

Why Am I Doing This?

<http://www.TheBizBank.com/tools>

End of April Newsletter

By your friendly host and guide: Nana Gilbert-Baffoe

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In order to get you caught up with everything that's been going on over the past few months, and how it's all lead up to this point, I've decided to send out this huge newsletter issue packed with another round of insight into the way I think, operate, and why I do what I do. In the process, you even learn something about yourself, business, AdSense, and life.

If you've been on my mailing list for any length of time, you will know that I've been focusing on the relatively new (to most people) technique called Arbitrage. First of all to get everyone on the same page, let's start with the Wikipedia definition of the term arbitrage.

Then after that, we'll move on to refine that definition to apply to our market. According to wikipedia..

"... arbitrage is the practice of taking advantage of a state of imbalance between two or more markets: a combination of matching deals are struck that exploit the imbalance, the profit being the difference between the market prices. When used by academics, an arbitrage is a transaction that involves no negative cash flow at any probabilistic or temporal state and a positive cash flow in at least one state. A person who engages in arbitrage is called an arbitrageur. The term is mainly applied to trading in financial instruments, such as bonds, stocks, derivatives and currencies."

In the market that we operate in, the state of imbalance we are working with is the cost of traffic. All websites need traffic to survive, and website traffic can be acquired from many difference sources. Some of them are free or inexpensive, while others are relatively expensive.

With the proliferation of pay per click (PPC) search engines, anyone can quickly setup an account, enter a few lines of ad copy, select keywords and assign bid values to them. In as little as 15 minutes, you could have everything up and running and generating traffic.

Compared to the world of search engine optimization (SEO) this way of getting traffic is almost instantaneous, relatively predictable, and if done correctly, quite profitable.

The level of profitability that a company enjoys, depends on which market they are in. For example, we could have Company A, (A company that sells toy cars online) and Company B (A company that sells real cars online, a car dealership). On a per transaction basis, it's very easy to see that all things being equal, Company B should naturally have a higher visitor value than Company A. Real cars cost more than toy cars, and each sale of a real car generates more profits for Company B than a sale of a toy car with Company A. With this in mind, if both companies were to bid on the generic term "cars" (This, by the way, is not a good strategy for most people.

But, bear with me for the sake of this example) you can see that company B would be much more willing to pay a higher price for the keywords that generate traffic to their site. This same idea also applies to other companies in other markets and niches. If you know where to look, it's not a big deal to find niches with keyword bid amounts in the high double digits. Yes, there are people out there willing to pay \$10, \$20, \$30 and even more for every click they can get to their sites.

It's this phenomenon that got me interested in the high paying keywords research niche many years ago, and over the years, I've used this fact to discover niches that were more profitable for AdSense publishers like you and me to enter. It's one of the reasons why I was able to generate huge amounts of income from a handful of websites, while others around me were struggling to make ends meet with relatively more websites. Have you ever wondered why you are not making more with AdSense?

I'm sure some of you reading this may have sites earning a few pennies for every AdSense click. Some of you may have wondered if AdSense is even a viable way to make money online. A few of you may have even given up because there was no way you could see this being anything more than something that makes enough to pay for lunch. The fact of that matter is, when done correctly, AdSense income can pay for lunch, dinner, your new car, house, and a whole lot more! I'm not going to go into too much about how to do AdSense, but I had to branch off a bit to make a point about the value of traffic and how this varies from industry to industry.

Once you understand that traffic is worth different amounts depending on where you get it, your mind should start spinning with ideas. Let's move into the "real" world for a quick example. If you found out that you could buy red apples for \$1 at one location, and then take that same apple down the street to another location to sell them for \$3 dollars, how many \$1 apples would you purchase for resale?

The condition where there's an imbalance of prices for the same product, usually in different locations, is called an arbitrage condition.

As you may have guessed, true arbitrage conditions don't last forever. The first thing that happens to erode your profits is competition. Other entrepreneurial people discover this opportunity, and move in, often undercutting you on prices.

Over time, your customers discover that they can get Red Apples for less by driving down the road, and purchasing them from the same place you are. It's shortly after this point that the arbitrage condition evaporates. Your job as an arbitrageur is to spot these opportunities, move in quickly for first mover advantages, and generate your profits while competition is little to none.

By following some of the strategies I have discovered, you actually start to build a viable business around this niche, and as competition increases your only main concern will be slightly higher traffic acquisition costs, but the systems you have in place will make it almost a non issue because your customer value will be much higher than the average arbitrageur.

So what is my system, all about? It's better to explain it with words and pictures, and so that's why I have placed a Camtasia screencast online at:

<http://www.PPCArbitrageClub.com>

The video is about 9 minutes in length so you can see why I'm not going to even attempt to go over it in this letter. But in very general terms, I'm using arbitrage to generate relatively cheap traffic, and multiplying the value of that traffic many times over.

This can be done through AdSense; sales of affiliate products, your own product or other means. The question is, how much can this traffic be worth to you? Sometimes, it can be worth a lot more than you paid for it. Let me illustrate again with another real world example.

In one of the niches that I'm currently working in, I have been monetizing traffic via AdSense as well as capturing information from visitors in order to follow up with them. A few days ago I sent out a simple questioner that produced responses that completely shocked me and left me utterly amazed at the possibilities. So what was it that shocked me so much? It was an email from one of my arbitrage-generated leads, they were in the market for over \$8,000,000 worth of products, and they are looking to me to source it for them. Yes, you read right, 8 million dollars! Others of my respondents had budgets in the tens and hundreds of thousands. All of them are ready to buy now, with cash in hand. From my calculations the first deal at a 2% commission is worth \$160,000 to me.

Of course I'm not counting my chickens before they hatch, this deal is still being worked on as I speak. But, I want to highlight the possibilities that open up when you do this right. Let me clarify this point. I want you to forget about most of what you have heard and learned from some of the other people teaching PPC Arbitrage. Doing their form of PPC Arbitrage is often risky, and has no long-term viability. AdSense is great for instant gratification, but that's not where the real money is. It's in the list. In my video I show you exactly what I mean by this.

BTW: If you or someone you know works in the construction equipment industry, give me a buzz. I have a few deals to broker ;)

The whole video is an introduction to this system; each step of the way has many sub-steps to be implemented. I'll say this right now; my system is "simple" as in not complicated to understand. But there is work involved. There nothing in it that is designed to make you rich quickly, although in many cases that is entirely possible.

I mean, how many \$8 million deals do you need to broker a year to live comfortably? At this point of my life, I can make do with just one of these deals; I can even accept half of a deal like this. I'm not greedy :)

Ok so I have developed a system, perfected it to a point where it works well, and it actually generates predictable profits or breaks even on the short-term outlook. The reason why I say short-term is that, the way my arbitrage system is designed, I can break even and still produce a huge ROI in the long run. Remember how I talked earlier about visitor value? This system ensures that my visitor value is so high, I can profitably compete in niches were other arbitrageurs fear to enter.

Now, with a system that sounds so great, why am I sharing this with others? Why not keep this to myself? Just recently, I actually got an email from one of my students currently with advance access to a lot of the information I'm looking to share with you. He wanted to know why I wasn't in isolation somewhere, churning out cash like clockwork. I must say, his question made me stop and think very hard. After evaluating my past actions over the years, I realized something really strange. I say strange, because the behavior I'm about to tell you about is not something you'll see often.

I've always felt that I was a pretty decent guy, one who enjoyed lending a helping hand here and there. But when I looked closer, I realized that I'm a bit more than that. When I first started out in the online marketing world, I relied heavily on page generation tools to build huge amounts of pages, which in turn generated quite a bit of money.

Due to my technical background, and training (I'm a Computer Science Graduate) it was very easy to understand the true nature of the software, the search engine algorithms and why things worked they way they do. With little effort on my part, I had a system in place to make sites that generated more clicks, more traffic, and more revenue per click from AdSense than the average person. So what did I do next? You'll probably guess that I built hundreds of these sites, and retired to a nice cottage in the country a few months later. But, that's not what happened.

I found myself in the forums, helping others, teaching them what I knew, and sharing tips, hints, and techniques to help them out. In the end, I didn't end up with a bank account overflowing with loot, but what I had was legion of very grateful people who were actually finally making it online and a feeling that I had accomplished something very worthy. The same behavior also applies to how I choose to distribute many of the tools I've developed, such as my keyword metrics tools on

<http://www.TechnoBoggie.com> and

<http://www.TechnoBoggie.com/keyword-tool>

Many of you have been happily using them for many months now, and probably generating quite a few profitable businesses and websites based on the data you've gleaned from these tools. I know very well that I could easily make this a paid site and have no problem charging for it, but to this day they both remain online for free use by everyone. A few days ago, I actually considered putting one of them behind closed doors because it had grown in popularity, and I was concerned that I'd run out my monthly API quota calls if the volume of usage got too high. Enough people emailed me requesting that I keep this online that, I'm now working out a way to keep it online.

I find that helping others generates more than good will. Once you become a teacher of a certain subject, you actually find that you start to understand the topic much better and many times make new discoveries that you may never have come up with any other way. For the past few months, I've been spending many hours a day teaching my aunt about content publishing, and AdSense. She had heard of what I had been doing from my father, and wanted to use this as a way to escape the long stressful hours at her current job.

When she started, she had almost no computer knowledge at all. Some of the first few lessons I had with her were on beginner stuff like drag and drop, copy and paste, and highlighting text etc. But she's one dedicated lady, so worked very hard at it. Every day I saw new progress, and before long she had her own blog online. Next, we moved on to monetizing the site with some AdSense. After a while a few cents started trickling in. However, I wanted to get things rolling faster.

In my attempt to help her generate traffic in a quick and easy manner, I ended up rediscovering a very powerful way to generate traffic on request. She's now having days where she's seeing as much as 1400 unique visitors hitting her blog in a single day. She's quite happy with her AdSense income too. Just yesterday, she passed the \$100 dollar mark on AdSense, and it only took 12 days of using this traffic method. Wouldn't you agree that, for someone just starting out, it's pretty amazing?

She's already excited about next month's numbers, and I'm just as excited for her too. Long story, but the point is, I could have chosen to spend the time making my own sites/money, but because of my decision I'm now blessed with an even closer relationship with her. It's something you can't buy with any amount of money. I've also become more knowledgeable in various of the techniques I have been teaching her, and will definitely be using this new found knowledge to improve my business

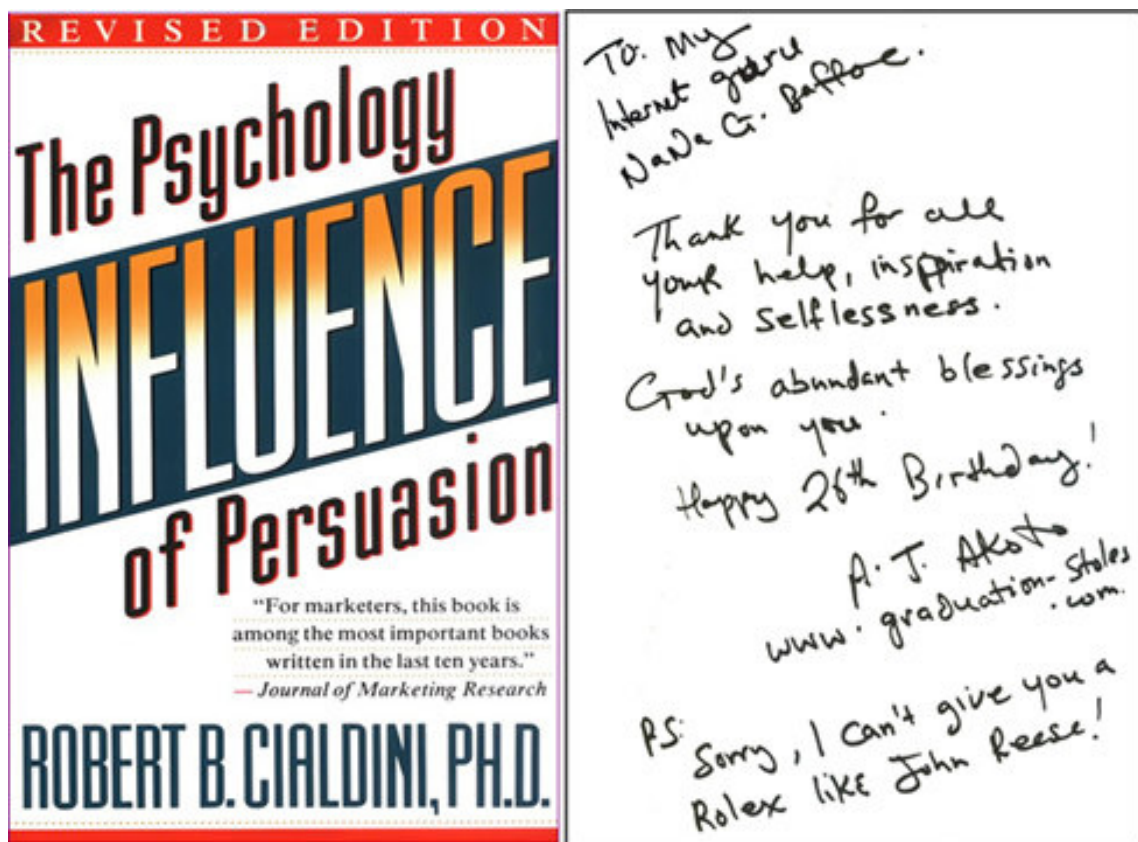
Ok back to the main story again. I'm teaching my methods next month because I truly feel I can make a difference in the lives of those who choose to join me on May 1st through the 31st. The training isn't free, but I've priced it at a price point where I feel the value far out weighs the price I'm charging for the event. The lowest entry price is currently only \$97. At this price, the training only costs about \$3.13 a day, this is money anyone who's truly serious about learning a new skill should be able to come up with. I considered making this free at one point, but I changed my mind thanks to a gentleman by the name of AJ.

AJ has quickly become a very good friend; he's also one of my students and mastermind partners. Over the past few months, we've logged many countless hours on the phone, strategizing and preparing for his busy graduation season. He's currently enjoying brisk business due to many, many hours of hard work on his part. Today, when I called him to see if it was ok to include him in this letter, he had multiple customers on the line and had to call me back.

You can visit him on the web at

<http://www.Graduation-Stoles.com>

If you order any graduation products from his site; let him know I sent you. He has offered to give everyone a free medallion with his or her order.



For my birthday earlier on this month, AJ sent me a really great book. (Pictured above.) Reading this book made me realize that the average person would place absolutely zero value on this training if it was free.

He or she would probably not fully participate in the daily training sessions like I have planned, and would end up doing nothing with the information. People place more value on things they have to work to get, and so I feel I'm obligated to do what I can to increase the value of my training to you by having a reasonable barrier to entry. Sorry I had to do it, people are just wired that way. But you'll thank me later :) One of my goals for this event is to have a stellar success rate. To get that, I need committed individuals who will work hard and put everything into action right away.

I'm looking for doers, who are willing to jump in with both feet, not afraid to make mistakes, learn from them and profit from this knowledge in the process. I also want people who are willing to help others, share what they've picked up because they are not afraid to share freely. I will do my part to share my knowledge. When you join me on May 1st, your job for the rest of the month will be to absorb that knowledge, process it, and morph it into something unique to you. Finally, don't be afraid to share what you are doing, we are going to be helping each other grow and succeed.

Throughout the whole month, you'll get to see exactly how I do my brand of PPC Arbitrage. I'll be honest with you and tell you right away that my system is not something I came up with overnight. It's a mash up of ideas shared by many of the great minds out there. I'll name a few in no particular order: Frank Kern, Ed Dale, Keith Baxter, Jimmy D Brown, Perry Marshall, Anik Singal, John Reese, Ryan Deiss, Armand Morin, Alex Mandossian and many others. Believe it or not, I even have a few bits of the Rich Jerk's methods thrown into the mix. You can see that without these people sharing what they knew, I probably wouldn't have my current system. My PPC Arbitrage System is also not set in stone, it's a dynamic perpetually changing and improving system. That's because I'm on a never-ending search for new knowledge and every viable technique I pick up is then tested, refined and incorporated into my system.

As an example, I just recently attended Perry Marshall's AdWords Seminar, It wasn't cheap, but boy was it worth it. I picked up many new ideas that are now being tested and incorporated into my current system. Over the next month, you get to watch some of my first attempts to implement some of that new knowledge, and see first hand how well they work for me. You'll also enjoy better-produced audio and multimedia files because of the new apple macbook pro I picked up at the conference. This whole letter was produced on a Mac :) I never thought I'd ever say that in my life, considering I've been a windows guy all my life.

Ok so to wrap things up, I hope you were able to learn something from this newsletter. It's taken over 8 hours to get all my thoughts out onto digital ink. I could rumble on, but I know by now many who started reading this issue may never reach this point. As always, if you have known me for some time, here's where I hide rewards in my newsletter for anyone who actually read this far.

Email me back with the following: 1) The number of unique visitors my aunt has been able to get to her blog in a day 2) How many days did it take her to reach the \$100 mark on AdSense 3) A short paragraph about what you plan to do with the PPC Arbitrage information you learn from me over the next month. I'll also like permission to use your paragraph on my website. In exchange for this, the first 10 people who get back to me with all of the above will get an upgrade on their order. If you haven't ordered, you get option 1 for free, if you have option 1 you get an upgrade to option 2, option 2 upgrades to 3, 3 to 4 and finally option 4 gets an extra hour of consultation (worth \$250). If you haven't yet taken a look at the video, now would be the time to go to <http://www.PPCArbitrageClub.com> to sign up to watch the free video. You'll also find out about all the different options, I have something for everyone.

As always, I look forward to your feedback. You know how to reach me. Wishing you a great weekend and I hope to see all of you bright and early Monday for Day 1 of the "31 Days of Arbitrage."

Bye for now

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