

The Confidential Internet Intelligence Manuscript

by Mark Joyner, CEO, Aesop.com

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Introduction

I call this **top-secret document** *The Confidential Internet Intelligence Manuscript* because it contains scientifically derived **inside intelligence** that shows exactly how your business can really prosper on the Internet. Since it has never been previously published, you are one of the very first to ever lay eyes on this information in its completely assembled, full-scale, usable form. Prior to this, it was all **raw data** that only statisticians and analysts could comprehend.

This *Confidential Internet Intelligence Manuscript* will give you startling revelations about Internet marketing. Many of these discoveries definitively verify things you may have already considered - others provide evidence that some of the marketing wisdom you believe and act on is false.

Why This Manuscript Was Created

Here's the dream we all want to believe: "Through the Internet, anyone with a computer, an Internet connection, and the willingness to sweat can set up an operation in their garage that competes with major corporations."

Ah... If it were that simple - we'd have a world full of millionaires. I'm sure you've heard the concept of the "level playing field" that the Internet provides - but that is only **half** the story.

The playing field is now open to new players - many of whom can indeed function beautifully on a shoestring budget - but the field is hardly level.

It comes down to a simple matter of math and resources. Allow me to explain...

My business began as one of these "shoestring" companies. Indeed, I was able to attain a phenomenal level of success working a few hours a day by myself (I was still serving as an Army Officer by day back in 1995 when my Internet business started building steam), but that in itself, while unusual, is not unique to the Internet.

The most important advantage that the Internet gave me was the ability to advertise without investing any hard capital. There are many other advantages, mind you, but this is by far and away the most important for a small business.

Where did this put me? On the same "level playing field" as everyone else who had little money to invest and the desire to make it on the net.

The fact of the matter is, it's a **different** playing field altogether. Pit a shoestring entrepreneur on this field against a major corporation - with all of their resources, manpower, accumulated knowledge, and brand equity - who will win?

Clearly, all other things being equal, the major corporation will decisively mow down the shoestring entrepreneur.

Notice I said, "all other things being equal..." Our military history tells us, though, that weaker forces have decisively beaten stronger forces. Could it not be done on the Internet battlefield?

Soldier that I am, I began to apply military metaphors (ala Sun Tzu et. al.) to my business. I remembered that guerrilla warfare was the cause for a great many of the major upsets in the history of warfare. Our recent history shows us that small groups of men, applying the proper tactics, can cause great damage and make armies of far greater size stand up and take notice.

(**Note:** It was later that I was introduced to my good friend Jay Conrad Levinson - who many years before so clearly outlined in "Guerrilla Marketing" how a small business could compete with a large one. Jay focuses primarily on the systematic application of Guerrilla Marketing - I spent most of my time developing and testing guerrilla tactics.)

If the great army fights the guerrilla as he would another great army, he is in for a rude awakening. The guerrilla has no regard for the rules accepted by the great army. He makes his own and constantly keeps the great army off balance.

It became clear to me that I must fight my business battles like a guerrilla. I did.

The ultimate end being that I was able to build my business into the multi-million dollar international enterprise it is today - without a single dime of venture capital.

Granted, since our roots lie in sales-driven, cash-flow-dependent business, we are now a much leaner and tougher group than most multi-million dollar enterprises. Our fiscal discipline is impeccable and I plan for it to remain that way. We continue to "fight like guerrillas" in our day-to-day operations while other corporations of similar size waste millions of dollars on advertising that may or may not work.

However, the truth of the matter is that we did, indeed, have to expand. "If one guerrilla fighter could do so much, what then," I wondered, "could a group of guerrilla fighters do?"

The rest is history.

The perennial question on your mind should be, "OK, OK - I understand the theory. I see the path you took, and it's clear it worked for you. But I still don't know how to make the Internet work."

Yeah, that's the rub. All this presupposes that the tactics you employ actually deliver results! A guerrilla fighter, who is taught through folklore that daisies thrown enthusiastically at an advancing army will stop them in their tracks, is in for a grimly humorous end. (Just picture that one!)

Unfortunately, there is a good amount of "marketing folklore" about the Internet that many would-be Internet marketers are fed.

While self-proclaimed Internet gurus did their own random (often unscientific) testing, they really did the industry a **disservice** by disseminating their **misleading** findings as gospel truth.

(**Note:** Not to disparage any of my colleagues. Many of them are absolutely brilliant and do their best to pass on the information that has worked for them. Those in that category have my genuine admiration and respect. The real problem here is twofold:

1) There are a few out-and-out demagogues and charlatans in any field, who for personal recognition perhaps, feel they should preach any old thing, regardless of its validity. Those that hear this information are caught up in the cult of personality and accept this sometimes-dangerous advice as truth.

2) Even the true legitimate stars of this industry at times fail to emphasize to their students that what they teach them is only the accumulation of observed data. This data may or may not be relevant in future testing. One would do well to read up on the philosophy of science and develop a healthy skepticism of anything they haven't seen for themselves - and an even healthier skepticism of anything they have seen! Science, in any field - especially one as vaguely scientific as marketing - is a tool to guide us forward - never a renderer of gospel truth.)

I felt I deserved much more than a hodge-podge of unproven or haphazardly tested **guesswork** that all too often turns out to be *off the mark*. That's the reason I commissioned a scientific study, which resulted in the manuscript you now have in your hands.

Since I am, by nature, a **fanatic** about testing, I pulled no punches in developing as scientific a study as possible. So make no mistake - this is not your standard, garden-variety testing. Don't confuse it with tests others have done that

result in **arbitrary** - and even **erroneous** - results. Rather, we painstakingly **isolated** every single component that could possibly affect marketing response - filtered each one through scientifically derived (not randomly arrived at) sample sizes, meaningfully conceived confidence intervals, and the strictest scientific controls.

It is only through this kind of **rigorous** testing that I feel confident in giving you **conclusive**, amazing insights into the habits and psychology of Internet consumers.

In the "Lessons Learned" section, we have compiled some of the most reliable information from our own testing. Even though there is much evidence supporting this information, I urge you to examine it yourself. Test it to see if you can reproduce our results. We have tested thousands of possible isolated variables that can affect the Internet marketing process. Here we show only those discoveries that were supported by subsequent testing and are of immediate use to almost any business if creatively applied.

We will at times provide examples of tests conducted when an example will aid in illustrating the principle. At times you will be shown the relative value (percentage of performance increase shown by the application of the lesson) of these examples. In all cases, the theoretical information presented has been demonstrated through multiple tests to be valid (unless otherwise indicated).

In the "Survey Results" section, we provide some demographic data about a cross-section of our viewership and various responses to a survey answered by those viewers. The purpose of this information is twofold: 1) We want to give you an idea of what is involved in our market testing. Since the nature of our audience can certainly affect our results, it's important to keep this in mind. 2) The survey responses in themselves, at times, provide insights into the mind of the Internet consumer. Take some time mulling over this information and what it may mean... As I did this myself, flashes of insight came at me like falling rain.

One Word of Caution

Some of the principles you will learn are so simple and easy to use you might be tempted to say, "Mark, you spent your time and resources to find out *that*?" Don't be fooled - it is the

simplest concepts that have the most profound effect on your bottom line.

For instance, when you learn that one particular day of the week consistently (and scientifically) out-pulled the worst day by **89%**, and outperforms all other days by at least 23%, this will translate not only in a one-time sales increase, but your additional revenues could swell to thousands - even **hundreds of thousands** - of dollars in the *months and years to come*. See how that works?

Let me give you a specific example from my own experience. Acting upon one finding from my scientific study, I changed 1 simple thing on my order form (it took me only 15 seconds) - and it increased my sales by 32%. When you apply a 32% increase to sales for one product, that comes up to a pretty **hefty** chunk of change - but when you consider that I will also apply that same thing to all my order forms for all my products from now until eternity, can you see the **immeasurable** value of that one simple concept?

Is it any wonder, then, that I earned back my investment in these studies many times over?

I say this so that you won't take these findings lightly. These were not haphazardly gathered and thrown together for your amusement. These were gathered, compiled and organized in such a way that you are told, in plain English, exactly how to apply these lessons to your business.

Now, you are armed with **usable** tactics for successful Internet marketing.

Why You Need to Use This Information Right Now

This Confidential Internet Intelligence Manuscript **is** sizzling with **fresh** information **never before uncovered --** and it's **right on the money**. You've got to "**strike while the iron's hot**" and use this information like crazy before everyone else does.

Here's another reason: The speed of technological advancement, especially as it pertains to the Internet, is enough to make your head spin. What's fresh, new and effective right now may change in a heartbeat.

I can assure you, though, there will be many things you will learn within the pages of this manuscript that will immediately increase your earnings in as little as 1 day.

Some of the principles, though, I believe are constant. I urge you to look beyond the individual tactic or example and focus on the underlying principle. This is where your true insights into marketing will be made.

So get to it and use this information like there's no tomorrow.

Here's to your lasting success!

All the best,

Mark

Mark Joyner
CEO, Aesop.com

About Scientific Marketing

I've always been a fanatic about testing. It is one of the key focuses of everything we do at Aesop.com, but I do have one caveat: Do not fall for the myth that all testing is valid.

Most of all, don't get lulled into complacency just because you're doing **some** kind of testing. Testing is an arena where having insufficient information -- or information derived through arbitrary instead of scientific means -- is a **dangerous** thing. You could be making decisions concerning your business based on totally erroneous information and losing a lot of money in the process.

When you hear marketers make sweeping generalizations such as, "When you get at least 50 responses from each segment you test, the results of your test are statistically significant and you can start drawing conclusions" - be careful. These rules may have served some well, but they are by nature unscientific.

In true scientific testing, you cannot make sweeping conclusions of this nature because such figures are based on various factors that vary from campaign to campaign. To arrive at significant numeric conclusions such as this, you must consider sample size, confidence intervals, and many other important statistical factors.

Anyway, my aim here is not to bore you with technical jargon about testing, but rather to give you some insights into the optimal way to conduct testing on the Internet. If you pay attention to the **key issues** of this discussion, you will discover valuable lessons that very few marketers in the world ever learn.

(**Note:** While I casually dismiss the technical jargon and methodology of statistics in this document - this is not to say they are unimportant. Indeed, they are crucial. If you do not have a solid understanding of statistical concepts and methodology, your testing will inevitably be invalid. There are a great many fine books on statistics, many of which are replete with valuable examples from the world of business. I highly encourage you to make this part of your education. It's critical.)

Isolation of Test Variables

Many marketers are tempted to test one sales letter vs. another. That is, they take two entirely different sales letters (the differences of each being **innumerable**) and run one against the other in a classic A/B split.

There is only one valuable piece of information to be gained from this:

Which sales letter, at that point in time, to that particular list, performs best?

This information is, indeed, valuable. If the act of writing copy is not a frequent ongoing task for your organization, this may be all you need to know. However, this type of testing potentially throws away a great deal of marketing intelligence that could otherwise be quite useful.

After such testing, a marketer is left with unanswered questions. He may be tempted to make assumptions about why one letter performed better than the other. When doing this, we step completely out of the world of science and squarely into the realm of intuition. Although, there is no such thing as a "pure" science (at least not in the real world) and marketing, by its very nature, must be a mix of intuition and science.

Compare the above test to one that isolates an *individual variable*. For example, all other things being equal, test a single change to a headline in an ad.

This test, while perhaps not as bold, can give you information about the effectiveness of an individual copy element. Sometimes these tiny changes, in and of themselves, can render dramatic results. Even if not, the **cumulative** effect of many of these small elements can **improve the overall effectiveness of your copy dramatically** over time.

Marketing: A Fusion of Science and Intuition

There are several instances in the process of marketing when we have to use a combination of both science and intuition. Here's a recent one that I recall. We tested the following email subject line (I mention this case several times in this document as it illustrates a great many points):

NAME, this is barely legal...

Scientifically speaking, we found that this subject line out-clicked 2 other test subject lines by a significant percentage. When it didn't get the highest number of sales, however, **intuition** dictated that the reason was as follows: People clicked on it **expecting something totally different**. The phrase, "this is barely legal" does conjure up more images than I care to mention here. The bottom line is, people arrived at the website in a frame of mind that was not receptive to reading the sales message or ultimately making a purchase.

No matter how useful our intuition is, however, I believe we stand to gain more in the long run by endeavoring to be as scientific as possible. This gives our marketing activities more predictable and consistent results -- and fewer regrets.

When we have such intuition driven hunches here, we immediately devise tests to prove or disprove these theories.

This process is the heart of the scientific method, as you may remember from your basic high school or college science classes.

The Scientific Method:

(There are many versions of the scientific method, and no one really knows who "invented" it. Westerners tend to give Bacon the credit, but this is a topic of debate. The following version of the scientific method works nicely for marketing.)

1. Observe some phenomenon or aspect of the universe.
2. Develop a hypothesis that explains the phenomenon.
3. Use the hypothesis to make predictions.
4. Test those predictions by experiments or further observations and modify the hypothesis in the light of your results.
5. Repeat steps 3 and 4 until there are no discrepancies between theory and experiment and/or observation.

Isolated Variables vs. Gestalt Testing

At Aesop.com, we employ 2 general modes of testing. We have coined two terms to describe the methods:

Isolated Variable Testing - This is where we isolate individual elements and test them independently of other variables.

Gestalt Testing - This is where we observe a combination of elements working in an integrated manner as one functional unit and test one functional unit against another functional unit. (The term "Gestalt" is borrowed from hard science: "A physical, biological, psychological, or symbolic configuration or pattern of elements so unified as a whole that its properties cannot be derived from a simple summation of its parts".)

We can conduct both types of testing concurrently - the real difference here is one of perspective. Gestalt testing may be comprised of a number of isolated variable tests - but it also notices the result derived from a particular combination of these variables.

We've found at times that observing variables "in a vacuum" while conducting these large-scale tests renders consistent results. At other times, the positive performance of one variable may be dependent on a number of other factors (or, "dependent on the Gestalt").

Examples of Isolated Variables Testing:

As we mentioned above, an isolated variable test observes the effect that changing one tiny element has on the overall result. For example, keeping all other things equal, a change of a headline, addition of a discreet element to an order page, or the addition of a single significant graphic. In each case, we endeavor to keep all other factors exactly the same.

Most marketers tend to try A/B splits, but you can do grander splits if you like - as long as the elements are discrete and the controls are maintained.

Examples of Gestalt Testing:

Any multi-step marketing process has many distinct elements. For example, you have a television commercial that directs people to a website. A Gestalt Test would vary various discreet elements at each step and draw conclusions from the variations.

We then arrive at one winning combination (based on the number of sales generated). The immediate benefit is the selection of

this winning combination from a large number of possible combinations.

At times, though, we discover individual discrete elements that improve response in many (if not all) combinations. Taking the television commercial example again - you may have one version of your commercial that renders a great result in combination with one website. When the same commercial leads into another website, however, the result could be poor. The Gestalt is responsible for the improved result, not the commercial per se.

If, however, the particular commercial was responsible for increased response in all cases, the lesson to learn is different.

We develop our hypothesis based on the results of each test, keeping in mind the effect each element had on the various gestalts of which it was a part.

Cumulative Effect of Lessons Learned

The question then arises - is there indeed a cumulative effect of these individual variables? That is, can these individual items, applied in isolation, affect future marketing campaigns?

The answer is "yes" in many cases. At Aesop.com, we've applied the results of those isolated variable tests that rendered a positive result independent of the gestalt. This practice has been responsible for a huge increase in revenue at our company.

Here's an example: As a result of testing various "dissonance elements" (explained in "Lessons Learned"), a winning formula for a lead-in that consistently gets the most clicks and sales emerged. Many of our successful lead-ins contain the following 3 components:

- Quantified success results
- The impression that the reader can do it, too
- It is easy to do

This formula was derived first by testing and retesting each of these elements (our discrete hypotheses) independently. When we were able to show time and again that each of these elements consistently tended to reproduce more sales, we started combining them together to see if the effect was cumulative.

In this particular case, the effect was, indeed, cumulative.

We've used this formula in subsequent emails that we've sent out, and have been able to reproduce the cumulative benefit. Here is an example of a successful email that uses the above formula:

This week's Killer Tactics Journal answers the question:

"Which affiliate program earned an average guy \$17,410.65 last month, and enabled him to buy a house on his future affiliate commissions?"

Hint: Anyone can do what he did - and earn a predictable 5-figure income within 6 months.

Click here to learn the answer: [LINK](#)

So, again, in some cases, the gestalt has mattered more, whereas in other cases, the cumulative effect of each "best" element can be observed. Lessons can be learned from each type of conclusion.

One More Thing

While testing of isolated variables yields valuable findings, gestalt testing is promising to be even more important - or at the very least, more commonly applicable. More and more, we're discovering that each element of the combination is integral to the success of the whole process -- particularly in making the sale.

For the most part, we want to isolate variables as much as possible. However, in cases of complex campaigns where there are many testable elements, one must mind the gestalt -- as we have proven it does indeed matter.

At the same time, we should try to learn our lessons from the individual vacuum-tested variables and apply them to our future endeavors. After all, testing is completely useless if you do not apply the lessons you learn.

Let's finish with a look at the scientific method again, keeping all of this in mind:

1. Observe some phenomenon or aspect of the universe.

2. Develop a hypothesis that explains the phenomenon.
3. Use the hypothesis to make predictions.
4. Test those predictions by experiments or further observations and modify the hypothesis in the light of your results.
5. Repeat steps 3 and 4 until there are no discrepancies between theory and experiment and/or observation.

In closing, if you simply are true to the above process, in action and in thought, your marketing will be successful. It is only when our intuition (or even worse - our hope) outweighs our critical analysis that we run into trouble.

Lessons Learned

Introduction

Most of the lessons presented in this section are the result of tests isolating thousands of variables that affect the overall web sales process.

I have tried to present this information in as understandable and readable way as possible. Rather than repeat the volumes of data from which these lessons have been culled, I use examples when they best serve to prove a point.

It can be stated that nearly anyone could compile such a document, fudge the numbers, and present the results as valid. Confidence in the validity of these findings can be observed in the way we conduct business at Aesop.com. Anyone who subscribes to our newsletters and visits our various sales sites can verify that we apply these very principles ourselves. You may see variation from these lessons from time to time as we test different approaches, but the majority of these lessons are there for you to verify.

Not that just anyone who visits our sites or reads our newsletters can learn these lessons. There are an infinite number of things that can affect the sales process. Blind copying of marketing elements provides no guarantee that one is not copying factors that diminish results!

What I have in mind here is to make the results of our findings clear, so that you may see for yourself the elements we have tested time and again and proven to render positive results.

Even still, some of these lessons may be hard to grasp at first. Go out and apply these lessons yourself - only then will you fully understand.

Some examples are easy to grasp, immediately useful, and easy to apply. The usefulness of these individual examples however is great but limited. A grasp of the subtler concepts presented and a dedication to their creative application, however, is infinitely useful - and could mean an untold fortune in increased revenues. It has for me!

I. Email Marketing

Email marketing may be the world's most powerful (and economical) form of marketing ever to be conceived. Gone are

the days when you have to put your home, your car - and even your children's college funds - at risk just to send out a sales letter to sell a product that could potentially earn you a fortune.

The Internet is the **only place on earth** where you can truly **market everyday** with no money - or very little money - **if you know how**. Unfortunately (or *fortunately*, depending on how you view it), only a small percentage of Internet marketers truly know how to use email correctly so that it produces incredible profits. Even many Internet marketing experts conduct their email marketing in a manner that directly conflicts with what our evidence here suggests.

If you use email marketing in a way that conflicts with these findings and you are getting positive results, keep doing what you're doing. The point here is that these are lessons we have found to consistently render a positive result.

In this section, I'll show you some of the most important discoveries we've made about email marketing, and how we have used these lessons to leverage **the power of the Internet** and generate a continuous stream of revenue.

A. The Best Day of the Week to Send Email

When you send your email is just as important as *what* is in the email. Our tests have shown that one day of the week gets drastically higher sales while another day gets the most clicks (or views). One commonly believed piece of Internet marketing folklore says that the best day to send out email is Wednesday. Our testing indicates that this is patently false. After many tests, we have found that there is one day of the week that consistently (and scientifically) out-pulls the worst day by **89%**, and outperforms all other days by at least 23%.

Summarized Results:

- Emails sent on a Friday result in at least 23% more sales than emails that are sent out on any other day; Friday emails out-pull the worst day (Wednesday!) by 89%.
- Emails sent out on a Tuesday get the worst percentage of clicks (or views).
- Wednesday emails get the worst sales.
- Thursday is the best day to send emails to get raw clicks.

These findings are the result of multiple tests. Conducting this test series once and leaving it at that did not satisfy us.

Imagine - you could be making 89% more money on a direct-response offer by simply changing **when** you send out your emails! Imagine the cumulative earnings you will generate by applying this information to your online business. Combine this with the fact that many still believe the myth that Wednesday is the best day of the week to send email and this information alone will give you a tremendous competitive edge.

B. 2 Elements of a Successful "Lead-In"

Everyday I receive emails that are so clearly junk, or so obviously of no interest to me. These emails don't get opened - let alone read. This violates what I believe to be the very first rule of email marketing: **Get your email opened.**

This fact is so clearly obvious and intuitively correct that it is safe to accept it as a genuine "truth."

Think about it. Most people read their email with their finger on the delete key - similar to the way we sort through our mail over the trash bin to facilitate the process of throwing our "junk mail" away.

If your email is not opened, you have exactly a 0% chance of getting a response - no matter how fantastic the contents of your email may be.

Job No. 1 in email marketing is to grab the reader's attention. With the number of emails people receive daily, sometimes that is difficult to do.

One might be tempted to use hype, capital letters, exclamation marks, and other devices that are equivalent to "screaming" on the Internet. Unfortunately, if you do these things, they can backfire on you - and people will shut you out. They will immediately classify your mail as "Spam." Your emails will tend to go unread, and you will probably get an increase in your unsubscribes.

In a moment, I will reveal the results of thousands of email tests that shed a lot of light on exactly how to approach your email recipients to get optimum response.

The importance of this will become apparent as you read on.

1. Friendly Tone

Here's an eye-opening exercise that will make you see the value of your subject line: Go to your email Inbox and scan the subject lines of your incoming email (the way you normally would when you go through your email). Observe the subject lines your eyes are riveted to and the ones you click to open at once.

<u>From</u>	<u>Subject</u>
Alvin B. Smith	Peoria E-Zine - Maiden Issue
Money4You	EARN \$100,000 IN 60 DAYS!
greg	hey, I almost forgot...
ABC Corp	The Deal of the Century

Among the ones listed, which one would you open first? Which ones would you ignore? I think it's pretty obvious that the one that seems like it's coming from a friend is the one you're likely to click open first, and you're also likely to delete a few (if not all) of the others that are commercial in nature.

TIP: Before you craft your subject lines, look through your own email box and check out the emails from personal friends, and write your subject with the same kind of tone. This may seem pretty obvious and intuitive, but it takes practice to refocus your language from a business-like one to a personal one. But it makes a huge difference! Trust me - my company's email marketing is built on this concept, and I regularly drill my copywriting team on it.

The bottom line here is that you get the email opened - with the appropriate attention. If you can accomplish this in another way, by all means use it. Our testing has consistently shown that a friendly tone almost always outperforms other methods of getting your email opened.

2. The Curiosity Factor

More often than not, the email you send is not designed to do the selling right there in the email - nor would I recommend that you do so. Rather, encourage your email recipient to click through to a website where they can view your sales message.

People like small steps. They like things that are easy. If you spill your guts in a long rambling email message, people may just tune you right out (unless it's extremely compelling). To

combat this, we use email as a lead-in to another step in the process.

When you do this, though, you run the risk that people won't click at all - and this can bring your sales process to a screeching halt. Think about it. How many times have you received an email that asks you to click on a link to a web page? Countless times, of course. What percentage of the time did you actually click on the link? I would bet good money that it's 5% or lower. The rest of the time, you probably ignored the link or said to yourself you can check it out later after you read the rest of your email - but you probably never did.

Now, think back on those times that you did click on the link - and try to remember what it was that made you click. Chances are you clicked because the email copy described something of interest to you, something that got you **curious**, or perhaps something that left an unanswered question in your head.

Aha!...now we're getting somewhere. This curiosity (or *dissonance*) factor was the basis of an entire **barrage** of tests that we conducted.

For the time being, suffice it to say that the inclusion of a dissonance element (or Zeigarnik Effect as explained below) has been found to almost always increase response. You are battling against millions of things clamoring for your reader's attention. Although there are many ways to capture their attention, this is one that my tests have proven to be extremely powerful.

A targeted use of this principle (creating dissonance in the mind of the reader about something in which he is greatly interested) can have a staggering effect on the sales process...

Discussion: The Zeigarnik Effect

There is a marketing device that is extremely powerful - but has not received the high regard that it deserves. I confess that I've been guilty of underplaying its importance because it has been one of my greatest "secrets" for achieving success on the Internet.

It's called the Zeigarnik effect. I touched on this subject in my electronic course, "1001 Killer Internet Marketing Tactics" but not to the *degree* that you're going to learn about it in this manuscript.

The Zeigarnik effect is a device that has proven itself consistently effective time after time when tested against copy that doesn't incorporate the device.

What exactly is the Zeigarnik effect?

If you've ever watched the season finale of a TV series like "West Wing" or "Friends," the cliffhanger episode is a good example of the Zeigarnik effect. When the ending leaves questions unanswered, it creates a tension in the viewer's brain. It seems that it's the nature of people to be tormented by incomplete information. It is this torment that will cause them to loyally tune in to the next episode - to get the questions answered and relieve the tension.

Here's another example: If you've ever heard teasers for the 11 o'clock news that say something like, "What is President George W. Bush's secret agenda against the terrorists that he's not telling the American people? The answer will shock you. News at eleven." That's the Zeigarnik effect at work. It compels people to tune in just to find out the answer to the question.

What does this have to do with Internet marketing?

When people are online, their attention is pulled in various directions. There's email to read, hundreds of millions of websites to visit, and limitless information to be found. Your No. 1 mission is to interrupt their preoccupation and make them pay attention to **your** message, website, sales letter, offer, etc. Employing the Zeigarnik effect is one of the best ways to do this. Our tests have supported this theory time and time again.

One devious way I've used the Zeigarnik effect successfully is by installing the device in the body of an email. This compels readers to click on the link that leads to the website that displays my entire message in HTML splendor.

Example: Sometime last year, when I decided to convert my online newsletter, Killer Tactics Journal, from a *text-only email* to an *html web page*, I ran the risk of losing readers if they didn't click on the link to get to the web page. I had to find a compelling teaser that would make them click on the link in the email to read the newsletter. So I employed the Zeigarnik effect in my email copy. For example, I wrote:

Hi NAME,

This week's Killer Tactics Journal answers the question:

"Which affiliate program earned an average guy \$17,410.65 last month, and enabled him to buy a house on his future affiliate commissions?"

Hint: Anyone can do what he did - and earn a predictable 5-figure income within 6 months.

Click here to learn the answer: [LINK](#)

All the best,

Mark Joyner

Can you see the power this device has? I simply installed an unanswered question to **deliberately** cause mental tension in the reader - so that they'll have no recourse but to stop what they're doing, let their other email go unread, and click on to the newsletter to get the answer to the burning question.

Now, here's the **real secret** to successfully applying the Zeigarnik effect. The response is directly proportional to the amount of tension you create. With your target audience in mind, you must craft your copy to **crank up the dissonance** to the highest level possible.

The email copy featured above was tested against the following email copy (both emails asking the reader to click on to the Killer Tactics Journal web page). **Which one do you think got the best results?**

Hi NAME,

This week's Killer Tactics Journal answers the question:

"What investment vehicle can blow away any investment you could put in the stock market?"

Hint: This is the best way to leverage your business dollars-and it's right under your nose.

Click here to learn the answer: [LINK](#)

All the best,

Mark Joyner

Which Zeigarnik email body did you select?

Keep in mind that the Killer Tactics Journal is a weekly publication for those who are interested in Internet Marketing and making money on the Internet. Both emails employed the Zeigarnik effect... What's the difference?

If you chose the first one, you're absolutely right. Clearly, a story about someone succeeding on the Internet is more important to our readers than an "investment vehicle."

The first email body **out-clicked** the second email body by a margin of 5 to 1 - and produced **340% more sales**.

Are you beginning to see what I meant earlier when I said one single device you learn from this manuscript could increase your revenues by thousands - even **hundreds of thousands** - of dollars in the *months and years to come*?

There are 3 lessons to be learned here:

- 1) Multiply the Effectiveness of the Zeigarnik Device with Targeting

Craft your Zeigarnik device to speak to your **target audience**.

No matter how powerful the Zeigarnik device you install in your copy, it will have a diminished effect if you're saying it to the wrong people. For example, the following question: "Do you know which member of N'Sync is bisexual?" would probably fail miserably in an audience consisting of Internet marketers, but I have no doubt it would do quite well among Generation X and Y kids.

Likewise, the email body No. 2 above would fare well if the target audience consisted of stock market investors.

While an ill-targeted Zeigarnik device will indeed increase response all other things being equal, it will render the wrong kind of attention - attention that fails to close the sale.

One word of caution: Don't be tempted to use the Zeigarnik effect for the sole purpose of getting clicks. Any **outrageous** question can generate clicks, but will generate little or no sales if people get to your website in anything but the proper frame of mind. See the section titled "All Clicks are Not Created Equal" for more details.

In fact, I could write an email with a click-through rate of 90% or higher. Consider the subject line: "<YOURFIRSTNAME>, Pictures of Your Wife Cheating!" A married man (or woman!) would certainly click through. Single folks out there would probably do so out of curiosity. Of course, this type of gambit would render probably zero sales (unless, of course, you're actually selling those pictures to this person!) and might even get you in trouble.

2) Turn Up the Intensity of Your Zeigarnik Device

Craft your copy to **elicit** the highest level of **curiosity**, thereby cranking up the mental dissonance of your readers, and maximizing their desire to know the answer.

In the 2 examples above, the first email body obviously presented a higher level of curiosity for my target audience than the second one - as evidenced by it beating the second email body by 5 to 1 in terms of clicks. So, targeting obviously also has the added benefit of increasing curiosity, but there are other ways to do this as well.

For example, we include such a line as, "Hint: It's not what you think" and have found that this (by intensifying the curiosity, we suppose) consistently increases both clicks and sales.

3) Test Creative, but Discrete, Variations

I repeat this advice again and again - and will continue to do so: *Test creative variations*. I'm a firm believer in the marketing truism, which states that the best way to distinguish a successful marketer from an unsuccessful one is this: **The successful marketer tests constantly**; the unsuccessful one doesn't.

Consider again: If I hadn't tested email body No. 2 (above) against email body No. 1, I would never have known that I could make 340% more sales simply by changing the email body copy I sent to my subscribers.

Not only is it important to test, it's also important to test creative and discrete variations. Pitting two totally different (and perhaps equally predictable) emails against each other renders dubious findings (see the section titled "About Scientific Marketing" for more).

I would take this a step further and say that the truly great marketers not only test but also understand enough about science to avoid accepting their findings as gospel truth. The findings in this document I, at times, present with enthusiasm. You'll have to excuse me, but I do get excited when my tests prove again and again, that a particular theory still holds. The value of such information is immeasurable, but it should never prevent us from considering evidence to the contrary.

Here are some other ways we have injected the Zeigarnik effect into our marketing to render an increase in response and conversion:

- email subject lines
- SIG files
- web copy headlines and opening statements
- banners
- use your imagination!

Examples of the Zeigarnik Effect successfully employed in various formats:

Banner: Can you name the one advertising campaign that earned \$25 million - and do you know why? It's not what you think. Click here to learn the answer.

SIG File: "How did over a million people get free money grants last year for their business?" Click here to find out how you, too, can be the recipient of FREE MONEY.

Web Copy Opening Statement: You don't know it yet, but in the next 5 minutes you are going to learn **two things** that will enable you to command someone to do something - anything - and that person will do it without question. What's more, they'll think it was their idea, not yours.

Web Copy Headline: Hypnotic Selling: Myth or Miracle?

Email Subject Line: This is barely legal... (Note: This case increased click through rates but not sell-through!)

Use the Zeigarnik effect whenever you have to interrupt your reader's preoccupation and get them to pay attention to your message.

C. The Winning Formula

In testing dissonance elements, a winning formula for a lead-in that consistently gets the most clicks and sales emerged. I have to caution you, though, this formula works for my particular business, my products, and my market (Internet entrepreneurs). It may not necessarily be the formula that works best for your business. If you continue testing, your own formula will emerge as well - but I imagine it may closely resemble mine.

Here it is: All our most successful lead-ins contain the following 3 components:

- Quantified success results
- The impression that the reader can do it, too
- The implication that it is easy to do

Here is an example of a successful email that uses the above formula:

This week's Killer Tactics Journal answers the question:

"Which affiliate program earned an average guy \$17,410.65 last month, and enabled him to buy a house on his future affiliate commissions?"

Hint: Anyone can do what he did - and earn a predictable 5-figure income within 6 months.

Click here to learn the answer: [LINK](#)

D. More on the Subject of "Subjects"

As stated before, the email subject is the Internet equivalent of the direct mail envelope. If the envelope isn't opened - it ends up in the trash. Testing to determine which subject line results, ultimately, in the most sales is critical.

A word of caution: Just because a subject line generates more sales overall in a testing run doesn't always mean that it is the best one to use. Sometimes the **gestalt** effect of the *subject line*, the *email body*, and the *web copy* **integrate** into a **functional unit** that produces the response from prospects. (More on this in the section titled "About Scientific Marketing".)

I see marketers, at times, copying the subject lines of emails sent by other companies - assuming that they are copying success. All ethics of "copying" aside, you've got to know what to copy! Quite often, marketers copy test subject lines - but they often copy **the ones that fail** miserably, not the winner. Still, there are lucky ones who happen to **guess** at a winning subject line, copy it, but drop the ball by failing to integrate it properly with the email body and web copy - missing the gestalt effect altogether.

Discussion: A Force Multiplier for Any Subject Line

What is the sweetest sound in the world? Why, the sound of your own name, of course. Various psychological studies have revealed that people like to hear the sound of their name - and they also like to see their name in print. Some researchers have gone so far as to take EEG (electroencephalogram - a tool for monitoring brain wave frequency and activity) readings to measure brain activity while people respond to various verbal stimuli. It's been observed that the brain almost always "wakes up" when your name is spoken.

Should you personalize your email? Our tests indicate that if you're not, you're leaving heaps of money on the table.

We designed our tests to determine the following:

Do people respond better to emails that include their name in the subject line or to emails that don't include their name?

Example:

Subject: Joe, here's your killer tactic of the week...

Body:

Hi Joe,

...

<Versus>

Subject: Here's your killer tactic of the week...

Body:

Hi,

...

Given: Our Killer Tactics Journal subscribers are divided into two distinct groups:

- * Those who gave their name as well as their email address when they subscribed - this is the **With Name (WN)** list; and

- * Those who gave their email address when they subscribed, but not their name - this is the **No Name (NN)** list.

We conducted weekly A/B split tests to the WN list - half of the people on the list were sent an email that included their name on the subject line and the email body salutation (i.e., personalized), and the other half were sent an email without their name.

Result: The email with the personalized subject line generated 13% to 64% more clicks than the one that was not personalized (other items were tested in this particular matrix). Sales in this case, were improved up to 327% by including the name in the subject.

We conducted other tests comparing the response rate from personalized emails sent to the WN list and non-personalized emails sent to the NN lists. We did this to rule out the possibility that people who give their name are more likely to respond. The findings above were closely verified - indeed it appears that personalization alone, regardless of the nature of the recipient, increases clicks and sales.

Summary of Results: Personalized emails consistently get more clicks, as well as sales, than non-personalized emails. Prospects who are sent personalized emails are significantly more likely to make a purchase. Additionally, there are significantly less unsubscribes among those who receive personalized emails.

Detailed Results:

- 1) Personalized emails generated **42.7% more click-throughs** on average to the web copy than non-personalized email.
- 2) Personalized emails generated **403% more sales** on average than non-personalized emails.

3) Personalized emails generated **42.8% fewer unsubscribes** on average than non-personalized emails.

Do these findings leave any doubt in your mind as to whether you should personalize or not? I hope the results speak for themselves. Please test this yourself to verify our findings.

Personalized email is also a great way to build a relationship with your customers because people do business with people they like. Another effective strategy is to craft your email copy to give the impression that you are sending it to the recipient alone, even if you are sending it to thousands of other people. Write as though you're writing to a single person, not a group of people. Your prospects and customers will appreciate special attention, and this will further increase response.

II. The Nature of Clicks and Click Management

You may have heard me say this before, but it simply cannot be overstated: ***All clicks are not created equal***. This is a phrase I coined many years back, and as time goes by, it seems to gather new - and more profound - layers of meaning.

You may be wondering what is so profound about this statement. I don't blame you - the layers of understanding are a bit subtle.

Even if you have a preconceived notion of the meaning or importance of the phrase "all clicks are not created equal" - please read this section in its entirety. Don't skip a word. If you do, you will be doing yourself a great disservice.

If you miss the essence of this message, I believe your online business efforts will be quite difficult - it's that important. That's how strongly I believe in this *cornerstone* of Internet marketing - and our tests have supported it time and again.

Internet marketers tend to go through great lengths to get Web traffic wherever they can get it. They use tons of energy and pay truckloads of money buying visitors, clicks and eyeballs at a cost of a few cents to several dollars apiece.

Here's the problem: Oftentimes, you have no idea whether any of the visitors you worked so hard - or paid so much - to get would be interested in your products or not. More importantly, those visitors may not be in the proper frame of mind to buy from you,

take you up on your offer, sign up - or do anything you want them to for that matter.

Here's the key: To elicit a particular action from your visitor, you must lead them into your site **in the proper frame of mind**.

The frame of mind of your visitor is determined by a great many factors. Some of them are observable - some are not. Some are important - some are not.

From my tests, I have found that the two most important observable factors that determine your visitors' state of mind are:

1. Mechanical Process that Generates the Click

Ask yourself: "How are my visitors getting to my website?" Remember -- the quality of a click from one source may be completely different from the quality of a click from another source.

When creating a marketing gestalt, great attention should be paid to the way someone gets to your site. Think of the mechanics of the process someone goes through...

A visitor who finds your site while actively scouring a search engine for the information offered on your site is of an entirely different nature from a visitor who casually clicks on a banner ad to visit your site.

How can the nature of these different traffic sources be exploited?

2. The Ad Copy Read Before Clicking

For example, consider the following 2 examples of text links on a website:

I was skeptical about this program, but when I tried it, my click-to-sale conversion went from 1.3% to 7.9% in just 1 week.

Or...

This is a bunch of junk! Just find me someone - anyone - who has really made a 6-figure income from this crap...

The first example is a brief, but credible testimonial that has the potential to generate clicks from entrepreneurs who are interested in increasing their sales. The second one has a negative but outrageous appeal that could generate clicks from curious people. If both scenarios generated the same number of clicks, **which clicks would have a greater value** - those generated by Example 1 or Example 2?

Clearly, the answer is Example 1. The frame of mind of the person who reads a positive and believable review of a product is totally different from one who expects the product to be bad.

While this example is extreme, it illustrates the point. There are many degrees by which the frame of mind of the visitor can be affected by the copy read before visiting your site. Some of these differences are quite subtle but can have a tremendous impact on the desired result.

Some people have the mistaken notion that if their product appeals to "the general public," it doesn't matter how the visitors get to their website because the moment the visitors get there, they'll be **hooked** by the obvious benefits of the product.

Our tests indicate this is patently false.

We tested the following email subject line:

NAME, this is barely legal...

This particular subject line had one of the **highest click-through rates** that I've ever seen when employed in one of our tests.

Interestingly enough, it didn't get the highest number of sales. Perhaps the reason was that although the subject tied in with the email body copy, which in turn tied in with the web copy, the subject created the wrong expectation. They were expecting something that wasn't satisfied by the product we, ultimately, were trying to sell that day.

This is a classic example of how even an exceedingly large number of clicks can do you very little good when visitors are not in the right frame of mind to behave as you would like them to.

Another basic step in making sure that they get to your website in the proper frame of mind is to get "relevant attention." If an ad leading to your site says something like, "Here's the world's largest collection of free MP3 downloads," when what you're selling is nutritional supplements, people will feel duped when they arrive at your site. If you think you were being smart by capitalizing on the popularity of MP3, this will backfire on you. Your visitors will most likely be so annoyed at having been deceived that they won't want to do business with you.

Furthermore, the people who would click are likely interested in MP3 downloads and are possibly not even remotely interested in nutritional supplements.

If you want people to purchase a product from you, your visitors need to get to your website in a state of mind **expecting something good, interesting to them, and worthy of their trust** - and your website should **deliver on this promise**.

Remember this: Information is received based on how it is *presented* or "*framed*." Even if your website visitors are targeted prospects who are most likely to buy from you, they just wouldn't be predisposed to buying if you got them there through trickery or when they aren't **receptive** to read your offer.

Advanced Lesson - Why I'll Eat "Cheeseburger Traffic" Even When Filet Mignon is on the Table:

A mistaken conclusion to draw from this is that some traffic sources are worthless. "If it doesn't get the sale- it's simply a waste of time and energy," many have said.

I like to call this "cheeseburger traffic." It's traffic that you can get in mass quantity for cheap - and is of rather low (or zero) quality when considering clicks to sales.

I have found that almost any traffic is good, if you know how to properly channel it. Because of this, I am constantly looking for new traffic sources - even bad ones!

It's simply a matter of summing up (as we mentioned above) the:

- a) Nature of the Traffic Source
- b) Frame of Mind of the Viewer on Clicking

If the above two items don't add up to "a visitor predisposed to buy" - most people stop right there and move on. This is money left on the table.

I try to ask myself how I could channel that traffic to my benefit. OK, they won't buy now, but what would they do? More often than not, I use cheeseburger traffic to solicit subscribers to one of our various newsletters (this is one of the reasons we have built several of the largest subscriber lists on the Internet). Other times, I will think about a way that I can funnel the viewer through a process and **put** them in the proper frame of mind.

Please read this section repeatedly until you fully comprehend the power of these lessons. I guarantee that this one principle alone can put you far ahead of **99.9%** of the businesses on the Web. It will allow you to determine, and therefore focus on increasing, the type of traffic that gets the sale. It will also allow you to benefit from the traffic that you would otherwise throw away.

Properly used, the effect this will have on your business is immeasurable but surely positive in the extreme.

III. Lessons Learned Regarding the Order Form

Although the order form is at the end of your sales copy, it is a vital part of the web selling process. This is the last chance you have to turn a prospect into a customer, and every extra detail should be paid attention to.

Many direct mail copywriters, Ted Nicholas for example, advise you to write your order form **first** before you write anything else. This way, you can create a strong order form that is full of closing power while you're still "on," rather than write it as an afterthought when you have depleted yourself of copywriting steam. This is sound advice and it carries over to the web. If you build buying desire in your copy but then fail to properly close the deal, it does not matter how good your preceding sales copy is.

An example of how our latest findings on effective web forms are being applied in the real world can be seen at:

<http://www.hypnoticwritingswipefile.com>

Simply click on the order link and notice how this is handled on this particular order form.

From our testing of discrete changes in web order forms, we have observed that the following factors almost always increase response. Keep in mind that some of these items validate well-known copywriting principles, **but the important lesson here is that repeating these elements in your order form has been observed to drastically increase response:**

a. Affirmation of security.

Even today, many people are quite nervous about making purchases online - and rightfully so. They hear stories of credit card abuse, vendor fraud, and identity theft. When you ask them to transmit their personal information over the net, they may be concerned that their information will be viewed by prying eyes and therefore abused.

We have found that reassuring the potential client that their information will be transmitted securely and otherwise handled properly can increase sales conversion by up to 27%. We have not observed it to have a negative impact on orders ever.

b. Repetition of Offer

Many visitors will simply skim through your ad copy and click over to your order page to get "the bottom line." They want to know: "What are you selling and how much!"

If your order form does not clearly identify what is being sold, questions remain unanswered in the mind of the potential buyer. If this potential buyer did not read your copy and simply sees the title of the product, a price, and fields asking him to divulge his private information, it's very unlikely he will make a buying decision.

We've found that by repeating again, clearly and precisely, what exactly is being offered (including all bonuses) sales conversion can be increased by as much as 41% compared to order forms that leave out this information. Inclusion of this information has never been observed to lower sales response.

c. Repetition of Risk Reversal

If your potential customer gets the sense that there is nothing to lose in taking you up on your offer, but instead has much to gain with little or no risk, you are more likely to get the sale.

Repetition of risk removal elements (for example, "If you are not satisfied, simply let us know. We will immediately give you a full refund of the purchase price - no questions asked.") on your order form has been observed to increase response by as much as 22%. Inclusion of this information on an order form has never been observed to lower sales response.

d. Repetition of Compelling Reason to Buy Now

Many people are "on the fence" about completing a purchase. They are convinced that your product will help them, but for one reason or another, they put that decision off in their mind. If you look at your own personal behavior, you will probably find that purchases you put off are seldom finalized.

Giving someone a compelling reason to buy this very moment (for example: "Purchase in the next 5 minutes and you will also receive the following bonuses," or "Today we are conducting a price test to see how many people will purchase our product when offered for \$23.95. Starting tomorrow the price will be again raised to \$64.97 and may remain that way forever depending on the results of our test") and they are now motivated to make an immediate decision. "Fear of loss" is one of many great motivators you may enjoy testing.

We have found that by repeating this compelling reason to make a purchase now on your web order forms, sales conversion can increase by as much as 36%. Inclusion of this information on an order form has never been observed to lower response.

e. Response enhancing "tricks."

One would do well to pay attention to the mechanics of completing an order on the web. Go through the process yourself as a customer would. Observe your behavior during this experiment. Another good way to get insights into this process is to observe the behavior of friends or relatives as they visit your site. Pay attention to what they do and how they react to the layout and mechanical structure of your pages.

Joe Sugarman is a genius in these matters. In his book, "Advertising Secrets of the Written World" he mentions that adding a mechanical element to your copy that involves the reader can increase response.

Taking a page from Joe, we decided to test various mechanical elements on our web pages that elicit involvement from the web surfer.

We have tested quite a few such "tricks," and overall the results were mixed - as one would expect. Some of these elements actually decrease response, but we found that the majority of those that decreased response interrupted, rather than enhanced, the sales process.

There is one dramatic example that is easy to implement, renders a consistent positive result, and has a measurable effect on sales.

Here are the order forms that we tested for *Ezine Adrenaline*, which was released 03-06-01:

Order Form Without a Check Box

Yes! I want to read "**Ezine Adrenaline: How to Create, Publish and Market A Profitable E-Zine on the Internet**" online - right now. Since I am ordering **before 14 September**, I will also receive 2 free bonuses:

The Formula for Getting Hundreds - Even Thousands - to Subscribe to Your E-Zine Each and Every Month and One-Month FREE ROiBot Pro Service.

I understand that my credit card will be charged **\$27**. I also understand that my order is **guaranteed** as follows: If within 60 days, I have not experienced an **extraordinary** improvement in my business, or if I am dissatisfied with "Ezine Adrenaline" in any way, **my refund request will be honored instantly.**

Order Form With a Check Box

☐ **Yes!** I want to read "**Ezine Adrenaline: How to Create, Publish and Market A Profitable E-Zine on the Internet**" online - right now. Since I am ordering **before 14 September**, I will also receive 2 free bonuses:

The Formula for Getting Hundreds - Even Thousands - to Subscribe to Your E-Zine Each and Every Month and One-Month FREE ROiBot Pro Service.

I understand that my credit card will be charged **\$27**. I also understand that my order is **guaranteed** as follows: If within 60 days, I have not experienced an **extraordinary** improvement in my business, or if I am dissatisfied with "Ezine Adrenaline" in any way, **my refund request will be honored instantly**.

The order form with the check box, in this case, received 32% more orders than the order form without it.

Important: Note that the checkbox is **unchecked**. I believe that the reason this works is this: people want to know what they are checking off on before they do so. Since we repeated so many closing devices here, it encourages the readers to sell themselves on the product. Simply using a check box without repeating valuable closing information such as this will not render the same result.

Survey Results

Top 3 Important Issues to Netizens and Their Business Right Now

1. Customers

Of the 10,000 people surveyed in our Killer Tactics Journal, "customers" was mentioned over 200% more frequently than the second most important issue.

2. Money

While some of those surveyed discussed the hazards of raising venture capital or generating advertising sales, 70% specifically mentioned "cash flow."

3. Sales

The surveyed Netizens listed "sales" as the third most critical issue in their business. Of those that listed "sales," 30% of them emphasized "increasing sales."

Discussion: As a consequence of knowing the specific wording people used when answering the survey, you now know the "language" people use to communicate and represent their desires and problems. If you use the "language" of your buyers, your words will resonate with their desires and result in sales.

Top 3 Problems Netizens Face in their Businesses Right Now

1. Money

Although most people surveyed mentioned money as a problem, 38% of those said they didn't have enough money to run their business.

2. Time

A close second to the money issue (only 4% less), time is the next major difficulty that businesses face. Of those who mentioned time, 57% felt that there just wasn't enough time to focus on the mission critical aspects of business.

3. Traffic

What's the use of building a site if nobody comes to visit it? Netizens rank "traffic" as the number three problem affecting their businesses. While there were some who recognized the need for targeted traffic, 62% of those who cited traffic as a problem were only interested in increasing traffic in general.

Discussion: It is quite significant that many Netizens still believe the myth of "the more traffic, the better." While this is true to some extent, targeted traffic should be a much higher concern. (See "Lessons Learned" for a more complete discussion.) The bottom line is that this is the language they use to describe what they perceive to be a problem in their businesses.

Top 3 Things Netizens Most Want to Accomplish in Their Business in the Next 3 Months

1. Increase sales

2. Make more money

3. Attract more customers

Discussion: Sound familiar? These goals *should* sound familiar since they are also essentially the same as the three most important issues Netizens say they face.

Top Software Purchases

1. Microsoft Office and other "office" programs

Those surveyed mentioned office programs over 300% more frequently than the second most purchased software product.

2. Adobe Photoshop

3. Dreamweaver/FrontPage

Discussion: Notice that the software items purchased were all of a utilitarian nature to their businesses. No matter what your target market is, this phenomenon would logically carry over. For example, I imagine that among horse breeders "hay" is somewhere at the top of their list of common purchases.

Top Book Topics

1. HTML

2. Flash

3. Dreamweaver

4. MS FrontPage

Discussion: Not coincidentally, the survey respondents purchased "print books" that were software related. How can you capitalize on this phenomenon in your industry? Would you be able to produce an informational product that may help them better use a logically frequent purchase?

Buying Habits of Surveyed Netizens

1. Of the people surveyed, 39% said they purchased products on the Internet once a month or more.

2. More than 15% make purchases on a weekly basis or more.

3. When the Netizens surveyed shopped online, over 50% spent more than \$50 on average, with close to 30% spending between \$25 and \$50.

Discussion: Our Netizen survey disproves the myth that people are afraid to shop online. People do make purchases on the Internet. You just need to have a good product and be a savvy marketer to get them to purchase at your site.

Top Newsletter Topics of Interest

The people surveyed expressed strong interest in reading articles about marketing, promotion, search engines, advertising and traffic. They are most interested in software product reviews - being mentioned 200% more frequently than the second most requested topic (marketing).

Most Important Topics

Each survey respondent was asked to associate a point value from 1 to 10 for each category. A 10 would be given to a topic of high importance and a 1 would indicate a topic of low priority.

The categories were as follows:

- | | |
|--|-----------------------|
| a. Getting Site Traffic | f. Branding |
| b. Getting Sales on Your Web Site | g. Copywriting |
| c. Generating Revenue from Content Sites | h. Advertising |
| d. Web Design | i. Offline Marketing |
| e. Graphic Design | j. Banner Advertising |
| | k. Joint Venture |

Discussion: The top three topics the surveyed Netizens thought were low in importance are: Banner Advertising(15%), Joint Ventures(13.5%), Copywriting(7.6%).

The top three topics the surveyed Netizens thought were highly important are: Getting Traffic(68.1%), Getting Sales(62.2%), and Generating Revenue(44.3%). These answers were fully expected.

However, it is quite surprising that only 25.2% of those surveyed thought that Copywriting was important. Even more shocking - 7.6% of those surveyed thought Copywriting was the least important.

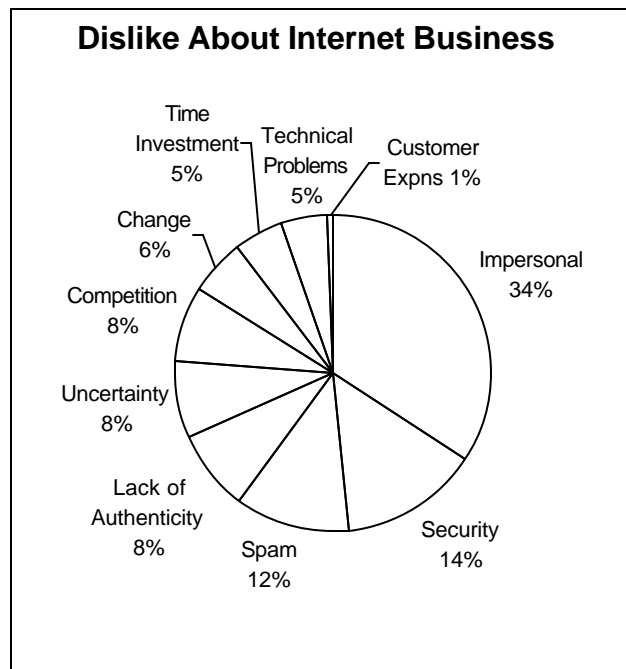
Top 10 Least Favorite Aspects of the Internet

1. Impersonal
2. Security Breaches
3. SPAM and Junk Mail
4. Scams
5. Uncertainty
6. The Competition
7. Constant Change
8. Time Investment
9. Technical Problems
10. Customer Expectation

Discussion: By far, most people (34%) stated that the impersonal nature of the Internet is what they like least about doing business on the Internet. They miss "face to face" interaction and "personal contact."

Ironically, some people stated that they liked not having to deal with people.

Similarly, while some people said they didn't like having to be on-call "24/7," a greater percentage of people said they liked how they could automate their business to work around the clock.

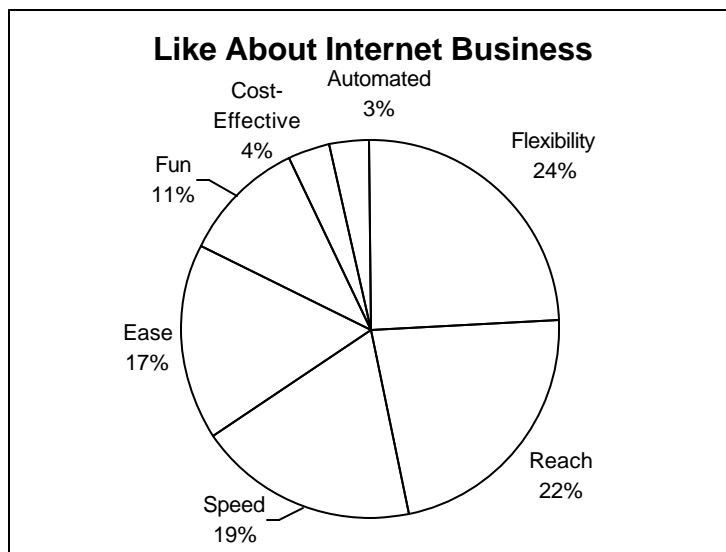


Top 5 Aspects of the Internet

1. Flexibility
2. Reach
3. Speed
4. Ease
5. Fun

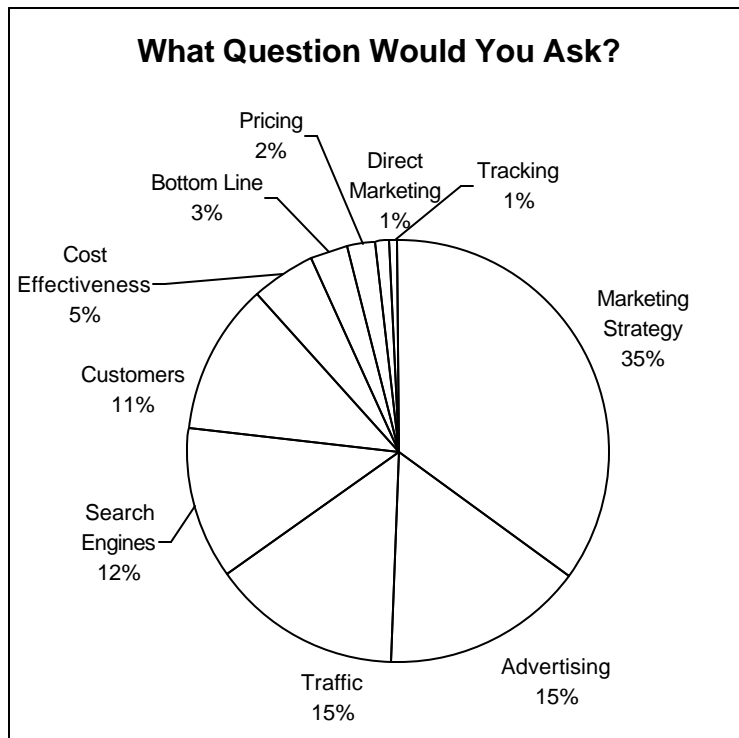
Discussion: Many cited Flexibility(24%) -- working at home, setting their own hours, etc. -- as what they like most about Internet business.

Speed(19%) was used in a number of different contexts, including instant feedback and ability to change quickly. However, many times it appeared out of context just as "speed."



Top 10 Marketing Questions Respondents Wish Would Get Answered

1. What is the best marketing strategy for me?
2. How can I best advertise my web sites?
3. What is the best way to bring qualified traffic to my site?
4. How can I get better search engine rankings?
5. How can I attract and keep loyal customers?
6. What is the most cost-effective way to marketing on the Internet?
7. How can I increase my bottom line?
8. How much are customers willing to pay for my product?
9. How effective is direct email marketing?
10. How can I track my customers?

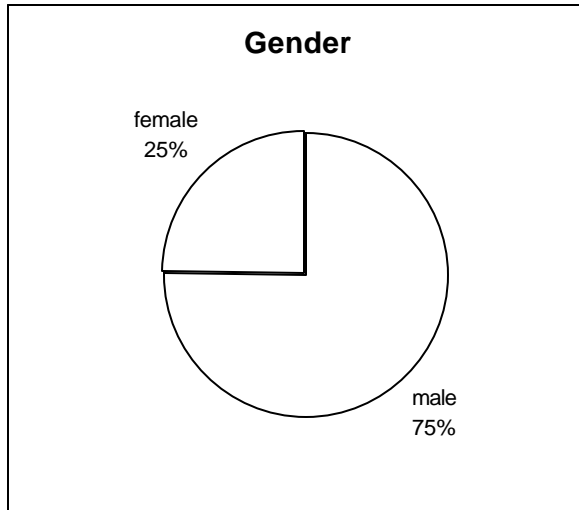


Demographics of the Surveyed Netizens

1. Gender

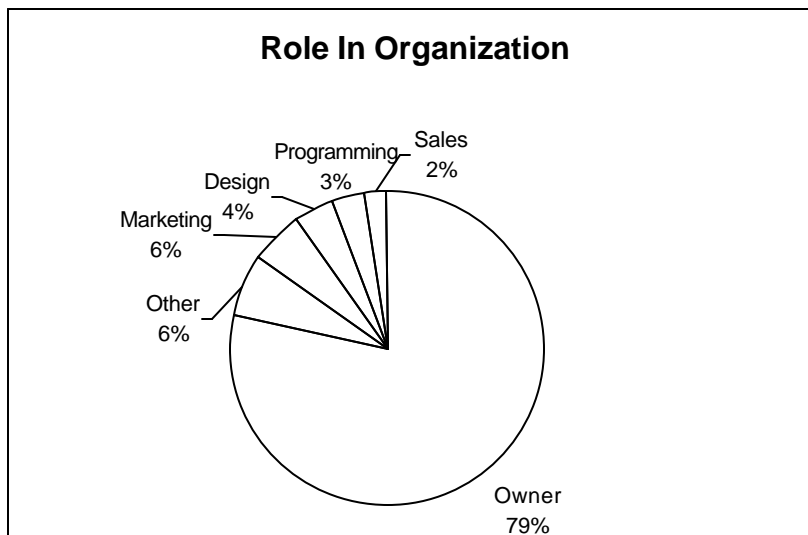
Female: 25%

Male: 75%



2. Role in Organization

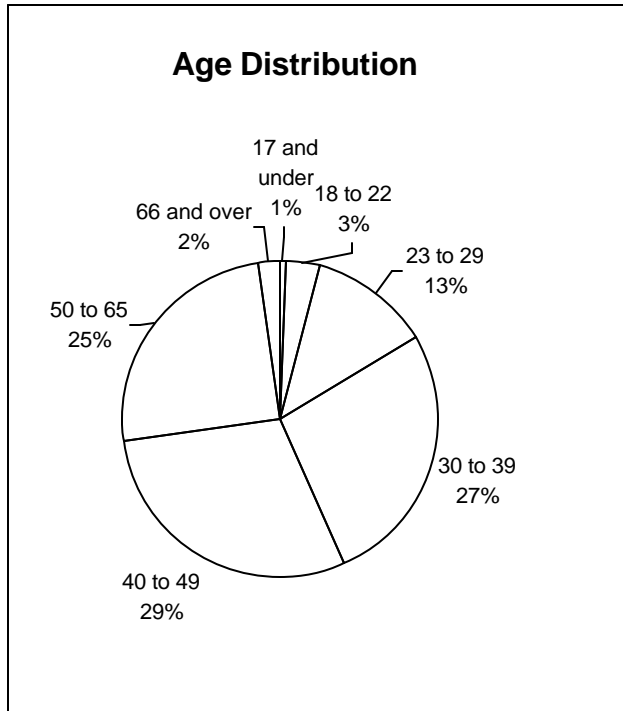
78% of the Netizens surveyed own their own businesses. Other key departments represented are: Marketing, Web Design, Web Programming and Sales.



3. Age

The respondent ages fall into three distinct categories with 27% in their 30s, 29% in their 40s and 25% from age 50 to 65.

Surprisingly, only 13% were in their early to late twenties. Only 3% were college age (18-22) and only 1% was under 18. Similarly, only 2% were older than retirement age (65).



4. Income

Perhaps the most sensitive question on the survey was income. Almost half of the survey respondents declined to answer this question. Of the people who did reveal their income, the numbers break down fairly evenly with almost half of respondents earning between \$20,000 and \$60,000 a year.

The significant number earning less than \$20,000 may include people who reported only their Internet earnings, which may be just a part of their entire income.

While 5% purport to earn more than \$1 million, some respondents may have exaggerated their income.

