

Daniel Hall Presents



Episode 69

How to Use a Free Plus Shipping Offer to Create a Recurring Income Program

With Ron Douglas

Welcome to this edition of the Real Fast Results podcast! Ron Douglas is in the house, and he's here to help any content creator, expert, and/or author who is trying to build their platform and income base. Ron has advice on how to create a continuity program or another type of program to generate recurring revenue.

Ron has a very stout and sterling publishing pedigree. In fact, he is a *New York Times* bestselling author. He has also appeared on national television shows, such as *The Today Show* and *Good Morning America*. It's all well and good to know that Ron has accomplished so much, but he still knows how to relate to people who are just starting out. He's very good at teaching and relaying information, so if help is welcomed when it comes to building your platform, you're in the right place.

Promise: Creating Recurring Income

If you want to have recurring income, if you want to have steady income, so that when you wake up in the morning you know the bills are paid that much because you've built something that makes you feel comfortable that the money is going to keep coming. **If you want to do that online, and you want to do it with information products, I think I have a pretty good system that you'll want to pay attention to.**

This is basically about taking a book, or an eBook, or a short report, or any type of digital information product and creating a physical product out of it. You can use this to build recurring income and get people into a sales funnel where they will gladly want to try your membership site, or whatever type of product that you have. There's a way to do this where they are more likely to say "yes" to it, rather than trying to sell it directly. There's a way to incentivize them, and we are going to talk about this in detail today.

The big picture, and the way I'm doing it, is you give out something for free that you would normally charge for, that has value. Something like a book, for instance. **In one of the sales funnels that I use, I give out a book and I charge for shipping.** People are happy to pay for shipping if they are really interested in the book. You know, if someone said to you, "I'm going to give you this book that's normally \$19.99, but today you can get it for free. All you have to do is cover the shipping charges," people are accustomed to doing that online.

Once you do that, you use that book to get them into your sales funnel, and from there, you upsell them and give them a trial to your membership. You can advertise that, and you can set up a page where all you have to do is give away these free books, or these free front-end products, and you can build a recurring income business from it. Ideally, you'd want to build this around your core expertise. You want to build it around something that you want to keep teaching people, or something that you want to keep expressing to people, or have an ongoing product about. If you are an expert, that's really the low hanging fruit for you. You'll want to do this on a topic that you're comfortable with.

Physical Product - So You Can Charge for Shipping

You do need a physical product. **You know, if you were just giving away a free eBook or something, you can't charge for shipping, and the perceived value is a lot less than if you were getting a physical product.** So, you make it a physical product that you can charge to have shipped, and the reason to do that is to get them into a transaction where they have their credit card out and they are in the buying state of mind.

It's similar to going to the supermarket like a Target or a Walmart. They always have products right near the register because they know that once you are in the buying state of mind, with your credit card out or with your money out, you're likely to add additional stuff that just catches your eye, on impulse. So, you get people to add more stuff on that they are interested in while they are in that state of mind.

The first part of the process is getting past that first objection of, "Why do I have to pull my credit card out?" That's Part 1. Nobody wants to buy anything, right? So, you get that first objection on, "Why do I have to pay for

anything,” and it’s to get this free thing that you’re going to get in exchange for paying for shipping.

You can do it with a book, a printed book, you can do it with an info product that you put on CD, or DVD, or CD-ROM. You can do it with software. As long as you can turn it into a physical product. You can do it with a flash drive. Just anything physical that you can think of that’s not very expensive to produce. Anything like that would make a good candidate for this.

Won’t I be Going into Debt by Sending Out These Free Products?

Well, the cost of producing a free book is not that expensive. Like, you can get a free book done for under \$3. You know, you can ship it off for two additional dollars. So, for like \$5 or \$4.50, you can send out your free items and have them produced as well, and you can charge \$6, \$7, or \$8 for shipping. **It’s a self-liquidating type of offer, where you don’t spend any money out of your pocket.** You’re taking in the money, and then you’re getting the stuff produced, and you can actually make a profit off of that free offer.

Collect the Lead

The next step in the process is optional, but what I like to do is... Well, the first step in the process is you say to them, “Get your ‘free + shipping’ offer,”... In my process in particular, I say, “Get your free cookbook. It’s part of our national promotion. It’s usually \$19.99, but today you’re going to get it for free. All you have to do is cover shipping.” So, Step 1 is collecting the email address. I say, “Step 1, enter your name and email address for shipping and confirmation.” And, I actually do send them a shipping confirmation through that email address.

So, that’s Step 1. I collect the lead, and then I redirect them to the payment page, right after they submit their name and email. They go right to the payment page, and on the payment page, I have what’s called a “Bump” offer. A bump offer, if you’ve ever checked out or bought something online, is where there will be a checkbox for you to add an additional offer to the transaction.

The free offer is *America’s Resteraunt Recipes, Vol. 1*. The bump offer ties right into that. The bump is Vol. II. So, if they are interested in Vol. 1, they are likely to say, “Okay, well, I’ll just add this on and get Vol. 2 also. Why not?” **In this way, I end up turning a free cookbook into a \$20.00 sale.** The way that I do it is the bump is \$11.99. I tell them that the product is usually \$19.99, but today you can get it for \$8.00 off. Then, for \$11.99, you can add this to your order. So, 48% of the people end up adding that to their order, and that’s how I turn a free offer into a \$20.00 sale, and that’s the next step.

Additional Offer

Next, they get an additional offer on the following page, saying, “Thank you. Your order is being shipped. We’d also like to offer you this as well...” **What I do is give them something that they can add to their order in exchange for them trying my monthly membership program.** So, I give them something that they can add, and I say, “For just \$1 we’ll add this to your order, and you’re also going to get a trial...”

In this instance, I do a cookbook of the week. So, a digital cookbook of the week. So, I also have a trial to what I call the Secret Recipe Cookbook Club, where each week you get a new digital cookbook sent to your inbox. Then we say, “For trying that, we’re going to give you this CD.” This is a CD that cost me about \$1 to produce, and it has 20 digital cookbooks on it. It’s usually \$20, but we throw it into the offer for \$1, just to get them to try the membership.

The reason we do this is because we want them to focus on what they are going to get in the mail, the additional item, and try the membership just because they want to get that. That way, they are like, “I’ll try the membership,” rather than focusing on the fact that they will be charged \$20 a month after 14 days. So, people are more likely to say, “Okay, I want this too. Let me add that on, and I’ll try it.”

We make it clear that you can cancel at any time, we make the terms clear, and everything is spelled out. “Here’s what’s going to happen after 14 days. You are going to be billed \$20 a month, if you choose to remain a member of this membership club.” We get about 20% of the people taking this offer as well, and we focus on the item that we added on to their order, to make it attractive and make them say, “What the heck? I’ll just add that on.”

So, You Aren’t Selling the Membership, but the Benefit of Your Physical Product?

We are selling both, actually, but we lead in with the physical product first, and we show a picture of that. Then, we say, “You’re also going to get this membership.” So, we tell them about the benefits of the membership and why they should at least try it. But, the main thing that they are interested in, obviously, is that add-on order, and then they get the details about the membership in that same sales process. In that same video sales letter that we use, we tell them about that too.

Is There a Specific Reason Why You Charge \$20 a Month?

No. It just seemed to work for it. Actually, we used to charge \$10 a month, and then we raised it to \$20. Twenty seemed to work, and the numbers didn’t seem to go down that much, so we stuck with \$20. I mean, we might test out \$30, but \$20 seems like a number that, if people see it on their credit card bill, they aren’t going to go crazy. Also, as part of the offer, what they are getting is a digital cookbook every week with this particular offer. And, we have to assume that they have a price in their mind. Like, “Okay, four cookbooks a month. How much would that cost? Maybe it would cost \$40, so this is half price.” That’s the rationale behind it.

Everything that you offer, you have to think about the way that you position it and advertise it. People have a perceived value in their mind of what it should cost. That's based upon other things that they have purchased and other things they've seen. So, if you can give them a better deal than what that perceived value is, then they will see it as a good deal, and they'll stick with it, right? On the flip side, if you can increase what they perceive the value of it to be, then you can charge even more. **Don't focus on the price. Instead, focus on their perception of what the value is.**

Funnel

What we are doing is funneling people in and capturing some of them. **You are building your email list, first of all, and then you're getting that recurring income from that.** So, you have this self-liquidating funnel that you can just dump as much money in as possible. If you are making \$1.25 for every \$1.00 you spend, or if your affiliates are making that, you can pretty much get as much traffic as possible, and it's just a numbers game.

If you give out a certain amount of free cookbooks, or free reports, or free CDs, or whatever, you know that a certain amount of those people are going to become members. So, if your goal is to get a 1,000 members paying you \$20 a month, you can just reverse the math and see how many people you need to get. How many free items do you need to give away?

Be Clear About How They Will Be Charged

I find that you have to be transparent like that for two reasons:

1. **The first reason is that if you're not, a lot of people are going to halfway read it and not understand what they are buying, and they'll end up charging it back.** That's going to cost you in customer service, other expenses, and problems later on.
2. **The second reason is retention.** You want them to actually want it so that they will stay in the membership. You want to be clear about what it is they are going to get because you want them to keep paying for it. The goal isn't fooling them into paying for one month and come back to you and cancel. You want them to stay in for many, many months, if not years.

How Do You Produce that Much Content?

Well, I'm a speed writer and a speed eater, so I just make these dishes. It's kind of like a program where it's crowd-sourced, in a way. Cookbook authors donate these cookbooks

to this program. We go out and find people who have cookbooks, and we tell them, “Listen, we like your cookbook, and we see that you have an affiliate program for it. We’d like to promote your cookbook, and we have a list of 240,000 people in the cooking market. Here’s how the program works. In exchange for promoting your cookbook, we’d appreciate it if you can donate some copies of your digital cookbook, which it doesn’t cost you anything to give them away to our paying members. So, you donate that to our paying members, and all of the rest of the non-paying members, we’ll promote it directly to.”

We find that a high percentage of the people are willing to do that because most of them don’t get a whole lot of traffic anyway, right? They don’t get a whole lot of sales. So, they see this as an opportunity, and they recognize us as a player in that industry. That’s just one creative way to do it, but obviously, it’s not the only way to get content for your membership. It’s just one of the programs that we have.

Every Friday we send out an email to our list, and we feature one of the cookbooks that are in this program. Then, we take one of the recipes from the cookbook and use it as content. We say, “If you would like to get the full cookbook with all of these types of recipes, you can go here or you can join our membership, and this is one of the cookbooks that we give out as part of our membership program.” This is a win-win for everyone.

The Technology You Need to Make this Work

I’m not sure that I could pull off the technology without the services that I use. I’ll walk you through it.

- **For creating a landing page** that people go to in order to get these offers, I use [InstaBuilder 2.0](#) and [WordPress](#). [WordPress](#) is a free software that you can use, and [InstaBuilder](#) is under \$100. No recurring, just one time. I think it’s under \$100. It may be \$150 or something like that. It’s an easy way to build landing pages, and it has these custom templates and designs that you can use.
- **For the actual products that I create**, like the books, I like to use [Instant Publisher](#). That’s the company that prints my books for me. Or you can use [CreateSpace](#) for that, or you can use any other printing company. You can use a local printing company if you have a book. If you have a CD or any type of DVD, CD-ROM, or flash drive, [Kunaki](#) will print your CDs, DVDs, and CD-Roms, and ship them as well. I believe that it’s \$5.50.
- **Get a cover image created on, say, Fiverr.** Another place I use is [LocalNerds.com](#). It’s a graphics company that I use.
- **Get that created. Take your digital media, upload it and the cover image to Kunaki, and then upload the orders.** They will ship it out for you and handle the fulfillment.
- **If you want to do it in-house, you could do it yourself.** Another company that I use for fulfillment is [Rakuten](#).

- For taking orders, I just simply use [PayPal](#) and [Stripe](#). You can use either one. Everyone is familiar with [PayPal](#), so that's a good one to use. **People trust the name [PayPal](#).**
- **You can use a shopping cart that handles the payment transactions.** I use [Zaxaa](#). They have a shopping cart that handles the payment transactions, and it lets you do the bumps and the one-click upsells as well as all the other stuff you'll need from a shopping cart.
- **For link tracking I use [ClickMagick](#).** They help me track my sales.
- For an auto-responder, I use [Aweber](#). That's pretty much all you need to get this up and running. They are purposely user-friendly, so it's easy to figure out. I'm not a technical person at all, so if I can figure it out... It's just a matter of putting a little time in to figure out those processes, and there are training videos on how to do it and everything you need.

What's a One-Click Upsell?

If you want to make an additional offer in that process, you don't want them to have to enter their credit card again. You want it to be one seamless transaction, where they can just click a box, or click a button, and add things to their order. This is similar to when you are ordering on Amazon, they put it in the shopping cart, and you can go back and order more stuff. One click and it's added right to your order. So, it's the same thing with a one-click upsell, using one of these services, like [Zaxaa](#).

Connecting with Ron

You can reach me on [RonDouglas.com](#), and you can join my email newsletter there. When you get an email, you can reply back to that, or you can reach me on Facebook at [Facebook.com/LikeRonDouglas](#). You can connect from there.

If you would like to see an example of one of my offers, you can see one at [RecipeSecrets.net](#). If you go to [RonDouglas.com](#), there's a link to [RecipeSecrets.net](#), and if you go to [RecipeSecrets.net/special](#), you'll see the offer that I've been talking about throughout this podcast. You can get a free cookbook too.

We are going to be going into detail about strategies just like this when we do our [Best Sellers Summit](#), which is later on this month. We'll have recordings there, if anyone misses it as well. If you didn't already know, the [Best Sellers Summit](#) is an annual online conference. You don't have to get out of bed; you can just log right on. It's an online conference where we bring some of the top bestselling authors, internet marketing teachers, social media marketing teachers, and other people that are bonafide experts online together.

We bring them together, and you are able to learn from all of them, who each do an hour-long presentation on what's working for them right now. What's working, how they are making money, and how they are selling books. We teach people how to sell

books, how to sell info-products, how to build a following online, how to build a social media presence, how to get more traffic, and all of that stuff.

It's all covered, and it's all different and unique ways to do it. How to do these free + shipping offers, how to sell on Amazon, and how to sell on Amazon Kindle. All of these topics are covered. It's just a great way to learn the business and learn a lot of different ways to make money online. You can learn to make money with information products and books as well. By the way, you can check out the Best Sellers Summit by visiting DanielHallPresents.com/bestsum.

Resources

[Best Sellers Summit](#)

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