Geoff Stephen's

3 CIRCLE MARKETING

High-Profit Sales Funnels

Everything you need to know to
Earn a 6-Figure Income
100% Online!

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Geoff Stephen's Guide to High-Profit Sales Funnels

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Introduction

As an online business owner, you most likely have a basic knowledge of the Sales Funnel principle. What you need now are more **in-depth strategies** to make sure your Sales Funnels are set up to be strong and successful.

What Is A Sales Funnel?

A Sales Funnel is the process by which you **gain pre-qualified subscribers**, lead them through a selection of sales opportunities **increasing in value from free to high end offerings,** resulting in gaining "lifetime" repeat customers. It is also a device used to measure each individual Marketing Campaign.

Some typical sales opportunities used to **build** many internet marketing Sales Funnels:

- **Special Reports**
- **Larger eBooks**
- **Email courses**
- **Memberships**
- **Physical Products**
- **Multimedia events (webinars, teleseminars, podcasts, mp3s)**
- **Mastermind group subscriptions**
- **Software and instruction packages**
- **One On One coaching**

The reason it's called a "funnel"? It's spiral in nature. The customer elects to investigate the wide mouth at the top, and once jumping in, is naturally and easily swept through it. Along the way, they experience and purchase your valuable offerings. The ride continues until they are deposited through the "narrow" end into the élite group of lifetime, big ticket buyers.

A percentage of your subscribers will likely choose to step out of your funnel at various stages along the way – for example, when the price ticket becomes too high. It's your job to ensure that no matter what happens or where they step out, everything flows smoothly. And that they didn't actually leave because of some careless oversight or miscalculation on your part.

Most successful marketers have several funnels operating at once. You can increase your profits by redirecting valuable, pre-qualified customers who step out of one funnel into alternate and more appropriate Sales Funnels for your other Marketing Campaigns.

Who And Why

Before you get to the stage of skillfully handling Sales Funnels, you will need to have invested solid time in the basics. And the most basic core element of all is knowing **who** would want to buy your product – and **why** they need it.

Which do you start with first – the product or the customer need? Unless you have a product that is so original and life-changing there's nothing to compare, start with your target market. Hopefully you know already who this is and we don't have to go over those particular basics.

But now you have to narrow it down to **identifying** and **creating** for your **specific** customer.

If you *do* already have a product in mind before you begin your research, start by examining **how you can apply every step of a strong Sales Funnel** to your dream creation process. If you find it's a "one-trick pony", a stand-alone product with no development potential, you may wish to:

- Scrap it
- Think up a better sales model, and include it as one step, instead of building a Marketing Campaign (and Sales Funnel) around it

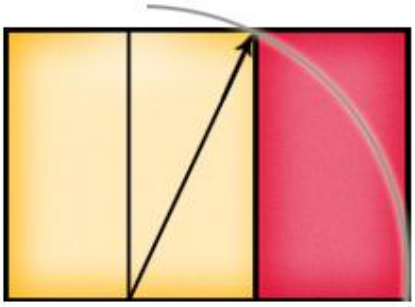
In other words, don't be afraid to put a product on the back burner, if it isn't the right time, place or condition. Being an internet marketer is like being a best-selling writer – all writers are passionate about the words they write. But when it's time to edit, best-selling writers are universally ruthless about cutting out any parts of the article that *don't support the basic "slant" or focus* of the piece. No matter how brilliant they thought that particular snippet.

Your foolproof sales formula? Find out **what your competitors are doing**. Find out what their subscribers **love** about the products – and **what they're complaining it misses**.

Then create a better product, stopping up the gaps and smoothing away the glitches.

The Golden Spiral

Mathematical geniuses like Euclid, Pythagoras and Leonardo Da Vinci long ago discovered the "Golden Rectangle" – a perfect proportional ratio. This mathematical formula allows a smooth, flowing, orderly expansion and progression, when applied. Since geometry was discovered, architects have been using it to to create spectacular buildings like the Parthenon. Look also at the works of the best artists, and you'll discover that many of the most famous paintings (like Leonardo Da Vinci's "Mona Lisa", below) have compositions based on the Golden Ratio.



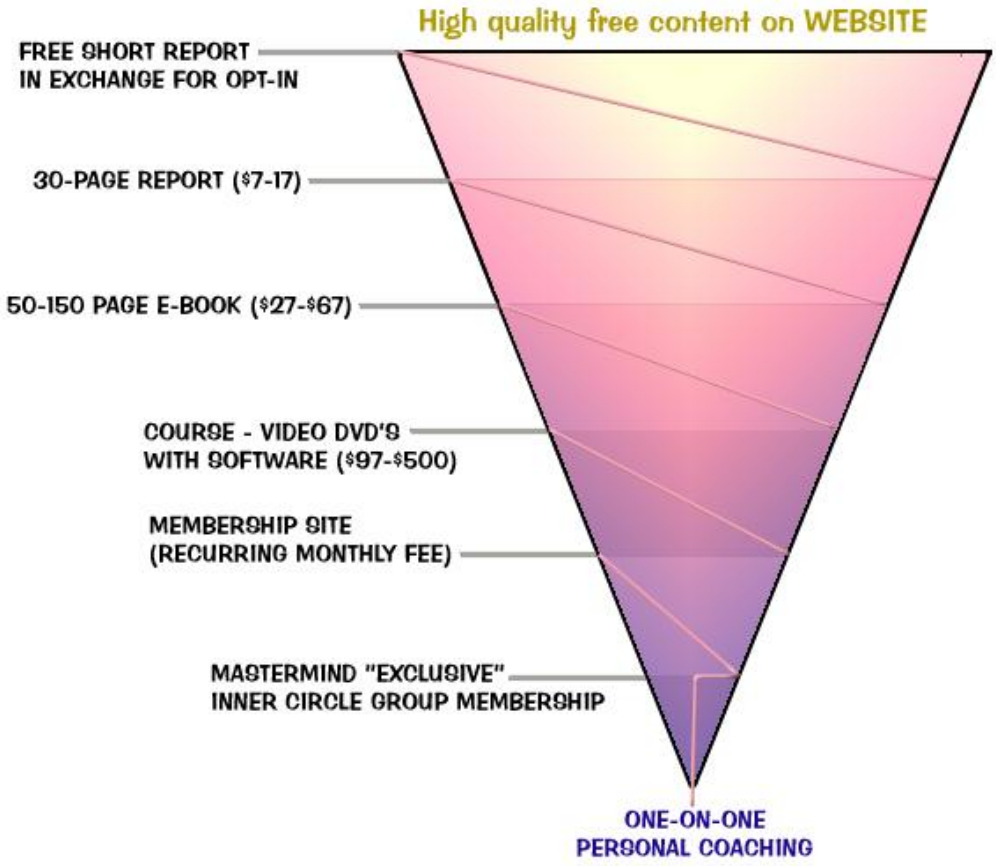
The "Golden Ratio"

(In the "Mona Lisa" , you can even see another Golden Ratio within the general painting composition – Mona Lisa's face.) Humans are naturally drawn to the Golden Ratio, because it is universal.

In 1854 mathematician Adolf Zeising observed the Golden Ratio in almost every aspect of nature – in the spiral proportions of snail shells; in the veins on leaves; in chemical geometry (crystal shapes); and in proportions of human and animal skeletons. (Here's a dramatic animated demonstration of this at work in the bones of the hand that may get my point across far more effectively than words.)

Zeising concluded this perfect proportion – one that fits perfectly within itself and expands outwards or contracts inwards an infinite number of times at the same interval – represented a basic **natural law**. And natural laws are ingrained into our subconscious minds.

Sales Funnels are also "spiral" in function, and just like a snail shell, it needs to be a perfect one. Your aim should be to have it flow inward and downward so that every **turn sequence** is natural, with no "hiccups", bottlenecks, pockets or bumps for your customer to "trip" over. It should spiral down as smoothly and evenly as a snail's shell.



When buyers "trip" or get caught in a bottleneck because **you haven't got the steps sequenced correctly**, the danger of having them decide your funnel isn't working and **choose to step out of it** is huge.

In other words, it doesn't feel "natural" any more. It doesn't have that wonderful progression that leads them irresistibly and confidently to the next step.

One of the most crucial ways you can create a Sales Funnel that is as perfect a work of art as the Mona Lisa? **Keep your focus clear**, so that you're aware of all sections of your funnel. That way, you'll be able to balance **long term goals** against **short term sales**.

There's a time and place for everything. But it will flow much better, if you "go with the flow" and opt for balance and harmony within the natural order. If something doesn't work, don't panic and get reactive – sit back and analyze why. (And if you can't figure it out**, ask!)**

If it still doesn't work – scrap it.

Sales Funnel Brainstorming

Each step of your Sales Funnel doesn't have to be exactly like the model above – that's just an example. But the *principle* would be the same.

Your initial offering of valuable free content may not actually be on a website. It might be on a landing page, a Squidoo or Hub page, or a blog instead. A selection of free articles might attract visitors in. Your valuable free content might be spread over more than one of the above platforms: But all of these would point to a landing page or opt in box.

To attract subscribers, instead of a free Small Report, you might offer a free set of work charts, an audio file or a video. You might even want to provide a higher end, larger report. (Or you might choose to create low-cost membership site – using the offer of a free month, or a month's trial for $1.) Your opt-in might or might not include a **survey**, **quiz** or **questionnaire** as part of its operation. Instead of an eBook, you might be selling a software product. Or perhaps even your services.

Other tools to use may involve:

- **PPC** (pay per click) advertising
- **Blogging**
- **Social media** such as Twitter, MSN, Facebook, RSS Feeds
- **Podcasting**
- **Videos**
- **Webinars** and **Teleseminars**
- **Online service** (E.g. you run a script that allows them to create high-end online sales graphics, for a subscription fee)

The point is, you have total freedom to decide how to move your subscribers through your funnel. It's up to you to figure out:

- What to **give away**
- What to **skip**
- What **to include**
- What **order** in which to arrange your offerings
- **Where** and **how often** to intersperse your offers with more bonuses and free content

- What **email courses** to offer or send, and what **email campaigns** to instigate

The best way to start planning your Marketing Campaign and Sales Funnel? Do it straight away, while you're still researching. Don't be afraid of having to adjust as new information comes in.

Your Marketing Campaign may evolve and change significantly as you gain new information – this is a good thing. It means you're paying attention to your potential market, and leaving no stone unturned as you analyze and brainstorm. But fortunately, there are tools to help you…

Organization – Your Key To Success

There should be a real rhythm to your alternated sales offerings and free content, so that while you are generating opportunities at the "front end" you are aware of every move buyers take as they are progressing through the Sales Funnel cycle. Sales Funnels help your buyers as much as it helps you, because it keeps your customer service highly focused and relevant.

When you think of it this way, it become crystal clear why ignoring the Sales Funnel, creating a product and just merrily tossing it out there haphazardly makes no business sense at all. In fact, it can be an expensive waste of your marketing efforts.

We're talking about the difference between a child making a tree fort, and an architect designing the Parthenon.

That's what **structure** is for. It's your friend – not your enemy.

And the more you hate to work in a structured way, the better a friend it can be – because it will keep you from making fatal mistakes and missing opportunities.

Front End Versus Back End

The sad truth is, many people come into Internet Marketing hazily thinking they're going to create one product – an eBook, say – or focus on one marketing platform – perhaps running a blog. And make six figures.

It doesn't happen that way.

The only way to make six figures?

- **Planned Sales Campaigns**
- **A Sales Funnel for each campaign**
- **Strategy**
- **Tracking**
- **Testing**
- **Adjustment**
- **Analysis**

The big secret gurus really **don't** tell you (the sort who are busy persuading you that a complete newbie can make $23,447,000 overnight)… *The things you do at your "front end" – the wide mouth of the funnel that people jump into – are usually "throwaways", as far as making serious profit.* To give you a rough idea, the proportions would work out to something like 80% of your income being **made at the back end** – from 10% of your buyers.

Oh, sure, you might be selling $10 Special Reports at the front end every week, and feel genuinely thrilled about it – but that's not going to support you in any millionaire lifestyle.

And once that $10 Special Report sale is done… it's done.

…*Unless* you are moving the buyer through your funnel, pointing him to your next product, and in between, stuffing him full of information he really does need, and will be grateful for.

But there's no getting around the truth**: All the real money is at the "back end"**.

Simply put, the back end begins around the spot in the funnel where your customers start buying high end products in the $100s of dollars. These are your die-hard fans and repeat customers.

The back end is also where you set up your recurring residual income – exclusive membership sites, coaching, monthly DVD clubs, private forums.

The front end's primary purpose is to generate "leads". Your prospect jumps into the mouth of your funnel because you gave them something they really needed with the free content on your website, for example. They opt into your newsletter, to get a free report.

That's where the work begins.

That's where you start **tracking, testing** and **analyzing**, steering your customer – based on his or her choices – to various steps between steps in your Sales Funnel.

What you're actually doing is qualifying them – finding out if they will be ideal candidates for the next level. And along the way, you will be doing things like:

- Offering them more valuable free content and "surprise" bonuses
- Telling them about paid offers
- Sending them targeted emails offering them what they've demonstrated they want – and what they've indicated they most likely will be happy to pay.

You're not tracking and testing to see how much more money you can suck out of them – you're doing it so you can give them **fabulous customer service**, **anticipate their needs**, **solve all their problems** – and end up being their **favorite, most trusted internet marketing hero**.

Multiple Lists

For this very reason, no matter how new you are to internet marketing, if you've decided to start working on your Sales Funnel, you need to have separate email lists in your Autoresponder.

They might look something like this:

- **Prospects**
- **Opt-ins**
- **No For Now**
- **Bought Report**
- **E-Course Subscribers**
- **Membership Site Members**
- **Inner Circle Coaching Group**

The idea being that when a prospect "graduates" from the "Prospects" list by opting in to receive your newsletter (and free report), he or she is immediately moved to the "Opt-ins" list.

This prevents your "prospect" receiving redundant emails, and makes sure that email material you send to them is highly relevant, helping them through the next phase of your Sales Funnel – or out of it, if that's their choice (in which case, they're bumped to the "No For Now" list).

Email marketing is a powerful tool to use in any Marketing Campaign, ranging from your newsletter to mini-courses to special announcements.

It is also a vital part of your Sales Funnel process.

Two Directions At Once

Realize there are **two parallel journeys** happening when your subscriber opts in and enters the Sales Funnel – their journey and yours.

Your responsibility is to be aware of your own journey and all the steps you need to observe, analyze, adjust – at the same time as you are observing, analyzing and guiding your buyer.

It's not solely about you and your buyer, however.

Your Affiliates – What They Do

Another key step to maximizing your profits **is providing your affiliates with support**. And not just "support" – but *timely* support. Inviting feedback and interaction from your affiliates will put you leagues ahead of the many marketers who carelessly leave it up to their affiliates to do what they want.

If you want a strong and enthusiastic affiliate force**, provide resources for them**: banners, email sequences, PLR, snippets of HTML, instructions on cloaking links – what ever you can think up to help them sell your product!

Stay in contact with them, and let them know you are there to answer any questions.

It's also a powerful, time-honored Sales Funnel management strategy to give your **affiliates (**and especially **joint venture partners) higher commissions on the front end** – sometimes as much as 200%, or even taking a loss - because of the sales they will generate for you down at that all-important back end (especially if their names are more powerful than yours).

After all, you want to leave no stone unturned – and no money on the proverbial table.

After Your Leads Have Opted In

One key function your Sales Funnel performs – **weeding out leads** who are not likely to be in tune with what you have to offer. Expect a percentage of leakage. This refers to those who opt out again, after buying your low cost report or podcast: Or perhaps purchasing your medium-priced offering

This is a *good thing!* It will make you more money by **saving you time.**

It means you'll never have to bother with the hassle (or bookkeeping of refunds for that customer. And never have to deal with complaints, or hand-hold people who really need to learn many other things about internet marketing (and business in general) before they sign up for your course or product.

It leaves you free to focus on the people who have enthusiastically opted in, and downloaded your free report. The ones you are building that **all-important relationship** with.

After the chaff has left and the wheat has opted in, your email campaign can really kick in. Throughout the process, constantly test, track and refine your offers and mailings.

Be as analytical as you can, however, in determining **why people opt out**. Many marketers have a section on their unsubscribe page asking the reason. If you get responses like "out of work, can't afford your membership fees", you know not to take it personally. People have a variety of reasons for unsubscribing, many of which won't involve you. However, if you get feedback like "your last sales letter was insulting to women!" – better jump on that, pronto. And make some changes!

Back End Advantages

By the time your subscribers reach the back end of your Sales Funnel, you're down to your die-"inner circle" – your real fans. These are the sort of customers who will buy just about every product you put out.

This small group traditionally is responsible for your highest profit margins. If you've set your funnel up correctly, you'll make more from 10 back end customers than you will from 100 front end ones.

Having a group like this tells you that you're doing something right. You've really connected, and you're really meeting their needs.

Sales Funnel Challenges

We've laid it all out, and it seems so logical. People enter your Sales Funnel in an orderly manner, progress through it smoothly, and end up as loyal lifetime customers.

Simple, right?

Oh, if it was just that easy! The truth is, there are problems you can easily run into on your journey through the Sales Funnel. Even when things do go smoothly, you have to do a lot of skilled acrobatics to stay on top of things and conduct the orchestra. (That's where your "planning and organization" really comes into its own as your strongest maximization and profit-making technique.)

Some of the problems you need to anticipate and head off at the pass:

Bottlenecks

What are they, **what creates them** – and **how do you get your buyers past them**?

They can occur for any reason – even the economy downturn! As sales slow down – especially high end sales – many people deal with this by going overboard and gearing their marketing efforts into overdrive.

Stepping up your marketing efforts is good, but in your zeal to convert front end buyers rapidly to back end, don't throw the baby out with the bathwater.

By this, I mean going into such a frenzy of marketing activity, you neglect the all-important processes of respecting the pace at which each buyer group moves (as well as skipping analysis and testing).

And most of all, **don't become so reactive, you abandon staying organized and focused.**

Rushing ahead without a clear plan presents two specific dangers.

Action for the sake of action can result in missed steps or lack of proper pacing, inadvertently creating points throughout the funnel where the customer loses momentum, feels stalled, becomes confused or impatient – and leaves.

Some common causes of bottlenecks:

- **Not focusing on and providing value in the front end**
- **Rushing the customer and ignoring his pace and mindset**
- **Failing to create or point out a real need for next step**
- **Failing to provide social proof at the right points**
- **Failing to match products with current group skill level**
- **Failing to provide a logical step for buyer groups to move up to**

Neglect any of these factors, and your Sales Funnel is in danger of collapse!

Things to track, to keep on top of the bottlenecks:

- **Which pages are not converting**
- **Where people "trip" and opt out**
- **What needs "fixing"**

Ways to stop bottlenecks from occurring in the first place?

You guessed it. *Planning.*

Plus there are four factors you need to always take into account, namely that each group will have its own level of:

- **market awareness**
- **experience**
- **skills**
- **loyalty**.

Keeping the widely differing needs of each group in mind as you prepare products, emailings and content will help you attract the most sales at every stage.

Fads And Trends

The second danger lies in following trends. We're taught it's a good thing to keep on top of the latest trends – and generally it is. But not always.

Take a top marketer who recently discovered you can have too much of a good thing. Panicked by a downturn in sales, and observing sales cycles slowing to a crawl (after being strong and steadily growing for the last several years), this marketer started radically changing her business persona. She was sucked in by a trend towards a more hard-edged and combative personality, with a "cat among the pigeons" approach. She started writing controversial articles in an attempt to stir up and provoke readers and attract new ones. She added products and processes that just didn't fit in with the smoothly run practices her subscribers had come to know and rely on. She started sending out too many emails, with too little value.

The problem was, her entire marketing platform had been built on a "user-friendly" and supportive approach. Even with the economic downturn and a slowing rate of sales, this business model still ran like a well-oiled machine. But when the marketer behaved reactively and scrambled to "beef up" her business with new strategies, products and tactics, her opt out rate suddenly increased. In her unsubscribe box, she got feedback like "you're becoming just like all the other guys who flood my inbox" and "if I wanted sarcasm, I'd subscribe to XX".

Because she was a seasoned marketer, she quickly realized what had happened. Even though several new ventures were in the works, and she had already committed a significant portion of her budget to these new approaches, she called a halt. Damage control time!

She went back over the big picture, contacted her assistants, and went over the testing and tracking results again. Together, they were able to ruthlessly weed out what wasn't working, and get back on track. But she had made 2 serious errors…

She allowed an element of panic to force her team into "action" at such a pace, they got ahead of themselves, didn't communicate well, missed holes in strategy – and bottlenecks began to occur.

And she changed a formula that was already working, without stopping to consider that it *is a natural occurrence in a downturn for sales cycles to grow longer*.

She forgot her own most crucial rule – a strong and clear sales focus – and almost paid a hefty price.

Maintenance

Autoresponder Management

If you are running a Sales Funnel, your Autoresponder is one of your most important money-making allies.

Your Autoresponder is the "personal assistant" who makes it easy for you to run multiple lists at the same time, and feed them all specific, nutritionally balanced meals.

This is what a typical Autoresponder List Drop-Down box should look like:

Think of each Autoresponder list as a different folder. (No surprise, right?)

Now, think **offline**. Imagine running a bunch of clubs – a vintage car club, a youth group, a local environmental Park Pickup group… You'd have a separate file folder for each.

You wouldn't add teens who sign up for your youth group to the folder for vintage car club owners, would you? That's an entirely different demographic. (Can you imagine what would happen if a 15-year-old got a letter slanted at a 40-year-old affluent male with an income over $95,000.00 a year? Not very much, right?)

Yet that's what a surprising number of marketers do, for too long after they first start to become successful. They think of all their prospects as **one large group**.

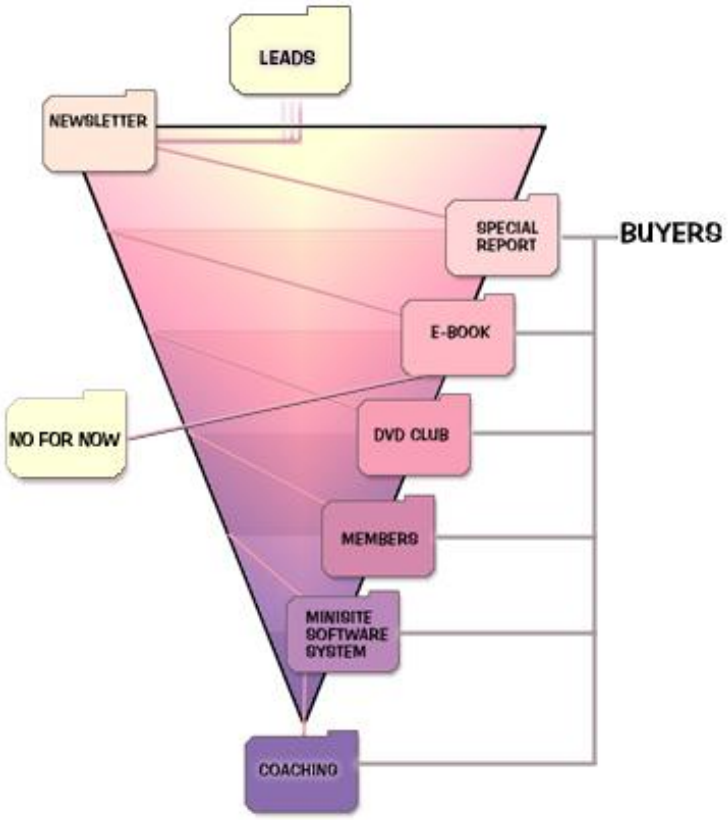
They do this because they are thinking of the Sales Funnel itself as **one** entity, underestimating the **individuality of each separate group** (and each groups different needs) moving along the funnel.

In reality, your Sales Funnel is not a static, solid entity. It is dynamic and very much alive – and knowing that will keep you maximizing its full potential.

Think of your Sales Funnel as water swirling down a drain. (That might seem like a negative image, I know; but really, it's the most appropriate for our purposes in this example.)

Your little folders are carried along on a highly fluid current – because your Sales Funnel is just that: a *funnel*. And what happens with funnels? Liquid passes through in a directed manner.

In reality, it helps if you visualize the Funnel more like this:



I can't stress this enough: Each group has to be **sorted**, **separated** and **managed separately**. This allows them to move through the funnel smoothly, on their own little boats.

If your planning and strategy just aren't there, you've most likely jerry-rigged the funnel together. Think saggy, concertina-crushed, cartoon Sales Funnel, tilting haphazardly. You'll have holes, leaks and bottlenecks that will cause an entirely unnecessary loss of business.

The best way to avoid this, once you've got your strategy planned – **use your Autoresponder as a Virtual Assistant** to smoothly manage and direct each group in an orderly natural progression.

Back To Basics

Now that we've got a clearer idea of all the phases connected with the Sales Funnel cycle, let's go back to the beginning and fine tune a couple of techniques…

Closed Questioning

When it comes to asking your leads and subscribers questions:

To get the most value from questioning and elicit information that will allow you to really provide value for your ideal buyer, make most of your questions "closed". Do this by wording them in such a way that the reader focuses on the specific question and outcome, instead of being tempted to go off on tangents not at all relevant to your particular Sales Funnel.

Example: You have a Sales Funnel for your "Create-A-Script" software business. You run a survey, and invite your newsletter subscriber to respond.

You ask the question: *"What would help you most in your business right now?"*

If you ask such an "open" question, I guarantee you'll get answers anywhere from "a million dollars" to "a manual on Autoresponders".

While it's nice to jot down the "manual on Autoresponders" and shove it in your "Ideas For Future Marketing Campaigns" box, **it doesn't help the particular marketing campaign you're focusing on right now.**

So you need to "close" your questions and focus them towards providing **specific, useful, targeted research data you can use to maximize your profits.**

To do this, you might reword your "most burning question" like this: *"What do you find is stopping you from installing your own scripts?"*

You can even prompt them a little more specifically by making it multiple choice: *"What do you find is stopping you from installing your own scripts? Is it:*

> *A. Being paralyzed by a fear of inadvertently crashing your server?*
>
> *B. Complete unfamiliarity with what Scripts are, what they can do, and how they work?*
>
> *C. Lack of a manual?*
>
> *D. Other"*

- Notice that even though you've allowed them an open-ended "Other" section for their responses, you've firmly guided the thought process *strictly to dealing with scripts*. At this point, their "other" response is not going to be a wisecrack or a request for a manual on importing Autoresponder files through Microsoft Excel – it's going to be focused scripting, because **that's where you have directed them**. The more specific you are, the more specific your customer's answer will be. (And the more valuable!)

(Another tip: keep surveys short – 10 questions is a recommended maximum, according to Survey Monkey, an excellent free and paid survey company you can try out.)

Customer Care And Feeding

There's one Golden Rule you don't hear emphasized nearly enough, among all the "provide quality content" advice - **Anticipate.**

Be proactive. Make sure you are vigilant about feedback, and stay in sensitive, appropriate contact so that you can see what they're having problems with *even before they realize it* – and provide the solution.

This will *really* make you look like a wizard! And it gives a lot more validity and meaning to the word "guru".

(What is a "guru", traditionally, in its proper use of the word? A **master teacher**. Too many people nowadays improperly equate the term with the sort of narcissistic sales barracudas who flaunt mansions, millions and power boats while convincing you that you can do the same – in a week.)

The whole key to being able to make the "magic" happen and create real loyalty among your customers (converting them to valued backend customers and **boosting your profits**) – put their interests at the forefront. If they feel you're 110% on their side, and you're the "go to" person they can rely on, they will not only keep repeat-buying, but share all sorts of quality information. You can then use this information in your sales strategy to tweak, alter, enhance your offerings.

The ultimate result? Both you and your customer will be moving forward *together* through their particular Sales Funnel. And your income will expand as rapidly as your reputation.

Tips For Superior Marketing Campaigns

Focus on **contact quality** and **clear communication.**

If a prospect is not suited to your Sales Funnel campaign, see if you have another cross-campaign you can migrate them to. Often if they've indicated an initial interest, they're in the **right general area**, but the **wrong sub-niche**. It's when you get down to specifics they tend to leave. They might *intend* to buy your eBook after your Special Report – but when there's one across the street that is 50% more targeted to what they need to learn about – they're gone.

Remember that conversion rates are *not* the be-all and end-all. You have to thoroughly measure all statistics against the big picture, to see if initially high conversion rates at the front end are all fizzling miserably out before your visitors are halfway through your Sales Funnel.

On the next page, you'll find a **Marketing Campaign Worksheet**. Print it out, and use one for each new Sales Campaign you mount.

TIP: Where there are multiple suggestions, just cross off any methods you aren't going to use (or if it works better for you visually, highlight the one(s) you **are** going to use.)

If you need to print out and use more worksheets as the campaign progresses or changes, do so. Fill them out, and place in front of the previous sheet. What this will do is give you a "snapshot" of your campaign from beginning to end.

Marketing Campaign:

_____

Lead Generation Strategy	**Website?** **Blog?** **Free Small Report?** **Bonuses?** **Free Multimedia Event?**	
Subscriber Strategy	**Newsletter?** **Email Course?** **Bonuses?**	
Low End Offering	**Special Report?** **Video?** **Other Multimedia Event?** **Bonuses?**	

Medium Offering	**eBook?** **DVD?** **Multimedia Event?** **Other Physical Product?**	
Membership Site	**Silver?** **Gold ?** **Platinum?**	
High End Offering	**Physical Product?** **Coaching/Instruction Package?** **Other?**	
Coaching	**Group?** **One-on-One?**	

Tracking And Testing

Now comes the part too many people neglect: Tracking and testing your conversion rate.

If you were in offline sales, your sales metrics would be a major part of your Sales Funnel management.

"Metrics" simply means statistical data that contribute to conversions. For example,

- Number of **opt ins** on newsletter subscription
- Number that came in **via your blog**
- Number that came in **via affiliate blog posts**
- Number of opt in **confirmations**

…And so on. You weigh all these factors against each other, and it helps give you a clear picture of **what's working** and **what isn't.**

It gets especially interesting when we get to actual conversions.

What you're really doing when you invest in tracking and testing, however, is far more important than all the figures combined: You're developing objectivity, as well as gaining a clear picture of the trend line. Perhaps the most important reason for testing, apart from figuring out our Return On Investment (ROI) and conversions – seeing where things go wrong.

If you know it's broke, you can fix it.

If it's just sluggish, you can give it a "tweak".

Testing

Once you've got some subscribers opting in, you can really become a testing guru. The more you test, the stronger your campaign will be. You'll come to know that particular Sales Funnel like your best buddy – only more objectively.

Even more important, you'll come to know your visitors and subscribers this well, too.

Test everything, at every stage. Trying out a "one month free" approach with your membership site? Change it to "$1" paid trial instead. Sometimes perceived value is a funny thing, and paying for it makes people more convinced of its value.

Offering a Special Report as your freebie? Try a Video instead, and see what it does to your results. (It's a good habit anyway to rotate media, when presenting offerings. Everyone learns differently.)

Some areas you'll want to pay particular attention to:

- What percentage of emails sent out actually result in a response (**i.e.**, clicking on a link, visiting a site mentioned, signing up on a landing page your email sends them to)
- How much income is generated from each eMail campaign within your Sales Funnel?

The other advantage of testing everything: It allows you to really see where the problems lie, without jumping to conclusions.

For example, if 10% of your eBook Sales Page visitors access your order form, but only 2% progress to the buying stage *and you know it*, this tells you **specifically** that **something about your order form** is creating the bottleneck. Someone who hasn't bothered to do more than token tracking might spend weeks tweaking their landing page, or fiddling with headlines, oblivious to the order form problem – with no positive result to show for it.

Testing **makes money** and **maximizes profits**. There's no getting around it.

Tracking Tools

You may already be using Google Analytics. But Google provides other tracking options you may find particularly helpful.

Failed Sales

We've all had people **abort the shopping cart process**. Google has a "Goal Funnels" tool with Analytics that can help you discover **why** by analyzing your shopping cart. For example, if they always leave on page 2 of a 4-page shopping cart process, then it doesn't take a rocket scientist to figure out that there is something on that page that is "tripping" them up.

You can experiment with adjusting elements on the page to see if that increases your number of completed sales. **Fixing the problem speedily gets you fast-tracked back to making money.**

Adwords and PPC (Pay Per Click)

If you are using Google Adwords in your campaign, make sure you are using Google Conversations (you'll find Conversation Tracking in your "Tools" menu).

This handy tool will help you weed out any keywords that are not making money.

(And don't forget about Adwords Help – particularly if you've just switched from the old interface.)

Another free tool: MathMarketing's Sales Funnel Calculator.

After providing a demo, it allows you to enter figures in order to project up to 3 years potential sales income (and wisely points out that "your Sales Funnel is all about buyers, not sellers").

Sales Funnel Terminology:

Some terms you might hear, when reading about Sales Funnels, for those who are new:

Arrival Rate - number of opt-ins, requests for info and free registrations

Bottleneck – Point in the funnel where the flow slows significantly

Conversion Rate - number of actual sales

Evaporation Buyers who leave – or whom you let go – permanently

Flow Rate – How long it takes for each visitor to work their way through your Sales Funnel

Funnel Value – Estimate of total income a Sales Funnel is capable of producing during its life cycle

Lag – How many weeks it takes for your visitor to progress from one stage to the next

Leakage – The percentage of traffic you lose as buyers pass through the Sales Funnel

Perceived Value – The value attached by the customer. It might make them buy your product, but dismiss an identical product sold by a competitor – or vice versa.

Recycling Getting these visitors back, either into the same Sales Funnel, or cross-migrating them to a more suitable one

Residual Buyer (Repeat Buyer) – buyer who becomes a regular "lifetime" customer, highly responsive to all your offerings and providing the most visitor value. This is your "golden" category! You can only truly say your Marketing Campaign has been effective when it meets the criteria of having residual buyers

Qualifying – analyzing how well-fitted your visitor is, and whether they are likely to convert

Sales Metrics – Your sales statistics, with calculation formulas applied to gauge performance

Visitor Value – how much you make on average, on each particular visitor. To explain "visitor value" a little further - A visitor who buys 10 products from you but always stays within your front end may not provide as much visitor value as one who only buys twice a year. For example:

Year 2008

Visitor # 1 – buys 10 X $7 Small Reports	=	$70
Visitor # 2 – buys 1 Complete Minisite Course	=	$500

That's a highly simplistic example, but it gets the point across.

One thing you should never do however – mistake **statistical** visitor value for "**real**" visitor value.

In other words, even though you make your most money from back end sales, **treat your front end visitors with as much importance as you do your back end visitors**. Some top marketers don't agree with this and in truth really are so wealthy they can afford to be unresponsive and arrogant. But if you've based your business on positive core values and ethics, you will most likely treat your front end visitors well.

After all, that's the best way to migrate them to **back end, high-value, repeat clients**.

And that is what Sales Funnels are really all about.