THE **DIGITAL MARKETING** HANDBOOK

A STEP-BY-STEP GUIDE TO CREATING WEBSITES THAT SELL

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Entrepreneur
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To Dr. Ryan Subrati

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CHOOSING YOUR ONLINE BUSINESS MODEL

Today it is easier than ever to create a website. Anyone can do it. And if you go online, it seems as if almost everyone has: more than a billion websites occupy the internet today.

But how many of those billion-plus sites actually make money directly? A small minority. For instance, *Forbes* reports that there are only 102,728 ecommerce retailers in the U.S. generating sales of $12,000 a year or more each—a tiny fraction of the total online retail sites. As for non-ecommerce websites, an astounding number of these marketers don't even know how much or whether their site is contributing to the bottom line.

A big reason why so many sites just sit there on a server instead of making money is that most businesses have not figured out how to monetize the web, meaning use their site to make more sales. This book is primarily about how to turn your website from a mere online presence into a profit center that can make thousands or even millions for you and your company.

Having even a small slice of the online-sales pie can make you rich beyond the dreams of avarice According to Akami's report "The State of Online Retail Performance," total ecommerce sales in 2016 exceeded $350 billion, up 15.6 percent over the previous year. The revenues generated by websites of conventional brick-and-mortar businesses—which typically use the web mainly for branding, conveying product information,   and lead generation are more difficult to measure.

The first step in making more money from your websites is to not just have a bunch of pages with content, but to build your websites using one of several online business models proven to generate web revenue.

In addition to being the first step, picking the right online business model is also the most important step in making more money from your websites, for two reasons: first, without the right model, you may get plenty of traffic, clicks, impressions, page views, downloads, and even opt-ins. But you won't make much money, if any at all. Second, once you build a site and program it, changing to a different model is tremendously difficult, time consuming, and costly. So if you can, choose the right model first, then build the site. Obviously, for your existing sites, you will have to retool them to follow a proven business model. More labor for you? A bit, yes. But I'll give you shortcuts to help you do it better and faster.

Today there are a number of website models, and associated internet marketing campaigns built around them, proven to generate significant revenues. In this chapter, I'll show you the major models, how they work, and the pros and cons of each.

Your homework will be to pick one. And keep this in mind: choosing the right model is a critical step in monetizing your web presence—the foundation upon which your profits are built. So pick wisely.

Central vs. Hub-and-Spoke Model

Information marketer Fred Gleeck once said to me, "If you want to make $500,000 a year online, it's easier to have 10 sites producing

$50,000 each, or 50 sites generating $10,000 each, than to build one site and build its revenue to the half-million-dollar mark."

So one decision is whether you want to build one central high-profit site, such as Amazon, or build your digital marketing presence with the hub-and-spoke model of a group of microsites, as both Fred Gleeck and I do (see Figure 1–1).

As a rule of thumb, larger businesses tend to gravitate toward the central site model, because they have the resources to create and manage them. For a small operator on a limited budget, the
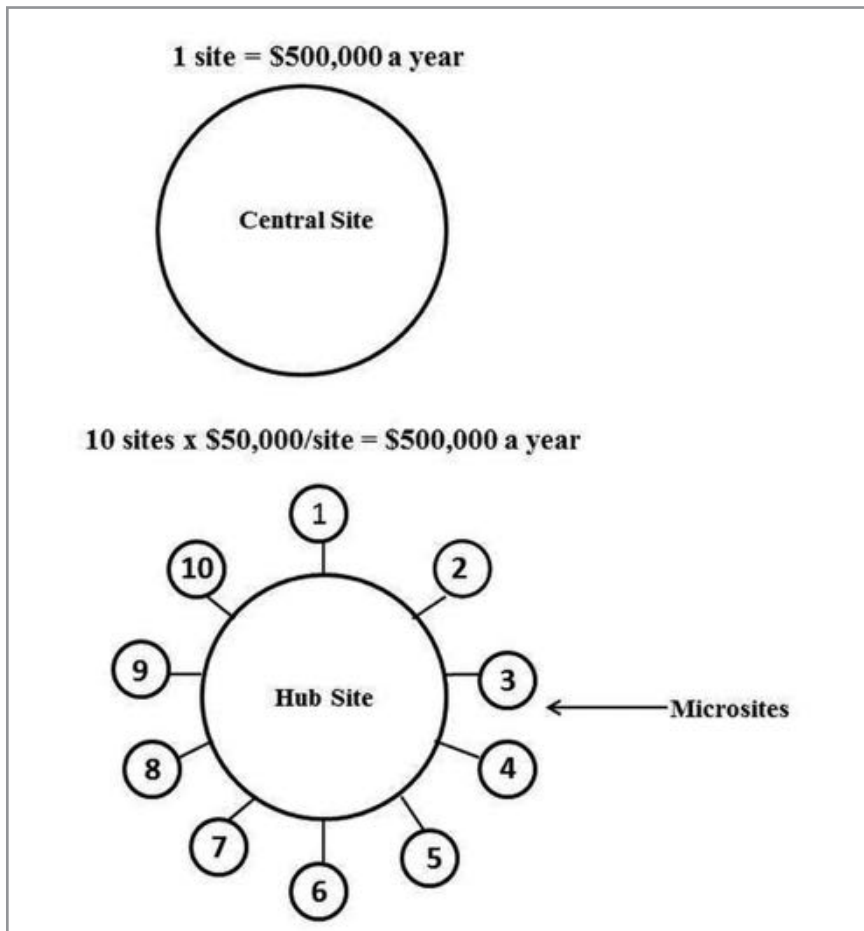
FIGURE 1–1. **Central site vs. hub-and-spoke ecommerce model.**

hub-and-spoke model is easier to start and build. Also, merchandise and service businesses favor the central site model, while information marketers gravitate toward a hub-and-spoke model.

Most businesses that have microsites also have a central site from which all microsites can be reached via hyperlinks. The central site is the hub, and the microsites are the spokes.

If you choose the hub-and-spoke model, use a hosting service that hosts an unlimited number of sites for a fixed monthly fee. For instance, if you operate a hundred microsites and pay $49 a month for hosting, which I do, your cost is less than half a dollar per site a month.

Also choose a shopping cart system, such as 1ShoppingCart or Infusionsoft, that reports activity both by microsite and total. Figure 1–2 shows the total revenue from all my sites for a given week. Note that if you can average $10,000 a week from your collection of microsites, that comes out to gross revenues of half a million dollars in sales a year.

For the microsites' domain names, you can either make them an extension of your main domain or create a unique domain for each. For instance, my enewsletter subscription page is www.bly.com/reports. You can have a virtually unlimited number of pages with such extensions on your main domain.
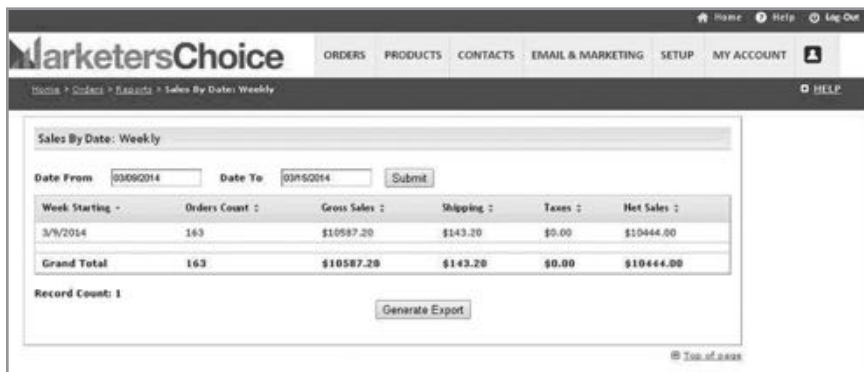
FIGURE 1–2. **Sales report for one week of sales in my online business.**

On the other hand, my microsite on how to write and sell ebooks is at www.myveryfirstebook.com. Dedicated domains for microsites should be short and easy to remember. That way, when you are speaking to someone and want to send them to your microsite, you can easily remember the domain.

Is having many separate domains expensive? No. It's cheap. It costs about $8 or $9 a year for the domain name fee, and about 50 cents a month for hosting. A domain and site constitute the real estate of the internet, and it's a lot less expensive than physical real estate. Yet it can make you as much or more money.

Traditional Central Site

The central sites for thousands of traditional companies, from small and medium-size to Fortune 500, use a traditional website layout and design, as shown in Figure 1–3. These conventionally designed websites have a homepage, which is the page you come to when you click on the site URL, and secondary pages each devoted to a different topic; e.g., a specific product, a single service, overview of capabilities, applications, company history, and whatever additional topics the marketer wants to cover and the website visitors are interested in.

These single-topic secondary pages are reached by clicking buttons in the menus displayed in the top, side, and bottom margins of the main homepage—sections B, D, and E in Figure 1–3 on page 6. The button has a description or name of the page (e.g., About Us) and a hyperlink to that page.

The homepage should immediately and on its own tell visitors what is being sold, who it is for, and why they should be interested. The secondary pages taken together should cover two things: 1) what the marketer wants visitors to know and 2) what visitors coming to the site want to know and are looking for.

For instance, on www.bly.com, I have a page titled Clients, because potential copywriting clients always ask, "What companies have you written copy for?" It is something they want to know. I also have a page titled Case Studies, which are short success stories about
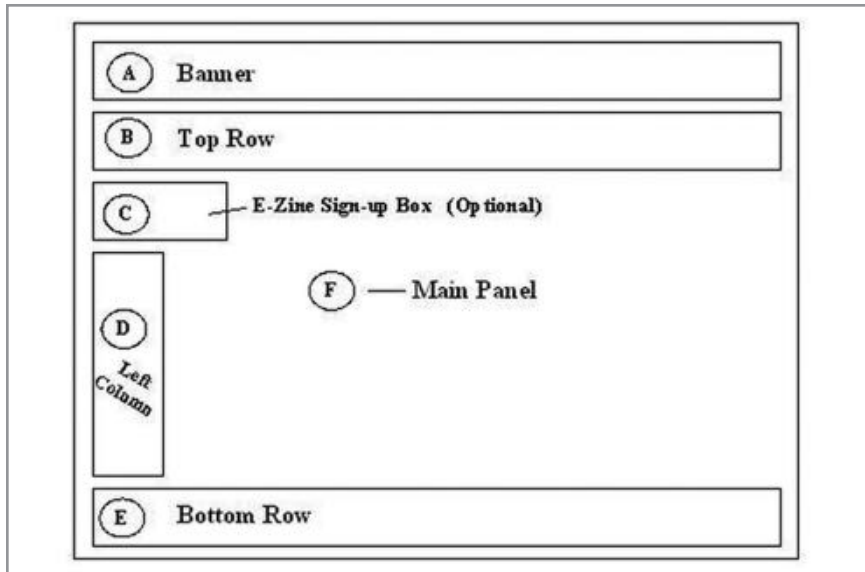
FIGURE 1–3. **Traditional nonecommerce central site layout; B, D, and E are hyperlink menu buttons to secondary site pages.**

work I have done for clients. People don't ask me for case studies, but I know that showing them, even though unasked for, helps close many sales.

My main site, www.bly.com, is a traditional central site. The web-monitoring site StatShow.com reports that this site has a global rank of number 88,732, putting it in the top 100,000 most popular websites worldwide. Online for more than two decades, bly.com reaches roughly 161,340 users and gets 354,960 page views each month.

In Chapter 10, I take you through www.bly.com so you can see the page-by-page design and organization of a standard central site, so I will not go further into it here.

Ecommerce Central Site

Bigger online retailers use central sites that are traditional ecommerce online stores. "The writing on the wall is clear," says Ryan Deiss, CEO of DigitalMarketer. "If you sell products to consumers, you need a high-converting ecommerce store."

Amazon is the 800-pound gorilla in this space, with Alibaba closing in. Amazon sells around 350 million different products online, making it a giant web department store of sorts, the equivalent of a digital Walmart or Target.

More common than the big multiproduct ecommerce sites are smaller ecommerce stores selling a single line of products. A good example is Blue Nile, which specializes in diamond jewelry, or Pro Flowers for flowers.

Open up the Blue Nile site www.bluenile.com as you read this section. It's really a model for how to create a single-product-line ecommerce site vs. a multi-product online store such as Amazon.

The Blue Nile homepage is cleanly and clearly laid out; in fact, it's almost too stark. One could argue a jewelry site should be more elegant in design. I do think using blue instead of gray would support the brand name better.

At the top is a banner with the Blue Nile logo and the tag line, "The Source of Brilliance." It's a relevant play on words because diamonds are valued for their brilliance.

The copy, or text, under the banner positions the site more effectively: "You'll only *look* like you spent a million." From there, the homepage has pictures of jewelry and product descriptions that are hyperlinked to pages showing and describing those products. Simple, basic, and sensible.

But the site is not just product display, description, and selling. There is a menu button at top right called Education. When you click on it, you get a rich library of useful information on diamonds and how to shop for, judge, and buy them.

The mission of the website—to help the consumer shop for and buy a diamond or other jewelry online—is crystal clear. The entire site is designed to make the transaction as easy and painless as possible.

Most of the hyperlinks on the homepage go to specific products, so you can see what stones and jewelry are available. These pages are augmented by a useful but not overwhelming choice of helpful content and functionality—mainly tips on buying diamonds, product searches, and interactive jewelry design.

It's fun and easy to shop for jewelry on Blue Nile. You can easily find what you are looking for, the shopping cart works well, and links let you drill down for more product detail and consumer information, whether it's a close-up photograph of a ring or a schematic diagram showing how a certain setting holds the stone in place.

On an ecommerce site, the major tasks the user wants to complete include a) shopping for and finding products, b) learning more details about products, c) completing a purchase, and d) handling customer service—related activities such as reporting a problem with delivery or canceling or returning an order. The Blue Nile site gets an A+ for the first three tasks and an A for the fourth.

The page layouts are nearly perfect. Adequate use of white space creates a clean, uncluttered look and makes the images—jewelry photos—stand out. You never feel overwhelmed by the text or graphics and so are inclined to spend more time browsing and shopping—a very pleasant experience.

One way to increase orders on your ecommerce websites is to offer a strong money-back guarantee of satisfaction. Blue Nile's policy reads: "Our 30-day money-back guarantee gives you time to make sure your purchase is perfect. If you need to return it for any reason, we'll happily provide you with an exchange or full refund." Figure 1–4 shows a guarantee I use on some of my microsites.
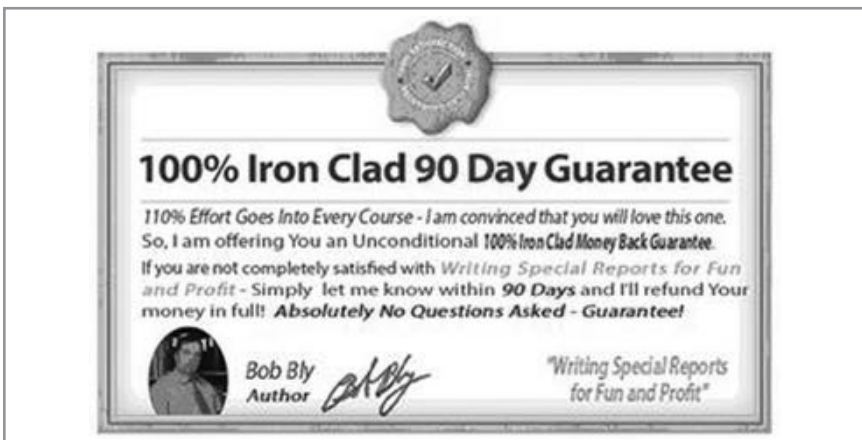

FIGURE 1–4. **Money-back guarantee for a website.**

Single-Topic Content-Rich Site for Enthusiasts

Blue Nile is not for geologists, jewelry designers, or rock or gem collectors; it is a consumer product site for anyone who wants to buy diamond jewelry.

On the other hand, an "enthusiast" website is one designed for people who are highly interested or even have an obsession with a topic, activity, sport, hobby, or field of knowledge. Figure 1–5 on page 10 shows a site for World War II enthusiasts, Figure 1–6 on page 11 is the homepage for a site on chemistry, and Figure 1–7 on page 12 is my site for aquarium hobbyists.

Enthusiast sites attract an audience with lots of free content for visitors on the site's main topic. They make money in several ways: selling advertising on the site; selling merchandise on the site that the site owner buys from manufacturers and wholesalers at a discount; and running Google AdSense. When you sign up for Google AdSense, Google automatically places ads on your site for products the Google algorithm has determined your visitors might buy.

You get paid by pay per click (PPC) actions from visitors on your website (also microsites, blogs, and social media channels). You must reach $100 by the 20th of each month before AdSense will send you your payment unless you have a hold on your account, which could be for any number of reasons. You need to have the hold cleared before the 20th of each month to still get paid that month, or wait until the next month to get your money. Go here to learn more: www.google.com/adsense/start/how-it-works/#/

While you can add Google AdSense to some social media venues, you can also use Google Ad Exchange, which offers some added capabilities such as anonymous or semi-transparent brand inventory (shows up to the side of a Google search result with product pictures but no brand); provision for fixed CPMs (cost per thousand impressions) in Preferred Deals; and Private Auctions and Multiple Buyers. Other perks include advertiser blocking (so competitors don't advertise on your site), ad technologies blocking, and cookie and data usage blocking, per the DoubleClick Ad Exchange Seller forum. You can find out more about the differences

FIGURE 1–5. **Website for World War II enthusiasts offering books, DVDs, merchandise, and free content.**

myChemSet.com
The place on the Web for people who
love science, chemistry, and chemistry
sets

About Us   Book Store   Experiments   Contact Us   Links

Hello, fellow chemistry and science enthusiasts and students!

Subscribe Now!

I started mychemset.com to help you have more fun (and learn more) by doing experiments with your chemistry set in school or at home.

If you want to buy your first chemistry set, get a new chemistry set, or expand the chemistry set you have, you've come to the right place. Our goal is to provide you with safe, easy-to-use lab equipment, supplies, and chemistry sets to help you explore the fascinating world of chemistry in your own personal, private home laboratory.

Another misson of www.mychemset.com is to help students taking high school chemistry better understand the course material, get better grades on chemistry tests, eliminate boredom, and make chemistry interesting and even exciting. Our Chemical Concepts page covers basic ideas taught in high school chemistry, presenting them in a clearer, more understandable way than your textbook or class web site.

You can also chat with your fellow amateur scientists in our Chemist's Corner, read free articles and experiments you can perform with your chemistry set in our Chemist's Library, subscribe to our free Experiment of the Month online, or browse the best chemistry books in our Chemist's Bookstore.

Let me know what you like about mychemset.com and also how we can make it better. Just click here to email me.

Bob Bly, founder, mychemset.com

Subscribe to our
Free Experiment of
the Month Club

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Last Name *

Email *

* Required Fields

Submit

Menu

Home

Articles

Chemistry Sets

Chemicals

Chemical Concepts

Buy Equipment for Your
Chemistry Lab Online

Jokes

Really Cool Science

Really Cool Magic

Bob Bly

FIGURE 1–6. **Chemistry website offering free content, chemistry sets, chemicals, and lab equipment.**

FIGURE 1–7. **Homepage for my tropical fish enthusiast website; I still need to add affiliate links to sites selling fish tanks and supplies.**

between AdSense and Ad Exchange here: https://support.google.com/adxseller/answer/4599464?hl=en

Aside from selling products and services from your website or your blog, AdSense is the one way to make money without having to do much else after you get it all set up. You can also use other ad networks, such as Sharethrough.com, Content.ad, Kixer.com (ads on mobile apps), Adsterra Network (publisher.adsterra.com), Ad Maven (publisher.ad-maven.com), Adbuff.com, AdBlade.com, and others. Always check with your hosting provider to make sure you can do this first.

The Agora Model

The Agora Model (Figure 1–8) is a widely used business model for on-line information marketing, but now is also used to sell merchandise. It was pioneered by financial, travel, and health newsletter publisher Agora.
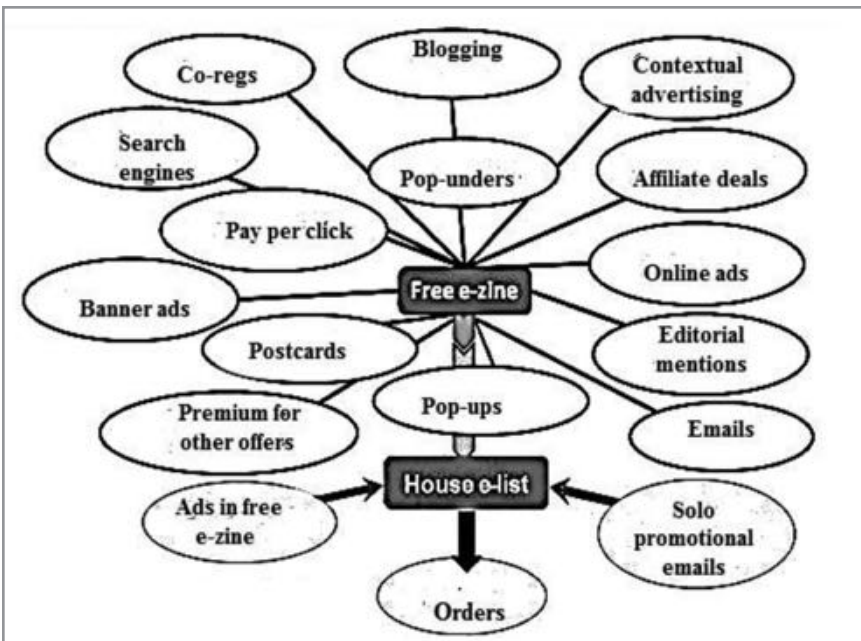

FIGURE 1–8. **The Agora Model.**

The ovals with arrows pointing to the rectangle labeled "Free ezine" are various methods of driving web traffic. They include online ads, email marketing, affiliate deals, postcards, search engines, blog posts, and other traffic drivers explained throughout the book. The goal of a traffic driver is to get the user to click on a symbol or word that is hyperlinked to a web page or form.

In the Agora Model (Figure 1–8), you use the traffic drivers to send people not to your homepage or a product microsite, but to a page specifically designed for getting people to opt in to your list by subscribing to a free online newsletter. By doing so, you build your opt-in e-list of people who have given you their email address and, more important, permission to send them emails. You own and control the list—unlike, say, your Facebook or LinkedIn group, which Facebook or LinkedIn can shut down on a whim.

In online marketing, two of the most valuable assets you can own are a well-optimized website that ranks on the first page of the Google search engine results page (SERP) and a large and responsive e-list. The Agora Model is based on the latter.

As you build your e-list, you market to subscribers in two primary ways: ads in your enewsletter and standalone email marketing messages sent to the list. The latter generate the bulk of your online sales.

Agora developed this model and used it to build an information marketing business with sales approaching half a billion dollars a year. s far as I know, I was the first to illustrate the model with a diagram, shown in Figure 1-8.

Needs Assessment Model

The needs assessment model invites visitors to participate in a free online needs assessment or evaluation in the topic of the site, such as weight loss with eDiets. The site recommends products you can purchase based on your answers to the assessment questions. You are sold a low-price or "front end" product to start, then upsold to a more expensive "back end" product after purchasing the entry level product.

Over a decade ago, when I first clicked onto the www.ediets.com homepage, the main graphic featured a picture of actress Victoria Principal. As the site evolved, ediets.com eventually switched to a photo of a woman who looks more like the visitor and is not a celebrity.

The homepage is what I call "tabloid style"—lots of interesting little items to choose from. I don't love tabloid style homepages because there's no single point of focus and no unifying positioning copy to tie it all together or define the site's brand. But they work, which is what matters most.

Your eye might be drawn to the call to action (CTA) for the meal plan to the left of the woman's photo or the Free Diet Profile under it. You enter your height, weight, and age and then click through a series of screens asking you more questions. EDiets can then design a customized weight loss plan for you, for which they charge a monthly fee. Along the way, you are offered a number of free ezine subscriptions and information on advertised products.

On my first visit to the site, I completed the Diet Profile but did not purchase the recommended diet plan. When I returned to the profile a month later to update it, I was immediately served a page that said, "Welcome back, Bob. We've saved all your information. Click here to view it now. Click here for a special offer for return visitors!"

The eDiets site helps users choose which information program is best for them. Choices include diets, meal plans, exercise programs, and support. The site then communicates with you daily and automatically with emails containing timely, personalized information and inspiration.

Much of the advice is customized based on your answers to online questionnaires. Interaction with the site is personalized, and the content you receive is tailored based on your age, weight, body mass index, eating habits, exercise routines, and other relevant personal data. After all, how can you give me exercise advice if you don't know how lean or heavy I am, or what kind of shape I am in?

All the terms and information on the site are written in plain English aimed at a lay audience: weight, exercise, diet, meal plans,

recipes, fitness, and personal trainer. There's no nutritional or medical jargon of any kind.

The pages are relatively clean and easy to read. In some instances, however, too many options and items are jammed onto the screen, creating a slightly cluttered look.

The site is sensibly organized into sections, and you can choose from using the buttons at the top of the screen or boxes and sidebars below.

Funnels

The sales funnel is an online business model you can use in tandem with a central website or the hub-and-spoke model.

For a B2B website, the sales funnel converts hits to sales in stages: capturing the prospect's contact information; qualifying the lead; nurturing the lead throughout the sales cycle; helping prospects explore the products; engaging potential customers and clients; and finally closing the sale.

For an information marketing business, the funnel captures the name and email address to build the list, upsells to an inexpensive front-end product, and then cross-sells and upsells additional product.

The methods for constructing sales funnels for both consumer and B2B products and services are so vital to maximizing website ROI that I cover them in more detail in chapters 3, 4, and 5.

Launches

The product launch formula (PLF) is an internet marketing tactic or model pioneered by Jeff Walker and described by him in his book *Launch* (Morgan James 2014).

The formula has four steps, each a sequence of emails and in some cases other promotions as well:

1. *Pre-Prelaunch.* You use this to start building anticipation among your most loyal fans. The pre-prelaunch is also used to judge how receptive the market will be to your offer.

2. *Prelaunch.* This is where you gradually romance your market with three pieces of high-value prelaunch content, while also answering the objections of your market, over a period of 5 to 12 days.
3. *Launch.* Your launch sequence starts with the email that says, "We're open, you can finally buy now," and continues for a finite amount of time, usually anywhere from 24 hours to 7 days, when you finally shut it down.
4. *Post-Launch.* This is the cleanup sequence, where you follow up with your new clients as well as the prospects who didn't buy from you.

Used primarily for information products, the launch can generate massive sales of a single product within a relatively short time period.

Membership Sites

Membership sites have long been a popular model for entrepreneurial internet marketers selling information products, advice, coaching, and consulting. More recently, businesses selling merchandise and services have begun creating membership sites to generate ancillary passive income—anything that makes money without direct labor—as an adjunct to their core business.

Generating passive income is one of the great things about a membership site. Passive income streams generate positive cash flow for you on Sundays, holidays, vacations, and even while you sleep. With active income streams, you get paid only when you are working.

The tradeoff with a passive income stream site, specifically a membership site, is this: with any passive income generator online, there is a lot of work upfront, with minimal revenue until the site is established and running. But from then on, it can generate a nice monthly revenue stream with little or no additional work on your part.

By comparison, you can ramp up an active income stream, particularly for a service business, fairly rapidly and start generating revenue right away without a huge investment in infrastructure. But

then you have to continually work and perform the service to make money; it never lets up. Figure 1–9 compares the revenue of passive vs. active income.

With a membership site generating passive income, you can supplement your core business income with a second cash flow stream. For this reason, I often advise solopreneurs and SOHO (small office, home office) businesses to develop at least two income streams, one active and one passive, and to build each to annual six-figure revenues. That way, if you can't or don't want to work anymore, you can live nicely on the passive income with little or no effort on

Active Income

Effort

Time

Passive Income

Effort

Time
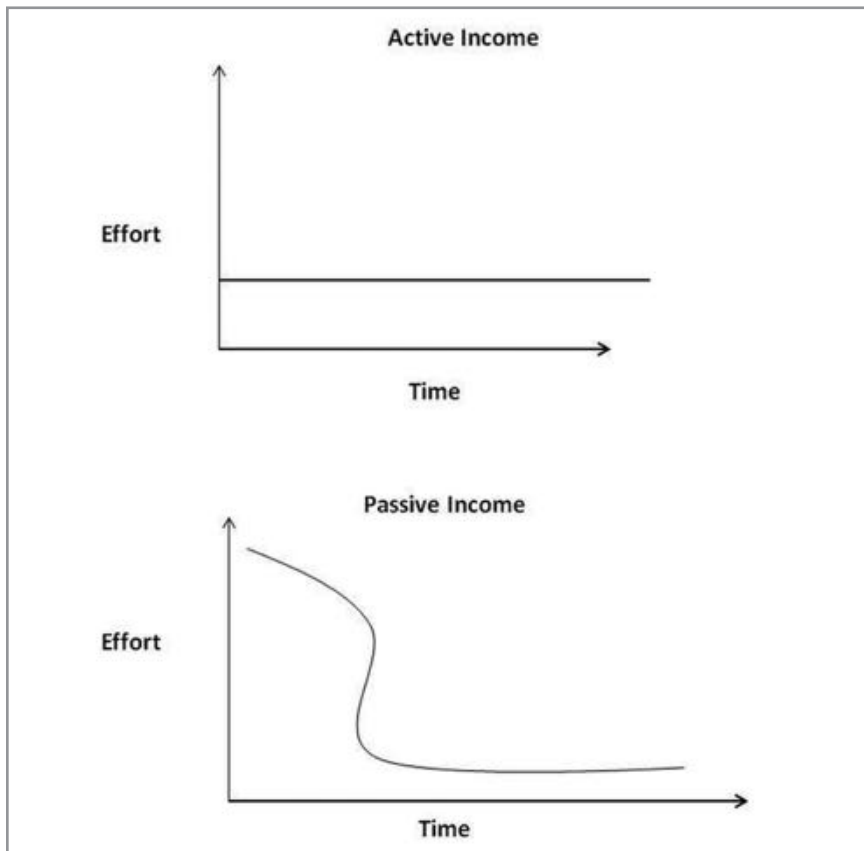
FIGURE 1–9. **Active vs. passive income.**

your part. Membership sites are covered in greater detail in Chapter 15. You can see the homepage of my membership site in Figure 1–10.

FIGURE 1–10. **My membership site's homepage, produced in partnership with Fred Gleeck.**