

COFFEE BREAK BLOGGING

Podcast Transcript

Episode 113: Going BIG: Why You Should Design Your Business Backwards

To get automatic updates of this show to your mobile device, you can subscribe here:

- [Click here to Subscribe via iTunes](#)
- [Click here to Subscribe via RSS \(direct feed\)](#)



Hello there! Welcome to the Episode 113 of [Coffee Break Blogging!](#)

Today we are going to talk about "Going Big;" creating the business that you want to create online. And what we are talking about here is; we are talking about real money. We are talking about going in to the 5 figure or 6 figure range or even higher with your business.

Now when you are first starting out this can seem like a pipe dream. This can seem really far off. But what I want to talk to you today is about how to set the stage for this NOW. Because it is really important, and we will drastically speed things up, okay? So along that line we are going to talk about why you should design your funnel in reverse.

This is going to be a really good thing to go after [Episode 111](#). In Episode 111 of this podcast, I gave you the overview of the Blog Profit Funnel and how that funnel works going from lead magnet into a front end offer, typically into a middle priced offer which I am a big fan of putting a membership site in that point in our sales funnel; and then we move in to the high end offers. Very, very simple here.

Now let us start off with a very obvious thing: You're not going to build a really big business on the back of eBooks. You are just not going to do it. There might be a few exceptions out there; there always is in anything that I can possibly say.

[Subscribe To Coffee Break Blogging in iTunes – Click Here](#)

But generally speaking, if you have got a bunch of 7 dollar offers or 10 dollar offers out there or something like that, you are going to have a really hard time generating a 5 and 6 figure business with that. And it is just because of the sheer number of sales that you have got to make.

And so, there are a couple of people that come to mind here...

Some go into the Kindle publishing space and they think "Well, I'm going to try to make a fulltime business on the back of Kindle publishing". The thing is the typical Kindle book is pretty cheap. And so for that reason it is really difficult to make a full time run with Kindle publishing in terms of your business. Now the one caveat to that would be that if you have a funnel behind those books; so basically those books are front end offers, and you have got higher ticket things on your own site, on your own homebase that you can upsell your readers into, via the book; that would work. But otherwise you are going to have a hard time doing it.

The second group of people that comes to mind, for me, is the typical blogger. And I say this because many times, many bloggers tend to aim really low in their pricing and it is because of lack of confidence or whatever. Or you want to make that first dollar and so you are almost so desperate to make that first sale... You do what the lowest hanging fruit of marketing and that is to lowball your price point. And it is lazy. It is really lazy marketing but it also is a matter of lack of confidence. But the thing is, to step back and look at that from a design perspective, you are really going to have a hard time creating this 5 or 6 figure business on the back of those low end sales. And so what is really happening is that at the outset, you might be literally designing the wrong kind of business for you in the interest of getting a short term sale versus what you would like to ultimately create.

So again, going back to the big idea, we want to design our sales funnel in reverse. I want to review the 3 Ways to Grow Any Business. Now I first gave this back in [Episode 111](#), which we already mentioned on the blog profit funnel, now let's give this again:

3 Ways to Grow Your Business

1. More customers.
2. More frequent purchases so your customers basically come back and they buy more often.
3. This third one is very pertinent to this episode; and that is larger transactions, they buy more expensive things.

Now those are the 3 ways to grow any business. And you should be doing all of them.

[Subscribe To Coffee Break Blogging in iTunes – Click Here](#)

If you are doing just nothing but eBook sales; and let's say you have only got one of these or maybe two of them, and you think that you are going to create that really big business on the back of that eBook, I want you to look at these 3 ways to grow a business...

Now what is it really accomplishing there? You got more customers, more frequent purchases, larger transactions. Well, you're probably going to get customers. If your marketing is halfway decent, you can get customers; so that accomplishes number one. Now, more frequent purchase; that's number 2. If you have got nothing else to sell them how are you going to get more frequent purchases? Now let us look at number 3; larger transactions. Well, first of all if you have got nothing else to sell them, you cannot get larger transactions. But the second thing is, if you have to upsell them into another eBook, how are you going to get larger transactions?

You are not going to get a lot of money out of a typical eBook. And so you are literally designing the type of business that cannot scale up to what you probably ultimately would love to make on the internet. So that is why you are not going to go big on the back of these low end, front end offers which is the first part of the blog profit funnel; but there is more to it.

So when it comes to designing your sales funnel, I am a big advocate of the idea of designing it in reverse; which basically means that you start with the high end and then you work your way down into the cheaper stuff. You start with the high end. Now, this accomplishes a couple of things when it comes to designing your funnel. First of all it is going to help get you into the mindset of thinking bigger. And that is really important because I find that most people I work with who were in the beginning stages of business, they tend to make the mistake of thinking way too small. And I know because I spent a lot of time doing this myself. It is the easiest thing to fall into in this business; is thinking too small, especially with your prices.

And so, by thinking about your funnel and designing your funnel with the "end" in mind; and what we are talking about there is the high end offer, we are actually getting ourselves into the mindset of thinking bigger. Just that exercise of creating the kind of offer that would justify our higher price point is a good exercise. It gets you into thinking of how to deliver more value to your customer which of course warrants higher price points to begin with.

Now the second thing that this will do for you is that it will make sure that as you put your funnel together; that there is good flow throughout the thing. You know, because we have that flow that goes from lead magnet into a front end offer, which is usually fairly cheap in most markets; and then we go into the middle priced core offer or membership site in my case, I am a big fan of that.

[Subscribe To Coffee Break Blogging in iTunes – Click Here](#)

But there are some core offers there in that spot and then we go in to the high end offer. As your customer goes to that funnel then the upsell that you provide to them needs to make sense. It needs to go along with the product that they just bought. Or it needs to go along with the lead magnet they just opted in for.

If you do not know what is going to come after that when you put the thing together then what might happen is that you might run the risk of giving them whiplash. When they buy your front end offer and you present the next thing to them they go like "What the heck is this? This has got nothing to do with what I just bought!" And there is no logical leap from one to the next. And so the way that you can design this stuff with a strategy in mind is to know where you are going. And that means start with the end in mind. Start with the high end offer and work your way backwards. Now again, I'll reiterate this in a minute... I am talking about the design perspective; not necessarily actually creating it. I am not saying you come right out the gate with an expensive offer if you don't have anything else in play. So we'll get to that in just a minute.

Now, if you don't have a high end in place, I want you to have a really solid idea of what it could be. Really, really important point. Especially if you are just starting out you are not going to have a high end offer but I don't want that to be a limitation for you. Even if you are going to start out with a lower end stuff, I want you to kind of have a good idea of what a good high end potential offer could be. Put yourself into the mindset of a person who has a \$500 offer or a \$1000 offer. Obviously not everybody is going to want that but the right people would. Now what kind of value can you deliver to them so that you can put a thousand dollar price tag on that? What can you do? And that is a great exercise for you to do; a really good exercise.

The other thing I want you to keep in mind is that with this high end offer I want you to consider putting this into your funnel sooner rather than later. I am not saying you are going to start out with it because you are not going to get a cold lead to opt-in to your list and go right in to a 500 or a multi-hundred dollar offer. It is just not going to happen. In very rare circumstances, maybe if you take them to a webinar and do a really fantastic job on a webinar, you can jumpstart them to that point in the funnel but typically they are not going to make that leap for you. But you want to get this in there sooner rather than later. And I am going to explain this right now; and that is, we got the 3 steps of your funnel, once again: front end offer, mid-tier and then up to the high end.

Now the order that I think that you should do it is that you start out with the low end offer. And I am not saying "low end" as in just automatically make it cheap. We are talking about a front end offer here for your market. And the price of that is going to vary depending on what market you are in.

[Subscribe To Coffee Break Blogging in iTunes – Click Here](#)

If you are in a B2B type of market you probably are not going to come out with a little 7 dollar deal. But for many consumer oriented markets that type of impulse buy pricing is a good place to put a front end offer. And if you don't have any products yet, that is where you start. But realize, we have an idea what our high end is going to be at that point. We have outlined the funnel but in terms of how we actually create it, we are going to create the low end first.

Ideally what you would do at that point once you have got one front end offer or maybe a couple of front end offers in place, you jump to the high end and you put that offer together. Now again, I want you to back up to the last episode where I reminded everybody that we are talking about the solution; not necessarily the form factor of the product here. And I always say that again to remind you that a high end offer might not be a big honker information product. I am not saying that you got a go from creating some front end offer type of product and then say "Holy hell, now I am got to create this huge mega course in order to have a high end." If that is what you want to do, that's fine.

But keep in mind that there are other ways to present value to people versus a big pile of videos. It could be a "done for you" type of thing; it could be a coaching offer of some kind... Put your thinking cap on here and really design that front end offer and don't try to create something that is going to appeal to everybody because the very nature of a high end offer is that it will not appeal to everybody. It is going to appeal to the right people. And so, if you got a market where they are trying to accomplish something, there will be a percentage; likely a small one, but there will be a percentage of people who would be open to the idea of paying higher prices for more direct assistance. And for those people, I would recommend that you create the high end offer sooner rather than later.

Once you have got one or two front end offers and then you put a high end offer in place, then I would say that you start working on creating your mid-tier at that point. The best way to create the mid-tier is in the form of a membership site because I am a huge fan of this model and it is because as you create new front end offers they become part of your membership site content as well. And so you are really creating your core offer at the same time as you create your army, so to speak, of front end offers. And so that is a really good progression with your funnel. So if you are just starting out today, this is what I recommend that you do: You got your market in place, you got your niche in place, and you have a product/market fit.

Now in terms of creating your fully developed funnel, I recommend that you get the blueprint in place for this starting out with the high end, working your way back to a core offer which I am a big fan of the membership site in this point, and then from the membership site you are going to splinter off some various things into your front end offers and then you design the funnel from there.

[Subscribe To Coffee Break Blogging in iTunes – Click Here](#)

And then when it comes to actually creating the products that you are going to put in to those funnels, start out with the front end, maybe create one or two of those things, then move up to the high end, get that offer in place because there is always going to be those people who would be willing to take you up on it. And then once the high end offer is in place, you come back and you work on the core offer; the mid-tier which is probably, at least in my model is going to be the membership site. And then you make sure everything flows from one to the next.

So that is a general progression of how to create a fully developed funnel and you design it by starting in reverse.

Hopefully that makes sense to you. If you want some help putting this thing together for your business because I understand that a lot of this is very conceptual; then I want to again remind you of the [Action Plan](#) that I have taken out of the [Blog Monetization Lab](#) and made it available for a limited time at a crazy, crazy discount. And I am only doing this in order to provide you guys who have not ever experienced any of my training products before, I want to give you the opportunity to try it out with the low cost of entry. Essentially, this is a front end offer in my sales funnel; everything that we are just talking about. And this is the Action Plan on how to put together your blog profit funnel and we talked about all the mechanics of doing it from beginning to end... And you can find that at [blogmarketingacademy.com/funnels](#). You can pick this up for just \$7.

Once again, it is at [blogmarketingacademy.com/funnels](#).

With all that being said and done, I hope you found this episode valuable... And I will see you next time on [Coffee Break Blogging](#).