



DIY Product Sell Toolkit

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ALL-IN-ONE DIGITAL PRODUCT SELL SOLUTION

Scenario: Selling a Crafter's Guide

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SiteBetter.com
common sense web presence

Crafters Guide - Crafts for Christmas – Twenty Ways to Impress	\$ 19.95
keyword "crafts for Christmas"	

Online Ad Campaign	
CPC (Cost Per Click)	\$ 1.50
Google Global Search Volume	75,000
Percentage of clicks on CPC	0.1%
Total Visitors	75
Total Cost	\$ 112.50
Purchased Crafter's Guide	
Percentage of Purchased	25%
Total Purchased	18.75
Amount Purchased	\$ 374.06
Freebee Sign Ups	
E-Mail Sign Up	35%
Total on E-mail List (not purchased)	26.25
Purchased Guide from E-Mail List	
Percentage of List Purchase	30%
Total List Purchased	7.875
Amount List Purchased	\$ 157.11
Totals	
Total Purchased (Campaign)	\$ 531.17
CPC Campaign Costs	\$ 112.50
Total Net Profit	\$ 418.67
4 Campaigns/Monthly Profit	\$ 1,674.68
Holiday Season (monthly x2)	\$ 3,349.35

Crafters Guide Scenario

For this Scenario we are going to look at a seasonal product (Crafts for Christmas). In this scenario, it will show how to set up an online page or website and can still reap some benefits of online selling, even if the initial response is low.

Google has suggested CPC of less than a dollar for the keyword phrase “crafts for Christmas,” so we will use that as a benchmark but raise will it by a dollar just to see things a little more realistically. Google’s suggestions are usually the bare minimum.

Side note:

When you bid on CPC you don’t have to worry about over bidding because Google automatically adjusts a high bid to be just above the next highest bidder.

For instance if you put in a bid of \$5.00 for your keyword phrase and everyone else is harboring around \$1.25 and the highest bidder among them is \$1.45, Google will automatically adjust your bid, so it is \$1.46, so you can remain in your key position without over paying.

We will look at two months of profits, since November and Christmas will be the most popular months for that keyword phrase.

For such a highly targeted search term and a short season, we can expect a high volume of users coming to the site during the holiday season. The more targeted you are, the better.

Since this is a highly targeted keyword, we take a pretty generous approach in terms of a 25% conversion rate. If the campaign is done right, this type of return can easily be expected.

If someone searches for “crafts for Christmas” and your ad looks like:



And that ad points directly to your site with your downloadable guide that says:

Crafts for Christmas—Twenty Ways to Impress Your Friends and Family

You can be pretty sure you will get a high conversion rate.

The reason why so many people do not make good returns on their online ads is because they do not follow these simple rules.

Here they are:

1. Your website should *match* your product and product offerings
2. Your ad should point directly to the website URL (the page with the product)
3. Your ad should use the words that people are using to search for you (i.e. Crafts for Christmas).

This is the winning formula for success. Violate these rules and you won't have much success. But, let's move on:

Using [Google keyword tool](#) we can determine that a global monthly search for "Christmas crafts" is 300,000 searches. For our scenario, we will be dividing that number by four because we will look at weekly campaigns.

If we take a very conservative approach and use a very small number of click-throughs such as one tenth of one percent (0.10%), we can see we yield a total of 75 visitors to the website. See Fig 1.1

Fig 1.1

Online Ad Campaign	
CPC (Cost Per Click)	\$ 1.50
Google Global Search Volume	75,000
Percentage of clicks on CPC	0.10%
Total Visitors	75
Total Cost	\$ 112.50

This is a modest return on our investment. Remember our total is just looking at a two month total on our downloadable Craft's Guide. We can see here that a total return of \$3,349.35 can be had (See Fig 1.2). This is just from .10% of the Global Search Volume. That's one tenth of one percent, not to be confused with one percent, so that is a very small percentage.

Fig 1.2

Totals	
Total Purchased (Campaign)	\$ 531.17
CPC Campaign Costs	\$ 112.50
Total Net Profit	\$ 418.67
4 Campaigns/Monthly Profit	\$ 1,674.68
Holiday Season (monthly x2)	\$ 3,349.35

If we take a more liberal approach and use a number of just one half of a percent, we can see our volume going way up as well as our profits.

Fig 1.3

Online Ad Campaign	
CPC (Cost Per Click)	\$ 1.50
Google Global Search Volume	75,000
Percentage of clicks on CPC	0.5%
Total Visitors	375
Total Cost	\$ 562.50

Fig 1.4

Totals	
Total Purchased (Campaign)	\$ 2,655.84
CPC Campaign Costs	\$ 562.50
Total Net Profit	\$ 2,093.34
4 Campaigns/Monthly Profit	\$ 8,373.38
Holiday Season (monthly x2)	\$ 16,746.75

If you have been running the numbers in your head, you will see that something is missing. So far I have been talking about the initial conversions from our ad campaign. What is missing is the conversions from our e-mail list.

We stated earlier that a 25% conversion could be realistic because the ad was highly targeted and the product delivered on what was searched for. Don't forget the golden rules.

We can assume that our e-mail sign-ups for the **free** guide could be as high as 35% of the highly targeted keyword phrase. Those who come to the site are very interested in what is offered because it is exactly as advertised. Also, the product is very well priced: It's free.

We can also make the assumption that there will be a high purchase rate of 30% of those on the e-mail list.

Fig 1.5

Freebie Sign Ups	
E-Mail Sign Up	35%
Total on E-mail List (not purchased)	131.25
Purchased Guide from E-Mail List	
Percentage of List Purchase	30%
Total List Purchased	39.375
Amount List Purchased	\$ 785.53

Ok, we looked at some conservative scenarios. Let's look at an aggressive approach. We also have NOT taken into account other traffic besides the CPC campaign. Let's take a look at what happens when we see a full one percent (1%) of the searches and clicks on our ad.

Fig 1.6

Online Ad Campaign	
CPC (Cost Per Click)	\$ 1.50
Google Global Search Volume	75,000
Percentage of clicks on CPC	1.0%
Total Visitors	750
Total Cost	\$ 1,125.00

Fig 1.6 shows us 750 visitors.

With all of our e-mail campaigns set up properly, we can see a profit of about \$33,493 for the two months of November and December.

For each campaign, we assume that over 185 purchased our \$19.95 guide but another 262 signed up for the free download. From that list, over 78 more people purchased our guide. These numbers are just used as raw examples, but you can use some of the calculators I have set up to play around with different scenarios.

Fig 1.6

Totals	
Total Purchased (Campaign)	\$ 5,311.69
CPC Campaign Costs	\$ 1,125.00
Total Net Profit	\$ 4,186.69
4 Campaigns/Monthly Profit	\$ 16,746.75
Holiday Season (monthly x2)	\$ 33,493.50

You can play with numbers all day long, but the important thing to remember is:

1. Ad matches keyword
2. Ad matched website
3. Website matches product

If you do these three things right, you can see some of our more liberal variations of this scenario come to fruition. No kidding.

Side Note:

One more side note since I am on this subject. During my search for this keyword, which is a highly used keyword (300,000 global searches), there were twelve ads (granted this was done in the middle of August, don't forget Australia!) but more importantly, **none** of them pointed to site that was related to my search. In other words: wasted opportunity and money.