Surefire Profit System

Module 3: Deciding What to Sell

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Introduction

Getting set up to do business, like I talked about in the previous module, is a necessary first step. But once you've got the basic infrastructure in place, you need to decide what business to do!

That means you have to decide five things:

- What niche market you'll target, based primarily on profit potential
- Whether you can sell to that market at a profit in reality (potential is only potential…you want some proof)
- How you'll deliver your product (meaning, what form it'll be in)
- Exactly what you'll sell initially
- How you'll make money after the initial sale, on the "backend"

This module will show you how to select a profitable market and choose a hot topic that people are eager to hear about. You'll learn how to research markets to determine and decide what to sell to that market.

To help you keep your bearings, I'm going to give you a few methods for creating a product using the core business model discussed in Module 1.

The method you choose will depend on a few factors such as your level experience, prominence in the market and, of course, the resources at your disposal.

To make this concrete, here are the steps you'll follow:

1. Pick a niche
2. Test the market
3. Choose a delivery method (ebook, audio, video)
4. Decide what to sell…and create it
5. Find your backend profit engine

Let's go over each of these steps in detail.

Read on…

Step 1: Pick A Niche

You've probably heard of the concept of *niche marketing*. That's simple the process of finding a small segment (a "niche") of a larger market that you can target with products you know people in that niche want to buy.

It's a great concept, but I'm going to simplify things for you here. I'm not going to talk about niche marketing in general, because I haven't made my money in the health niche, or the auto enhancement niche, or the self-help niche. I've made my money in various niches within the Internet marketing (IM) market, so that's what I'll talk about.

Look For Profit Potential

The first step is to select a market that you know will be profitable. You want a competitive market where a lot of money is already being spent. There will always be room in a market of cash-in-hand buyers. All you need is a small slice of the pie.

So now you may be wondering…what makes a market profitable?

Many new marketers think you need to find untapped niche markets to be successful. But markets with high demand and no competition are very rare. You might be able to make a little money in a niche market where there is little competition. But you can't build a business in a market with low demand.

Okay, so where's the demand? It's in any market that helps people

- Make money
- Save money
- Improve their lives in some way

But that's a little too broad to be helpful. You need to find a subset of a market (remember, that's what a niche is) to target like a laser. This isn't as hard to do as you might think. Any market can get broken down.

The "Make Money" market can be broken down into:

- Home business

- Forex trading
- Real estate investments
- Gambling (horse betting, poker, etc.)

The “Save Money” market can be broken down into:

- Tax deductions
- Debt consolidation
- Mortgage savings
- Gas coupons

The “Self Improvement Market” can be broken down into:

- Weight loss (huge market)
- Longevity (everybody wants to live a longer)
- Self help (think Tony Robbins)
- Hobbies and Leisure (golf, vacations, etc.)

Basically the idea behind choosing a market within these three categories is that you’re targeting the emotional needs of consumers. Fortunately for marketers, those needs have pretty much always been the same.

Beyond basic survival, everybody wants to live better a better lifestyle. They think “better” means having more money (or saving money), or having better health, or having better relationships.

Remember, people purchase based on emotion and justify their purchase based on logic, so if you can’t appeal to the emotional side of your customers, you are going to have a very hard time making any sales.

So if you want to maximize your chances for success, I suggest you choose a market where

- There’s an emotional need you can meet
- There is already money being made

Fortunately, there's a great free tool you can use to find hot markets full of products that sell very well. I'll talk about in just a minute. But one more thing…

Don't Ignore IM

I'm going to be completely honest here and tell you the truth about IM…

First, most Internet marketers who sell ebooks about how to sell to niche markets have never sold to any other niche. They show ClickBank screen shots on the sales pages, but they didn't make all that money selling to niche markets. They made all that money selling ebooks on how to make money in niche markets!

So while most marketers try to "pitch the niche," I recommend that you start out selling products to people like you who want to work from home and make money online.

You'll hear lots of people screaming about how targeting the IM crowd is too hard. They'll say it's too competitive, or too expensive to advertise, or all the same stuff being sold by everybody.

In a way, they have a point.

The IM market is crowded. There are lots of marketers targeting this group of people. But the market has some characteristics that make it just about perfect for what you want to do:

- **The market is gargantuan.** It's staggeringly huge already, and with new people coming online every day, the market is getting bigger daily.

- **People in this market spend money.** Lots of it. They buy like their lives depend on it, because their financial lives often do. These people are used to taking out their wallets and buying online, which is exactly what you want. This is truly a rabid market, and it's very easy to break into. When people tell you it's not, that's because they don't want more competition.

- **There's a huge number of sub-niches to choose from.** "The IM market" is really almost a meaningless concept because it's so big. There are literally hundreds of sub-niches within that market, and you'll want to target one of those.

- **There's plenty of room for you.** I just said there are hundreds of sub-niches to choose from. That means you can target one, take a small sliver of the profit pie, and not step on anybody's toes. You won't be fighting Wal-Mart for market share, or Nike to get people's attention. You can carve out your own little piece and make a killing.

- **You earn as you learn.** This one's a biggie. Think about it…if you're selling products in a different niche, you have to learn about that niche in order to sell the products and you have learned how to sell at the same time. With IM, you get to earn as you learn.

And here's the cool part…Once you ramp up your business and can show a consistent cash flow, you can sell it and then go into any niche you want having learned all the marketing techniques required to be successful.

IM isn't "too hard" or "too competitive" or "too crowded" if you know what you're doing and you do the right things. The rest of this course will show you how to do that.

Okay, now let's talk about that free tool that will let you find hot markets full of products that are already selling well…

Easy, Free Market Research Tools

Your market research really needs to involve two things:

- Finding currently profitable markets (these are ones that are currently full of people spending money)

- Brainstorming product ideas

I'm going to suggest a streamlined approach that lets you do both quickly…for free.

Looking For Hot Topics

A hot topic is something that everybody wants to learn more about, and they just can't seem to get enough. Hot topics are usually:

- Difficulties that people have (such as losing weight without much effort or getting more traffic without spending money)

- New technologies or other stuff that everybody is talking about (such as online video, Windows Vista, the latest fad diet)
- Controversial subjects (like succeeding where others usually fail)
- Desperate subjects (how to quickly sell your home or lose 5 lbs in 2 weeks for a wedding, and so on)

There are more things that could fall under this classification, but the list above should give you some ideas.

How do you find hot topics?

Just go to one of your favorite forums in your niche, such as these:

- http://www.WarriorForum.com – The #1 Internet Marketing Forum
- http://www.AssociatePrograms.com/discus/index.php – See the Affiliate Marketing Forum
- http://www.eWealth.com – The #1 Affiliate Hangout
- http://www.InternetBasedMoms.com – Forum for work-at-home moms
- http://www.MoneyMakerGroup.com – Forum about making money
- http://www.Work-At-Home-Business.info/board.html – Work at Home business forum

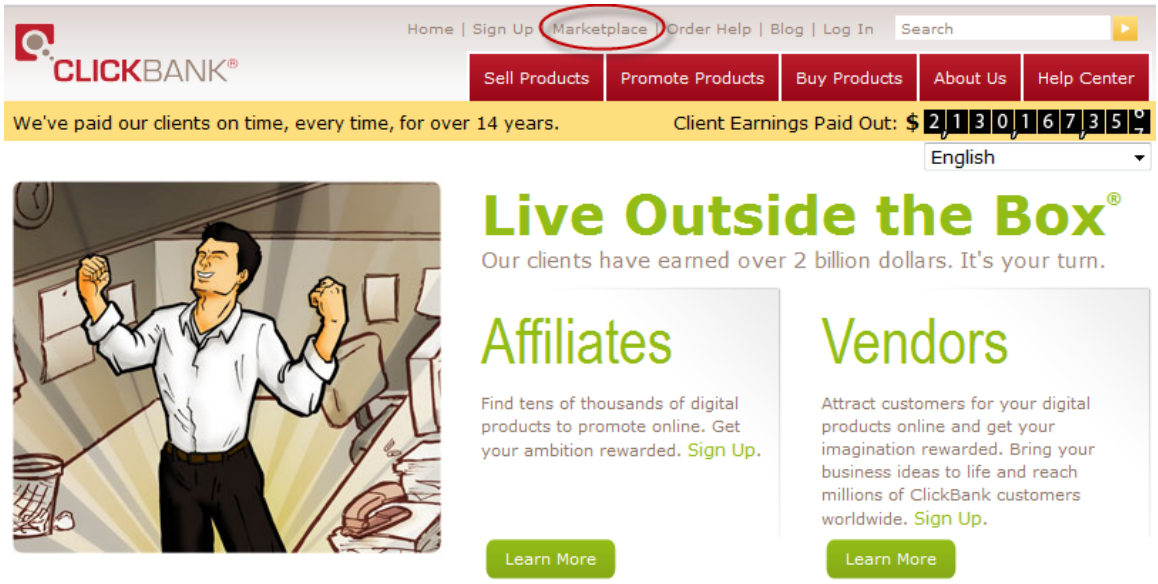
Another great resource is the set of mailing lists you're currently on. Pay attention to what people are talking about.

You can also get the latest news from Google Alerts, and you can see what people are talking about at Google Groups and Yahoo Groups.

Let Successful Products Lead You to Markets

You can brainstorm market ideas until the cows come home, but you can be more efficient about making money.

The ClickBank Marketplace has over 11,000 information products to promote in dozens of markets, and most pay 50-75% commission per sale.



Just go straight to the ClickBank Marketplace and select one of the top-selling products in a category that interests you. You don't necessarily have to be passionate about that market, but you should have enough interest to learn about it and sell it to other people.

You've probably heard the saying, "Do what you love and the money will follow." Well I say, "Follow the money and then you'll have the time and freedom to do what you love."

You don't want to waste your time selling products that won't make you any money. So you need to select a market in which there is already money being made.

Many new marketers think you need to find untapped niche markets to be successful. But markets with high demand and no competition are very rare.

You might be able to make a little money in a niche market where there is little competition. But you can't build a business in a market with low demand.

You want a competitive market where a lot of money is already being spent. There will always be room in a market of cash-in-hand buyers. All you need is a small slice of the pie.

Choose one of the main categories from the dropdown on the left. Next, select a subcategory from the dropdown on the right. **Show 20** results per page and sort by popularity. Choose one of the subcategories as your target market.

If a given product has high gravity and the percentage referred is also high, you know there are a lot of affiliates making money on that product. And that means there is money being made in that market.



Once you have an idea for a market, it's time to apply the four-step formula for testing that market's profitability.

Action Steps

To summarize, there are four steps you need to take to find a profitable market:

- **Step 1: Target markets with high profit potential.** Focus on markets that help people make money, save money and/or improve their lives. And don't ignore IM as a potential market, thinking it's "too competitive."

- **Step 2: Look for currently hot topics.** Forums like http://www.WarriorForum.com and others will help, as will tools like Google Groups.

- **Step 3: Use ClickBank to find profitable markets.** Use the ClickBank Marketplace to find products with high gravity and a high percentage referred. If you find a healthy bunch of those in a market, people are making money there.

Once you have some market possibilities, it's time to get more data to confirm you can make money in those markets…

Step 2: Test The Market

A market might sound great, but that doesn't mean much. You need to make sure the market is as healthy as you imagine it to be. Then you can decide to enter that market or steer clear of it based on facts.

Here's a quick method for discovering if a market is where you want to be.

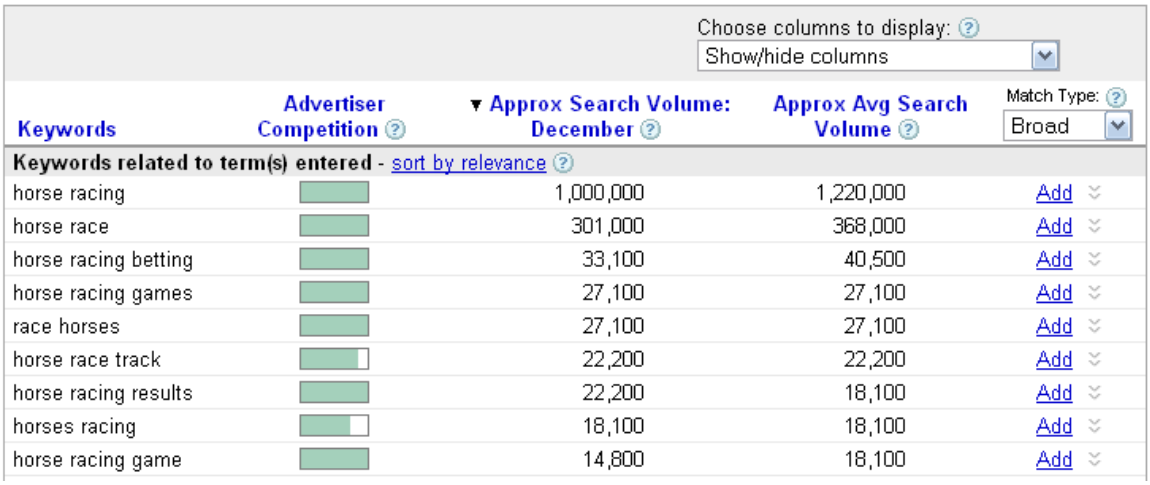
Step 2a: Check The Search Volume

Go to Google's Keyword Tool and type in one to three keyword phrases that best describe your market (for example, *weight loss*, *home business*, *horse racing*, *home improvement*, etc.)

If there are a lot of related keywords with a decent amount of search volume, it passes the first test.

If there are a lot of related keywords with a ton of search volume, you probably want to narrow your topic.

So let's type in *horse racing* and see what comes up...

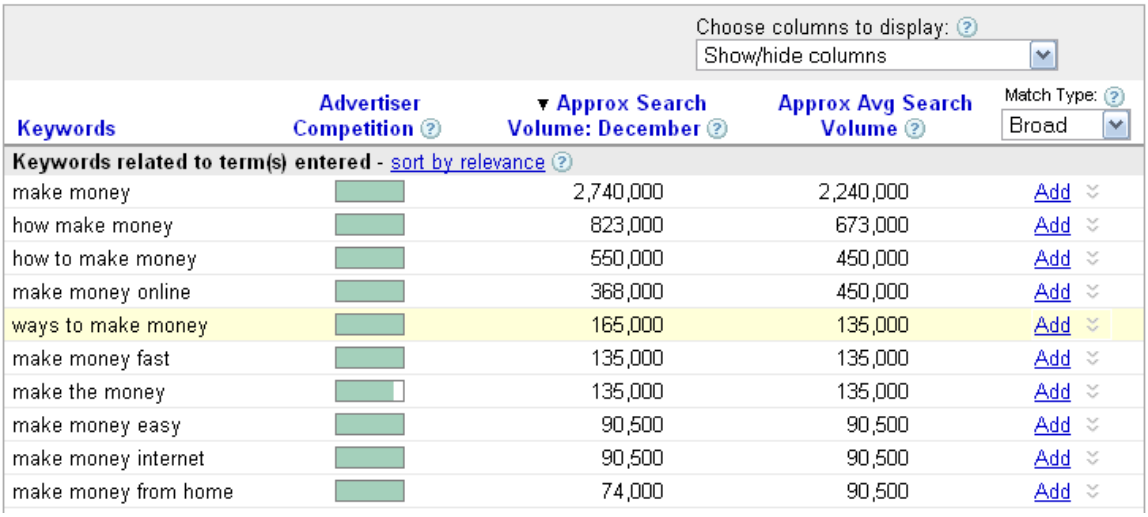


Choose columns to display: Show/hide columns

Keywords	Advertiser Competition	▼ Approx Search Volume: December	Approx Avg Search Volume	Match Type: Broad
Keywords related to term(s) entered - sort by relevance				
horse racing		1,000,000	1,220,000	Add
horse race		301,000	368,000	Add
horse racing betting		33,100	40,500	Add
horse racing games		27,100	27,100	Add
race horses		27,100	27,100	Add
horse race track		22,200	22,200	Add
horse racing results		22,200	18,100	Add
horses racing		18,100	18,100	Add
horse racing game		14,800	18,100	Add

As you can see, there is a fair amount of search volume and related keywords. And it appears that there is plenty of advertiser competition, which we'll test in the next step.

Now let's type in *make money online* and see what comes up...



Choose columns to display: Show/hide columns

Keywords	Advertiser Competition	▼ Approx Search Volume: December	Approx Avg Search Volume	Match Type: Broad
Keywords related to term(s) entered - sort by relevance				
make money		2,740,000	2,240,000	Add
how make money		823,000	673,000	Add
how to make money		550,000	450,000	Add
make money online		368,000	450,000	Add
ways to make money		165,000	135,000	Add
make money fast		135,000	135,000	Add
make the money		135,000	135,000	Add
make money easy		90,500	90,500	Add
make money internet		90,500	90,500	Add
make money from home		74,000	90,500	Add

Obviously, there is more than enough search volume for the related keywords and they go way beyond this screenshot. But that's just the first test...

Step 2b: Check The Profit Margins

It's one thing to have a high search volume on related keywords, but what you really want are buyers.

Unfortunately it's not always easy to know how many of those searchers are buyers. So what we want to find is a market with a high amount of demand.

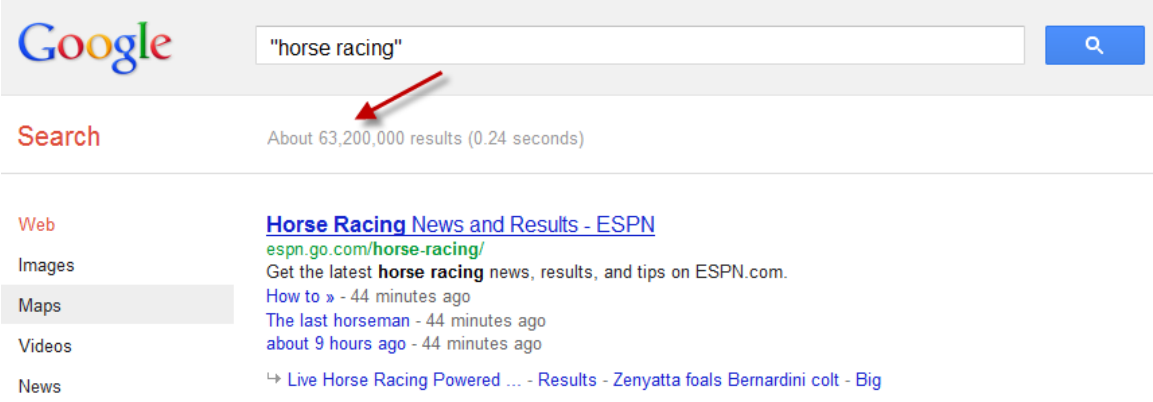
Common sense tells us that, if there are a lot of advertisers (companies paying for advertising) in a market, then there MUST be profits! Otherwise the companies would soon lose money and stop advertising.

Of course there are always new companies in markets who start advertising before making any profits, so there will almost always be some sort of advertisers in any market.

That's why we look for markets with LOTS of advertisers, because it proves that there must be high profit margins!

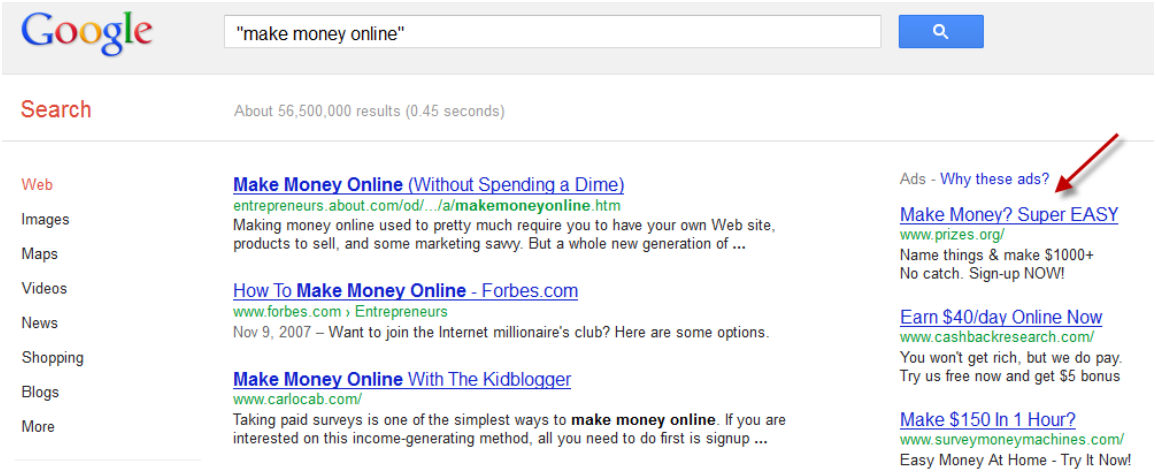
So here is what you do...

Go to www.Google.com and enter your keyword phrases. See how many sponsored ads there are for each phrase. Take a look at this screenshot for the search phrase *horse racing*:



As you can see, there are over 63 million web pages that contain the keyword phrase *horse racing*. However, there are ZERO ads on this page! So even though search volume is relatively high for this search term, there is not a lot of money being made in this market and therefore profit margins are really low.

Let's look at our other keyword, *make money online*:



There are sponsored ads on the right. That tells me that there must be good profit margins in selling products to this market.

Now, you may ask me exactly how many advertisers you should see before determining that your market passes the test, and I'll tell you that there is no "magic" number.

But if you see more than ten ads, that's a good indication there is money being made in that market.

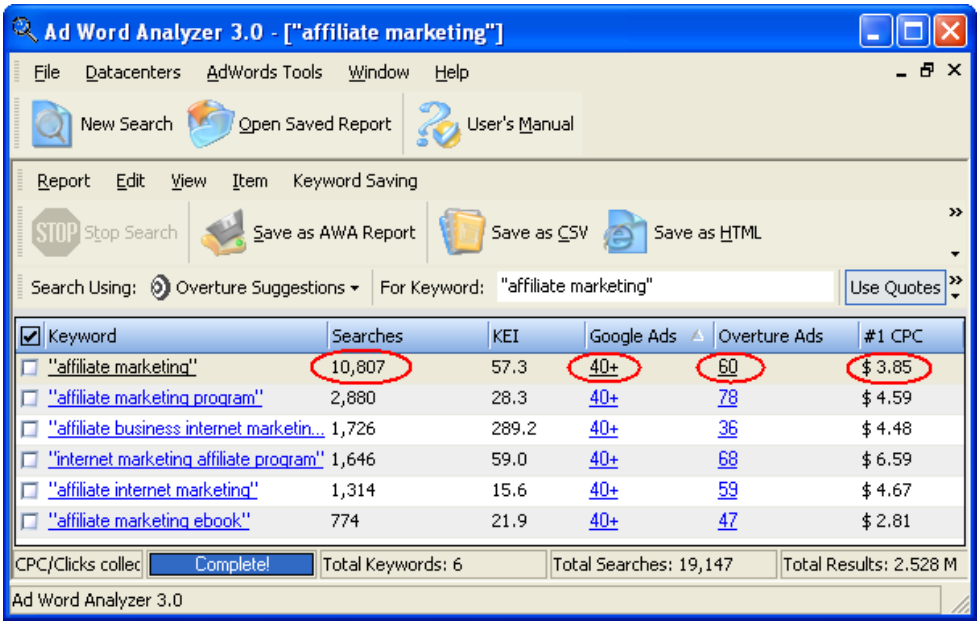
Finally, see how much people are paying per click for those ads. If people are paying $1 or more, that indicates that profit margins are high. Google's keyword research tool gives you cost and position estimates for keywords in your market. You'll find the tool here:

https://adwords.google.com/select/KeywordToolExternal

When you search for a keyword, you'll see the **Estimated Average Cost Per Click (CPC)** column in the results:



Another way to find hot niche markets to use a software application called Ad Word Analyzer. This cool tool will quickly show you how many searches are made, how many ads are running, and the CPC for on those ads for any keyword in your market.



This software has many features and it will save you a lot of time when we get into the section on driving traffic to your web site.

Whether you sell a product or service, run your own website or are an affiliate, Ad Word Analyzer is one tool that you are going to want to have in your arsenal of affiliate weapons.

But you can take it one step further and search on Google to see if people are spending money on ads. If you enter the main keywords that describe the market and there are paid ads on the top or right side of the search results, you know people are buying ads and most likely making a profit.

And if you really want to be thorough, you can take a screen shot and then check the same results a week later. If the same advertisements are still there, then you it's a sure bet they're making money.

There's also a free software tool called PPC Web Spy that shows you which keywords and how much people are bidding.

Step 2c: Check The Competition

This may seem very counter-intuitive, but trust me, you absolutely want good competition! And what I mean by "good competition" is:

- They know how to build a list
- They know how to write a good sales letter
- They offer good information products
- They know how to get traffic

Which makes them potential JV partners!

In the information business, there is one underlying factor that can accelerate your wealth in a tremendously short period of time…

Joint Ventures (JVs)

The way I see it there is no such thing as competition—they're all potential JV partners!

As you will discover in module 6, one of the best ways to build your business is through JV partners and affiliates (people who sell your product for a cut of the profits). It's exactly how I've built a million-dollar business online, and it's how you will do the same.

Sure, there are all sorts of other methods to drive traffic, and I will show you a few of the best methods. But the one that can make the biggest difference the fastest is joint ventures.

So, if you enter a market with no marketing-savvy competition, then you are going to find it hard to form solid partnerships that will move you forward the fastest.

So how do you check for competition? Well, you've already searched at ClickBank. There should be plenty of competition there.

But you can also go back to Google and type in your main keyword phrases. Visit the websites in the top results and sponsored ads. Are the majority of these sites considered competition?

If so, then you have a winner!

Step 2d: Confirm Related Products Exist

You'll need back-end products to sell to your list. Otherwise, you'll be limited to making money from your own products. And until you have an entire product line, you're leaving a lot of money on the table if you don't promote other related products.

Some examples would be:

- ClickBank products
- Membership sites (recurring income)
- Online services (i.e. Aweber)
- Physical products (DVDs, Home Study Course, etc.)
- Seminars, teleseminars, webinars, etc.

You want to choose a market with a variety of products in different formats (text, video, audio, DVD) and at different price ranges to appeal to a greater audience.

That's why I love the Internet marketing niche—there's no shortage of products and services to sell and promote to your list.

That said, you can find products to promote in just about any profitable market. Just search on Google for

[keyword] affiliate program

I have found DVDs on dog training for $129 and membership sites with daily stock market tips. The products are out there…you just have to find them.

Some other places to look for affiliate programs are:

- PayDotCom.com
- AffiliatePrograms.com
- CJ.com

Action Steps

To summarize, there are four steps you need to take to find a profitable market:

- **Step 1: Check the search volume.** Go to Google's Keyword Tool and type in one to three keyword phrases that best describe your market. If there are a lot of related keywords with a decent amount of search volume, it passes the first test.

- **Step 2: Check the profit margins.** Go to www.google.com and enter your keyword phrases. If there are more than 10 sponsor ads, then it passes the second test.

- **Step 3: Check the competition.** Go to Google and type in your main keyword phrases. Visit the top results and the sponsored ads. If the majority of these sites are competitors, then you have a winner!

- **Step 4: Confirm related products exist.** This tells you whether a market will help you keep making profits after the initial sale. Google for *[keyword] affiliate program* to find other products…and do more digging in the ClickBank results.

Once you know your market, it's time to decide what you're going to sell…

Step 3: Choose a Delivery Method

The advantage of information products is that they're really easy to create, regardless of the niche that you choose. And if you don't want to create it yourself, there are websites where you can find experts to do it for you.

Here are the three types of information products that you can easily create.

Ebooks

Until audio and video came along, the ebook was the best-selling type of product on the Internet. But there is still a high demand for materials you can print. In fact, many people prefer it.

If you love to write and you have the discipline to sit down for 5-10 hours per day, then you can quickly crank out an e-book within just a few days. If you don't, then you can just write an outline and have someone else finish it for you.

It's easy and fairly inexpensive to have an expert write a 50-page ebook in a week. And even if you create audios and/or videos, it's a great add-on to increase the value of your product.

Ebooks are easy to distribute and if you convert them to PDF format, they can be read on any computer.

And don't worry, I'll show you where to find experts to write for you and how to convert your product into PDF format in the next few modules.

Audio Products

Audio files are a great way to distribute your content because people can listen to them in the car or load them into their iPod and listen to them anywhere.

Audios have a higher perceived value than ebooks because there are so many ebooks available now.

Audios are easy to make and there is a variety of software, both free and paid, that you can use. And you can even get someone else to handle it all for you.

You don't have to hire a professional speaker either. Customers appreciate hearing the "real voice" of the person teaching the lesson.

I'll show you how to create audio products, render them in the correct format and upload them to the Internet in future modules.

Video Products

Video products are extremely popular right now and at the time of this writing, very few people are actually selling them. Most people don't mind reading, but almost everybody loves watching video to learn instead.

The fact that people are used to watching TV, coupled with the explosion of videos sharing sites like YouTube is quickly making video the new standard for online communication.

Video tutorials are easy to make and you don't have to be a professional actor to pull it off. I'm talking about screen capture videos where you talk into the microphone and the software records what you're doing on your computer.

People love screen capture videos because they can actually see what they're supposed to do instead of reading or listening and then trying to figure it out.

The software I use is called Camtasia. It creates high quality videos, but it's also about $300. I found a free alternative called CamStudio, which works well for short videos and it's actually easier to use.

You can use either tool to record the screen as you show people how to do certain things or to record a PowerPoint presentation as you speak into a microphone.

You can also combine both methods by telling people what they need to do with PowerPoint and then showing them by recording your screen.

It doesn't matter what your niche is, you can use screen capture videos to create video tutorials on almost any topic.

Here are some examples:

- How to use Windows Vista
- How to use Google
- How to use PhotoShop
- How to use Adobe Acrobat
- How to create a Google account

And the list goes on.

Quick video tutorials make great content for membership sites.

But you can also use video to create a full-blown course like "How to Make Money with Google Adwords and ClickBank."

And your product doesn't have to be 100% video based. You could convey all the concepts in PDF format and then show how to do all the technical stuff on video.

Choosing Your Delivery Method

So which delivery method should you choose? This is up to you. There's no single right or wrong answer, but here are some guidelines:

- **If you can't write yourself, and you can't pay somebody to write for you, don't do an ebook.** That's probably obvious, but sometimes people overlook the obvious.
- **Audio and video are hot...so try to use them.** Knock yourself out trying to think of a way to use either audio or video. You're almost certain to sell more if people can hear or see (or both) your information.
- **Consider combining formats.** Combining text and audio or video to create a product is likely the best choice. It will give people a multi-media learning experience and therefore have a higher perceived value over any one media on its own.

Action Steps

To summarize, there are three steps you need to take to choose your delivery method:

- **Step 1: Analyze delivery methods.** Which one fits what you want to do? Is there any way you can work audio and/or video in?
- **Step 2: Choose a primary method.** This is where you'll start. For example, if you want to create an ebook and an audio version, you could pick either one to start with…but you have to pick one.
- **Step 3: Consider combining methods.** Can you offer information in several different formats that will excite buyers?

Once you know what you'll sell and in what form, it's time to create it…

Step 4: Choose a Content Creation Method

In this section, I'm going to list several methods of creating content for your frontend offer, your membership site and your upsell. You won't create your product yet (that's in a later module), but these content creation methods should get the creative juices flowing.

Method 1: Interview An Expert

Expert interviews are great as front-end product, membership content, or upsells. Here's a simple formula that you can use to create a product within a day:

- Find an expert on your chosen topic
- Ask them to do an Skype interview or an online teleseminar
- Grill them for 45-60 minutes on that topic
- Have the audio transcribed
- You have a product!

Method 2: Re-Package Resell Rights

Search the Warrior Special Offer Forum quality resell rights products in your niche and get all new graphics including header, footer, and e-covers.

- Give the *new* product away as your free offer with forced continuity
- Create a new package every month, add it to your membership site and give your members the rights to sell the package
- Bundle two or more products together as an upsell
- Remove one as a downsell

Method 3: Model a ClickBank Product

The top products at ClickBank are already proven winners. So you can take one or more products and create your own outline. Here's how to model a ClickBank product ethically (meaning without plagiarizing or stealing intellectual property):

- Purchase the product
- Use some of the techniques and prove they work
- Write your outline
- Add your own twist from your experience
- Then outsource the writing.

Method 4: Screen Capture Videos

We already discussed videos in the previous section. But here's an idea for a perpetual launch model and "sticky content" that will keep your members active.

- Create 10 "how-to" screen-capture videos on solutions to problems for a hot topic (discussed in the first section) or new software or services with little support
- Use your best video for the squeeze page (reverse squeeze) – a reverse squeeze page is where you give good content up front and ask for an email address to see more videos
- Send subscribers back to the site to watch 2 or more videos before you even ask them to buy anything – you're trying to build report and get them hooked on your videos
- Finally, give them a free trial to your video-based membership site
- All videos are Flash and not downloadable, so they have to remain a member to access the videos
- Add a new video each week to keep members hungry

Method 5: Create Turnkey Packages

There are a lot of marketers who want custom squeeze pages, professional blog themes, and unique products. But they don't want to go through the hassle of creating it.

You can hire people to create them and then sell the rights to a limited number of members. I call these "turnkey packages." They're easy to outsource and people love 'em.

For example, you could hire a designer to create a squeeze page with matching blog theme for about $500. You can hire someone to write the copy for your squeeze page, a 5-page report, and 10 follow-up messages for a few ClickBank products for about $500.

So your total cost per month is $1000. If you get just 100 members to give you $29.95 per month, that's about $2000 in monthly profits! And all you have to do is upload the new content each month.

That leaves you free to bring in new customers. Imaging this…if you had 500 members, you'd be making $14,000 in profit. But let's be conservative and say that half that money went to affiliates. You're still making $7,000 for doing almost nothing!

Method 6: Copy a Successful Business Model

An easy way to create a membership site is to find a business model that is already working, find its weak points, and then create a better product.

For example, I have accounts at three different resell rights membership sites and I've always had a difficult time finding what I need. There are thousands of products in these resell rights databases, but most of them are junk. Many have missing pages or graphics. And you have to download the whole package just to read the license file.

So you could create a membership site that only included products that you've carefully reviewed for quality content, and made sure there is a sales letter, download page, customer registration page and a license file. Then you could re-package each product so it's easy to setup.

Feel free to steal that idea. ☺

Method 7: The Biggest Question Survey

Survey, outline, and outsource. Add a coaching program.

If you have an existing list, you can send a survey to your subscribers asking what their biggest question is about whatever your topic is. I use One Minute Poll. You can get a free 30-day trial and after that, it's just $50 for a whole year.

If you don't have a list, this is a great way to build one and make money at the same time.

Create a page that asks people what their biggest question is about a topic related to the product you're promoting. You can use this method to collect leads before you even write the report to give away on your squeeze page! You're killing two birds with one stone—you're building your leads, and you're getting content for your product.

Action Steps

To summarize, there are two steps you need to take to create your product:

- **Step 1: Consider which content creation methods fit your content/audience needs.** Not all of the methods I've described are great for every site. For example, creating turnkey packages might not be a good idea for a site that focuses on, say gardening. You'll have to use your head here…there's no one "right" answer.

- **Step 2: Keep your mind open.** You're not quite to the point where you'll create your product. Allow yourself to change your mind if it makes sense.

Now that you have a market and some product ideas, you need to know how you'll expand your income by selling additional products to people who buy your frontend. That means finding backend products to promote, and I'll cover that next.

Find Back-End Products to Promote

Now that you have chosen a profitable market, and decided what to sell, you need some good back-end products to promote. Some of the work you've done already will help.

For example, you've seen how to search the ClickBank Marketplace. Now you need to dig a little deeper into the results you get back to determine which products are good to promote. Before I talk about that, though, I'd like to give you a firm recommendation…

Promote Digital Products

I highly recommend that you start with a digital product such as information and software. Digital products are available for instant download so there is very little overhead and profit margins are much higher than they are with hard goods.

That's why merchants who sell digital products pay higher commissions. In fact, there are thousands of programs online that will pay you a 50-75% commission, and it typically costs you nothing to join as an affiliate.

Digital products are easy to promote initially. Then you can make more money selling high-ticket items—which could include physical products—to your existing customers.

Every product you'll see at ClickBank is a digital product, which is one of the biggest reasons I recommend that you start there. So let's get down the details of how to find good products at ClickBank.

Digging Into ClickBank

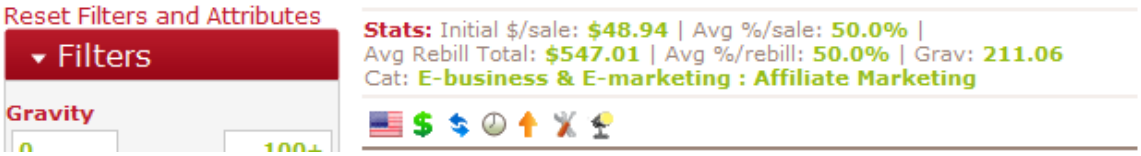
Here's what to look for in a good affiliate program:

- High commission (50-75%)
- High converting sales letter
- A quality product that you would want to buy

- Proven marketing tools (email ads, graphics, etc.)
- No cost to join

Every product you'll find in the ClickBank Marketplace costs nothing to promote, so you're in good shape on the last point.

Each product in the Marketplace search results will have the commission amount per sale and percentage per sale in the green statistics below the product description:



But you can also tell if the product is popular among affiliates, which is a great clue for determining whether or not you can make money with it.

ClickBank also offers a ranking scale that helps you determine which products are hot and which ones are not. The green statistics displayed for each product in the search results tell the story. Products are ranked by their productivity score.

ClickBank won't tell us the exact formula, but they do indicate that it is a function of these four factors:

- **$Earned/Sale:** This is the average net amount earned per affiliate per referred sale (including refunds).
- **%Earned/Sale:** This is the average percentage commission earned per affiliate per referred sale.
- **%Referred:** This is the percentage of publisher's total sales that are referred by affiliates.
- **Gravity:** This is the number of distinct affiliates who earned a commission by referring a paying customer to the publisher's products.

All factors are combined and adjusted such that more recent sales activity is given greater weight.

The Marketplace rank is also affected by a history of reliably converting referred traffic to paying customers over the past eight weeks. Products that maintain a higher ranking naturally attract more affiliates, and make more sales overall.

So check the statistics and determine which products rank best in your market, and will let you profit best. This is subjective, of course, but the statistics should give you some clues to go on.

Now all you have to do is figure out whether the sales letter is any good, if the product is a good one, and if the marketing tools are helpful.

Look For A Sales Letter That Converts

Not all digital products will make you money just because they pay high commissions. You need a program with a sales letter that converts visitors into buyers.

So how do you know if a sales letter will convert?

The obvious answer is to **read the entire sales letter**. If you're convinced that the product is worth buying, that's a pretty good sign that others will buy it too.

Why did you buy *Surefire Profit System* in the first place? Because I have a great sales letter! And if you promote it, you are very likely to make a lot of money.

If you study my sales letter and how my affiliate program is set up, it will be easier for you to spot other programs that will make you money too.

Just go to ClickBank and look for products in the $97-197 range that pay 50-75% commission. A good info product in this price range makes a perfect back-end product to sell to your customers. Visit each website and study their marketing. If you're impressed, add it to your product portfolio.

But before you promote, I strongly suggest that you do one more thing…

Buy Every Product You Promote

I highly recommend that you buy the products for two reasons:

1. **To make sure you're selling something with true value.** You don't want to risk your reputation by recommending a product that is full of fluff and filler. People buy from people they trust. If you want to continue selling products and services to your customers, don't waste their time with low-quality junk.

2. **You can use the content to pre-sell your customers.** For example, you could summarize an ebook and give it away as a free report. Or you could drop tips and tricks that you learned in a series of emails.

The bottom line is this…it's much easier to sell something that you've purchased and personally used. And if you have a real success story to share with your readers, your sales will go through the roof!

Action Steps

There are three steps you need to take to find great products to promote (and remember, I recommend that you promote digital products):

- **Step 1: Dig into ClickBank.** Search their Marketplace to find products that meet the criteria I described. The green statistics for each entry in the search results will help you.

- **Step 2: Look for a sales letter that converts.** This is the key to your long-term profits. Read the sales letter and see if you would want to buy the product. That's a good sign.

- **Step 3: Buy any product you promote.** This lets you check it out for yourself, so you can be sure you're recommending something good. It costs a little money, but giving your list genuine feedback on the product will increase your credibility and pay off well in the long run.

Once you know your products, it's time to set up to promote them.

Wrapping Up

This module gave you the big picture for how you'll decide what to sell, and how you'll create that product. We'll come back to some of the details in a later module.

At this point, you know:

- What niche market you'll target
- The profit potential of that market
- The delivery method for your product (ebook, audio, video or some combination)
- Possibilities for how you'll create your product
- What your backend will look like

I walked you through each of those and gave you practical guidelines for how to figure each one out.

In the next module, I'll tell you how to plan your product launch. That might seem a little strange, because I won't cover the details of creating your product until Module 5. Aren't those backwards?

No, for the simple reason that your launch plan might influence how to you create your product, especially what you'll create first and what form you'll use for it. Don't worry if it seems a bit mysterious. Module 4 will clear it up.

See you in Module 4!



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