



Maximizing Sales Funnels

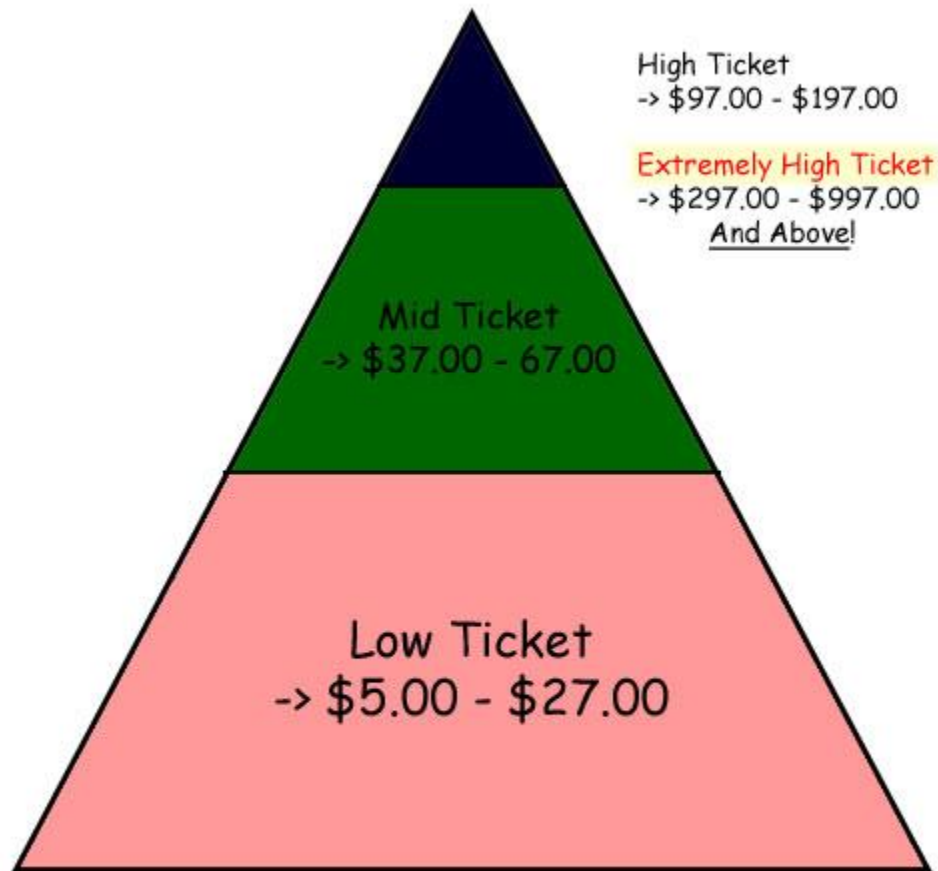


Don't Leave Money on The Table
Maximize Your Sales Funnels

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Introduction



The Profit Funnel

Nothing warms the cockles of a salesperson more than getting a new client. Often you are able to secure that new client because you have a quality core good or service that is provided at a competitive price.

While you may not make a great deal off that initial offering, there will no doubt be the chance to build on your initial rapport with your new client and engage in the task many sales people know as “up-selling.”

That is where the concept of the Profit Tunnel comes into play.

The Profit Tunnel is your pathway to building a relationship with your customer that begins with the purchase of initial goods or services. Once that initial relationship is established, you build on that relationship by evaluating the needs of your client and identify other goods or services that will also benefit your customer.

As you are able to acquaint, interest, and finally sell additional and often higher priced items to your customer, your profit margin will increase. The Profit Tunnel model works very well whether you are working with a brick and mortar business or going strictly with an online presence.

In both instances, the task involves winning the confidence of the prospect, identifying entry level products or services that will be of interest to the prospect, selling the prospect on the goods or services, and then continuing to offer additional products or enhancements that will make life even easier for that former prospect that is now your customer.

Low Ticket

When it comes to winning the confidence of a prospect, nothing speaks louder than a good deal. Persons who are responsible for securing goods and services for their employer love to save the company money.

It enhances his or her reputation with the officers and owners. At the same time, no one wants to end up with a low cost service that ends up being a dud. This means the good or service needs to perform well along with being cost efficient.

Your job is to match low cost quality goods or services with the business type of your prospect. Once you demonstrate how one of your low cost offerings will consistently outperform the competition and save money for the prospect's employer, you will be poised to help roll out your low cost offering throughout the organization, making your profit in volume distribution initially.

Once your offering is functioning throughout the organization, you may find that not only do you have the ear of your initial contact, but now you have the ability to interact with persons throughout the organization that may be interested in other offerings that you can supply.

Providing additional goods or services that are in a similar price range will be another way you will increase the profit margin. This is sometimes referred to as lateral selling.

Simply put, you are not really pushing items with a higher price tag, or even enhancements to services you have already sold which would increase the profits. You are simply broadening your current situation to include more of the same, from a charge perspective.

There is nothing wrong with lateral selling. In fact, it can be quite profitable. However, in time it reaches a point where there is no more room for more of the same and you need to move on to the next level.

Mid Ticket

Now safely ensconced with several low cost offerings, you can begin to look at other needs of your customer. Chances are you have goods or services that may be used on a less frequent basis, but carry a higher price tag.

With your low cost items working just fine for your client, you will easily be able to gain attention for these mid priced offerings.

As part of your presentation, it is important to demonstrate not only what you have to offer today, but also be prepared to present the attributes of the offering in such a way that your client can begin to brainstorm possible uses within the organization.

You may want to have one or two ideas ready, just to prime the thinking process, if necessary. But the more your client can come up with possible uses, the greater his ownership of using the mid ticket item will become, and the closer you will be to another sale.

Be prepared to have to wait until the timing is right to spring your mid ticket item on your client. If the item is only going to be used a few times a year, the interest level may not be there until the time is growing near for the next relevant event.

By all means introduce the item but if your client wants to put off the discussion until closer to time, lock in a date and time to renew the discussions.

High Ticket – Extremely High Ticket

The dream of selling high ticket goods or services is often the goal of the salesperson. After all, who would not love to be able to sell five thousand dollar items in one afternoon, rather than spend the entire week selling hundred dollar items in order to make the same commission?

Of course, you want to be on the alert for any chance to introduce and sell a high ticket item.

You have a couple of things going for you at this point in your relationship with your client.

First, there is the matter of the proven track record of the low ticket and mid ticket offerings they have already tried and found to be great for their business operations. Nothing breeds confidence in a supplier the way that an ongoing record of excellence will.

Second, you have demonstrated a continual desire to bring their attention to goods or services that have relevance to the business. You are not laying your entire product line out on the table and asking them to figure out what they need. You are someone who does the legwork first and then brings items to their attention. That you care enough to understand their business and do some legwork on their behalf says a lot about your integrity.

What this means for you is that when you call your contact about arranging a demonstration of a high ticket item, you are already more than halfway to making a sale. The attitude will not be “prove this is worth my time,” but “let’s find out how we can use this.”

When you go into a live or virtual demonstration with your client working with that type of mindset, your chances of closing the sale are very high indeed.

The Profit Tunnel helps you understand that your relationship with your client works on several levels and in several phases.

Building upon the sterling reputation you establish with low ticket sales and rolling it into the sale of more profitable sales will not only ensure you a great commission, but also will provide you with a working relationship that will last for many years.

Low Ticket Product Ideas

When you think in terms of low ticket products or services, you are talking about items that usually carry no more than a \$27.00 price tag. The most common average range for a low ticket item would be in the \$5.00 to \$9.95 range.

There are many of online and brick and mortar businesses that consider low ticket items to be the bread and butter of the business, the way that you keep the lights on every month.

Of course, in order for those low ticket items to keep a steady flow of basic revenue, there is the need to promote your offerings and entice new clients to give them a try. Here are a few ideas that may help you promote your low ticket offerings to fresh faces.

Special Reports

Spotlighting the low ticket items that are your biggest sellers to a wide range of customer demographics is a great way to get the attention of prospects.

A special report is going to essentially focus on two things: first, this is a product or service that has is being successfully used by hundreds of thousands of people right this very minute.

Second, this product or service can make a big impact in the quality of your life and work. Once you have it, you will not understand how you ever got along without it.

These types of special report promotions are meant to spotlight all the positive attributes of your offering. You want to talk about the great performance, the low maintenance, and of course the low price.

One thing that can help dress up a special report is charts and relevant graphics. Most people are visual in the way they relate to the world, so using a simple chart to illustrate a point, or inserting some other type of visual that is related to the subject matter will help to enhance and hold the attention of the reader.

Testimonials from current clients also are a big part of a successful special report. If at all possible, vary the industry types that are represented in your testimonials.

The broader the use of your offering in various parts of the business world, the more likely a prospect is to see the need to investigate a little more closely.

Special reports are relatively easy to produce and extremely cost effective to have available. The content can be used in a direct mail piece that can be reproduced cheaply.

The special report can be posted online, with a unique URL that can then be distributed far and wide by both manual and electronic means. The result is an effective promotional tool that has a very low cost to create and has the potential to yield big returns in a very short time.

Short Audio Sessions

Have you ever listened to those short audio clips that are on many web sites? They often are informative and can spur people to look more closely at a product or service.

Short audio sessions are not anything new. For decades, businesses have employed fifteen-second audio sessions to promote their products while callers were on hold, waiting to speak with a customer service rep.

Theater owners have employed them to get in a plug for concessions that are sold in the theater lobby. Who among us have not heard a short audio session while in the grocery store or in a discount retail store?

Given the history of the success of short audio sessions, it is no wonder that they are also working on the Internet as well.

To a degree, a short audio session makes the sales process via the Internet a little more personal, as the prospect hears a human voice. That alone makes the session an appealing way to reach a certain part of the populace.

Of course, a successful short audio session is going to be to the point and informative. It will give the prospect enough to ensure he or she will progress to the next level and seriously consider the offering, rather than simply scanning some text and moving on to another web site.

Settle on the subject for the session, make it crisp, clear, and easy to understand. Then shut up before you get too wordy.

Trial Membership Offers

Everybody wants to get a bargain, but there are those that will sit on the fence forever before making a decision. A trial membership offer can be just what you need to get them to commit.

There are several things that are very attractive to a prospect. Among them are:

- **There is no long-term commitment.** If I don't like what I see during the trial period, I simply move on.
- **I don't have to pay full price.** Most trial offers will be at a discount, so very little revenue is invested.
- **The trial offer gives me the chance to test drive** and show the offering to other people who would be using it. I can find out up front if they see any advantages to using this new offering
- **This gives me the chance to think of questions that should be answered before a commitment is made.** I may think of something while in the trial period that I would not think of during a simple demonstration.

If you offer a trial membership, make sure you provided specific terms, as well as a way for the prospect to convert the trial membership into a full membership at any time during the trial.

Trial Software Offers

If software is involved in your product or service offering, you may also want to provide a demonstration version of the software that is good for a limited amount of time. Think in terms of some of the free electronic trail games you can download.

Many of them will allow the player to access and start a new game session for a specific number of times before the software becomes inoperative and they player will have to purchase the full version in order to continue.

Trial software should be representative of what the full version does, but you want to make sure that the software cannot be reconfigured to get around the limited time usage.

This is not a difficult task for anyone who develops software; all you will need to do is provide the perimeters of the trial time and you are all set.

As with the trial membership offers, you want your prospect to be able to upgrade from trial to permanent software at any point during the trial time, so make sure you include that in your package as well.

Promoting your low ticket items will keep your company moving along, providing the operating capital that you need to enhance your offerings and also develop more high priced offerings as well.

By utilizing these and similar ideas, you can effectively increase your client base without investing a huge chunk of your profits into public relations endeavors.

Mid Ticket Product Ideas

Having established yourself with some of your low ticket offerings, you will want to investigate the potential for up-selling your client by creating interest in your mid ticket products and services.

For the purposes of the discussion, you may want to think of mid ticket items as being priced in the **\$37.00 to \$67.00** range per unit.

There are plenty of methods you can use to promote your mid ticket offerings. Here are some examples of methods that have proven track records of generating interest among existing clientele as well as garnering some attention from new customers as well.

E-Books

It seems that no matter what the type of product or service that is offered, an electronic book will be an ideal way to generate interest. Why? There are actually several levels on which an E-book attracts us.

Here are three examples:

- In spite of the hype, **most of us do like to read**. We will read everything from sonnets to the backs of cereal boxes.
- **E-books are easily stored**. We can download them onto our hard drives and read them any time we like.
- **E-books are often free or available at a fraction of the cost** of a hard copy book.

When using an E-book to promote your product line, you will most likely have it available as a free download.

Providing a few online excerpts from the book as “hooks” will entice people to take the few moments needed to download the book and will also increase the chances they will actually read it after downloading.

You may want to also give them the chance to read a few pages before they perform a download, assuming you have the bandwidth required for this sort of activity.

Another potential way to keep the relationship going is to have a sign-up page where basic contact information is collected before the download commences.

This will give you the chance to follow up on everyone that downloaded the book and perhaps close a sale very quickly, due to the obvious fact of your diligence.

Paid Membership Sites

When you run a paid membership site, one of the things you must do in order to maintain and grow your client base is provide something that makes people feel like that monthly membership fee they pay is worth the cost.

As an example, you may include a short weekly or monthly newsletter as one of the perks of being a member of the site. Don't fill it with mindless fluff that circulates around the Internet constantly.

Make the information relevant to your customers, to your product line and most of all worth the time to read about. Use it to talk about upcoming enhancements to favorite products, do a spotlight on one of your customers and the work he or she does.

Along with the newsletter, make sure there is access to online pages that capture the attention of your customers. Perhaps you can arrange for them to download a coupon they can use locally as part of a promotion campaign.

You may supply a message board where clients can talk about how they employ the goods or services you sell. The point is to make the membership perks something that people will want to engage in often enough that they want to maintain access to those perks.

Software / Scripts

Software that fills a need with your customers can be a great thing. Depending on where you draw your majority of clients from, this can be just about anything from software that helps to catalog plants to software that helps to design a home accounting systems, to software that can be used to track sales efforts.

In short, you identify and anticipate needs within your client base and then come up with the software that will meet those needs.

Now, do you develop proprietary software or do you partner with someone and act as an agent for that partner? It all depends. If you can enter into an agreement that allows you to make a decent profit from the sale of the software and still offer it to your clientele at a price that is better than what they can get it for themselves, the answer is yes.

If you can barely get a better deal than standard retail, forget it and try to develop your own software products. If the profit is not there for you, and the savings is not there for your clients, then the project is of no value to either of you.

Keep in mind the software can cover just about any subject you want. For development ideas, why not query your current clients?

Ask them what type of software they would like to see, and what types of bells and whistles would be attractive to them. You may be surprised at how easily you can fulfill those wishes.

Audio/Video Sessions

Once upon a time, companies trained new people at large gatherings. These days, new employees attend audio and web conferences via the Internet, saving time and money to all concerned.

Audio and video sessions have applications in all sorts of ways. Did you know that there are churches that conduct Sunday School classes with audio and video links, so that members who are unable to get to the actual church can attend and participate?

One a denominational level, there is a denomination headquartered in the Mid West that broadcasts both worship and business sessions of its bi-annual denominational conference to members all over the world, via live feed and data streaming.

Audio/video sessions using the Internet can revolve around all sorts of subjects, from how to fix a flat tire to detailed sessions on fixing broken relationships. They can include travelogues to exotic and distant places, helpful guidelines in dealing with a legal matter, and even something as simple as preparing a meal in twenty minutes or less.

Persons are often willing to pay on a per access basis or even a monthly subscription to have access to these types of sessions.

Selling this sort of service is not hard at all, once you identify the sectors of the population you wish to go after. Then it is a matter of securing the types of audio/video sessions that will click with your customers and making it easy for them to connect with the sessions.

Again, you may find it cost effective to partner with someone else, or it may be in the best interests of yourself and your customers to develop the sessions in house. You can evaluate your resources and make a sound decision on which way to go.

Mid ticket items are a great way to grab both a larger chunk of per unit profit, as well as create reliable revenue streams that you can depend on from month to month. Get some input from your existing customers and develop a nice suite of mid ticket offerings. You will be glad you did.

High Ticket Product Ideas

No suite of products or services is complete without some “diamond” level of offerings that are of interest to your customers.

While these may not appeal to more than a core group of your client base, the fact that you enjoy such a strong relationship based on the performance of your low ticket and mid ticket offerings will help them to trust you with these high ticket products as well.

When you think in terms of high ticket products and services, an average of \$297.00 to \$997.00 is a nice average range. Of course, there is nothing with going for high ticket products that are \$1,000.00 or more, depending on how they relate to your other products and the demographics of your client base.

Here are some ideas for high ticket offerings that may be a great fit with your business model.

Coaching / Mentoring

There is plenty of demand these days for professional coaches and motivational speaker. All across the country, people whose entire purpose is to inspire, instruct, and help people identify where they want to go in life are raking in very nice fees.

Motivational instructors and mentors are making their money with in person classes, but they are also doing very well with audio and visual sessions as well. Generally speaking, a class will be promoted and persons will be invited to register and pay a flat fee to attend.

Generally speaking, that fee will depend on the number of sessions that will be included in the series. Upon registration, the attendee will receive instructions on how to access the sessions via phone and/or the Internet.

The session will often allow for some degree of interaction, with the frequency and mode of interaction controlled by the mentor.

How does this relate back to your product line? Chances are you had to identify some specific applications for your offerings before you ever got your first sale. Some of your mentoring can be to help people understand how your other products save them time and money and in some cases help them to make more money and expand their business.

In a related note, if you have a number of customers who work in companies where dealing with customers is a daily thing, you can most certainly fill a void.

Among the mentoring sessions you could offer are such topics as how to defuse an angry customer, how to get a customer to tell you what is really bothering them and how to bring a former customer back into the fold.

You can draw on your own expertise as well as your experiences and come up with some motivational style mentoring classes that will be sure to be of interest to your customers.

Tele-Seminars

Like mentoring sessions, tele-seminars are something that more and more people are comfortable with. They save time, definitely cut back on travel expenses, and allow attendees to get back to work more quickly, which helps to keep productivity high around the office.

When it comes to tele-seminars, you can offer subject matter you create and host in house, or you can become a means of providing a special guest speaker for a tele-seminar. Perhaps you can snag a best selling author who has written an exciting new book on Internet marketing.

Arrange for a one time tele-seminar where the author discusses his book and entertains questions afterward. The audience will pay a flat fee to attend and have the ability to participate in the question and answer session. For additional revenue, you can make the proper arrangements to record the tele-seminar and make copies of it available after the fact.

Exclusive Membership Sites

Everyone likes to feel special. One of the easiest ways is to create and manage an exclusive membership site. You can put together something that is specifically for a select group of persons, such as CEO's, chief financial officers, executive directors of non-profit organizations, or any niche market that is composed of people who could benefit from networking with their peers and can afford to pay a nice figure for that privilege on a monthly or annual basis.

Include in the membership discounts on items of interest such as trade magazines geared toward that market or savings on attended tele-seminars and mentoring sessions that are relevant to this exclusive group. By providing networking opportunities as well as the discounts, you can find yourself with a nice way to move high ticket offerings with no trouble at all.

Lucrative Service Such As Copywriting

Support services are something that will always make an impact with businesses. By offering to take over such tasks as writing copy for new ad campaigns or sales and marketing collateral, preparing brochures, and editing other basic types of correspondence that the company uses regularly, you can save them a bundle and make a nice bit of profit for yourself.

Here are some reasons why outsourcing to you would be advantageous, rather than keeping it all in house:

- They do not have to pay your taxes. You are not an employee, so Payroll does not have to keep up with you.
- There are no perks such as insurance, retirement, or vacation to calculate. Working essentially as a consultant, none of these factors enter into the picture. They save money.
- The company can focus on its business without devoting a lot of resources to ancillary matters. You are dealing with all that.
- No time spent in development. They simply have to approve the finished product.

While it is true that consulting does not come cheap, it still ends up being much more cost effective than keeping someone on the payroll. Between the salary and the benefits that would be required by someone talented enough to do what you are offering to provide, you could be talking about saving tens of thousands of dollars over the course of a year.

The fact is that you can make quite a tidy profit by pitching a deal that requires an opt in payment up front, with several smaller payments as each of the action items or projects are completed. This means some immediate profit for you, with the promise of more as the tasks are finished.

When it comes to providing high ticket offerings, knowing what your resources are and how well those match up with needs within your client base will help lead you to that type of high ticket products you can provide immediately, as well as help you prepare a laundry list of others that you hope to have set up and working in a short time.

What Is Your Ideal Profit Strategy

When it comes to developing your ideal profit strategy, there are several things you can learn from the basic Profit Funnel. Let's take a look at those elementary principles:

You Have to Start at the Beginning

Getting your foot in the door with a new customer is your top priority. We all know that the sales cycle can take a long time in some cases. But if you are going with a product or service that is relatively inexpensive and can be identified immediately with a need, then you can shorten that cycle a great deal.

Don't worry about making a huge profit off that first sale. Just get the sale and make sure the product works right. Your reputation and your future opportunities with that client rest on providing them with a quality product as a price they are happy with.

It is for that reason that these entry-level efforts are so important. Sure, the big profit is not there, although you may end up with a nice amount of profit if you are able to move a product or service in bulk.

But make sure you see this as laying a foundation for things to come and not just the beginning and the end of your efforts with this customer. If you handle the situation right, you will soon be in a position to make a great deal more inroads with this customer.

Once in the Door, Look for New Opportunities

Now that you have a satisfied customer who likes what he has bought and now has a reason to trust you, the time has come to look for other ways to broaden your business dealings with your client. Identify mid level products that you can offer to your customer, helping him to get ideas about how and where in the organization they may be effective.

Let your now excellent reputation precede you as you offer enhanced services that work with the original product offering, as well as more upscale services and products that can meet other needs within that company.

Keep in mind that as you expand your presence among various contacts associated with your main contact, there will be additional opportunities to begin the same process as outlined by the Profit Funnel with them. In addition, you will find that your clients are more than happy to act as references for you once you have provided them with multiple offerings that are doing a great job for them.

Anticipate Needs that may Happen Infrequently

You may have some high level services or products that will make a great impact on something your customer does once or twice a year. This is where your rapport with your client has come in handy. You know about these opportunities because you are trusted.

As you become aware of these chances to get involved with your high level offerings, make sure to demonstrate the value that you bring to the table. It is not just that you can save them more money, and most likely in these cases a great deal of money. You also can offer them at least as good and most likely better, than they have made do with in times past.

Keep in mind that though these high ticket chances may not come your way every month, the fact is that people remember when you had a hand in making them shine to their constituency at a critical moment.

Thus, if you offered consulting services that helped your client organize a successful week long conference with persons coming from all fifty states to attend, your client will remember you very fondly and you will no doubt be called upon to provide those same services next year.

Above All, Deliver What You Promise

Always keep in mind that all the goodwill that you have built up as you moved through the low ticket to mid ticket and finally high ticket offerings can be blown completely away with one simple failure to deliver what you promised.

There used to be a saying in the movie industry about a director – he was only as good as his last picture. That is also often the case with vendors who supply goods and services as well.

You can avoid disappointing your clients by making sure you do not promise them anything that cannot be delivered immediately. Far too often, salespersons say, “yes, we can do that” knowing full well there is nothing in place currently to deliver.

The result is that those that are backing you may or may not be able to come up with a solution. If they can't you have torpedoed your reputation with your customer, destroyed any hope of getting good word of mouth that could have opened doors for you elsewhere, and probably damaged the reputation of your company right along with your personal reputation.

Be honest about what you can provide and stay away from promising that which you know you don't have in place right now.

A Final Word about the Profit Funnel

The concept of the Profit Funnel provides a common sense approach to selling. You start at this point and continue to build on that success. But don't get the idea that you take one company through the funnel and you are done with them. Over and over again, you can use the Profit Funnel to create new contacts within an existing client, perhaps at different locations or different departments.

You may even be at several points simultaneously with one single contact, as you identify more and more opportunities within the realm of his authority. By keeping the model of the Profit Funnel in mind, you will never find yourself in the rut of going only after the lowest hanging fruit on the tree.

You will scoop up that fruit of course. But you will also continue to reach upward as you progress from one level to the next, maximizing the time and assets of your customer, making a profit for your company, and getting an ever nicer commission for yourself.

In the end, you are in complete control of developing your persona ideal profit strategy. No matter what your product or service offerings, chances are they fit the mode of the Profit Funnel. Incorporate the concept into your profit strategy and use the Funnel as a way to measure your current level of success.

You will find it an excellent tool for helping you to stay on track as you reach for your goals.