

Module #10 Product Creation Create Your Sales Funnel

Speaker 1: This is Tom Hitchens in module 10, talking about product creation. In this particular video we're going to talk specifically about creating your sales funnel. A sales funnel ... In this class here we're going to discuss how to draw the funnel, and the sales funnel elements. We're going to create your product outline. We're going to discuss up-sells and down-sells, which make up your funnel, and we're going to talk about bonuses and the thump effect, having a big part in how your funnel actually operates. We're going to talk about setting the pricing for your product as well.

The sales funnel elements begin with the opt-in page. It always does. The landing page is where everything comes into the beginning of your funnel. This landing page has got to be effective. If you've listed to any of the videos I've done in this series, you've heard me talk so much about the landing page, and how important it is, but it is the very, very beginning of your funnel, and it has to work. Once it does, then the next thing is we go to a transition page. That transition page has a page that is eliminating any kind of confusion that the subscriber may have as to why they just hit the submit button or the get me my free access, free instant access button, and then they were taken to a video sales letter. This transition page is just a few seconds telling them that they have opted in, the information they're looking for is on its way, and now we're going to move on to the video sales letter, which is on the thank you page.

Thank you page is where the offer is actually made. That's where the money begins to come in. The next step then is to actually sell your main offer. This main offer, up to this point that you've been selling on your thank you pages, had been for affiliate offers. You've been selling other people's product. Now, we're going to build your own product and your own video sales letter to sell that product. That main offer is going to be listed on the thank you page. If someone buys that main offer, they are then taken to another page, which is an up-sell. On this main offer, we're going to be giving them bonuses as an incentive before they ever see the up-sell.

That main offer as we'll see as we get into the actual construction and diagramming of the chart of your funnel, the main offer is just part of what you're going to offer them for the price. Then if they decide they want to buy, you're going to give them, as an incentive to make that decision, some additional items, and you're going to give it away. You're going to package it and call those bonuses. The up-sell is the ... After they've made their purchase and they've entered their credit card information or whatever platform you're using, if it's ClickBank, if you're selling your own product in ClickBank, that's one thing, then someone will then be taken to an upsell, which is another video sales letter as soon as they've completed that purchase of the main offer.

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If you're using your own merchant account in setting up your own sales page, then it's a little different than ClickBank where you can offer as many up-sells as you want. ClickBank only allows you to do 2 up-sells and one down-sell as part of their main structure. If you wanted to sell 3 up-sells or 4 up-sells, you could if you'd set it up on your own platform. We'll just talk about the structure of the funnel, and you can decide later on, in another module or another video, how you actually want to structure everything. Your up-sell would also have bonuses. These up-sells are great. Many times, the up-sells are very, very focused on bonuses. A lot of people will make their buying decision based on the bonuses, not necessarily the product that sell. If you really sweeten the pot, we'll talk about how to do that, with bonuses, the bonuses will help you carry the day.

Up-sell number 2 is the same thing. It's just another continuation of up-sell number 1, except it has its own elements, and it has its own bonuses. The down-sell is usually something that someone will see only if they said no to your first up-sell. When you take them to your down-sell, there's just another shot to do something, maybe reduce the price or give them something as an added incentive to get a little more money out of that person, without losing them entirely out of this funnel, and we just strip away the bonuses, What you could do is just say, "You could take the up-sell number 1 plus bonuses structure", and just strip away the bonuses, and offer the up-sell number 1 at the same price or maybe a slightly discounted price with a caveat of some type. That could be your down-sell.

Down-sells are ... Well, I should say the pricing that you would set for these products vary on the niche that you're in. In the personal development niche, people will have a tendency not to want to spend as much as maybe someone in the internet marketing space. Internet marketing space, I'm referring to the space where you see things that people were selling how to make money online, business opportunities or things like that. People come with their check books open to buy things on the opportunity or the internet marketing space. Whereas, the people on the personal development space have to have a little more romancing. They have to have a little more hand holding through the process. AS a result, they're a little more tight-fisted with their money. We have a tendency to want to price our product a little bit lower, and price our funnel overall, a little bit lower structured than something else.

If you have an existing product, or if you have company where you're trying to sell your own products, try to work your sales funnel around this concept, where you have a main offer, you have an up-sell 1 and an up-sell 2 with bonuses. Take a look at what your inventory is. Try to decide what your main offer is. That main offer dictates what everything else build around it does. You want to sell that main thing, but that main thing could be a lower-priced version of something you're already selling at a higher price. Maybe your first up-sell could be the

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higher-priced item. Then up-sell number 2, with some bonuses could be a totally different product, but related, and it could give some more bonuses. It just is another reason for you to make another pitch, which is related to the main offer. Then if someone says no on that up-sell, then take them to the down-sell and offer it without any type of bonuses at all.

The pricing structure that you would price could be your main offer could be priced anywhere from \$2.50 up to \$1,800. It just depends on your business. Don't get too greedy though in this sales funnel. The first thing that we want to do in your sales funnel is to get that lead, and that's all they are at this point, when they opt-in to your landing page. You want that lead to become a buyer. That's the key. That main offer needs to be structured and priced in such a way that when that person comes in your funnel, they look at that price that you have on your product, and they look at the bonuses, and they're thinking "Wow. That's a great deal. I can't really pass that up."

The moment they decide to get their credit card out, something happens in their brain, in the pleasure center of their brain. These endorphins are released, and they feel good. They just made a purchase and they're anxious to get that item that they just bought from you. The moment that they decide to buy it and put their credit card information and click that button, now they want it right away, and they're interested. They have now turned themselves into a serious, serious lead, so serious that they actually spent money with you. Take advantage of that good feeling that they're having, and give them an immediate reason to spend money again, but don't be crazy on your up-sells as far as changing the theme of what you're offering. Make sure that your up-sell is just a continuation of your main offer, and the same thing with up-sell number 2, and make sure the bonuses are there as well. We'll talk about the elements of the bonuses here as we go along.

First thing we're going to do though is we're going to draw the funnel chart. This funnel chart is nothing more than a diagram on the computer screen if you want to or on a piece of paper, if you want to go to that extent. If you're listening to me, chances are, you're part of [inaudible 00:08:33] sales funnel, because you came in and you look at a product that he was offering. You liked it, and you decided to take advantage of it. When you did, you bought something, and you were in his funnel. You opted in, or you're already on his list. When you bought that moment, you then go into a series that he is going to expose you to, which is a series of other offers. We're going to draw that on that chart. It becomes visual thing for you, where it's easy for you to understand what you're designing.

That's why I like to use the chart, because this is the same thing that I learn from [inaudible 00:09:08] taught me exactly what I'm showing you. He uses Paintbrush on his Mac, and he puts boxes together, and he draws a vertical line

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there, between the first box on the left and the second one in from the left. That vertical line is what he calls the money card, or the carts up. When he gets you to put your credit card information into that little machine, and you hit the submit button, then then immediately sends you off to an up-sell. He has it diagrammed all along, He knew exactly what he was doing from the very beginning, and so are you, if you chart it out. You're going to have 2 up-sells, you're going to have 1 down-sell. You're going to name your products. They're going to have a name, and you're going to write it out, right here on this chart, and you're going to put a price to it.

When you do that, you're actually visualizing how everything, all these pieces to the puzzle, fits into place. These pieces of the puzzle could be moved around on this chart. In Paintbrush, you can just select something and move it somewhere else, or you can delete it altogether. You can change the price. You can restructure your bonus structure, and you can see it all right in front of you. I'm going to show you what the chart looks like here for a moment. We're not going to focus real hard here for a second. What I want to do is to show you how the funnel is actually structured.

This is the funnel that I use to create a product that I manufacture and put on ClickBank, called Health and Treasure. I did the same thing, as you can see, and I'm using it as a model. The moment I learned how to do this, it made everything else seem easy for me, because I was writing everything out on a Word Document in an outlined form. It was just words on a page, and I had to keep scrolling back and forth. It was difficult for me to understand the elements of my sales funnel, until I started to chart it out. Now, I can look and I can see my main offer on the left, my up-sells on the right, and I can see my down-sell bellow, and it all seems to fit together nicely for me. I can move things around and I can see if that's a funnel that I want to live with. When you do the same thing, you'll be looking at this chart with these elements in it.

The main offer and bonus ideas are really easy for you if you just get into the right frame of mind. Here, we're talking about things that you can use in your main offer, like interviews that you've done. Remember the other video you may have watched me talk about re-purposing content you may have already owned or produced from many years past, interviews that you've conducted, or interviews you've been a part of it could be part of the main offer, or they could be part of the bonus structure. If you have a list of inventory of all of your assets, as I call these, all of these items of content that you either produced or you've purchased, or you've licensed, or you will have to produce to make this product work are all part of your asset list. At this point of your funnel construction, you need to go back to that asset list and start looking at these items, and move them around as pieces on that funnel chart puzzle.

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You could do single videos. You could do free audios, or a series of audios. You could do webinar archives as a bonus, or you could even sell a real good very popular webinar that you've done and was really, really a well-received. Put that out as a main product and put a price on and sell it. Sell it for \$5 or \$7 and then build your funnel around that, or you can sell it for more. It just depends on what you want to do with your items. Give away someone else's content. If you have some private label rights on some content produced by someone else, you want to just give that away as a bonus. I've done that a lot. You'll see when I get back to my Health and Treasure Bonus, I actually gave away as bonuses free eBooks that I had gotten off of Fiverr.com I believe. There's all kind of crazy ways you can pull assets together.

Some additional ways to look at bonuses to consider, if you're using audio or video, are guide books. You can actually transcribe audios and then make them part of guide books, or you could transcribe the video that you've produced, and make that a bonus. I do that a lot. Use cheat sheets, where you actually diagram things out that you've already explained to somebody. If you make it in the form of a cheat sheet, these are very popular bonus that people just can't get enough of. They are very, very good bonuses for you to use, and your up-sells, or your main offer.

Any exercises you may put together from the audios or the videos are great. If you're talking about doing different things in the video or in the audio, you can say, "I want you to pause this video and go to your guidebook, and do that exercise, and see if you can list out everything that we're talking about here." These exercises are great things to do in conjunction with your audio or your video. Of course, I talked about transcripts.

Follow this strategy. I want you to relate your bait to the main offer. The bait I'm talking about is what you're giving away in your landing page. Make sure that, that give away relates to your main offer, because it's the beginning of the funnel, your landing page is. The bait that you're giving away is why someone is actually entering your funnel. They're giving you their email address. That's telling you that they're interested in that, and they want it. Give them more of it in the form of your main offer.

Up-sells provide additional related value, and you should also structure those up-sells in the same manner. Solve one specific problem with one specific solution. Don't get crazy here and offer 4 to 5 different methods to do different things. You'll confuse people, and confusion leads to inaction. We don't want inaction. We want action. We want them to continue to buy. Solve one problem at a time with one specific solution. Be very careful when your bait, that you're doing just that. Then when they got into the sales funnel and you offer them something for

sale, give them another reason why you have another answer, or a more specific answer to that specific problem that they're looking to solve.

Items to consider as up-sells are related to your main offer, but for more money. You can sell speed and automation as an up-sell. It's a continuation of the same main offer that you just sold, but you're giving it to them faster and with less work. That's what people love. They like to get to the point where you're taking them down that road, that continuum if you want to look at it that way. They're looking at this as a journey. You sold them something, now they want it and they want it quick. Sell them an up-sell where you're going to give it to them quicker and with less work involved. That's a great way to structure your up-sell.

Ideas would be media, get more get it faster. You can give them additional course material. You could do case studies. You can get involved with workshops and coaching. These are ideas all to advance the idea of what you just sold them in the main offer. Webinar and boot camps are a very popular bonus or a main structure in an up-sell. Bonuses and the thump effect, this is the great thing that [inaudible 00:16:36] teaches. He learned this from someone else, but it does carry weight. When you consider, when you're building your bonus structure, consider bonuses like little goodies in a bag that you come walking out on to a stage, like Santa with that bag slung over your shoulder. You're going to give this people that are looking at buying your main offer a reason, or in maybe an up-sell, a reason to buy that up-sell or that main offer.

You're going to say now, "If you consider getting this today, I'm going to throw in", and you start reaching into that bag, and you pull out a bonus, and you pull it out, and you pull out another bonus, and another bonus. Before you know it, there's so many bonuses there that these people are just overwhelmed with it. They just have to have this offer, because they want these bonuses. This is called the thump effect where all of these bonuses in a little bag that you come walking out, and when you drop that bag on the floor, it goes thump. That's the thump effect of a bag full of bonuses that are just irresistible, and they make it impossible not to buy the main offer or impossible not to buy your up-sell. The added value sometimes is the reason that a buyer buys, and it really is true. If you add enough bonuses, it is just too good to pass up, and people usually won't. The thump effect is very effective. Keep that in mind as you build your bonus structure.

Set the pricing, we've talked about that a little bit earlier. Your main offer should be something low, just to get them in to the buying more. Then when they get into the buying mode, it's always easy to sell them on the up-sells. The up-sell number 1 is priced a little higher, up-sell number 2 could be a little higher or it could be a little bit lower. It just depends on your strategy on how you're

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building your funnel. The down-sell was always a lower price, and usually doesn't have any bonuses attached to it.

Your product outline is for you to understand your target market. Your outline is different than your chart. These are 2 separate elements that you're going to use to build your main product with. You have a chart, but you have to have a product outline. This product outline is going to detail everything that needs to be built, what it's called, what are the elements, what are the pricing structure, everything is outlined in your outline in a word document or some type of a written thing for you. It differs from the chart, because it's something that you will be able to read and understand, and write out all the detail. A chart is just a visual thing for you.

When you understand your target market, you're going to realize that there's a problem that you have to solve. When you solve that product ... Sorry. When you solve that problem with your solution, that is your product. That's how you have to think of your product. It is a problem solved with this. When you buy this product, you're solving that problem or you're answering that question. It has to be a target market. You get very targeted in your approach. Don't be too general here. You'll make the mistake and you won't be very successful in selling your product, and your funnel won't work as well.

Create a hook. The hook is nothing more than the reason why they need to have this. You have to say, "I know what your problem is, and I have the solution, and it's right here." That's your hook, or "I know what questions you're asking yourself. Here's the one question that is the real question you're asking, and I have the answer. It's right here." That's your hook. With a good hook, your sales funnel will work, and then develop all of your products around that, your up-sells, your down-sells, and your bonuses.

Before I review, I want to take you back over to this chart, and I want to go over it with you, because I want you to understand how to build it on your own. You can pause this video, and you can actually see the structure. I have nothing here that is proprietary, because everything that I've got on this chart is now in an actual product selling on ClickBank. It starts off with my lead product for \$49. My up-sell was \$99, and my up-sell number 2 is \$199. You see that I actually increased as I went along. I did that because I have another funnel that I'm going to piggy back on the back of this one, right after they're finished with this, I have another funnel that works along with the same idea.

You'll be able to see here that I have 5 Simple Steps for Assured Health and Riches, a 5-step video how-to course, but then I add in bonuses. My bonuses, I named it a nice name, like Action Planner Kit, which consist of a personal course guide book, the Law of Attraction eBook, and Get Out of Debt 101 eBook. I also

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did a video interview with someone, and I'm making that part of the bonus structure for the main offer. I wrote a book myself, so I'm including that eBook version as a bonus for the main offer. Then I go over here to up-sell number 1, and I just continue with the same theme that I started with the main offer. This product for the up-sell is nothing more than an accelerated version of the main offer. It's the 30-day fast track to help, and I added some coaching lessons I added a bonus structure.

Then my up-sell number 2 is just, again, a continuation of that, more coaching, more bonuses, and people love it. The down-sell, if you don't buy my first up-sell, you're going to get the down-sell, which is nothing more than my membership that I was trying to sell, which is a continuity. I added no bonuses, and I gave them a great offer to get them in the buying mode again after they bought the first product. It's just a profit maximizer for me. It gives me an opportunity to multiple my profits. You've heard [inaudible 00:22:32] talk about that in the introduction of this entire program that you started. We talk about maximizing your profits by using all of your assets and continuing to offer different things through the sales funnel process. As these people continue to buy, you continue to make more money on the same lead. That's the beauty of this whole process.

I want you to use this chart and your outline to build your funnel. In a review, we've drawn the sales funnel chart. The sales funnel elements were all laid out. We created our product outline, which was a written form of that. We decided on our up-sells and our down-sells. We structured our bonus and the thump effect, and we set our pricing.