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Introduction

The Internet is a wonderful medium that can provide you global reach in the most efficient and economic manner. It has been used to promote communication and interaction between people, companies and countries throughout the world. It has opened up several opportunities for innovative ideas of delivering value to customers. One idea that has been growing in leaps and bounds is offering information or content online through a paid subscription or "members only" website. Not only is the Internet the most cost effective way of providing valuable content to a selected audience, it also expands your reach beyond geographies. It means your paid subscription business does not just have to concentrate on local markets - nothing is impossible! If your business has a web site, this in itself means it is accessible by the global market, and it is vital that your business take advantage of this.

This guide provides comprehensive and wide-ranging information on the complete process of setting up a paid content subscription website right from scratch. It explains in detail all aspects - how to plan, create, launch, market and monitor a paid subscription website.

Free is slowly changing to fee-based

The dot com bubble is perhaps reflective of similar gold rush mania in the history of enterprise. Suddenly the established tenets of business were thrown to the wind and everyone would talk of the "new economy". Having an internet presence and attracting visitors was considered success without any consideration to whether value was delivered and whether customers paid for the privilege. Eyeballs, and not cash, were the currency. Eventually sanity has returned to the Internet. Cash is king. Value has to be delivered. Having a visitor or even a sticky visitor is not enough, the visitor should become a buyer and should pay for the offering and should receive value for what he is paying.

Many websites in the past have offered free products and services to their customers. This trend is fast changing towards paid services and products. Smart entrepreneurs are now realizing that their hard-earned knowledge is valuable to others. They are moving content, which used to be available for free to anyone and everyone on the Internet, behind the turnstile and charging a toll from the information seeker. Resistance to paying for services is gradually melting away.

There are many reasons for this. First, only a few websites operated by big companies can afford to provide valuable content free. The rest of us can't afford this. Selling advertising on our websites has failed to pay the bills. Second, many people are now more than willing to pay to receive quality services and products

even if they were offered for free earlier. Several paid content websites have already proven this unmistakable trend. The discerning buyer values his/her time as also the quality of information or service and is willing to pay for it.

The Internet crunch has put to test the accepted practice of offering everything for free on the Web. Sites offering free information, free web sites, free shipping, and other Web freebies are shrinking in numbers, if not disappearing totally.

Both big and small online businesses have realized, some more painfully than others, that running a business by giving away free products is not workable. There are overhead expenses to pay -- salaries, rents, marketing costs, and others. Small online entrepreneurs, even the part-time hobbyists, are not spared from expenses: they need to pay for server or hosting fees to continue their operations.

As costs increase, advertising revenues have steeply declined making it difficult for a business to survive by displaying banner ads alone. To cope with the increasingly difficult market, dot-coms are cutting their budgets by laying off or reducing salaries of their staffs. Many have already closed their businesses altogether.

As a result, online businesses are experiencing a mad scramble to find other means to increase revenues. NetZero, a free Internet provider, has reduced its free offering to 40 hours and introduced paid subscriptions. Bizland now charges for Web hosting it used to provide for free to small businesses. Salon.com, the online magazine, will now carry fee-based premium content.

What used to be free is now slowly changing to fee-based. The low ad rates and poor affiliate returns have forced many small entrepreneurs to face two options: to charge or go under. The state of running a free site only to earn $1 for every 1,000-banner impression per month can only last so long. With the current slump in ad market rates, a site generating 100,000 page views a month can only expect to earn $100 - an amount that is not even enough to cover dedicated server fees.

People prefer to pay for unique content

Many sites are seriously considering charging for access to their content, either through a monthly subscription fee or a one-time access fee. The success of WSJ.com in creating a subscription-based model has inspired both small and big publishers to explore the same approach.

Some publishers are looking to combine free content with fee-based content. A significant level of content will remain free, while paying members can have access to the best content with no banner ads and other "special" features. Using this strategy, the site can still generate the same amount of traffic overall, while

subscribers enjoy special treatment and publishers earn revenue to pay for the bills and time spent developing the site.

For this model to succeed, however, a small site with no strong brand must cater to a niche market with information that nobody else has. Users will not like to pay the subscription fees if the site offers information similar to a hundred other free sites.

The site has to be dynamic, comprehensive, and the data needs to be accurate. It must provide users with a sense that they belong to something special in order to increase the perceived value of the site.

Proponents of this model believe that having 100 paying visitors per day is still much better than 100,000 free ones.

The Paid Online Content Business Is Successful and Growing

Overall market size

Over half a billion people worldwide now have Internet access, according to new research from Nielsen-Netratings. The research company's latest study indicates that 580 million people have Net access, compared to 563 million in the third quarter of 2002. According to ITU the worldwide Internet population of 2002 is a bit higher at 655 million. Projected figures for Internet population for the year 2004 are 709.1 million (eMarketer) and 945 million (Computer Industry Almanac).

The 11 major Internet markets measured by Nielsen-Netratings experienced a four percent average increase in online population between the fourth quarter of 2001 and the fourth quarter of 2002. The US posted the greatest increase in the number of adults online over the same period with nearly 10 million people over the age of 16 gaining Net access. The US now accounts for 29 percent of the global Internet access universe, followed by Europe with 23 percent, Asia-Pacific with 13 percent, and Latin America with two percent.

In 2001, the last full year where numbers are available, the Department of Commerce presented e-commerce sales versus total U.S retail sales. It revealed that the $3.16 trillion retail industry saw a total of $37.7 billion in sales take place online -- comprising 1.2 percent of the total. This year e-commerce is tracking about the same. Through the third quarter, the last full quarter where numbers are available, total retail sales were $856 billion versus $11 billion in e-commerce, about a 1.3 percent share.

Growth of paid content sites

As stated earlier, there is a growing tendency amongst Internet users to pay for valuable content online. The following facts corroborate the trend towards value added services and the high importance users give to effective use of their time. According to a research conducted by the Online Publishers Association consumer spending on online content has seen a steady increase every quarter since 2001. The first quarter of 2001 saw a spending of $118 million as compared to $228 million in the fourth quarter of 2001. The figures for the first, second and third quarter for 2002 are $296 million, $318 million, and $361 million respectively.

The total market for paid online content in the U.S. grew to $361.4 million for the third quarter, a 14 percent gain over the previous quarter. The market in the year

2002 is estimated to be around $ 1.3 billion. Over 10% of Internet users have paid for online content and this ratio is growing.

According to a study released by the Online Publishers Association (OPA), conducted by comScore Networks, US consumers spent $675 million on online content in 2001. This study concluded that consumers spent most money on Business Content, Entertainment, Personals and online dating. Other categories that saw a rise in spending are research, general news, games, community directories, credit and personal help, sports, and greeting cards.

A recent report on the US Market on Spending published by the Online Publishers Association and comScore indicates a change in the spending in terms of different categories. The Personals/Dating category surpassed Business/Investing content to become the leading paid content category in Quarter 3 of 2002, with $87 million in revenues, a 387% gain over the same quarter in 2001. Given below are the most popular paid content categories as per this report.

The most popular paid Content Categories

Business Content – Includes business news (e.g., WSJ.com), business research (e.g., eMarketer.com), investment advice (e.g., changewave.com) and digital content used for business purposes (e.g., ArtToday.com).

Community Directories – Includes sites whose content is created in large part through the efforts of other site visitors, for example, Ancestry.com, IMDB.com and Classmates.com.

Credit Help – Includes sites offering access to consumer credit history records and related content, for example ConsumerInfo.com and CreditExpert.com.

Entertainment/Lifestyles – Includes digital music and multimedia (e.g., Real.com and PressPlay.com), as well as erotica (e.g., Playboy.com), humor, recipes and other content intended for amusement, leisure and diversion. Games – Includes online games that are played through a Web browser, both as distributed through portal sites (e.g., Yahoo! and Go.com), and offered direct through specialized gaming sites such as Alien Adoption Agency, Case's Ladder and The Well Dressed SIM.

General News – Includes sites like CNN.com, NYTimes.com and USAToday.com.

Greeting Cards – Includes sites like AmericanGreetings.com, BlueMountainArts.com and Hallmark.com. Single-purchase revenue in this category includes revenue generated from the attachment of gift certificates to content.

Personal Growth – Includes motivational and "self-betterment" sites, such as DailyGuidePosts.com, eDiets.com and WeightWatchers.com.

Personals/Dating – Includes sites that foster dating, such as Match.com, Singles.com and Kiss.com.

Research – Includes library-type research tools (e.g., Merriam-Webster, eLibrary.com and Britannica.com), as well as consumer research (e.g., CarFax.com and ConsumerReports.org), people search (e.g., 1800ussearch.com), medical and more.

Sports – Includes sports news, fantasy sports and league sites, such as ESPN.com, SportingNews.com, MLB.com and DRF.com (Daily Racing Form).

Top paid content categories

The top three categories (Business Content/Investment, Entertainment/Lifestyles and Personals/Dating) accounted for 62% of all paid content revenues in the first three quarters of 2002. The total market for paid online content in the U.S. grew to $361.4 million for the quarter, a 14 percent gain over the previous quarter and a 105.3 percent gain over Q3 2001. An interesting statistic put forward by this report is that 85% of money spent by U.S. Consumers for online content goes to the top 50 sites in most of the categories.

Many other research findings support these statistics. A paper conducted on the Existence and Characteristics of Dayparts on the Internet concludes that the total Internet usage of site categories is highest for Entertainment related websites. On an average day, Entertainment websites recorded 14.2% of the total usage. Other significant paid content sites are General News (8.1%), and Business finance websites (5.3%).

In terms of "stickiness" of different categories, Business sites - especially finance and investment ranked the highest. In other words, users are more likely to spend longer time surfing through a business website compared to other categories. This study was conducted by Nielsen//NetRatings. The most addictive web categories, according to this study, for 2002 are:

- Business – Finance and Investment
- General News
- Entertainment

A person spent on an average 21 minutes on a business website, especially finance and investment sites. The average time spent on general news sites was 15 minutes, whereas the average time for entertainment sites was 14 minutes.

Nielsen//NetRatings also conducted such studies for Internet users in the UK. The most popular paid online content websites for the year 2002 were News and current affairs (67%). Other popular categories in terms of usage are Entertainment (57%), Dating/Personals (30%), and Games (15%).

Other research reports/findings and market projections

- According to a report published by Jupiter Media Metrix, it is predicted that fees for general content will generate $2.3 billion in 2006, up from $700 million last year. Revenues from online games and digital music will total $1.8 billion and $1.7 billion, respectively, compared to $260 million and $30 million in 2001.

- The best money magnets among general content genres in 2006 will be audio-video entertainment's $600 million, followed by $400 million for adult material and $350 million to the business-financial category.

- On the other end of the scale, content aimed at kids and sports will take in $95 million each and just $85 million will go to consumer-shopping aids. The survey found only 6 percent of online consumers willing to pay for kids, sports, video or shopping aid content.

- Datamonitor forecast that the online gaming market will grow from $ 670 million in 2002 to $ 2.9 billion in 2005.Europe will continue to lag behind both the US and Asia-Pacific in terms of online gaming because of its fragmented market, the slower rollout of console online gaming and the overall lower penetration of broadband in the region.

- According to comScore Media Matrix, 19.2 million Internet users from home and 7.9 million Internet users from work went online to personals sites in December 2002, with the at-work users accounting for 35% of the time spent on such sites.

- A report by the National Research Council estimates that there are between 2 million and 8 million subscribers to pornography Web sites, and that they paid between $40 and $100 for a year, for a total of approximately $800 million in 2002.

- According to Nielsen/NetRatings, the most addictive Web categories among home and work users are Finance & Investment, News & Information, Family & Lifestyles, Search Engines/Portals & Communities, and Travel, with Finance sites being the "stickiest." The Finance sites that keep visitors the longest are online trading and banking sites. In January 2002 alone, these financial sites were visited by 51.6 million unique individuals (44 percent of the active Web population) for an average of 21 minutes per visit.

- A research report published by the Informa Media Group estimates that worldwide revenue from e gambling will climb to $14.5 billion by 2006.

Advantages of the Paid Content Business Model

The subscription website or paid content business model, obviously, has many advantages over the free content model. Free websites rely solely on advertising to generate revenues, which can be tough at times. Without a steady source of revenue free sites cannot keep up and thus they easily lose visitors. The paid content model relies on both – the customers as well as advertising for revenues. Some of the advantages are described below:

Steady income stream

One of the major advantages of subscription fee based model is that you generate a steady income stream. Typically a subscription term would last a month, or a quarter or, in some cases, a year. If you successfully retain a customer for a higher number of subscription terms you keep on generating income from the same customer without having to put in something extra. In other words, you get doubly rewarded for retaining your old customers.

Low startup and ongoing costs

Key to any business decision is cost. Website costs can be split into three areas: set-up, maintenance, and running costs. The set-up costs depend on what you want to accomplish with your website, and who you get to realize your requirements.

The startup and maintenance costs of subscription websites are somewhat similar to those of free websites. These include costs of basic equipment such as a computer and a desk, incorporation and domain name registration costs, and web hosting and website design costs, which are quite similar for both free as well as paid websites. The biggest investment is towards software. For small and medium websites this expense is also pretty low, and in some cases, this may well be available free.

The only additional costs you incur while building a subscription website are security and payment processing costs. These are very reasonable, as low as $450 or even lower.

Low start up costs mean lower risks. At the same time it also means that entry barriers are low. No wonder so many persons look upon paid websites as 'get rich quick' schemes. If you want to see your name in the list of success stories (some appear in the next section of this book) make sure you see this as hard work and a long-term business.

High profit level

With steady income streams and low startup and ongoing costs, the profit margins sustained with such a model are definitely very high. With a successful website you can expect to reach break-even in no time. Typically for a content website a one month subscription would cost around $20. Even with a small or medium customer base, you can earn high profits. With each increasing member the incremental cost is truly negligible and your profits can grow exponentially. Remember, success breeds even more success. If your membership base grows, the word-of-mouth publicity spreads even more. A large member base also opens up the avenues for additional income streams – advertisers wishing to exhibit their wares to this captive audience, affiliate income and more.

Low personnel requirement

Unlike traditional brick and mortar companies, websites can be successfully operated and maintained by a single person – you. Of course, if you do not have any technical experience you would need a webmaster and a database administrator, but still the manpower strength required to run a subscription website is extremely low. This has innumerable advantages. It reduces your operational costs in terms of salaries paid to your employees, and thus gives you an even higher profit margin. You do not have to wait for your hiring cycle to get completed before you can even launch your business.

Easily scalable – can handle large membership

One of the benefits of websites is that they are easily scalable. The same is true for subscription websites. Such websites can be updated and expanded at little cost in very quick time. The software and databases used are also easily scalable and can handle a large membership base whenever required. Unless of course, you have totally ignored the scalability aspect while having your website and your web software developed. The "physical" costs of scaling up are minimal; perhaps you have to spend more to attract members.

High quality subscriber base

People pay to become a member only if they are interested in your service or content. Apart from generating revenue for your website, this has another advantage. Paid subscription would ensure that your customer base consists only of targeted customers and those actually interested in your service. In other words, such a model is more likely to retain your customers. A high quality subscriber base could always work wonders for your business. No doubt the subscriber would be demanding and would expect value. However your members clearly stand out as a special group that has a particular need and that values quality and time. Try filtering out leads to arrive at such a target group! You will never get the same results.

Cross-selling opportunity

Any sales professional will tell you that it is much easier to generate increased sales from an existing customer than it is to find a new customer. A subscription website is an excellent way of cross selling your services (or products) to current customers.

One of the best examples of cross selling via the web is on Amazon.com. If you search for a book on the Amazon site, a message will appear on the same page, saying 'Customers who bought this book also bought…' and will list half a dozen other books for your consideration. This is an excellent way to cross sell additional services or content to your members.

You can also direct visitors to other parts of the site, to consider products and services that they hadn't previously considered. Successful cross selling is the result of recognizing a customer need and meeting that need with a useful product or service. Customers benefit from needs-based cross selling efforts because they receive the services they need and want.

Cross selling can help your business realize its objectives: providing useful services, retaining customers, attracting new customers, and staying competitive with other websites.

Earning affiliate income

You could include affiliate schemes on your website. In affiliate schemes, you provide links to other providers and e commerce sites (or any site for that matter) on your site. Website owners everywhere are looking to build the visitor stream to their sites. They will provide you incentives (usually a commission on the sale of their product or service) or a fee per click for your customers or visitors to visit their site. This not only is a very effective marketing strategy but also generates income for your website, especially if you have a large membership base.

However, your affiliate partners should have offerings that are interesting to your members and visitors. The best evaluation factor you should use in deciding whether you include someone's affiliate link on your site is to assess whether a visit to that other site provides relevant and interesting information or products to your member. Only if it attracts your customers, would you succeed in making this source come alive. Does your customer feel that you are giving him the privilege to reach that other site which he or she would not have ever found on his or her own efforts? Such an affiliate link serves a dual purpose. It delivers additional value to your customer and it earns you some additional income.

In most free content websites, it is debatable whether the owner should provide links to affiliates. A site visitor may just jump off your site to the affiliate site and

that has not done you any good. However, in membership sites, this is not relevant. Your visitor is already a fee paying member and will come back again and again.

Reach out to a global customer pool

The web is global, there are millions of users already, and you are not just limited to markets where you have established a base. It is also multi-lingual; if your site is written in one language, never fear. There are service providers out there that will translate your work into the native language of the user and perhaps you can link it through portals in that language. Even if you do not provide a different language version, search engines do offer translation of content to information seekers and thus your site is able to reach other language speakers. Through the web, a niche market can be transformed into a mass market. People interested in your product will seek you out using search engines, following referrals from their friends, or by a host of other methods.

A website runs 24 hours a day, 365 days a year to a global audience. It gives you the opportunity to inform, educate, sell, educate and persuade your customers, clients, prospects, partners, staff, and contacts worldwide any time day or night. In the physical world, this was impossible (in most cases). Thus you have opened up a large new marketplace for yourself, which never existed before this.

Leverage existing "know-how" and resources to earn additional income

You may have developed specialist know – how (knowledge and experience) over the years. You may be a research scientist working on a specific technology area such as image processing or cryogenic metal treatment. You may be teaching at the University or may be you are a trainer in Human Resource Development. Ever thought of leveraging this know-how and reaching a wide audience. If you have been holding seminars, tutorials and boot camps in your region, you know how much organizing that takes and what limitations that delivery format has. If you have extensive training material and resources that have been authored by you, you should consider making it available through a subscription website. You may need to organize your material and convert it into electronic format. The main factor you should use in deciding about this is whether you think your information is unique and there are persons who would benefit from that type of information and who would pay for receiving it.

Thus you can see that this business model can offer you an excellent opportunity to capitalize on available resources and earn additional income.

Choosing Your Idea and Business Model

In the previous section we saw the benefits of setting up a paid content business over the Internet. Like every other business, the first step for creating a paid content business is to figure out what are you going to sell. Without an attractive and unique product or service, your business cannot succeed.

The web is a huge marketplace that has attracted businesses with its potential for big-time revenues. Dizzying success stories of ventures started in a basement that grew to become stock market's darlings are constantly parlayed in the media. Small businesses came to the Internet, tentative at first, and then in droves - eager to sell everything from information to fake estate jewelry to handcrafted tapestries. On the other hand, the stories of failures and crashes are legion. We all know by now that merely setting up a jazzy site and attracting eyeballs and hoping to reap huge revenue from advertisement does not work. You must deliver value to a customer who is willing to pay for it. Remember that the Internet is only the medium and not the end. The Internet only helps you to find prospects, take your offerings to a wider audience, provide them convenience (and choice) and promote interactivity and personalized offerings. All this, in a very cost effective manner! However, the Internet by itself does not create the offering – the information or content has to be yours and it has to be special.

Selection of your business idea is the most important step in the whole chain of setting up a paid membership business over the Internet. Execution of the idea is important and this book tells you how to go about successful execution; however the idea has to come from you. This section points out to you some content categories and business ideas that have been successful. The idea is to illustrate to you what can be done.

You can sell just about any content or service — as long as you have an offering that has a market and an ability to get it (legally) to your customer. Yes, there are exceptions. In some cases you might be competing with big companies with a chunk of the market share.

The Internet is primarily used to communicate, entertain, educate and research. It is thus no wonder that nonperishable, information-intensive content - including software, books, travel, and magazine subscriptions - are the most popular online services at present. Content-rich subscription-based sites focusing on a wide range of topics have been sprouting all over the Internet.

Here are some categories that you may like to study and pursue.

Business information, research and content sites

This category includes business news, finance and investment advice, business research, digital content used for business purposes, business tips, and other information about all kinds of businesses. It also has business listings, corporate information, market research, and industrial reports and statistics. Market researchers, consultants, sales and marketing managers need information about market trends, market size, major players in their sector and a lot of statistics. This information can be difficult to find and it can consume enormous time. If you are experienced in information research, you can compile information on specific business sectors and companies and provide them to members with your own analysis. Almost all the large consulting companies offer paid content through their site; some use their site to offer their specialized market research reports.

Corporate information from the financial perspective is another sought after category. It is valuable for both, investors and analysts.

You can also include business information and case studies pertaining to different countries and government. Some such sites are WSJ.com and eMarketer.com

Community sites and directories

Several portals and community sites are found on the net that promote interaction and collaboration between select groups of members. A large number of these are subscription based member-only sites. You can think of your own idea of a community site – you can organize a sports league in your town to play tennis, badminton and squash; or a community of 'low riders' to interact. These community sites can benefit from providing additional services to their members; thus the sports league site could sell racquets or other sports gear, or it could have such suppliers advertise their wares on the site.

Community Directories include sites whose content is created in large part through the efforts of other site visitors, for example, Ancestry.com, IMDB.com and Classmates.com.

Personal advice, motivation and self help sites

There are several sites aimed at the individual - mainly motivational and self-betterment sites. Such sites offer tips, articles, advice and counseling on how to build self-esteem and self-confidence and reduce stress for a happier life. You may also provide great inspirational quotations, inspirational stories, motivational poems, and other resources to motivate and inspire your visitors. It could include psychology tests, IQ tests, emotional intelligence tests and personality tests for self-help improvement.

The market for personal advice and counseling, especially for students is pretty big. You can provide educational counseling through such sites. Professional advisory information and training is covered in a subsequent category.

Fitness and health, diets, weight loss sites

These sites provide complete guides, articles, tips and counseling on proper eating and exercising habits, benefits of diet and exercise, fitness techniques, diet articles and diet tips, weight loss, as well as some of the popular diet plans. It includes tips from fitness experts, reviews of fitness and diet programs, message boards, forums and discussions on health and fitness.

Information of various nutritional and diet supplements, healthy and non-healthy foods can be included. Some of the popular fitness and health sites are eDiets.com and WeightWatchers.com.

Not all the sites are comprehensive in nature; most in fact focus on some specific program(s) and try to promote those programs to their members. Members are provided not only great details about some proprietary programs, but also personalized guidance to suit their individual cases. Members are also able to share their experiences. Generally, such sites will also offer privileges and discounts to their members to avail of fitness equipments or nutritional supplements or membership of fitness clubs.

Personals and Dating

A recent report on the US Market on Spending published by the Online Publishers Association and comScore indicates that the Personals/Dating category surpassed Business/Investing content to become the leading paid content category in 2002.

According to eMarketer, 19.2 million Internet users from home and 7.9 million Internet users from work went online to personals sites in December 2002. Personals and Dating is by far the most popular and visited category on the Internet. These sites foster match making and dating. They include personal classifieds, chat rooms, messenger tools and cater to a global audience. Some popular sites include Match.com, and friendfinder.com.

Consumer research and reports

Consumer research sites contain links to consumer booklets from government and corporate customer service centers, consumer advocacy organizations, and TV consumer transcripts on a variety of consumer topics. These also include consumer price index links, college and scholarship resources, and other general resources. Consumer resources and research help consumers make a wise decision on buying new appliances, jewelry, wine, toys, or long distance service.

A site may focus on everything automotive: information on car buying including wholesale price lists, car reviews and crash test results, consumer rights under state lemon laws, and car complaint histories. It could contain telephone directories including reverse directories by address, phone number or email address; company backgrounders; and directories of lawyers, directories of consumer agencies and organizations.

You may cover information about home improvements, repairs, contractors, and home buying. Consumer research websites incorporate health information as well as consumer information about nutrition, tobacco lawsuits, and medical news.

There are several subject areas to choose from. Many sites have been set up for product comparison – features as well as price comparison. Generally you will find these for electronic appliances and computer equipment. These sites also provide you access to actual consumer feedback and experience from other buyers. Some sites are free, but for specialized and tailor-made advice, they have fee-based services.

People Search websites

People search websites are a good way to find out addresses and other information on people. These sites are generally used to locate "lost" friends and relatives. For such sites, the site owner needs to purchase databases of public records from government and other agencies. Most people would be listed with such agencies making it easier to track them down.

You could search for people by name, address, or phone number. Some people search websites also provide background checks for higher fees. Property as well as business search may also be included.

Legal Research websites

Legal research websites are an effective source of all kinds of legal information. These include information on laws ranging from abortion, advertising, automobile, home buying, marketing, business, matrimonial, debt collection, education, criminal, computer security, constitutional, commercial, bankruptcy to anti-terrorism. You could find a list of attorneys for all states as well as list of organizations and associations for legal issues.

Information on bar associations, law schools, human rights services, and immigration services could also be incorporated. Information on case records can be annotated and indexed to offer powerful search and retrieval facilities. LexisNexis is one of the best-known sites in this category.

Medical research websites

These sites focus on medical issues and/or health insurance. Medical research websites provide an extensive listing of research resources on various diseases and promotion of health through public education. It includes clinical information as well as information about doctors and hospitals in all states. Information on medical ethics and fraud is also provided.

Medical Journals, publications, and articles are often presented. Such websites are a good resource for lists of National Institutes of Health, medical encyclopedias and dictionaries, and extensive information on prescription and nonprescription drugs. Apart from these, all information related to Medicare and health insurance can be found on these sites.

Consultants, paralegal and legal researchers and consumers are amongst those who have interest in such sites.

You may also like to consider a site that provides information on health and medicine for the general public or for a specific target group, say women, nursing mothers. While there are quite a few sites that offer this type of information free, there is room for those that can provide uniquely targeted information. Alternate and complementary medicine and therapy is another area evoking considerable interest and audience.

Sports news and information websites

These are one of the most popular categories of subscription websites. They include latest sports news from around the country and the world, information on all kinds of sports, sporting personalities and sporting venues. These also contain chat rooms, message boards, and forums for the sports fanatics to interact with each other. Links to various league sites could also be provided. A major crowd puller is the sale of sporting goods and memorabilia to members.

Greeting cards

Online greeting cards are a great way to send wishes to loved ones all over the world. Electronic greetings are far more convenient and cheaper than paper greetings. Online greeting cards are for every occasion from birthdays to weddings to festivals. They also include general love and friendship cards. The main advantage of electronic greetings is that these can be interactive and animated. Flash technology can be used to create amazing cards.

Initially, most websites offered online greeting cards for free but this trend has changed in the last few years. All quality sites offer paid subscriptions at nominal rates. Single-purchase revenue in this category includes revenue generated from

the attachment of gift certificates to content. BlueMountain and AmericanGreetings are some of the most popular greeting card websites.

Online games

Online gaming is a huge market especially for kids and teenagers. Many websites offer interactive online computer games. Some of the most popular gaming categories are arcade, sports, adventure, trivia, and card games. Game packages can be purchased at low rates from other vendors and installed on your website. Apart from these, you may develop your own games as well but this would be far more expensive and time consuming. Recently multi-player games have gained a lot of popularity. These games allow people from different parts of the world to log on and play against each other rather than one player playing against the computer. Many websites also offer monthly prizes and sweepstakes to its members as a marketing strategy.

According to a report published by Jupiter Media Metrix, revenues from online games will total $1.8 billion in 2006 in the United States compared to $260 million in 2001. Datamonitor predicts even higher growth. It concludes that the online gaming market is already $670 million in 2002 and will rise to $2.9 billion in 2005.

Entertainment and Lifestyles

Entertainment websites include digital music and multimedia, humor, recipes and other content intended for amusement, leisure and diversion. This is probably one of the most visited website category.

Nielsen//NetRatings conclude that more than 72 percent of Internet users surf the web for Entertainment sites, although the total consumer spending on these sites is not as high. A report by the National Research Council estimates that there are between 2 million and 8 million subscribers to entertainment Web sites, and that they paid between $40 and $100 for a year, for a total of approximately $800 million in 2002. This may include adult content sites, though, but there is considerable need for the entertainment categories listed above.

E gambling is another important market area amongst entertainment websites. Many researchers predict that E-gambling would soon be responsible for the highest consumer spending in most developed countries. A research report published by the Informa Media Group estimates that worldwide revenue from e gambling would climb to $14.5 billion by 2006.

Online learning and training

E learning or online learning is a very promising medium to provide training. The list of subjects and topics is vast. The Internet is a great medium to deliver training in a very cost effective manner. One of the greatest advantages it offers

the student is anytime, anywhere learning. There are sites that offer online driving lessons as well. Most states provide suspended sentences to first time traffic offenders if they enroll and complete a course providing driving lessons and take a test. This has spawned numerous sites that follow a prescribed course as per a given State's laws and offer an online course and test on safe driving and, well, they have a large clientele! There are sites that offer training in nursing, gardening, interior decoration or alternative medicine. Sites that offer training in personal growth and development are increasing rapidly. Some teach you to lose weight and stay fit; others teach you time management and leadership skills; still others teach you about the cultures and languages of the world.

Corporate training is another area that has attracted subscription websites. There are online "universities" that offer training on subjects like HIPAA (the regulation that covers hospitals, medical providers and health insurance companies, whereby training is required on the subject of maintaining security and privacy of medical records), or Computer programming or several other subjects that are important to businesses and their employees.

Test preparation training and practice is another prominent business area in subscription or paid content websites. Students aspiring for exams like SAT, GRE, GMAT, LSAT or those aspiring for Industry recognized certifications like MCSE (Microsoft Certified Systems Engineer) and several like these sign up as members on these sites and receive practice tests and tips for their examinations.

Ebooks and newsletters

Ebooks or Electronic books are self-contained "executable" files of HTML. Ebooks are very similar to normal physical books in the sense that they are rich in content. They are a huge resource for information. Anything you can put in a physical book, you can put in an Ebook. Executable versions of Ebooks can be created using one of the many Ebook generators available on the Internet.

Ebooks are great marketing tools as well. The Ebook you create should have a message promoting your website and a link to it. Thus, Ebooks can contain advertisements or links to your website that would persuade the reader to come back to your website and create an opportunity for more business.

Ebooks should be relevant, complete, clearly written, easy to follow, effective, and affordable. Books that score very high on content, usability and readability are the ones that ensure success. Apart from Ebooks, paid Newsletters are also a neat way to develop your member base. Like Ebooks, Newsletters should also be educative and informative and each Newsletter should be targeted at a relevant customer base.

You could start a paid content website offering an e book on a topic that is of interest to some segment of the public and where you have some expertise. You can have e books ghost written for you. Or you could have a site that offers several e books.

Auction and marketplaces

The success of marketplaces has been slow but the success stories are just remarkable. Witness the phenomenal success of Ebay, the auction site and some others like Elance, the reverse auction site for professional services. Ebay is a classic example of a simple idea of developing a community of people on the net, which just grew on itself due to some innovative ideas and the strength of convenience, lower transaction costs, simplicity and most of all due to the large community of buyers and sellers. Maybe you could think of nurturing a marketplace of teachers and tutors to answer questions and help solve problems of students online.

Credit Help websites

This category includes sites offering access to consumer credit history records and related content, for example ConsumerInfo.com and CreditExpert.com. Such websites also offer credit counseling and tips as well as credit consolidation services. Articles, guides, and tips for credit improvement are provided.

Technical Helpdesk and advice websites

Technical Helpdesk websites offer a 24 x 7 computer helpdesk hotline with telephone support at a fixed cost for members. The staff should be trained to assist in problems with most software. Technical helpdesk website services include installation, configuration and system set-up for hardware, operating systems and software applications, tutorial assistance, navigation assistance (on-line services), problem identification and resolution on supported products.

Horoscope and family tree

These are specialized sites that offer to read and interpret individual and family horoscopes. Such sites also allow you to trace and maintain your family tree. With historical indexes and records, customers will have access to centuries of historical data. Not only can they find interesting information but can also help you develop a family tree. Members can include family photos, documents, and more on the site for their friends to view..

Fan Clubs

Celebrity fan clubs are on the rise. Fan clubs offer memberships at reasonable annual rates. Such sites offer members a lot of information on a particular

celebrity along with photos, news, and memorabilia. For instance, for a rock celebrity you would have access to latest news, inside information, information on the artist's history and band members, concert dates, discounted tickets, and gift articles and memorabilia.

Factors to Consider While Selecting Your Idea

We have just looked at various ideas and business models for your subscription website. However, the key lies in differentiating between each idea and working out which one is most likely to make your website a success. Here are some factors to consider while selecting your business idea.

Your specialty and expertise

The first thing you need to do is to identify a service you have expertise in. Just about everyone has an expertise in something that they could sell. Odds are they are already selling it as their primary income source but have never thought seriously about generating customers by using the Web's full potential. In order to generate income, enough people must need and/or value your service and feel strongly that they will personally profit from the way you deliver it versus your competitors' approach.

Write down in point form exactly What, How, Why, and Where you offer (or plan to offer) your service. Note your range of flexibility – how and where you can adapt your service to particular needs. Describe your strengths (i.e., the reasons why you are better than the competition) and pinpoint your weaknesses (i.e., what you are planning to improve).

Your target audience

Understanding the needs of your target audience is essential for every business. You should always develop a profile of your ideal client. Make your sketch as comprehensive as you can. If your service has more than one kind of audience, do a profile for each major type. As well, ask yourself who should not be your prospect -- this technique is helpful to keep you focused on your target audience.

To work out an effective marketing strategy, you need to study your target audience. How do you sell your service to prospective clients? What marketing strategies do you use while advertising? These questions can only be answered when you know who your probable customers are and what they are looking for.

You may get a better understanding of your prospective customers by studying their demographics. Determine what are their ages, gender, professional and educational background, interests, and income level. A good way of doing this is by conducting online surveys.

What is unique about your idea

A unique business idea or a unique service offering is probably the most important factor for a successful website. If you wish to stay in business for long you have to develop original content as subscribers value original content. It is very difficult to sustain in the long run if you lift your concepts from your competitors.

There have been many cases of a copycat environment, especially for information related websites. Publishers of such websites often cut and paste information from other websites and sell it as their own. This may bring customers initially, but, in the long run, it never succeeds. Besides, this is all the more reason for you to provide something original and unique. With so much content copying going on, subscribers are bound to appreciate original content. You should always look for something new to say. Consumers are constantly looking for information that will stimulate and challenge them.

It is very likely that your service or content is not entirely unique. In such cases, you need to provide your customers with some extra – maybe a higher discount with the same quality of service, or some other kind of incentive. Offer something that has high value. Offbeat or unusual services often attract online attention and sell strongly. You would generally not try to sell information people can get at most websites.

Some people subscribe because they feel your website is novel or revolutionary. Some people subscribe because they believe your information is dependable and reliable. Some people subscribe because they believe they're getting a good deal. Being unique is all about focusing on your customer's needs. Answer the following questions and would be that much closer to creating a unique service offering.

- Do you provide specialized information?

- Is your content hard to find or unavailable elsewhere?

- What makes your product exclusive? Is it better than your competitors? If so, how is it better?

- What is the focus of the information you provide?

- What do your readers have when they have your information? What do they miss if they didn't get your information?

Assess the competition

We stressed a bit on the "unique" factor above. What is the most pragmatic way of devising a unique offering? The answer to this is plain and simple. Study your competition! This is probably the smartest thing you'll ever do. Make a list of all your competitors and their offerings.

Look out for news items and case studies on your competitors. These would give you a fair idea of what makes them stand out and what doesn't. Sometimes it is also possible to study customer reviews of services offered by your competitors. This sort of information is invaluable. It will help you in offering your customers something your competitors don't.

Assessing the competition also will also help you in deciding on an idea. For instance, sometimes it may not be worth selling a particular kind of content or service if your competitors are dominant market leaders and cater to a high percentage of the market segment.

Access to content resources

You have an idea of a great information product or service for your website. You also have worked out techniques on how to make this service unique, which is great. However, all of this means nothing if you do not have access to resources needed to successfully implement your plan. Understanding your resources is a vital aspect of every business. Do you have access to good copywriters and other staff needed to execute your plan? Are you flexible enough and would it be possible to adapt your service to your customers' particular needs? Do you have enough resources to constantly update your service and hold an edge over your competitors? These are areas you need to look at before you finalize your business idea.

Fulfillment and Customer service capabilities

There is no substitute for good customer service. In order to increase and retain your customer base, you fulfillment and customer service capabilities have to be top notch. You should have the necessary infrastructure in place so that you customers can contact you anytime they have a problem.

The bottom line is to provide outstanding service every time. "Wow" your customer with your fast turn-around, or low pricing, or free trial, or unexpected extras, or generous warrantee, etc. Quality and high satisfaction guarantee repeat customers. And they generate word-of-mouth referrals - the most targeted and least expensive way to develop leads, produce contracts, and increase profits.

Quick business plan assessment – startup costs and cash flow

Finally, you need to work out your budget and estimate the startup costs as well as ongoing costs. For a small venture, these costs are not very high. Given below is an estimate of the kinds of costs you may incur for setting up a subscription website.

Start up costs and cash flow

Basic Equipment – This includes at least one computer and desk for yourself. A good computer from IBM or Dell costs around $900. A desk may cost anywhere from $50 to $150.

Incorporation cost – The incorporation process may take about two weeks to one month. The cost of incorporation is very nominal – around $100 to $200.

Domain Name registration – Domain name registration for a single domain extension costs around $25 a year. The most popular domain extension is .com.

Software – This is the biggest investment you would make towards setting up your website. Make a list of all software you require. Some of them may even be free while some may cost thousands of dollars. Research is essential. Please note that you should never opt for sub standard software, especially in the case of subscription websites. These software are instrumental in the success of your website.

Encryption and security certificates - A secure socket layer certificate costs around $300 from VeriSign.

Logo and Website design – You may design your website as well as logo yourself if you are proficient in these skills. This way you can save some money. However, it is recommended that you opt for professionals as they don't cost a lot. Website and logo design may cost anywhere from $150 to $500.

Ongoing Costs

Web hosting – Your Web hosting company plays a major role in the working of your website. For small and medium websites, hosting companies charge from $30 to $150 a month.

Merchant and getaway accounts - Banks and gateways charge monthly support fees and a discount fee on each credit card transaction your site processes. These costs usually run less than $50 a month, and increase only a small amount as your subscription base grows.

Operating Costs

Operating costs include your monthly salary and salary of your staff, if any. You could always start alone and slowly build up. Operating costs also include monthly payoffs on any loan you may have taken to buy equipment.

Success Stories

Paid content subscription websites have enjoyed a lot of success in the last few years. This model emerged after the bloodbath of the dot com era. This only means that there were a large number of failures before the success stories started to stand out. The idea of presenting success stories is to provide you role models and to strengthen the premise, that if your idea is unique and properly executed, you will find it rewarding.

Here are some of the most popular success stories for subscription websites.

WSJ.com

One site that has been able to make the paid subscription model work -- and the site that is named the most in discussions as to whether the model can work elsewhere -- is the Wall Street Journal Online (www.wsj.com). Since launching in the fall of 1996, the site has consistently increased it subscriber base each quarter, making it the largest paid subscription site on the Internet.

For a yearly fee of $59, or $29 for those who subscribe to the print edition, users can obtain full access to the full text of The Wall Street Journal and updates throughout the day, as well as its archives. In addition, the contents of The Wall Street Journal Europe and The Asian Wall Street Journal are available. The site delivers a daily, personalized e-mail to more than 150,000 recipients, and has become one of the most popular sites for downloads to handheld computers. Today, about 600 000 subscribers pay to log on to the Wall Street Journal's website and read its articles, analysis and opinion.

It required courage for an established media company to seek the medium of the Internet as early as 1996, and to make it a success. The content is no doubt available through the print media, but the Internet provides the wonderful features of access to archives and research. All this with powerful search capabilities! An entire library at the click of the mouse! Another feature that stands out is personalized access to notifications or alerts when content of your interest is published. It could be news about a Company you are tracking or an article about the latest report on the real estate market in Sunnyvale. You receive the article in your e-mail.

AmericanGreetings.com

AmericanGreetings.com represents a tier of lesser-known winners in the fee-based model. AmericanGreetings.com's (www.americangreetings.com) success is the sum total of careful business calculations, plus a century of card-making

expertise, plus a seven-year journey through various Web content business models. Online via AOL since 1995 and then from the Web as well in 1996, the company started with the same fee-based model as its offline parent, American Greetings.

AmericanGreetings maintains a hybrid model. It offers some free greeting cards in all categories but many quality greeting cards are offered for a monthly subscription to members. Besides, AmericanGreetings also relies on its ad revenue. The site requires sustainable volume to maintain an ad inventory, but also converts a viable number of visitors to paying subscribers.

While tiered subscriptions and variable pricing models may work with other types of content, AmericanGreetings found that a single, uncomplicated offer was right for this niche. The company surveyed 5,000 users about their response to a fee-based system, and all of their research said that a single subscription model worked best.

AmericanGreetings is one of the most successful examples of a shift from free to paid content. You might want to know why subscribers pay for e-greetings when there are so many sites that offer free greeting cards. The reason is quality and choice. If you perceive your time as valuable, then why would you like to spend enormous time searching the web to find just the right card for each occasion? The subscription fee is not too high so as to tempt users to continue trying the free route. Therein lies one of the strong pointers to formulating your business model. Keep the subscription level low and you will find many users cross the threshold from free to fee. Maintain exceptional quality and offer them the opportunity to save their valuable time.

eLibrary.com

eLibrary (www.elibrary.com) is a comprehensive digital archive for information seekers of all ages. Users can do business research, use it for homework, get background materials for term papers, find out about both current and historical events, and more, all in one vast database designed for both depth of content and simplicity of interface. With its one-stop research access, subscribers ask questions in plain English, and eLibrary searches a billion words and thousands of images and quickly returns the information requested.

eLibrary aggregates hundreds and hundreds of full-text periodicals, nine international newswires, classic books, hundreds of maps, thousands of photographs, as well as major works of literature, art and reference.
eLibrary is for anyone who needs to research information quickly and affordably, whether at work, at home, or at school. The service allows the user to determine which resource categories (such as newspapers, maps, books, pictures, etc.) are searched.

Ever since it was formed, eLibrary has enjoyed success with its paid content model. It gives out more specific results as compared to a search engine.

Information research is one of the strongest content categories when it comes to subscription websites. Business research, Company research, financial research, Legal research and all other kinds of data are very much sought after. Specialized online databases have existed from the early years of the Internet and Computerized databases even before that. The Internet has only lowered down costs and brought a proletarian character to it.

Salon.com

Founded in 1995, Salon Media Group is a leading new media company that produces an award winning Internet site, www.Salon.com, as well as two subscription-based online communities, The WELL and Table Talk. Salon logged 3.8 million unique visitors in July 2001, as audited by the Audit Bureau of Circulations. Companies that have advertised on Salon include IBM, Lexus, PBS, Universal Studios, Hewlett-Packard, Ford, Sprint, Absolut, Powell's Books, Discover Card and Intel.

Salon Premium, the company's content-based subscription service launched in late April 2001 has generated over 50,000 of Salon Media Group's 65,000 subscriptions. Salon Premium provides subscribers with exclusive access to most of Salon.com's news and politics coverage, political columnists and additional content from its People and Sex sites.

Salon Premium also provides subscribers with special services such as the ability to download a day's worth of Salon content to their hard drives for offline reading, in either Adobe PDF or HTML text formats. The Well and Table Talk, Salon's community forums, allow users to view and post messages in moderated environments. Salon's subscription fees range from $6 per month and $30 per year for Salon Premium subscriptions to $180 per year for the highest priced Well subscription.

'Community sites' is another prominent category of subscription sites. If the membership of such a site grows and members find it valuable to share experiences and interact with each other, it would be offering an added benefit to members. People often want to hear from others who may have their experiences to narrate and gain valuable insights from these. Or you may just be interested in the opportunity of networking and meeting with like-minded persons for business or pleasure.

CarFax.com

Carfax.com empowers consumers with access to detailed histories on used vehicles. Visitors to the Web site need only enter a valid Vehicle Identification

Number (VIN) and for less than $20 they are instantly connected to important information that could impact their decision to purchase a car - information like salvage, flood and fire reports, ownership changes, liens, odometer fraud, and major accidents.

As the leading provider of vehicle history information, www.Carfax.com serves consumers with more than 1.2 billion records on approximately 300 million vehicles. This massive information repository is collected from a growing list of information providers including Departments of Motor Vehicles of various States, emissions inspection stations and private fleet management companies.

CarFax is one of the most successful subscription models. Its customer base has constantly been on the increase since the last few years.

Here is an example of two important aspects that can lead you to develop your own successful business model – identify a niche segment where there is a pressing need for guidance, advise or support and which relates to thousands of persons, and leverage the power of Information technology and the Internet to build a repository of content that would be hard or impossible for the next competitor to emulate. This is also an example of the 'early mover'.

eDiets.com

eDiets.com, Inc. is the largest subscription-based online diet, fitness and counseling network. Founded in 1996, www.eDiets.com offers online subscription-based weight-loss programs using proprietary software to generate customized diet programs. The programs are designed based upon individual members' personal goals, food preferences and lifestyles. Over 1.2 million consumers have purchased memberships since 1997 and over 13 million opt-in subscribers currently receive the company's leading proprietary bi-weekly health and wellness newsletter.

For a monthly fee, eDiets.com creates custom diet plans based on information provided in response to a comprehensive personal profile questionnaire. eDiets.com has been honored with the Forbes "Best of the Web" 2002 rating for the fitness and nutrition category by Forbes magazine, as well as one of the "Best of The Web" in the magazine's Summer, 2001 issue.

eDiets.com is ranked as a top 500 Digital Media site since its debut on the Media Metrix list in March, 2000 and, according to Technology in Practice, in August 2002, Media Metrix ranked eDiets.com as the 3rd most trafficked General Health site on the Internet with over 4.3 million unique visitors, which they define as "the number of users who visited the Web site at least once in the given month (unique visitors are counted only once)."

Personal improvement and enhancement – both physical and professional – is uppermost in the minds of the young and the not so young as well. Thus there are several self-help sites in the area of fitness, health management, weight loss programs, even beauty and grooming. Numerous subscription sites have sprung up for fitness and diet programs – but do remember that only those will survive and succeed that offer something unique and interesting.

ChangeWave.com

ChangeWave Research (CWR), a division of Phillips Investment Resources LLC, is an investment research publisher powered by an intelligence network of thousands of accredited and organized front-line professionals. ChangeWave Research packages and delivers market moving invest-able research to two main constituencies (self-directed investors and institutional buy-side portfolio managers) via traditional subscription advisory services. CWR publishes ChangeWave Investing, ChangeWave ProTrader and the ChangeWave Hedge Fund Briefing for individual investors. The weekly WaveWire is a free e-mail newsletter distributed to over 200,000 investors.

ChangeWave was ranked as one of the top 25 Web destinations for 2002 consumer online content revenue and No.5 in the business content category, according to the Online Publishers Association's (OPA) Paid Online Content U.S. Market Spending Report. It has successfully adopted the paid content subscription model with an ever-increasing customer base.
It is not just the general non-business users that subscribe to paid content sites. In fact the first thrust this model received was from business users. Thus even Portfolio managers of well-known investment funds subscribe to content sites that offer them valuable information.

TheStreet.com's RealMoney.com

TheStreet.com Network provides individual and professional investors, with timely, to-the-point financial news and analysis you can use to succeed in today's markets. It is updated before, during and after the bell by the largest independent financial newsroom on the Web. TheStreet.com is a free website that works as a guide to Wall Street. However, TheStreet.com launched RealMoney.com a couple of years ago, which is a subscription site for active investors and market enthusiasts. It has been a success ever since, generating most of TheStreet.com's revenue.

RealMoney.com offers real-time analysis and unprecedented access to award-winning columnists. It provides up-to-the-minute commentary and analysis on many industry sectors, real-time diary of market observations and trading strategies, offered by a host of professionals they assemble each day, and a portfolio tracker amongst other services.

This is an example of a business model that has worked for many. You start with a free information site, analyze your visitors, study what they require the most, identify that 'extra' that they wouldn't mind paying for and introduce a premium site (or a section within the same site) that offers exclusive benefits and privileges such as access to professional advice from a large number of experts.

Ancestry.com

With a paid subscription base of more than 550,000, Ancestry.com is the third largest paid subscription site on the Internet behind ConsumerReports.org and the Wall Street Journal Online.

Ancestry.com, according to Media Metrix is among the 10 fastest growing sites and it ranks among the top 20 in total page views according to Nielsen/NetRatings. Ancestry.com is the leading provider of private Web sites for families, where family members can share photos and news, participate in private voice and text chats, and maintain a calendar of family events. It is the premier online resource for tracing family history, where visitors can discover their roots by searching more than 600 million names. It hosts more than 100,000 free family history oriented message boards that allow users to connect and share information with others who are researching similar family lines.

While most successful subscription sites are an outgrowth of major offline brands, Ancestry.com has found success with the subscription model by offering users increased value over the duration of a subscription. Currently, the site offers in excess of 600 million searchable records in 2,500 databases. The company continues to add new databases and other family history information to Ancestry.com every business day.

Besides its subscription area, Ancestry.com offers over half of its content free to all Internet users. The site also features exclusive holdings, historic maps, publications from leading family history experts, genealogy news, genealogy products and "how to" lessons.

USSearch.com

Founded in 1994, US SEARCH is an Internet-based trust and risk management services company, supplying consumer and enterprise clients with Web-enabled location, verification and screening services using its proprietary intelligent software platform.

A leader in finding people, US SEARCH has extended its employment screening and background check product lines to provide identity verification services and fraud prevention tools to Global 2000 companies. US SEARCH aims to provide its customers the right information to make faster, safer, smarter decisions.

US SEARCH provides location and verification services to both consumers and enterprise clients including identity verification, individual location, criminal record checks, employment and education verifications, professional reference checks, credit and motor vehicle record checks, drug screening, and pre-employment verification services. US SEARCH, has over 200 blue chip enterprise customers for whom it provides employment screening and background checks. This number is fast growing, making US SEARCH a highly successful subscription website.

SportingNews.com

The Sporting News, a Wired World Company, is a leading US sports media company reaching some 18 million people weekly. The Sporting News's content is available through many sources, including a weekly magazine, books, a radio network and stations, Web site, wireless devices and iTV. Having debuted in 1886, The Sporting News is the nation's oldest sports publication. The website, which provides information to subscribed members, was launched a few years ago. Its customer base has been increasing ever since.

www.SportingNews.com has become one of the Web's most successful premium sports content sites. It provides live information and news about all the sporting events throughout US and the world.

Sports, leisure and entertainment are amongst the leading categories in the arena of paid content businesses. Although this site is an example of a traditional publisher graduating to include the Internet to add to its brick and mortar model, there are several others that have taken birth only on the net.

ArtToday.com

ArtToday.com, Inc. has been in the graphic-content publishing business since 1988. Originally a software company, ArtToday shifted its focus to the Internet in 1996, offering online subscriptions for clipart, web graphics, photos, and fonts. Since then, the company has developed a network of design-oriented websites that provide graphics users with royalty-free content at affordable prices.

The company maintains a network of graphics related websites including Photos.com (http://www.photos.com/), ClipArt.com (http://www.clipart.com/), Graphics.com (http://www.graphics.com/), FlashComponents.com (http://www.flashcomponents.com/), RebelArtist.com (http://www.rebelartist.com/) and more. ClipArt.com is the largest subscription-based graphics resource on the web with over 2,500,000 clipart images, animations, photos, fonts, and sounds.

ArtToday.com has established a tradition of providing the professional and home user with innovative technology and easy to use, high quality software products at affordable prices.

This is yet another example of a site that is largely used by professionals, though amateurs use it as well. If a graphic element or an illustration is available at a nominal cost, why re-invent the wheel?

There are dozens of success stories and sure and certain, there would be dozens of failures. The web is a battlefield with victors and the vanquished. Where you want to be depends on what you can learn from these models and success stories.

Develop your business model

In the previous sections we saw the advantages of having a subscription website business model. We also discussed factors for selecting a business idea. In this section we would discuss some of the issues pertaining to developing your business model. This is mainly focused on the revenue streams and how you can set rates.

Subscription rates and pricing models

The very first aspect of developing your business model is to devise your pricing model and subscription rates. The best way to do this is to study your competitor sites and their pricing models. You should also make a comparison of the kind of services offered by your competitors. Subscriptions can be monthly, quarterly, annually, or even one-time. A report on online paid content conducted by Online Publishers Association (OPA) in 2002 concluded that although, one-time subscriptions grew a bit faster, all types of subscriptions still made considerable gains.

One time subscriptions priced at $50 or more had a year-over-year growth rate of 125 percent, while subscriptions priced in the range of $5-$49.99 experienced 122 percent growth. Depending on the content, generally websites charge a subscription price of around $5 to $25 monthly. However, it is important to have more than one pricing models. For instance, CNN news and other video content from RealOne.com can be downloaded by subscribing to a package costing around $9.95 a month. Subscribers to the service also get video from several other well-known sites. For another $10 a month, there's the gold version, which is good for 125 downloads and 125 streams of music on top of all the goodies in the RealOne bundle.

You can have different subscription rates for different packages offering different services. Also, in the case of monthly, quarterly, and annual subscriptions, customers could be given incentives mostly in the form of discounts to retain their membership. For instance if you charge $19.95 for a quarterly subscription, at the end of the term, the customer should be offered a discounted rate of around $16.95 - $17.95 for the next quarterly subscription.

A one-time subscription is offered when you expect the customer to download some content like an e book as a single transaction. This means you are not offering any recurring changing content. This is like selling a product – you are making a one-time sale of an information product.

A periodic subscription is seen when your site offers value over a period of time. There is changing content or the facility to interact with specialists or other

members. You expect your member to visit your site again and again. The periodic subscription model generates revenues in advance of use, either in whole or part. It fosters a loyalty amongst its customer base.

If you wish to build trust in your offering and are just starting with a new site, you should think of offering a low subscription option either a low rate or a monthly package so that it can be considered a sort of trial period for your new member. Of course you can (and should) consider offering free as well as premium content on the same site.

Free and premium content

Should one charge for everything or charge for some content, because free content attracts potential subscribers to the sites? To some extent this depends on how the free and paid for content are separated. A feeling of exclusivity can be created for those who receive paid content in contrast to those with access to free content. Other publishers seek to ensure the subscriber for content is receiving value without alienating the non-subscriber. Many of the highly successful subscription websites employ such a hybrid model.

Other revenue streams

Besides subscription sales and one-off sales, you can earn from affiliate income and commissions on cross selling to your members. If there are products and other services that are great for your member community vendors of those products and services will welcome the opportunity to leverage this relationship. You can earn commission on such sales.

You can also charge your members additional fees for special services or personalized coaching or extra privileges. Besides, you can offer them your own books, training material, videos and the like through your site. Some trainers also offer workshops and boot camps for advanced level training and these can be promoted with your members.
Scaling up and growing your business

As discussed earlier, one of the advantages of an online business is being able to scale up your website quickly and easily. Scaling up is essential for any business, more so for a website. Your softwares and databases should be such that they have the ability to handle a large customer database, even if you start very small. Your business model should be very flexible to accommodate customers' needs while scaling up.

Raising finance or venture investments

Approaching Venture Capitalists or banks is the traditional way to raise finance for your website. However, there are certain factors to be considered before you go to a bank or a VC.

Many people telephone an investment officer of a venture capital company and try to set up an appointment so they can explain their financial needs and the potential of their company. Most venture capitalists will resist such visits until after they have received the business proposal. Without the proposal, or at least a summary proposal, the venture capitalist has no idea of the details of the business. If you do meet he is not prepared to ask intelligent questions.

The business proposal is similar to the business plan, except that it is shorter and contains fewer details. A business proposal is much like any other proposal in that it proposes something to someone. In this case, it suggests how the venture capitalist and you can both make money. It is an abbreviated business plan with an emphasis on showing an outsider how the company will succeed.

Raising venture finance for an Internet business has become quite difficult after the recent crash. However, scores of ventures are still getting early stage investment from venture capitalists. The paid content model will generally be regarded a solid and stable business model and it should be possible to raise venture capital for good business ideas and well executed plans.

Exit options

Several Internet businesses have met with considerable success for the original investor when they exited their ventures. Often larger players in a related market segment, including traditional brick and mortar businesses may be interested in acquiring your business. There are several instances where such business ventures have realized very attractive valuations.

Building a Site

According to a global, web-based survey by Interbrand, the Google website had the most impact on people's lives in 2002. Google beat established brands such as Coke and Apple, illustrating how differently you build websites and, with it, brands on the web. It's less about how a website looks than how it works.

A website must have a strong visual image. Marketing and advertising agencies have dedicated themselves to this basic premise. This section details all there is to know about how to create and design a successful website for maximum customer base and sales.

What goes into the site?

To promote a service or a product through a website is to promote mood, color, and feeling. This must occur quickly and repeatedly. Successful websites must take a very unique approach, as Google (and before it, Yahoo!) illustrates. A paid service on the web is a brand that exists primarily online -- helps people do things. First and foremost, it's functional.

Every time a reader succeeds in executing a task on the web site, your product or service reputation is enhanced. Every time a reader is frustrated by the site, the product's reputation is diminished.

Tools and approaches that make marketers and advertisers succeed offline are often drawbacks on the web. The compelling image is slow to download and frustrates the impatient scan reader. The catch phrase is of little use to a reader hungry for information.

Google is a success because it does a great job helping people find the content they are looking for. Google built a successful brand with an anti-marketing, anti-advertising approach. Its home page is bare, minimal but most of all utterly functional.

Yahoo! built its brand in a very similar way. Yahoo! remains the number one destination for millions worldwide. Its home page is much more cluttered than Google's, but it's cluttered with links. It's about helping you to get to a destination quickly; helping you do things.

The conception about flashy homepages has changed. When you arrive on a home page and are met with a fancy Flash intro, you are no longer impressed. Waiting for a large image to download, your frustration would grow. Your potential customers visit your website looking for something unique and important. Anything that slows them down is an annoyance. You should portray

your product with accurate, well-written, up-to-date content. Many marketers and advertisers still don't understand the web.

Build It for Speed - It's a fact of modern life - people are in a hurry. This means that you have between 10 and 30 seconds to capture your potential customer's attention. To minimize your load time, keep graphics small. Compress them where possible. Use flashy technology (JavaScript, Flash, Streaming Audio/Video, animation) sparingly and only if it is important to your presentation.

Target Your Market - Know who your market is and make certain that your site caters to their needs. It is critical that your site reflect the values of your potential customers. Is your market mostly business professionals? If so, the site must be clean and professional. Is your product aimed mostly at teenagers and young adults? Then your site could be more informal and relaxed. The key here is to know your market and build the site to their preferences.

Focus the Site - Make certain your web site is focused on the goal, selling your product or service. A site offering many unrelated products is not necessarily unfocused, but this is often the case. If your business does offer many products, dedicate a unique page for each instead of trying to sell them all from one page.

Credibility Is Crucial - The most professionally designed site won't sell if your customers don't believe in you. A clear privacy statement is one way to build your credibility. Provide a prominent link to your privacy statement from every page on the site as well as from any location where you are asking your visitors for personal information. Provide legitimate contact information online.

Navigation should be simple - Make site navigation easy and intuitive. Simple and smooth navigation adds to the convenience of the visitors. Add powerful search and catalog features. Often, a lot of visitors do not have the patience to navigate through the whole website to find what they are looking for.

Consistency is the key - Make sure the site is consistent in look, feel and design. Nothing is more jarring and disturbing to a customer than feeling as if they have just gone to another site. Keep colors and themes uniform throughout the site.

Content is King - Good content sells a product. Ask yourself the following questions. Does your copy convey the message you wish to get across to your visitors? Is it compelling? Does it lead your visitor through the sales process? Have others review, critique and edit your copy to ensure it is delivering the intended message. Always double-check your spelling and grammar.

Website Layout and Site Map

When starting to design the layout of a site, it is often a good plan to step away from the computer and sketch a layout using good old paper and pencil.

Pages should be based on a grid, with space allocated for navigation, headers and footers, body text and whatever other elements that will be repeated throughout the site. This sketch will serve as a pattern for the site's appearance and should not change very much, if at all, from page to page.

Taking this approach means you can essentially have your site designed by creating a single page that can be reused, with perhaps minor modifications, as a template for all the other pages in your site. You need to consider how the various content types of different parts of the site will be accommodated within the design and be sure that it meets the needs of all sections.

Consistency is at the heart of good web site design and this applies not just to layout but also to every aspect of a site. If there are major shifts in the appearance or color of any part of a site it will be assumed by the user to have a meaning. This is fine if you are using it to highlight information or to indicate that the user is in a different part of the site; it can be very confusing otherwise.

Besides consistency in color, positional consistency is important. Navigation bars, navigation text, location indicators, logos, footer information and so on should be in the same place on each page. The width of margins, the positioning of images within articles, the size of photographs, the amount of space around text and images, the positioning and style of captions for images and so on should also be consistent. All pages should be well connected and navigation should be quick and simple.

The best websites today use a single template for all the pages of a section on the website or for the entire website, if the number of pages are few. The use of 'Frames', however, is passé. Using a template offers the consistency to your site and helps to build a brand image of your site. The template includes the graphic design and header of your page including the main menu bars. Content is thus positioned separately from the template.

Use of a cascading style-sheet for displaying the content is another useful mechanism to ensure consistency on all pages. The style-sheet stipulates the content layout, use of font and spaces, presentation of paragraph titles, margins on the page and other parameters.

When designing the site layout keep in mind the following points:

Visitors

In the majority of cases they want information and they want it now. How beautiful your site is will not be as relevant to them as long as it loads fast, has

consistent layout and makes it easy to the user to evaluate its usefulness to them.

Search Engines

When you are designing the layout always ask yourself what impact anything you plan to add to your site will have on the experience of your visitors and the capacity of search engines to efficiently index your pages. Add pages in order so that navigation through the website is consistent and progressive. Further details on search engine optimization are given in the section on promoting your site.

Always add a Site Map

A site map is just a simple list of web pages on your site. It gives your visitors a quick guide to what can be found there plus it's very useful to the search engine spiders. You can also use it to keep track of your site and see its structure and content all in one place. If your website is without a Site Map, there is every possibility that some of your visitors might leave your website within 10 seconds failing to find what they were looking for.

Navigation Structure

The aim of a web site's navigation is simply to allow users to get to the content they require. For sites that have a large number of sections and web pages (and information sites can be one of these) the navigation plan has to be properly researched and designed. You have to consider different types of visitors and simulate the most common steps they would take to find what they want on your site and the navigation plan has to optimize this movement. For example the steps required from searching a catalog of items, selecting from the catalog, adding them to a shopping cart, proceeding to check out, to entering the payment particulars is a specific sequence that should be facilitated by the navigation system. If the sequence is haphazard, it could lead to frustration or the user may miss an important step and you would have an aborted sale.

To find their way about, users need to know two things:

- Where they are now

- How to go elsewhere

Navigation does not exist in isolation; good site organization is a prerequisite for a coherent navigation system.

Objectives of a Navigation System

Navigation can be broken into two primary types, Location Indicators and

Navigation Controls

Location indicators let users know where they are in the site at the moment. It needs to be borne in mind that users coming from outside your site can enter at any page, not necessarily on a 'main' page. They need to be able to orientate themselves.

Equally it is important that users navigating around your site have a clear idea of where they are both in absolute terms and in relation to other content.

Location information should appear on every page of the site, in the same place and in the same style. Location indicators should tell the user precisely where they are and this should be clear even to a user who has entered the site at an internal page. The location indicator should be identifiable for what it is and make sense in the context of other navigation.

In simple sites a page banner - text or graphic - naming the page will be sufficient. For this to work the page name should also appear in the main navigation so that it is relevant within the overall structure of the site.

Color can be used. For example a different color background, contrast color or sidebar in each part of the site. To be really effective the color change should be reflected in the navigation.

Using 'breadcrumbs' on every page is a good idea. Breadcrumbs show you a series of hierarchical links that you have used to go from page to page within a section. Using breadcrumbs is like leaving a trail of the path you have followed. The breadcrumbs appear at the top of the content section, just below the main navigation template. Each element in the breadcrumb is a link to that section or subsection. This helps in avoiding a series of back buttons allowing the user to directly go back to the main section page or another sub section. More importantly, it always shows the context of the page that is being viewed and how it belongs to a section or sub-section.

Navigation controls are the main navigation links; they allow users to move around the site. Whether they comprise images or text they should be predictably located in the same place, and with the same appearance, on each page.

These have several purposes:

- To allow users to move about within the site

- To tell users what information is available at the link

- To work with location indicators to orientate users

A good navigation control:

- Is clear: it looks like navigation

- Leads to obvious content - users have a good idea what they will find if they click

- Is consistent with other navigation controls

- Is predictable in its style and location on the page

What to include in the Main Navigation Controls

Having broken your content into categories you need a link to each category in the main navigation bar. Some categories will be a single page; others will be whole directories of pages. It helps to think of sections with a lot of content as mini sites, each with its own home page to which the main navigation link goes and which can be used to further orientate the user. Each section can also have its own subsidiary navigation if it contains multiple pages.

Note that links to other sites should NEVER appear in the main navigation controls.

Secondary Navigation

Secondary navigation is important for the following reasons.

- If a user gets lost then a drop down box, search function or a site map provides an opportunity for them to quickly re-orientate themselves or get back to a familiar page

- A site map page can provide more detail about what is in each section of the site than a navigation bar can

- Secondary navigation provides a quick way for users to get to content at a deep level, especially in areas of the site where there is a lot of content

- Most, if not all, sites will benefit from the inclusion of some form of secondary navigation.

- Communicating to your visitors with colors, background and text

In how many different ways does your website communicate to your visitors? One of them is determined by the choice of colors, background and text you use.

During site creation, it is very easy to fall into the trap of "if I can, I will" thinking. This method of thinking is very dangerous. The premise is if I can create a site with 256 differently colored words, backgrounds and graphics, I will. Your site may look great, but what will you accomplish? The disadvantage in creating a single site with dozens of different colors is color compatibility between different operating systems, monitors and browsers. If the browser of your visitor cannot show an exact color from your website, it will choose the closest or mix the nearest two colors. This is called dithering. The result can be something you did not want or expect.

The best way to avoid dithering is to optimize your site colors. The best way to optimize your colors is to use the colors in a 216-color palette. By designing a site with this in mind, your site will appear, as it should to all of your visitors.

Colors evoke a broad array of emotions, and influence decision-making process every day. By using these nonverbal clues to your advantage, you can influence how your visitors feel about your site.

Use colors that are not too jazzy and flashy but are easy on the eyes. Your site should be as simple as possible – not all shiny and gaudy. Ensure that your chosen color scheme can be over-ridden by the user's browser settings. Some people have eye conditions that mean they can read only black on white, while others can read only yellow on black - if your design is flexible, everyone will be able to read it.

Choose a background that is a single, solid color. If possible, avoid loud textures, patterns or images. The choice of background and foreground colors is not as important as the contrast between the background and the text. A simple way to check this is to take a screen shot of your proposed page and use a graphic editor to convert this into a gray scale image - by removing color from the image you will be better able to judge if the level of contrast between background and foreground colors is sufficient.

Apart from the color, your text font and format also play an important part in communicating with your visitors. Here are some tips pertaining to the text format to be used for your website.

Avoid, if possible, the use of graphics in place of actual text. Text size and color can be changed by the user's browser settings, but a graphic is fixed, and can't be changed in this way.

Avoid large blocks of italic text - this can appear 'wobbly' on screen, and is difficult for many people to read.

You don't have to use large font size on your page. Standard (medium) size text is fine - visitors to your site can adjust the text size to suit their needs by altering their browser settings. However, ensure that you use relative font sizes in your code, not absolute font sizes. Some browsers can't over-ride absolute font sizes.

Don't underline large blocks of text. Some people find underlined text difficult to read. In addition, since underlining usually indicates hyperlinked text, it can be confusing for users if it is used where no link exists.

Capitalization of whole sentences should be avoided, as many people find it difficult to read sentences written in capitals, and THEY COME ACROSS AS IF THEY ARE BEING SHOUTED AT VERY LOUDLY!!!

Use headings appropriately. Don't use headings simply to increase text size. Some browsers can present the user with an overview of a web page based on the headings and sub-headings - this doesn't work if headings have been used inappropriately, or not used when they should be.

Site Usability and Convenience

There is no mystery to usability. It simply involves creating a site, which is accessible to the majority of people, is easy to use and get around and delivers on its promises. You can have a site that meets the most important standards of usability by planning it well and always keeping the end user in mind. Remember that web sites should not be designed for their owners - they should be designed for their users.

Problems with usability could be said to stem from just two sources: the site itself and the user. In fact the site is always at fault; if a user, however experienced or inexperienced, has problems navigating, getting information or understanding the site.

While websites have become far more complex, web users have become less rather than more experienced as more and more people go online. It is a mistake to think that the majority of users will be web or even computer savvy and will understand subtle clues about content. Most will not.

Defining a Usable Site

A usable site will:

Help users achieve a goal, usually to find something, such as information, or obtain something, such as a book.

- Make it easy for them to achieve that goal

- Make it possible to achieve the goal quickly

- Make achieving that goal a pleasant experience

A site will be generally usable if:

- The content is good and relevant

- The content is easy to find

- The content can be found quickly

- The page is pleasant to look at and cleanly designed

Good Content

A site with good content, regardless of its subject, is one that provides products or information that is useful or beneficial to users. A good usable site will make it clear what information or content is available and at what price AND what is not available. A good usable site should define clearly all subscription packages offered.

Ease of Access to Information

Good navigation, precise location indicators, secondary navigation, clear linked text and a well organized structure all contribute to making information easy to find for a wide range of different users. This is discussed earlier.

Bearing in mind that many users are inexperienced, it may be necessary to include explanations of things you consider self-explanatory. For example, an inexperienced user may need an explanation of how to use a drop down menu.

Quick Access to Information

This is the aim of the majority of web users. It can be broken into two important aspects:

1. Speed of page loading

This requires, in particular, attention to images to ensure they are properly optimized and do not excessively delay load time. It may also mean breaking up long articles and ensuring that important content is at the top of the page where it will load first.

2. Speed of Access to content

This is where the much-vaunted 3-click rule comes in - no important content should be more than 3 clicks from the home page. Some standards even say that it should be no more than two clicks.

One helpful way to speed access to content is to consider each type of user, select the content that they are most likely to be interested in and create links from the home page to one piece of content for each group. This will get them quickly to the appropriate part of the site.

Cleanly Designed Pages

Cleanly designed pages are pleasant to look at and easy to read. It is almost impossible to make a site with an image shown as a tiled background usable - the whole thing is too distracting and confusing. It takes no great design skills to create clean pages; it just requires thought and adherence to the principle that when it comes to design, less usually is more.

Download status

Most paid membership websites are limited to online access and information download rather than selling products. There should be clear download instructions. In case of information download, it is crucial that you show a download bar and the download status. Many websites offer huge files for download but while the user is downloading he/she has no idea of the status of the download or the speed of the download. This is very frustrating especially in the case of larger files and often you'd see users canceling the download midway and leaving the website. Your website should also state the size of the file in kilobytes and the estimated time of download for a user having a 56K modem, DSL, Cable and so on.

Usability Problems

While for large commercial sites investment in full-scale usability studies may be not just useful but essential, few small sites can afford such luxuries.

However, identifying problems with usability for your site need be no more complicated than asking a few (honest) friends to act as guinea pigs on your site and, if possible, watching them silently as they do this. Watching users try to find information at your site can be both instructive and quite surprising.

Remember that if at any stage you feel the urge to intervene and explain, then you have identified a usability problem.

List of the most common usability problems:

- The site does not state its purpose clearly

- Java applets, huge images, banner ads or flashy elements slow down loading; 10 seconds is about as long as the average user will wait for a page.

- The site requires specific software to be used. Have you ever actually changed browsers or downloaded a piece of software just to see a site?

- Poor navigation, too little navigation, too much navigation and, not uncommonly, no navigation at all

- Bad design leading to poor readability

- Discomfort due to ugly design or inconsistent design. Almost always because a designer overestimated their skills.

- Irrelevance of content - for example the business site that includes biographies and photos of each of the board members. Happy egos on the board; bored users!

- Complexity or excessive originality of design, which requires users to learn how it works in order to use it.

- Inaccessibility because the site cannot be used by browsers used by people with disabilities

Building Interactivity and Personalization

Make your website interactive. Add feedback forms as well as email forms that allow your prospective customers to ask you any questions they might have pertaining to a product. Personalization of your website is another key element that can lead to customer delight and can increase your sales. Personalization technology provides you the analytic tools to facilitate cross selling and up selling when the customer is buying online.

It tries to restore to the online business the magic of personalized attention that is one of the chief reasons why most people still prefer in-store purchase. You can use personalization to match your customer with the right products through either rules-based or customer analytics based processing. Thus as your software stores customer information and preferences, it can help categorize them into groups. At the same time, observations over time can suggest products to cross-sell and up-sell. Thus when a person buys a subscription to a fitness site, exercise equipment is also offered. Amazon pioneered personalization on the net – when you a buy a book, it shows you other books in the similar genre saying "people who bought this book also bought these", inducing you to buy more.

A consumer survey from the Personalization Consortium found that 56 percent of respondents say they are more likely to purchase from a site that allows personalization, and 63 percent are more likely to register at a site that allows it.

Personalization can lead to customer delight and can increase your sales.

Website building tools

You can do without the services of a web designer to build a website. With the right tool and a little bit of practice, it is possible to create a website that tells your story successfully.

Although you don't need expensive tools, using an HTML editor with at least the following is highly recommended:

- visual help for syntax (colouring, indentation and markup options)

- syntax checking for pages and across the site

- link checking for pages and across the site

- spell checking for pages and across the site

- repeat edits within pages and across the site

- translation for special characters

- relative file paths, line numbering and spell checking

There are many tools available to the layman for designing websites. Microsoft FrontPage is by far the easiest product to use for designing websites. If you are familiar with Microsoft products, you'll be fairly comfortable with the user interface and should have no trouble getting started. Microsoft FrontPage generally comes as part of the Microsoft Windows operating system package.

Macromedia Dreamweaver is another good website building tool. Dreamweaver is known to be a much more robust and effective website building tool compared to FrontPage. However, it is more complex than FrontPage. Macromedia Dreamweaver costs around $400. Remember that you will need some time to learn to use these tools and reach some level of proficiency. There are several other tools available from other vendors including Adobe.

While you can design and build a site yourself using the above tools, remember that your site is your business establishment. If your site is just a single section with a sign up and a download section, maybe you can venture to try your hand at building your site. In all other cases, leave it to a professional web designer or

a firm with the experience. There are far too many aspects of the website that have to work together, and you should go in for the best resources to build the most important component of your business.

Domain Name registration

In the physical world, you can distinguish a business because of its structure, window displays, or signs. You can tell that a bank is a bank, or a clothing store is indeed a clothing store.

In the Internet, however, it is an entirely different story altogether. Your domain name is the only clue to your online business. You do not have visual clues: no location, no look, and no store design. Instead, users have to type in a word or a set of words to reach your site. Your prospective visitor has no way of knowing what your site is all about until he/she finds it and reads its contents. Who can ever tell that Amazon.com sells books? Or that Excite is a search engine?

Your domain name can spell your success on the Internet. A good domain name is the best asset you can ever have. It can make your business stand out in the crowd, or just float aimlessly in space.

The need to provide immediate clues to an online business led to the prevalence of generic domain names. Generic names instantly provide the user with an idea of what a business is all about, what to expect and look for in a site. For instance, Etoys.com is a toy store.

The temptation of the generic name has been so powerful; that some companies even paid ridiculously high prices to get the name they want. The domains Loans.com and Wines.com were both bought for $3 million each. Telephone.com was acquired for $1.75 million, while Bingo.com sold for $1.1 million.

However, generic names do not necessarily create the "buzz" that you'd like surrounding your website. Branding has always been about proper names: McDonald's did not name their store Hamburger. Hertz is not called Car Rental. FedEx is not Mail Carrier. Kodak is not Photographs. Microsoft is not Computer Software.

For better branding results, your domain name should be memorable and easy to remember. Remember the following tips when creating a domain name.

- The domain name should be short

- The domain name should be simple

- It should be suggestive of your business category

- It should be unique

- It should be easy to interpret and pronounce

- It should be personalized

- It should not be difficult to spell

- It should not be difficult to remember

Domain names can be registered through many different companies (known as "registrars") - a listing of these companies is available at ICANN: http://www.icann.org. You can register for 1 to 10 years - prices can vary anywhere from $10 to $20 per year. Most web hosting companies, as explained later, will handle the registration process for you, but make sure that you are properly listed as the owner of the domain when it is registered. If you have registered a domain name for a specific period, make sure you renew it in time. You can be surprised at the number of cases, where site owners have let a domain name slip by if they have not renewed in time.

Selecting the Platform and Server – Windows Server, Linux, or UNIX

When planning a paid subscription site, one of the basic questions for any Webmaster is what platform to base the web site on. The most popular platforms, Linux, UNIX and Windows Server are widely available and offer various options and have different abilities. Your choice of platform will define the utility and type of software that you can use, the kind of applications that your site can run, what kind of server can host your site, the amount of control you have over your site and how efficiently your site will work as it grows in scale.

When deciding on whether or not you will choose a Linux, UNIX or Windows Server platform it is important to keep in mind what web host will host your site. Established web hosts offer service on all these platforms, while others offer service only on one of these. Above all, make sure when choosing a host that they have a skilled technical support team that is knowledgeable about the platform you choose.

The fundamental difference between these platforms stems from how they came into existence. UNIX was designed to integrate with large network systems, while Windows Server was made to serve the needs of individual users or companies that don't want to deal with the complexities of UNIX administration.

UNIX has been around, in one form or another, for the last twenty years. Because of this, the system is very well developed and stable, and there is a lot of software and applications designed to work for it.

Windows Server, on the other hand, was created more recently by Microsoft as a system specifically designed to handle the user-friendly software, which it has developed for web page design. With Windows, you get a platform that runs a series of naturally compatible programs and applications that mesh easily within the ubiquitous Windows environment.

However, Linux by far is the most widely used platform. This is because Linux is open-source. That means that for the entire base system, you have access to the source code as well as the right to modify it. Thus, you can write new extensions and drivers as needed for your website. Linux is less prone to crash and is considered more efficient than any other platform.

Linux is also "free" in many senses. In one sense, the Linux consumer is free to modify the system and do anything he or she wishes with it. In another sense, acquiring Linux does not necessarily require any cash outlay at all. Linux offers a host of other benefits in terms of reliability, compatibility, and network friendliness.

A reliable web hosting service would suggest you the best possible option for your website. However, it is always good to be informed about the advantages of the different kinds of servers. Here are a few tips that would help you decide.

How will your customers or visitors view your site?

When you are planning your site, think of how your visitors view your site. The technology is improving every day and users are upgrading their systems in kind, but it is important to remember that a great number of users are working with technology that is a few years out of date. This concept is important at every level of web site planning, even when deciding what platform to use. Creating a complex web site that requires a lot of data transfer will be slow on older equipment and this may be counter productive for you.

Remember to think of your visitors when deciding what software you are planning to use. This is important because the software you want can some times determine what platform you must use.

What programs and application will work for you?

FrontPage by Microsoft, ColdFusion by Allaire/Macromedia, and Java servlets are just a few of the many names and buzz words that float around the Internet business. Deciding what software you need and what features you want, and therefore what kind of platform you run your site on, is one of the most important decisions you will make. Microsoft's ASP and Java Server Pages (JSP) are often used for designing the web interfaces if your site is database driven. If the

entire content is largely static and not dynamic, the pages could well be designed using HTML and the use of scripts.

How large do you expect your site to grow?

When you are making the plan for your web site try and think of how large it is going to grow. Is your web host going to need to support a lot of features? Do you need Real Audio, Video or Chat capability? Are you going to have a number of web pages and a lot of traffic, e-mail accounts? In the beginning, even if you start out small, on a virtual host (or shared host), remember that one day you may grow large.

How much administrative control do you really need?

In this category, UNIX is generally considered superior. This is because its system allows for programming closer to the base of the programming hierarchy. Find out about these when choosing your web host. But the question is 'how much administrative control do you really need?' Some users do not need the kind of direct control that Linux or UNIX provide and are better off with the simpler, pre-prepared (and integrated) programming that Microsoft supplies for the Windows Server platform.

Security and other considerations

Security is another important aspect that influences the selection of a platform. Java and UNIX are considered more secure compared to Windows.

The Web server you use for your website is again dependent on platform. Hence, selection of a platform also depends on the Web server. IIS runs on Windows, Apache will run on Linux, and so on. If the site is extensively transaction based, you may need to have an Application Server – these are also platform dependent. WebSphere and WebLogic are Java based, MTS is Windows based.

In the end, it will be the needs of you and your visitors that will define what programs and applications you want to work with. Once this is decided, the kind of platform you need will become apparent. If you need help answering these questions, ask a professional web developer or sales representative from a reputable web hosting company. They will be able to help you wade through the details and decide whether you should use a UNIX, Linux or a Windows Server platform.

Web hosting arrangements

If you have a business site on the web then you should aim for nothing less than a professional hosting site providing 24 hours support. There are lots of different

web hosting companies all offering different services, some offer free hosting but they may put adverts on your site (free hosting is not at all recommended).

When looking for a host there are a few important things to keep in mind, for instance, you may need help with basic things, which some hosts simply won't do. Other things to consider are the contractual parameters for your particular site, for example how much space you need to store your pages, how much bandwidth you need, and what if you need any special extras to create your site. It is better to let your web hosting company take care of all the technical requirements.

Let us look at how much space you might need. How much physical space you need to store your web pages and images? If the site is going to be less than say 20 pages then 5 Mb will be ample as the average web page should be between 2Kb and 50Kb; so this would leave plenty of room for any images you want to use. If you are using a database, you have to consider the size of data that it will hold. Add to all this, the space that you may need for all the mailboxes associated with this domain. Perhaps a space of 10-15 MB would be adequate for a small sized site. You must ensure that your hosting provider allows you to upgrade the space allocation at incremental costs. Remember that having adequate space for your site is important.

Bandwidth is a measurement of how much data (information) can be transferred over a set period of time; for instance every time someone looks at a page / image on your website this increases your bandwidth use. The average hosting company offers between 1Gb (1024 Mb) and 5Gb a month, which should be plenty if the site isn't going to be another "Amazon". So the calculation for the bandwidth would be the size of the pages/images viewed by each visitor times how many visitors per month. Some packages do not set a limit on the amount of traffic to your site.

An important consideration while selecting a web hosting Company is the infrastructure facilities, the flexibility and the support provided. Most hosting providers have contracted for bulk space from a data center and offer bundles of shared space to you. The infrastructure of the data center is an important consideration. What is the bandwidth available to the data center? Does it have redundant provisions for its connection to the Internet? What is the security provision including that for fire safety? What has been the track record of the service provider and the data center?

There are two primary options for hosting your site on a Server. You can have a dedicated server or you can rent space on a shared server. In the case of the shared server, the main server holds several websites, including yours. A shared server turns out far more economical to you. If your site has extensive transactions, important security considerations and you want much greater control over your site, you may consider having a dedicated server. Several

institutions and large companies may even host their websites on their own internal and dedicated server, which is then exposed to the Internet.

One of the most important aspects of a paid subscription site is the database to store and retrieve information; the two most common database systems are MySQL and Microsoft Access - which one you use will depend on your application and your host. The other options for selecting a database are Microsoft SQL Server, Oracle, DB2, Sybase and several others. Selection of the database is an issue that has to be decided with your Developer. The factors are compatibility with your web application and interfaces and your hosting platform, scalability, robustness and reliability and costs. If your database platform has been decided, ensure that this is offered and supported by your web-hosting provider.

Here are some other guidelines to follow when choosing the right web hosting Company.

- **What type of customer/technical support does the hosting company offer?**

Find a company that offers 24/7 tech support. If you're working on your site at 2 am and run into a problem, you don't want to wait until 9 am the next day to get it fixed. Make sure the company has a detailed FAQ page or online manual so you can get answers to some common questions immediately. You should prefer companies that offer a toll-free number as well, in order to avoid long distance charges in the event you have a problem that can't be solved online or via email.

- **How long has the company been in business? Who are some of the clients?**

Before you look for package specs, prices, etc, check out the company and make sure they're reputable. Look into how long the company has been in business and, if possible, check out some of the sites hosted by that company. Many web-hosting firms won't provide you with a list of clients, so if you're unable to get that information, find out how many clients they have.

- **What is the length of contract that you are required to sign? Are there discounts for paying several months in advance?**

You'll find month-to-month contracts, quarterly contracts, annual contracts and almost any other arrangement. Decide what is best for you. Once you settle on a company you like and want to stay with, it's nice to have the option of paying several months in advance at a discounted rate should you decide to do so.

- **How much will it cost?**

Web hosting fees vary greatly. For the most part, though, you get what you pay for. Companies that charge $2.95/month usually don't offer everything a company that charges $24.95/month does. Generally, you should find a high-quality host and a decent plan from $15.00 - $35.00 per month.

- **Is unlimited FTP access provided?**

File Transfer Protocol (FTP) is a method of transferring files to your server. It is highly recommended that you shop for unlimited, 24 hour FTP access. Access to your control panel to enable management of your site is important.

- **How many email addresses are provided? Are auto-responders provided?**

Some plans offer numerous email addresses with their hosting packages, so you can set up you@yourdomain.com, sales@yourdomain.com, info@yourdomain.com, etc. Look for hosts that provide auto-responders as well. These are neat little programs that send a pre-set reply to any mail addressed to a specific email address. Check other facilities that are offered with the mailboxes. The space for each independent mailbox is important along with a pooled facility for 'catchall' to make sure you do not lose important mail, just because your mailbox is overflowing. Does the provider offer you a web mail facility? What are the security features offered including anti-virus, anti-spam and such others? While you could use these features with the mail client on your desktop, having additional security layer at the mail server level is useful.

- **Is some sort of stats package included?**

Several hosts offer some type of statistics package. It is much easier to use the package they provide rather than trying to install one yourself - not to mention it's usually less expensive as well. Statistics show you the number of visitors that have accessed your site, showing where they came from (IP address), when, what pages they visited, duration of their stay at any page and so on. A separate section in this book deals with monitoring the traffic to your site for analysis and strategic purpose.

- **Backup and Business Continuity arrangements**

Creating a Back-up and Business Continuity plan is vital for your subscription website. Business Continuity includes arrangements for disaster recovery. The disaster may occur due to a natural event such as a hurricane affecting the data center or maybe due to the work of man (computer theft or security violations), or a hardware or software failure that leaves your current computer system useless or the data corrupt. The disaster recovery plan must cover restoration of software and potential replacement of hardware and, most importantly, recovery of all sensitive and critical data.

Business continuity or business resumption planning prepares your company to recover after some interruption of your business operations. A business continuity plan should comprehensively address all issues, from the ability to replace key personnel, if required, to restoring the ability of the computer system to process information.

All mission critical data, including your client and product database should be backed up at least daily and stored in a format where it can be accessed quickly. Make sure the data can be restored quickly. Consider building redundant systems. For instance, create a "mirror" for your paid subscription website at an alternate location.

Outdated operating systems and backup software can create difficulties. Keep all your systems up to date and secure. Firewalls and Security certifications and encryption reduce the chances of any interruption due to malicious attack considerably.

Security and Firewall

Every company on the Internet today, regardless of size, requires some measure of perimeter access control (firewall). Even Microsoft, with all its in-house expertise and intricate security measures has been susceptible to outside intrusion. With the emergence of more insidious and sophisticated viruses/worms, security measures are more urgent than ever.

There are several different options available, all of which depend on the size of your organization, how much money you are willing to spend, and how important it is to your website to ensure that your information is secure. It is important to bear in mind, that there is no "silver bullet"; no absolute guarantee when it comes to Internet security that your information will be foolproof. However, there are a number of measures that can at least ensure a maximum level of security.

All firewalls act as a gateway between two networks. Generally this gateway exists between a corporate network and the Internet. The firewall is set up to let a pre-determined group of people onto the network while keeping others out.

There are 3 basic types of firewall designs. Moreover, firewalls differ greatly in terms of functionality and feature requirements. There are firewalls that are extremely flexible and configurable operating on dedicated computer systems. This type of firewall is often used by those organizations that require the ability to configure it to suit their own needs, and have the resources and personnel necessary to do so.

At the other end of the spectrum is the type of firewalls that come as part of an appliance or some other system, and that have limited configurability and flexibility. Finally there are those firewalls that are built into routers and VPNs. One important factor in determining security requirements is the structure of your company and website. Obviously, very large websites with huge Internet transactions will require more sophisticated firewall solutions than the smaller websites.

Copy Writing

You have got your web design tools and your web hosting service. However, it is the content of your website that will determine the number of customers you can get for your products (or services). Your web pages have to be created such that they tell your story effectively.

Your website content should convince visitors that your product is either unique or superior to that of your competitors in terms of quality and/or is competitively priced. It should show your prospective clients that you can provide the solution that they are seeking. Your offering will solve their problems, answer a dream, enrich their lives, and/or improve their businesses. You are offering them value for money. You are the dependable expert that they want and need!

Your website copy plays a major role in establishing and growing your customer base. Website copy creates the "voice" of a company, just as the look and feel of a site put a "face" on the company and on otherwise intangible products and services. On a paid subscription site, the copy plays a key role in closing sales as well as in up-selling and cross-selling products and services. Good copy delights first-time visitors, encourages return visits and propels both customer acquisition and retention.

People read a web page differently than they do a brochure or a newspaper. They scan, scroll, click, hit the back button, and hit the forward button. "Reading" is about moving around and being in control. You have one chance to make a first impression – to quickly convey the benefit of staying on your web site. The layout, functionality, message and overall look and feel of your web page determine who stays – and who clicks away.

Your story should be clear and to the point. The goal of any web page should be to get the visitor to DO something: to move on to the next step in a purchase sequence or to click for more information about a product. Without readable, compelling copy and clearly organized hypertext links, visitors are much less likely to complete a transaction – and return to your site again.

Writing for your web page should always start from your visitor's perspective. What is your web site visitor looking for? Why is he/she here? How can you make his/her visit as quick and efficient and positive as possible? You should

take the time to clarify the goal of each page before starting to write. If the page is part of a transaction sequence, identify what may be hindering the buying process. Be sure instructions are clear and easy to read.

If you are selling a service on your website, your Unique Selling Proposition (USP) is your service's most powerful benefit, in combination with the strong, unique features of your business.

Tell your customers what service you are selling and explain what does a membership provide. What is the key benefit(s) to your customers? Compare your service with that of your competitors and highlight what makes you stand out from the competition? Keep working on this until you can clearly separate yourself from the others. As stated earlier there must be a convincing reason for doing business with you, instead of your competitor.

Summarize the above into one tight, powerful, motivating phrase that will persuade your customer to do business with you and to trade their money for the benefits delivered by your service.

As you start to work through the above four steps, you may find this to be a lot harder than it looks. Don't blow it off and give up! You must have a USP. If it were easy, everyone would have a great USP! Come up with a tight, sharp USP that sells your products to your customer.

Write tight, get right to the point, be keenly aware of the audience for the page, and don't use a three-syllable word when a one or two-syllable word will do. Use "call to action" language and be interesting. The page should be so clearly organized that, in seconds, visitors can understand and get convinced to buy your product and be able to anticipate where a hypertext link – or a "Continue" button – will take them. Studies show that "ease of use" is the winning factor on an e-commerce site.

If you're going to promote your products and expand your customer base using your website, potential clients have to be able to trust you. Their confidence in you and your products has to be boosted. Endorsements on your website from a valued friend or colleague, or a referral from a strategic partner are the types of "leads" that boost your credibility. You and your product must be perceived as being trust-worthy before your visitor will be confident enough to contact you or even buy your product.

Show prospects that you have their best interests at heart and that you can adapt or customize your service to meet their individual needs. Foster an ongoing relationship that steadily increases their trust level and cements a view that you are an "authority" in your field.

Another important aspect of convincing prospective customers is to keep abreast of recent developments in your field. Check what your competitors are writing about, and watch for new trends. This will keep your website current, razor-sharp and unique. By keeping your eyes open, you will be able to grab an angle or niche that hasn't been well covered yet by your competitors. Portray this angle or niche on your website.

Finally, be wary of broadening the theme of your site too much. Try not to dilute your product's targeted niche simply to expand your base of merchant partners. Remember; focus on selling your service. That's where the "meat and potatoes" of your business will come from.

Shopping Cart and Catalog

The next phase of building a website is to integrate it with transaction systems.

The transaction system consists of four main aspects:

- Setting up the shopping cart and catalog services

- Payment processing and verification services

- Setting up Merchant account for credit cards, and

- Security certification and encryption to ensure safe and secure transaction.

Most of the payment processing systems discussed later in this section integrate each of these services into your website. Let us start by discussing the benefits and usefulness of Shopping carts and catalogs.

If you are selling just one or two items on your site you won't have much need for a shopping cart. However, a site with a variety of products should use the shopping cart system because it's the easiest way for your customers to shop. The easier it is to shop, the more they will spend, which is exactly the psychology supermarkets use. Shoppers are similar, whether in a supermarket or scanning through your website. And the nice thing about electronic shopping carts is that the wheels never go square, and you don't have to send a clerk out after the store closes to round up all the carts that have been left scattered around the neighborhood. Shopping carts are convenient and this is the preferred format on most web stores.

No matter how many shopping features you need, good shopping cart programs are completely customizable. That means you can create your online store to fit seamlessly into your site and function according to how your customers will shop. For example, if you want your customers to see some of your products immediately, you can feature them on the home page. If your customers are the browsing type, you can also create a detailed catalog.

Listed below are some features that you should look for in your shopping cart and catalog:

- Set up multiple levels of categories and subcategories

- Hide or show products and categories at any time.

- Set multiple-choice lists for membership levels, duration, premium services or anything you want.

- Collect any information you want from your customers when they place an order.

- Have the sales tax, if applicable, calculated automatically. (This will not be applicable for electronic content and information delivery)

- Provide the shipping options with details and rates and allow selection from these options. (This will also not be applicable when the delivery is online or through a download)

- Get order information delivered to your email address instantly and securely.

Shopping online can often be confusing. Many orders are left abandoned because people get lost in product information or can't get through the checkout pages. You should ensure that your shopping cart makes navigation simpler for your customer. You customer should be able to:

- Navigate easily

- Find items quickly using a Search facility.

- Zoom in to any product for a more detailed view.

- Move to other categories or products with one click.

- Add items to the cart on any page with a product.

- Checkout without hassles. Ideally, customers fill out one form, click to review it for changes, and then click to confirm it.

- Receive a confirmation email immediately upon placing an order.

Payment Processing and Verification Services

Transaction is the most important aspect of any online paid or selling website. What payment options do you provide to your customer on your website? Are these options secure and reliable? Payments with credit card are the fastest and the most efficient form of a transaction on a website. There are certain key aspects of allowing payments with credit cards, which are discussed in the next section. However, the most vital aspect of the complete transaction process is security and authentication of the transactions on your website.

Let us first understand the whole process that takes place during an online payment transaction. Key participants of an online payment transaction are:

The Customer

The Issuer – the Bank that issues a credit card to your customer

The Merchant – you in this case

The Acquirer – the financial institution that provides authorization to the merchant (you) that a given card account is active and that the proposed purchase does not exceed the customer's credit limit

The Payment Gateway – the system that processes merchant payments by providing an interface between the merchant and the acquirer's financial processing system

The basic steps of an online payment transaction should include the following:

- The customer places an order online by selecting items from your web site and stores it in a Shopping cart. Once the order is complete, he/she proceeds to checkout and make payment for the goods or services. The customer order is then sent to you, including payment data. The payment information is encrypted by an SSL pipeline set up between the customer's web browser and your web server, using an SSL certificate. Security certificates and encryption is discussed in more detail later.

- You would then request payment authorization from the payment gateway, which routes the request to banks and payment processors. Authorization is a request to charge a cardholder, and must be settled for the cardholder's account to be charged. This ensures that the payment is approved by the issuer, and guarantees that you will be paid for your service or product. This process first requires that you set up a merchant account for accepting credit cards online. Your third party payment service would take care of this. A more detailed view on accepting credit cards online is given in "Merchant account for credit cards".

- Once you are guaranteed that the payment is approved, you should confirm the order and supply the goods or services to your customer.

- The confirmation (generally in the form of an email) will have an order summary of the items, their price, a total, and an order number. This process should be automated. As soon as the customer checks out, he should receive the notification.

- Transactions are settled, or routed by the acquiring bank to your acquiring bank for deposit.

There are many third party payment services that completely automate the whole process of online payment transaction. The most popular and trusted services are listed below.

ClickBank (http://www.clickbank.com)

ClickBank is one of the most popular and easiest services to use for payment processing online. Sign-up is quick and you get approved and running in one day.

The ClickBank Control Panel is easy to use. You can get familiar with the whole system in no time. It costs $49 to open a ClickBank account. This is pretty cheap when compared with other payment processing systems.

Also, ClickBank has a built-in affiliate program. No need to install any expensive scripts on your website. You can start signing up affiliates right away as soon as you open your account.

Once you open an account, all your transaction money gets deposited into your account. You are paid the full balance every two weeks.

VeriSign – (http://www.verisign.com)

VeriSign Payment Services provide payment connectivity over the Internet between online customers, merchants, buyers, sellers, and the financial networks that move money between them. VeriSign is easy-to-use, secure and cost-effective.

VeriSign offers a host of solutions for online payment processing. These are:

Payflow Pro – This is the most basic form of online payment system that allows you to accept payments on the Internet. Payflow Pro gives you immediate connectivity to all major payment processors and is integrated with all major shopping cart software. Payflow Pro has a set up fee of $249 and a monthly fee of $59.95.

Payflow Link – This service also allows you to accept payment in the form of credit card and debit card on the Internet. Payflow Link works with all major shopping cart software. Payflow Link has a set up fee of $179 and a monthly fee of $19.95

Payflow Recurring Billing – This solution allows you to automatically bill your customers on a regularly scheduled basis through this convenient service. Payflow Recurring Billing is integrated with Payflow Pro and Payflow Link. Payflow Link with Recurring Bill has a set up fee of $193.95 and a monthly fee of $29.90 whereas Payflow Pro with Recurring Bill has a set up fee of $288.95 and a monthly fee of $89.90

Commerce Site Services – This package includes authenticating your online business, encrypting sensitive data with an SSL Certificate, and securely processing payments with any of the above online payment solutions. This package costs around $900.

PayPal – (http://www.paypal.com)

PayPal is an account-based system that lets anyone with an email address securely send and receive online payments using their credit card or bank account. There are two types of accounts.

Personal Account (Buyer Account) - Personal accounts are for individual use only

Premier/Business Account (Customer Account) - Premier and Business accounts include premium features, such as the ability to accept credit card payments and use the PayPal Shopping Cart.

PayPal charges Premier and Business accounts to receive payments. Personal accounts are free, but may not receive credit card payments. There is no set up fee and monthly fee for receiving payments with Premier and Business accounts. However, you are charged a certain percentage for every transaction.

Apart from credit cards, you may also allow customers to mail a check for payment. However, such forms of payment consume a lot of time to process and are not as reliable as online payments. You may have to wait for ages before getting your check in the mail.

iBill

iBill (http://www.ibill.com) has a wide range of services, including check processing and support for service-based billing, which makes it a very good solution for businesses, big and small, who want to add billing and credit-card authorization services to their websites.
iBill offers a wide range of plans. These plans range from an authorization service for companies with existing e-commerce sites (the Basic TP plan) to a catalog-sales plan for companies that have no back-end billing or shopping-cart mechanisms in place (the Catalog TP Plan). For the Basic TP plan, the fee is 25 cents per transaction, with a one-time setup fee of $149 and a minimum monthly

maintenance fee of $50. The fee for the Catalog TP plan is $1 per transaction, with a one-time fee of $149 and a minimum monthly fee of $50.
Apart from these, iBill also has a reseller subscription service, which is targeted at subscription websites with recurring billing. The Subscription Sales TP service sets up iBill to handle back-end transactions for the purchase of content or services on a one-time or recurring basis, where a user is sent directly to an iBill secure Web page for payment processing. The user is then given a username and password for future transactions. The fee for this service is based on a sliding scale as a percentage of your billable.

In addition, there are two billing options that are unrelated to credit cards. The Web900 program charges customers via their phone bill; the charge appears as a 900-number charge, without the use of a credit card. The other service allows you to accept checks online, where the customer passes along his/her account information and iBill electronically transfers the funds from the account. However, the transaction fee for these services is quite high ranging from 15% to 35% per transaction.

Merchant account for credit cards

For Merchant account set up you should always look for an e-commerce service and payment processing company that can integrate your merchant account needs with your payment processing, hosting, and shopping cart requirements. Integrated solutions mean you keep your infrastructure tight and your customer service centralized.

A merchant account enables you to begin accepting credit card payments over the Internet. It's a 'liaison' account linking your customer's credit card account with your own business account, functioning as a clearinghouse for credit card transactions. Sounds simple right? So what's the first critical error many online businesspeople make? They assume that all merchant accounts are alike.

Of course, this faulty assumption has led to much frustration - and more than one website crisis. Building a sound business foundation means finding the best merchant account for your business model and for the types of goods you sell. Though the rates of some service providers can be quite high, many of the cheaper solutions will end up costing you more in terms of poor service, inflexible limits, technical difficulties, or inept customer care. The key is finding the right balance.

First, competitive rates and reasonable fees are important, so make sure you do some rate comparison. Look at the transaction fees charged for every transaction performed online. Many services provide discount rates for every online sale you transact. This is something you should consider while choosing the right payment processing and merchant account setup service.

Some merchant account providers will charge you a fee for every charge back you incur. If your business typically receives a disproportionately high amount of charge backs, then charge back fees can hit you hard.

Another important aspect while selecting your service provider is the kind of Customer Service it provides. Communication is critical. Make sure your merchant account provider has the customer care platform to swiftly and reliably answer questions and resolve problems.

Remember, rates and fees are simply a part of the big picture. Getting a wider perspective on initially intangible items like sensible policies and superior customer service is essential in choosing the best provider for your unique business needs. Look for the details that distinguish one provider from the next. Security Certification and Encryption

As discussed earlier, the most vital aspect of a sound payment processing system is security and authentication of all transactions on your website. A customer needs to have complete faith in the security infrastructure of your payment processing system.

The most trusted technology for ensuring a highly secure transaction is by implementing Digital signatures via web server certificates that enable authentication and SSL (Secure Sockets Layer) encryption. SSL web server certificates lead to a secure online payment management system, to allow your e-commerce web site to securely and automatically accept, process, and manage payments online. SSL comes in two strengths, 40-bit and 128-bit. 128-bit SSL encryption is the world's strongest form of commercial encryption, and hence the safest. Your customers should be very comfortable with a 128-bit SSL encryption. The 128-bit SSL encryption is what all payment processing companies make use of these days.

SSL server certificates fulfill two necessary functions to establish trust for online payment:

SSL server authentication -- Server certificates allow customers to confirm a web server's identity.

SSL encryption -- SSL server certificates establish a secure channel that encrypts all information sent between a customer's web browser and your web server, protecting private information from interception over the Internet.

Only after you have built a web site and implemented SSL certificates to authenticate your business to customers and encrypt communications and transactions, you can address other crucial components of the payment processing system: enabling customers to easily pay for products and services

online, and processing and managing those payments in conjunction with a complex network of financial institutions.

Testing, testing, testing

You have designed a very usable web site, you have hosted it using a very reliable web hosting company, and you have integrated a safe and trusted payment processing system with your website. However, all these can prove to be useless until you know your site is actually working and accessible. If you want to create an accessible website, you will need to test, test and test again.

A recent Forrester Research report reported that failure to ensure website quality will cost the average small or mid-size company thousands of dollars in wasted expenditures on website redesigns, forfeited revenue, and lost customers. Testing a website is a long and tedious task, but it's perhaps the most important task of all. There are numerous stages to testing, all of which are very important. Ranging from browser testing, to content testing, none should be excluded.

Visual Acceptance Testing

Visual Acceptance Testing is the first port-of-call for all webmasters. This type of testing generally ensures that the site looks as it is intended to. This includes checking the graphic integration, and simply confirming that the site looks good. In this stage you should assess every page carefully to ensure that each looks the same. The site should be tested under different screen resolutions and colour depths.

Functionality Testing

Functionality testing is perhaps the most vital area of testing, and one which should never be missed. Functionality testing involves an assessment of every aspect of the site where scripting or code is involved, from searching for dead links, to testing forms and scripts.
You should also test your payment processing system completely and thoroughly. After all, you wouldn't want a potential customer to get stuck at the last stage and eventually leave the site just because there is something wrong with payment processing.

Content Proofing

This stage of testing removes any errors in your content, and ensures that your site has a professional appearance. In this phase, you should reread each page on your site, and check for spelling and grammatical errors.

System and Browser Compatibility Testing

This test phase is completed in order to ensure that your website renders correctly on a user's screen. To begin with, you should test several pages from your site on different browsers such as Internet Explorer 4, 5, 6, Netscape 4 and 6, and Opera. This can be extremely important - if your site does not work properly with the Netscape browser, Netscape users will end up annoyed, and they'll go elsewhere.

Setting Up Your Back Office and Support Services

In the previous section we understood the process of building a website for maximum usability and customer appreciation. Building a website, alone, does not guarantee success. A website should always be coupled with efficient and effective back office and support services. These are essential for order fulfillment and customer service as well as for attracting new customers and retaining your present subscribers with interesting offering and services.

This section discusses in detail setting up some of the significant back office and support services.

Administrative Interface and tools

Setting up a password protected administrative interface is essential as this allows you to manage and administrate your website as well as the data in your web application. The best way to manage the textual content is through the use of a Content Management System, which is discussed later on in this section. Some of the features of a good administrative interface are:

View changes in the Website

This feature would enable you to view your website after you make changes to it, without having to leave the interface. In some cases, you are required to log in to your administrative section to make changes and then log out to save and view the changes reflected in your website. This should be avoided. The administrative interface should be such that you can preview changes from the interface itself.

Manage orders

The administrative interface to your web application should have a feature that allows you to retrieve, manage and process customer orders securely. Your application could either just provide you a list of the current orders with relevant details or you could build functionality to process orders online and also perform analysis of orders received such that it can provide valuable insights to your business. If your customers have ordered products that get delivered after some time, you may even like to provide your customers the facility to view their order status and track the delivery schedule.

Manage customer database

Access to the customer database should be provided from the administrative interface. You should be able to manage your email lists as well. Editing and managing customer profiles and accounts is a vital function that will be required in membership websites. You should be able to add, edit and delete customer accounts, manage and maintain customer records and billing statements. You can also have provisions to temporarily disable customer access for specific customers and open up the access again.

If you are managing a subscription site with extensive customer activities and transactions/billing, you may need to view details of customer accounts and track their usage status. This may also be required as part of your customer support and help desk services, if they have questions related to their account. You may have set up your site such that when a member signs up for a subscription, there is an approval stage. The interface should prompt you for each new sign up and should facilitate you to process the request and grant approval (or denial) expeditiously. Auto responders would also be required as an interim message from your side.

Your site has also to store customer's user names and passwords. The passwords may either be selected by your customer or your site may have an auto-generated password at the time of accepting a sign up. Generally, auto-generation of password facilitates a sort of authentication and verification that your customer is indeed genuine user of the email address provided. In case of paid websites, this may not really be necessary. In any case, your site must provide a facility to your members to change their password and for providing them information about their username and password if they forget their password. All these functionalities should be built in within your customer database management module.

Change your administration password

This is where you can change the administrator password to improve the security of your web site. Other details can also be updated.

Back-up files

The administrative interface should also have in built features to allow you to back up important files pertaining to your customers and products. You must plan for service interruptions and business continuity as appropriate for your size of business and criticality. Efficient and disciplined data back up and restore facility must be part of the administrative system of your website application. You may also need a facility to purge data from your database after a specific time interval, otherwise your database will just grow and may become unmanageable. You should notify your customers if some of the data they have stored on your site is

going to be purged at a specific time interval, allowing them to copy it to their system if they wish to.

User management - customization and restricted website area

Websites are great tools for one-on-one marketing and customizing information flow per user. Your website should allow users to identify themselves to the site, and help them personalize their online experience.

Once logged in, users should get their very own home page, which summarizes all the information that is important to them. They can customize the page by setting up their profile, and by adding important information and categories from the site to their home page. Whenever there is a change in content of their interest, they can be notified by email. They can also set a list of new information or product categories to watch. They can store a hot button or quick access link on their home page and thus quickly access the content or section that they generally access.

Your website should be such that it allows easy administration and flexible policies to be created for large volumes of content. Visitors can be restricted to certain parts of the site. The website itself should have the ability to set up restricted-access zones, using a security system. This allows the administrator to restrict users to a particular zone just by placing one restriction at the top page of the hierarchy. All other pages inside that page are automatically protected. This means that you can easily create a restricted access or members-only area on your website that only a selected set of users can access.

Content Management System

A content management system is the tool that allows you to easily and quickly update content on your website. A content management solution gives you complete control of your own content. With the use of e-commerce and email functionality included, you can administer all content through an easy-to-use web-based interface. Updating content is simply a case of making changes, and submitting them with the click of a button.

What is Content Management?

The Content Management System is a password-protected administration system that allows you to update and add content to your website instantly. If you are an information-based website you can add news, articles and pictures. If your site is selling products and services you can add new products or edit the pricing or description of existing products. It also allows content archiving and purging, which is vital for back up purposes.

Content Management systems allow you to set up different users such as administrator, publisher, editor, and author. The author would be responsible for writing new content, which can be sent to the editor or the manager for approval and editing. Once edited, this content is sent to the publisher who again approves the content and publishes it directly on the website.

Apart from these you can completely manage and maintain your customer records and information. You should always select Content Management solutions that are customized to your website requirements. This would allow many options to be included or added at any time to your website management needs. For instance, if you require comprehensive traffic statistics or if you are looking to send out email campaigns these options can be added without affecting your workflow and with no downtime to your website.

If you are looking to evaluate Content Management Systems that are available in the market, you must select one that matches well on the feature list that you need. Do not select software that caters to multiple authors and multiple stages of approval, if that is not the process applicable to you. You may choose to use commonly available systems such as Microsoft's Front page to manage your site design as well as content or you may choose systems that have a WYSIWYG (What You See Is What You Get) editor and allows persons who do not know HTML programming to update content on your site.

Other features that you could look for in a Content Management System are:

- Comprehensive Administration Interface - This administrative interface would allow you to handle much of the site maintenance, thus minimizing ongoing expenses for the website. Using this interface, you can add, modify and remove categories, indexes, subcategories, manufacturers, products and customers.

- Collaborative authoring of content and content building and provisioning - Several authors can contribute to your site content and their material can be written directly using this system so that it can be logically positioned in folders that reflect the site map. Another benefit is that consistency of format can be ensured through this use.

- Processing workflow – You can set an editing and approval workflow, if you have multiple content contributors and editors. A good system can provide you meta data to keep track of each piece of content as to which system user has authored it and which user has edited it and when. It can also provide the facility of version management and roll-back in case you wish to revert to an earlier version while editing a piece of content

- Separation of content from the graphics interface or template – This feature allows you to make changes in content without any change in the

graphic look and feel of the page and the navigation and menu bars. A person can quickly update the content without making any changes to the "design" elements on the page. Moreover a good system also allows you to change the template for an entire section or even the entire website just by a single change rather than going to each page of your website and making the changes on each page. This is achieved by storing the content (text) in a database and associating each content piece with a pre-defined template.

- The use of a simple editor facilitates making changes by using a normal word processor type of features – no need for knowing HTML tags and doing a lot of precision cut paste directly on the code.

- Automating the publishing after all approvals and previews have been completed, without the need of performing FTP to the web server. This quickens the update process. You can, of course, set the schedule such that a specific change will take effect on the site at a pre-determined time.

The importance of the Content Management System is greater in content and information sites, particularly paid sites. The need for providing fresh and frequently changed content is vital and you need software that makes this process smoother and fully controlled by you rather than by your webmaster.

Email Auto-responders and reminders

The auto-responder is a program that automatically sends a reply with a pre-designed response to any email address that sends email to you. It is also often called infobot, autobot, auto-mailer, or responder. Auto-responders are great for confirmation messages, much like your answering machine on the telephone. .

The auto-responder allows you to capture the email addresses of your visitors; so you can build your own opt-in targeted mailing list. The auto-responder will automatically extract the prospects name and use this information in your follow-up messages. With this marketing tool you can send personalized follow-up messages. If you personalize an email message, your prospect is twice as likely to buy from you.

You can sell your products 24 hours a day, 7 days a week with the help of an auto-responder. You can send your sales letter as a part of any automated response to anyone, anywhere in a matter of seconds with no work on your part.

Following up with your prospects could mean a 50% increase in your sales. Your potential customers may simply forget about your initial message or they simply may have a bad day; for that reason, it is important to follow up with your prospects at preset time intervals after sending your initial message. This is achieved with auto-responders and reminders. A reminder informs your

customers about new products or leads them to new content that the customer might be interested in. You can configure your auto responders with business rules to select from incoming mails or your address book, choose appropriate messages based on specific conditions or filters, and also set the time interval when such reminders have to be sent.

Auto-responders should be personalized and designed in such a way that they include the following information:

- They introduce your business to the prospective customer

- List out special offers for members

- List out benefits of joining your website

- Compare your product or service with your competitors

- Give testimonials of existing customers

- Welcome letters for new members

- Thank you messages for new orders

- Order confirmation

- Acknowledgement of a query or a receipt of payment from your customer

- A reminder when their subscription or free access period is about to expire.

Customer billing and statement

Your customers should be given complete access to customer billing records and statements on the website and through emails. Ideally a statement should be sent every month and after every order placed. A customer should be able to access the customer billing area. This should give a detailed view of his/her payment options and detailed history of all transactions made.

The customer bill should include a bill number, payment amount, name of product or service, or if it is just a membership bill – membership status and type of membership, payment mode and other details. Information on how to contact a customer representative in case of discrepancy should also be provided.

You may have different levels of membership available at your site and your members may switch their category and graduate to a higher level of membership mid-way through a subscription period. Your application should

provide them appropriate set off of the subscription amount for the unexpired period and use this as set off against the new payment. If you charge members for specific usage or download, then customers would like to see the details of the charges in the form a billing statement. You can either use appropriate packaged software for such customer billing and account management, or you may need some custom development to achieve efficient management.

Customer Service

In order to develop a good relationship with your customers, you must provide them with quality customer service. Let them know that, should they have any questions or problems, they are free to contact you. Provide them with all of your contact information to make the process simple. Even if you can't personally assist them, make sure that you have a good customer support group ready to help. Reply to their support requests as quickly as possible and assist them until the problem is resolved.

Customer service is one of the most important factors in determining your customer's satisfaction. Even if you have a great product or service, if your customer support isn't good, your sales will suffer. Good customer service is perhaps the most important way to build your credibility with the customer. When you are doing your entire business online, building trust and credibility is the most important factor. Prompt customer service can make the difference.

For every dissatisfied customer, you can expect to lose one hundred new customers. Why? When one customer has a bad experience with your company, you can be certain that they'll tell everyone they know about their bad experience. It will travel through the grapevine and ultimately cost you sales.

Follow-up with your customers and ask them how they like your product or if they have any questions. This is a great way to not only provide good customer service, but to also obtain feedback about your product. By listening to your customers, you will know exactly what they want, what they're having problems with and how you can develop a better product.

By following up with your customers and providing great customer service, you are creating a life-long relationship. Satisfied customers are more apt to purchase your new products in the future. Treat them with the utmost respect and go above and beyond the expected.

Your customer and support service should include:

- A 24 hour toll free number

- Email support that is quick and efficient

- Online chat support

Provide an FAQ

Before the clients purchase anything from you they will probably ask a few questions regarding any concerns they have about your product(s) and/or service(s).

During the first few weeks of business you will experience similar questions constantly resurfacing. You would be fairly well advised to put this regularly asked for information on your website to reduce your administrative workload. Your interested parties will be happy to get the answers to their questions answered immediately; and you didn't even need to lift a finger.

Providing a detailed FAQ (frequently asked questions) page on your site is the first level or Tier-1 support that you are providing to your customer. Have a detailed FAQ page that tries to offer clear explanation of your policies and rules, how the site works and what are the most common problems that customers may face and how they should tackle them. An online help document that provides what is known as context sensitive help (help relevant to the action being taken by the user) provided either through an indexed help document or through friendly pop-ups or blurbs/tool-tips at the right instance can be particularly helpful. Besides, these will really reduce the need for your costly support time.

Cluster and mirror servers

If you have members spread over vast geographic areas, for example you have customers in Asia, Europe and the Americas and if you have large number of members who undertake frequent downloads from your site or interact frequently with your site, you may have to start thinking of mirror sites (servers) and databases. A mirror site is a replica of your site, hosted on a separate web server with synchronous connection between the two. Some of these servers can be located at data centers nearer to your different customer bases. Thus when a person is interacting with your website, he/she can be redirected to the appropriate mirror site. This distributes visitor load increasing efficiency and providing a superior customer experience.

Clustering is required when the transactions with your website are critical and your site has to be on its toes all the time. Clustering provides you with redundant web server and database server, such that one functions as a back up if the other one fails. It also helps you to distribute your server load between two machines.

Depending on the traffic to your site, time sensitivity and wide geographic reach, clustering may or may not be required.

Bulletin boards

Adding a professional looking easy to use web based bulletin board to your site is simple. Web boards allow you to create your own discussion groups, interact with your customers, friends, or associates. Adding a bulletin board to your site is inexpensive.

What is a bulletin board?

A bulletin board is an online discussion forum where your customers, friends, or associates can ask questions and post answers, have a discussion, etc. It is an excellent asynchronous method to build interactivity into your offering.

Why would you want one?

A bulletin board would allow you to have a support forum where customers can assist each other with the use of your product, or, if your site is focused on something like music, visitors could discuss their favorite artist or song. Having a bulletin board can make your site more useful to customers or just every day web surfers.

Bulletin board enhances interaction. It can also be a good way to promote word-of-mouth publicity. If a customer likes your product or service, he/she is very likely to spread the word. A bulletin board is also a great way to allow your customers to keep coming to your site

Where can you get one?

Many websites such as download.com offer inexpensive and multi-featured bulletin boards. These are not too big in size and can be downloaded and installed on your website easily.

How much do they cost?

Some basic bulletin boards are available for free. Others with higher functionality range anywhere between $20 to $100 or even higher.

Automated recharge facility for recurring membership accounts

An automated recharge facility can be useful for paid membership websites. This facility automatically recharges a customer account at the end of a membership term. For instance, if a member opts for a one-month membership, with his consent, his account should be automatically recharged for another month at the end of the term.

You should make sure that while the member signs up, he is given the option of automatically recharging his account. The terms and conditions for automatic recharge should be clearly mentioned.

Instructions on how to cancel automatic recharge should also be provided. To encourage your customer to recharge his/her account, you should offer a discounted membership rate. This would increase the possibility of retaining your old customers.

Website management and maintenance

There are paid websites emerging online everyday to the tune of many hundreds. Some survive, some don't. Of these new businesses, many are one-person bands. Some are partnerships as well as a handful of others have formed a company with the view to operating 100% online.

The part which makes or breaks a business like this is the website management and maintenance. Don't assume that once the site is online, your work is completed. If people are to return to the site, it will need to have fresh content in order to make the site "sticky". Since this is the most important part of your online business it is very important to be able to keep the administrative tasks to a minimum.

A well maintained and updated website is very important to attract customers. An attractive and user-friendly site makes the visitor interested. But if the site contains out-dated information or links that do not work, customers are unlikely to inquire for your products or service. For this reason, testing, as discussed in the earlier section should be an intrinsic part of your maintenance process. You should frequently test your site for any inconsistency. Also make sure that your website is up and running at all times.

Make sure your payment systems are intact and that your customers do not have any problems while enrolling with your website. Here are some other tips for maintaining your website.

Protect yourself from "Spam"

It's such a drag having to delete all the crap email messages that first of all you never requested; and secondly that are so ridiculously untargeted that the sender obviously has absolutely no idea what he's doing. To these people it's quantity not quality that's important.

One of the great additions to the modern day respectable email program is that of filters.

Instead of sifting through unwanted emails that have been bulk emailed to you, you may choose to have your email program trash everything that comes to your email box without your email address in the "to" field.

Grooming mail lists

Professionalism means as much today as it ever did. How many times have you got the same follow up letter from the same company repeatedly? Even if the company has a great product, this can be very off-putting. The task of grooming your mail list is boring but necessary.

The task of removing duplicating entries by hand should be avoided. It is a function that can best be done electronically. It is too tedious to pass on to another person to do. It's quite likely that many will be missed. Make sure that:

1) New members have been added to your list

2) Un-subscribers have been removed from your mail list

3) All requests are automatically deleted from the server when completed.

It saves embarrassment, increases professionalism; and in the long run will assist you in becoming more successful.

Automate all of the above

The ultimate in automation is when all automated functions can be pre-programmed to be carried out at regular intervals with an in-built scheduler. You can go on holidays and have everything carried out for you in your absence as if you were sitting at your terminal for the duration.

Promoting the Site

Today's buyers have increased expectations about the information they expect to be available to them. People tend to buy from companies with web sites that are easy to find (search engine friendly), easy to navigate, have information-rich content, enable them to proceed at their own pace and respect their privacy. Internet marketing and promotion helps develop a web presence that supports your selling process.

Internet Marketing is a progression of steps for attracting/qualifying a prospect by capitalizing on the power of the web. This section shows you how to create an Internet presence that becomes your most effective sales tool for making sensible investments in Internet marketing.

Search Engine Optimization

Search engines are the primary means through which Internet users find web sites. That's why a web site with good search engine positioning may see a dramatic increase in traffic. Millions of searches are initiated every day through search engines for locating information or suppliers of goods and services. You know that the Internet is a great medium to expand your business across geographic frontiers and to let the world know about your unique offering. How do you let the world know? A search engine is the most effective tool that can bring a prospective customer to your subscription website. While online advertising and promotion and lead generation campaigns are also important techniques to acquire new visitors to your site, the investment required for getting traffic through search engines is much lower.

How do Search Engines work?

Most of the top-ranked search engines are crawler based search engines while some may be based on human compiled directories. Search engines are primarily composed of three parts.

Spidering

A search engine robot's action is called spidering, as it resembles the multiple legged spider. The spider's job is to go to a web page, read the contents, connect to any other pages on that web site through links, and bring back the information. From one page it will travel to several pages and this proliferation follows several parallel and nested paths simultaneously. Spiders frequent the site at some interval, may be a month to a few months, and re-index the pages.

Indexing

The spider's movement across web pages stores those pages in its memory, but the key action is in indexing. The index is a huge database containing all the information brought back by the spider. The index is constantly being updated as the spider collects more information. The entire page is not indexed and the searching and page-ranking algorithm is applied only to the index that has been created. Most search engines claim that they index the full visible body text of a page

The Search Engine Program

The search engine software or program is the final part. When a person requests a search on a keyword or phrase, the search engine software searches the index for relevant information. The software then provides a report back to the searcher with the most relevant web pages listed first. The algorithm-based processes used to determine ranking of results are discussed in greater detail later.

Search engines rank web pages according to the software's understanding of the web page's relevancy to the term being searched. To determine relevancy, each search engine follows its own group of rules. The most important rules are

- The location of keywords on your web page; and
- How often those keywords appear on the page (the frequency)

For example, if the keyword appears in the title of the page, then it would be considered to be far more relevant than the keyword appearing in the text at the bottom of the page.

Search engines consider keywords to be more relevant if they appear sooner on the page (like in the headline) rather than later. The idea is that you'll be putting the most important words – the ones that really have the relevant information – on the page first.

Search engines also consider the frequency with which keywords appear. The frequency is usually determined by how often the keywords are used out of all the words on a page. If the keyword is used 4 times out of 100 words, the frequency would be 4%.

Of course, you can now develop the perfect relevant page with one keyword at 100% frequency - just put a single word on the page and make it the title of the page as well. Unfortunately, the search engines don't make things that simple. Moreover, what good will it do if visitors arrive at your page and find just one word!

While all search engines do follow the same basic rules of relevancy, location and frequency, each search engine has its own special way of determining rankings. To make things more interesting, the search engines change the rules from time to time so that the rankings change even if the web pages have remained the same.

Submission to Search Engines

Some of the most powerful search engines are Google, Yahoo, MSN, AltaVista, WebCrawler, AskJeeves, AOL, and Overture.

A majority of search engines charge a fee for submission. There are also some good search engines that allow you to submit your site for free. Although, listing of your website is not guaranteed through free submission, it is always recommended that you submit your website to a search engine with free submission.

Free listing is available with some major search engines such as Google, AltaVista, and WebCrawler. As stated earlier, even after submission of your website, a listing is not guaranteed. Generally, it takes up to 2 to 3 months to be listed after submission. A recent research concluded that the audience potential for websites submitted through free search engines is about 39%.

Most search engines charge a nominal fee for every URL submitted. You are more likely to get favorable results by submitting your website to a search engine with paid inclusion. AskJeeves, Inktomi, AOL, and LookSmart are the most popular search engines in this category. Once you submit your website with these Search Engines, your website is most likely to be listed within a week. The audience potential for paid search engines is 100%.

Thus, while it is possible to submit your URL to search engines for free, you have to keep in mind that there are premium programs offered by some search engines that assure listing or provide better positioning in ranking. Some use of paid listing programs is recommended if you wish to receive serious traffic on your website from the search engine.

Paid listing programs are explained later in this section. Free submission could result in much lower traffic, a low rank and positioning amongst the results returned, and longer period of time before your website actually shows up in the results returned by the search engine. To avoid these issues some search engines offer "paid participation" that guarantees high traffic and ranking for a fixed fee per year.

There are two methods of submitting your URL to Search Engines. One is to use Search Engine Submission services such as "Submit it", which is a part of MSN Central. The fee for submitting URLs using this service ranges from $79 to $299

per year. Another is to submit your URL by submitting it individually to popular Search Engines by going to the Submit URL page for the search engine and thus avoiding the fee charged by submission services.

The Search Engine submission Budget

It is highly recommended that any site owner establish a search engine submission budget.

How much would you like to spend on this exercise? If the budget is limited, options such as some of the paid programs, advertisements, expensive directory listings will have to be forsaken and attention given to getting the best results from limited but focused efforts.

The key is to strike a balance between free and paid programs that yield maximum return on investment (ROI). You should submit your website to all the free search engines such as Google, AltaVista, and WebCrawler, at least one paid search engine such as Inktomi ($89 for submission of 3 URLs), and Yahoo Directory ($299 a year). Apart from these, you should think of submitting your website to a couple of "paid participation" or "paid placement" programs such as Google Adwords and Overture, which are discussed later.

Search engines generally list pages of ten to twenty results per page. Most search items will return thousands, if not hundreds of thousands, of results. The key, however, is to get listed amongst the top results if you expect to get any traffic through these search engine results.

Lead generation with Link Popularity and Analysis

Your "link popularity" is simply a count of the number of web pages that are linked to you. Improving your website's link popularity is absolutely vital for improving the visibility of your website. You may want to know your link popularity for two reasons. The first is that your link popularity will improve your ranking on all crawler search engines. As discussed earlier, all crawler-based search engines have a component called the spider, which crawls from one webpage to another through links. Hence, more the websites linking to your website, the better are your chances of getting listed through a search engine. The second reason is that you might want to know which websites are linked to you and are potentially referring traffic.

Search engines give sites with good inbound and outbound links a higher ranking. The logic goes that if you provide outbound links to other material you are providing a valuable service: and, if other sites link to you then you must have content of value.

The best way to discover how people are finding your web site is to analyze your site's activity logs. If you are unable to analyze these logs, you can instead use search engines to track down referral links. In particular, this method gives you an idea of how "popular" a search engine believes your site to be. Be aware that "popularity" is only one part of the link analysis systems that search engines such as Google use to rank web pages. The quality and context of links is also taken into account, rather than sheer numbers.

You can use link:'site URL' feature of many search engines to list all the pages that link to your site, and that too in order of Page Rank. For Google, North Light and AltaVista, use link:xxyyzz.com to find the listing of pages that link to your web site www.xxyyzz.com For Alltheweb use link.all instead of link and for Inktomi use 'linkdomain' instead of 'link' in the above example. The results would be a list of all pages (if indexed by the search engine) that link to your target site, listed in the order of popularity.

If you need to find the link to specific pages instead of to an entire site, then the above link: feature will not work. Use the Advanced search features offered by HotBot and MSN Search, enter the full URL of the target page including http:// and use the option "links to URL" or similar.

Some sites offer to run comparison of the links to a chosen site vis-à-vis three other chosen sites. http://linkpop.marketleap.com and http://www.linkpopularitycheck.com are two such sites where you could submit your target URL and three other URLs that you wish to have a comparison done. www.linkpopularity.com is a site that will analyze the link popularity of a chosen URL in three prominent search engines.

Link analysis is somewhat different than measuring link popularity. While link popularity is generally used to measure the number of pages that link to a particular site, link analysis will go beyond this and analyze the popularity of the pages that link to your pages. In a way link analysis is a chain analysis system that accords weighting to every page that links to the target site, with weights determined by the popularity of those pages. Search engines use link analysis in their page-ranking algorithm. Search engines also try to determine the context of those links, in other words, how closely those links relate to the search string. For example if the search string was "toys", and if there were links from other sites that either had the word toys within the link or in close proximity of the link, the ranking algorithm determines that this a higher priority link and ranks the page, that this is linked to, higher.

As a site owner, you want to seek links from good pages that are related to the terms you want to be found for. Linking strategy is not a trick as many get rich quick advisors would have you believe. Links for the sake of links have no value whatsoever. Indeed, they can damage your rankings. So forget about link farms and other similar ineffective options. A small number of inbound links from great,

relevant sites will be much more valuable than many links from low-traffic, irrelevant sites.

However, you should not become obsessed by link popularity alone. Decide how much time and effort you are prepared to invest in relation to your other activities and be disciplined about your approach. Monitor your results and adapt your strategy as necessary.

Reciprocal Linking and Inward Linking

Reciprocal linking refers to an arrangement with another site such that both of you provide links to each other from their respective sites. These are generally 'free' links, but they could also be 'affiliate' links that entail a payment when a visitor is referred from one site to another.

Like reciprocal linking, inward links to your website can be an effective strategy to increase your website's visibility. Inward links are links pointing to your websites from other websites without providing a reciprocal link from your website.

There are many techniques to improve inward linking. Many of these have enjoyed success. The most proven technique for inward linking is through Ebooks. You can offer interesting and educative Ebooks for free to other websites and they could install the icons or the Ebooks on their sites. The icon or the Ebook you create would have a link to your website. This will allow a spider to crawl through that link and visit you website. For example, a footer on every alternate page can have a link to your website that would increase the probability of your website being listed with a crawler based Search Engine.

Other techniques include posting newsletters, white papers, news stories and press releases at other websites, particularly industry specific and general portals. The newsletters and press releases would contain a link pointing to your website, thus, promoting your website.

Paid Placement Programs – Subscribing to keywords

In addition to the free and paid search engine listings, several search engines allow you to actively bid for positions under search terms. When someone searches for a specific term, the listings show up in the order of highest bidder first, second highest bidder second and so on. If two companies bid the same amount, the first bid gets priority for the listing and will be listed first. Such programs are called Paid Placement Programs or Pay-per-click programs. You only pay when someone clicks on your listing and is delivered to your website.

Benefits of Paid-Placement / Pay-per-click Campaigns

- Search Engine Marketing campaigns are effective for increasing web site traffic quickly.

- Pay-per-click programs will allow you to quickly test the ability for your web site to convert visitors to a call to action or make a purchase.

- You will be able to identify which keyword phrases will provide the best conversion rate.

- While ordinary search results frequently include links to non-working pages, home pages with irrelevant content and filler listings, paid search content ensures a user will gain quick access to relevant sites of interest. Since each listing is displayed by either a keyword search or relevant text link, you are ensured only visitors with interest are being sent to your site. Thus, pay-per-click programs offer a more targeted approach.

The most prominent and successful Paid Placement programs are Google Adwords and Overture.

In 1998, Overture was the first to charge advertisers to be listed in its search results. Now, all the major search companies have jumped in. So-called paid-search revenue grew 40% last year, to $1.4 billion. It's now up to 23% of the $6 billion Net advertising market, which shrank 17% last year, according to analysts' projections.

Placing ads near search results offers the simple appeal of the Yellow Pages, but with different economics. Overture made $78 million last year on $668 million in sales, about half of the paid-search market. That's more than Yahoo made on $953 million of revenue, largely from traditional online ads such as banners. Paid search also pushed search specialists LookSmart and Ask Jeeves Inc. into profitability in the fourth quarter. And the biggest potential initial public offering of an Internet company this year is Google Inc., which began offering pay-per-click search last year. Search ads will make up the lion's share of Google's revenue, estimated at $350 million to $400 million.

Google Adwords

Google offers a paid placement program called Google Adwords. Paid listings in Google appear above and to the side of its regular results. Like most Paid Placement or Pay-per-click programs you are charged a fee only when a visitor clicks on your listing. There is a $5 activation fee for this service and there is no monthly minimum fee.

Some advantages of Google Adwords are:

- Your price is automatically lowered to one cent more than your closest competitor.

- No one can lock in the top position because user click through rates and CPC (cost per click) determine where your ad is shown. The most relevant ads rise to the top.

- Google offers a unique set of tools to forecast your budget and select target keywords.

- You can target your ads to users in a specific country or only to speakers of a specific language.

Overture

When you advertise in Overture Premium Listings™, your business appears in the top U.S. search sites: MSN, Yahoo!, InfoSpace, Lycos, AltaVista, and Netscape.

Overture offers two sign-up plans, Fast Track or Self Serve. You have to select a few keywords with reference to your website. You have to then bid an amount (per click) and position in the search results for each of the keyword. If you have the highest bid for that position, Overture will display your website in the search result of the keyword selected, at the position selected, in each of the above mentioned search engines. Note that even if your website is displayed in the search results you do not get charged the amount bid by you per click. It is only when a user clicks on your website link from the search results that you get charged that amount.

The higher the position, the higher is the current bid amount. Also, in order to keep your account active, you have to spend at least $20 a month. Your account with Overture will be discontinued if the total clicks on your website amount to less than $20.

The two sign-up plans, Fast Track or Self Serve, give you the choice of expert assistance or starting out on your own. Fast Track charges an additional one-time service fee of $199 whereas Self Serve does not have any service fee.

When you sign up with Overture using the Fast Track Sign-up program, you will receive a customized proposal prepared by one of the Overture experts. When you receive your proposal, all you have to do is approve Overture's choices to get your search listings online. You can also make changes in the proposal yourself.

Two basic concepts apply to using these types of search engines (Overture and Google Adwords) to your best advantage:

- While you obviously want to pay the least possible amount for each hit you get, you're going to have to bid more if you want a higher listing and, therefore, more traffic. You have to carefully track the traffic you get from the search engine so you know the value of that traffic. If you don't know the value, you could be paying too much for your traffic or missing great opportunities to generate more traffic if you can afford the higher price.

   In other words, let's assume you're selling an item with a $25 profit margin. If one (1%) percent of visitors to your site buy the product, then each visitor is worth twenty five ($0.25) cents to you. If you get the traffic for less than that, you're making money on each sale.

- The other concept involves bidding for several hundred keywords at low prices such as one penny each. This way you get listed all over the search engine. Each keyword won't bring you much traffic by itself, but the total may be a hundred or more hits per day. If you're only paying a couple of pennies per hit for this traffic, then it should be profitable for you.

   If you search popular terms like "business", you'll find the cost to be number one is quite high and the position is usually held by a large enterprise like Inc. magazine or Entrepreneur magazine. Large companies are often willing to invest millions of dollars in building their brands so they'll pay more for traffic than it would normally be worth. I strongly suggest you don't compete with them unless you are absolutely sure your business model will justify it.

   Often, you'll be able to find a top ten ranking for a third or less than the price to be number "One". Since you're limited to buying only traffic that's profitable for you, this position will be better suited for you. Even if you end up far lower in the rankings, you must stay within your proper range for investment. You'll probably get less traffic than the number one ranking, but you'll get traffic you can make money on. That's far more important.

Affiliate Programs

In affiliate schemes, you provide incentives (usually a commission on the sale of your product or service) for your customers or visitors to become affiliates (i.e. carriers). These affiliates then generate you traffic, which in turn provides you with more affiliates, and so on.

Affiliate Programs create powerful alliances between an online merchant's web site and various "affiliate" web sites. Providing affiliate links to your website would

also improve your website's search engine ranking. It makes your website more visible to search engines.

Tips for making your Affiliate Program attractive

Here are some tips to help you in attracting other sites for your affiliate programs on your website. Doing some research would help you immensely in increasing traffic to your website and making the affiliate programs as viral as possible.

The most important aspect of any affiliate program is the incentive. You should offer better incentives than your competitor sites. Money is the biggest and best form of incentive you could offer your customers. Offering a percentage of your sales revenue resulting out of each successful hit can be a great incentive.

Apart from the normal incentives, offer something unique such as cash awards and bonuses for three affiliate members who are responsible for bringing in the highest traffic or highest business to your website. This would provide greater motivation for prospective 'affiliates' to not only join your affiliate program but also refer your website to more people.

Most standard affiliate schemes reward only the subscriber directly responsible for bringing more traffic. Develop a second and third tier incentive program for your affiliates. In other words, reward both the affiliate responsible for bringing visitors to your website as well as the other person who had originally referred this affiliate. Let me illustrate this strategy. Let us say John referred Max to your website and your affiliate program. Max liked your affiliate program and joined it and eventually bought your product or service offered on your website. In this case, John would get a percentage of the profit. Now let's say, Max referred your website to a friend of his – Harry. Harry visits your website – likes your product – and buys it. A single tier incentive program would reward Max by giving him a percentage of the profit generated. A two tier incentive program would offer Max a percentage of the profit as well as John a percentage of the profit because John referred Max in the first place. This strategy is expansive but very fruitful.

The above point can be explained in simple terms as "Make it as easy and as natural for affiliates to promote your product or service as possible, by letting your affiliates benefit from those whom they refer". This will encourage your affiliates to convince more people to visit your website and even join your affiliate program.

Keep updating the content of your affiliate program. For example, if your affiliate program is subscription to a paid or even free newsletter, make sure that you update the topics and content of the newsletter constantly. The content should always be informative and unique.

Press Releases

Press release distribution is an extremely cost-effective Internet marketing tool. It can build more credibility than any other Internet marketing technique because most readers are more likely to trust independent authorities such as reviewers, columnists, reporters or broadcasters than an over hyped advertising message. A well-written press release can dramatically project your company to the masses, and greatly enhance the image of your business.

Many companies provide a subscription based or opt-in e-mail press release model. Once you have an attractive press release written for your website, you can submit this press release to a company that has an opt-in email list. This company would then send the press release to a large number of subscribers who would be interested in your product or services.

The cost for submitting the press release to a number of people can be anywhere from $200 to $350 per press release. This cost does not include writing and editing the press release. Also, some companies do give discounted price if press releases are submitted regularly.

Press-Release campaigns have many benefits. They would create awareness about your website in your target audience and immensely increase incoming traffic to your website. Additionally, they provide inward links to your site, if they carry your URL – thus improving your search engine ranking.

Email marketing campaigns

Treating a customer base as a collection of e-mail addresses to hurl offers at, until one sticks, is shortsighted. Companies that are content to invest in poorly targeted e-mail campaigns, that blast out calls to action, risk alienating their customers and eroding brand equity. This one-off approach, which remains fairly common, systematically lowers the bar for what the market considers spam. E-Mail marketing (EM) is not simply the electronic equivalent of direct mail; it is a customer feedback mechanism that smart companies leverage to build and maintain positive long-term relationships with clients.

Instead of segmenting lists carefully and targeting offers and relevant content to specific audiences, too many marketers routinely blast their client e-mail lists with near reckless abandon. Industry studies routinely show that well-planned, permission-based EM returns immediate results, substantially higher conversion rates, and lower overall costs than direct mail.

Well-designed EM programs create multiplier effects that extend upfront investments in acquisition tools and generate higher average revenues per customer.

Aberdeen's research report, EM: Relevancy Retention & ROI, found that organizations attempting to optimize EM as a piece of their marketing mix require a lot of "handholding." As EM adoption increases, seasoned marketers want to create and deliver more easily consumable value for their customers. Though a place exists for one-off campaigns, companies should lead with well-planned communication programs that in turn create demand for marketing outreach.

A DoubleClick/MSI Study revealed that, in 2002, marketers will shift a significant portion of their ad spending to direct-response television and e-mail marketing (18% and 17% increases, respectively).

E-mail marketing has become tougher and tougher due to the fact that there is so much junk e-mail out there today. You must immediately strike a chord with the reader. How many e-mails do you receive that you delete, without reading them, because you think they are junk? Next time you get a chance, study those e-mails and try to avoid what they're doing.

The best way to approach e-mail advertising is to do it through targeted e-mail marketing. Start a newsletter for your site, if you have not already, because it will prove to be an invaluable marketing tool. It's a way to keep in touch with your visitors, and introduce them to new products and content. If your newsletter gets popular enough you can start charging people to put ads in your newsletter. The most important part of your newsletter is that you can build a loyal customer following.

Contextual Marketing

This is a newly emerging but extremely targeted and effective form of promoting your online business. Consumers download specific software from a contextual marketing network organizer (such as Gator Corporation, Hotbar, Save, or WhenU) at no cost and install it on their desktops. When the consumer is about to make a purchase for a specific product or service or is placing a search query for that item, the software will beam advertising messages from suppliers of that product or service, offering some incentive to the consumer such as discounts or promotion offers. Through this facility, the advertiser (supplier) is getting an opportunity to promote his offering to a targeted consumer and that too at the point of sale or when there is an intention to buy. Thus contextual marketing offers a highly targeted marketing tool that connects the supplier with a genuine lead and spurs transaction.

The effectiveness of contextual marketing can be seen from the fact that response rates and conversion rates are from 5 to 20 times higher than the results from conventional online advertising.

Contests, Giveaways and Discount Promotions

Contests and Giveaways are very useful for site traffic and getting new subscribers. Good contests help in building a better image of your company. Many people like to have an opportunity to get something, for free! Because of that many people visit your site or subscribe to your service. Promoting online contests has become an effective way to build customer databases, particularly at the business-to-consumer (B2C) level.

Although these kinds of contests require a lot of work, they pay off handsomely in four ways.

- First, they make great marketing opportunities provided the prize is well suited to the target audience.

- Second, people are usually willing to share personal information to participate in the contest, therefore enabling you to gather more demographic information on your target market.

- Third, the lure of fresh names and demographic information can bring co-sponsors to your contest who can offset your costs and who will allow you to cross-market your press releases.

- Fourth, contests draw people to your site who may not ordinarily come, potentially yielding higher sales during the course of the contest.

If you wish to have a huge audience for your contest, you should register your contest at as many places as possible and advertise it on your web site. The best way is to send press releases to some popular online and offline magazines, which are relevant to your business. These are good ways to promote your contest.

Along with contests, having promotional products giveaways may also boost your website's performance. For instance, if you offer some sort of service, offer free service for a certain period of time to customers who sign up. You could also give away something valuable for free on your website that brings visitors to your site. Then offer an upgraded form of service for a fee. This formula works very well!

"Free" maybe the most attention-getting word in the English language, and editors and writers know it. So whenever you can give something away, use it to your benefit in your marketing plan. You can also use your giveaway to capture demographic information. Free-PC.com has used this PR strategy most effectively.

If you don't have anything to give away, you can "borrow" from other sites. Offering discounted products and services from time to time is also essential. Discounts attract more visitors and also help in retaining your old customers. Offline Advertising

Media and Print

Nothing gets the orders coming in like lots of media advertising. Newspapers, TV, and major Internet sites reach thousands, even millions, of potential customers around the clock.

Even with the breathtaking development of the Internet, Television remains the king of media. Almost 99% of North American homes have at least one television. The average person watches TV seven hours each day. And people consistently say they get most of their news and information from television, especially local TV news.

TV advertising is, however, also very expensive and is intended for large companies with bigger budgets. Cable TV, Newspapers, and Radio provide a solution, especially for small business. These ads tend to be dirt cheap, even though their audience is huge. These also have the ability to send your ads to specific parts of town and neighborhoods. Advertising on TV/radio worked wonders for Snap.com, Excite, among others.

Word of mouth

"Word of mouth" advertising can be very effective. Besides, it is completely free. The Internet takes this ancient form of "buzz" and promotion and amplifies it with a global network of people connected digitally. "Word of mouth" now has an Internet version called "word of mouse" (computer mouse). With greatly increased speeds, people refer things to their friends and families spreading the word through the Internet and to the far-reaching corners of the world.

Many smart marketers and publicity people have learned to harness the power of viral publicity with Internet "Tell-A-Friend" promotional techniques and tools.

Providing incentives as part of the "Tell-A-Friend" technique ensures higher success rate.

For instance, the website www.wz.com conducted a giveaway contest where they gave away 4 Sony PS2's before Christmas as a website promotion. They also gave people who had entered the Giveaway the opportunity to get additional entries and additional chances to win by telling a few of their friends on the "Thank You" page.

On the "Thank You" page, every giveaway entrant received the following message: "Tell your friends about WZ.com, and get an additional entry for each friend you email." In return for the favor, they received an additional chance to win for every friend they refer. This simple addition increased Tell-a-Friend results by 96 times.

So how do you use this technique to leverage and increase your traffic, sales, and "word of mouse" publicity? It's simple, just "Tell-A-Friend" or "Tell-A-Friend about everything"! You can add Viral "Tell-A-Friend" forms to all of your web pages. This technique is simple and very effective.

Some other tips

Put your website address on all of your advertising materials, including business cards, stationery, and print ads.

Put your website address on your car. This is one of the most cost effective ways to promote your business offline. Think of how many places your car goes in a day or a week.

Give out your business cards every day. Some people even put their cards in all the envelopes where they pay their bills. You can also get creative and create different business cards for different occasions.

The large amount of money spent in offline advertising is not wasted. Among Internet users, offline advertising appears to generate traffic to the site, both for people who have never visited the site as for those who did already surf to the site. The impact of offline advertising is particularly important to attract new groups of surfers to your site, e.g. young people, women, surfers with less internet experience and people with non-degree level education. Users admit offline advertising is an important source of information to enable them to discover new sites.

Events

A good marketing campaign keeps its client - your company - in the news. That means your plan must consistently create or exploit events that make news. Contests and Giveaways discussed earlier are major attention getters. Here are some other "newsworthy" suggestions.

Create New and Unique Content

Depending on your site, you might be able to develop and post new content that will make news. News-making content includes new research findings, unbiased wide-scale comparisons of products or services, or a new presentation style that shows the creative use of interactive technologies.

Launch or Re-launch a New Site

If you're planning a redesign of all or part of your site, you can publicize this -- particularly if your new design includes a major technology innovation, if you've

used a high-tone designer, or if you've reorganized your content in a new and noteworthy way.

Make Announcements

Send a press release to your media contacts whenever you hire a new manager, form a new strategic alliance, contract a new vendor, or land a large, new client.

Plan Events

You can leverage your online marketing with offline events, such as speeches, conferences, seminars, and sponsored events particular to your industry. Co-sponsoring events with charities almost always guarantees good publicity

Webcasts

Webcasts are proven to provide some of the best Return on Investment (ROI) in generating new prospects as well as qualifying existing prospects. Webcasts are a popular medium for communicating the features and benefits of a product, service or specific technology. Attendees find value in the educational benefits of webcasts as well as the efficiency of participating in this type of event. It's not necessary to invest a lot of time and money as it is with an offline event.

Primary Benefits of Hosting a Webcast:

- A Webcast provides you with the ability to poll the audience for all the important qualify questions. Attendees are likely to respond to these questions in a webcast environment.

- Every action of every attendee can be recorded to help you qualify the audience.

- Interactive features of webcasts include audience polling, private and public chats, create banners and chat messages on the fly to communicate to the entire audience, push the audience to any URL on the Internet i.e. your website.

- Educate a large group of interested prospects at once about your products.

Audience Acquisition

You can promote the webcast to people that have already shown interest in your products from previous conversion i.e. white paper requests, contact requests, newsletter signups, or existing customers to educate them on your latest products. Webcasts prove to be well attended by other employees on a project

team of your prospects who may not necessarily be included on all of your sales calls.

Webcast Registration

Make it easy for people to register by providing a form on your site or even in an HTML email invitation. Confirm their registration with instructions for any pre-webcast tests or plug-ins they should perform. There's nothing worse than signing up for a webcast and not being able to connect on the day of the event.

Webcast Reminders

Remind registrants to perform any necessary tests in your confirmation email and any subsequent reminder emails. Remind registrants the day before or early on the day of the event.

Sending a "Stick" letter to your customers

A "Stick" letter is sent to each of your customers as soon as he/she subscribes to your website membership or buys a product or service from your website. The "Stick" letter as the name suggests ensures that your customer sticks to the membership or product/service.

An effective stick letter can do wonders in retaining your customers. A stick letter first of all welcomes a new subscriber and thanks him/her for showing faith in your service. The letter should be personalized and warm. It should flatter the customer for making such a wise purchase decision.

Many times doubt might creep into a customer's mind and he/she may have second thoughts pertaining to your product or service. An effective stick letter would eliminate such doubts by highlighting unique features of your product.

An effective stick letter is one which

- Is personal and engaging

- Thanks your customer for subscribing

- Reminds him/her of the benefits of subscribing

- Makes him/her comfortable and confident of his decision to subscribe

Just like every other sales person, subscription website owners need a good stick letter to remind their patrons and subscribers why they made a great purchase decision.

Referral and Customer Appreciation Programs

Long before online sales and online sales leads became a reality, there were techniques and tactics used to sell just about anything. Successful businesses use these techniques to generate revenue and gain a competitive advantage. Unfortunately, whenever a new communication medium or technology becomes available, we tend to rely too heavily on the efficiencies and functionality of the tool and lose focus on the purpose it was created to serve.

Customer Appreciation Programs may have worked for your company in the past and there is no reason why these cannot be implemented successfully online.

If you rely on customer referrals and repeat customers, you've probably tried or currently have some sort of referral program in place. The Internet provides the perfect environment for facilitating and measuring the effectiveness of such programs. Look for ways to encourage online referrals and reward repeat customers. Let them know their opinion counts with easy to use feedback mechanisms. You can also conduct customer surveys, polls, and use other interactive ways to generate online sales leads. Ask customers to provide testimonials and show them on your site.

Feedback and Monitoring

It's not enough to simply create and optimize your web site and hope for high traffic and a load of customers. You need to use tracking techniques to realign your strategy and improve success rates. Your Web site's conversion rate is a measure of your ability to persuade your visitors to take the action you want them to take. Tracking the number of visitors to your website and the sales made against this number is thus, vital. The final section of this guide deals with one of the most underrated aspects of a successful paid subscription website – Tracking and monitoring progress.

Tracking performance and growth

Understanding what your visitors do on your site is crucial information, not to mention interesting. If your visitors proceed to purchase a product but then a large majority leave the site when they get to a specific page in the order process then you need to know about it. It could be that this page is confusing or hard to use. Fixing it could increase your sales by 200%. This is just an example; there are many reasons why you want a detailed analysis of your site visitors.

Most website hosting services offer a stats package that you can study. If you're not sure where this is, call up your hosting service and ask them. Statistics are a vital part of tracking your marketing progress. If you don't have access to website statistics get a package that can help you in this area. Do not get a counter that just shows how many visitors you've had. You'll be missing out on vital information that can help strengthen weaknesses in your site.

A good website hosting service would offer traffic logs that provide an invaluable insight into the traffic being referred to a web site from various sources such as search engines, directories and other links.

Unfortunately traffic tracking provided by web hosting services is often in the form of raw traffic log files or other difficult to understand cryptic formats. These log files are basically text files that describe actions on the site. It is literally impossible to use the raw log files to understand what your visitors are doing. If you do not have the patience to go through these huge traffic logs, opting for a traffic-logging package would be a good idea.

Basically two options are available to you and these are: using a log analysis package or subscribing to a remotely hosted traffic logging service. A remotely hosted traffic logging service may be easy to use and is generally the cheaper option of the two. WebTrends Live and HitsLink are two good, remotely hosted, traffic-monitoring services worth considering. However, WebTrends Live is a more complicated system and is suitable for larger ecommerce websites. "SuperStats" is another recommended traffic logging service.

These services do not use your log files. Typically a small section of code is placed on any page you want to track. When the page is viewed, information is stored on the remote server and available in real time to view in charts and tables form.

Log analysis packages are typically expensive to buy and complex to set up. Apart from commercial packages there are also some free log analysis packages available, such as Analog.

A good traffic logging service would provide statistics pertaining to the following:

- How many people visit your site?

- Where are they from?

- How are visitors finding your site?

- What traffic is coming from search engines, links from other sites, and other sources?

- What keyword search phrases are they using to find your site?

- What pages are frequented the most - what information are visitors most interested in?

- How do visitors navigate within your web site?

Knowing the answers to these and other fundamental questions is essential for making informed decisions that maximize the return on investment (ROI) of your web site investment.

The most important aspect of tracking visitors to your website is analyzing all the statistics you get from your tracking software. The three main statistics that will show your overall progress are hits, visitors and page views. Hits are tracked when any picture or page loads from your server on to a visitor's browser. Hits, however, can be very misleading. It is quite an irrelevant statistic for your website.

The statistic that is probably the most important for a website is Page Views/Visitors. This gives you a good indication of two things. First, how many people are coming to your site, and secondly how long are they staying on your site. If you have 250 visitors and 300 page views you can figure that most visitors view one page on your site and then leave. Generally, if you're not getting 2 page views per visitor then you should consider upgrading your site's content so your visitors will stay around longer.

If you see the number of visitors you have increasing as well as the number of page views per visitor increasing then keep up the good work! Always look for this stat as an overall barometer of how your site design is going and if your marketing campaigns are taking hold.

Also, a good stat to look for is unique visitors. Once a person visits your site they will not be added to the unique visitors' category if they visit again. This is a good way to track new visitors to your website.

Page views are a good indication of how "sticky" your website is. A good statistic to keep is Page Views divided by the number of Visitors you have. This statistic will give you a good idea if your content is interesting and if your visitors are staying on your site for a long time and surfing.

Some people are intimidated by web traffic statistics (mostly because of the sheer volume of data available), but they shouldn't be. While there are many highly specialized statistics that can be used for more in-depth web traffic analysis, the above areas alone can provide invaluable information on your visitors and your website performance. Remember- this data is available for a reason. It's up to you to use it.

Tracking your sales

Like any business, it is absolutely vital to track and maintain your sales records. You should know every month your income and expenditure. This would give you a good idea of which products are in demand and which ones are not.

There are many ways to keep track of your sales. Using orthodox methods such as keeping a paper journal is time consuming. Simple spreadsheet programs as well as basic accounting software are available at no or minimum costs. However, it is advisable to install advanced accounting software such as QuickBooks, Quicken, or Microsoft Money.

Such advanced programs save you time by sorting your register transactions by date, transaction amount, document number (e.g. check number), order entered, or cleared status. The tracking feature included in such software tracks, by user, changes made to each transaction. Daily, weekly, monthly as well as yearly sales reports can be generated with a few clicks. These reports help you analyze the sales of each and every product. Logs and reports can be generated to keep track of all your customers.

Receiving Customer Feedback

The most important person visiting your website is not your mother or your best friend, so why rely on their opinions when designing a website? Your "customer" must be able to tell you what they think. Their comments, questions and

suggestions can help you make your website the most useful, but only if they send such feedback.

There are people out there who will give you their opinion without any kind of prompting. They'll click around your website and then look for a "feedback", "contact us" or "about us" link to tell you a link is broken or ask how to become a client. Make it easy for them by offering the following information on your website:

1. Your email address

2. Your phone number (preferably toll-free)

In addition, consider adding one or more of these:

- A feedback form

- An instant message link

- A bulletin board

- A guestbook

What do you do if your visitors do not respond? Only a very small fraction of the people visiting your website will bother to contact you about a broken link or to tell you they loved your website.

One option to encourage a higher degree of feedback is by offering a short survey (preferably right on your home page). Even better, offer them a freebie (a newsletter or a special report) as a token of your appreciation.

The bottom line is that customer feedback is extremely valuable. You need to know what your customers think of your website and your products or services. Customer feedback can help you improve the usability of your website and your products, giving you a competitive advantage. Keeping in touch is worth the price, so set up a customer feedback system today.

Visitor and customer registration

It is common on most sites and portals to see a Visitor registration form. However, some incentive is surely needed to prompt a visitor to register and provide you their profile and e-mail address. You could offer some interesting information, free, through download. Visitors may be prompted to register before they can avail this freebie. You could also have a weekly (or monthly) newsletter or ezine with interesting content and could ask visitors to sign up to subscribe to this free service where you could e mail them the newsletter or ezine. This is an

opt-in list of prospects, which is extremely valuable. These are the persons who are interested in the type of information or service you offer and you have a chance of converting some of them to your paying customers or members. Make sure that you provide clear guidelines of your privacy policy when you ask visitors to register and always allow them to opt out at any stage. Your prospective buyers will value these features and it will promote the sense of trust and transparency.

The information that you receive from the registration form can be analyzed to study the profile of your visitors, their preferences. Their sign-in and sign-out patterns also tell you a lot about what is attractive to them and what is not.

If you have a password allocated to these visitors and you prompt them to use the password each time they enter a specific section of your website, your application can record the session information of each unique visitor and this can provide you valuable insights into their behavior.

An advantage with membership websites is that your customers are identified through their login details and thus you can track each visit of your customer. If you are offering them information or valuable content on the site, you can set your analysis to check what content or section has been most sought after, and which one was the least visited. If you are offering documents for download, you can similarly track number of downloads for each document.

Your strategy is not just in collecting this valuable information, but also in learning from it and re-aligning your strategy in accordance with it.
Fine tune your website

Your work is only half done when you create a very effective website and achieve higher sales and traffic. To hold a comparative advantage over your competitors, it is essential that you keep fine tuning your website according the needs and demands of your customers.

All the above mentioned tracking and feedback features would help you in laying out a clear strategy to maintain your profits and in time, even scale up your website. Tracking and feedback would help you understand better whether your website is appealing to all markets and whether your content sells your story effectively and engages your customers.

The key is to constantly update your marketing and promotion strategies. It is always a good time to take stock of what's working for you, and what needs some attention.

Building credibility and maintaining it

Finally, make sure that you build trust and credibility for your business. Credibility is a key ingredient for any successful business venture. Building and enhancing the credibility of the products and services you offer is an ongoing and full-time effort.

Why not make sure the web site you use works as hard as you do to establish credibility? Let's look at elements that can be built into a well-designed web site to enhance credibility in the eyes of your potential customers.

Offer a Guarantee

Nothing beats a solid, believable guarantee for building credibility online. It may be hard to believe but buying via the Internet is still unfamiliar, and uncomfortable, territory for the majority of people. It is up to you, the business owner, to put their minds at ease. One way to do this would be to offer an unconditional, 100% money back guarantee. By assuming all of the risk, you will earn instant credibility points with most potential customers.

Provide Contact Information

Even the best guarantee won't help establish credibility if the potential customer cannot contact you. Post accurate contact information on your web site and make it easy to find. Provide as many methods of contact as possible; do not simply post a link to an email address. For maximum credibility, post the complete mailing address, phone number (preferably a toll free number), and email addresses for customers to use if they feel the need to contact you.

Use Testimonials

Testimonials are the Internet equivalent of word of mouth advertising. They can be very effective tools for building credibility provided they are believable. To get quality testimonials, ask your past customers for their opinion. Obtain their permission to use their words and names as part of your advertising. Avoid celebrity endorsements; most people assume these are paid endorsements.

Provide a Brief Bio

Familiarity is one of the most effective tools for building credibility on the Internet. How do you establish familiarity in a faceless, impersonal medium like the Internet? Simple, tell people about yourself. Post a page that provides a thumbnail sketch that describes who you are. Be sure to include personal data as well as professional credentials. Place your photo on the page so people can put a face with your name. Creating familiarity will impart another level of credibility for you and, by extension, for the product you represent.

Emphasize Transaction Security

Nearly everyone recognizes the need to conduct secure exchanges of information via the Internet. Emphasize the fact that transactions from your web site are secure. Place statements to this effect prominently in any location where personal information is requested. Letting your customers know that you recognize their security concerns will add credibility to your site.

Privacy Policies

Most reputable web businesses have established privacy policies to protect the information provided by their customers. Make certain your customers can access and read your privacy policy by placing links near any location where personal information is requested. Be sure the policy clearly spells out if the customer's information will be shared with any other businesses. To maintain the credibility it is necessary to deliver on the assurances each element provides. Be sure to update policies and contact information regularly. Follow through on all guarantees promptly and cheerfully. Review the security procedures on a regular basis to be certain they are still adequate for the task.
With proper implementation and due diligence, each of these elements will establish and add to your online credibility.

Keep your site innovative and fresh

It is important for you to keep bringing back your customers and your prospects to your site, again and again. If they find nothing new every time they visit, well, they will just stop coming, If you are running a periodic subscription site, you must realize that it is not enough to have customers sign up once – you want them to continue their membership. Membership renewal is a strong signal that your site is delivering value. Dropouts, on the other hand, are telling you that you are not doing such a good job.

Introduce new and innovative features in your site from time to time. You may run a new survey and provide the findings on your site. You may run a contest or special scheme. You could organize web casts presented by specialists or vendors. You could even organize face-to-face events – professional or leisure – to promote a community feeling in your members. Providing news summaries or vendor evaluation reports or articles on new developments in your field is a very effective way of keeping your website fresh and pulling visitors to it again and again.

You may also consider repurposing your web content to suit the changing tastes and preferences of your target market. Move with the time. You have to be on your toes in the content or membership business. Its not a business area, where you can sit back and relax after you have launched a great product. Always take

a long-term view of your business and build up on your success, step-by-step. 'Making a quick buck' is good for junk sales copy and that is where it remains.

Scaling up

If you are keeping your site innovative and fresh and are enhancing its value, your custom will grow. When you see that the number of customers is growing, its time to bring out your stage II business plan. Maybe you had begun with a single subscription level for members, where all members were treated alike and had the same privileges. If your membership has become sizeable, consider offering levels of membership – a Premium or Platinum membership where the customers pay something more and get access to more valuable content or privileges. You could offer them discounts to certain books, training sessions, and events or organize their networking with peers or other business owners. You could offer them special one-on-one training or guidance sessions.

Finally, when you notice that traffic to your site has increased beyond a certain level, it is time to think of scaling up in more senses than one. You may need to arrange for more web space or move to a better hosting environment. You may have to upgrade your web application to maintain or improve performance. You may also need to upgrade your back up and restore facilities. You are lucky that you have to handle growth pangs!

That's it for Volume I of Money Secrets. We'll be publishing many more ebooks like this one sharing different types of information that will help you create your own home business. If there are topics you would like for us to cover just drop an email to liz@tomeymarketing.com

To your success!

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