

Special Report Reveals The Secrets of Making, And Saving, Money Online!

Warning! Acting Like A Web Site Is Some Glorified Ad Space Where You Do The Same Old Thing Can Be Hazardous To Your Business's Health and Will Murder Your Bottom Line

Discover How To Generate The Seven Revenue Streams of a Web Site

Dear Budding Web Entrepreneurs:

Adapt or complain; it's your choice.

You can treat the Internet like some advertising medium and base your success only on sales. Considering that Forrester Research currently pegs Internet online sales as a \$500 million market in 1996, growing to \$6 billion by the year 2000, it's likely a sales-only approach will undermine your efforts. A Web site is an investment that should gain value each year; unlike print advertising, which loses value quickly as time passes (how long is your one month magazine ad valuable?), a Web site increases in value by applying the Seven Revenue Streams available.

Think of it this way; if someone told you that your home would gain value (let's say \$10,000) by adding a bathroom, would you find a way to do it? Of course you would; the same logic should be applied to your Web site, an investment that can gain value year after year.

You've read about those sites losing money, the high-tech sites with outrageous public stock offerings based on no decipherable business model. These sites are not for profit, but are run by multi-million dollar corporations who can afford to lose money playing games.

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If you are with one of these companies, then this article has little value for you. Keep losing money; you can wait. But I can't and neither can most entrepreneurs. You'll learn in this special report how the companies really making and saving money aim at their own bottom line and take a simple, direct approach based on one factor: getting the audience to visit their Web site, their online storefront, and click the magical blue words called Links. Your business online literally depends on your visitors taking an action, clicking on those blue words. Get them to do that and you have many business models at your disposal built on a direct response sales process.

So why do all the big companies, and many other smaller companies, still focus on techie tricks? Because their efforts are controlled by techies, by computer jockeys in love with computers and the Internet. If this is your target market, you need to play these games and will likely spend an enormous amount of money in the process. What a gamble!

The problem is, your business will go broke waiting for the future. Why not use the multiple revenue streams of a Web site now and build up to that future? I've set up numerous sites throughout the Internet and have trained thousands on building their businesses online. By my research, most companies online aren't targeting techies, they are aiming at consumers to buy their products and services. But you can't just slap up an ad called a Web site and walk away like a magazine, where the audience is given to you by the subscriber base. You have to make it easy for people to find you and once you do that, wrap them into your circle, your business's approach. The visitors must control the direct response sales process and you must lead them to a sale.

Now look around the Internet and see what perfectly intelligent people are doing; they put up 4 order forms and hope someone will order. If you walked into a store with nothing but 4 order forms, would you buy? Of course not; you'd shop around for another store that showed you their product, had salespeople to guide you to your selection, and made it advantageous for you to shop there again and again.

A good Web site allows the visitor to control and guide the sales process.

The secret is to create an advantage for your business by thinking about how you will save and generate revenue now. Not five years in the future, and not in a few months, but right now. This special report will show you the business models that are working online, with case studies of sites that are applying these techniques and making money. Some are making tens of millions of dollars, like **Industry.net**; some are small entrepreneurs adding significantly to their bottom line and building a long term business. In such a young market, you should know the business models

that are working and apply them to your own venture. You'll discover that a Web site can benefit multiple business budgets like:

Generating Leads

Public Relations

Customer Service

Trade and Barter

Testing Print Materials

Developing Mailing Lists

Creating Online Networks

Market Research

Don't be fooled by the hype of the Internet; you'll read about all the technology, all the fancy tricks, written by insiders in love with the technology. Guess what? Your target customers don't give a damn about the fancy tricks, in fact they hate the words "Computers" and "Internet". What they want is what you want — results.

Let's begin by exploring the Seven Revenue Streams of a Web site. Find out for yourself how you can draw much more value out of your efforts. You can either adapt to what the Internet has to offer, or try to force your way down the throats of those visiting your storefront on the Internet.

If you force, you will fail. And you will complain. But if you learn about the Internet business models, which have more to do with the evolution of business than technology, you'll discover the real secret; keeping in contact with your customer base, expanding it, and giving them more and more reasons to conduct business with you.

The prime technology you need to think about is how to activate their brain synapses to pull out those wallets and start spending their money. Set your goals and deadlines; none of us really meet deadlines, but if you don't set them to see how you're doing, you'll never know. When I begin a site, I think of the Seven Revenue Streams and test them out with each business. These are the business models online that work and with time, can generate savings and revenue.

Benefits of a Web Site = Revenue Streams

*Generating Leads • Developing Mailing Lists and Testing Print Materials Online • Barter
Market Research • Public Relations • Customer Service • Online Networks • Sales*

The Seven Revenue Streams Defined

Why the Web Offers Much, Much More Than Some Glorified Ad If You Put Value Where it Belongs...In The Hands of Your Paying Customers

With the World Wide Web being so new, businesses want to know how to make money. The problem is, they are used to doing things the old fashioned way. We pay for advertisements in print, television, and radio that have a long term value of maybe 3 months. Sure there are good exceptions, but for the most part the value starts depreciating with time. We accept this gamble of pumping money into marketing again and again, hoping for results.

Most people assume the same thing about the Web. They think of it only as an advertising medium, a way to sell products. They miss the real value of a Web site, the Seven Revenue Streams which will allow you to build your Web site and prosper. In the early days, there are many more innovative ways to make and save money than just selling products. Why force the Web to adapt to what you are used to do, when you can find a way to make it work for you? Create investments, not one shot ads posing as a Web site. Build value with your customers that will grow year after year. Start building your Revenue Streams by focusing on results.

Revenue Stream 1: Generating Leads

Example: Edmunds Automobile Buyer's Guide
<http://www.edmunds.com>

Generating leads is the most realistic and immediate source of benefits online. If you are selling products and services to consumers, measure how you can expand the reach of your business from a local to regional, regional to national, and national to international audience. How can you keep in touch with your audience? Most of all, how can you use the site to generate more leads?

Many businesses with catalogs contact me talking about putting up some search engine-cum-Java-Intranet mumbo-jumbo. I ask them directly, what do you want to do with this expensive, four color catalog? Incur more expense by putting it online immediately or generate leads by getting your catalog mailed to target customers? The answer is simple; I can easily generate new customers and inquiries for the products.

Do you care if they buy online or from an 800 number or by fax? Money is money, no matter where it comes from; leads are leads, and the Web is a terrific place to generate them for your business and for related businesses. Generating leads can be achieved in a number of ways. The Web site can be a central referral point for a group of businesses, with success measured by leads generated. Compare the costs of generating leads for a business and offer cheaper leads online, at least testing to see if the medium is valid for that business.

Charge by the lead or charge by the actual sale, but whatever you do, track it well. Find out where the orders are coming from. If they are getting leads from you, ones that buy, they'll pursue the Web with you. If not, they've been able to try out a business online based on the simple model of lead generation. One Web seller actually guarantees leads because they are the most immediate and measurable response from a Web site. Most sites I've set up have seen a significant increase in leads generated.

C a s e S t u d y : E d m u n d s A u t o m o b i l e B u y e r ' s G u i d e

Check out www.edmunds.com for a site that not only has customers, but generates leads for other businesses. They have an incredible book of automobile information (it's been published since 1966); instead of selling the book, they've given away the content and base their business on generating leads for an insurance company (Geico), one of the leading online auto dealers (Auto By-Tel, whose customers are the actual automobile dealers), and an automobile accessories catalog (J.C. Whitney). Sounds like a free magazine with advertising doesn't it? Adding customers and lowering lead costs are the best, realistic goals to begin with online.

The Edmunds model is truly content as advertising, a referral business. Selling individual books would have been an uphill battle online, based on sales-only advertising. But the real value was in the content. People flock to the site to learn about new and used cars. Meanwhile they are interested in buying cars, insurance, warranties, and auto parts. Edmunds didn't build it's

business on a dream; it generates results determined by leads generated. This approach is the most effective, quick, and meaningful way to assess the success or failure of a Web site.

Suggestions

1. Test a specific product or service, counting Internet created leads to see what works and what doesn't. Use a mixture of fax, 800 numbers, email, and mail to see where the leads come from.
2. Find related businesses your Web site can generate leads for. Develop an incentive plan based on leads generated and percentage of sales from those leads.
3. Create a referral network among non-competitive, related businesses to generate leads. Even better, put them under one online network with a common goal.

Revenue Stream 2: Developing Mailing Lists and Testing Print Materials Online

Example: CyberWave Media

<http://www.cyberwave.com>

When all the big companies test their latest products, they find some rich suburb to test the approach on. You can do the same thing online. The Web is like a rich suburb (how many poor people have \$2,000 computers?) Test your headlines and sales letters online first and find which ones work.

If I did a direct mail test, I would likely run several different mailings, each one costing me money and even worse, time, and see which ones worked. This is a time intensive approach, based on costly print materials for each individual to be reached. Why not try it out online, seeing which sales letter works and which doesn't?

Keeping print costs under control and lowering overhead are obvious benefits of a Web site. But learning how to use them is another matter; a Web site is an addition to any of your business's promotional efforts. Why not test out your print efforts online and then go into expensive print publishing with tested materials?

When I started my newsletter, I put a free issue on America Online; the headline was so pathetic, “Web Letter’s Guide to The World Wide Web”, that it only received 100 downloads. I changed the headline to “How To Create a Web Page”, and that has resulted in over 16,000 downloads. If I tried this only in print, I would have spent thousands and months and months of mailings. This took me one month and only cost my time. It helped me focus my business on what worked and allowed me to save time and money when I went to print.

Case Study: CyberWave Media

An excellent example of testing direct mail pieces online and building mailing lists is Jonathan Mizel’s Cyberwave Media Online Marketing site (<http://www.cyberwave.com>). He gives away free reports and samples of his newsletter in exchange for email and physical addresses. Not only has he built up an enormous mailing list for his products and services, he has tested it and knows what offers work. Now he can use this as a valuable business asset year after year, offering joint ventures or endorsed mailings to a group of people who value what he does.

CyberWave uses the Web site as a follow-up for its promotions. The first contact is made through strategic advertising in newsgroups, online classified sections, AOL, CompuServe, and other business forums. A good headline followed up with contact info in the form of an autoresponder is the basic approach. The client sends an email, gets CyberWave’s email on demand sales letter, then visits the Web site. Credibility is built by the Web site (which isn’t dependent on always changing, but adapting its content and repurposing it to save overhead costs) and sales are generated mostly through 800 numbers, fax, and mail. Online ordering is gaining each month as well. The Web site is the storefront that qualifies the business.

Another example is Amazon.com (www.amazon.com), a bookstore generating over \$5 million in sales (read about them in the Wall Street Journal); their direct sales (you can’t measure success today in only sales, it’s the ongoing contact and development of your audience base that counts) aren’t as important as their mailing list. They sell books and ask you for your feedback on the books. They give you ways to get email about what you are interested in. Let’s say you search for a particular subject; you can be notified about all new books relating to that subject automatically, via email.

What they are developing is a continual base of contact and a way to keep reminding people to come back for a visit. Even more importantly, they are asking you to judge them on their merits

and give them feedback, along with your email address. Publishers are busting down Amazon's door for this list. Think of it like Microsoft; are they powerful because they sell software, or because they own the most amazing computer mailing list in existence, the Windows operating system? If you want to reach 80% of computer users, you have to go through Mr. Gates.

The moral of this revenue stream is, if you don't ask for an email address and keep in touch with your customers by offering monthly tips, special reports, news from your Web site, updates, special bargains and offers, you are cheating yourself and them. If you don't give away something to mail to them physically (Remember, people value paper products more than digital currently, so sell paper and market on the Internet), that they can hold it in their hands, you'll never know where they live. The more you know about your customers and the more they want to keep in touch with you, the more powerful you are.

CyberWave tests online, then goes to direct mail with ad copy that works, saving time and money. Their direct mail efforts are enhanced by tapping into the power of the Internet as a testing medium, adding value to their marketing in print by reducing costs in discovering the best sales letters and headlines online. Testing direct mail and print ads online, along with mailing lists, are untapped resources of long term revenues.

Suggestions

1. Give a catalog, newsletter, or special report away to gain email/ mailing lists. Offer value and you'll receive value, their mailing and email addresses, volunteered. Instead of putting your catalog online, get their mailing address to put it in their hands. Or do it both ways!
2. Provide a way to keep in touch via email by providing monthly updates, an online newsletter, or weekly tips to promote awareness about your Web site. Remind them with special offers, and invite them back to visit.
3. Before your next print campaign, test out the headlines and text online; compare this test to your efforts in print in terms of cost.

Revenue Stream 3: Market Research

Example: Amazon.com Bookstore **<http://www.amazon.com>**

Imagine if you were to find a focus group to study. You'd have to pay them and set up a time to get them in a physical location. You'd have to hire a professional to run it and study the results. What you study are generalizations of one expert about a group, drawn by a scientific cross section. Online you can find people interested in what you are selling and ask them what they need, adapt your approach to their likes and dislikes, and make your customers an active part of building your business.

Why not visit the online discussion groups and conduct your own market research? Or even better, start contests and surveys that make your site a center for market research? I don't mean studying the trends that exist, but listening to your audience and having them give you the trends. Let them guide you to what they need. Use this to create products and services, or even better, adapt your current approach to fit their needs.

By being in direct contact with your customers, you learn the trends as they are happening. They provide the ideas via email feedback, you create the product. Compare the cost of this to a focus group study or hiring a market researcher to cull through numerous publications trying to figure out what the competition is doing. Online, you can find that out immediately and even better, stay ahead of the competition by watching what they do as well.

Case Study: Amazon.com

Amazon.com does an amazing job of market research by allowing visitors to comment on books. This isn't based on the snob appeal of a professional critic, but down home opinions rendered by people like you. They also gain demographic information and make you part of their network, their business plan. For instance, the Amazon associates program will allow most people to sell books through their Web site. Amazon.com fulfills the order, tracks how many people visited from your site and what books they looked at, and gives 5-8% per sale (visit the site for exact details). They not only want to be the biggest bookstore, with a huge inventory based on drop shipping products upon ordering, they also want to be the Internet's bookstore. That's market research!

Market research will save you money, not only by keeping up with your competition, but by letting your business set the trends subject to what your customers want. Think of the Netscape model; they built a browser and developed it around what people wanted. A bunch of academics sat around a table with another browser, Mosaic, hoping to build standards over time. Meanwhile the market demanded, and built, the standards, making Netscape the premier browser (for now).

The Wall Street Journal's article about Amazon.com pointed to their mailing list as the long term valuable asset. What is more valuable than a customer base that is interested and motivated in buying from you again and again? Amazon.com wins with market research, communication with consumers, leading to a sale and the development of long term value.

Suggestions

1. Run a survey, or explore a specific niche and how the Internet applies to it. For instance, a survey on how printing companies are reacting to online publishing. What are the advantages and disadvantages? Share your findings and build credibility.
2. Give away a prize for the best ideas and/or feedback about your product or service. Offer other companies the ability to do this through your Web site if you can do the same thing with their audience.
3. Conduct a treasure hunt on the Internet, putting strategic prizes in related Web sites, generating traffic for all and market research by giving clues in exchange for customer information.

Revenue Stream 4: Public Relations

Example: Virtual Vineyards

<http://www.virtualvin.com>

A Web site is an important public relations tool. A company's image is enhanced by simply having a Web site address. Talking to print media, radio, and television becomes easier when you talk about what you are doing online with your business. I've received thousands of dollars in free publicity by getting interviewed, having articles published in different trade journals,

and focusing all my publicity on what I do online. Press releases may get read and followed up on; the Web is a way to open up doors to markets just because of what you are doing online.

A Web site is an excellent starting point for any marketing campaign. Use it as a central referral resource, such as “For more information visit www.writething.com 24 hours a day. We’re always open.” Free publicity is still available; don’t forget to include your Web site and email address on all promotional materials, like business cards.

Case Study: Virtual Vineyards

Virtual Vineyards is not only one of the most successful sites online in terms of selling products, but they are also the leader in free public relations. Read about them in Inc. magazine, in almost any article about successful online businesses, on television, and even an infomercial which featured their success even though they have nothing to do with the service being sold! Free public relations creates word of mouth advertising that is invaluable to a Web site.

The funny thing is, Virtual Vineyards didn’t go online for the free publicity. They created a homey site that undermined the usual snobbish approach of wine experts. One of the founders, Peter Granoff, is a sommelier, a wine expert. But if you write to him in their feedback section, he calls himself “The Cork Dork”. He has a me-to-you approach that invites people into visit, meeting him and his fellow founder Robert Olson, strikes a chord by offering expertise with a Trademarked Wine Tasting Chart, then built a business around superior product and a virtual network of wineries. Why search when you can find the best wines that match your tastes?

Suggestions

1. Announce via a press release the grand opening of your Web site and your target goals for making it convenient for customers to work with you.
2. Approach the Internet marketplace and provide insight via a survey into a specific niche. Share your results online and off-line not only as market research, but as a way of showing what you do online and giving reason to talk with your business simply because of what you are doing online. Or give away some expertise to develop credibility, like Virtual Vineyards.

3. Develop a promotion that requires people to go online and register; encourage people to communicate online at a specific time and promote the event with various countries to show an international aspect. I had 15 people participate in a free WebChat online; over 3,000 other people visited my site because of what those 15 people actually did.

Revenue Stream 5: Customer Service

Example: Windows95.com
<http://www.windows95.com>

This boring word is fast becoming the most important part of any business. Trying to start your own customer service department is difficult. Depending on a telephone limits access because of busy signals and the inability of personnel to be able to address the vast number of questions. Customers want 24 hour access, which is beyond most small businesses. Training, evaluation, and overhead costs with managing such an operation can easily go into tens of thousands of dollars.

Online customer service is the wave of the future because it's always open and subject to email for inquiries, with the benefits of an 800 number but not the costs. When people write, they have to focus their questions; you can respond in a few minutes, rather than a twenty or thirty minute phone call where money is being paid for simply communicating (your phone charges you by the minute, online it's usually one flat fee for access). What could be quicker than writing a note? Compare that to a telephone call, where the talk continues and it's tough to save time. When people ask questions via email, they are brief. Use this to your advantage.

Face it, most 800 number services or even most businesses answering their phone have little time for customer service. Many companies use it as a game to actually avoid giving service! Why not automate your marketing and customer service with a Web site, using autoresponders (email on demand, visit my site if you don't know this term) and email to quickly and cost effectively maintain contact with your customers. Make them happy they visited you.

Case Study: Windows95.com

Windows95.com was started by a graduate student who jumped on the bandwagon before it was a bandwagon. He provided answers to those questions that you have about the new system.

He has absolutely nothing to do with Microsoft (which has an excellent customer service bureau, excellent that is in relation to the sad state of customer service in the computer industry) and they don't even mind what he does. Why? He provides value to their customers and as third party support, has freedom to try things they don't. He is providing support for another party's product. How does he make money? (Hint: the same way your television station or free magazine does.)

Steve Jenkins, the founder, has used his Web site as a way to generate traffic by providing updates, software patches, inside information, and referral to good resources. He includes sections for new users, for new 32 bit applications, and has tremendous traffic based on a simple need; Windows95 users who want answers to their questions. With traffic comes advertising revenue, similar to the Edmunds site in that content is advertising, i.e. a way to get people in your front door and have them come back again and again.

Suggestions

1. Provide customer support materials, frequently asked questions (FAQs), print manuals, and a place to contact your office at your Web site.
2. Use autoresponders (email on demand; the visitor sends an email to an address, like seven@writething.com. They receive an immediate response, a text file that you post, simply by sending the email. It's not important to know how it works, just know it does. All you have to do is create the text to give immediate feedback to your inquiries) to instantly respond to every inquiry. Indicate that it is an automated response noting that the message has been received. Use this approach to sift through qualified leads and develop automated online marketing.
3. Provide links to specific software and businesses online that can benefit your audience, then promote working relationships with those sites via links and possibly paid banner advertising. Become the resource for your sector by using your judgment; don't link to hundreds of sites, link to those you recommend and limit them. A good Web site grows around a trusted and credible viewpoint.

Revenue Stream 6: Creating an Online Network of Resellers, Advertisers, and Joint Ventures

Example: Industry.net
<http://www.industry.net>

With so many Web sites around now, this niche will quickly become the most profitable way to create and maintain a site. Many companies have groups of businesses they work with — such as vendors, clients, associates, and advertisers. The Web site should be a focal point for their network, their circle of influence. The hardest thing for people to do now and in the future is find specific Web sites. Set up alliances, almost like mini-Chambers of Commerce, where people can visit and get referred to related businesses that fulfill their interests (without the politics).

A company could use the Dell Computer model and use its site as the central meeting place for a network of agents nationwide or worldwide. Franchises can use it as a central reference center for all their franchisees. Advertising and promotions can be shown at the site from allied businesses. Joint ventures with other countries, other businesses, distributors, and consumers are becoming the fastest growing business model online.

Off-line, the fastest growing markets worldwide are now in Asia. Online ventures can penetrate those markets, possibly create joint ventures, and expand the influence of any small company to a multi-national level simply through cooperative agreements and a Web site. The cost savings and revenue generating possibilities are limitless.

Case Study: Industry.net

Industry.net created an entire business by becoming the online marketplace for manufacturers to meet. They have become the connecting point for their marketplace, generating tens of millions of dollars. Their model is worth emulating simply because it targets a specific group (now over 200,000 members) of distributors, manufacturers, and suppliers.

The power is in the network with specific interests; each business benefits by being part of Industry.net. They are quite literally their own marketplace for a specific niche. This site is an excellent model to see how information and referrals built within a targeted market can yield

amazing results. Why search the Internet's millions of sites when you can go to one place that answers your questions and benefits your business?

Industry.net made its money by providing a cost-effective alternative to catalogs and directories. While the scope of this site is tremendous now, the concept is simple. Achieve the value of information found in print, update it without extra cost, and give people what they want; connection to businesses that fulfill their needs.

Suggestions

1. Set up a network for one specific market sector. For instance, printing companies could be located on one site, with each company acting in a different state. They wouldn't compete and could provide a central point that made each small business a part of a national network, or group of businesses. Make it easy for small businesses to get online by providing a network that meets their interests, then generate revenue through leads generated, sales, or advertising. Hook up to national magazines or organizations to increase exposure.
2. Turn any business into a network by making your visitors, whether they are consumers or distributors, the hub of the Web site. Let them register to be in your network and give them bonuses for participating. For instance, I met one gentleman who had original drawings from the movie King Kong. I suggest he create the King Kong fan club and invite visitors to join. What would they want to buy? His drawings, t-shirts, and whatever products he could joint venture from others to access his network. But they'd visit for the fan club.
3. I've set up a telephone company, an appraiser's network, and an artist online. All of these received immediate inquiries for joint ventures from Asian countries like the Philippines, Singapore, Japan, and even China. Not one of these companies did a thing to promote themselves to these markets. Imagine if they did. Why not start networking with individuals, agents, and businesses in foreign countries who can sell your products and services there?

Revenue Stream 7: Barter

Example: The Web Letter **<http://www.writething.com>**

Trading space online for print advertising is a sure fire way to generate advertising dollars. Exchange empty space or even a Web page as an advertisement with a newsletter or trade journal. Use Web space as a way to introduce people to the online world. One Web publisher on the West Coast created a Web site for a radio station in exchange for radio advertising and a link from their heavily trafficked home page. An investment of time and resources to create the Web site was multiplied exponentially into radio ad time and Web advertising time.

Trade value for value online, not only with other companies online with whom you might exchange banner ads, links, or even content, but with companies who are not yet online. Ask them for content and a small fee to test promote their efforts at your site.

Case Study: The Web Letter

My site began with an innovative mix of barter and trade. I set up CyberWave Media online in exchange for marketing and training on direct marketing techniques. We then set up a national training program together for Web builders and Internet consultants, expanding our business. We constantly refer each other clients and business, based on a non-competitive approach where banner advertising and business development are exchanged. Each site I design is built around the value of barter and trade, including support from other media and advertisers in exchange for space in their paper. I write for a magazine called the WWWiz, which publishes my articles for free and links to my Web site. All of this enormously reduces the bottom line of my lead generating, public relations, and advertising budgets.

A Web site is a powerful tool for trade; look to other media and get their feet wet by offering a content page (often called an advertorial, i.e., content as advertising), a single home page, or a Web site as part of your network. Develop value by finding other media like radio that have free air time and see if you can work out a deal, or trade for print advertising.

Suggestions

1. Create a system of trading to develop your online niche, measured by participation in content development, or generating traffic; the Internet Link Exchange Exchange (www.linkexchange.com) has an interesting model where banner ads are exchanged. The more your site shows ads from others, the more yours is shown at other sites.
2. Look at traditional advertising like newspapers, magazines, trade journals, newsletters, and offer to publish their materials online in exchange for an advertisement, interview, or promotion. Trade a Web site or Web advertising space for an endorsed mailing. Why not find someone with a large group of clients, or a network of business associates, and suggest an alliance. You become the online expert in exchange for access to their audience; offer financial incentives and you'll open doors.

Bonus Revenue Stream 8. What About Sales?

Example: CDNow

<http://www.cdnow.com>

Notice how I didn't even include sales? That's the mysterious eighth revenue stream that is a trickle right now. It is growing, but in the short term, focus on what is really saving and generating money. Savings increase revenue. Sales will come, but these Seven Revenue Streams can create immediate returns.

Many people come online thinking they will just hawk their wares. The Web is much more than an advertising medium, it is a means to keep in touch with your audience, to offer them more products and services, and to give them reasons to keep in touch with you. Why waste your time on one revenue stream, sales, like everyone else? You can use the Seven Revenue Streams to generate money now and when the sales come, it will be another stream.

The true goal is not to think of your business in terms of one product or service, but to diversify so you have alternative revenue resources. If one dries up, another compensates. A Web site offers a multitude of values that can solve a variety of problems. The Seven Revenue Streams are also a consulting tool to teach people how to use their Web site. What better way to open doors than to counter the traditional online approach of selling technological tricks no one understands

and the advertising aspect of the Internet. Why not sell the real benefits that can help people start making and saving money right now?

The World Wide Web is moving beyond the pioneer stage. We've seen the brave leaders jump into the business, crash and burn. How many companies have you read about losing money? High tech is a business based on losses for a few years. But online, the entrepreneurs making money don't look at it that way. We apply the Seven Revenue Streams to milk our sites for money. You should too. We're not high tech...we're for profit.

C a s e S t u d y : C D N o w

CDNow is one of the pioneers who never crashed and burned. They did it right. They offer the music, the diversity of interests, and best of all they keep it simple. Drawing on their humble beginnings in the early, early days of August 1994, they have built an online market force. They have become the brand name.

This site was started by one student and has grown to over 150,000 music CDs. They have grown by drawing on most of the Seven Revenue Streams. They have an online network, a community of visitors, who share their feedback. That provides market research and helps develop the site based on their needs, their feedback. Other sites work with CDNow, who sells CD's. Banner advertising and links like Amazon.com has forged are present here as well. Barter, trade, testing online, virtually all the revenue streams infuse this site.

But what really powers this site is people's interest in music. Which is what really powers the Internet.

W a n t t o K n o w H o w T h e I n t e r n e t W o r k s ? O n A D i r e c t R e s p o n s e S a l e s A p p r o a c h B a s e d o n P a r t i c i p a t i o n a n d D i r e c t i o n o f T h e T r u e L e a d e r s . . . T h e C u s t o m e r s

The Internet works on one principal; people meeting and talking about what they are interested in. All this feedback is useless if you don't do something about it. Take NBC for example; they have a show called Mad About You, a sitcom featuring a husband and wife living in New York City. On America Online, there are a group of fans meeting to talk about this show.

Do you think these people sort of like the show? They are mad about Mad About You! Their love of the show drives them online to share opinions and ideas about what should happen to the characters, and talking with others who watch the show every week. Now that it is moving into syndication, their interest will only be enhanced.

NBC knows this and contacted the group in 1995 to ask them a question; should the woman in the show (Jamie) become pregnant? The response was an overwhelming no, we're not ready for it! Imagine if NBC had to conduct focus groups, paying an inside department or outside firm hundreds of thousands of dollars to find these people and physically getting them into New York City to answer the question. Instead, NBC found out where they are meeting and asked the real experts, the fans of the show, what they wanted. Simple, direct, low cost, and straight advice from the experts — the fans of the show.

The direct response the audience gave shaped the show for the entire 1995-96 season, culminating in Jamie becoming pregnant at the end of the year. Drama was built by listening to the audience and preserving ratings by giving them what they wanted. The results were more advertising dollars due to the ratings. All because of direct response.

You can do what NBC did, if you step out from behind the scenes and dive into what your audience wants. Direct response online means tapping into this potential and allowing it to be the driving force of your Web site. Like I'm tapping into you now...let me know what you need to help your business online. Email me with your ideas to response@writething.com. Get these Seven Revenue Streams working for you.

Michael Declan Dunn is one of the nation's leading Web designers and trainers, creating a national program for Web designers and Internet consultants, as well as running his own Web design business consulting firm called Inetdesign (www.inetdesign.com). This special report is no guarantee of results, just good advice coming from extensive study and creation of online business models. Past success is no guarantee of future returns, but if you try these approaches you'll understand how the Internet works for you. Feel free to call (916) 873-36387, fax (916) 873-0192, or email him (dunn@writething.com) with any questions.

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*"Although I had limited experience with the Internet before we met, it was just another forum of high tech confusion. Now it has become my ultimate business tool...I owe it all to you, Declan, because **YOU TOOK ALL OF THE FEAR FROM 'GOING ONLINE'!**"— Matthew Birchfield, Web Letter subscriber*

Dear Friend,

I hate the words, "Computers and the Internet". I love making money. Would you like to use the Internet as a tool to increase your income, generate more leads and mailing lists, and sell your products and services online without wasting your money and even worse, TIME? With The Web Letter, you get direct contact with my successful, ongoing approach, honed over years of developing businesses online. I teach you how to build your business, **how to sell Web sites and classified ads**, and what you absolutely must know to succeed with the international, online marketplace.

Please read the enclosed Special Report and decide for yourself. The Web Letter is a bi-monthly newsletter filled with the latest ways to profit online, written in easy to understand terms free of jargon. You'll be in direct contact with people profiting online and speaking in terms you can understand...in dollars generated and saved. With the Web Letter, you get the insider's advice that I give to my consulting clients. And much, much more.

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Michael Declan Dunn, The Web Letter (<http://webletter.net>) EMAIL: declan@webletter.net

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