

# Why do we butcher our profits Online?

By Paul Barrs

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Paul Barrs  
paul@paulbarrs.com

Home Business Mastery <http://www.paulbarrs.com>

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Now this makes me angry!

Why do we butcher our profits when selling Online?

I can't stand it.

How many times I've seen what looks to be a quality product selling for the stupid price of \$9.95 or some great package of products for \$19.95 - I cannot count.

Are the creators of such products insane?

Are they scared that you'll not make any sales at all?

Just this morning while following posts on a message forum I came across yet another site that sells a terrific range of info products - each which can be bought separately. But this webmaster had bundled them together and was selling them for less than one fifth of what he could get if sold separately.

Why doesn't he at least triple his price and sell them for minimum half for the package.

Over the past two months I've made numerous International phone calls to talk with other net business owners who are also feeling frustrated.

Because of the nut-crackers out there who butcher prices, we all are suffering.  
Think about it people - let's look at the math.

Let's use a product example of an incredible eBook called "Widgets Unlimited" (yes it's fictional)

It's easily worth \$150 - this is hot and has the references to go with it.

However, the webmaster sells it (or a re seller ever worse) for the all time low price of \$14.95 (and don't laugh - this happens)

He (or she for the ladies) sells 500 copies in the first month.  $\$14.95 \times 500 = \$7,475.00$

Now that's not bad, we'd all like to be doing that right?

But let's assume that the sales copy is great, the book is fantastic, people are raving about it all over the net.

So the price becomes \$49 and he (or she - although it's usually guys that do this stupid thing) only sells half the volume.  $\$49.00 \times 250 = \$12,250.00$

That's fewer products for more income. Less customer returns (if any), less download problems, less browser based problems etc. Win win.

How about if the owner of the book did the right thing in the first place and sold it for \$99.00.

But understanding that the price is higher, he only sells one third of the original volume.  $\$99.00 \times 166 \text{ units} = \$16,434.00$

Can you see where this is going?

====Side Note:=====

Hey, We all know the argument "But what if because it's cheaper more people buy? Surely the volume will make the extra profit?"

OK, let's take a look at it.

At \$99.00 you sell 166 units for \$16,434.00

So using the original price at \$14.95 you'll need to sell 1,100 of them to make the same amount of money.

Now, unless you're a top market with substantial previous experience, that isn't going to happen.

And if you are a top marketer with the experience to sell 1,000+ books in this fictional month, then with your credibility, people will still pay at least \$37.00 for your book which would be \$40,700 for the same amount of work

====End Note:=====

For goodness sake owners, authors and writers - stop shooting yourself in the foot!

And for those of you who sell resale rights products (stop trying to "give it all away" - you are the one loosing money!

And for those of you who create and sell resale rights products - PLEASE sell by licence to a profitable price marketplace.

Don't let people butcher and degrade your work by selling your \$99.00 product for \$14.94 - it's

hurting you as well as us.

Please.

Over the past twelve months I've increased the access to my training site four times. Originally it was \$49.00 (I fell into the trap). Now it's over \$300.00.

Guess what, I have more people register and join now than I did at the lower price, but even if I didn't it would still be worthwhile.

You can do the same - just believe in your products and services.

Between us, we can bring some profit back into the Online Market.

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Paul Barrs has compiled a new Free eBook titled  
"Make More Profit". In it you will find articles  
from some of the Net's Top eBusiness people, showing  
you how to Make More Profit in your Internet Business.  
Download it Free from: <http://www.paulbarrs.com/profit.htm>

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