Discover How We've Helped Attain 20% to 1212% Revenue Growth (Tens of Millions of Dollars) —Almost Risk FREE

- Increased sales
- More leads
- Lower customer acquisition costs
- Higher email open and Click-Through Rates
- Higher ad click through rates

Representative Clients...

Microsoft

NIKE

The New York Times

Survata

Headsets.com
"America's Headset Specialists" ℠

mouseflow

breazy

PROTALUS

trupanion
Medical insurance for your pet.

GF GRAMEEN FOUNDATION

As seen in/on...

The New York Times

TechCrunch

Y Combinator

GeekWire

MOZ

What We Do: CRO (Conversion Rate Optimization)

We grow online businesses by specializing in CRO (Conversion Rate Optimization). CRO is a new discipline that draws from three bodies of knowledge: **'Old school' direct response marketing, 'Sherlock Holmes style' Web Analytics, and Data Science**. We've use a proven methodology based on more than 20 years of research and real world experimentation (see appendix).

'Old school' Direct Response Marketing

'Sherlock Holmes' style Web Analytics

Data Science

"But we have an internal team that does this. Why should we hire a consultant?" you ask.

Great Question. We understand how you feel. This is how most of our clients felt initially. But when they worked with us, here's what they found: Because we specialize in just CRO we got far better results, faster. And since we work primarily on a performance basis, there was little risk for them. A combination of your team's 'tribal knowledge' about your business and our expertise in CRO yields faster growth.

"We already use Optimizely for A/B Testing" you quip.

This is fantastic! You are one step ahead of the rest—only 21% of online businesses do A/B testing. We are fans of Optimizely too and it is one of the tools in our bag of tricks. But ultimately we are technology agnostic and instead rely on our deep expertise around designing effective experiments and leveraging field-tested principles of cognitive psychology. Optimizely is only as good as the test matrix used.

How We Get Results*

1 **Define Your Goals & How We'll Measure Success**
- Work with you to define success
- Experience your business as a customer rather than as a marketer—provide the objectivity you may lack

2 **Understand & Tune Your Traffic Sources**
- Visualize your funnel and determine where visitors are dropping out
- Tools: Mouseflow

3 **Gain a Deep Understanding of Your Visitors**
- **Understand different visitor types and intentions:**
  - New vs. repeat visitors
  - Which traffic sources convert best?
- **Why do visitors convert?** Often, their reasons will surprise you. By understanding this, we can amplify the most crucial conversion factors.
- **Why do the rest not convert?** Understand all of their objections
- **Identify user experience issues:**
  - Does site load correctly on all browsers and mobile?
  - Do pages load fast enough?
  - Can users navigate easily?
  - Are forms easy to use?
- **Tools:** surveys, customer support, Mouseflow

4 **Conduct Advanced Market Intelligence**
- Study your market to understand how to best position your offer relative to the competition. Your business does not exist in vacuum:
- Tools:
  - Adbeat: Reverse engineer your competitors' successful campaigns
  - Amazon, Google Alerts, Twitter Alerts

5 **Spot Hidden Wealth Opportunities**
- 1-Click upsells to maximize <u>immediate</u> customer value
- Cross-sell opportunities
- 'Refer-a-friend' programs
- Thank you page/post sale offers
- Effective email follow-up sequences
- Grow a customer community

6 **Design 'Challenger' Pages (A/B Tests)**
- Ideate on new landing pages
- Prioritize ideas based on 3 criteria:
  - How likely is it to double conversion rate?
  - Has the idea worked before?
  - How easy is it to test?
- Implement and test new pages
- **Apply the MECLABS Conversion Rate Heuristic (see appendix)**

7 **Take Winning Campaigns to New Traffic Sources**
- Many more traffic sources are now viable because of your higher conversion rate. **Scaling is much easier!**

*Some of the steps/practices were first codified and borrowed from Karl Blanks a pioneer in the field.

How You Benefit Personally

Company owner
You grow your business and dominate your market. **Remember, most online markets/niches tend to be winner take all. If you don't do this, someone else will.**

Manager
We can train your team so they can get more growth. Please ask about our training and software package.

Employee
You get a success story for your resume.

Investor
We can help your portfolio companies grow and attain your targets.

VC funded CEO
The growth we help you get makes it easier to raise subsequent rounds and command a higher valuation.

Agency
Improving your client's conversion rates allows them to spend more on media so you earn higher fees. You also have happier clients who will then stay longer.

How You Benefit Organizationally

1 Revenue Growth

30% increase in conv. rate results in 30% revenue growth
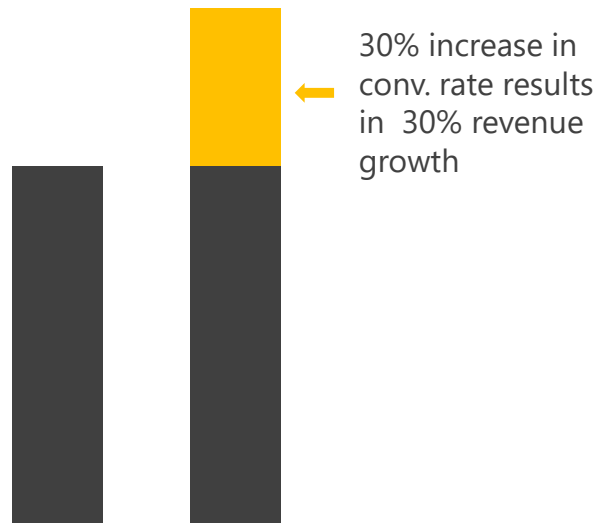
Revenue growth is a good reason but not the most important reason...

2 Profit Growth

← Traffic/media costs

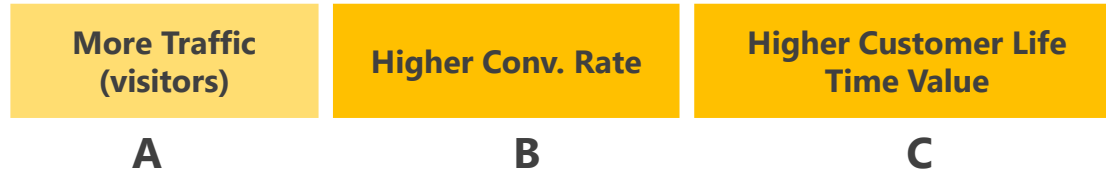← Overhead costs

← COGS
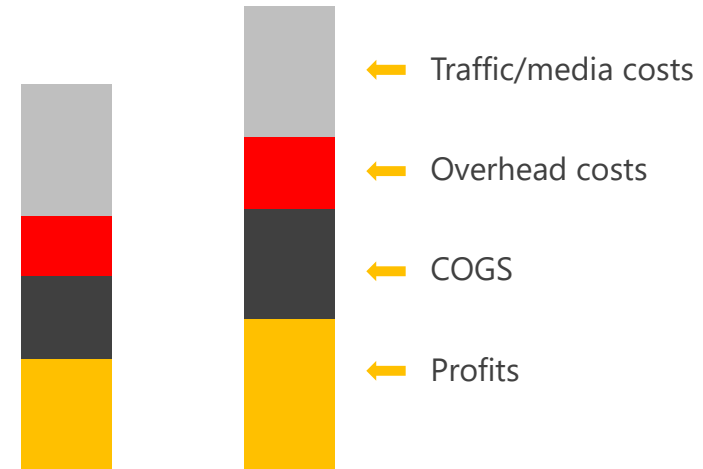
← Profits

A 30% increase in conversion leads to a 30% increase in revenue **but a disproportionate increase in profits** (because overheads and ad costs stay the same)

Profit growth is a better reason but still not the most important reason...

How You Benefit Organizationally

3 Deeper Market Penetration and Advantage

This is the most important reason to do CRO. How do you get more growth for your online business? The answer we hear most often is "more traffic." While this may be true, it is also the least efficient way to grow. <u>You cannot easily get more traffic without incurring disproportionately higher media costs.</u> There are 3 basic levers for growth:
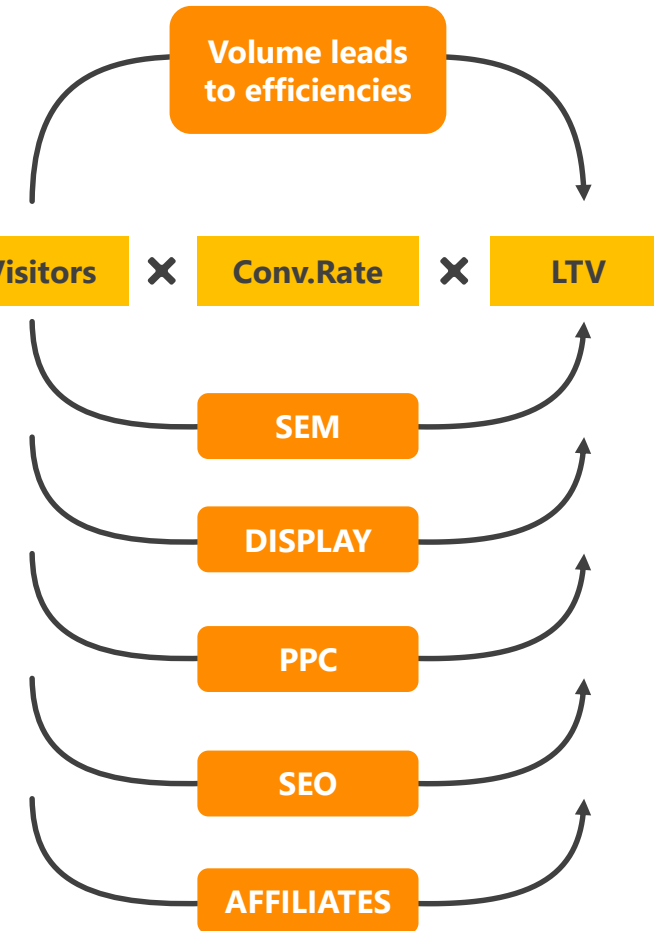
More Traffic (visitors)	Higher Conv. Rate	Higher Customer Life Time Value
A	**B**	**C**

If you first address Conversion Rate and Life Time Value, traffic naturally takes care of itself.*

Example:

- Increasing Conv. Rate by 30% also increases revenue per visitor by 30%.

- **Each traffic source is now 30% more valuable:** You can afford spend more on SEM, PPC, Display, SEO and pay affiliates more, stealing them from your competitors.

- Higher spend means more traffic, which leads to more sales.

- More sales lead to economies of scale, which in turn lead to higher profit margins.

- Higher profit margins of X% then mean you can now spend **30% + X%** more for a new customer. See?

- And what if you ALSO increase your LTV by Y%? You can now spend **30% + X% + Y%** more to acquire a new customer.

- You can **then outbid all your competitors and dominate your market.**

Volume leads to efficiencies

$$Revenue = Visitors \times Conv.Rate \times LTV$$

- SEM
- DISPLAY
- PPC
- SEO
- AFFILIATES

There Are No Traffic Problems, Just Conversion Ones...

Conversion Rate Optimization is the Only Activity in Business in which You Can Create Significant Value 'Out of Nothing'

Most marketers complain about lack of traffic because "clicks are too expensive". But **let's do a little thought experiment of the kind Einstein was fond!** There are two parts to it.
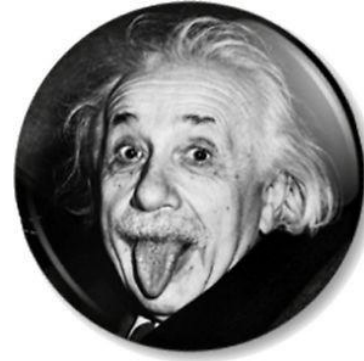
1

First, say each click costs $1 million and you are selling a $1 million product. If you had 100% conversion rate, would this click be too expensive?

Probably not, because for most businesses, the profit is in repeat or up-sales. You would therefore still come out ahead even with the "expensive clicks"

Put another way, **if you get your Conversion Rate to be high enough, even the most expensive traffic becomes viable!**

2

Conversely, in the second part, lets assume you had infinite amounts of traffic. For our purposes, we'll define 'infinite' as 1 billion times as much as the most trafficked site on the web. Google has the #1 Alexa rank with 105 billion visits per month. A billion times more would be 105 billion x 1 billion visits per month (105, 000, 000, 000, 000, 000, 000)

Now let's further assume you are selling a $1 product but have a ZERO percent conversion rate. How much money would you make? ZERO of course. Nada. Zilch!

See, all the traffic in the world won't help you if you convert none of it!

But what if you put in a little work and get a 0.1% conversion rate? (just 1/10th of the 1% average for eCommerce?). Now you would take home, each month:

$105, 000, 000, 000, 000, 000, 000 (A billion dollars, 105,000 times!)

And you would make Jeff Bezos and Bill Gates look like paupers! All because of a slight improvement in conversion rate! See?

How You Benefit Organizationally

4 The 'Law of Accumulative Advantage'

What begins as a slight edge over the competition compounds with each additional contest. Each cycle further cements the status of those at the top. **Over time, those that are slightly better end up with the majority of the rewards**. It is also known as '**Winner Take All effect'**.

Real World Examples

A

Facebook vs. MySpace

In 2006, Facebook and Myspace were nearly at par. But Facebook **invested in** user experience and **Conversion Optimization**—**they actually hired a Conversion Rate consulting firm.**

Soon, they attained a slight edge over Myspace in growth. Today, **Facebook is worth $500 billion while MySpace is a goner!**

facebook

myspace®
a place for friends

B

AirBnB vs. HomeAway

In the vacation rental market, HomeAway was founded in 2005 and Airbnb in 2007. Both raised tens of millions of dollars early on.

AirBnB developed a slight edge in getting new listings*. Today **AirBnB is worth $31 Billion vs. $2.9 Billion** for **HomeAway** (less than 1/10th valuation)

airbnb

HomeAway®

C

Google vs. Bing

Google's search results are only slightly better than Bing's. In fact, for certain queries Bing is better. But Google has **$ 110 Billion in revenue compared to $5 Billion for Bing.**

Slightly better results led to higher market-share and usage, which in turn led to more data with which to further optimize query results.

Google

bing

Industries We've Worked In

Media

Telecommunications

Health and Fitness

Insurance

Information Products

High Tech Ecommerce

Education

Non-Profit

Consumer Packaged Goods

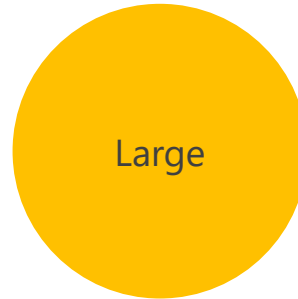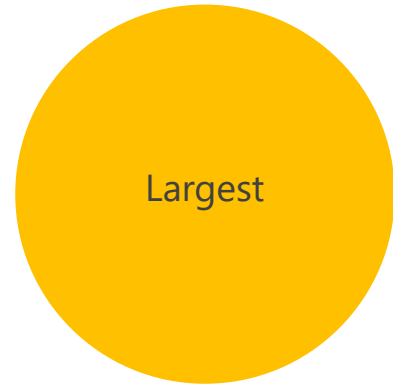# Company Sizes

Micro

Small

Mid Size

Large

Largest

(Revenue)

$ 1 million

$ 5 million

$ 10 million

$ 100 million

Case Study 1: Protalus: ($10 million plus)

Control

Optimized

Changes Made

- Implemented 1-Click Upsells
- Designed A/B tests that produced **145%** and **60%** more revenue on the upsell page (overall 21% more sales)
- Designed long-form page that produced **~58%** more sales for a total of **91% direct sales** growth and **1,212% overall**

Results

91% plus
More direct sales

Over $10 million

[Link] Case Study Published by Moz and Went Viral!

https://moz.com/blog/cro-case-study

Conversion Wizards
turning visitors into buyers

Case Study 2: Microsoft Office 365 for SMEs*

Control

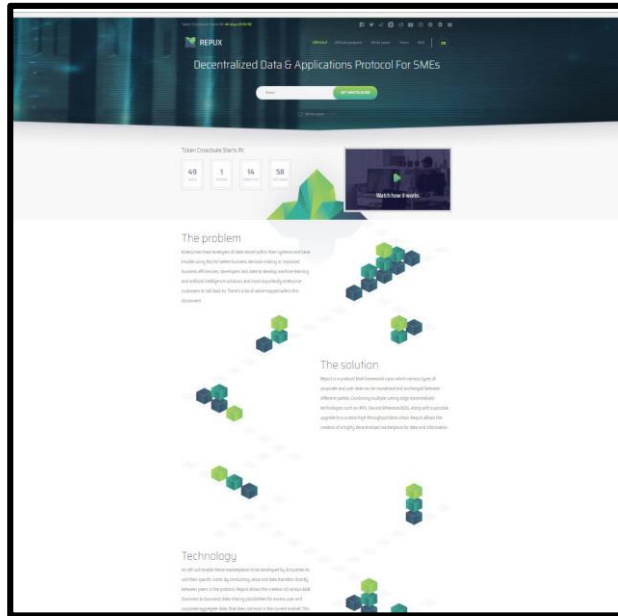

Optimized

Changes Made

- Prominent benefit oriented headline (based on research)
- List of most important benefits (based on research)
- Fewer links to cause distraction/abandonment

- Cleaner look and feel to reduce friction
- Included familiar Office application logos (Word, Excel, PowerPoint)
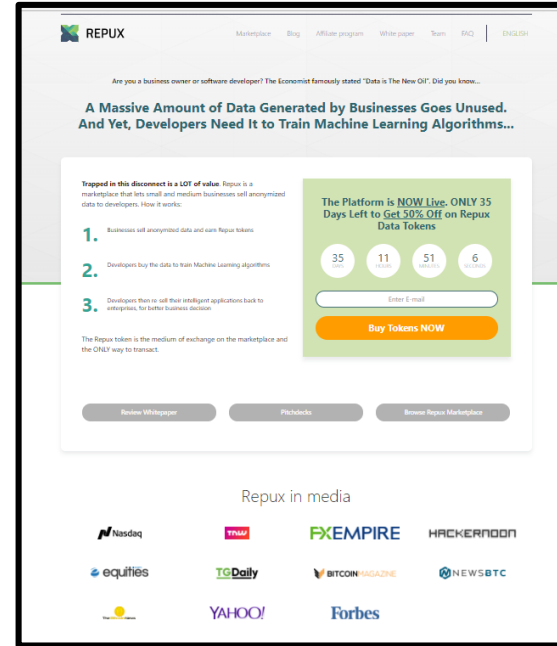- Highlighted the SKU we wanted customers to choose

Results

29%
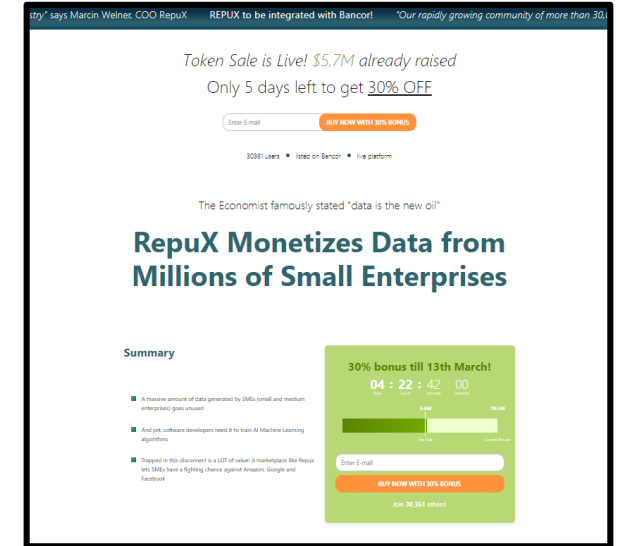More Revenue

Case Study 3: Repux ICO (Initial Coin Offering)

Control

Optimized 1

Optimized 2

Changes Made

[link] Please read full case study here

http://blog.capitalandgrowth.org/wp-content/Repux-case-study-vMouseflow.pdf

Results*

~253%
More Leads

~98%
More Sales

* Unlike our other experiments, we stopped this one prematurely because the client did not want to risk revenue loss by running the control alongside the better performing page (ICOs are super time sensitive). But the cart recovery and 7-part educational email series alone produced at least double in incremental revenue they would otherwise have missed (see detailed case study here)

Representative Testimonials

> Jasper is an expert at increasing conversion rates. In part due to his efforts, we are currently **exceeding our sales forecast for Office 365 subscriptions for the affiliate program by 117%**

JD Sutton
Sr. Marketing Manager, Microsoft Office 365

Helped Microsoft Office 365 SMB launch and grow their affiliate program

Microsoft

> Conversion Wizards saved Survata a lot of money through rigorous analysis of our traffic channels. They helped us eliminate unproductive ones and directed most of our budget to LinkedIn sponsored posts which we still run to this day.

Chris Kelly, CEO Survata
(Y Combinator funded company)

Survata is a leading provider of B2B online survey panels funded by Y Combinator

Survata

Y Combinator

> The Conversion Wizards helped us **increase our revenue by 91%**. Projected over a year, **this is worth over $10 million**. While there were a few hiccups due to the complexity of our site, they worked around the clock and resolved them. Overall we are very pleased with their work!

Don Vasquez
CMO, Protalus

Protalus is one of the fastest growing footwear companies in the US

PROTALUS

Representative Testimonials

"Jasper played a pivotal role in launching the Microsoft **Office 365 affiliate program** and made important contributions in recruiting partners and optimizing the landing pages. As a result, we have greatly exceeded the initial sales projections. I highly recommend him and his company."

Adam Glazer, President
Partner Commerce

We worked with Partner Commerce on the Microsoft Office 365 account

PartnerCommerce

"**We've seen our Conversion Rate for free trials increase by almost 3x** by implementing their recommendations**!** We are so happy with their work that we've partnered with them and recommend them to all our clients"

Trent Scott
Co-founder & Director of Sales, Mouseflow

Mouseflow is the best in class software for video sessions, heatmaps & funnels

mouseflow

"The Conversion Wizards helped us attain **253% more leads** and **nearly 100% gain in token sales.** The optimized site was also instrumental in getting us attention or meetings from the likes of **Microsoft Ventures,** and Michael Arrington (**TechCrunch** founder)

Tomasz Tybon
former Chief Growth Officer, Repux

Repux is a data marketplace for small & medium enterprises

REPUX

Representative Testimonials

> " What a terrific email! I get dozens every day, but yours is really good. **If someone wrote the copy on this I'd like to employ them.***"

Mike Faith
CEO & Founder, Headsets.com

*Mike hired us based on a cold email, to write a follow up sequence for his company that **got 40% plus open rate**. Sadly, we were not available to be employed!*

Headsets.com is the leading online seller of headsets with $50 million+ in revenue

> " We recently started working with them and are impressed. Some of the tests have shown early promise and their rigorous research helped us gain valuable insights.

Richard Wang
VP Marketing, Trupanion

Trupanion is a publicly traded company with a ~$1 Billion Market Cap

Headsets.com
"America's Headset Specialists" ℠

trupanion®
Medical insurance for your pet.

Leadership Team

Jasper Kuria, Managing Partner & Founder

- Produced tens of millions of dollars in incremental sales
- 7 years at Microsoft in Product Management & Software Engineering roles
- Degree in Computer Science/Economics from **Yale University**
- Led ping-pong team that won Microsoft tourney and **played against Bill Gates**
- Former **TechCrunch columnist**
- **LinkedIn Profile**

Jon Powell, Principal

- 10 years experience leading large-scale experiments for Fortune 500 companies like Verizon, Bank of America
- Keynote speaker at Salesforce, Marketing Sherpa conferences
- Expert email marketer--invented the "customer service tone" text-only emails that significantly outperform slick graphic-based ones
- Holds a black-belt in Taekwondo
- **LinkedIn Profile**

Yinso Chen, Principal

- 20 years of experience in software development and architecture
- Led large projects for Microsoft, Accenture
- Expert at optimizing page load times and debugging complex site issues
- Principal architect of the open-source Qumeleon database
- BS in Math/Computer Science from University of Washington
- **LinkedIn Profile**

Conversion Wizards
turning visitors into buyers

Want to Grow Your Online Business? Get in Touch for a FREE Opportunity Assessment Analysis

We've Helped Attain <u>20% to 1212%</u> Revenue Growth —Almost Risk FREE
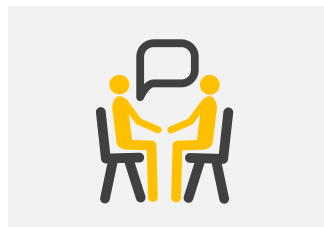
1 Free, friendly chat about your business and your goals
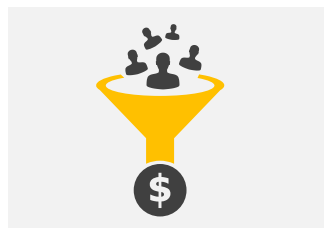
2 Free Mouseflow analysis to assess the opportunity

- **Learn more about Mouseflow**
- **Sample Mouseflow report**
- **Sample Feedback report**

3 Finally, we Let you know if your company is a good fit for what we do.* Get in touch:

(650) 761 2620

jasper@TheConversionWizards.com

Conversion Wizards
turning visitors into buyers

*Given that a big part of our compensation is performance based, we only take on engagements in which we are confident of getting remarkable results.

Appendix

Conversion Wizards
turning visitors into buyers

The MECLABS Conversion Rate Heuristic*

Based On...

15
Years of research

10,000
Pages/paths

5
Million phone calls

36,980
Benchmarks

100+
Conferences

328
Test protocols

76
Research briefings

1027
Interviews & case studies
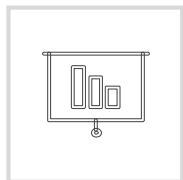
20+
Experts on direct response marketing, influence & business strategy

$20
Million worth of research

The MECLABS Conversion Rate Heuristic*

$C = 4m + 3v + 2(i-f) - 2a$

C = Probability of conversion
m = Motivation of user
v = Force of the Value Proposition
i = Incentive (additional) to take action
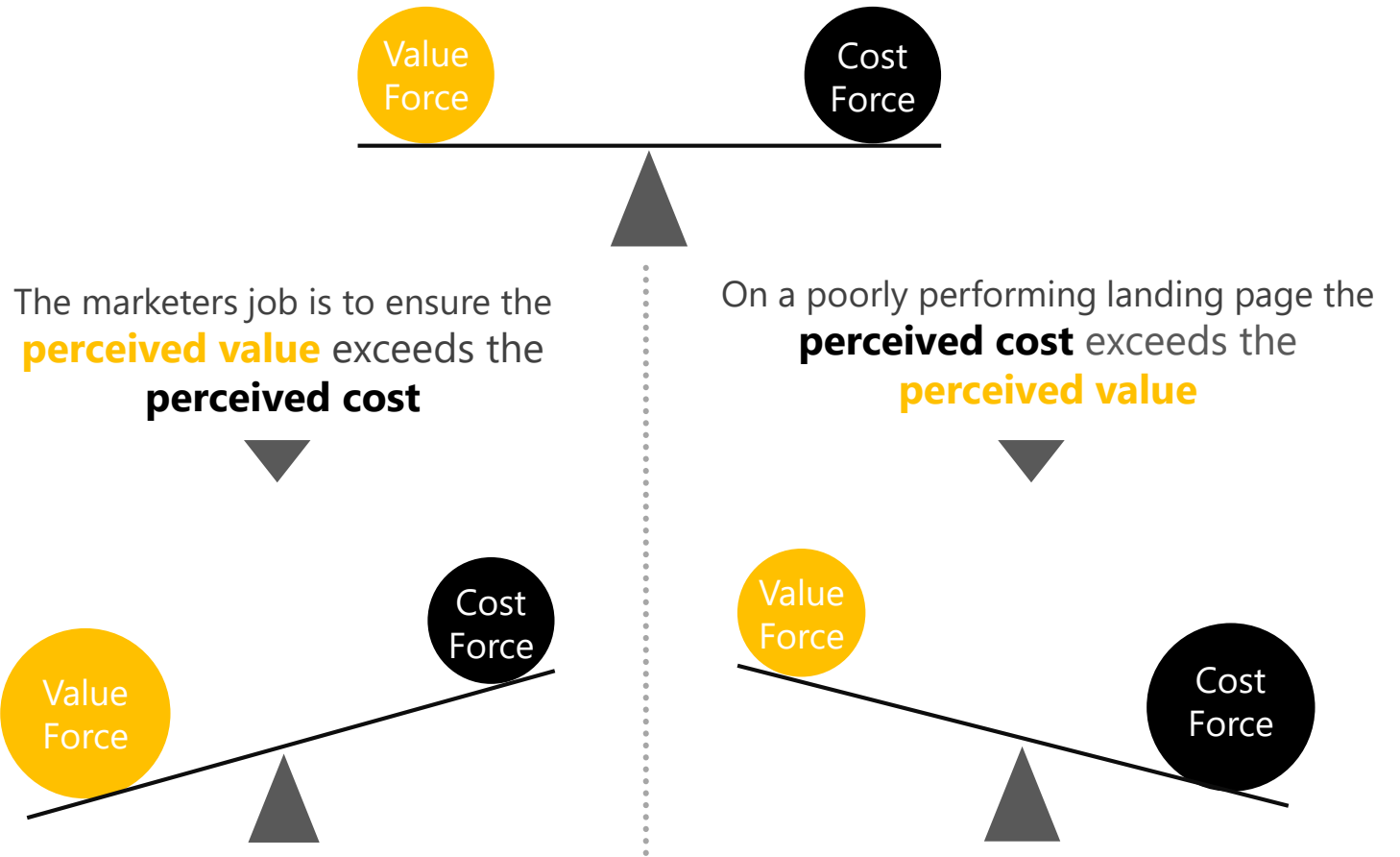f = Friction elements present
a = Anxiety elements present

Vf   **Cf**

$C = 4\mathbf{m} + 3\mathbf{v} + 2(\mathbf{i-f}) - 2\mathbf{a}$
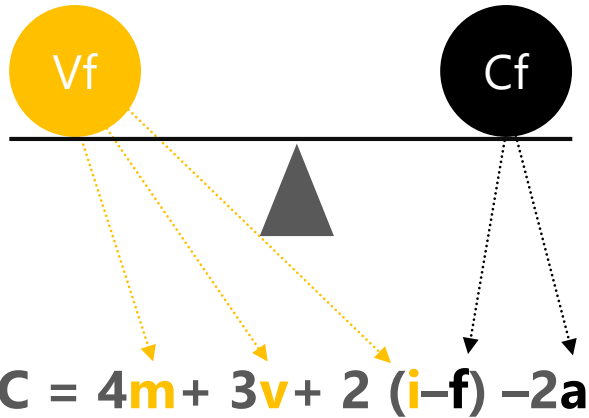
Value Force
If I am your ideal prospect:
- Why should I buy?
- Why should I buy from you rather than any one else?

Cost Force
- Material: I need to pay this much
- Mental: I need to do this much

Value Force   **Cost Force**

The marketers job is to ensure the **perceived value** exceeds the **perceived cost**

Value Force   **Cost Force**

On a poorly performing landing page the **perceived cost** exceeds the **perceived value**

Value Force   **Cost Force**

We re-design your landing pages by systematically addressing each element in the heuristic and articulate your value proposition so that the perceived value exceeds the perceived cost

The MECLABS Conversion Rate Heuristic*

Incentive Examples
Additional incentives can increase conversion

Throwing in a freebie with an offer (e.g. Sports Illustrated giving away a football phone when you buy a subscription)

A chance to win an Amazon gift card

Incentives must be tested for eROI

Friction Examples
Reducing friction increases conversion

Length of landing page

Poor layout of landing page

Number of form fields

Poor layout of form fields

Carousel layouts for the headline (almost always hurt conversion)

Anxiety Examples
Eliminating anxiety increases conversion

Lack of security seals

Not a well known brand and company

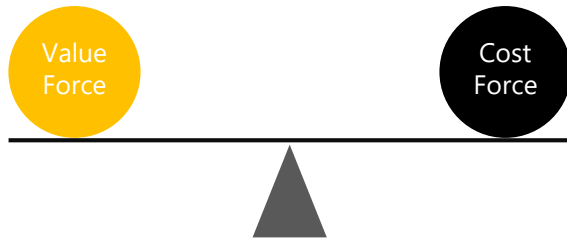Lack of guarantees (money back, satisfaction etc)
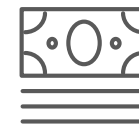
Re-directed payment links

The MECLABS Conversion Rate Heuristic*. Understanding the Force of your Value Prop

$$C = 4m + 3v + 2(i–f) –2a$$

Value Force / Cost Force

Sub Elements of the Value Proposition Force

1 **Appeal (I want it)**

The epicentre of appeal is "want". There are three factors that contribute to appeal
- Relevance
- Importance
- Urgency

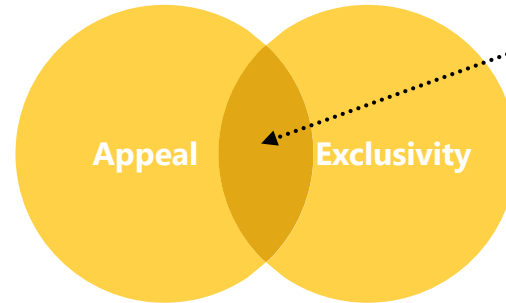**2** **Exclusivity (I can't get it anywhere else)**

**3** **Clarity (I understand it/you)**

4 **Credibility (I believe in it/you)**

The Appeal/Exclusivity Dyad

- **Appeal and exclusivity form an essential dyad**

Appeal / Exclusivity

Powerful Only-Factor that leads to irresistible offers. In at least one way, you must have an only-factor.

- **An appealing offer without exclusivity has its force diluted by the number of competing options**

Value Proposition Force

Diluted Value Proposition Force

Hair Loss Cure

Vf
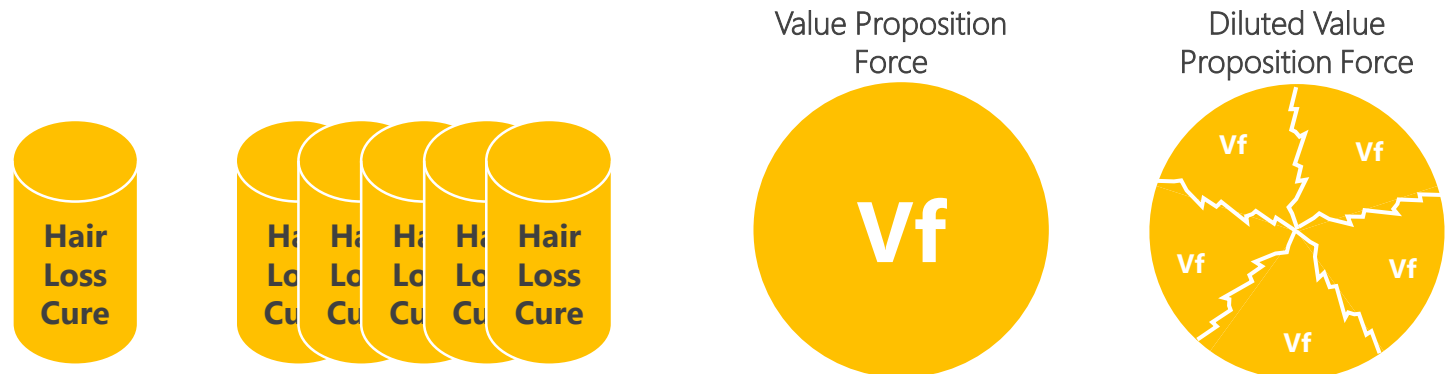
- **An exclusive offer without appeal has its force undermined by a lack of attraction**

The MECLABS Conversion Rate Heuristic*. Understanding the Force of your Value Prop

Communicating with Credibility

a

Specificity

- **Not this:** Fully managed dedicated services by the hosting experts backed by proven accreditations

- **Better:** The highest level of global accreditation. We are the only data center to hold the ISO27001, AS/BS7799, SunTone, RedHat, ASIO and DSD certifications

b

Quantification

- **Not this:** You can tap into the peer-to-peer discussions MDs have every day to examine perceptions and market trends

- **Better:** Get access to physicians in all 50 US states who spend 35,000 hours per month on [Company's] social media platform discussing drugs, medical products and procedures as well as exchanging clinical insights on difficult cases

c

Verification

- **Not this:** You can tap into the peer-to-peer discussions MDs have every day to examine perceptions and market trends

- **Better:** Get access to physicians in all 50 US states who spend 35,000 hours per month on DocMed social media platform discussing drugs, medical products and procedures as well as exchanging clinical insights on difficult cases

Techniques for Improving Clarity

a

Simplify
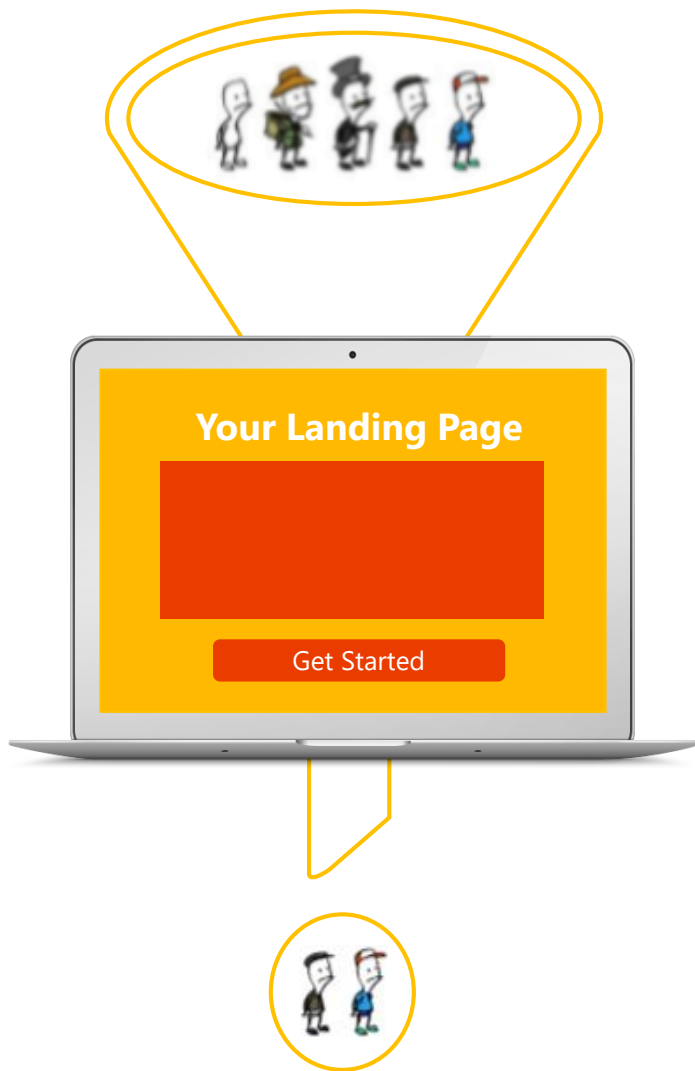
b

Layer

c

Sequence
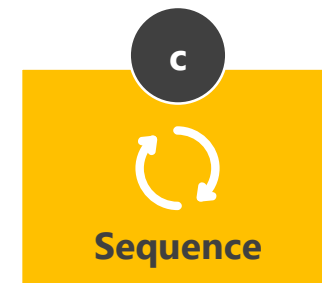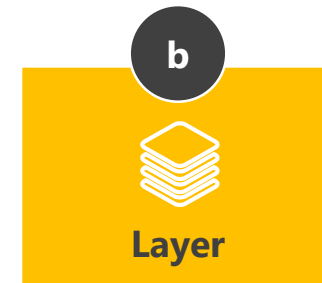
* The MECLABS Conversion Rate heuristic is patented and owned by MECLABS. It is used here with their permission.

Extreme Analytical Rigor: We Run Our Tests to 95%+ Statistical Significance
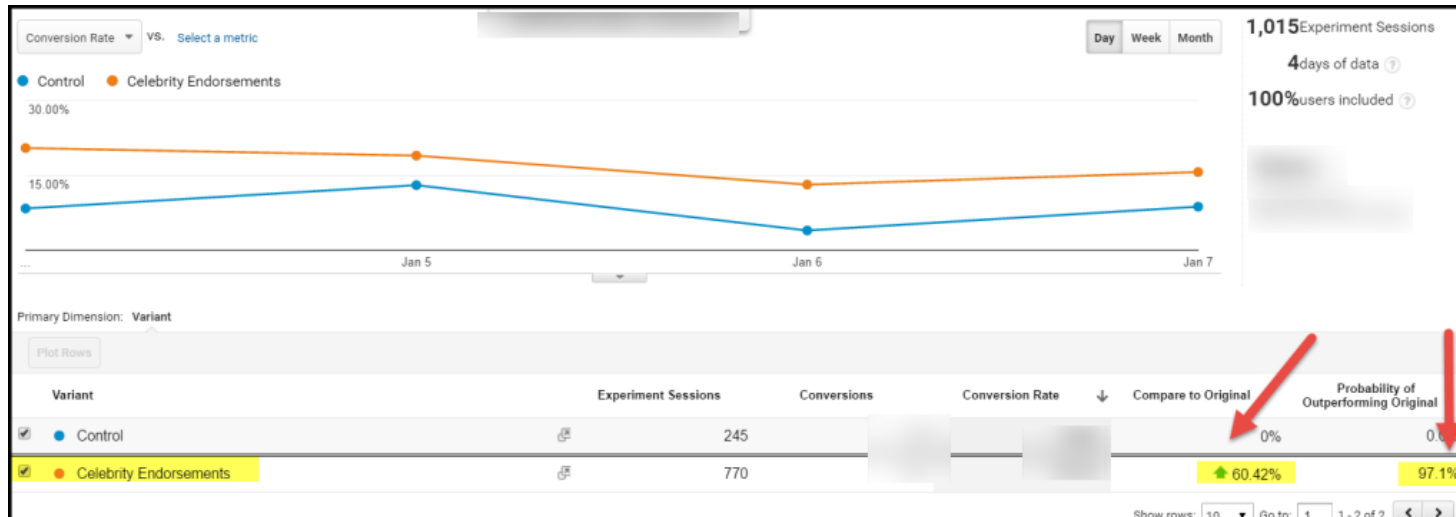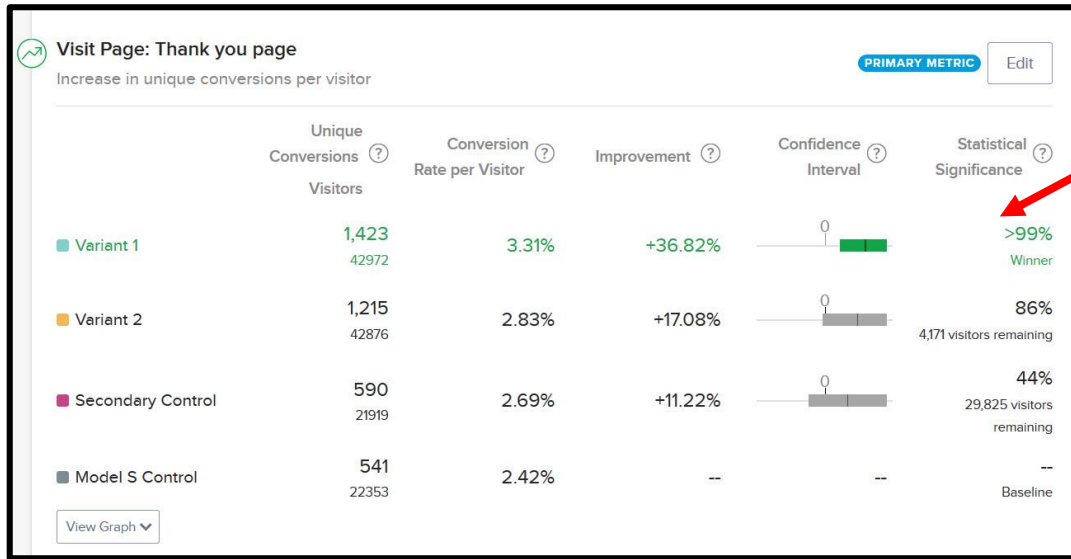
So you can be sure the results are <u>Valid</u>, <u>Persistent</u> and <u>Transferable</u>

Conversion Rate Optimization

Your Landing Page

Get Started

What It Is...

Applying a rigorous (and in our case, proven) methodology designed to increase the rate of visitors who take the desired action on a landing page.

More broadly, it often includes increasing the Customer Life Time Value so that it is possible to spend more to acquire each new customer—which makes many more channels viable, which leads to 'hockey-stick' like revenue growth!

What it is NOT!

Blindly applying 'best practices' in the hope that they will increase the conversion rate e.g. '17 magic words', '3 killer layouts' or 'the one button color'

Consider the following analogy: A recent infographic in the New York Times showed the probability of dying from every single possible cause (cancer, heart attack, suicide etc). Of course, the probability of dying from at least one of the causes is 100% over a lifetime.

Upon reading this article, would you rush to the pharmacy and take all the medicines to protect against death from every possible cause (blindly applying best practices)? Even a fool wouldn't do that!

The better course of action would be to consult a doctor who would first examine you, diagnose, and only then prescribe a treatment. The methodology we use is similar more. It is the reason we get better results than most others.

Credit: Karl Blanks