

Why 99%+ of Flat Rate SEO Services Are a Scam by [SEOBook](#)

SEO Question: "Hello, How do site suchs as: _____ and _____ work with flat fees, where everyone else charges us up the wazoo. Do you offer such a program for my business?" - Thanks, Paul

Short answer: "Laws control the lesser man. Right conduct controls the greater one." - Mark Twain

Some People Provide Value, Others Steal Money

Long answer: Believe it or not, at one point in time I was an SEO client who bought a trashy scammy service. The site I was trying to market was terrible, they offered no link building solutions for it, and instead suggested I create copies of pages on the site with hidden links pointing back and forth to try to rank well for some obscure 5 word phrases that nobody searches for.

Now those people could have told me that my site was a poor website and I can improve it by doing x, y, and z. But they didn't care about the actual outcome of the work. They just wanted \$149 and they got it. That was over six years ago, and they are still scamming people today.

Many Big Organizations Sell Scammy No-Value SEO Services

Most SEO buyers are allured by the prospect of free traffic and that free price-point sets their anchoring for the price. Further their first introduction to SEO comes from non-SEO. Many web hosts, domain registrars, clueless web designers (who talk up web standards but do no actual SEO research), and sleazy telemarketers offer low priced flat rate packages that have no value. Some of the domain registrars and web hosts run on such thin margins that they would be bankrupt without selling stuff like the scammy bolt on no value SEO packages. To highlight such scams I created [dollarseo.com](#) to show how they did not work.

Which Creates a Market For Lemons Effect

John Andrews also highlighted this issue in the past, in a post about a market for lemons, comparing the market for SEO services to the used car market:

As non-selling good cars were removed from the market, masquerading "lemons" dominated, setting the tone for the used car market, and further blocking actually good used cars from appearing. In the end, the used car market becomes a market for lemons, not a used car market.

It seems SEO has the same problem. As "boiler-room" SEO firms cold-call companies and pitch ridiculously low prices for SEO contracts, based on old and incorrect SEO information readily accessible to consumers, high quality SEO firms start looking "too expensive". Consumer research into SEO does not reveal better information, since that knowledge comprises a significant portion of the value SEO consulting, and is thus not freely published. The entire market for SEO services starts to become a market not for actual search engine optimization, but more a market for "snake oil SEO" than true SEO.

Consider the Baseline

To further put the economics of SEO in context, any great SEO should be able to profit from marketing their own websites about their own interests. If I was still interested in baseball cards (like I was in high school) I have no doubt that I could make 6 figures a year promoting a website about baseball cards. That interest faded. But any interests I have I can attempt to monetize. That sets the barrier kinda high for client services. Why would I market someone's thin affiliate site selling Viagra cheaply when if I poured the same effort into my own sites which I love I would make far more profits?

Competent SEOs Have Many Options

Because of snake oil SEO salesmen (and people who want to buy something cheap) the SEO market is very hard to extract money from in service based businesses unless...

1. you run your own publishing business (monetized through affiliate ads, contextual ads, lead generation, direct ad sales, creating & selling your own products + services) and optimize your own websites (which we do)
2. you sell information and/or tools that others can use to apply to learning SEO (which we do)
3. you sell other niche services (like keyword research or link building) that help clients, but are only a piece of the overall strategy (we do not do too much of this, but sometimes do)
4. you have very few select high end client relationships (which we do)
5. you hire a bunch of salesmen to sell worthless trash to the bottom 80% of the consumer market. (which we do NOT do)

This site is about 90% of my labor and about 30% of our profit. But we still run it for a variety of reasons...

- it is one of my favorite hobbies
- income diversity
- running this site (and interacting with hundreds of smart SEOs) helps give us more feedback on international markets and inform some of marketing strategies
- there are a lot of ways to make money online that are somewhat dirty, but this site is pure as snow and helps thousands of families put food on their tables.

Some Markets Are Competitive & Expensive

Anyone who is selling flat rate SEO services is selling a service priced without exploring the market and learning how competitive it is. Ranking well for credit cards might be worth millions of dollars. But it might also cost that much to rank. Ranking for Salem, Oregon bus rental is far easier and can be done using less than 1% of the capital investment.

Worse yet (for the consumer of a flat rate SEO service), SEO is a winner take most market. Most people click on the first page of the search results, with most those clicks happening on the top few listings. So lets say one of the flat rate companies was surprisingly not a scam and actually gave a crap about your business. This is doubtful in most cases, but lets just consider it. Well if they under-price the flat rate and rank you on page 2 or 3 you still are not going to get very much traffic, and (in spite of them trying their best on limited resources) you still probably lost money because page 3 of the search results = fail.

Is Google Flat Rate?

And here is another way of looking at it. Google AdWords doesn't sell their keywords for a flat rate. The words live in an auction that rises and falls with consumer demand. At the same time, advertisers who are paying Google over \$10,000,000,000 a year are starting to put some of that budget into organic SEO. With the average SEO employee earning roughly \$80,000 a year it is hard to believe that an outsourced discount flat rate package can compete.

Flat Rate Dream Homes Located in _____ for Only \$5,000

I am not sure who came up with this analogy. I think it was Danny Sullivan (he is always great with those), but how many contractors do flat rate home building? Probably 0 legitimate ones. Everything is important from the foundation, to the number of rooms, to the materials used, and any special requests need to be considered.

Knowing if the house is on the side of the mountain, if it needs rocks cleared away, if it is in a swamp and could sink is important. Likewise legitimate SEO consulting aims to know the direction of the market, understand the brand, evaluate domain name selection, survey the market, and assess strengths and weaknesses.

Only **AFTER** all that work has been done to establish a foundation then you have to establish a well researched market strategy and keyword strategy. Then you need to do push marketing and other forms of marketing to build links. You might need to build 100 or 100,000 to compete. No matter how perfect your site is optimized, you generally are not going to rank for competitive keywords until **AFTER** some link building has been done. On-page optimization has a glass ceiling.

Rarely, if ever, do flat rate SEO service providers build quality links. And if they do buy them, then it is generally to some prescribed generic schedule rather than a specific plan catered to your market and your website. And while the provider is stuck working within that flat rate someone else is subscribing to sites like this one, learning SEO, and aggressively reinvesting their profits to further build a competitive advantage.

It is very hard for an outsourced discount service to compete with a self-interested business owner.

In the markets worth being in, pre-defined flat rate SEO rarely gets it done.

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