



The 10:1 Rule of Info Marketing

What's the 10 to 1 rule of information marketing? Simply put, it means the price at which you're selling your information product (assuming it's a physical product vs. digital delivery) must be priced a minimum of ten times your production cost for that product to be a viable product long term.

The 10:1 rule is one of the major reasons why information marketing is such a popular business model. Info marketers routinely get a ten to twelve times markup or more (in many cases, much much more) over their cost to produce the product. The attractive markup is why new information marketers come into the market every day.

No more busting your butt for a measly 10%, 15% or 20% margin over costs. The 1000% markup allows you to recoup developments costs quickly, pay affiliate partners a meaningful percentage, and build a business of real value.

So, what's it all mean in real numbers? If it costs you \$10 to produce your product then you should be selling it at around \$100 or more. If you follow the pricing rule of "7" then it might be a \$97 retail product.

If it's \$30 to produce then it needs to be a \$297 or higher product. If it's \$100 to produce then that's at least a \$997 product. And so on and so forth.

But let's look at it from another standpoint. What if you're producing an info product that costs you \$30, but the market you're selling into won't spend more than \$97 on that type of information product. What should you do?

If \$97 seems to be the "number" in your market then you need to figure out what you can package for them that costs you no more than around \$10. You may have to eliminate some of the content you wanted to include in your product to bring your numbers in line.

Maybe the additional material can be bonus downloadable information or be saved for a separate product. You decide what will work best for you. But the bottom line is you need to bring your production costs as close in line to the 10:1 rule as you can.

Now, if the product is simply a lead generation product for other higher ticket items that you sell then you can throw the 10:1 rule out altogether. Many marketers are even okay with losing money on that initial sale because they know their back end conversion numbers so well they know they don't have to make any money on that initial sale.

But if the product you're selling is one you want to be a highly profitable cash producer for you then make sure you follow the 10:1 rule.