



The New Web Order — How the Internet Has Brought Opportunity to Everybody

My first KaChing moment was not a pleasant sound. It was more like a thud than a ring. It wasn't the tinkle of a bell, and it wasn't even the pleasing sound that the cash drawer makes as it opens.

It was the sound of a cardboard box landing on the kitchen table. But to me it was sweet music.

The year was 1994, and I'd already been playing around with computers—the simplest kind, the type that are less powerful than today's MP3 players—since 1980.

Of course, when I say “playing around” what I actually mean is “playing.”

I'd had all the right intentions when I bought my first computer. I'd looked at the manual that explained how to create BASIC code and tried to write a few simple programs. I even got the screen to show “Hello world!” and felt very proud of myself. But I also discovered that to play a game all you had to do was stuff a floppy

disk into a slot and wait for the program to load. That was so much easier and so much more fun.

I never did learn programming. In fact, I can't code my way out of a paper bag. I leave that to those who are far more knowledgeable and talented in that arena. However, I have always had a love for computer games.

Games cost money, and back in the mid-1990s, I had the sort of income that meant every penny had its place. My career until then had consisted of a mixture of disc jockeying at weddings and bar mitzvahs and selling encyclopedias door to door. I couldn't really justify feeding my hobby with every new game that came out. That was when I spotted my first computer-related business opportunity.

It happened while I was reading reviews in a computer games magazine. I realized that the reviewers were getting their games for free. They got to play all the new games, and they didn't have to pay for any of them. I liked the sound of that. I was all for getting free games, especially if all I had to do was write my opinion of them afterward.

But I didn't have any writing experience then, and I couldn't see a magazine hiring me to write reviews—even in return for free games—just because I liked playing them. So rather than hit the phones and hear a series of rejections, I created my own games magazine.

The *Dallas Fort Worth Software Review* was never the most popular publication in the world. Some of the early editions might even have had a readership of . . . one. Two if a friend came over and happened to pick it up.

But when I called the software companies, told them I was a writer for the *Dallas Fort Worth Software Review*, and asked if they'd like to send me review copies of their new games, one question they never asked me was how big my readership was.

In fact, the only question they asked was, "What's your mailing address?"

When that first game was delivered to my door, and I laid the box on the kitchen table, I knew I'd had my first success. It wasn't money. I still hadn't made a dime. But I had a plan, the plan had worked, and I was off and running.

Soon games were pouring in from all the major software companies, and I didn't have time to play them all, let alone review them all. So I put an ad on an Internet bulletin board system—there were no forums back then—offering free games in return for reviews. That meant the games could continue to come in and I could continue to produce my little games magazine without breaking too much of a sweat. The small readership, however, was a problem.

That problem was solved by the Internet. When the Web really took off, I was ready. Playing with computers made me aware of its growth—and its potential—so I took all of the game-related content I had collected and put it on a new web site called WorldVillage.com. I also invited other writers to come in and submit content on any subject that interested them.

Today, WorldVillage is still going strong and continues to enjoy hundreds of thousands of visitors each month.

That's one Internet success story. As you'll see, it's not without its stumbling blocks—no business story ever is—but it has two key components that are essential for understanding (and duplicating) online success. They sum up the opportunity that the Web has brought to anyone with even a hint of entrepreneurial spirit.

The first is that online business success is open to *anyone*. I am a shining example of this. I'm not an expert. I still can't program. I still hire out the writing on many of my sites as well as their management to people who can do these things better than I can. I've always been interested in computers, but I'm not what you'd call a professional computer person.

The point is you don't need to complete a course in advanced programming. You don't have to know what HTML is, what a server looks like, or that Ruby on Rails isn't the name of a grunge band. Knowing those things might help—at least on the technical side. But you don't *need* to know them. I've met plenty of Internet millionaires who think that style sheets are programs handed out at fashion shows. It hasn't stopped them from creating successful site after successful site.

The second key component to the story of my first online success is that I still play computer games. They're fun. I might play them less now than I used to, but I still sit with my family sometimes

in front of the screen as we battle monsters together. I am pleased to say that I am a Level 80 Warrior in World of Warcraft.

The reason the *Dallas Fort Worth Software Review* and then WorldVillage succeeded was that I was doing something I loved. I didn't set out to make money. I set out with the idea of doing something that I enjoyed. Because I enjoyed it, I was willing to put time and effort into doing it well. And because I put time and effort into doing it well, other people enjoyed it, too.

When that happens, there's always an opportunity to make money, especially on the Internet.

That's what this book is all about.

It's about what happens when you take a passion, place it on a platform that's open to anyone who wants to climb on to it, and then plug in the pipes that bring in the cash.

The result sounds a lot like KaChing.

So, Just How Easy Is It to Begin Building a Web Site?

To someone whose only experience on the Internet is reading the news, checking the sports scores, or perhaps answering e-mail, the online world can look pretty daunting.

Telling an Internet user that there's a fortune to be made online is a bit like telling a moviegoer that there are millions to be made in movies. Of course there are . . . if you know how to handle a camera, write a script, find the production money, hire actors, edit the footage, and distribute the film. If you know how to do all that—and can make movies that people actually want to see—then, sure, you can make millions.

But creating successful web sites is not like shooting successful movies. Creating movie blockbusters is complicated. Creating Internet content is very, very simple. It was always meant to be simple, and today it's easier than it's ever been.

You can now be online with a new web site in less time than it takes to read this page.

And you can do it for free.

You won't hear your first KaChing right away. You'll still have to stock the site with content, plug in the systems that will pour in the cash, and let people know you're around. That will take a little time. But it won't require any skills more specialized than the ability to press a mouse button or choose an option in a drop-down menu.

It wasn't always like this. Although the Internet was always meant to be a place that anyone could use and anyone could build on, for a long time that really meant anyone who had the patience to read a programming manual the size of a shoebox.

Today, the Internet really has met its promise of being a truly democratic space. Those with a desire to earn and a willingness to learn as they go can have the beginnings of a profitable online business in minutes.

Usually, that takes one of two forms.

The traditional method has always been to create a web site from scratch. You bought a domain name from a service like GoDaddy.com, rented space on a hosting service, and placed the domain on the host's server. Then you used a special program to write the code and upload the pages. Whenever users entered the address of one of those pages in their Web browser, your page appeared on their screen.

This is still how most web sites work. It's how most of mine work. Doing it all manually provides the greatest amount of flexibility. But it's a little tricky, as it takes time to learn—or money to pay someone who already knows how to do it—and it's no longer necessary.

Web developers have made complete templates available to anyone who wants to use them. The prices vary. Some companies offer them for free; others charge thousands of dollars for a template that's unique, easy to customize, and filled with the latest Flash animation.

Whichever option you choose—and both types are no more than a quick search away—once you've bought your domain, all you have to do is upload the template and fill it with your content.

Alternatively, you can also use a content management system like Joomla! or Drupal. These are free programs that act as a kind of storage system for web site publishers. They sound frightening, but they've actually simplified web publishing enormously. Once you've taken the first leap of buying a domain and placing it on

a server—a process that will take even the newest of publishers just a few nervous minutes—they’ll allow you to add articles and use modules and extensions to place all sorts of preprogrammed goodies, such as RSS feeds, sidebars, and automated storefronts, on your web pages.

The first steps might feel a little strange. But once you have even a basic web site up and running, you won’t be able to stop. You’ll be experimenting and playing, and in no time at all you’ll have become something of a web development expert simply because you’re enjoying it. It happens. And it happens because it’s now so simple.

Web site templates might have taken the sweat out of design, but there’s an even easier and faster way to get on the Web. When Evan Williams, who would later go on to help create Twitter, launched Blogger in August 1999, he continued a process of simplification that cracked the Internet wide open.

A *blog* (short for “web log”) is a very simple type of web site. Instead of having multiple static pages, the content on blogs is updated regularly and displayed in chronological order. That keeps readers coming back to see what’s new. Older content gets buried but can be recovered from archives and by using searches based on keywords and subjects.

The benefit of blogs has always been their simplicity. While you can now upload all sorts of content, including video and real-time Twitter streams, writing a blog is not much different from writing in Microsoft Word, then saving it on the Internet so that everyone can see it. The attraction of a blog is always the content. If you can say something interesting—about any topic at all—you can build a successful blog.

Evan Williams certainly made a success of Blogger. Ten years later, Google bought the site for an undisclosed sum, and now Blogger is said to have 300 million active readers who consume the 388 million words uploaded through the service every single day (Figure 1.1).

Blogger, of course, now has plenty of competitors. WordPress.org provides a lot more flexibility. It’s open source, which means that anyone can build on it and create plug-ins that give publishers even more options. But unlike blogs on Blogger, it doesn’t



Figure 1.1 Getting started with Blogger is really easy and takes only a minute.

come with hosting. Before you can use WordPress, you have to buy a domain name and place it on a host. You'll then need to download WordPress's blogging program from WordPress.org and upload it to your server. It's not difficult, but it takes just a little effort.

WordPress.com, on the other hand (as opposed to WordPress.org), works exactly like Blogger. Your domain name will be [yourchosenname].WordPress.com. It's free, and you won't need to fiddle around with a hosting service. But you also won't be able to place AdSense, Chitika, Yahoo!, or text link ads on the site. As you'll see in this book, that still leaves plenty of other options, but WordPress.com wasn't really built for moneymaking, and the people behind it take a pretty dim view of revenue generation on these sites.

The best option is to use Blogger just to get your feet wet. I like to call it "blogging with training wheels." Then, once you have a handle on blogging, move up to WordPress.org or MovableType (www.movabletype.com).

There's a good chance, though, that you're already online, either with your own web site or a blog. You may have created them yourself from scratch, or you may have paid a developer to create your site(s) for you. Both options are fine.

I'm not going to talk you through the first steps of launching a blog or creating a web site. That information is available everywhere (including in my previous books), and it really is so simple now that the best way to learn how to do it is just to do it. Go to Blogger.com, register, and start writing. Don't be afraid to make mistakes, and don't be in too much of a hurry. Just enjoy the experience. That enjoyment will keep you moving forward.

At the beginning of this section, I pointed out that while you can start developing web sites and blogs in minutes, it will take you a little longer to start earning money with them. That's because you need *content* and *readers*, both of which take time to build.

Installing a system that can persuade people to give you money on the other hand is now quick and simple.

From Blogging to KaChing

Back in the old days, at the end of the twentieth century, there was a very easy and almost foolproof way to make a ton of money with a web site: You registered a domain, placed it on a server, and started writing.

You didn't write content. You wrote a business plan, and in that business plan you included the word *advertising* about three times in each sentence. Then you bought a plane ticket to California, met with a venture capitalist, showed off your business plan, and waited patiently while he or she wrote a check for several million dollars in return for 1 percent of your new company.

For some of those investors, that actually turned out to be a smart move. The start-up would go on to attract lots of users and would be bought by an even bigger company, making lots of money for the developer and the investor. The company that bought it, on the other hand, was often left with a big write-off.

The problem was that while everything looked good on paper, no one had come up with a reliable way to turn lots of users into piles of cash.

It was as though someone had invented the shopping mall before anyone had invented the cash register. Lots of people were coming into the stores, but with no way to spend their money, they were walking right back out with it.

Google changed all of that. It did this in two ways.

First, it created a search engine that made finding content both easy and accurate. Before Google launched in 1998, Internet users searching for Web content through sites like Yahoo! and Lycos needed to either browse categories or check results based on the number of times a keyword appeared on a page. That didn't always give them the best results. It meant that poor sites could game the system by stuffing pages with keywords, thereby sending the traffic and its benefits to the wrong people.

Sergey Brin's and Larry Page's idea of ranking sites according to the number of times other sites linked to them meant that their search engine didn't just deliver the right results, it also delivered the best results.

Suddenly, the Web wasn't just a random collection of sites that were difficult to navigate. It was a world that came with its own tour guide, who could point out the best places for anyone to visit regardless of their subject of interest.

If you wanted to know about stamp collecting, architecture, or celebrity news, Google would tell you. And it would not just tell you which site mentioned those things.

That was incredibly useful, and it enabled Google to quickly pick up vast numbers of Internet users keen to find a shortcut to the best content on the Web.

Up to that point, all Google had done was build a service users liked. No one was paying for it. Google still hadn't invented a cash register. That happened in 2000, when Google began accepting ads on its search results pages. Because the ads displayed depended on the search term the user entered, they were always relevant. And because they were text-based, they were also unobtrusive. Ads were displayed based on the price the advertiser was willing to pay, as well as the number of click-throughs they had received in the past.

It wasn't a completely new idea. (A site called Goto.com, which would eventually become Yahoo! Search Marketing, had been selling ads in a similar way. Yahoo! even sued Google for patent

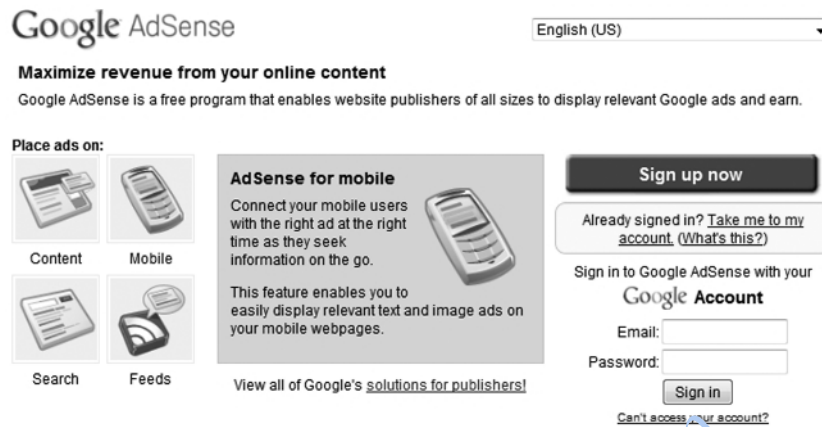


Figure 1.2 Google's AdSense program: The service that launched a million KaChings.

infringement in a case that was settled out of court.) But it did create the Internet's loudest KaChing ever. Even if the idea didn't come out of nowhere, Google certainly developed and implemented it better than anyone else. Today, Google is said to have 82.7 percent of the worldwide search market. In 2008, its total revenues, almost all from advertising, amounted to more than \$21.8 billion.

That was good news for Google. The company had created a cash register that enabled it to accept money from companies that wanted to approach the millions of users it was picking up each day.

But the good news for everyone else was that Google also handed out cash registers free of charge to any Web publisher who wanted one.

The invention of AdWords, the system that Google uses to sell advertising space, might have made a deafening KaChing sound. But through AdSense (the publishing side of AdWords) that ring has been echoing around the Web ever since (Figure 1.2).

It's a system that's open to anyone with a web site. Sign up at www.google.com/adsense and you'll be given a few lines of code that you can place on your Web pages. That code will automatically serve up ads from Google's inventory, and those ads will be based on the content of your web site.

It's an incredible thing.

You get relevant, unobtrusive ads, and you are paid every time one of your users clicks one.

It has to be the easiest KaChing in the history of commerce.

Sure, there are strategies you can use to maximize your earnings. When I first started using AdSense back in 2004, I made \$40 a month. That's not KaChing. That's ker-splat.

But once I'd optimized my ads, blended them into my sites, and tested a bunch of different strategies, my AdSense income skyrocketed. Today, I regularly receive monthly checks from Google for more than \$15,000.

Now *that's* KaChing!

What's important here, though, isn't just the amounts. It's the simplicity.

Web site templates, content management systems, and blogging platforms have opened up Internet publishing to anyone who knows how to turn on a computer and operate a keyboard. With Google AdSense, we now have a way of turning those sites into money that's just as simple.

We have the store, and we have the cash register.

In fact, we now have lots of cash registers. We have different types of cash registers on our sites, and we can put them in different places. Google's AdSense system is primarily a cost-per-click (CPC) program. As a publisher, you are paid every time someone clicks on an ad. But you can also use other services to be paid on a cost-per-action (CPA) basis. When someone buys, you earn a commission. You can also earn on a cost-per-mille (CPM) basis: You receive a small amount of money for every thousand times your Web page is loaded and the ad shown, regardless of what the people who see it do.

And that's just advertising. As you'll see throughout this book, there are now plenty of other ways of generating a KaChing from a successful web site, including information products, coaching, and membership sites.

This is the New Web Order. It's a place that's open to anyone who wants to join. The pioneering days are over. The strategies, methods, and approaches have all been tested, proven, and simplified. The tools are available, they're free, and they're waiting for anyone who's willing to pick them up, use them, and learn how they work.

Perhaps the best way to think of Web publishing today is to compare it to photography. Anyone can take a simple picture. A basic digital camera costs next to nothing and will let you shoot pictures of your family, your cat, and the sunset at the beach. When you take good pictures, you'll get a little thrill of satisfaction that will encourage you to take more. It won't be long before you're thinking of upgrading and buying a fancy camera that will let you play with exposure and focusing and do all of the other things that fancy cameras do.

That will encourage you to learn about photography, and the more you learn and the more you shoot, the better you'll get. You might never be commissioned to shoot the cover of *Vanity Fair*; but as long as you enjoy what you're doing, your skills will improve to a level that allows you to perhaps sell the odd photo on eBay or iStockphoto, or hire yourself out for weddings and events.

On the Internet, anyone can get started with a simple web site or blog. You can plug in AdSense or one of the other Internet cash registers that are now easily available. You can begin making money—and you can continue making even more money as you grow and learn.

It's not a process that takes place overnight. In fact, the learning process never ends. But the sooner you start, the sooner you'll hear that first KaChing.

To get started though, you'll need a topic. Just as store owners have to know what kind of products they want to sell, so publishers have to know what kind of content they want to offer.

It's a vital question, and it's something I discuss in Chapter 2.