

Tim Schmidt's

# TRIBAL FORMULA FlowChart

www.TribalFormula.com

**Step 01:** Pick a topic. Any topic will do. We'll know by step 6 whether or not your topic has legs!

**Step 02:** Are you passionate and knowledgeable about this topic? It is good idea to select a topic that you are personally passionate about. It is handy to be knowledgeable about your topic as well. Chances are that in the beginning phases of your business, you'll be creating much of the content yourself. And if you don't know much about your topic, well that will make this very difficult!

**Step 03:** Does the topic cover the WANTS of a passionate niche? Congratulations, you've decided to take your membership website topic selection to the next level! Now that you've got a topic that you're passionate about you need to determine if your topic cover the wants of a passionate niche. This is a LOT different than addressing the needs of people. People will not buy what they need, they'll only buy what they want. Is your membership site topic addressing wants of real people or is addressing a need that you're projecting onto your prospects? This is the time to be brutally honest with yourself.

**Step 04:** Are there existing internet forums and specialty magazines for your topic? Are there existing mailing lists available in SRDS? Now that we're getting into the nitty-gritty of topic selection, I'm going to use an example topic to help show you how this process works. So, our example topic is going to be... **"Buying Physical Gold For Investment"**. I can assure you that this topic passes steps 02 and 03. I am very passionate about buying physical gold and I know for a fact that people that are into are a little bit nutty. (I can say this because I'm one of them!) Our next step is research. We need to determine if there is an active market of people that are into this. A quick search in Google yields a whole bunch of physical gold related forums. Heck, I found one forum whose general discussion forum had 66,939 threads with 695,732 posts! <http://goldismoney.info/forums/index.php> As my research continued, I found a magazine called Coin Connoisseur Magazine. I also found a magazine called Coins Magazine. This brings us to an important point. The coin collector is not really our perfect prospect. But, most people who buy physical gold, but it in coins. So, there might be a good market we could tap! Finally, a quick search SRDS Media Solutions - <http://www.srds.com> (Standard Rate and Data Services) shows there are quite a few high-end newsletter lists for people subscribing to gold investment newsletters and magazines. At this point in our research, it appears that we have enough evidence to move on to the next step.

**Step 05:** Does the topic market have a history of spending money on products and/or services in your niche? This is where our research will start to get tricky. Ideally, we're looking for evidence that our potential market likes to buy information. Well, here's what I've found for our "gold" topic. I found people subscribing to a print newsletter called "Gold Newsletter" at \$396 for 24 issues. This is a good sign! There was also quite a bit of advertising on the site that sold this subscription. This tells me that the site gets some serious traffic! Okay... more good news. I just found a website that had listings for no less than seven high-end, niche newsletters, all focused on physical gold as an investment. The least expensive subscription was \$149 per year.

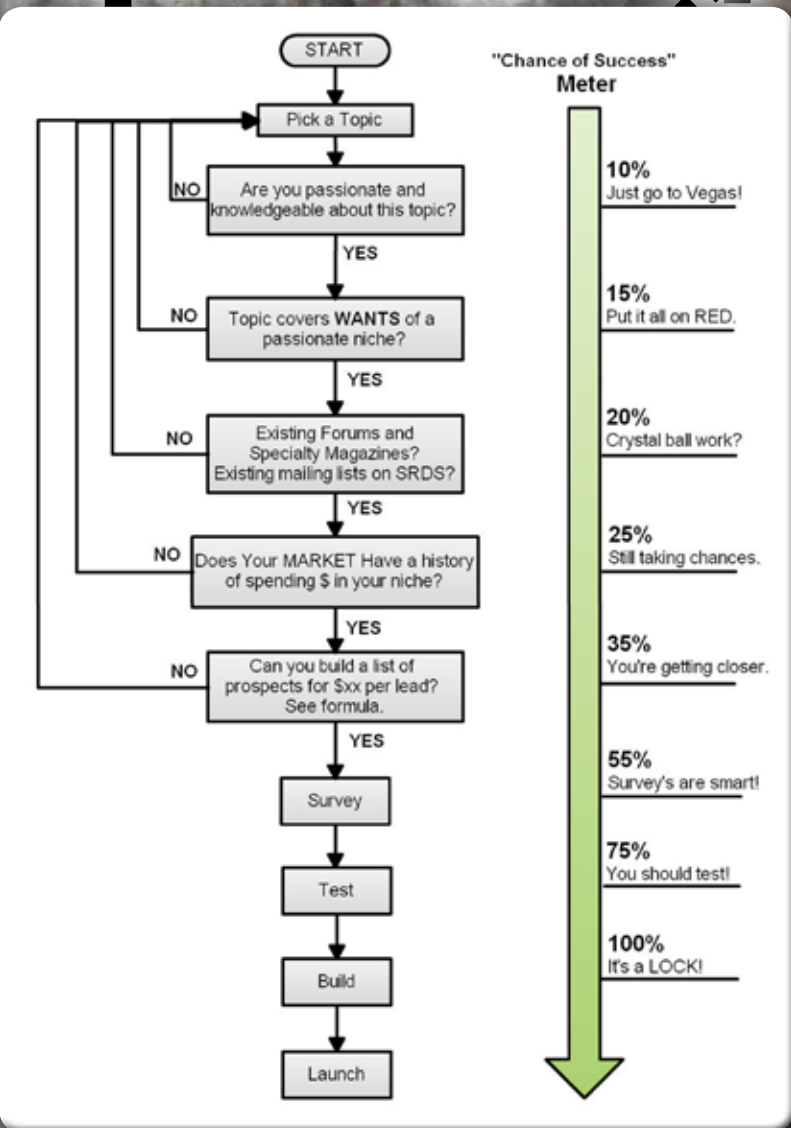
**Step 06:** Can you build a list of prospects within this niche? If you've made it this far in my flowchart process, congratulations! Most people never make it past step two or three. This step is probably the most critical step in this entire process. If you can't cost effectively build a list, you've got nothing. First you'll have to decided how large of a test list you'll build before you actually do anything with it. I say your goal should be to build a list of 1,000 prospects. How do you do this? 1.) Buy some PPC traffic and send it to a landing page that offers a free report of some kind if the prospect is willing to leave their contact information. 2.) Place some small print ads in the niche magazines you discovered. These ads should also offer a free report. (Again, please see my website for more detailed information on this relatively complex topic!) 3.) There are actually a whole bunch of additional ways to inexpensively drive pre-qualified traffic to your customized website landing pages. (Video Submissions, Forum Posts, Ezine Articles, Press Releases... each of these would really require an entire chapter to cover completely. Please visit my website for more information on all of these fabulous ways to attract customers like flies to fly-paper!) See the spreadsheet below for even more information on this!

**Step 07:** Survey your list. So... based on your "crystal ball" calculations, we've calculated that our break-even lead generation number is \$5.45 per lead. Let's assume that we're able to buy some pay-per-click traffic and we generate 1,000 prospects for an average of \$2.47 per lead. This is not bad. It's not great... but it's a place to start! Step seven says we have to survey the list. Hold on... not so fast. Before we survey our list we have to get a little cozy with them. What do I mean by this? Well, we have to build a relationship first! This is most effectively done by spending a few weeks providing valuable information to the prospect. It also helps to deliver this valuable information in an entertaining manner. This is yet another relatively complex step that I'll have to gloss over here. But I'll try to give you at least a little taste of how to do this. If you're contacting your prospects via email, I'd suggest sending them a series of 7 to 12 email messages. Each of these messages should contain some truly valuable information. Furthermore, start to tell your prospect about... well, YOU! For example, for our "physical gold investment buyers" my first message might include an annotated list of the top websites to buy physical gold from. Plus, I'll tell a short story of what happened in my life that caused me to start to get interested in buying gold. See...? I'm giving valuable information AND I'm making a personal connection with them! This is REALLY powerful. Like I said before, do this 7 to 12 times and your prospect will now be looking forward to your messages! NOW it's finally time to send a survey. I'd recommend a survey that goes something like this. **"Dear Prospect, I've been receiving a lot of requests lately for some more detailed information on a bunch of different subjects. Will you please help me out and rate the following ideas for some special reports tailored specifically for people who are interested in buying physical gold for investment purposes?"** Sheesh... before you send this survey out, be sure to study basic statistical survey concepts, so you don't screw this up! Crappy survey's are a dime a dozen. Be sure to do it right. NOTE: You may find in your survey that your membership site idea may best be situated as a back-end product! Don't fight this. Just give your market what they tell you they want!

**Step 08:** Test launch or pre-launch. Based on your survey results you've got a pretty good idea of what your market MIGHT buy from you. If you did as I told you and studied how to do a survey, you probably even have a rough idea how much money your market is willing to pay for the products they told you they'd buy. Now it's time to do a test launch. There are many, many ways to do a test launch. The only TRUE way of knowing whether or not your prospects will buy what you're offering is to have the test launch go all the way through the credit card transaction process. Now if you want to take as little risk as possible and you don't want to even create the membership site or products your testing, you can simply create a sales page for your product and a "fake" transaction page. The customer enters their credit-card info and presses the "buy-now" button, but you don't actually capture the information. If you ask me this is a WIMPY way to go! Heck, you've gotten this far so I say you just build out your membership site and/or product and throw caution to the wind. Plus, there's a good chance you'll wind up angering some of your best potential customers if you run them through a transaction that really doesn't occur! Another great way to bump your test launch is to offer a special "beta-testing" deal to folks who join in the beginning!

**Step 09:** Based on your survey and test launch, build it out. Now you've got a bunch of customers who have joined your "beta-version membership website". Ask them for feedback and adjust your designs & concepts if necessary.

**Step 10:** Hard launch. Now it's time to ramp up your lead-generation process and sign up as many members/customers as possible!



This is how much you'll charge for your association.

How long you think each customer will remain a member.

If you have back-end products, enter the avg. transaction value here.

This is the amount of members you can convert to a back-end sale.

This is an estimate of how much revenue each customer will bring in over their lifetime as a customer.

If you spend this much per lead you will break even! This is NOT GOOD, so be sure you spend a LOT less per lead!

How many leads you'll convert to customers.

Site Subscription Cost (per month)	17.00
Stick Rate (months)	6
Subscription Sales	\$ 102.00
Back-End Product Sale Value	\$ 47.00
Back-End Buy Rate	15%
Back-End Product Sales	\$ 7.05
Total Customer Value	\$ 109.05
Est. Prospect List Conversion	5%
Break Even Lead Gen Cost	\$ 5.45