

# Insider Report

## How “Free” Can Mean Big Profits

Giving away a free product can end up making you more money in the long run than trying to sell a product up front.

**Free offers are for more than list building. They can lead to profits right away, if you’re smart about it.**

Free offers give you an excellent tool for attracting attention. As I’ll show you, that attention can translate into profits almost immediately.

It’s often a challenge for new marketers to figure out ways to attract buyers. One of the specific challenges is how not to build a huge list of so-called “freebie seekers” who sign up for a list to get a free gift, but never end up buying anything. Seeking to avoid that, many marketers avoid making free offers entirely. That’s a mistake.

Free offers are a necessary tool for you. But you need to be smart about making a free offer. A free offer by itself will indeed attract attention from freebie seekers. Then you’ll have to figure out how to sell to them later. A smarter strategy is to attempt a sale right away, and turn some of those freebie seekers into paying customers from the start.

This report will show you a very simple way to do that. It builds on the simple mini-site approach you learned about in the first *Internet Millionaire Blueprints™ Insider Report*, so you’ll be able to hit the ground running.

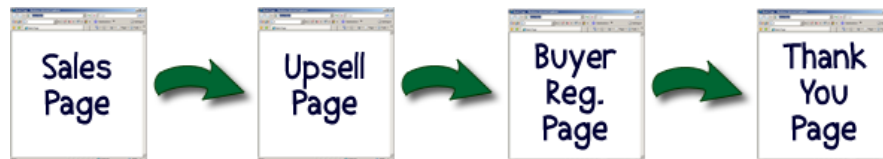
## How “Free” For Them Can Mean Profit For You

Nothing sells quite as well as free. Buyers like that price! But that’s not why you’re in business. If you don’t end up making money from your free offer, you’re giving away product and costing yourself money.

The smart way to integrate free offers into your business is to make them front end offers for products that cost something. The free offer attracts attention. Then you pitch your non-free product as what’s called an *upsell*.

If the concept of an upsell sounds new to you, it’s really not. When you go to the movies and buy popcorn, for example, the kid behind the counter probably asks you something like, “Would you like the monster size for only twenty-five cents more?” That’s an upsell. Now, it’s not quite the same, because you’re already buying something (the popcorn), but the principle is identical – it’s getting somebody to spend more right now.

Sometimes you’ll hear people talk about one-time offers (OTOs). The way most people use the term, OTO refers to exactly the same thing as an upsell, so don’t let that confuse you. In website terms, you’ll integrate your upsell between your sales page and your buyer registration page. In other words, you’ll present the upsell before somebody gets your free offer. The page flow looks something like this:



Notice that most of that page flow is just like a simple mini-site, which usually has a sales page, a buyer registration page (that’s optional, of course) and a thank you page where you deliver the product. You’re just sticking an extra page in there to pitch your upsell.



Before that page will do you any good, though, you need to know what you’ll be offering, so let’s start there.

## Step 1: Define Your Free Offer And Upsell

Think of your free offer as what entices a prospect to look at your upsell. Your free offer needs to complement and naturally lead to your upsell. In other words, it's almost like your free offer is an upsell bonus. As a practical matter, you'll probably end up thinking about your free offer and your upsell at the same time, but it's important to remember which component drives your sales.

What should your upsell be? That obviously depends on your market, but here are two big guidelines:

- **Your upsell should be something your market has a serious desire for.** Think of it exactly as you would think of any product you want to sell to your market—it's what your crowd (market) is hungry for.
- **It should be priced as an impulse buy.** That doesn't necessarily mean it has to be cheap, but it should be something so obviously valuable that somebody will decide to buy it when they initially were at your site to get something for free.
- **It should naturally build on or expand your free offer, if possible.** This is a judgment call. Upsells that simply relate to your free offer can work well also, but it's nice if your free offer is sort of the first step of your complete upsell package, as a simple example for how to structure things.

But that doesn't get down to the detailed level you need, so let me give you an example.

Let's say you're targeting a sub-niche within the Internet Marketing (IM) market. You're going to target people who want to build an email mailing list. It's a popular topic, and you've got a great idea for an offer.

You're going to create a "how-to" video where you walk somebody through setting up an autoresponder account, uploading messages, scheduling them to be sent out automatically, and so on. The video will be a downloadable Windows WAV file, and it'll run for about an hour. That's a nice meaty product you know your market will want. Best of all, you'll give it to them

for free, so they'll love it. You can easily claim it's a \$37 value, or even more. You could call it *Autoresponders 101*.

Now, what should your upsell be? In this case, there's a natural way to expand on your free offer. You could sell an "advanced" package that has several more how-to videos (also downloadable files). These could focus on advanced techniques for configuring an autoresponder, advanced email writing strategies, and so on.

Let's say you include three advanced videos and you call them the *Autoresponder Genius Series*. You'll charge \$67 for them. That price is easily justifiable, because paying somebody to set up an autoresponder would cost much more than that.

So now you have a free offer and an upsell. Armed with those, you can create your web pages.

## Step 2: Create Your Free Offer Page

You have two options for your free offer page. It can be either a relatively short page, almost like a squeeze page, or it can be a longer page, almost like a typical product sales page. Which approach you use depends on a couple of factors.

First, if you've got a pile of excellent testimonials for your free offer, that might make your copy longer, and it would probably do you some good. Second, if your free offer takes some explaining, that might mean using some longer copy.

If your offer is straightforward, you might need only a page or two of copy, and that's fine. Let's assume my example is like that and walk through what your free offer page might say. This isn't a complete copywriting course, but I'll illustrate the key components of your free offer copy so you have an idea of what to do.

I always recommend that you consider hiring a copywriter if you aren't confident writing your own copy. It's a skill—you're not born with it. If you'd like to give it a try on your own, that's fine, but if you have a little extra money to invest, it might be smart to hire somebody at a place like [www.Elance.com](http://www.Elance.com) or possibly find some help at [www.WarriorForum.com](http://www.WarriorForum.com) (you can get some great deals there).

If you want to write your own copy, you'd start with a main headline that trumpets your free offer, like this:

## **This Easy-To-Understand FREE Video Shows You How To Set Up Your Autoresponder In Minutes... Even If You're Scared Of Technology!**

That gets a reader excited about the offer. Then it's your job to establish why somebody should listen to you, and why your offer makes a difference. You might say something like this:

**From:** [your name]

**Date:** [the date]

**Dear Frustrated New Online Marketer,**

**Y**ou've probably tried to understand this Internet marketing stuff, right? You'll spent time (and probably money) on material that was supposed to help you get up and running...but you still feel like you're flailing. That's especially true when it comes to the "tech stuff".

Well, I felt the same way. I didn't know what I was doing, but I thought that if somebody would just explain things in a plain English, I might be able to get it. And what I really needed for somebody to focus on what really mattered, not unimportant stuff that wasted my time.

That's exactly why I created Autoresponders 101. It's **a simple video that walks you through exactly what you need to do to set up your own autoresponder.**

If that term is new to you, let me take away the mystery of the lingo. Have you gotten an email from an Internet marketer after you signed up for his mailing list? He's using an autoresponder to do that! It's just a tool that lets you schedule emails to get sent automatically to people who sign up for your email list, or to people who are already on that list.

And **an autoresponder is probably the single most important tool you'll ever use as an Internet marketer.** You need to know how to use one, and I'm going to help. But before I tell you about the simple, easy video I've created that shows you exactly how to set up an autoresponder in minutes, let me answer the most obvious question that's probably on your mind right now...

### **Why In The World Should You Listen To Me When I Talk About Autoresponders?**

Quite simply because **I've been where you are.** I didn't know what I was doing! But I figured it out after wading through hours of study and trial-and-error learning.

I still remember what it was like not to know and feel overwhelmed, so **I know exactly what you need to know** and **how to cut through all the fluff and unnecessary garbage**. I'll give you the shortest, easiest to understand autoresponder setup instructions you'll ever see.

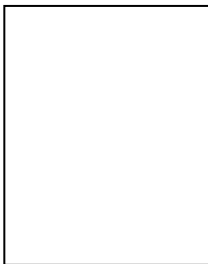
[include some testimonials if you have them]

Now let me tell you about exactly what I'm going to give you (and I do mean "give", as you'll see in a minute)...

Notice that I used bold and highlighted text to emphasize the key points I want a reader to be sure to get.

Now it's time to present your free offer, which usually means including subheadline to introduce it, and some bullets to describe its benefits, like this:

## **Introducing Autoresponders 101 The Simple Video That Takes The Mystery Away**



This one video (it's about 60 minutes long) will explain all the lingo around autoresponders.

I'll show you how to set up your own autoresponder at one of the most popular autoresponder services on the web today (the one most of the pros use). **You'll be amazed at how powerful a tool it really is, and how easy it is to set up, even if you think you're not a "technical person"**. I'm not either, and if I can do it, you can do it.

Here's just a small taste of what you'll learn in this video:

- **How to create your first mailing list in under 30 seconds.** I'm not kidding, that's all the time it takes. And when you know how to do it the first time, it'll never take longer than that!
- [include more bullets about key benefits]

The subheadline gives the reader your product name, and expands on the theme of why it's valuable. In this case, you say the video takes all the mystery out of autoresponders, which is very important to somebody who's feeling overwhelmed by all the components he has to learn about to set up a website.

You should include a nice graphic for your free offer (it's the placeholder box in the sample above). Then you'll want to describe the key content of your offer. In this case, I said the video was help people learn how to set up an autoresponder, and actually make the process easy.

When you list the key benefits of your offer in bullet form, each bullet should provide one benefit. A benefit is some value your customer will get out of the offer. It's not a feature—benefits translate features into what somebody gets out of the feature. For example, a feature is that the video shows somebody how to set up a mailing list, but the benefit is that they'll be able to do it in 30 seconds, and that will be true for every future list they set up.

There's no rule about how many bullets you need, but something like 10 should be enough in most cases.

After your bullets, tell the reader why he should want the information you're offering, and perhaps answer the most likely questions a reader might have. You might say something like this:

### **Will This Really Help Me If I Have ZERO Experience?**

I can understand why you might be wondering that, but the answer is...YES!

That's exactly who I created this video for. People who have been around a while can probably get some good out of this too, because I'll bet they're not exploiting the full power of their autoresponder. But if you're brand new and feel lost, this video will explain it all.

You don't need a fancy message here. Pick out the one key question people are likely to ask, then answer it directly. That will help you overcome a prospect's resistance to accepting your free offer. Once you've done that, hit the reader with value. Tell him your offer is absolutely free, like this:

### **Great, But What's It Cost?**

Being able to use an autoresponder well is the key to making money online. So this video will almost literally put money in your pocket. That's why I could charge at least \$47 for this one video and feel good about it.

But here's the good news—you won't pay \$47. In fact, you won't pay anything. **This video is 100% FREE.**

Why in the world would I give it away? Simply because I want you to know that you can trust what I say, and that my advice will help you make money. The best I know of to prove that, is to prove it! So accept this video with no charge. Maybe in the future when I offer you something, you'll know it's because it's worth what I say it is.

**YES! I'll Take It!**

I understand that there is absolutely no charge for this video, which is worth a minimum of \$47.

And because I'm acting right now, I'll also get a free lifetime subscription to [your name]'s mailing list. That entitles me to get free information about products, expert techniques and hot trends.

All I have to do is click the button below to grab my free video...

**Give me my FREE Video!**

That copy tells the reader how much your video is worth (\$47) and then makes his day by telling him he won't have to pay anything for it. Then you justify why you're giving it away, so he won't think there's anything suspicious going on (which there's not). Finally, you show him what's called a "yes box" to close the deal and give him the button to press. Since he's not buying anything, it's not really an "order" button, but it serves the same purpose.

Include a P.S. at the end of your free offer page to hammer home your main benefit, like this:

**P.S.** There's no catch! This really is a free video that shows you exactly how to set up your autoresponder in minutes. Why spin your wheels in frustration? Get my free video and start seeing profits!

**[Give me my FREE Video!](#)**

When they click the button of link to get your free offer, you'll send them to your upsell page first. Let's talk about what you say on that page.

## **Step 3: Create Your Upsell Page**

Your upsell page is very similar to your free offer page, except you'll make the case for your upsell product that actually costs something. Your copy will be very similar, with a few slight tweaks to make it fit your page flow.



For example, the reader has just come from your free offer page, so you want to get his attention and let him know that you're making him a special offer before you give him the free item he wanted. You might start the page like this:

**WAIT! You'll Only See This Once, So Pay Close  
Attention...**

## **How To Turn Your Autoresponder Into An Autopilot Profit Pump!**

Here you tell the reader that this is an offer he'll see only one time. That adds some urgency to the offer. You're using a little psychology in your favor, because most potential buyers don't like the idea of missing an opportunity. Your preheadline tells them this offer is something they'll see only once, and your main headline highlights the key benefit of your upsell offer. Remember, in this case you're offering a set of advanced videos about how to use an autoresponder.

One you've got that page started, you can dive right into why your upsell product is necessary. In other words, you want to make the case that the reader needs to buy this additional product to get the most out of the free item he's already going to get. So you might say something like this:

**M**y free video is a great way to get started with autoresponders. You already know that. But that's not all you need.

Oh sure, it'll let you set up an autoresponder in minutes, but what should you do with that autoresponder? That's where the money gets made in Internet marketing, and I'm going to show you how to make it!

That's nothing fancy. Just relate your upsell product to the free product the person already wants. Once you've done that, you can present your upsell product pretty much the same way you presented your free item (use and "Introducing..." headline, include benefit bullets, etc.), but you'll want to finish the page differently.

Your upsell product obviously costs something, so in the copy where you present your price, you'll want to make a case for the value of the product first, before you reveal what the price is. You might say something like this:

## Okay, What's The Wallet Damage?

This is the fun part. I've just told you why my Autoresponder Genius Series advanced videos is the tool you need to start making big money with your autoresponder.

So what's it worth to you to be able to **spend 30 minutes writing an email, hit send and see hundreds or thousands of dollars roll in on autopilot**? That's the power of an autoresponder in the hands of somebody who knows how to use it. And that's why I could charge \$97 for this and feel comfortable with it.

Think about it...if you promote an affiliate product that pays you \$25 commission on every sale, you'd make all your money back on the fourth sale!

But I'm not going to charge you that much because **I don't want you to have to think about this for a second**. That's why you'll pay only \$47 for these three advanced videos—just about half what they're worth. They'll pay for themselves in days!

That's a quick example of how you justify your price point. I made the case that the product is worth \$97, or almost twice what you're charging. That kind of setup makes your price seem low, which should help you get sales.

Now, you obviously want the reader to buy your upsell, but you need to make sure it's clearly optional. So you'll want to change your yes box accordingly, to something like this:

### **YES! Show Me How To Start Raking In The Profits With My Autoresponder!**

**Give me all three of the Autoresponder Genius Series videos (easily worth \$97)**, which will show me advanced techniques for turning my autoresponder into a profit pump.

I understand that I'll **pay only \$47 for this set of videos**.

All I have to do is **click the button below to grab my free video, plus the Autoresponder Genius Series...**

(When you click the button, you'll be taken through my 100% secure server to make your purchase, then you'll be sent automatically to the page where you register your purchase on my site.)

<table border="1"><tr><td><b>Give me the Autoresponder Genius Series!</b></td></tr></table> <p><a href="#">No thanks. Just give me the Autoresponder 101 video. I'll pass up this offer forever.</a></p>	<b>Give me the Autoresponder Genius Series!</b>
<b>Give me the Autoresponder Genius Series!</b>	

That yes box restates your value and your price, so the reader knows what a great deal he's getting. And you tell him that he'll get both the free video and the advanced videos when he clicks the button.

Notice, though, that you give him two options. He can click the button to buy the advanced videos, or he can click the link below to skip the upsell. That makes it obvious that your upsell is optional. But also notice that I made the non-upsell option sound less appealing by emphasizing that this offer is only available once. That will help you make some sales.

Now that your upsell page is finished, you can create your registration pages. Yes, I said "pages" plural. Let me explain why.

## Step 4: Create Your Registration Pages

If you're tech savvy, you can use a script to handle sending people to the right registration page, or even modify what's displayed on the registration page with some PHP code. But if you'd rather do it the simple way, I suggest that you create two separate registration pages:

- One for people who buy your upsell (this is a true "buyer" registration page)
- One for people who turn down your upsell and only want your free offer

Setting this up is easy. All you need are two separate pages that look almost exactly the same. Here's what you might say on the version for people who buy your upsell:

**Please Register Your Purchase**

Thanks for grabbing your own copy of Autoresponders 101 and the Autoresponder Genius Series! All you need to do is register your purchase and I'll send you straight to the download page.

I'll even throw in something extra special for you...by registering right here, I'll give you free updates for life! Whenever I change the course, you'll get a fresh copy for no charge. So register below and I'll whisk you to the download page:

[your upsell autoresponder sign-up form]

Notice that I gave people a good additional reason to sign up. The obviously have to sign up to get the product they bought, but to avoid having people get upset about that, give them another good reason. Lifetime product updates is a good one to use.

Once you have your pages, you simply need to point the order button and "no thanks" link on your upsell page to the corresponding registration page, like you see to the right.

Then all you have to do is create your thank you pages. Yes, you'll need two of them as well, to keep things simple.

## Step 5: Create Your Thank You Pages

You'll need two thank you pages:

- One for people who register their upsell purchase
- One for people who register their free offer

The only difference between the pages will be the information about what they can download. For example, here's what your upsell thank you page might say:

### **Download Your Videos!**

Thanks again for grabbing your own copy of Autoresponders 101 and the Autoresponder Genius Series! You can download the files from this page.



You can download the Autoresponders 101 video [here](#).

And you can download the Autoresponder Genius Series [here](#).

All you'll need to watch the videos is Windows Media Player, or something else that will play WAV files. And if you have any problems downloading, I'm only an email away at [you@yoursite.com](mailto:you@yoursite.com).

[your name]

[your email]

You simply give people links to what they bought, and let them know what they need to do to use the product. Follow that up with an email address they can use if they have any problems (be sure to check your email so you can give good customer service).

After you have your thank you pages, all you need to do is hook up your payment processor and your autoresponder and you'll be ready to go.

## Step 6: Plug In Your Payment Processor And Autoresponder

Your payment processor lets you accept credit card payments from your website, and your autoresponder maintains your email list. You'll want to hook both of those up to your upsell sales process, and make sure you send people down the correct page path, based on whether or not they purchase your upsell offer.



### Your Autoresponder

I recommend the autoresponder service at [www.MonsterResponse.com](http://www.MonsterResponse.com) which will let you generate the HTML code for your list sign-up form. Copy it and paste it into your registration pages. You'll actually generate two different forms:

- One form to add people to your free offer list
- One form to add people to your upsell buyer list

Why have two separate lists? Because doing that will let you target future offers better. Previous buyers are more likely to buy again, so you can target them first, then widen the net to include your free list. And if you have different buyer lists for different products, you can target future offers to closely related buyer lists and maximize your conversion rate.

You can generate the HTML code for each form within Monster Response. When you do that, you'll want to specify the correct thank you page URL. That's where the sign-up form will redirect a new subscriber. For your free item sign-up form, you'll want to redirect to your free item thank you page. For your upsell sign-up form, redirect to your upsell thank you page. This is just a matter of entering the URL for the appropriate thank you page in the form wizard, like you see here:

A screenshot of a web form wizard. At the top, it says "from the following autoresponder:" followed by a dropdown menu showing "12345". Below this, there are two input fields: "Thank you page url:" and "Enter url:". The "Enter url:" field contains the placeholder text "[correct thank you page here]". Below these fields is a "Subscription button:" label and a "Subscribe" button. At the bottom, there is a checkbox labeled "Include RSS subscription form:".

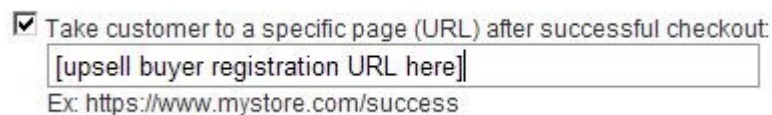
Your initial message for each autoresponder can be a simple thank you message, with a link to the right download page.

### Your Payment Processor

ClickBank is always an option (see [www.ClickBank.com](http://www.ClickBank.com)), but PayPal often works fine for people just starting out, and setting it up is very simple.

If you sign up for a Website Payments Standard account to take payments from PayPal and from all major credit cards (click the **Website Payments Standard** link on the **Products & Services** tab within your business account), the only extra step you need to take is to redirect buyers to your upsell buyer registration page.

When you create your PayPal payment button, Step 3 of their button wizard lets you specify the URL to redirect people to after they check out successfully:

A screenshot of a PayPal button wizard interface. It shows a checkbox that is checked, with the label "Take customer to a specific page (URL) after successful checkout:". Below the checkbox is a text input field containing the placeholder "[upsell buyer registration URL here]". Below the input field, there is an example URL: "Ex: https://www.mystore.com/success".

Check the box for that option and enter your upsell buyer registration page URL in the text field. Then you're all set to sell!

## Upsell Location Options

The page flow I've described in this report is the most common one you'll see, but there's an alternative. You can offer your upsell on your download page instead of before somebody buys. You lose the "one-time" nature of the offer that way, but it's another option to keep in mind.

For example, I use this option for the Autopilot Profits product I described in Report #1. The product itself gives a simple, tried and true blueprint for setting up an income stream as an affiliate. So on the download page, I offer an upgrade that makes the job even easier. It's some affiliate software that lets people generate affiliate websites. They can automatically generate full-scale affiliate campaigns, from choosing products to generating review pages. It's a great product I offer in conjunction with Chris X of Day Job Killer fame.

I make the offer at the top of the download page for Autopilot Profits. So instead of pitching it as a one-time only offer before somebody buys, I make the offer after they've already bought...which just happens to be the time when they're most likely to buy again!

Always keep this option in mind when you're considering offering an upsell. Offer it where it makes the most sense for your particular product.



## Case Study

[www.MyFreeWebsiteBuilder.com](http://www.MyFreeWebsiteBuilder.com)

Offering upsells for free items is a business model I've used with solid success for years. A good example is the free website builder software I offer.

The software is a great tool for building websites. It's specifically designed for people who don't have any website building experience. They don't need any HTML knowledge or experience. It's all based on wizards and visual tools. The product comes with video tutorials, over 100 pre-designed templates and built-in FTP software. In other words, it's





a full-featured product that I'm giving away. I built in an affiliate program to get myself more sales, but the product itself is free.

When somebody clicks the free download button, I show him my upsell, which is a huge set of professional website graphics. Graphics can cost a lot more than many new marketers want to pay or have money to pay for. So this package of professional graphics is a natural upsell for software that lets people create their own websites. The free software does the design work, and the graphics package I offer can help them create a very pretty site for what amounts to pennies. It fits my free offer perfectly.

For this particular product, I don't use a separate registration page for buyers versus people who just want the free software. At the time I created the site, I didn't need separate lists for those folks, so I simplified things. When somebody simply wants the free software, I send him to the registration page so he can join my list. Once he's on the list (meaning he submits the sign-up form, my autoresponder service automatically redirects him to the download page.



The download page is where I pitch my affiliate program, which will allow any buyer to make money with the same free offer I'm using to make money for myself. That also makes me more money, because I get to keep some of the profits.

When somebody buys my upsell, I send him to a special download page just for that, so he can get what he bought, plus the free website builder software. That keeps things simple.

As I've shown you in this report, the copy makes the case for a high price point by showing an example of what somebody would probably have to pay a designer to create these graphics. It almost certainly would cost over \$1,000 for the more than

4,000 graphics in the package. The actual price of \$29.97 seems ridiculously small, and that gets me sales. Roughly 15% of the people who download the free software end up purchasing the graphics package.



There's a simple example of how a free offer translates into big profits for me. You can use the same technique in your business to get similar results.

## Recommended Products

Including a special one-time offer behind a free product is a great strategy for getting sales. As you've seen, it's pretty easy to set up...but it can be easier. There are some tools out there to help. Here's a good one:

[www.featuring.com/otopagegenerator](http://www.featuring.com/otopagegenerator)

This tool lets you pick and choose which product you want to include as your one-time offer (there are over 100 to choose from), and then automatically does everything for you!

You just pay a one-time fee to get access to the tool on the author's server, and then you can generate as many pages as you want. You also get free access to the over 100 products for your own use.

## Final Thoughts

Now you know why "free" can mean big profits. You won't make money directly on what you give away, but giving something away can help you attract nearly immediate buyers.

I strongly recommend getting a package deal from somebody like Sean Lowry at [www.MinisiteGraphics.com](http://www.MinisiteGraphics.com). You'll get an excellent graphics package starting at just \$199. That might sound expensive, but it's not. Having good graphics on your site makes it look professional, which brings in more sales. Don't skimp!