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1-Page Summary

The internet is full of online businesses, but what separates the million-dollar startups from the unprofitable failures? As author Russell Brunson explains in <u>Dotcom Secrets</u>, the answer is sales funnels: website layouts that create sales by guiding customers through a preset experience. This experience persuades them of your product's value every step of the way.

(Shortform note: The advice Brunson gives in *Dotcom Secrets* applies to any online business, whether you're offering professional services or selling physical or digital products. For simplicity's sake, throughout the guide, we'll refer to these collectively as your "product.")

Dotcom Secrets is the first book in Brunson's "Secrets Trilogy," which also includes *Expert Secrets*, a guide to creating an engaging and inspiring brand image, and *Traffic Secrets*, a guide to attracting customers to your website. Brunson is also the co-founder of <u>ClickFunnels</u>, an all-in-one online marketing tool that helps you build a website, test and improve your sales funnels, and more.

We'll begin this guide with an overview of Brunson's big-picture strategy: why and how to use sales funnels to maximize your profits. Then, we'll walk chronologically through the process of starting an online business, discussing how to use direct marketing to gather leads, how to design a profitable sales funnel, and how to expand your business after you've built your first sales funnel.

In our commentary, we'll help you put Brunson's ideas into action by offering complementary ideas from marketing books like <u>Permission Marketing</u> and <u>Jab, Jab, Jab, Right Hook</u>, as well as books for startup entrepreneurs like <u>The Lean Startup</u> and <u>The Mom Test</u>.

Big-Picture Strategy: How to Maximize Profits With Sales Funnels

Why Use Sales Funnels?

According to Brunson, high-quality sales funnels are the key to a successful online business for two main reasons.

Reason #1: Sales Funnels Convert Visitors Into Customers

Brunson contends that sales funnels are the most effective way to convert visitors to your website into paying customers. To explain why, let's contrast funnels with an ordinary business website.

Most websites look like a menu of options: A customer can click to different pages depending on what they're looking for. However, Brunson argues that **this layout is really bad at attracting new customers** because complicated websites with a multitude of menu options are confusing and difficult to navigate, even if people already know what they want to buy from you. Unfortunately, when your website confuses your visitors, they're more likely to leave than put in the hard work necessary to figure things out.

On the other hand, when your website is a sales funnel, you avoid presenting a confusing menu of options. Instead, **you show all new visitors the same message about your product and give them one place to click** if they're interested in moving forward. They then enter a series of pages persuading them to make a purchase, each of which links to the next one and nowhere else. This structure prevents visitors to your website from getting lost or confused, and it presents them with a single refined and persuasive message, maximizing the chance they'll become customers.

Brunson explains that each kind of product you sell requires a different sales funnel on your website—the path on your website that convinces customers to buy a book will look very different from the one selling access to an overseas retreat. We'll go into more depth on what a sales funnel should look like later in this guide.

The Offline Origins of Sales Funnels

The idea of a sales funnel <u>has been around for about a hundred years</u>: The term was coined in the 1924 book <u>Bond Salesmanship</u>. In an offline context, sales funnels take the form of marketing campaigns or direct pitches from salespeople. Brunson doesn't spell this out explicitly, but they're called "funnels" because they <u>look like funnels if you represent them visually</u>: Some people will inevitably opt out of the process at each stage, causing the number of potential customers to narrow over time. But as Brunson explains, those customers who make it to the funnel's narrow end will be completely invested in your product.

The original sales funnel, and arguably the most popular one today, is a four-stage model called AIDA, which stands for attention (or awareness), interest, desire, and action. You need to grab someone's *attention*, get them *interested* in learning more about your product, make them actively *desire* your product, then nudge them into *action* so they buy your product. This model gets salespeople to empathize with potential customers by considering how they're likely to think about the product at various points in the sale. Getting in the customer's head like this helps the seller understand exactly what they need to say and do to make a sale.

Websites without a sales funnel fail to take potential customers through these four stages and are therefore unlikely to make many sales. A "menu-style" website is uninteresting to customers yet to enter the attention or interest stages of the AIDA sales funnel since they see no compelling reason to explore your website. A sales funnel, on the other hand, is designed to immediately capture the visitor's attention and generate interest through stories, as we'll see later.

Reason #2: Sales Funnels Get Each Customer to Spend More

Ideally, your sales funnels do more than turn website traffic into paying customers. They also get each customer to purchase more than they otherwise would have by getting them to spend more at one time and encouraging them to return and buy again in the future.

Getting each customer to buy more is the secret to business growth, according to Brunson: Every new customer costs significant marketing expenses to acquire, but **getting each customer to spend more gives you more revenue at no additional marketing expense, resulting in vastly more profit.** These massive profits then allow you to spend more on marketing, creating a virtuous cycle in which every sale you make funds the acquisition of the next several sales. This empowers you to grow your business exponentially and dominate the market.

In contrast, most online businesses fail to achieve this virtuous cycle. Often, when businesses aren't getting as much website traffic as they want, they make the mistake of trying to improve their marketing so more potential customers click through to the website. If

they instead improved their sales funnels so each customer spent more, they could increase traffic to their website through heavier investment in marketing.

Counterpoint: Focus on New Customers, Not Existing Customers

In *How Brands Grow*, Byron Sharp provides a contrasting perspective to Brunson, arguing that instead of trying to get each customer to spend more, <u>marketers should</u> focus their efforts on advertising to new customers. He claims that mass data collection reveals <u>companies can't significantly increase how much each customer spends on their brand</u>.

According to Sharp, consumers will only buy something when they realize they need it, and any attempts to influence a customer to make a purchase they wouldn't ordinarily have made is a waste of resources. Often, marketers believe that they're successfully influencing a customer to spend more at one time, but in reality, <u>the customer is just</u> <u>making purchases they would have made anyway</u>. Additionally, Sharp asserts that you can't create repeat customers by increasing brand loyalty, as people are inherently indifferent to the brands they buy. Rather, they just <u>buy whatever brand they think of first and is the most convenient</u>.

With this in mind, Sharp recommends instead focusing your time and money on increasing *brand presence* so that when the time comes for a potential customer to make a purchase, they'll think of your brand first. To do this, he suggests <u>regularly</u> <u>running emotionally engaging advertisements with recognizable and consistent</u> <u>branding</u>. This directly contradicts Brunson's advice to focus more on improving your sales funnels than your advertising.

How Sales Funnels Maximize Profits

How do sales funnels get each customer to spend more money? To explain, let's take a look at the broader business strategy you'll be using.

Brunson suggests that **every business should offer a range of products at varying price points**: some that are free or nearly free, some that are moderately priced, and others that are far more expensive than you expect customers to be willing to pay. This is beneficial for a couple of reasons. First, it allows you to acquire customers of any budget, ensuring that you serve as many people as possible.

(Shortform note: In *Positioning*, Al Ries and Jack Trout warn that expanding your brand to include a wide range of products is <u>a risky proposition that can backfire</u> if executed poorly. Attaching your brand to the wrong products can dilute your brand image—for example, if a fine dining restaurant starts selling cheap frozen foods, they may gain new customers on a lower budget but lose some higher-budget customers who now see the original brand as "cheap.")

Second, Brunson explains that once you have a wide range of products to offer your customers, **you can use sales funnels to persuade them to purchase increasingly valuable products over time.** Customers who try your products and benefit from them firsthand are far more willing to trust you than new customers. Thus, they're willing to make greater investments in your more expensive offerings.

For example, if you start a business that helps people learn how to travel the world, you could offer a free ebook of travel tips, a \$20 physical book of more comprehensive travel tips, a \$300 personal travel planning session over video call, and a \$3000 registration for an overseas retreat with hands-on coaching. Ideally, you'll gain customers who are drawn in by your free ebook, then buy and enjoy your physical book, invest in a travel planning session or two, and finally buy a ticket to your retreat. You only need a few customers to escalate to the highest tier for you to start making significant profits.

(Shortform note: The authors of <u>Raving Fans</u>, <u>Anything You Want</u>, and <u>Delivering Happiness</u> all agree that the surest way to get customers to spend the most money on your brand in the long term is to offer an unparalleled *customer service experience*. In other words, continuously look for ways that the purchase experience can surpass customer expectations in surprising and delightful ways, even if doing so is less profitable in the short term. On the other hand, if you just seek to accomplish the bare minimum that customers expect from you, it's unlikely that they'll feel any reason to invest in your more expensive products.)

In addition to this broader strategy, sales funnels get each customer to spend more every time they make a purchase by selling add-ons in the middle of the purchase process, which are easy to buy impulsively. We'll cover this in more detail later.

How to Build an Audience of Leads

So far, we've established Brunson's recommended big-picture business strategy: Use multiple pricing tiers to attract customers and move them into more expensive sales funnels. Now, we'll dive deeper into the specifics of how to do this, starting with advice for direct marketing. In a sense, this is your first sales funnel, even though it doesn't cost your customers anything. Like your other sales funnels, it's a preset path that gets customers to invest more in your product—although at this stage, they're just investing time and attention.

Brunson argues that **the end goal of all your marketing is to move potential customers onto marketing channels where you can directly message them for free**. Typically, this involves running paid advertisements on platforms you don't own (usually social media platforms) that link to a page on your website persuading people to sign up for your email list. Direct communication channels like email allow you to minimize your marketing expenses and get existing customers to buy more (which, as we mentioned, is the key to business growth). Brunson recommends creating something valuable that you can offer for free as an incentive for people to join your email list. The more valuable it is, the more likely users will be to trade their email addresses for it. For example, you could offer your free ebook of travel tips to anyone who joins your email list.

Origins of Permission Marketing

Brunson's direct marketing strategy is known as "permission marketing," a term coined by Seth Godin in <u>his 1999 book of the same name</u>. It's called permission marketing because you only market to potential customers who've given you permission to send them messages they're genuinely interested in receiving.

Godin contrasts permission marketing with *interruption marketing*, which includes any form of advertising that customers don't ask for and don't want to see, such as television commercials, online banner ads, and advertisements on social media. Although Brunson recommends using these channels to build your email list, he acknowledges that the end goal of this kind of interruption marketing is to enable permission marketing, which is more profitable.

Like Brunson, Godin recommends offering your audience a freebie in exchange for their email address, but he also highlights a new, important aspect of this strategy: To retain customer trust, be honest and open about what you'd get from them in return. The second the customer sees you do something that they didn't give you explicit permission to do—for instance, surreptitiously gathering their data to sell to a third party—you'll lose their trust, and they'll revoke their permission by opting out of your emails.

Two Types of Direct Communication

Once prospects have signed up for your email list, Brunson recommends sending them two types of direct communication, each of which engages a different kind of customer in hopes of moving them to another sales funnel.

Type #1: Immediate Sell

When potential customers sign up for your email list, you'll want to convert them into paying customers as soon as possible. Brunson recommends sending a series of emails that get your audience to emotionally connect with your brand.

To do this, tell the personal story of how you established your brand and explain the personal relationship you want your business to have with its customers. **Customers will value your business more if they see you as a real, relatable human.** For example, perhaps you had a study abroad experience in college that changed your life and motivated you to live nomadically around the world for 20 years. Now, you want to sell the expert travel knowledge you picked up over the years to help others broaden their minds and change their lives.

Reveal these story details in a series of emails over the course of several days to deepen readers' long-term interest. Furthermore, provide links to one of your sales funnels throughout the email chain, so if a reader ever feels sufficiently inspired to invest in you, they know what to do next.

How to Write Emails That Feel Personal

Brunson recommends telling the personal story behind your business to customers so they can relate to you emotionally. However, this honest, vulnerable content might not be enough to connect with your potential customers if delivered blandly or impersonally —you'll also need to *present* your emails in an intimate, personal way to connect with people as effectively as possible. Here are some tips on how to do this:

- Ask subscribers to register their first name when signing up for your email list, and use automated tools to <u>insert their name throughout your emails</u> so it reads as if you sent it to them personally.
- Similarly, set up a system that places your first name as the "sender" of your emails rather than the name of your company. This helps your emails stand out from other branded messages.
- Use <u>real photos of you, your employees</u>, or any other relevant people to instantly come across as more trustworthy to readers. Multiple studies support the effectiveness of this strategy.
- Make sure <u>not to place your links to your sales funnels at the very beginning of</u> <u>your email</u>, which may make it seem more like an advertisement than a personal message.

Type #2: Ongoing Engagement

Sometimes, despite your attempts to spur potential customers into action, they won't be ready to make an immediate investment. In this case, Brunson explains that your goal becomes keeping a channel of communication open until they're ready to buy something. Send regular emails that entertain or provide consistent value to your readers while simultaneously linking interested customers to your sales funnels. These ongoing emails are also a way to push previous customers to make further purchases.

Brunson recommends messaging your email list *every day*. Every email you send will lead to purchases, so any time you skip a day, you're losing sales. You may worry that sending too many emails will push readers to unsubscribe, but if your emails are truly entertaining or useful (or both), people will be glad to receive them.

Ongoing Engagement on Social Media

In <u>Jab, Jab, Jab, Right Hook</u>, Gary Vaynerchuk explains how to use this same strategy on *social media* rather than via email list. Instead of including a link to one of your sales funnels in every message, as Brunson recommends, Vaynerchuk advises <u>mostly</u> <u>posting branded messages with no obvious purpose</u>—interesting content that builds your brand image in the minds of your readers. After you've engaged customers with these posts for some time, your post that includes a call to action will be more effective. This is because offering your audience value while asking nothing in return makes them feel like they need to give back somehow, which motivates them to act once you *do* ask for something.

Like Brunson, Vaynerchuk recommends engaging with your audience every day, and he elaborates that this schedule <u>allows you to base your content on current events and</u> <u>the most recent trends</u>. By tying your messages to topics that people already want to talk about, you'll gain more attention and appear more relatable.

How to Create an Effective Sales Funnel

We've covered how to set up your first sales funnel, a line of direct communication to anyone interested in your product. Now, let's explain how to make your *real* sales funnels—the ones that convince customers to make a purchase—as compelling as possible.

We'll start by explaining the three fundamentals that give your sales funnels their persuasive power. Then, we'll describe what a basic sales funnel looks like on your website, breaking it down into detailed stages. Finally, we'll describe a notable exception to this formula to use for your most expensive products: a sales funnel that leads offline.

The Three Fundamentals of Online Sales

According to Brunson, *every page* in each of your sales funnels—including the aforementioned marketing emails—**should persuade your audience to further invest in your product using the same three steps.** First, catch your audience's attention; then, illustrate your product's value; and finally, cue them to act. These three fundamentals ensure that your potential customer is as excited as possible about your product and knows exactly what to do next to get it. Once you get them into the first page of your sales funnel, the fundamentals will get them to continue through each page and make a purchase at the end.

(Shortform note: Brunson's three-step model <u>overlaps significantly with the popular AIDA</u> <u>model</u> we discussed earlier. Brunson's second step, illustrating value, encompasses both the "interest" and "desire" stages of AIDA, and his other two fundamentals correspond directly to AIDA's "attention" and "action" stages. However, Brunson's model is arguably unique because it recommends accomplishing all three steps at every stage of the sales funnel rather than just going through them once as the sale progresses. While Brunson's approach would likely be redundant in an in-person sale, it makes sense to constantly "sell" the next page on a website where a customer could easily quit the purchase process at any time.)

Let's dive into each of the three fundamentals in a little more detail.

Fundamental #1: Catch the Audience's Attention

First, Brunson states that **every page in your sales funnel needs to seize the reader's attention:** Before you begin pitching your product to the audience, make sure they want to listen. Thus, every part of your sales funnel should feature a single element that's so visible and intriguing that your reader can't help but pay closer attention to the rest of your message. For instance, this could be a large text headline or a striking image.

There's no need to describe any specifics about your product during this step. Rather, make it clear that you can fulfill a specific desire or solve a specific problem that your reader has. For example, if you want website visitors to enter their email addresses in exchange for a free ebook of travel tips, catch readers' attention with a large headline that reads "Learn how to spend six months overseas for less than \$1000!"

Use Irony to Grab Attention

Although Brunson asserts that you need to directly address a potential customer's personal desires or problems to catch their attention, this may not be necessary. If you're selling something that isn't meant to resolve an urgent problem (for instance, stuffed animals or designer shoes), consider grabbing attention with *irony*—the stark contrast between the reality you're presenting and what potential customers would typically expect. This subversion of expectations is how storytellers grab the attention of an audience, and <u>you can use it to create attention-grabbing advertisements</u>. Irony engages an audience's curiosity and motivates them to look closer, even if the content has nothing to do with their lives.

For example, consider <u>the famous "Got Milk?" ad campaign</u>. The ironic juxtaposition of glamorous celebrity photos and silly milk "mustaches" instantly catches the viewer's attention.

Fundamental #2: Illustrate Your Product's Value With Stories

Second, every part of your sales funnel should tell stories that show why your product is uniquely valuable. We touched on this when discussing direct email marketing—by describing your and your business's unique backstory, you emphasize how you differ from your competitors and offer value that customers can't get anywhere else.

Specifically, Brunson suggests using *anecdotes* to convey details about your product. Grounded, easily understandable stories that illustrate a single point are the most memorable form your messages can take. For example, if you're offering a free travel ebook on traveling cheaply, include a couple of paragraphs describing a stranger you met overseas who spent far more money than you but had a far less enriching travel experience because they followed mainstream, tourist-centered travel advice.

Your Stories Don't Have to Be 100% True

In <u>All Marketers Are Liars</u>, Seth Godin also emphasizes the importance of telling stories in marketing. He elaborates that these stories don't need to be objectively true to have value for both you and your customers. Everyone believes many things that aren't objectively true; however, believing in them makes our lives better. For instance, you may feel good about washing with mouthwash every night even if it doesn't significantly reduce the risk of cavities. With this in mind, Godin encourages you to market your product as if it's the greatest gift on earth—even if this isn't true.

To be more specific: It's unlikely that your unique personal history truly gives your product something customers can't get elsewhere. However, telling customers your personal history fundamentally changes the way customers perceive your product, essentially improving the product itself from your customer's subjective perspective. For example, imagine you sell a protein bar online and tell the story of how you personally experimented with different healthy ingredients until it tasted the best it could be. Since your customers believe your story that they taste great, they'll perceive it to taste better than they would without the story.

Similarly, not every detail in your anecdotes needs to be true for the story to make your product look better and do good for the customer. For instance, in the anecdote we outlined above about the traveler you met overseas, add details that you don't really remember but that make it a better story, like the specific words they said to you or their picky dinner order.

That said, Godin <u>warns against telling stories that have the potential to harm</u> <u>customers or that could be proven false</u>. For instance, if you tell people that the pork sausages you cook are made of vegetables and market them as vegan, this would constitute fraud, which would be immoral and help no one.

Fundamental #3: Call to Action

Third, each page in your sales funnel should tell the potential customer what to do next and what they'll get for doing so. Brunson suggests making your call to action effective by making it so rewarding that the customer can't possibly refuse. Specifically, he recommends making sure that the perceived value of everything you offer is far greater than what you're charging for it. That way, you can be successful even if your products are much more expensive than those of your competitors since you're giving that much more value in exchange.

One way to do this is by bundling together multiple valuable items or services that would each be worth paying for alone. For example, if you're trying to get visitors to buy a case of protein bars, throw in a free ebook of weightlifting tips and access to the full archive of your fitness-themed podcast.

(Shortform note: How can you improve your calls to action if you don't have enough available extras to make your product more valuable? Luckily, you can make your product <u>appear</u> <u>more valuable</u> without investing significant additional resources. For instance, improving your product's visual design can make customers more willing to take action to get it. Getting a respected influencer to vouch for your product can also make it more desirable. Sometimes, even charging *higher* prices can generate more sales by signaling to customers that your product is valuable.)

The Stages of a Sales Funnel

We've explained what each stage of your sales funnel should do—now, let's cover what, specifically, your sales funnels should look like. This is an overview of the stages of a basic sales funnel, *each of which* will ideally catch the audience's attention, illustrate your product's value, and include a call to action. Brunson describes many specific variations of the sales funnel, but they all more or less follow this same basic structure.

Stage #1: Purchase Page

Typically, **the first page in your sales funnel both persuades the customer to buy your product and provides the order form for purchasing it**, according to Brunson. Catch the audience's attention and illustrate your product's value with a story; then, call them to action by telling them to fill out an order form on this page.

If your product is free or very cheap, make the order form visible immediately—you don't need to work hard to convince the audience to make such a low commitment. If your product is a bit more expensive, Brunson suggests providing more stories that illustrate value and force the reader to scroll down before revealing the order form.

(Shortform note: Arguably, Brunson leaves out an important component of the purchase page that can <u>vastly increase the number of sales you make—a Frequently Asked Questions</u> (FAQ) section. By researching your customers' most common objections and directly addressing them in your website's sales copy, you can resolve the doubts that would otherwise turn customers away from making a purchase. You can include a FAQ no matter where the order form is on your purchase page—it works equally well below the order form for a cheap product or in the midst of sales copy for a more expensive product.)

Stage #2: Add-On Button

The second stage of your standard sales funnel, the add-on button, is located on your purchase page. After a customer has filled in their payment information, **insert a checkbox offering to add a related product to their order for an additional fee** (Brunson calls this

the "order form bump"). For example, when you're buying concert tickets, you often have the option to tick a box and pay an additional fee for insurance in case an emergency causes you to miss the concert.

Add-ons like this are the main reason that sales funnels are so profitable, explains Brunson. Once someone has already committed to buying something on your website, they'll often impulsively spend more if you give them the opportunity. This is profitable because it allows you to generate sales without spending any more on marketing, as we established earlier.

(Shortform note: Why do add-on buttons get customers to impulsively spend more money? One reason could be that humans are <u>instinctively driven to behave consistently with past</u> <u>actions</u>. As Robert Cialdini states in <u>Influence</u>, we naturally do this to avoid having to weigh every piece of relevant information we know every time we make a decision. For instance, if a customer has already typed in their credit card information to purchase something, they're more likely to check a box to buy something else because their past actions are telling them that buying from this seller is a good move.)

What kinds of things should you sell as add-ons? Brunson asserts that if you're selling a physical product, the best way to generate additional sales is to offer the customer more of what they've already bought at a special discount. For example, if you're selling ceramic dishes online, offer to add on a second matching set for half the price.

However, for information products like books, lessons, or workshops, you can't sell more of the same thing, as customers often assume that once they've learned something from you, they won't need any more information on the topic. Instead, **identify the goal they're trying to solve with their purchase and offer the next logical thing that they'll need**. For example, if you're selling a book of travel tips, instead of trying to sell another book about travel, offer to add on a travel knapsack.

Use Customer Research to Determine the Best Add-Ons

Although Brunson offers the broad suggestion to sell discounted extras with physical products and goal-relevant extras with information-based products, this guideline may not hold true for every business. Arguably, the only way to definitively identify the specific add-ons that will most please your customers is to conduct customer research yourself.

While many companies turn customer research into a rigorous formalized process, Rob Fitzpatrick argues in <u>The Mom Test</u> that the best way to gain insights about customer needs is to have <u>casual conversations with potential customers about their</u> <u>lives</u>. If they're unaware that you're looking for business insights, they'll give you honest answers instead of telling you what they think you want to hear. For instance, if you're trying to pin down an add-on for the travel advice you're selling, ask someone about the last vacation they went on and if there was anything they regret not packing.

Stage #3: Add-On Page

After your customer clicks the "purchase" button but before you tell them that their order is complete, take them to an add-on page. This is functionally the same as an add-on button, but it takes up a whole page. You may be successful including more than one add-on page in a row—Brunson asserts that **including multiple opportunities for customers to buy add-ons will vastly increase your profits**.

(Shortform note: Some sales professionals argue that including add-on pages immediately after the customer makes a purchase is too soon, especially for more expensive products and services. Because the customer has just made a large investment, they may be hesitant to spend more immediately after. If you've tested add-on pages and they aren't successfully making sales, consider waiting to sell add-ons until after your customer has tried out your product and appreciated how it's improved their life. If the customer is on your email list, send them an automated follow-up email a few days later to pitch your add-ons.)

Stage #4: Thanks Page

Once you've made all your add-on offers to the customer, Brunson recommends directing them to a page confirming that their order is complete and thanking them for their purchase. **If possible, link to other products you have to offer so the end of one sales funnel puts them at the beginning of another.** That way, the customers who are *really* excited about your business have the opportunity to invest as much as possible in you right away. To return to our earlier example, if a customer has just bought your book of travel advice, provide a link to the page on your site selling one-on-one travel coaching.

Creating a Thanks Page That Encourages Further Purchases

For customers who are excited about your brand, all you have to do for them to buy more is link them to your other products. But what about customers who are on the fence about buying more? Luckily, there are <u>a number of elements you can add to your thanks page</u> to increase the odds that the customer will buy from you again.

- Present a receipt where customers can look over and confirm details, such as a recap of what they ordered and a delivery address. This will help avoid administrative mistakes that could upset your customer and discourage them from future purchases.
- Let them know the approximate date that your product will be delivered, demonstrating that you're a reliable business with predictable, consistent processes.
- Include a discount code for them to use the next time they visit your site.

Offline Sales Funnels

For your most expensive products, you'll want to create a sales funnel that eventually leads offline. You'll have a much easier time retaining the customer's attention and making your sales pitch as persuasive as possible if you're selling to them on the phone or in person.

To create this offline funnel, instead of sending customers to a purchase page, Brunson recommends using an application page where potential customers can apply for access to an exclusive offer. Often, products like this will require your personal involvement, and applications help you choose which people you'd most like to work with so you can invest your time wisely.

For example, if you're trying to register people for your overseas travel coaching retreat, create a form that lets people apply for the privilege to join, then set up phone or video calls with the customers you want to be there. Provide them with more information about the offer on these calls and work out payment details there.

(Shortform note: Arguably, the most important benefit of taking your sale offline is that it allows you to tailor your pitch to each customer individually—you can show how your product offers a solution to each customer's specific problems. In <u>The Challenger Sale</u>, Mathew Dixon and Brent Adamson assert that <u>this customization is vital when making large sales</u>. They explain that many of your customers will share the same needs. Therefore, you can <u>plan in advance a small handful of different pitches</u>, one of which will apply to almost every customer you encounter. Design your application forms around these customer categories so they give enough information about each customer for you to determine which pitch to use.)

After You've Built Your First Sales Funnel

So far, we've explained how sales funnels work, how to build an audience of leads, and how to design a profitable sales funnel. Last, we'll cover what your next steps will be after your website is up and running.

Brunson explains that **most sales funnels will require tweaks after you've launched them.** Track the percentage of customers that click through each stage of your sales funnel —this is your *conversion rate*. If a stage is underperforming, it's because it's failing to accomplish one or more of the three fundamentals of online sales. Make changes until that stage successfully catches the audience's attention, illustrates your product's value, and provides an enticing call to action.

(Shortform note: Despite what Brunson says, it's possible to execute all three fundamentals of online sales perfectly and still have your sales funnel fail. Sometimes, you can simply overestimate the market demand for your product. In *The Lean Startup*, Eric Ries emphasizes that when you're in this situation, you must <u>pivot to offer something customers</u> <u>want more</u>. If you find yourself making many changes to the different stages of your sales funnel that don't result in a significant increase in conversion rate, <u>pivot as soon as possible</u>.)

Continue to tweak and improve your first sales funnel until it's yielding consistent profits. According to Brunson, **there's no reason to create a second sales funnel until your first has reached its full potential of profitability.** Then, create a new product with its own sales funnel that you can link to in the thanks page of your other sales funnels and in your daily emails. Repeat this process indefinitely, creating more interconnected sales funnels and increasing your profits as much as you'd like.

(Shortform note: In <u>The \$100 Startup</u>, Chris Guillebeau recommends <u>taking the time to clarify</u> <u>how much you want to grow your company</u>: Contrary to what Brunson says, you may not want to expand into a second sales funnel at all. If you want to avoid the stress of overseeing rapid growth and managing a large team of employees, keep your company small and focused on a single product. Another alternative would be to work toward *selling* your business—which requires hard work in the short term but less responsibility down the line—by making sure your company is able to operate and grow without your direct oversight.)

Guided Tour