effort.