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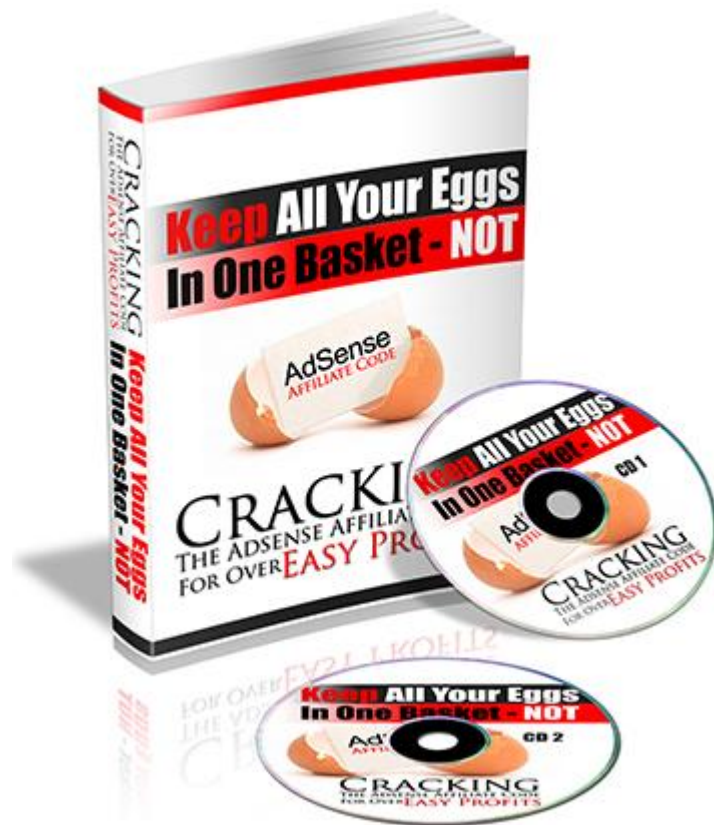
Cracking The Adsense Affiliate Code
For Over Easy Profits

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Terry:
Hi there, you're listening to Terry Telford. Today we're very fortunate to have John Taylor on the line. He has developed a phenomenal business system that combines AdSense with what Scott Boulch calls Click Flipping.

In the last few months there has been a bit of confusing whether AdSense is alive or dead, something you can use or can't use. It's really hard for people to get a feel for where the truth lies. Is AdSense dead? Is there a better way to do things? One of the things that I find is, if you have a system to follow, and someone has already developed a system for you, you don't have to start out from scratch and reinvent the wheel. If you have a system to follow if makes life a whole lot easier.

One of the people who has been quietly making a comfortable living using AdSense as well as affiliate programs, which is a combination of Joel Comm's promoting the AdSense side of things as well as Scott Boulch promoting the affiliate side of things, John's put together a system which combines basically the best of both worlds. He put together a model that takes it one step beyond, so all your eggs aren't sitting in one basket; you use the whole system. So, I'd like to start off by welcoming you to the call, John. Thank you very much for taking the time to be with us today.

John:
It's a pleasure, Terry. I'm here in Southwest Scotland. As you said I've got a very comfortable lifestyle. I'm sitting in the corner of my living room looking out on the river. It's great to have a conversation with you. I'm looking forward to talking about AdSense and affiliate things, and maybe we'll sneak some other things into the conversation.

Terry:
Sounds great. I know you have a lot of great information that you're going to tell us. Maybe what you can do is start off by shining a little light on your past experiences, like your pre-Internet days. What did you do before you got into the Internet and what have you done to start building your Internet business to the point where it is today?

John:
How many questions can you get in one sentence?

Terry:
Let's start out with, what was the pre-Internet John like?

John:
It depends whether or not you want to go that far back. Basically most of my pre-Internet life was spent in manufacturing industries. I worked for a lot of blue chip organizations including a big textile company, and a few others. The majority of my time was spent in two particular areas. First of all, I worked in engineering, and second I worked in production.

The thing that fascinated me more than anything else was, manufacturing is much about systems. I learned to study and observe what was going on. A big part of my job, especially in engineering, was improving things and making them more effective, efficient, and user friendly. That led me to getting interested in the way that people interact with the systems. That was the counter stone of my career: looking for ways to improve systems.

I got involved with training and development and that was to deal with improving the effectiveness of people. Most of my career has been to do with making improvements and that's what I absolutely adore about working on the Internet. It's kind of transparent. You can start with something, like an AdSense ad, banner, or a text link, and you can follow what happens and where people go as soon as they click a link because it's a recordable event. When they click that link, you can follow them to a website, whether they go to a squeeze page or whatever. You can see how many people fill out the form, how many people get all the way down to the bottom of the sales letter, you can track the number of sales you make. It's a paradise as far as I'm concerned.

I love being able to test things and to track things and to measure things. The more you measure things the more you can see how they're going to be improved. That to me is absolutely fantastic, that you have that data at your fingertips 24 hours a day, 7 days a week, 52 weeks a year.

Terry:
You actually brought up two fantastic points there. Number one is that you can track everything. How do you go about doing that?

John:
It's relatively straightforward. If you're using AdSense, then every click in AdSense is trackable so you can look at your AdSense statistics and you can see which of your ads are generating the best click through rates. That lets you understand how you position things within an AdSense site and the kind of backgrounds you use. I've done an awful lot of work to develop my AdSense site so I can get the best possible click through rates. Some of my sites will generate click through's of between 45% and 55%.

Terry:
Wow.

John:
Yea. Yet others are not as effective. That means that you can look at niche markets and see whether or not a niche market provides a better click through rate than another niche market. Having all those numbers at your disposal means that you can analyze what's happening and trying to transfer the best things from one site to another so that you're constantly improving the performance of your websites.

Terry:
So you've got, let's pick a niche, let's say pet food for example. Say you have a pet food website as a niche website and you put some AdSense ads on. How do we go about checking if the AdSense ads are done properly? What do you generally do with your AdSense ads to blend them into the site so they don't look like blatant advertising?

John:
I'm going to have to be careful when I'm answering that question because some of the things I do I'd rather not share for obvious reasons. A lot of people have put a lot of credence on a system called iTracking. When it was first revealed, I paid about $200 for it.

That essentially talks about, when a person visits a site for the first time, the first thing they look at is the top left hand corner and tracks along the top of the page. Then it moves down the page in a zed pattern. You start from the top left to the top right, then go down a line and repeat as you go down the page.

The research that was done used a little tracker headset onto a number of people and they were then given the opportunity to look at a number of websites. Their head movements were tracked to see

where their eyes were focusing. So, now there was a big rectangular AdSense box in the top left hand corner of the specific website that was designed purely to retract traffic and generate AdSense click through's. That works quite effectively.

In my experience, the sites that generate the best click through's are actually sites with good quality content rather than machine generated sites. A long time ago there were things like Smart Pages and various other programs that would essentially machine generate pages, which was supposed to attract a lot of traffic from search engines without actually having to pay for the traffic.

My system is about looking at a niche, creating a good quality site around the keyword, and positioning AdSense so it blends into the site. You actually give the reader a choice. I think the days of forcing the reader to click an ad are gone. I think you have to provide them with good quality information. You should make your page sticky, but position your ads strategically so that the ad blends in well with the copy.

In my experience, the best click through rates come from well-positioned ads that are blended in good quality copy. People will get to a website because they're actually looking for something. What you need to do is provide them with enough information to grab their attention and get them to continue to read, then provide them with options to let them go to another site through an AdSense ad.

Terry:
So are you using articles for content? What kind of content are you using?

John:
Yea, articles. Some of it is private label content like articles that I have re-written. I have discovered that it is more effective to have your own articles written. I hire a team of writers who write articles to my specification. There are a couple of techniques that I use. One is to use short articles: 350-400 words. I use them to build keyword specific pages. Maybe two or three articles go on the main page. The main page has maybe one article of 750-800 words and a couple of sub-articles that recount some of the themes of the main article.

It's kind of like a blog page, not necessarily using a blog, but where you have a main article and two sub-articles. Adding three articles to your main page generates more stickyness as far as the site's

concerned. People tend to read more. Using my tracking software, I see that people are reading further down the page than they are doing with machine generated sites or sites with only short, 250-300 word articles.

Terry:
How does your traffic system tell you where they're reading down to on the page?

John:
It's my own tracking system. It's coded in PHP and it's not available to the general public. I'm thinking about making it available in the not to distant future. Basically is uses a system where there little snippets of codes all the way down a page. The further down a page somebody reads, then that particular piece of code flags an indicator. Say, there were five codes that were flagged down the page, I can tell how far they scrolled by what marker they got to on the page.

Don't ask me for the technical information, Terry. I just tell people what it is that I want to do and then they create a system that does it for me. I don't know how things work; all I'm interested in is the results something can give me. The more data I have the easier it is for me to look at something and see how it can be improved.

Terry:
That's super. What do you do with the AdSense? You have a unique system to use AdSense in addition to your tracking and using articles and what not. You also have a unique system where you use AdSense to actually test the niche market, is that right?

John:
Yea. It makes a lot of sense, if you think about it. A lot of people traditionally will look up a keyword, let's stick with pet food, and they might want to know what the demand is for pet food. They could set up an Ad Words campaign where they set up a site with a squeeze page, one that gives away a free report, or maybe it's a survey page. Traditionally, people have paid Google so many cents per click to drive traffic to a site to determine whether or not people are willing to give information and sign up to a list or just generally to determine if there is a sufficient interest in a particular key word before they invest in affiliate programs or something like that.

I turned that on it's head. I came to the conclusion that, instead of me paying Google to do research, Google should be paying me to

provide me with research information. If I'm interested with a niche market, I'll set myself up with an AdSense site, I'll maybe have ten or 15 articles written, I'll created a 15-20 page site using the primary key words and a few secondary key words. Stick that site up and then leave it for a month or two or three, and after we have some traffic going to the site… some of the articles I've written I put in directories… maybe put some signatures around to drive traffic to a site; there are all different ways to drive traffic to a website.

Once you're enjoying a bit of traffic, you look at the AdSense and see whether or not it's generating AdSense clicks. See which particular key words are generating AdSense clicks, and that allows you to see if it's worth it to pursue in that particular niche market or not. If it's not worth pursuing, then I just leave the AdSense site alone and enjoy what income I can get from the clicks that are made on the AdSense ads.

However, more often than not you find that a particular key word or key word phrase in the niche is performing better than the other key words. That's where I try to see if I can make more money from this niche market by looking up some affiliate programs. The next step in the system is to look and see what affiliate programs are relevant to that key word or key word phrase. I might go to ClickBank or Commission Junction or to Click Exchange or to one of the many affiliate directories and see what can be found.

Rather than just looking for one affiliate program, what I prefer to do is look for two or three affiliate programs. I won't take all of the AdSense away from the sites, but I'll take the primary one (the one that will probably be in the top left corner of the page) and I'll probably replace it with a block which is essentially a review of a product or something like that, that contains an affiliate link. I prefer to split test affiliate programs to test which one is generating the best return.

The system that I use will replace the AdSense block with a rotating set of affiliate review blocks reviewing a product and we'll see which of those links generates the best click through rates or more importantly the best return on our investment. If one particular affiliate program is outperforming the other two we're looking at, then ultimately, when we have enough traffic to make that decision, we'll convert that site from an AdSense site to an affiliate site.

It doesn't stop there, Terry. It's easy to sit back and think, "That site is generating $30 a day," or whatever it may be. I'm always looking to get more profit from the website. Looking at the pet food example again, maybe we're generating a lot of money from a particular affiliate program that specializes in a book on the diet requirements for dogs or cats or whatever. If it's an eBook or if it's an information based process – that gives us another opportunity of generating more income.

Why just go for affiliate income when you can send you traffic to your own product. If a particular affiliate income is generating a good return, then I'd be quite interested in finding an opportunity in making a competing information product, eBook, video, audio, or whatever it happens to be, and send my traffic to my product to make 100% of the profits. That's the simplicity of the system: start with an AdSense site, use that site to determine the potential of the niche market, if it has potential, then take that to the next level by converting your AdSense site to an affiliate review site. If that generates plenty of income, then some of that income can be reinvested in outsourcing the development of an information product. Then that leads to your site generating significantly higher revenue than you could ever make with AdSense.

Terry:
That is a fantastic system. While you were explaining the system, it hit me that the whole system actually revolves around the amount of traffic you can generate to the site, is that right?

John:
It revolves around two things: the amount of traffic you can generate to the site, and the conversion rate you get from the site.

Terry:
Right, okay.

John:
You can send thousands and thousands of people to a website but it might not be converting. If it's a lot of rubbish, they'll just leave the website. There's no point in paying for a lot of traffic unless you've set the site up properly in the first place.

Terry:
Okay.

John:
It's critically important that you test and track all your online activity so you can say that this particular location for an AdSense ad is the best possible location for this moment in time, so that's where I'm going to put my AdSense block until I test more and find a better system. That's the best type of headline, that's the best layout, those are the best colors; everything has to be tested to make sure that you're encouraging people to take the action that you want to take. Whether it's to sign up for an ezine, to click an AdSense ad, to get a free eBook, or to click that important "buy button." Whatever you want someone to do when they visit your site, you have to make sure that your site is optimized to achieve that objective.

Terry:
Right, okay. And what would you say an average time would be to develop a site like that? You could start off with a site that doesn't convert and then you tweak and test and track and you get a site that's working better for you, and you continue the process until you get a site that's converting well. What would be the average time frame that it would be to take a site from conception and from the initial idea, have your seven or ten articles created, have your whole site built and have your AdSense properly put in there, then start testing and tracking. What would be the time frame we'd be looking at there?

John:
First of all you need 40 years of my experience.

Terry:
Step one: 40 years.

John:
It's very easy to ask a question in terms of time without thinking about the background. It was kind of a tongue and cheek comment. I didn't learn the trade of testing and tracking or the importance of learning to read data and statistics overnight. It's been about 15 years since I set up my own business. Working online… you have to treat it as a business. You have to look at the profit and loss, your overhead cost, your direct costs and your indirect costs. You have to look at the different income streams that you generate.

From the point of view of how much each income stream is generating, what the costs are, and what the revenue is, hopefully your revenue is higher than your costs. You also have to be able to say that you're

either not making enough money or that you're generating a lot. You might have to tell yourself to stop spending money on something if it's not generating enough income. You have to be willing to test things, try things out and experiment, but you also have to be willing to fail. There's always a downside when you're testing and tracking and running a business. Not everything turns out the way you intended.

You also have to be willing to let go of stuff that isn't working. A lot of people get an attachment. They write a special report on an eBook and it was their baby and they put their heart and soul into it, and it stopped creating sufficient revenue to pay for the renual and the hosting costs about six months ago, but it's their baby so they're going to keep buying traffic and sending traffic to their website until their credit cards get maxed out, their PayPal is empty and then they realize that they've been wasting their time for the last six months.

You have to look at things realistically. Realistically, it takes a couple of weeks to organize an article and set up an AdSense site. Maybe it takes another two or three weeks to build the link popularity by distributing some articles, sending out a press release, having it submitted to directories, or getting somebody to visit a few forums in the niche market and build some links and send traffic to your site. All of that takes time because of the physical requirement to either write the articles yourself or to have them written, and to submit it to the directories yourself or have someone do that for you.

Ninety-nine percent of all the stuff I do these days is outsourced. I spend most of my time doing the project management thing and being interviewed as opposed to actually doing any work. That comes from a background from being in business. You've got to learn to be a manger and operate strategically so that you can own your business and you're not working in your business.

So, maybe it takes two or three weeks to set up an AdSense site. Maybe it takes a couple of months to get enough traffic going to the AdSense site and enough action so that you can actually see whether or not the click through rate will justify making an AdSense site to an affiliate site. It might take a week to find some affiliate programs that are going to be relevant to the type of traffic that you're sending. Then, you might just want to leave it for a couple months to see which of the three, four, or five affiliate programs are generating the best income.

Even getting a 40 or 50 page book ghost written for you is going to take a month or two. Then you have to consider the cost of writing a sales letter for it, if you're going to convert an AdSense site to an affiliate site to an information based site. If you don't track the numbers and you're not totally sure there's enough money being generated by that site to justify the investment of $500 to $1,000 to create an information product and to have a basic sales letter written... if you're not making $1,000 in six months, then it's unlikely that it's going to generate enough to justify creating an information product.

It's a bit like saying, "How long is a piece of string?" The length of time it takes is the length of time it takes. I can't say that in three months time I'll have a website that's generating $1,000 a month because I'm going to go through the system. For all the sites that I can generate that are going to be making me $1,000 a month, there are another 19 or 20 that are going to fall by the way side. Sometimes you just get lucky and sometimes you don't.

The key to success is to keep trying, to keep researching new niche markets, to keep making AdSense sites and keep your eye on the stats. If it's a good AdSense site that's generating lots of income, it can't be a very difficult income to say that you're going to stop that income from AdSense and replace it with an affiliate program. How would you know it's going to work? The only way to know if it's going to work is to try it.

Terry:
Right. Which one is easier? To make an AdSense or to get an affiliate program in there?

John:
Well, it's much easier to set up an AdSense site because once you've set it up, it's set up. It's important from a search engine point of view that you don't just leave it alone as a start up site. But maybe once a week you can ad a little article to it or do something to it so it looks to Google and other search engine that it's an actual site getting attention paid to it.

Blogs are a good platform for an AdSense site because it's really easy to add content to a blog. Sometimes you can even do it automatically. I like to see good quality content added to a site because those are the ones with long-term viability. It doesn't take long for someone to spot a site that's been created purely and simply to make AdSense income. I prefer to have sites created that look as though they've been

designed for people to read. The AdSense income is a really good secondary benefit.

Terry:
Okay, that's cool. What about when you basically get your affiliate programs online? You've got your AdSense and affiliate programs working together. How are you able to capture peoples contact information so you can create a list?

John:
Sometimes I want to do that and sometimes I don't. I can't imagine wanting to have an ezine about dog food. It's just something that doesn't appeal to me, Terry. Maybe my Springer Spaniel would be interested. A lot of people talk about list building, but when you're talking about hundreds of niche markets you're working in, you're talking about hundreds of lists. I'm not a great believer in building lots and lots of small lists. I prefer to go along the route of generating the AdSense income and generating the affiliate income.

If the affiliate income is justified to creating an information product, then I might replace the affiliate program with a sign up page and then I might outsource the creation of 50 articles and set 50 articles up in an auto-responder so that you have a pre-made ezine and your list gets a new article every week. You can use the article to send people to your information product page and you can build some additional income from your affiliate program.

There are a lot of ways that money ties into it, but there has to be traffic in there before I'll consider list building. I'll only consider list building if it's a high traffic site, if I'm generating sufficient income in the early stages to justify in the production of 50 articles that I can then send through an auto-responder.

Terry:
How do you go about coming up with the ideas for 50 articles? For example, let's say we're in the Internet marketing side of things. You want to get 50 articles done but you have to basically come up with 50 topics that you want someone to write for you. How do you come up with ideas of what articles will be important and what articles are going to be to direct people so they'll click on your affiliate programs?

John:
It's pretty obvious. You go to an article directory and you see what the top article titles are. People who have already written articles

about topics have already done that research for you. It's pretty easy, isn't it Terry?

Terry:
Cool. Where do you go as far as article directories? Which are your favorite ones?

John:
It depends on the niche, but generally speaking I use www.goarticles.com. If you look there, you can see that there are a lot of articles in that directory. They're all broken down into classifications. If you're interested in the idea of pets, you can look for articles on that particular topic. See which subjects get the highest amount of articles written about that topic. A few of the directories will even tell you how many times the article has been read. Look for article that have a good readership and use those article titles to suggest your own article.

For goodness sake, don't copy them. It's a place to get ideas, not to actually steal the articles. There's nothing to stop you from adding content to an AdSense site from using a guest writer. Go to an article directory, find a good quality article, copy the article in its entirety, but make sure you include their resource box. Remember, when you're doing that and people click the link in the resource box that you're not making any money. So, there's a trade off. If you want fresh content for your site, you have to pay for it either by commissioning to someone to write the article, or you have to be ready to pay for it using the resource box. It either costs you dollars or it costs you traffic.

Terry:
Either dollars or time.

John:
Yea.

Terry:
Excellent. That is an absolutely phenomenal formula… to go from AdSense to affiliate program to your own product. It can be a five, six, seven months process to get that site up and running and to the point where it is a successful one and you're actually using your own product. How many of these sites do you actually have?

John:
Quite a few. I think the technical term for it is "ump-teen."

Terry:
That's perfect.

John:
More than 100, Terry.

Terry:
Wow. What percentage of 100 sites would actually be working? Like you said, you might do 20 sites and only one makes you money. Out of 100 sites, how many would you say are generating a decent income for you?

John:
About 60% are still AdSense sites, about 30-35% will be affiliate sites, and 5-10% will be my order information product sites.

Terry:
Fantastic. As far as getting someone from the very start of the process… where do you go, in the very beginning, do you have to have programming skills and all of that to get started? How do you go about starting that?

John:
That's a really tough question. My brain cells are not awake yet. Well, I suppose a better question might be, "If I started again, how would I go about doing it?" When I first started doing it, I made a bunch of mistakes, so if I told you how I did it, then it'd probably mislead people to going down the wrong route.

I made the mistake of trying to learn HTML and PHP and all sorts of things like that. I discovered that I was actually buying myself a new job. I was buying programs and books on PHP and HTML, and I came to the conclusion that I'm spending hours and hours generating websites when I should be spending my time actually building a business. So, the best advice I can give to people is, don't worry about the technicalities.

There's Elance, Scriptlance, and all sorts of websites available where you can get someone to build a site for you. There are similar places where you can get people to write articles, create graphics, ghost write a report or eBook, and make an audio video. Anything you could

possibly want to creating an AdSense site to have someone to submit your articles to directories… there are lots of people who are much more talented than I am. They were able to do things that I don't have the inclination or time to do, and I don't have the skill to do either. You should outsource as much as you can.

If you can't outsource it, do the basics yourself, but don't get hung up on learning PHP and HTML, just find a program or someone who you can barter with. If you don't have the cash, and you're good at writing articles, but you're not good at putting websites together, you can say that if someone makes ten articles for you, you can write ten articles. Get to know people and network with people. Go for forums. Find people with the appropriate skills. Invest in your business; don't invest in creating yourself a new job.

Terry:
Excellent. So basically be a product manager as opposed to being a worker bee.

John:
Yes. I'm reminded of this guy I knew a long time ago who worked for a big contracting organization as a plumber. He always wanted to set up his own business. When he worked for this big contracting company, he worked 40 hours a week. I don't know how much he made… $10 an hour, so he's earning $400. He saw that the guys he's working for will show up to work in a really nice, expensive car and live in big houses. He thought that he should have his own business.

He decided to give up this big firm, give up his $400 a week, and he would go and set up his own business. He set up this one-man plumbing business. He spent 40 hours a week working in people's houses installing radiators and fixing leaky pipes. He went home every night and kept working putting ads in Yellow Pages and writing copy for the local classified ads in the newspaper. He was doing his books and he was actually working 60 hours a week but he was still only making $400 a week because he still only had 40 hours a week as a plumber. He failed to realize that people showing up in Mercedes and BMWs were not plumbers; they were managers. They were running the business, not fixing the pipes.

If you like that little analogy for the best way to think of an Internet business, the people who are successful online are the people who manage an online business by recruiting other people to do the work. You can either recruit people, have them sit at your office, create

AdSense sites or submit sites to directories or write eBooks, or, you can use the many services that are available out there and hire freelancers. For me, the power of the Internet is the accessibility of so much talent. My business is built on other people's talent and my ability to coordinate and manage it.

Terry:
John, that is just an absolute perfect way to wrap things up. That really sums up how to run a successful business basically 1,2,3. That is fantastic. Do you have any last words of wisdom that you'd like to share with us before we wrap everything us?

John:
Last words of wisdom, yea, there is one last critically important thing that everyone should include in their business. For goodness sake, have fun doing it. If you're not having fun, find something else to do. We've chatted away for almost an hour now and I've had so much fun; I like talking about my business and helping people. Talking to you, Terry, has really made my morning.

Terry:
Well, thank you.

John:
It's now 12 o'clock here, so I've probably done enough now, so I'm going to get a hold of my shoes and my coat. It's a lovely sunny day. My dog is sitting looking like he thinks it's time to go for a walk. But yea, have fun. Don't work too hard that you don't enjoy your life; that's the message that I'd like to leave on. Working is just a means to an end; it's a lot of fun, but there are other things to do. What I'm going to do now is take my dog for a walk down the river in the beautiful sunshine. It's been a great pleasure. Thank you so much for the opportunity to have a chat, and I'll look forward to talking to you again soon.

Terry:
Thank you, John. I really appreciate it. If people want to get a hold of you, what's the best way for them to do that? Do you have a website that's your central contact point?

John:
You can get a hold of me either through www.marketingconfidential.com, or www.nicheessentials.com. If you're interested in niche marketing, then Niche Essentials is a good

place. If you're interested in testing and tracking, then Marketing Confidential is the one you want.

Terry:
Excellent. Thank you very much for your time, John; I really appreciate it. You've been listening to Terry Telford and John Taylor.

Thanks very much for your time.