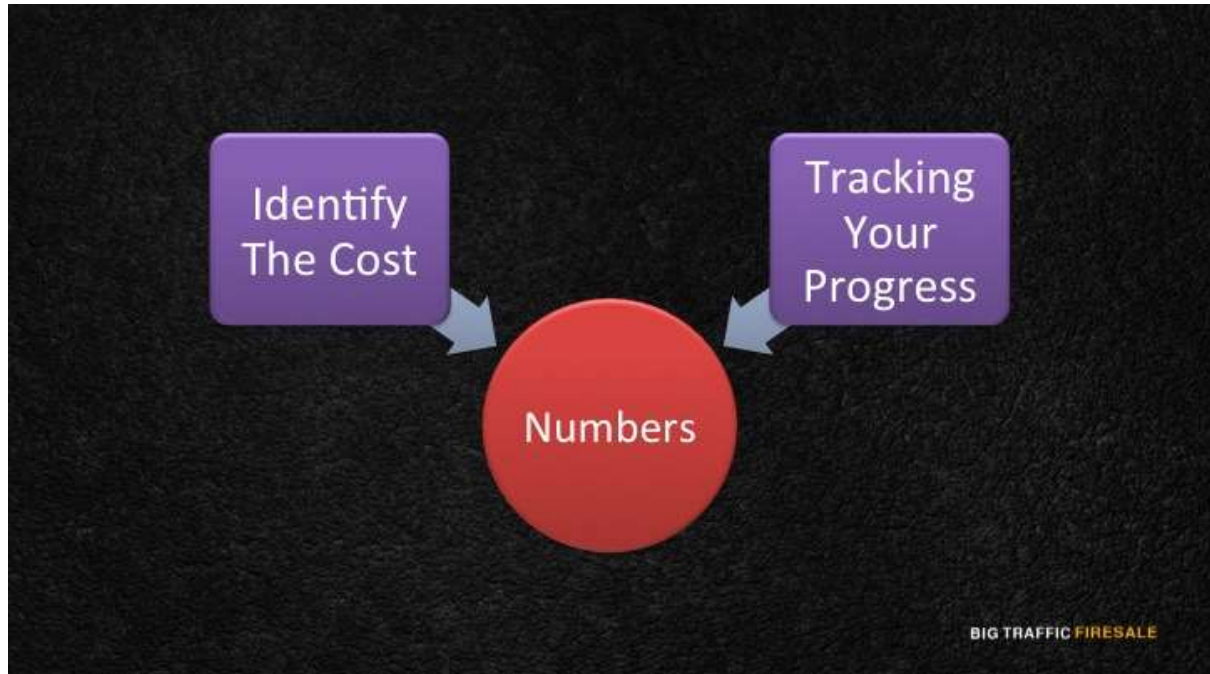


4-4 - The Golden Rules: Knowing Your Numbers



S1: Hey there and welcome back to the Solo Ads series. In this module we focus on another golden rule which to know your numbers!



S2: When we talk about numbers, it boils down to two major components:

1. Identifying the cost to purchase your Solo Ads
2. Tracking your progress

In any business, it is important to identify the costs invested in your product/service. This is to ensure that you adhere to the budget and do not go overboard as a result, wasting your resources.

When you have invested in a solo ad, the next step is to track your progress to identify if your investment generated a profit or loss. Some people may think that it is unnecessary to track progress when you are only dealing with Solo Ads but trust me; it pays to be systematic and calculative, especially if you want to go big!

Cost In Purchasing Your Ads

- ▶ you are usually charged based on Cost Per Thousand (CPM).
- ▶ CPM is a marketing jargon and is the most common method in pricing web ads.
- ▶ The "M" in CPM represents the Roman numeral for 1000. The CPM formula is as follows:
- ▶ $(\text{Cost Of 1 Unit Of Media Program}) / (\text{Size Of Media Program Audience}) \times 1000$

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S3: First and foremost, let's identify the cost to purchase your Solo Ads. When purchasing Solo Ads you are usually charged based on Cost Per Thousand (CPM). CPM is a marketing jargon and is the most common method in pricing web ads.

It refers to the cost of a media vehicle reaching a 1000 audience. Some Solo Ads sites will charge you based on their fixed rate. For instance, it will cost you \$1500 to advertise to a mailing list of a specific size.

The “M” in CPM represents the Roman numeral for 1000. The CPM formula is as follows:

(Cost Of 1 Unit Of Media Program)/(Size Of Media Program Audience) X 1000

Cost Per 1000 (CPM)

Let’s illustrate an example. The mailing list size for market A is 100,000. The price for a Solo Ad referring to market A is \$10,000. Therefore, your CPM would be calculated as follows:

$$\begin{aligned} \text{CPM} &= \$10,000/100,000 \times 1000 \\ &= \$100\# \end{aligned}$$

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S4: Let’s illustrate an example. The mailing list size for market A is 100,000. The price for a Solo Ad referring to market A is \$10,000. Therefore, your CPM would be calculated as follows:

$$\begin{aligned} \text{CPM} &= \$10,000/100,000 \times 1000 \\ &= \$100\# \end{aligned}$$

This means that it will cost you \$100 to reach a 1000 audience in market A. The cost to purchase your Solo Ads is dependent on the market. But remember, our rule is to start small and grow bigger as you go. Do not pay a fortune if you are still new to the scene.

Track Your Progress

- ▶ Your progress can be tracked based on the following:
 1. Number of clicks on your landing page.
 2. Sales accumulated
 3. Pending sales
 4. The cost of advertising
 5. Profit gained
 6. Net results

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S5: After you have paid for the cost and your Ads are up and running, it's time to track your progress! What you need to do is to create your own method for tracking, where this can be effectively done with Microsoft Excel.

Get to know your numbers and most importantly your results. Did you hit the target? If you did, then congrats! If you did not, then this is when your back track and detect what went wrong. Track your progress based on the following points:

- Number of clicks on your landing page
- Sales accumulated
- Pending sales
- The cost of advertising
- Profit gained
- Net results

Always remember, numbers don't lie!