

# How Much Advertising Money Should you Spend?

By Teresa King

How Much Advertising Money Should you Spend?

Teresa King  
teresa@netswan.com

Tips for Top <http://www.tipsfortop.com>

Once you have made your site the best that you can and you have tested it to see if it sells at all... then it is time to play the numbers.

No, this is not gambling where you have a bookie...but more like taking some tried and true methods and using them to decide where and how to advertise your product.

Let's take a sample site. Guy Seller, has tested his site and had found with semi-random hits he is getting two sales out of 100 hits. He has also found out by testing, that if he targets his hits..he gets 5 sales out of a 100 hits.

He has a product that sells for \$27.00 and it costs him \$92.00 to have a solo advertisement in an ezine that sports 9,000 readers in what he hopes is his target market... so Guy Seller does the math.

9,000 readers.... 5 percent go to his site. 450 hits  
That would work out to 9 sales.  $9 \times 27$  ...well that is obviously a profit. If he gets the 5 out of 100 sales...more the better!

Let's say only one percent of the 9,000 readers go to his site. 90 people... Now it doesn't pay.... but he doesn't lose too much money. But, if the ezine is targeted to what he is selling, he may get four sales and he breaks even, or makes a few dollars. (This example is low, because a person should really spend a lot of time, making an Ad, that makes people Click!)

Meanwhile, he buys some key words for his product at pay per click site such as goto.com and now these are a higher target margin because people are searching for what he has to offer. And, now he is fairly sure he will get 5 sales to 100 hits or maybe even more.

He also has decided to start his own ezine and even if he doesn't get any sales, he might get some sign ups for his ezine. Which, brings him a prospective customer for a later offer. And, as his ezine grows, he decides to trade advertisements with other ezine owners. This can be very cost effective.

Next, he decides he should write a hot article on something that is related to his product. Maybe he sells a great book on how to buy a house with no down payment... So he decides to write an article on the five danger signs to look out for before buying a house.

He then puts his resource box leading to his "hot product" and submits his article to every place he can think of that accepts articles. (This is another cost effective way to get traffic to your site)

So, with the above in mind, it is all a numbers game on how much you want to spend in monies or in time to bring those hits to your site.

One warning... when you see, guaranteed hits to your site, \$50.00 for 5,000 hits... remember, you generally get what you pay for. Guaranteed hits, are generally forced hits from someone getting a freebie from a site... and these figures, can really mess up your sale's testing. If it were that easy to pay out \$50.00 and make the above tested results for getting 5,000 hits, then every one marketing on the net would be rich, wouldn't they?

Teresa King  
October, 2001

=====  
Teresa King is the author of "What Did Mama Forget to  
Teach You? <http://www.tipsfortop.com/whatdid.html>  
=====

[Get-Articles.com](http://www.get-articles.com) : 1000's of reprintable business and internet marketing-related articles.

[Submit your article for reprint.](#)